

Virginia Tech Board of Visitors Meeting

March 21-22, 2010

Information Session

Minutes

A: [Minutes](#) Academic Affairs Committee

B: [Minutes](#) Buildings and Grounds Committee

C: [Resolution](#) Aggregation of Demand Response on Behalf of Retail Customers Served by the Virginia Tech Electric Service

D: [Resolution](#) Delegating Authorization for Safety and Security Policies to the Virginia Tech Safety and Security Policy Committee

E: [Minutes](#) Finance and Audit Committee

F: [Resolution](#) Approval of Financial Performance Report Operating and Capital Expenditures July 1, 2009 December 31, 2009

G: [Resolution](#) Approval of 2010-2011 Compensation for Graduate Assistants

H: [Resolution](#) Revisions to the Policy Governing the Investment of University Funds

I: [Resolution](#) Establishment of the Virginia Tech Research Corporation

J: [Resolution](#) on Capital Project for Phase IV of Oak Lane

K: [Resolution](#) on Capital Project for Planning the Veterinary Medicine Instruction Addition

L: [Resolution](#) on Construction Project for the Academic and Student Affairs Building

M: [Resolution](#) on Capital Project for the Fleet Service Motor Pool Renovation and Expansion

N: [Minutes](#) Research Committee

O: [Minutes](#) Student Affairs and Athletics Committee

P: [Resolution](#) Changes to University Policies for Student Life: Interim Suspension Policy

Q: [Resolution](#) Changes to University Policies for Student Life: Weapons Policy

R: [Report](#) Research and Development Disclosure

S: [Resolutions](#) Emeritus Status (11)

T: [Resolutions](#) Endowed Fellowship (1) and Endowed Professorships (6)

U: [Resolution](#) Faculty Leaves (50)

V: [Resolution](#) Educational Leave (1)

W: [Resolution](#) Naming University Facilities (65)

X: [Resolution](#) Ratification of Personnel Changes

Y: [Resolution](#) Exclusion of Certain Officers/Directors

Z: [Reports](#) Constituent Reports

Board of Visitors Strategic Planning Session
Sunday, March 21, 2010
1:15 – 4:15 PM
The Inn—Latham Ballrooms D, E, F

1:15 - 2:45 University Strategic Plan

1:15 - 1:30 Introduction and Overview
(Dr. Charles W. Steger, President)

1:30 - 2:45 Mid-term Strategic Plan Review and Follow-up Discussion
(Dr. Mark G. McNamee, Provost)

2:45 - 4:15 Diversity Strategic Plan

2:45 - 3:00 Presentation of Updated Plan
(Dr. Karen Eley Sanders, Interim Vice President for Diversity and Inclusion)

3:00 - 4:15 Remarks by Academic Affairs Committee Chair and Follow-up Discussion
(Dr. Lori Wagner)

VIRGINIA TECH BOARD OF VISITORS

Strategic Plan Review Session

March 21, 2010

OBJECTIVE

**Reaffirmation and adjustment to University
Strategic Plan by Board of Visitors based on
recommendations by Mid-term Review
Committee.**

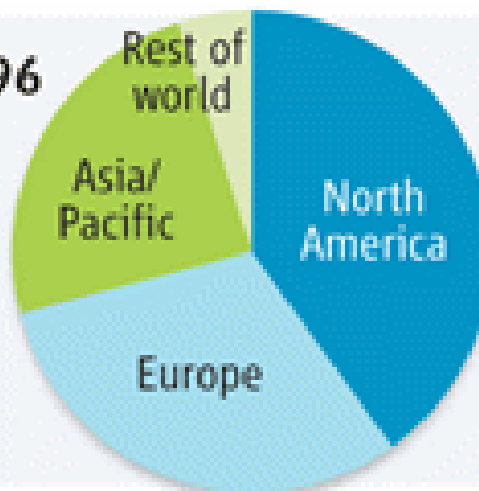
Keys to Virginia Tech Success

Quality, Innovation, and Results

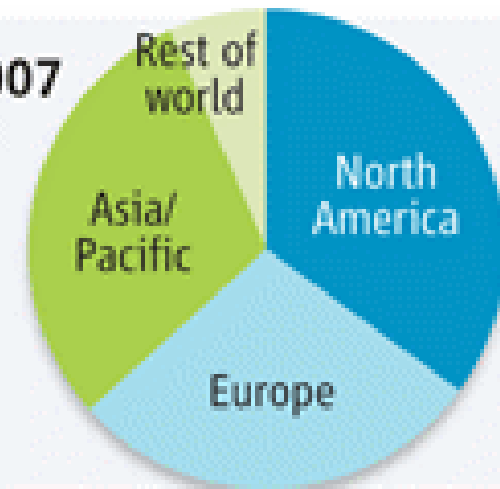
The world is not waiting for us

SPENDING

1996



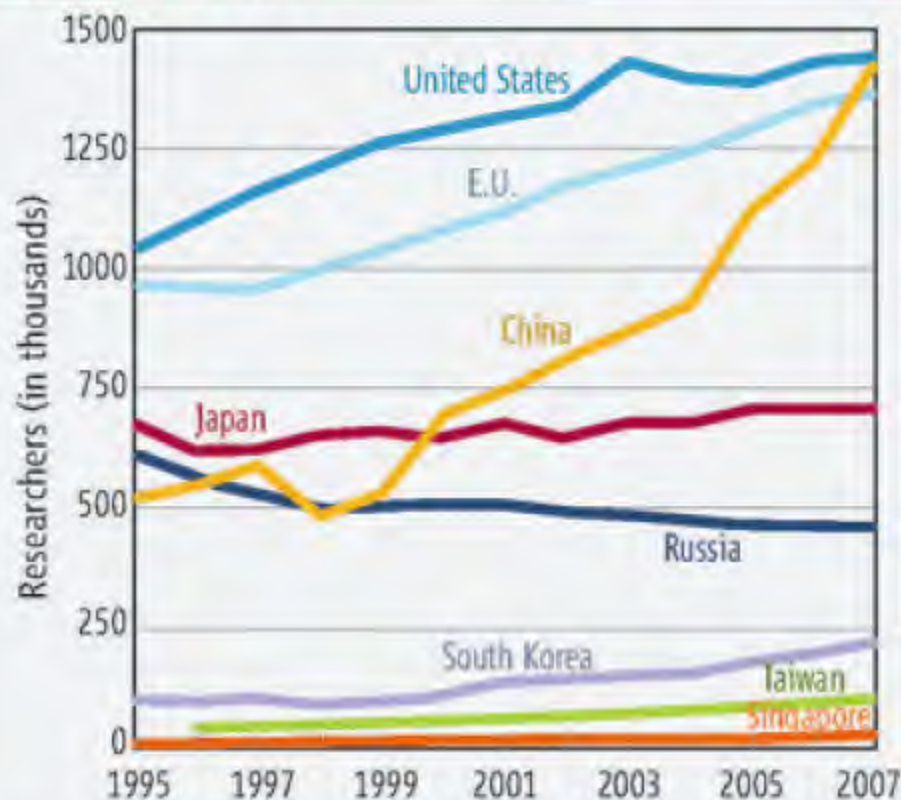
2007



Trilateral powers. The annual research expenditures of the United States, Asia, and Europe are almost the same.

Sources: OECD; UNESCO; NSF

WORKFORCE



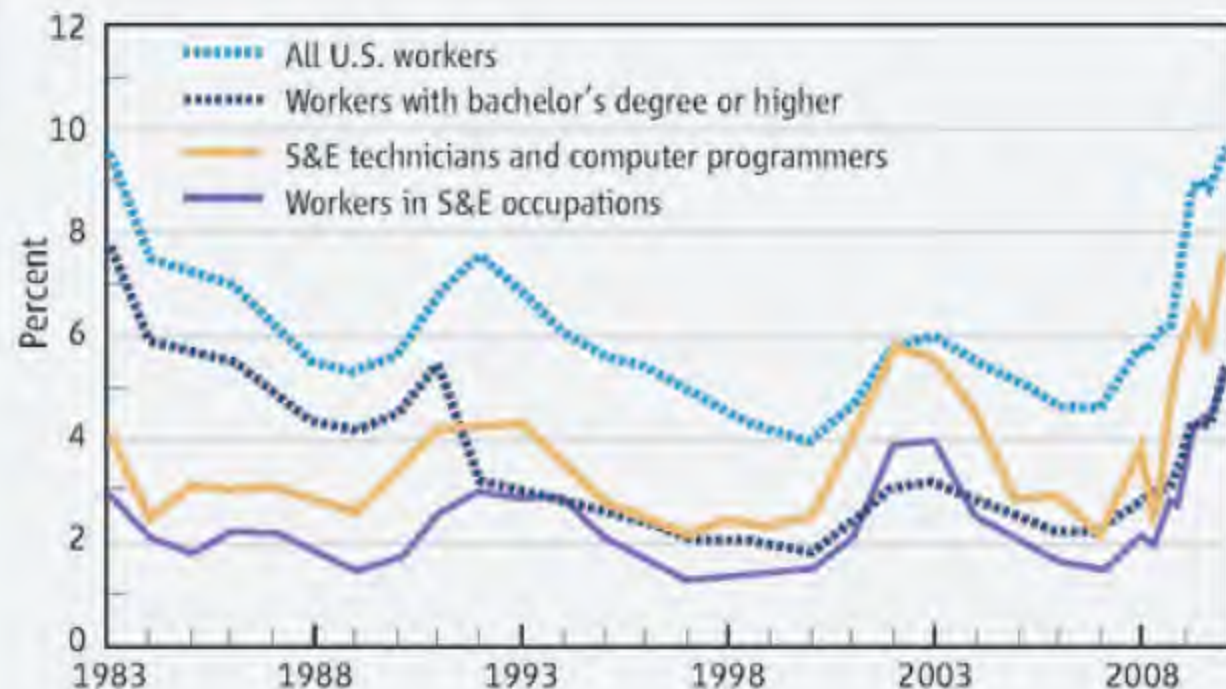
SOURCE: OECD, MAIN SCIENCE AND TECHNOLOGY INDICATORS (2009)



Staffing up. The size of China's scientific work force now equals that of the United States and the European Union, although it still trails in the number per 1000 workers.



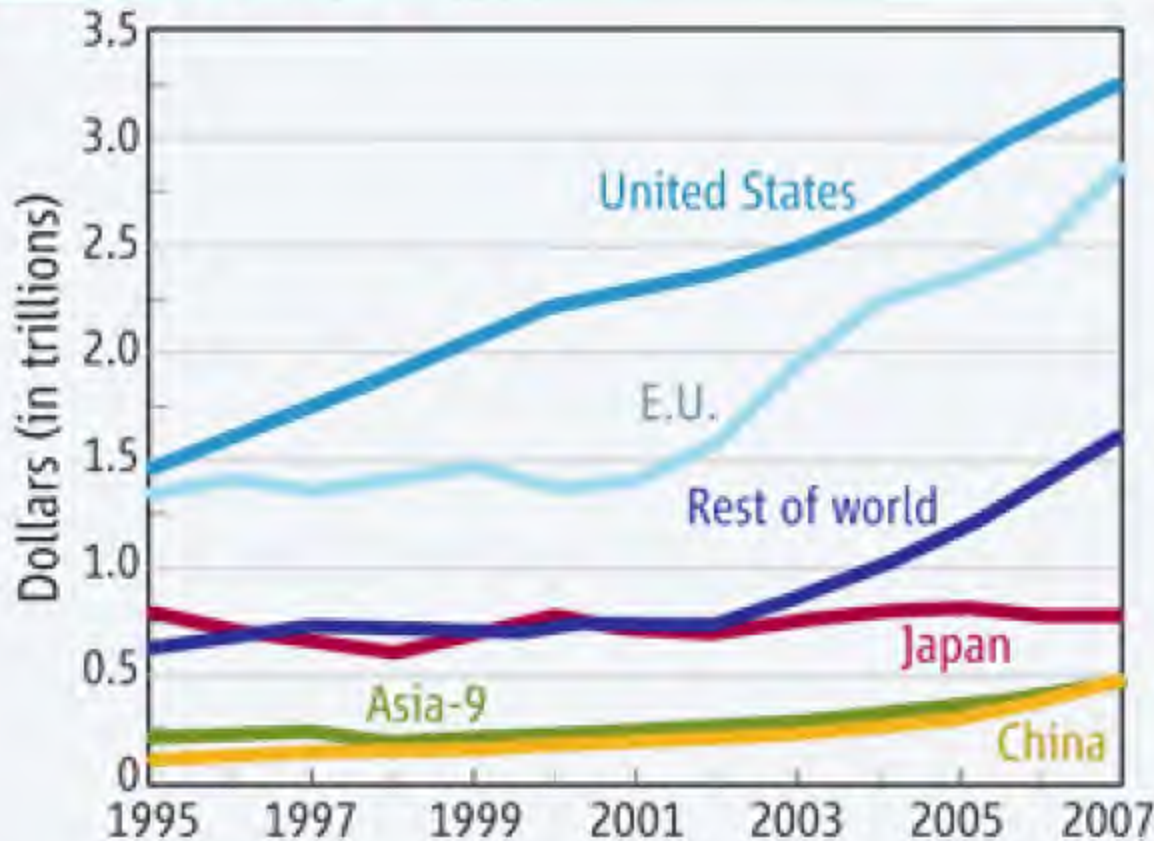
UNITED STATES JOBLESS RATE



Working on it. The scientific sector is still much better off than the rest of the U.S. economy, although unemployment rates have risen to levels not seen in nearly 30 years.

Sources: OECD; UNESCO; NSF

COMMERCE



The payoff.
Asian nations still lag in their ability to create what NSF calls “knowledge-intensive commercial services,” a sector that includes business and financial services and communications.

Sources: IHS Global Insight, World Industry Service

Managing a Complex Environment

- **Basic strategies acceptable**
- **Need continual focus**
- **Need to leverage investment to succeed**
- **Broad base of support within the University**

Mark G. McNamee , Senior Vice President & Provost
2006-2012 MID-TERM REVIEW

Mid-Term Review Process

➤ **Three levels of review:**

➤ **Chaired by Dean Michael Kelly**

Level 1: Snap shot of accomplishments in scholarship domains: learning, discovery, and engagement.

Level 2: Assessment of progress of domains on university scorecard indicators.

Level 3: Ten teams of deans, faculty members, and administrators analyzed selected goals from scholarship domains and foundation strategies.

Level 1 Review: Learning

- **Total enrollments have exceeded the 2012 profile target level for the past three years:**

Undergraduate

2012 Goal - 22,500

Actual - 23,558

Graduate

2012 Goal - 6,500

Actual - 6,947

- **Transfer enrollments are below earlier targets but are meeting demand. Targets to be adjusted to reflect reduced demand.**

Level 1 Review: Discovery

- **NSF research expenditures have increased by 36.8% since 2005, 8.1% annual growth over four years.**
- **Rate of growth may be slowing – effect of recession. Stimulus impact may help.**
- **Additional metrics are needed to fully evaluate progress in specific areas.**

Level 1 Review: Engagement

- **Review of measures is needed, including adding spin-offs to metrics.**
- **Regional economic development initiatives are well recognized particularly in the Tobacco Commission region.**
- **The five proposed international regional centers are either established or under development.**

Level 2 Review: University Scorecard

- **8 of 12 scholarship domain measures meet or exceed projections.**
- **9 of 18 foundation strategies measures meet or exceed projections.**
 - Tied to financial resources, e.g. faculty recruitment, laboratory utilization rates.
- **Proposed scorecard changes will be discussed later in this presentation.**

Level 3 Review

- **Level 3 review included a detailed assessment of selected goals within learning, discovery and engagement.**
- **Ten teams included deans, faculty members, vice presidents, administrators.**
- **Reviewed goals and suggested adjustments in goals and metrics.**
- **37 specific recommendations proposed.**

Level 3 Review

Selected Areas for Review:

- **Ten teams**
 - **Deans, faculty members, vice presidents, and administrators**
- **Undergraduate education**
 - **Libraries**
 - **Energy & Environment**
 - **Health**
 - **Arts Initiative**
 - **Technologies & Complex Systems**
 - **Economic Vitality**
 - **International Strategic Plan**
 - **Compensation**
 - **Diversity**

Level 3 Review

- **Mid-term review reaffirms the major strategic goals of the 2006 – 2012 plan.**
- **Budget reductions impact ability to fully accomplish all stated goals.**
- **Strategic adjustments take advantage of unique opportunities: Virginia Tech Carilion School of Medicine and Research Institute; expansion of research facilities in National Capital Region.**

Provost's Action Plan

Key Issues

- **Faculty Salaries**
- **Libraries**
- **Undergraduate Education**
- **Research**
- **Arts**
- **Engagement and Internationalization**
- **Diversity**

Issues Beyond the Scope of the Review

- **Distance and Distributed Learning, Summer Sessions, and Learning Technologies**
- **Graduate Education**

Provost's Action Plan

➤ Faculty Salaries

- Develop an internally funded salary plan
- Salary incentive program review (underway)

➤ Libraries

- Library fee proposal

➤ Undergraduate Education

- Expanded course identification/tracking: research, experiential and service learning
- E-portfolios
- Strategic Planning Task Force

Provost's Action Plan

➤ Research

- Energy agenda, senior leadership position
- Research computing
- Health sciences
- Expanded scorecard measures
- Research expansion

➤ Arts

- Strategic Plan – Arts Policy Board
- Center for the Arts
- Center for Creative Technologies in the Arts

Provost's Action Plan

➤ Engagement and Internationalization

- Job growth initiatives statewide
- Education abroad – faculty incentives
- Fee structure

➤ Diversity

- Diversity Strategic Plan

Provost's Action Plan

Issues Beyond the Scope of the Mid-Term Review

- **Distance and Distributed Learning, Summer Sessions, Learning Technologies**
 - eLearning enhancements
 - Summer Sessions
 - Organizational efficiencies
 - Incentives
- **Graduate Education**
 - Expanded multi-department, interdisciplinary degree programs

Action Plan Leaders

Action Item	Lead Office(s)
Faculty Salaries	Provost + Finance
Libraries	Provost + Finance
Undergraduate Education	Undergraduate Education
Research	Research + Provost
Arts	Provost
Engagement and Internationalization	Outreach & International Affairs + Finance
Diversity	Office for Diversity and Inclusion
Distance and Distributed Learning, Summer Sessions, Learning Technologies	Information Technology + Undergraduate Education
Graduate Education	Graduate Education

Modifications to the University Scorecard

- **Learning**
 - Underrepresented undergraduate, graduate and transfer student enrollment
 - Graduate degrees awarded to underrepresented students
- **Discovery**
 - Expanded faculty awards list
 - Expenditures by research priority area
- **Engagement**
 - More comprehensive accounting of study abroad, research, experiential learning experiences
- **Foundation Strategies**
 - Faculty retention

University Strategic Plan Mid-Term Review and Provost's Action Plan

Questions and Discussion



Growing and Sustaining a Diverse & Inclusive Environment: *2010-2013 Diversity Strategic Plan*

March 9, 2010



Background

- Initially drafted in 2007
- Collaborative effort involving Diversity & Inclusion team, Provost's Office and entire university community
- Will be incorporated into next University Strategic Plan
- Diversity and inclusion efforts move beyond numbers of students, faculty, staff and programs
- Inclusive Excellence Model serves as the DSP foundation



Definition of Terms

Diversity

- Individual differences (personality, learning styles, and life experiences) and group/social differences (race/ethnicity, class, gender, sexual orientation, country of origin, ability, cultural, political, religious, or other affiliations) that can be engaged in the service of learning and working together

Inclusion

- Active, intentional, and ongoing engagement with diversity; the ways in which individuals might connect that increase one's awareness, content knowledge, cognitive sophistication, and empathic understanding of the complex ways individuals interact within systems and institutions

Under-Represented

- Members of the university community who self-identify their ethnicity as Hispanic/Latino; and non-Hispanic/Latino members of the community who self-identify, in whole or in part, as American Indian or Alaska Native, Black or African American, or Native Hawaiian or Other Pacific Islander



Inclusive Excellence Model

Access and
Success

Campus
Climate and
Intergroup
Relations

Education
and
Scholarship

Institutional
Infrastructure



Which individuals and constituent groups are the focus of the Virginia Tech Diversity Strategic Plan?

Every individual and every group!



Access and Success

Achieve a more diverse and inclusive undergraduate and graduate student body, faculty, and staff

Implement pipeline initiatives to make VT the institution of choice for high-achieving underrepresented students

Reduce gap in yield rates for admitted undergraduates from underrepresented groups

Expand Transformative Graduate Education

Implement special recruitment, mentoring, and retention efforts for faculty and staff



Campus Climate & Intergroup Relations

Create a climate that is supportive and respectful and that values differing perspectives and experiences

Use surveys and/or focus groups to assess feedback on campus climate

Increase recognition programs that acknowledge contributions made to advancing diversity

Maintain high visibility of Principles of Community

Educate community on prevention of harassment and discrimination and productive ways to handle conflict



Education and Scholarship

Engage students, faculty, and staff in learning varied perspectives of domestic and global diversity, inclusion, and social justice

Implement the plan for undergraduate curricular transformation

Use International Strategic Plan to help develop opportunities to explore and achieve competencies

Establish professional development opportunities to improve cultural & diversity competencies

Hire faculty/staff with expertise in areas that examine diverse identities and cultures



Institutional Infrastructure

Create and sustain an institutional infrastructure that effectively supports progress in achieving goals in the diversity strategic plan

Seek corporate, federal and foundation support for pipeline and academic support programs

Invite members of community to strengthen their commitment, including making contributions and gifts to advance diversity goals

Review funding for initiatives annually to determine importance of continuing those initiatives or reallocating funding for more effective use

Institute reporting systems for accountability and continuous improvement



Oversight, Monitoring, & Implementation

**Office for
Diversity &
Inclusion**

**CEOD, Colleges
& Diversity
Committees**

**Human
Resources**

**Office of the
Provost**

**Graduate
School &
Undergraduate
Education**

**Outreach &
International
Affairs**

**Division of
Student Affairs**

**Board of
Visitors**



Discussion

MINUTES

March 22, 2010

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, March 22, 2010, at 1:15 p.m. in Torgersen Boardroom, Virginia Tech Campus, Blacksburg, Virginia.

Present

Mr. Michael Anzilotti
 Mr. Frederick J. Cobb
 Ms. Beverley Dalton
 Mr. Ben J. Davenport, Jr.
 Ms. Michele Duke
 Mr. Douglas R. Fahl
 Dr. Calvin D. Jamison, Sr.
 Mr. John R. Lawson, II
 Mr. George Nolen
 Mr. Paul W. Rogers, Jr.
 Mr. James W. Severt, Sr.
 Dr. Lori Wagner
 Dr. Gary L. Long, Faculty Representative
 Mr. Thomas L. Tucker, Staff Representative
 Ms. Rebecca A. French, Graduate Student Representative
 Ms. Kristina J. Hartman, Undergraduate Student Representative

Absent

Ms. Sandra Stiner Lowe
 Mr. James R. Smith

Also present were the following: Dr. Charles Steger, Mr. Erv Blythe, Mr. Ralph Byers, Ms. Shelia Collins, Mr. John Cusimano, Dr. Karen DePauw, Dr. John Dooley, Dr. Elizabeth Flanagan, Chief Wendell Flinchum, Ms. Kay Heidbreder, Ms. Sharon Kurek, Ms. Heidi McCoy, Dr. Mark McNamee, Mr. Michael Mulhare, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Ellen Plummer, Ms. Kathy Sanders, Mr. Dwight Shelton, Ms. Sandra Smith, Dr. Ed Spencer, Mr. Jeb Stewart, Dr. Tom Tillar, Dr. Robert Walters, Dr. Lisa Wilkes, Ms. Mekeisha Williams, Dr. Sherwood Wilson, Ms. Linda Woodard, Dr. Daniel Wubah, faculty, staff, students, guests, and reporters.

Rector Lawson asked for a motion of approval of the minutes of the meeting of November 9, 2009, as distributed. The motion was made by Ms. Duke and seconded by Dr. Jamison. The minutes were approved.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Rector Lawson called on Dr. Wagner for a report of the Academic Affairs Committee. (Copy filed with the permanent minutes and marked Attachment A.)

Dr. Wagner thanked all involved with the SACS reaffirmation of accreditation process for their hard work.

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

In Mr. Smith's absence, Rector Lawson gave a report of the Buildings and Grounds Committee. (Copy filed with the permanent minutes and marked Attachment B.)

Rector Lawson stressed the need for replacement and/or significant renovation of the facilities for the Corps of Cadets. Everyone on the tour was impressed with the quality of the students and the leadership involved with the Corps.

As part of the Buildings and Grounds Committee report, the following resolution was moved by Ms. Duke, seconded by Dr. Wagner, and approved unanimously.

Resolution on the Aggregation of Demand Response on Behalf of Retail Customers Served by the Virginia Tech Electric Service

That the resolution authorizing Virginia Tech Electric Service's retail customers to participate in demand response or similar programs be approved. (Copy filed with the permanent minutes and marked Attachment C.)

As part of the Buildings and Grounds Committee report, the following resolution was moved by Ms. Duke, seconded by Dr. Jamison, and approved unanimously.

Resolution Delegating Authority for Safety and Security Policies to the Virginia Tech Safety and Security Policy Committee

That the resolution delegating authority for the creation of University safety and security policies to the Safety and Security Policy Committee be approved. (Copy filed with the permanent minutes and marked Attachment D.)

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Rector Lawson called on Mr. Nolen for the report of the Finance and Audit Committee. (Copy filed with the permanent minutes and marked Attachment E.)

In regard to 2010-2011 tuition and fees, Mr. Nolen recommended to Rector Lawson that an Executive Committee meeting be held as soon as possible after management has had adequate time to study this issue and develop a proposal based on the outcome of the General Assembly session.

As part of the Finance and Audit Committee report Mr. Nolen, the following resolution was moved by Ms. Duke, seconded by Dr. Wagner, and approved unanimously.

**Resolution for Approval of Year-to-Date Financial Performance Report
(July 1, 2009 – December 31, 2009)**

That the report of income and expenditures for the University Division and the Cooperation Extension/Agricultural Experiment Station Division for the period of July 1, 2009 through December 31, 2009 and the Capital Outlay report be accepted. (Copy filed with the permanent minutes and marked Attachment F.)

As part of the Finance and Audit Committee report by Mr. Nolen, the following resolution was moved by Ms. Duke, seconded by Dr. Wagner, and approved unanimously.

Resolution for Approval of 2010-2011 Compensation for Graduate Assistants

That the graduate assistant compensation program be approved.
(Copy filed with the permanent minutes and marked Attachment G.)

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As part of the Finance and Audit Committee report by Mr. Nolen, the following resolution was moved by Ms. Duke, seconded by Dr. Jamison, and approved unanimously.

**Resolution for Approval of Revisions to the Policy Governing
the Investment of University Funds**

**That the updated Policy Governing the Investment of University
Funds be approved.** (Copy filed with the permanent minutes and marked
Attachment H.)

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As part of the Finance and Audit Committee report by Mr. Nolen, the following resolution was moved by Ms. Duke, seconded by Dr. Wagner, and approved unanimously.

Resolution for Approval of the Virginia Tech Research Corporation, Inc.

**That the Board of Visitors authorizes the establishment of the
Virginia Tech Research Corporation, Inc. as a university-related
corporation and approves the affiliation agreement thereof with the
University.** (Copy filed with the permanent minutes and marked
Attachment I.)

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As part of the Finance and Audit Committee report, and with the endorsement of the Buildings and Grounds Committee, the following resolution was moved by Dr. Jamison, seconded by Mr. Davenport, and approved unanimously.

Resolution for Approval of Phase IV of Oak Lane Community Project

That the resolution authorizing Virginia Tech to complete the Oak Lane Community, Phase IV project be approved. (Copy filed with the permanent minutes and marked Attachment J.)

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As part of the Finance and Audit Committee report, and with the endorsement of the Buildings and Grounds Committee, the following resolution was moved by Dr. Wagner, seconded by Mr. Davenport, and approved unanimously.

**Resolution for Approval of College of Veterinary Medicine
Instruction Building Planning Project**

That the resolution authorizing Virginia Tech to design the Veterinary Medicine Instruction Addition be approved. (Copy filed with the permanent minutes and marked Attachment K.)

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As part of the Finance and Audit Committee report, and with the endorsement of the Buildings and Grounds Committee, the following resolution was moved by Dr. Wagner, seconded by Dr. Jamison, and approved unanimously.

**Resolution for Approval of Academic and Student Affairs
Building Construction Project**

That the resolution authorizing Virginia Tech to construct the Academic and Student Affairs Building project be approved. (Copy filed with the permanent minutes and marked Attachment L.)

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As part of the Finance and Audit Committee report, and with the endorsement of the Buildings and Grounds Committee, the following resolution was moved by Ms. Duke, seconded by Mr. Davenport, and approved unanimously.

**Resolution for Approval of
Motor Pool Renovation and Addition Project**

That the resolution authorizing Virginia Tech to complete the Fleet Services Motor Pool Renovation and Expansion project be approved. (Copy filed with the permanent minutes and marked Attachment M.)

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REPORT OF THE RESEARCH COMMITTEE

Rector Lawson called on Ms. Duke for the report of the Research Committee. (Copy filed with the permanent minutes and marked Attachment N.)

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REPORT OF THE STUDENT AFFAIRS AND ATHLETICS COMMITTEE

Rector Lawson called on Mr. Davenport for the report of the Student Affairs and Athletics Committee. (Copy filed with the permanent minutes and marked Attachment O.)

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As part of the Student Affairs and Athletics Committee report by Mr. Davenport, the following resolution was moved by Mr. Davenport, seconded by Ms. Duke, and approved unanimously.

**Resolution for Approval for Changes to University Policies for Student Life:
Interim Suspension Policy**

That the resolution for changes to University Policies for Student Life: Interim Suspension Policy be approved. (Copy filed with the permanent minutes and marked Attachment P.)

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As part of the Student Affairs and Athletics Committee report by Mr. Davenport, the following resolution was moved by Mr. Davenport, seconded by Dr. Wagner, and approved unanimously.

**Resolution for Approval for Changes to University Policies for Student Life:
Weapons Policy**

That the resolution for changes to University Policies for Student Life: Weapons Policy be approved. (Copy filed with the permanent minutes and marked Attachment Q.)

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PRESIDENT'S REPORT

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Report of Research and Development Disclosures

As part of the President's report, President Steger shared with the Board the **Report of Research and Development Disclosures** – for information only, no action needed. (Copy filed with the permanent minutes and marked Attachment R.)

* * * * *

President Steger added to Dr. Wagner's earlier remarks his appreciation to all who made the SACS re-accreditation visit very, very successful. He added that people worked for over two years to put together the material. He appreciated the tremendous efforts of the faculty and staff and the BOV members who participated.

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Motion to begin Closed Session

Mr. Nolen 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 Ms. Duke and passed unanimously.

Motion to Return to Open Session

Following the Closed Session, members of the press, students, and the public were invited to return to the meeting. Rector Lawson called the meeting to order and asked Mr. Nolen to make the motion to return to open session.

Mr. Nolen 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 provisions 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. Duke and passed unanimously.

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Upon motion by Dr. Wagner and second by Ms. Duke, unanimous approval was given to the resolutions for approval of **Emeritus Status (11)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment S.)

* * * * *

Upon motion by Dr. Wagner and second by Ms. Duke, unanimous approval was given to the resolutions for approval of **Endowed Professorships and Fellowships (7)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment T.)

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Upon motion by Dr. Wagner and second by Ms. Duke, unanimous approval was given to the resolutions for approval of **Faculty Leaves (50)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment U.)

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Upon motion by Dr. Wagner and second by Ms. Duke, unanimous approval was given to the resolutions for approval of **Educational Leave (1)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment V.)

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Upon motion by Dr. Wagner and second by Dr. Jamison, unanimous approval was given to the resolutions for approval of **Naming University Facilities (65)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment W.)

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Upon motion by Ms. Duke and second by Dr. Wagner, approval was given to the resolution for **Ratification of the Faculty Personnel Changes Report** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment X.) This item was reviewed by the Academic Affairs Committee and the Finance and Audit Committee of the Board of Visitors.

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Upon motion by Ms. Duke and second by Dr. Wagner, unanimous approval was given to the **Resolution for Approval of Exclusion of Certain Officers/Directors** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment Y.) This item was reviewed by the Finance and Audit Committee and the Research Committee of the Board of Visitors.

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No Audit Report

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Litigation Report

Not for Approval

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Appointment of Nominating Committee for Officers of the Board

Rector Lawson appointed the following to serve on the Nominating Committee for Officers of the Board for 2010-2011 and requested a suggested slate of officers for consideration at the June meeting.

Ben J. Davenport, Jr. - Chair
Sandra Stiner Lowe
Michael Anzilotti

* * * * *

Constituent Reports (No Action Required)

Constituent Report by Undergraduate Student Representative, Ms. Kristina Hartman

Constituent Report by Graduate Student Representative, Ms. Rebecca French

Constituent Report by Staff Senate Representative, Mr. Tom Tucker

Constituent Report by Faculty Senate Representative, Dr. Gary Long

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

* * * * *

Upon motion by Mr. Davenport and second by Ms. Duke, the Board unanimously **ratified the selection of the 2010-2011 Student Representatives to the Board** as considered in Closed Session. Shane McCarty and Deepu George will serve as the 2010-2011 Undergraduate and Graduate Representatives to the Board, respectively. On behalf of the Board, Rector Lawson welcomed the new student representatives to the Board.

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The date for the next meeting is June 7, 2010, on the Virginia Tech Campus, Blacksburg, Virginia.

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The meeting adjourned at 3:30 p.m.

John R. Lawson II, Rector

Kim O'Rourke, Secretary

Committee Minutes
ACADEMIC AFFAIRS COMMITTEE

Drillfield Room
The Inn at Virginia Tech and Skelton Conference Center
9:00 a.m.
March 22, 2010

Board Members Present:

Mr. Frederick Cobb
Ms. Rebecca French, graduate student representative
Dr. Gary Long, faculty representative
Dr. Lori Wagner, chair

Board Members Absent:

Ms. Sandra Stiner Lowe

Guests:

Kris Bush, Karen DePauw, John Dooley, Deepu George, Patricia Hyer, Cynda Johnson, Mildred Johnson, Suzie Karlin, Marilyn King, Mark McNamee, Robin Panneton, Ellen Plummer, Manuel Perez Quiñones, Karen Sanders, Ken Smith, Susan Steeves, Tod Whitehurst, Daniel Wubah

CLOSED SESSION:

The committee approved a resolution to move into closed session to consider 11 emeriti resolutions, 7 endowed professorship or fellowship resolutions, 50 faculty requests for research leaves, and 1 faculty request for education leave from May to December 2010. The committee also discussed the first phase of compression adjustments for instructional faculty in the eight colleges.

All recommendations and resolutions were unanimously approved. The session was formally certified and the committee moved to open session.

OPEN SESSION:

1. **Welcome.** Dr. Lori Wagner, committee chair, welcomed committee members and guests. Dr. Wagner thanked the graduate students who attended breakfast with committee members and discussed their experiences with Transformative Graduate Education (TGE). Students attribute their increased understanding of what it will take to be a faculty member to the coursework and international experiences

provided by the TGE offered through the graduate school.

2. **Approval of Minutes.** A motion was made and passed unanimously to approve the November 9, 2009 minutes of the committee.
3. **Report of Closed Session Action Items.** Actions taken in the committee's closed session were reported. The resolutions presented to the committee were unanimously approved and will be forwarded to the full Board with recommendation for approval.
4. **Provost's Update.** Dr. Mark McNamee, senior vice president and provost, introduced Ken Smith as the associate provost for resource planning and management in the Office of the Provost. Mr. Smith has served the university for 12 years as the fiscal officer in the Office of the Provost and as assistant director for budget operations in the Office of Budget and Financial Planning.

Dr. McNamee shared with the committee that the search for an associate provost for faculty affairs is underway to fill the position held by Dr. Patricia Hyer who is retiring later this year. The committee is reviewing applications to select individuals for interviews. The hope is to bring the search to closure before the end of the semester and have someone on board by mid-summer.

Dr. McNamee announced the appointment of Dr. Michael Friedlander as the founding executive director of the Virginia Tech Carilion Medical Research Institute. Dr. Friedlander comes to the Institute from the Baylor College of Medicine. Friedlander brings to his appointment an international reputation for research in neuroscience, including synaptic plasticity, brain development and traumatic brain injury.

Dr. McNamee updated the committee on the arts initiative. Dr. Paul Knox will provide leadership to the strategic planning process through the summer. The plan will include all aspects of the arts initiatives including facility design, faculty assignments, and collaborations with on and off-campus partners.

5. **Academic Initiatives.**
 - a. **Southern Association of Colleges and Schools (SACS) Update.** Dr. Daniel Wubah, vice president and dean for undergraduate education, provided the committee with an update on the SACS reaffirmation of accreditation process and the site visit which took place on the Blacksburg campus March 16 through 18. The onsite review team will provide the university with its report in April and the university will respond to the report by August of 2010. At the SACS annual meeting in December 2010, the reaccreditation decision will be announced. Virginia Tech had a successful onsite review. Only 2 out of 86 standards need additional attention to fully meet compliance standards. These two standards include (1) institutional effectiveness: administrative support services (Comprehensive Standard 3.3.1.2) and (2) the quality enhancement plan (Core

Requirement 2.12). Plans are underway to fully address the recommendations made by the onsite team on these two standards.

Dr. Mark McNamee shared with the committee that during the recent State Council for Higher Education in Virginia (SCHEV) meeting, which was held at Virginia Tech, the council voted to accept the SACS learning outcomes standards for all the colleges and universities in the Commonwealth. This move aligns SCHEV and SACS accountability efforts.

- b. Curriculum Transformation.** Dr. Danny Axsom provided the committee with information regarding the progress made on the initiatives associated with curriculum transformation. In concert with the university's Diversity Strategic Plan, the curriculum transformation project will result in a diversity concentration called the Human Diversity and Community Curriculum. Dr. Axsom reviewed the student learning outcomes associated with the concentration including explorations of identity, strengthening the ability to consider multiple perspectives, the development of respectful interaction and implementing the university's Principles of Community in the practice of civic engagement. Discussions on the implementation of the concentration are underway and will result in designating existing courses as meeting the learning outcomes for the concentration and developing new courses through faculty development efforts.
 - c. Virginia Tech Carilion School of Medicine.** Dr. Cynda Johnson, dean of the Virginia Tech Carilion School of Medicine (VTCSM), provided an overview of the admissions process. The school has a rolling admissions process and final onsite visits for this cycle of admissions were in early March. Letters have gone out offering admission to 52 candidates. The charter class of 42 students will begin their studies in the fall of 2010. In addition to standard examinations such as the Medical College Admission Test (MCAT), 218 applicants participated in onsite interviews. The process is designed to screen applicants for the capability for success in medical school and to optimize the alignment of the students' educational and professional goals with the mission of the VTCSM. The admissions committee reviews all applicants and votes on candidates. There is a pool of strong candidates on a wait list. Additional offers will be made as candidates accept offers made by other medical schools. The class will begin to solidify after May 15.
- 6. Inclusive Excellence.** Dr. Karen Sanders, interim vice president for diversity and inclusion, thanked the group for feedback and assistance with the diversity strategic plan. The diversity strategic plan was presented to the full board during its information session, questions were answered and a full discussion of the plan was completed. Progress on the plan will be reported to the Academic Affairs committee in March of 2011. Strategies and indicators associated with the diversity strategic plan will be integrated into the next university strategic plan. Dr. Sanders would like to make a minor revision to the plan to indicate the university's commitment to a broadly diverse, not only federally defined underrepresented students, faculty and

staff. Suggestions for making the Principles of Community more visible included putting the Principles of Community on syllabi and developing a campaign that parallels the Hokies Respect effort (the athletics campaign designed to elevate good sportsmanship). Other concerns include how to evaluate and intervene in campus climate for students.

Dr. Sanders reported on the Black Alumni Reunion held on campus by the Alumni Association and the Office for Diversity and Inclusion. Three hundred black alumni returned to campus and participated in a number of programs throughout three days. During a panel session, questions were answered regarding the recruitment and retention of diverse and underrepresented students. The alumni engaged in a brainstorming session in which ideas were generated on how alumni could help recruit and retain students. The group also pledged over \$70,000 for student scholarships.

Adjournment. There being no further business, the meeting adjourned at 11:25 a.m.

Report on Faculty Salary Initiative

ACADEMIC AFFAIRS COMMITTEE

February 25, 2010

The Board of Visitors delegated certain faculty compensation actions to the university administration. Although the board no longer reviews individual special salary adjustments under 10 percent, the board retains a great interest in faculty compensation issues generally. This report addresses an initiative that resulted in 171 special adjustments for tenure-track faculty effective January 2010. All adjustments were below the delegated authority level.

The University has been working on strategies for addressing salary compression and retention issues for tenure-track faculty in the colleges. Although university leaders have taken a proactive position in retaining highly valued faculty members who receive inquiries or offers from other institutions, a broader, more systematic approach is needed as well. A multi-year strategy was adopted by the University given limited resources. The deans identified productive faculty members where retention, compression, or both, created inequities or vulnerability to competitive recruitment. Recommendations were reviewed and tested by examining the past three years of merit recommendations and measures of teaching and research productivity. Participants are mostly associate and full professors, with some at the assistant professor level. The most critical cases were selected to receive three equal adjustments averaging a total of 5 percent over a three-year period. The first set of adjustments was made effective January 25, 2010. The remaining two adjustments are planned for January 2011 and January 2012. Participating faculty members remain eligible for any university wide merit process.

The adjustments for this first phase averaged 1.65 percent and ranged from \$333 to \$4,167; the average adjustment for this first phase was \$1,359. The cost of the first phase was \$232,322, with the total program projected to cost just under \$700,000. A summary of adjustments by college follows. Faculty members have been notified and the program has been favorably received. While the adjustments are very modest given limited resources, the initiative's purpose was to signal to productive faculty members their value to the university and our commitment to their career progress at Virginia Tech.

College	Number of Faculty	Total Amount of Adjustments	Average Percent
College of Agriculture & Life Sciences	25	\$ 33,721	1.8%
College of Architecture & Urban Studies	12	18,167	2.2%
Pamplin College of Business	10	23,667	2.0%
College of Engineering	36	63,935	1.9%
College of Liberal Arts & Human Sciences	40	37,667	1.5%
College of Natural Resources	7	8,500	1.4%
College of Science	19	33,332	2.3%
Virginia-Maryland Regional College of Veterinary Medicine	22	13,333	0.6%
University Total	171	\$232,322	1.65%



SACS onsite review: an update

1

Daniel A. Wubah, Vice President + Dean for Undergraduate Education
March 22, 2010



Timeline


September 2009	Submit Compliance Certificate	Completed
November 2009	Off-site review in Atlanta	Completed
December 2009	Offsite review report to Virginia Tech	Completed
February 2010	Submit Focused Reports and QEP	Completed
February 2010	Site visit to off campus branch (Egypt)	Completed
March 16-18, 2010	Onsite review visit	Completed
May 2010	Submit follow-up report to site visit	
June 2010	SACS COC meeting	
December 2010	SACS Annual Meeting – accreditation decision conveyed	






Onsite team

- Jack R. Lohman, Georgia Tech, (Chair)
- Antonio Arroyo, University of Florida
- Karen Helm, North Carolina State University
- Norma MacRae, East Tennessee State University
- Timothy McNamara, Vanderbilt University
- Martha Saunders, University of Southern Mississippi
- Eric Weldy, Florida State University
- Alan Aycock, University of Georgia, (Observer)
- Jack Allen, SACS Staff Representative




Overall evaluation factors

- Extent to which Virginia Tech's programs and services reflect our mission (Self Study)
- Effectiveness of our programs, services, and operations using defined standards
- A demonstrated process of continuous improvement
- Quality Enhancement Plan (QEP): A theme that leads to improving student learning





4



What were the main thrusts of the review?


- An **Institutional Effectiveness (IE)** process that constitutes a continuous, ongoing review activity to ensure and improve the quality of its programs
- A **Quality Enhancement Plan (QEP)** in which an institution engages as a specific, time-limited project chosen by the institution specifically for that accreditation cycle.

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Compliance certification

- **Core requirements (16):** basic, broad-based, foundational requirements
- **Comprehensive Standards (63):** operations of the institution that represent good practice in higher education, and establish a level of accomplishment and effectiveness expected of all member institutions
- **Federal Mandates (7):** regulations in alignment with the Title IV of the 1998 Higher Education Amendments, developed by the U.S. Department of Education

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Virginia Tech's QEP

- **Focus:** First Year Experiences
 - **Pathways to success**
- <http://www.fye.vt.edu>**
- **Scope:**
 - Five-year program
 - Faculty will be funded through a competitive grant process to develop innovative programs
 - Assessment plan






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Evaluation of QEP

- Did the plan emerge from an institutional assessment?
- Did it focus on learning outcomes?
- Does Virginia Tech have the capability to initiate, implement and complete QEP?
- Was there a broad-based involvement?
- Was there an assessment plan?



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**Summary statement from SACS
onsite review will be presented
orally at the Board meeting.**

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Acknowledgements

- Self Study Team
- QEP Planning Team
- QEP Implementation Team
- VT Office of First Year Experiences
- VT SACS Office (<http://www.sacs.vt.edu/>)

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human diversity & community curriculum

A diversity concentration for VT undergraduates

Progress report to the Board of Visitors March 2010, Danny Axsom, Dept of Psychology



- “Diversity work does not begin or end with the admissions office.”
 - Thomas Espenshade, Princeton University
- The success of compositional diversity in leading to meaningful educational outcomes depends on the nature of experiences students have *once they arrive.*



Faculty Work Group

- Susan Anderson, *Mathematics, College of Science*
- **Danny Axsom, *Psychology, College of Science***
- Sheila Carter-Todd, *English, College of Liberal Arts and Human Sciences*
- Mary Connerley, *Management, College of Business*
- Richard Goff, *Engineering Education, College of Engineering*
- Neil Hauenstein, *Psychology, College of Science*
- Kurt Hoffman, *Psychology, College of Science*
- Ishwar Puri, *Head, Engineering Science & Mechanics, College of Engineering*
- Leon McClinton, *Director of Residence Life*
- Paul Metz, *University Libraries*
- Marlene Preston, *Communications, College of Liberal Arts & Human Sciences*
- Susanna Rinehart, *Office for Equity and Inclusion*
- Jill Sible, *Associate Dean for Curriculum, Instruction, & Advising, College of Science*
- Guy Sims, *Assistant Vice President for Student Affairs, University Unions & Student Activities*
- Barbara Ellen Smith, *Director of Women's Studies, College of Liberal Arts & Human Sciences*
- Ray Van Dyke, *Director of Academic Assessment*
- Bevelee Watford, *Associate Dean & Director, CEED, College of Engineering*
- Yonsenia White, *Art & Art History, College of Architecture & Urban Studies*
- Dave Winston, *Dairy Science, College of Agriculture & Life Sciences*
- Randy Wynne, *Forestry, College of Natural Resources*



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3



Progress

- **Developed student learning goals/outcomes**
- **Basic proposed structure of a Diversity Concentration**
- **Initial investigation into existing courses which might be HDC (diversity)-designated**
- **Exploration of relationship to Curriculum for Liberal Education (CLE)**
- **Initial assessment plans, using existing first year and senior exit surveys along with imbedded assignments.**
- **Faculty development through incentives**
- **Building course content and developing strategies for integration into the larger institutional structure and curricular requirements.**



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4

Student Learning Outcomes

- **Identity**
Understanding components and development of identity; The examined life -- analyzing personal identity – background, values, roles, habits, perceptual sets; Goal setting
- **Perspective-taking**
Ability to consider multiple perspectives on issues of social justice, community, power, race, etc.; Develop an understanding of the impact of commonalities and differences; Understanding and recognition of the role of historical legacies of inclusion and exclusion; Understanding of theories of prejudice, discrimination and privilege; Challenging unexamined assumptions
- **Connecting with Others**
Recognizing and valuing identity of others; Ability to see how we are seen by others; Development of skills for respectful interaction (active listening, management of conflict, mediation, tolerance for uncertainty etc.); Develop greater empathy for those who we may consider “other”; Develop understanding and knowledge of diverse social identity groups.
- **Building Community (Principles of Community)**
Understand, develop and practice civic principles (via the Principles of Community); Develop and practice social agency and social change skills (speaking up and acting)



5

Challenges...which way forward

Options, directions,
opportunities and considerations:

- **Pilot vs. full implementation**
- **Merits of stand-alone common course and revisions of existing courses**
- **Pressure on credit hours and space**
- **Potential alignment with QEP First Year Experience**
- **Value of a common learning experience**
- **Signature VT experience**



6



...continued.

- Need for academic home
- Administrative and committee oversight, approval process
- Linkage to co-curricular programming
- Baseline requirement + optional added value in a “diversity concentration” in existing courses

7

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Questions

- Feasibility
- Resources
- The present institutional/economic landscape, priorities, and level of commitment
- Potential university partnerships

Which way forward?

(currently in consultation with
Senior VP and Provost McNamee and
VP and Dean for Undergraduate Education Wubah)

8

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Virginia Tech Carilion School of Medicine Admissions Process



Virginia Tech Board of Visitors Academic Affairs Committee
March 22, 2010
Cynda Ann Johnson, M.D., M.B.A.
Founding Dean

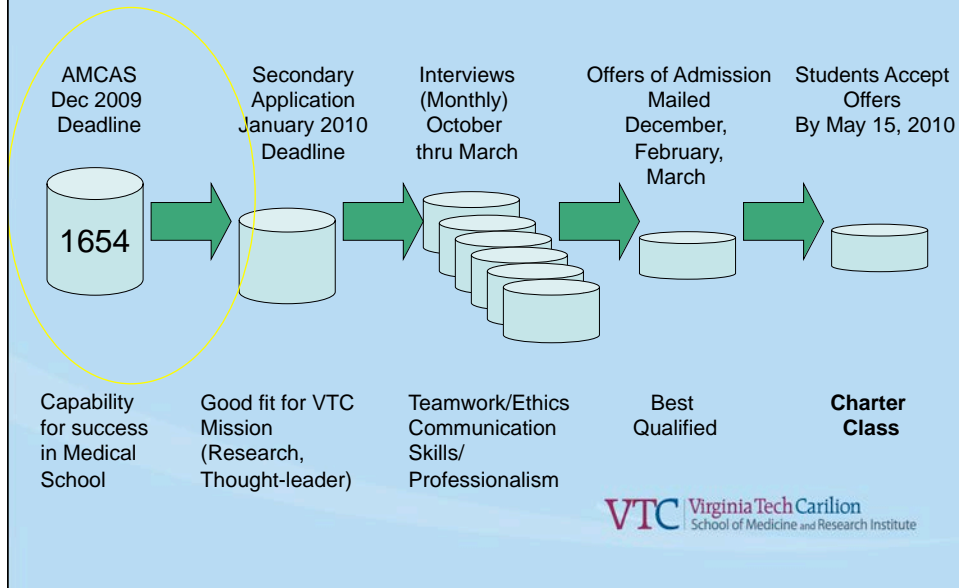


VTC Admissions Process

- Medical College Admission Test (MCAT)
- American Medical College Application Service (AMCAS) online application
- VTC Online Secondary Application
 - ETS® Personal Potential Index and/or traditional letters of recommendation (LOR)
- Interviews - Multiple Mini-Interview (MMI)
 - October to March/April (6-7 weekends)
- Rolling Admissions
 - November to May +



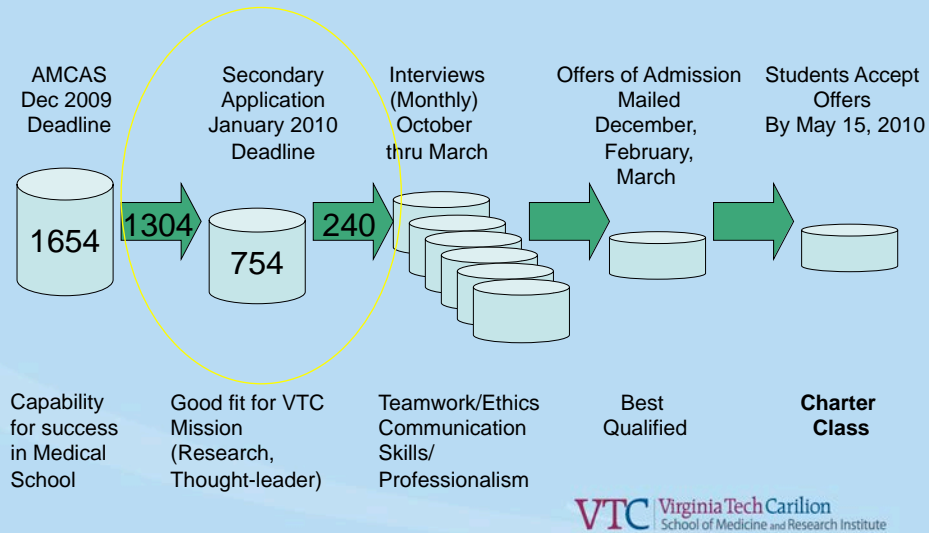
VTCSOM Admissions Process



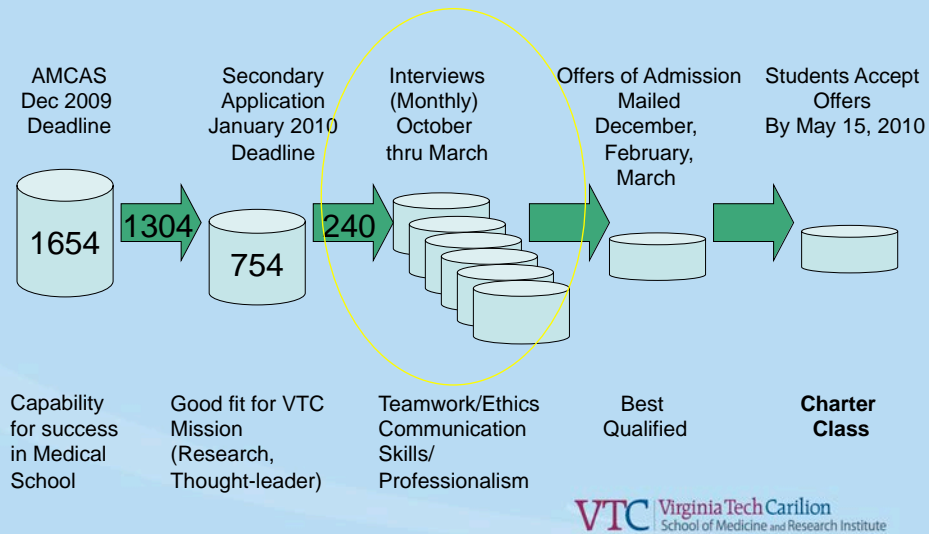
Applicants “Self-Selected”

- Strong research portfolios
- Advanced degrees
- Demonstrated experience in the health sciences professions
- Desire for:
 - Aggressive problem based learning (PBL) curriculum
 - Small class size
 - Excellent clinical facilities

VTCSOM Admissions Process



VTCSOM Admissions Process



Student Interview Day

- Orientation to VTC School of Medicine
- Curriculum and research overviews
- MMI preparation



VTC Virginia Tech Carilion
School of Medicine and Research Institute



Interviewer Preparation

- Training session
- Interview day
 - Paired by scenarios
 - Develop common prompts
 - School of Medicine representatives available

VTC Virginia Tech Carilion
School of Medicine and Research Institute

MMI Structure at VTC

Multiple Stations

- Eight scenario stations
 - One interviewer per station asks the same question to everyone
 - Eight-minute discussion
 - Interviewers have two minutes between interviews to jot down notes
 - Rated on Likert scale 1-10
- One traditional interview station



VTC Virginia Tech Carilion
School of Medicine and Research Institute

First Round of Interviews

- Line up in the hallway
- When first bell rings, read scenario
- When second bell rings, enter interview room



VTC Virginia Tech Carilion
School of Medicine and Research Institute



Tour of Roanoke and Carilion Roanoke Memorial Hospital



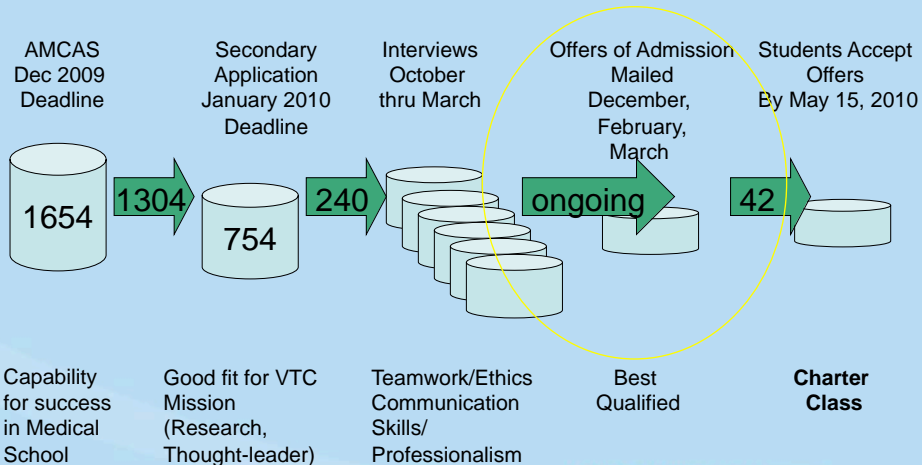
VTC Virginia Tech Carilion
School of Medicine and Research Institute

Q&A with Faculty



VTC Virginia Tech Carilion
School of Medicine and Research Institute

VTCSOM Admissions Process



VTC Virginia Tech Carilion
School of Medicine and Research Institute

VTC MSAC Record Review

- Weekly meetings from October - April
 - Wednesday evenings from 5:30 - 8:00 p.m.
- Interviewees have their complete record briefed before the MSAC
 - AMCAS application, VTC secondary application essays, letters of recommendation and/or ETS® PPI evaluation, MMI interview scores and traditional interview results
- Following the record review, the committee votes on each candidate



Selection Criteria

- Holistic Review
 - MCAT & GPA
 - Research portfolio
 - Underrepresented populations
 - Distance traveled / rural
 - Evidence of commitment to medicine
- Challenges
 - No Basic Scientists in the VTCRI
 - Remediation / tutoring
 - No upperclassmen
 - Difficult curriculum



Offer of Admission



VTC Virginia Tech Carilion
School of Medicine and Research Institute

VTC Admissions Contacts

- 1 Riverside Circle, Suite 102
Roanoke, VA 24016
(540) 581-0136
- Website Link: <http://www.vtc.vt.edu>
- VTCadmissions2010@carilionclinic.org

VTC Virginia Tech Carilion
School of Medicine and Research Institute

Committee Minutes

BUILDINGS AND GROUNDS COMMITTEE

**Solitude Conference Room
9:30 a.m.**

March 22, 2010

Buildings and Grounds Committee Open Session

Board Members Present: Mr. Douglas R. Fahl, Mr. John R. Lawson, II (presided as Chair in Mr. James R. Smith's absence), Mr. James W. Severt, Sr., Mr. Thomas L. Tucker – Staff Representative

VPI&SU Staff: Mr. Kevin Bishop, Mr. Bob Broyden, Mr. Ralph Byers, Ms. Vickie Chiocca, Mr. Van Coble, Mr. Michael Coleman, Dr. Jack Davis, Mr. David Dent, Ms. Lynn Eichhorn, Dr. Elizabeth Flanagan, Chief Wendell Flinchum, Mr. Monte Hager, Ms. Kimberly Haines, Mr. Z. Scott Hurst, Mr. Jim McCoy, Mr. Michael Mulhare, Ms. Bobbi Myers, Dr. Sue Ott-Rowlands, Ms. Elizabeth Reed, Mr. Minnis Ridenour, Dr. Charles Steger, Mr. Ross Verbrugge, Ms. Ruth Waalkes, Ms. Linda Woodard, Dr. Sherwood Wilson

Guests: Ms. Vanessa Kassabian, Mr. Craig Dykers, and Mr. Ian Colburn, Snohetta Architects; Mr. Todd Fehd, Holder Construction

1. **Tour of Student Facilities:** The Committee joined the Student Affairs and Athletics Committee for a tour of several student facilities, including Brodie Hall, Monteith Hall, and Squires Student Center.
2. **Opening Remarks and Approval of Minutes of November 9, 2009:** The minutes of the November 9, 2009 meeting were unanimously approved.
3. **Report of Closed Session:** The Committee met to discuss personnel changes. No actions were taken.
4. **Presentation on the Center for the Arts:** Dr. Wilson introduced Ms. Ruth Waalkes, executive director of the Center for the Arts. At the November BOV meeting, the Committee approved the design as presented with the following modifications: tie in with the campus with use of traditional precast and Hokie Stone for exterior; add detailing to soften the upper perimeter, fly tower, and auditorium exterior wall; and refine the ornamental treatments.

Representatives from Snohetta Architects presented the modified design of the Center for the Arts. The Committee affirmed that Snohetta incorporated all of the

recommendations articulated by the Buildings and Grounds Committee when they approved the design concept at the November meeting. Mr. Lawson asked that Building Information Modeling (BIM) be used for the project documents. Dr. Steger reiterated the concern expressed by the architect that BIM should not be used for the interior, theater-equipment portion of the project. The Committee approved the project design with the following modifications: the existing columns and soffit at Shultz be clad with pre-cast or other acceptable alternative, an offset between the precast cladding and the Hokie Stone on the west façade of the Performance Hall wing, and project documents be completed using Building Information Modeling (BIM) and built and managed through BIM by the construction manager, Holder Construction. Electronic BIM updates will be forwarded to the Committee periodically.

Mr. Ridenour reported on the fund-raising efforts to date.

5. **Approval of Aesthetic Architectural Design Standards:** The Committee received an update on the proposed aesthetic architectural design standards for the University. The draft aesthetic architectural standards (titled "Campus Design Guidelines") prepared by Sasaki Associates under the direction of the University Architect have been finalized. The document provides principles regarding interpreting the character of the campus, the definition of its planning framework, major architectural and landscape design themes and acceptable palette of exterior materials, and will be used as a companion to the university's Campus Master Plan. Mr. Lawson asked that the document be titled "Campus Design Principles". Language will be incorporated in University Planning, Design, and Construction requests for proposals to require that all Architecture and Engineering proposals include a statement requiring that the A/E team agrees in writing to fully comply with the university's Campus Design Principles if selected to provide design services on the project. Mr. Lawson requested that a copy of the contract language be included in the Principles document. The Committee approved the final document. Mr. Lawson directed that the Campus Design Principles be presented to the full Board for approval by resolution at the June meeting.
- * 6. **Resolution on Aggregation of Demand Response for Customers of Virginia Tech Electric Service:** Virginia Tech purchases electricity from Appalachian Power Company (APCO) and consumes a portion of that electricity on its campus. As a "small utility", it uniquely resells the balance to local town retail customers through VT Electrical Services (VTES). PJM Interconnection, LLC (PJM), the organization that manages the electrical grid supplying electricity to APCO and other regional utilities, operates a program that allows customers to receive substantial compensation in return for agreement to reduce electrical demand ("demand response") during summer periods in which overall system electricity demand is so high that reliability is threatened and blackouts are imminent. Virginia Tech would like to participate in this program for 2010 by

committing to a 3 MW (3000 kW) demand reduction if needed, and in turn receive compensation for that commitment.

In late November 2009, PJM implemented a new rule that requires small utilities to allow their retail customers to also participate in the PJM demand response programs. In order for Virginia Tech to enroll in this program, it must now demonstrate via order, resolution, or ordinance that it has authorized its customers' participation in the program as well. The Virginia Tech Board of Visitors approves the VTES rates charged to the town retail customers, and as such, functions as a Retail Electric Rate Regulating Authority, which the new PJM rule specifies must make that authorization. In order to meet a February 26, 2010 enrollment deadline, the University has issued a letter to PJM requesting provisional approval of Virginia Tech's participation pending the Board of Visitors considering and enacting a resolution at its March meeting. The Committee recommended Board of Visitors approval of the resolution authorizing VTES auxiliary and E&G retail customers to participate in demand response or similar programs through PJM or another Federal Energy Regulatory Commission approved operator.

- * **7. Resolution on Removal of University Building**
RESOLUTION WITHDRAWN
- * **8. Resolution Delegating Authority for Safety and Security Policies:** At its November 2009 meeting, the Board of Visitors ratified an expanded committee structure that includes the Virginia Tech Safety and Security Policy Committee, which serves as the university's coordinating and policy body with responsibilities for establishing the framework for an overarching safety, emergency management, and security program for Virginia Tech. The Committee recommended Board of Visitors approval for a resolution that delegates authority for the creation of university safety and security policies to the Safety and Security Policy Committee.
- 9. Update on Emergency Management Programs and the University Safety and Security Camera Acceptable Use Policy:** Mr. Mulhare provided an overview of Virginia Tech's new Safety and Security Camera Acceptable Use Policy. A critical component of a comprehensive security plan is the utilization of a security and safety camera system. The surveillance of public areas is intended to deter crime and assist in protecting the safety and property of the Virginia Tech community. This policy addresses the university's safety and security needs while respecting and preserving individual privacy. The draft policy was fully reviewed with the university's Academic Council. The Virginia Tech Police Department has the authority to select, coordinate, operate, manage, and monitor all campus security surveillance systems pursuant to this policy. Aesthetic issues will be addressed in procedures that are under development.

10. **Update on Emergency Notification System Protocol:** Mr. Mulhare provided an overview of the university's Emergency Notification System (ENS). The ENS has multi-channel communication capabilities that can rapidly disseminate emergency information on an incident, and provide instructions to the VT campus population in Blacksburg, Virginia. The protocols outline the emergency notification process and organization, and provide guidelines for activating the VT ENS protocols when a threat or emergency situation is reported to the Virginia Tech Police Department (VTPD) or to another responsible office directly involved with the emergency response for a safety-and-security incident. The Committee reviewed and formally endorsed the University's Emergency Notification System.
11. **Update on Quarry Modernization:** Mr. Coleman briefed the Committee on the results of the quarry modernization efforts regarding productivity, efficiency, and costs. He described several improvements, including the use of a new saw, which have contributed to higher productivity (i.e., tons per employee) and reduced personnel costs.
12. **Major Capital Project Status Report:** The Committee received the report on the status of capital projects. Fourteen projects are in the design phase, ten projects are under construction, and one project for which a construction contract is being processed. A contract will be signed this week for the Guaranteed Maximum Price (GMP) on the Visitor and Undergraduate Admissions Center project. An A&E contract is in place to conduct a traffic study. The project is one month behind schedule and slightly over budget, which will be addressed through value engineering.
13. **Discussion on Competitive Design-Build Process:** Mr. Lawson provided an overview of the competitive Design-Build process. This is a delivery method that may be appropriate for certain types of projects. It has been used by the federal government and several universities in Virginia. The process involves receipt of competitive bids for the entire project from a primary contractor, who has full responsibility. This process has the potential to reduce the overall timeline by half, with dramatic impacts on costs with savings as much as 30%. It works well for parking garages, residence halls, and academic classroom facilities. Use of this method would be more difficult with buildings that have complex programming requirements or multi-use facilities. The process is proven to save time and money because it guarantees time of completion and cost. Virtual Design and Construction and Building Information Modeling are fundamental elements of the industry now.
14. **Report on Capital Project Construction Costs:** At its June 1, 2009 meeting, the Finance and Audit Committee and Buildings and Grounds Committee requested a report that would provide a comparison of the University's capital project costs, including both construction and soft costs, with comparable institutions. In response to this request, Facilities Services engaged a third-party

consultant to evaluate comparative construction cost data of like facilities from within their database and provide data for further analysis and review.

The Committee received information that compares the construction costs of two recent Virginia Tech buildings with the costs of comparable buildings at other universities. The cost data was broken down to the system level (i.e. structure, enclosure, mechanical, electrical, etc.) so that substantive cost variances can be specifically identified and discussed. Information was provided on recurring capital project costs that are in addition to construction costs. These costs typically include architectural and engineering fees, project management and inspection, telecommunications, parking displacement, moveable equipment and furnishings, etc. The briefing focused on the basis for such costs and the challenges associated with comparing Virginia Tech's costs with the costs of other universities. Virginia Tech project cost differentials are a result of our geology that requires caissons, and our design principles requiring the use of Hokie Stone on building exteriors and slate roofing structures.

**Duck Pond Room
11:15 a.m.**

Joint Open Session (with Finance and Audit Committee)

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. Ben J. Davenport, Jr., Ms. Michele L. Duke, Mr. Douglas R. Fahl, Ms. Kristina J. Hartman – Undergraduate Student Representative, Dr. Calvin D. Jamison, Sr., Mr. John R. Lawson, II, Mr. George Nolen, Mr. Paul W. Rogers, Jr., Mr. James W. Severt, Sr., Mr. Thomas L. Tucker – Staff Representative

VPI & SU Staff: Mr. Erv Blythe, Mr. Bob Broyden, Mr. Ralph Byers, Mr. Allen Campbell, Mr. Michael Coleman, Mr. Al Cooper, Mr. John Cusimano, Mr. Corey Earles, Dr. Elizabeth Flanagan, Ms. Kimberly Haines, Mr. Tim Hodge, Mr. Z. Scott Hurst, Ms. Sharon Kurek, Mr. Jim McCoy, Ms. Lisa Royal, Mr. M. Dwight Shelton, Jr., Dr. Frank Shushok, Jr., Dr. Guy Sims, Dr. Raymond Smoot, Jr., Dr. Edward Spencer, Mr. Jeb Stewart, Mr. Ross Verbrugge, Ms. Melinda West, Dr. Lisa Wilkes, Dr. Sherwood Wilson

The Committee met with the Buildings and Grounds Committee to review and approve the following projects and was joined by the Student Affairs and Athletic Committee for the discussion of the Oak Lane Community Project.

- * **1. Approval of Phase IV of Oak Lane Community Project:** The University's Campus Master Plan envisions an expansion of the Special Purpose Housing area of campus. While expansion of the current community has been considered a potential future improvement, a recent proposal from student housing corporations to partner on the expansion presents an opportunity to advance the project. The partnership involves the University building and financing houses in

a manner similar to the first three phases, and the house corporations providing gifts to the Virginia Tech Foundation to be used to cover a portion of the cost of the houses and allow for customized unique designs. Because the housing corporations will customize elements of their particular residence and will provide private support to cover a portion of the costs, a specific cost for each house has not yet been established.

To ensure sufficient authorization for the first five houses, the University is requesting a \$23.5 million blanket authorization to cover the costs of Phase IV. Only the amount actually required for five houses and infrastructure will be used; thus, the authorization may not be fully utilized. The University has developed a financing plan to provide assurance regarding the financial feasibility of the project. This plan requires sufficient private support to cover at least 33 percent of the project costs of the houses and debt financing to cover the remaining costs of the houses and site development. The debt will be serviced from residential programs auxiliary revenue.

The Committees recommended the Phase IV of Oak Lane Community Project to the full Board for approval.

- * 2. **Approval of College of Veterinary Medicine Instruction Building Planning Project:** The existing classroom and office space in the College of Veterinary Medicine, constructed over twenty-five years ago, is no longer capable of meeting the needs and demands of the school's modern clinically-based teaching and learning program. Beyond the existing space constraints, the College is in the initial stage of expanding its enrollments of DVM students beyond the current 360; enrollment may grow to 520 students. The proposed solution to the space quality and quantity constraints is to move forward with the Veterinary Medicine Instruction Facility, which is a high priority project in the University's capital outlay plan. To advance the project, the College and Finance have worked together on a funding plan using student fee revenue to support a project with nongeneral fund resources. This request is for a \$1.4 million planning authorization to move forward with the design of the envisioned facility not to exceed a budget of \$14 million.

The Committees recommended the College of Veterinary Medicine Instruction Building Planning Project to the full Board for approval.

- * 3. **Approval of Academic and Student Affairs Building Construction Project:** The proposed project is envisioned as a 75,000 gross square foot, three story building located among several academic buildings and directly between ICTAS-1 and Randolph Hall. This project will provide undergraduate and graduate students a convenient facility with an array of needed spaces and services. Two floors of dining space will accommodate the replacement of Shultz Hall with services in high demand from students. The instructional space will provide needed class and seminar space during the class day, which will double

as student activity space, tutorial space, and student group-work space after hours.

The Dining Program, Provost Office, and Finance have worked together to develop a funding plan to support the total project costs that includes a debt issuance that will be serviced by revenues from dining services operations and facility use agreements with support operations. This request is for an authorization to move forward with the construction of the proposed \$45.2 million Academic and Student Affairs Building.

The Committees recommended the Academic and Student Affairs Building Construction Project to the full Board for approval.

- * 4. **Approval of Motor Pool Renovation and Addition Project:** The University's Fleet Services unit has undertaken an improvement of the motor pool building to better serve University customers and employees by bringing the facility up to date. The project includes additional space of about 4,500 gross square feet for two new wash bays and a new office addition with minor renovations to the existing space. The University has developed a funding plan that includes an internal loan serviced by Fleet Services recoveries, to be repaid over ten years, to fully support the project costs. The project, as originally initiated, was below the scope and cost thresholds for projects needing capital approval. Upon determining that costs would exceed the original budget and capital cost threshold, the University is requesting Board of Visitors' approval for a \$1.1 million capital project authorization to appropriately administer and closeout the project. The Committees requested that, in the future, the University take every action to ensure that cost overruns on projects do not occur and that renovation projects do not expand to the level of qualification of as a capital project.

The Committees recommended the Motor Pool Renovation and Addition Project to the full Board for approval.

There being no further business, the meeting adjourned at 11:44 a.m.

Capital Project Information Summary - Center for the Arts
BUILDINGS AND GROUNDS COMMITTEE
March 3, 2010

Title of Project:

Center for the Arts

Location:

The new construction will be located adjacent to Shultz Hall between Turner Street and Alumni Mall.

Current Project Status and Schedule:

The project is in Preliminary Design. Construction will begin in fall 2010, pending availability of funding, and occupancy should occur in summer 2013.

Project Description:

The Center for the Arts will house a 1,260-seat performance hall, visual arts galleries, and the Center for Creative Technologies in the Arts. New construction will include the new performance hall and the multidisciplinary Collaborative Performance Lab, a component of the Center for Creative Technologies. The Visual Arts Galleries and the other digital media and lab spaces associated with the Center for Creative Technologies in the Arts will be housed in renovated space in Shultz Hall. The entire complex will comprise the 130,000-gross-square-foot nucleus of new construction and renovated space.

Brief Program Description:

Both the performance hall, with two balcony levels and a full fly-tower, and the visual arts galleries will provide state-of-the-art venues to present and exhibit national and international artists of significance for campus and community audiences. The Center for Creative Technologies in the Arts will provide an applied research environment for the development of projects and programs designed within the Center. These programs will have direct application as educational tools to enhance Pre-K through 12 learning in science, math, social studies, and language arts.

Contextual Issues and Design Intent:

This unique facility occupies a prominent site at one of the major entrances to the campus and must address the town of Blacksburg and the University equally. The two large new construction elements will partially surround Shultz Hall and dramatically alter this site. The iconic facility will convey a welcoming open feeling through the transparency of the lobby spaces, large scale openings and feature balconies. The landscape treatment, when fully realized, will efficiently direct pedestrian and vehicular traffic and provide opportunities for a variety of outdoor experiences, both solitary and communal. Primary exterior materials will include Hokie Stone, precast concrete, concrete composite panels, and glass.

Architect/Engineer:

Snohetta in association with STV, Theater Projects Consultants, and Arup Acoustics


Construction Manager:

Holder Construction

VIRGINIA TECH CENTER FOR THE ARTS
BLACKSBURG, VIRGINIA

PRESENTATION TO THE
BOARD OF VISITORS
MARCH 2010





Virginia
Polytechnic
Institute and State
University

S A S A K I

March 22
2010

Campus Design Guidelines



"Now we are promised an architectural policy which proposes to give us a group of buildings worthy to shelter a great educational institution. Already a start has been made in this direction, and the McBryde Building of Mechanic Arts will serve as a type for the structures to come later."

Joseph D. Eggleston, President
1914 "Opening Number" of the College Bulletin



Campus Design Guidelines

Virginia Polytechnic Institute and State University
Blacksburg, Virginia



prepared by
Sasaki Associates

March 22, 2010

CONTENTS

I. CAMPUS

- A. Introduction
- B. Historical Overview
 - 1. Background
 - 2. Collegiate Gothic /
An Architecture of Stone
- C. Guiding Vision
 - 1. Strategic Plan
 - 2. The Campus Master Plan
- D. Buildings and Landscape
 - 1. An Integrated Approach
 - 2. A Sense of Place
 - 3. Goals and Objectives

II. LANDSCAPE

- A. Introduction
- B. Guiding Principles
 - 1. Landscape Structure
- C. Planting
 - 1. Space Definition
 - 2. Scale
 - 3. Plant Character & Fitness
 - 4. Tree Forms
 - 5. Pattern
 - 6. Composition of Species
 - 7. Native Plants
 - 8. Meadows
 - 9. Variety
- D. Specific Area Guidelines
 - 1. The Mall
 - 2. The Drill Field
 - 3. The Duck Pond Park
 - 4. The Quadrangles
 - 5. Core Area Linkages
 - 6. Campus Streets
 - 7. Campus Forest Areas
- E. Site Structures and Furnishings
 - 1. Lighting
 - 2. Emergency Call Boxes
 - 3. Structures
 - 4. Art
 - 5. Paving

III. BUILDINGS

- A. Introduction
- B. Architectural Order
 - 1. Siting / Orientation
 - 2. Building Scale
 - Height*
 - Massing*
 - Volumetric Variation*
 - 3. Facades
- C. Architectural Elements
 - 1. Roof Forms
 - 2. Doors, Portals & Passages
 - 3. Windows & Openings
 - 4. Architectural Details
- D. Building Materials
 - 1. Walls
 - 2. Hokie Stone
 - 3. Roofs
 - 4. Doors and Windows
 - 5. Ornament
- E. Sustainable Design
 - 1. Approach



I. CAMPUS

I. CAMPUS

A. INTRODUCTION

Campus design has always been rich in influences and diverse in response. The physical character of the Virginia Tech campus reflects its chronological and stylistic development as an institution, signifying periods of history, pedagogical trends, programmatic directives and general characteristics of stylistic preference and aesthetic selectivity. Such factors have been instrumental in the definition of the Virginia Tech "sense of place" for which it is so well known and remembered. The predominant theme of the built environment of the campus, however, has evolved with a strong unifying characteristic of Collegiate Gothic architecture and a consistent use of Hokie Stone as a building material.

While the design of each building on a campus should reflect its own time and place, it should also reflect the enduring values of elegance, quality and durability, and contribute in a meaningful way to form a coherent and memorable identity for the campus as a whole. The primary goal of this study is to reaffirm the University's design approach to the contemporary interpretation of revival Collegiate Gothic campus architecture, including massing, scale, groupings, arrangements, design features, colors, textures and other contextual design opportunities.

Equally important to the "sense of place" at Virginia Tech is the character of the open spaces, passages and outdoor 'rooms' which form such a memorable campus landscape. It is the careful integration of buildings and open space which ultimately define the physical presence of a campus.

It is the goal of this document to establish a commitment to the stewardship of these finite resources and to assure that the balance between built and natural form is sensitively developed over time in a way which respects the architectural language and landscape features of the campus. To do this effectively, guidelines have been developed which outline the history of the campus, the intricacies of its architectural detailing, the massing of its buildings and structures and the special characteristics of landscape features, trees and plant materials – those elements which are combined to form the physical and spatial characteristics of buildings and places.

The intent is to have these design guidelines used as a companion to the University's *Campus Master Plan* to offer the most sensitive and responsible design solutions for the growth and regeneration of the campus. The resultant building and landscape design solutions should strive to be flexible, creative, beautiful, respectful, sustainable and maintainable.

Additional guidance in understanding the goals and expectations of the University can be found in the Virginia Tech *Design and Construction Standards*. These standards are essential in understanding the detailed requirements of design specifications, constructability, energy management, space standards and integrated design.

B. HISTORICAL OVERVIEW

The planning and architectural design of the Virginia Tech campus reflect the changing character of the institution over time. Future buildings will likewise be a reflection of Virginia Tech's character, its culture, architectural legacy, and contemporary technology.

The following brief historical perspective is intended to help design professionals and interested university constituencies to understand the planning and architecture of the campus in a historical context. Such an understanding is a critical component of any planning and design process for the university due to the importance of extending a meaningful continuity of spatial form, outdoor spaces and architectural character for the campus.

1. Background

When Virginia Agricultural and Mechanical College, as Virginia Tech was first known, was founded, funding from Richmond was meager and inconsistent. The first presidents preferred to keep an architectural low-profile to avoid any appearance to the state legislature of extravagance. In fact, the early buildings were so unadorned that Tech's fifth president, Joseph Eggleston, compared them to "poverty stricken textile mills."

The earliest campus buildings, built between 1872 and 1905 for the Virginia Agricultural and Mechanical College, were simple, austere structures. Whether Greek Revival, Georgian, or Victorian, they shared a simplicity of massing, materials and fenestration. This simplicity reflected the practical character of the educational mission of Virginia Tech. For example, some buildings included foundries for training in the mechanical arts.

In its first quarter-century, the school's mission was constantly being questioned. Early on, President John McBryde realized Virginia Tech needed to establish an identity that would distinguish it as a progressive institution providing service to the commonwealth, not as a rural, struggling trade school. In 1899, a group of alumni hired Richmond architect W.F. West to design a YMCA for the campus. West's Romanesque-inspired building--today's Liberal Arts Building--was the first flagship building constructed of rough limestone quarried on campus.

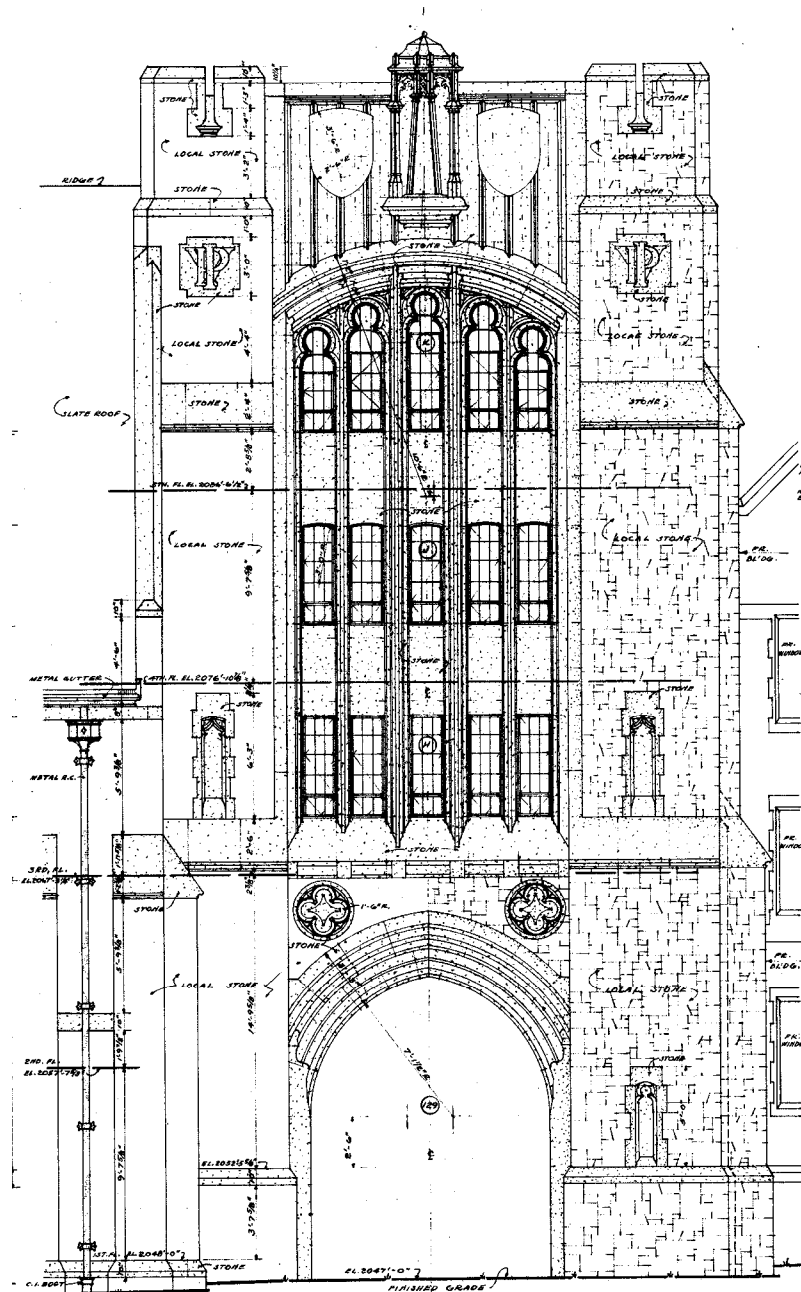
2. Collegiate Gothic / An Architecture of Stone

The gifted medievalist architect Ralph Adams Cram visited President McBryde around 1901 and suggested Collegiate Gothic as the architectural style. As defined by Cram, Gothic was the repository of "exalted ideals of education and religion." This style suited Virginia Tech's evolving identity perfectly, providing the campus with an image harkening back to venerable British universities such as Cambridge and Oxford.

The Collegiate Gothic (or Gothic Revival) style of architecture was undergoing widespread adoption on college campuses in the early 20th century. Presidents McBryde and Eggleston adopted this motif in order to visually underscore their desire for the still-young college in Blacksburg to be accepted as a full-fledged institution of higher learning.

The adopted stylistic approach called for the use of limestone quarried next to campus (in the vicinity of Derring Hall), saving on the transport of brick and employing dozens of local stonecutters. Brick construction continued on the Upper Quad, but the south and west areas of campus employed the local stone. Cram liked the limestone on the YMCA building and even suggested the older buildings be refaced.

President McBryde and his faculty became converts to what they called "our native limestone." The 1905 Chapel was Tech's first Collegiate Gothic building. Facing the unavailability of bricks, the builders turned to native limestone for the structure.

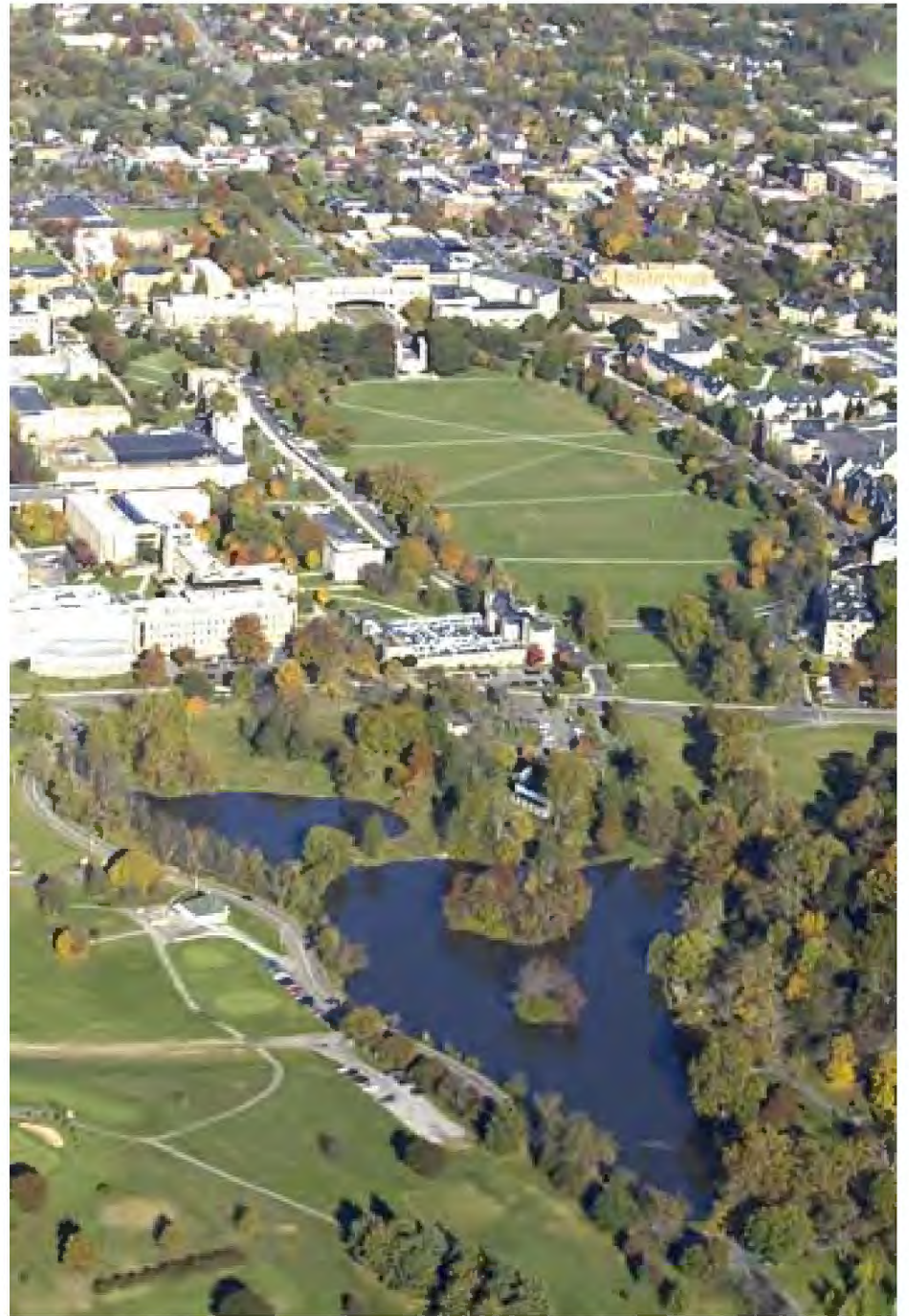


EAST ELEVATION OF TOWER
SCALE 1/4" = 1'-0"

The Chapel was followed by the 1914 McBryde Building (razed in 1966), which stood on the site of the present McBryde Hall. The McBryde Building, designed by the Richmond firm of Carneal & Johnston, set the standard on campus for more than a generation. The stone building featured a three-story entry tower with battlements, a projecting oriel window, and a lancet-arched passageway to an inner courtyard. Sculptures from its façade can be seen along the walkway on the west end of the second McBryde Hall.

By the 1920s and 1930s, the variegated gray stone--dubbed Hokie Stone--had acquired its present appearance, and it was used for most major building projects. While subsequent construction did not preclude brick, new buildings around the Drill Field were erected in the Collegiate Gothic style, complete with the characteristic rough stone, lancet-arched doors and windows, and corner towers. The academic buildings on the north side of the Drillfield feature battlements, which work into the Gothic style to project the image of a citadel of academia.

The early presidents' innovative 'set-in-stone' vision has endured, except for a brief departure from the style in the late 1960s and early 1970s. The departure followed a national trend, which had turned to modernism in architecture. Cassell Coliseum and Cowgill, Whittemore, and Derring halls are prominent examples of campus buildings of that time. But Hokie Stone prevailed, and in the 1990s the Board of Visitors passed a resolution to ensure its continuation in all buildings constructed from that time forward.



4 Aerial view of Virginia Tech campus showing Drill Field and Duck Pond Park

C. GUIDING VISION

Whenever guidelines are developed as part of an institutional planning process, it is essential that such guidance is fully integrated with other initiatives which provide similar guidance as part of a comprehensive approach to establishing a clear vision for the university. Accordingly, the following summaries are provided to establish such associations as a condition of reference for the Campus Design Guidelines.

1. Strategic Plan

The 2006-2012 Strategic Plan Update, adopted by the Virginia Tech Board of Visitors in June 2006, reaffirms Virginia Tech's commitment to achieving excellence as a comprehensive land-grant university that makes innovative contributions in learning, discovery, and engagement to the Commonwealth of Virginia, the nation, and the world.

Invent the Future: Quality, Innovation, Results

The 2006 - 2012 Strategic Plan Update reaffirms Virginia Tech's commitment to achieving excellence as a comprehensive land-grant university that makes innovative contributions in learning, discovery, and engagement to the Commonwealth of Virginia, the nation, and the world. The priorities expressed in the 2006 - 2012 Strategic Plan Update demonstrate Virginia Tech's ongoing commitment to transform itself as a 21st century university capable of responding effectively to opportunities presented in a dynamic and diverse domestic and global environment.



President Steger unveiling the new branding strategy – "Invent the Future."

During 2005 –2006, the process of updating the plan confirmed the university's commitments to its mission and core values. Virginia Tech values the educational contributions made by a high quality and diverse student body, faculty, and staff who contribute to the robust exchange of ideas.

The updated plan introduces the terms *learning, discovery, and engagement* to articulate an updated understanding of the complexities of the university's integrated and multi-disciplinary Scholarship Domain areas. An important component of the plan is the commitment to link strategic goals to financial planning and outcomes in order to increase Virginia Tech's accountability to a variety of important stakeholders.

2. The Campus Master Plan

The University has been proactively engaged in the implementation and refinement of a Campus Master Plan for the last 25 years. The master planning process has been a key factor in the development of a more sensitive approach to the long range renovation and expansion of the campus.

A key part of this process has been a series of recommendations on general design guidelines for specific features related to landscape and building design. Within the context of the master plan, these recommendations were focused on building program, siting, phasing and general architectural character. Similar features were analyzed relative to campus landscape and open space preservation.

As a 'living document' with an inherent obligation for updating and reconsideration, the master plan sequence is useful to summarize during this first 25 year period. The design guidelines which emerge in this report are directly tied to multiple recommendations and values established in these planning efforts. All landscape and building projects must be carefully integrated with both the Master Plan and Campus Design Guideline suggestions.



1983 Master Plan

The first master plan effort in 1983 revealed a strong development pattern on campus structured by the Drill Field, the Alumni Mall and a system of academic and residential quadrangles. It was also noted that this spatial organization was ignored, for a short while, in the planning and design of the campus. During the late 1960s and early 1970s, buildings such as Derring Hall and Cowgill Hall were constructed on the periphery of the academic core with no relation or ties to the existing spatial structure. The trend during this period was to construct object buildings that consumed space rather than buildings that defined space.

The 1983 plan sought to reverse this trend and integrate buildings such as Derring Hall and Cowgill Hall into the campus structure. To that end, the plan initiated the infill concept. The infill concept called for refocusing campus development in the core by concentrating new development in and around existing buildings.

Consequently, the concept was instrumental in resurrecting the quadrangle building approach and added a contemporary sensibility regarding preservation of existing buildings. In addition to repairing the campus spatial structure, the concept was also intended to address a variety of other planning issues such as conserving campus land, maintaining a pedestrian-scale campus, leveraging investment in existing infrastructure, and allowing for flexible increments of development.

1994 Master Plan Update

The frame of reference for the 1983 Master Plan was 10 years. In 1994, a Master Plan update was commissioned by the university. While many of the basic guidelines of the 1983 plan were confirmed and reinforced, the 1994 Update developed a series of additional recommendations which were intended to address further preservation of the heritage and core campus values of the institution. A summary of the key considerations includes:

Ridges and Valleys

- The campus is laid out in accordance with a well-defined pattern of ridges and valleys. The central “valley” is the Stroubles Creek drainage basin in which the Drill Field and the Duck Pond are located. The basin, which is largely an open landscaped area, is flanked on the north and the south by ridges on which much of the core campus development has taken place.
- The 1994 plan reinforces the pattern of development and infill on the ridge areas and maintenance of the open space environment (park-like open land, play fields and agricultural fields) in the valley areas.

Town Fabric

- The campus and the Town of Blacksburg come together in a relatively seamless way in the downtown area along streets such as College Avenue, Otey Street, Main Street and Stanger Street. That is, the scale, texture and intensity of development in these areas is such that the campus and town blend with and complement one another.

- The “town edge” affords a diverse and energetic environment for retail, food service, residential and entertainment activity that lends to the life of the campus. The 1994 Master Plan calls for program infill and urban design improvements that will add to the vitality and amenities on the downtown side of the campus.

Quadrangles and Courtyards

- The Virginia Tech campus is organized as an interconnected system of quadrangles and courtyards following the traditional Oxford model that many American institutions have adopted. This system of pedestrian spaces (or, more pertinently, the policy of siting buildings to shape such spaces) is an appropriate framework that lends to the unity and amenity of the campus.
- The 1994 Master Plan emphasizes the creation of new quadrangles and courtyards and the enhancement of existing ones by building, siting and landscape improvements. The overarching conclusion of the 1994 Master Plan, based on the determinants summarized above, is that the next generation of campus development should continue to be concentrated in and around the core area.

Long Range Land Use Master Plan Update



2006 Master Plan Update

The same 10 year horizon was applied to the 1994 Master Plan update. In 2006, the next update was completed to initiate another 10 year vision. Similar reinforcement of the original planning guidelines was provided. Of particular interest was a restatement of the strategic goals of the master plan as well as several key design tenets to guide future projects. These are summarized as follows:

Master Plan Strategic Goals

- Support the University Strategic Plan by providing for development of physical resources which accommodate the strategic vision and program directions articulated in the plan.
- Preserve the core qualities of the campus while nurturing growth.
- Plan for the long range highest and best use of the University's significant land assets.
- Plan transportation and infrastructure systems to anticipate growth rather than react to demand.
- While the master plan will propose solutions based on current data, it is understood that a plan should be a 'living' document and therefore allow for future change within its framework.
- Celebrate the unique Virginia Tech Campus as PLACE.

Design Tenets

- The dominant exterior building material will continue to be the local dolomite limestone (Hokie Stone) set in a random ashlar pattern.
- New building placement should help define outdoor campus space.
- Building heights should primarily range from two to four stories, appropriate in scale with the adjacent outdoor spaces.
- Building design should compliment the character of the core campus architecture, integrating simple building massing with simply ordered and well articulated facades.



2006 Master Plan Detail



Main Eggleston Hall

D. BUILDINGS & LANDSCAPE

1. An Integrated Approach

The system of quadrangles and plazas which characterize the academic and residential areas of the core campus creates a strong repetitive theme that results in a pleasing sense of order subordinate to the larger monumental spaces. The varied geometry, orientation, landscape treatment and elevations of the quadrangles adds a welcome element of variety and complexity to the campus that complement the singular unity and simplicity of the Drill Field. A majority of the quadrangles and plazas are well defined spatially though the quality of their landscape treatment varies.

The character of the architecture which encloses and bounds the various landscape elements is equally important to the definition of these campus spaces. The architectural language of the major campus buildings is somewhat more dominant than the landscape features due to its stylistic character and scale.

The balance of landscape and building, however, is one of the attributes which makes the campus environment so memorable. There is a continuous dialogue between the buildings and the landscape which needs to be kept in equilibrium as the campus develops and changes. The design guidelines will help to both define and expand the nature of this integration.

The design of the monumental open space spine including the Mall, Drill Field, and Duck Pond is a strong composition that artfully exploits the existing terrain. It achieves campus unity through centrality and dominance, with the buildings creating a framework to enclose the landscape.

There are several primary aspects of form that account for the basic spatial structure of the core campus. These include the bowl shaped topography upon which the campus rests, the arrangement of buildings in upland areas in groups with similar size, shape, materials and alignment, and the central, unifying design of the Mall, Drill Field and Duck Pond open spaces. Collectively, these aspects of form create a campus that has an overall unity and coherence – a balance and artful dialogue between building and landscape.

The developed design guidelines must utilize these key attributes as a starting point in the recommendations for future renovation, growth and expansion plans. The successful interrelationship between built forms and landscape represents a key component of campus design integration.

2. A Sense of Place

Campus buildings and outdoor spaces play a major role in helping to define institutional image and the unique campus ambiance which is so unique to Virginia Tech. The quality of landscape and building design has profound implications, not only for visual appearance of the campus, but also for how the university and the surrounding community are perceived and integrated. The qualities and physical attributes that make a place special or unique are interwoven with those characteristics that foster a sense of authentic human attachment and belonging to form the unique 'sense of place' that is Virginia Tech.

The 'sense of place' of a campus has a major influence on how social interactions originate, how people move about campus, how safety and security are perceived, and how the campus environment contributes to the inspirational aspect of campus life. The 'sense of place' attribute defines how the physical and academic environments support the human psyche.

As such, 'sense of place' is also a significant framework for the memories of students, faculty, staff and alumni. The unique qualities of the physical environment of the Virginia Tech campus have a profound impact on the total academic experience. It is critical that the nature of the campus be understood fully in terms of the integration of space, landscape, building fabric and physical character. Such an understanding provides the formative basis for developing appropriate design guidelines for the future growth and development of the campus.

3. Goals and Objectives

The expectation in providing these design guidelines for the renovation, expansion and growth of campus buildings is to work in an integrated fashion with the Campus Master Plan to provide an overall vision and framework to guide such development in a coherent fashion, ensuring that each future project fits appropriately within the larger vision and character of the campus.

These guidelines are intended to assist design professionals, campus planning groups, campus staff and individual building committees to make informed decisions as projects progress through various stages of planning, design and construction. The resultant landscape and building solutions will reflect the values of the university, its tradition of design excellence, respect for its heritage and its relationship to the surrounding environment and sense of place.

The primary goals and objectives of the Campus Design Guidelines have been developed in support of several related planning studies and design standards, including the Campus Master Plan Updates of 1994 and 2006, as well as the university's Design and Construction Standards. The consensus of this related documentation suggests that the design guidelines for Landscape and Buildings support several key initiatives which are integrally linked to the vision of the university and its goals as an academic institution.

Sense of Place

- Strive to make the campus a distinctive and memorable place for students, faculty, staff, visitors and the surrounding community. Accommodate renovations, expansions and new building projects in a way that strengthens the overall appearance, spatial organization and functionality of the campus.
- Recognize that the campus is a working partner with the surrounding community, with special attention paid to the development of sensitive landscape and building solutions at the active interface between town and gown.

Campus Context

- Accommodate new building projects in a way which is respectful of the existing campus fabric and built environment, supporting the Campus Master Plan policies for compact, efficient development patterns.
- Develop landscape solutions which enhance the visual quality and user enjoyment of key open spaces on campus.

Campus Wayfinding & Orientation

- Improve campus wayfinding, orientation and visual coherence by better defining campus spaces, iconic features, circulation corridors, outdoor spaces, and entranceways.

Sustainability

- Embrace the tenets of sustainable design, incorporating design approaches which stress resource conservation, energy efficiency and the promotion of building and landscape durability.



II. LANDSCAPE

II. LANDSCAPE

A. INTRODUCTION

The following guidelines set forth design principles and standards for the campus landscape. The purpose of the guidelines is to encourage unity in the design of the landscape over time, while simultaneously allowing flexibility for positive innovation. The guidelines do not prescribe specific design solutions. The guidelines are a set of ideas intended to define a direction and positively influence those who design and manage the landscape.

The goal is to achieve an integrated campus design in which all of the parts relate to one another, regardless of when they are built. The areas addressed in the landscape guidelines include planting, site structures, and exterior lighting. The emphasis of the guidelines in each of these areas is on design issues and the steps that should be taken to ensure the continuity of desired landscape effects into the future. Issues related to the care and maintenance are not addressed in depth, however, the guidelines are based on the goal of simplifying the long-term maintenance requirements of the campus landscape.

While there has never been a formal landscape plan for the Virginia Tech campus, the landscape is widely considered to be one of the greatest assets of the university. During the 19th Century, when newly planted trees were small, the campus landscape was open and indistinguishable from the surrounding agrarian landscape. During the university's early history, individuals including President McBryde and Professor Smyth were strong advocates of campus beautification.

They were largely focused on planting trees and shrubs to bring "shade and dignity to areas once bleak and barren." The informal style adopted by McBryde and Smyth was the romantic style of the great 19th Century American parks, with large lawns and trees informally arranged for aesthetic enjoyment. The landscape was seen as a symbol of civilization, education and culture in the midst of forests and farms. This style has generally been followed by subsequent generations, and typifies much of the campus landscape today.

As the campus context has become increasingly developed in the last 40 years, the campus landscape has assumed new meanings. The campus landscape has become a naturalistic, pedestrian oasis in the context of expanding development, roads and parking lots. Rather than being a symbol of the human settlement of nature, it has become a symbol of the rapidly disappearing natural environment and our attachment to it.

B. GUIDING PRINCIPLES

1. Landscape Structure

It is the general intent of the Master Plan that the existing structure of the campus landscape be reinforced and built upon. This is particularly true in the urbanized campus core area, which is composed of a green spine of large parklands (the Alumni Mall, the Drill Field, and the Duck Pond), a series of quadrangle and plaza spaces, and a network of pedestrian linkage spaces and vehicular streets.

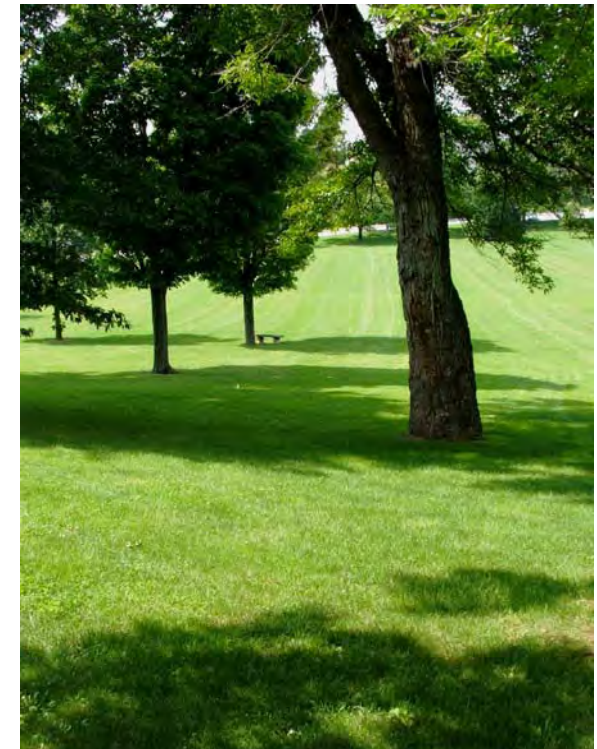
The parklands, quadrangles and corridors of the core campus are elements which require enrichment, improved definition and differentiation; they need to become more truly urban in their relationships and refinement. In the less densely developed areas surrounding the core, reforestation is proposed as a means of developing a spatially cohesive setting and regionally appropriate image which also creates a more sustainable relationship between the university and the natural environment of which it is a part. The traditionally rural area surrounding the core campus requires redefinition to become more cohesively ordered and symbolically representative of the purposes of the institution; it should become more truly rural rather than the victim of continued sprawl.

Reinforce the Green Spine of the Core Campus and Extend it Westwardly

- Improve the spatial definition of the Alumni Mall by planting formal trees along each roadway.
- Continue to rehabilitate the tree planting around the perimeter of the Drill Field and protect the Drill Field open space as the dominant landmark of the campus.
- Rejuvenate and enrich the planting of the Duck Pond Park and The Grove area, maintaining this area as a naturalistic park for the enjoyment of natural scenery. It is increasingly important to protect and maintain this park area as the campus continues to urbanize. It is also important to improve the Duck Pond and Strouble's Creek bank conditions by establishment of native aquatic plant edges
- Extend the qualities of the Duck Pond Park to the west, creating a green corridor extending from Main Street to Route 460.

Reinforce and Extend the Existing Pattern of Residential and Academic Quadrangles

- Establish stronger enclosure of the Patton Quadrangle.
- Improve tree and shrub plantings in all the campus quadrangles to establish a richer variety and greater seasonal interest, including colorful spring and summer flowers and fall foliage.
- Employ quadrangles as the organizing element for campus expansion north and west of Cowgill Hall, and at the corner of West Campus Drive and Washington Street.



Enhance the orderly strength of all major campus streets by planting large canopy trees along them.

The campus should be remembered for great avenues of trees as much as it is for the Drill Field or its architecture.

West Campus Drive, Washington Street, Kent Street and Stanger Street are particularly important in this regard because they serve as an inner edge of campus along which all visitors travel.



Redefine the interstitial landscape areas that serve as the major pedestrian circulation routes of the campus.

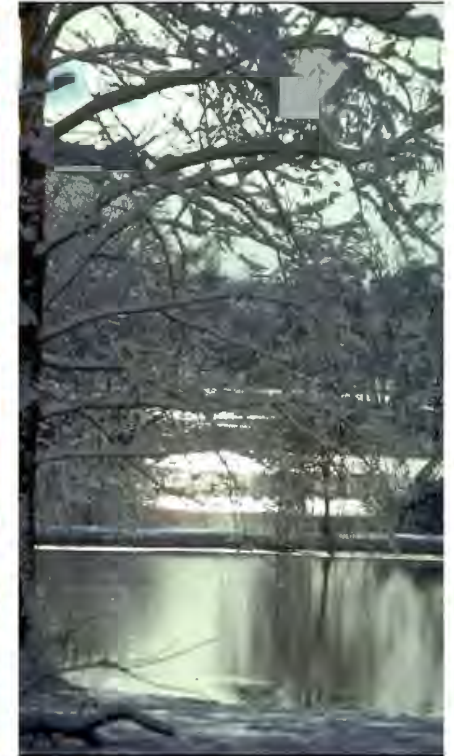
These least-attended-to areas of the campus should be planted with assemblages of woody native plants to improve their spatial definition, clarity and consistency; to assign them a regionally fitting character; to benefit from ecosystem functions such as erosion control, water quality improvement, air purification and cooling; and to reduce the long-term maintenance requirements of the campus landscape. Select areas should be reforested

Reforestation

The campus landscape should be unified through the reforestation of approximately 350 acres of land of which approximately 80 acres are now maintained in turf grass.

Implementation of the reforestation concept requires careful study and fine tuning to ensure that key views of the regional landscape, campus open space, and campus landmarks are preserved. Perimeter campus lawn areas not used for casual activities, especially steeper sloped areas are the most desirable areas for reforestation.

These reforested areas will also carry the benefits of ecosystem functions such as erosion control, water quality improvement, air purification and cooling; and to reduce the long-term maintenance requirements of the campus landscape. Therefore, reforestation should be considered an integrated component of Virginia Tech's overarching commitment to improve campus sustainability.



C. PLANTING

There are a number of principles that generally pertain to all areas of the campus, and which should form the basic framework for thinking about the landscape.

1. Space Definition

The spatial organization of the campus landscape is primarily determined by three major components: buildings, topographic form, and woody plants consisting of trees and shrubs. Paths and roads also play an important organizing function, however, their role is subordinate to the three-dimensional strength of buildings, land, trees and shrubs.

The limits, emphasis, and character of all views within and around the campus are defined largely by these elements. Trees and shrubs, therefore, should not be understood merely as superficial decorative objects to be arbitrarily set out on the campus grounds, but rather as elements that define the basic spatial order of the campus which, in turn, significantly affects the quality of campus life.

Trees and shrubs should be used purposefully to achieve desired functions and spatial effects such as limiting or directing views, creating microclimates, creating overhead enclosure for greater intimacy, framing spaces to create compositional closure, or to define and reinforce major spaces and pathways of the campus.

These statements are made with the recognition that spatial order and quality is indeed that with which campus design is centrally concerned. The buildings, trees and defining elements assume broader meanings only by virtue of the way they are arranged and the order of the positive spaces they define. While individual buildings or plants may possess characteristics that are attractive in themselves, the emphasis of campus design should be on the larger relationships of formative elements to space.



2. Scale

The size of trees, shrubs and plant beds should be considered with respect to their scale relationship to campus buildings, roads and spaces.

In general, plantings should be simple, rather than overly intricate, and be conceived in broad strokes that are appropriately scaled to the campus. Smaller, garden scale plantings and flower beds are important to the campus; however, they need to be related to the campus through proper hierarchies.

For example, the flower beds in front of Burruss Hall work well because they are part of an ensemble of steps, walls and paved terraces that are arranged and sized to fit with the building and the surrounding landscape.

3. Plant Character and Fitness

The plants selected for use on the campus should possess visual traits that are representative of or similar to the character of plants indigenous to the southwest Virginia region, and that are appropriately long-lived and refined to reflect the enduring quality of the institution. Plants that are highly exotic in their visual aspect should generally not be used on campus even though they may be in fashion from time to time.

Exceptions to this rule should only be permitted in very special circumstances, and such exceptions should be few. There is great intrinsic beauty in the native flora, and it should be the guiding purpose of the campus planting design to capitalize on it. The design of campus planting should be simple and seek to evoke a mood of tranquility similar to that found in nature. The design should be kept free of distracting elements. Such an approach will yield a campus that is unique, dignified, and practical to maintain.

The natural forms of plants should be retained through proper pruning. This is particularly noteworthy when considering shrubs. Shrubs should be planted in arrangements that allow for their natural shape to be retained through periodic renewal pruning.

There are many instances on campus now in which shrubs have been severely sheared to limit their size because they have not been provided adequate space to grow. The result is an unintentional design of sheared plants that is unattractive, often detracts from campus architecture and is relatively expensive to maintain.

Tree pruning should be started early in the life of campus trees to ensure that a proper form is established and the canopy is established sufficiently high to provide clear visibility beneath the trees and to allow adequate light to the grass areas below.

Significant large trees (over 20" diameter) should be mulched to their drip line with waste wood chips to reduce competition with turf grasses, and to build a looser, more forest-like rooting zone.



4. Tree Forms

The dominant form of trees on the campus is rounded as distinct from conical, weeping or upright trees. The rounded forms of the trees create soft continuous lines between land and sky and a general sense of calmness.

The round-headed trees also complement the massiveness and severe lines of the campus architecture. The primary round-headed trees include oak, beech, sugar maple, tulip-tree, elm, and planetree. It is recommended that round-headed trees continue to be the primary type of tree used, and that conical, weeping and upright trees be used with restraint and only in circumstances where they remain subordinate to the dominant unity of round-headed trees.

For example, the soft outline of hemlocks, larch, Austrian pine, and white pine make them relatively easy to compose with round-headed trees, and their continued use in groups as evergreen accents is encouraged.

Spruces, however, present a more rigid form that does not blend as well with round-headed trees. It is suggested that they be used only in groups where the individual forms are less pronounced. The two spruces in front of Burruss Hall are anomalies that in the long term will increasingly conflict with the beech trees and other round-headed trees that also flank the central tower. Future use of conifers as individual specimens should be discouraged.

5. Pattern

The general pattern of tree groups on the campus is almost entirely informal and non-geometric. As a rule, this practice should continue. An informal planting pattern has the advantage of being able to accept losses and additions while maintaining compositional wholeness. In several locations, regular rows of trees have been used successfully, and historically "Lover's Lane" was a beautiful elm allé.

Likewise, symmetrical patterns of trees and shrubs have been used appropriately in association with buildings and roads such as the Princeton American Elms at Eggleston Quadrangle, the oaks north of Burruss Hall, the planetrees along the Mall, and the symmetrical plantings that flank the War Memorial. The limited use of formal patterns should continue as a subordinate design approach to the dominant naturalistic approach to the grounds. The proper opportunities to use geometrically arranged plants are along streets, along major axial walkways and in courtyards and plaza spaces regularly defined by architecture.

In the past, shrubs have been used as foundation plantings at campus buildings, often with single plants dotted along the foundation wall mimicking the repetitive pattern of walls and windows. Such patterns should be avoided in the future because the result is a planting design that lacks interest and is often out of scale with large campus buildings.

The preferred approach to foundation plantings is to employ large continuous masses of plants that create a unified composition properly scaled to the size of the building. The yew hedge on the north side of Holden Hall is a good example. The Holden Hall hedge would be even more successful if it were lowered to the height of the window sills behind it.

6. Composition of Species

The most successful group plantings on the campus are those composed of single species or multiple species which share a high degree of visual similarity. Such groups evoke a peacefulness that derives from their visual balance and unity, yet they contain sufficient variety of branching, spacing and silhouette to sustain interest.

Good examples include the elms east of Owens and Eggleston and the sugar maples in the Williams Quadrangle. The idea of creating strong groups of single species or multiple species with similar form characteristics should be continued, both in naturalistic and geometric plantings.



The pattern of tree groups on campus should continue to be primarily informal.



Considerations of landscape maintenance are paramount in the design process.



Plants should be used in broad strokes that are in keeping with the scale of the campus.



Spotty placement of foundation planting should be avoided.

7. Native Plants

To the practical extent possible, tree and shrub plantings should consist of species that are native to the Appalachian Mountain region. This will in most cases enhance the possibility for long term adaptation of plants to the campus environment and create a visual setting that harmonizes with the characteristic beauty of southwest Virginia.

The preferred tree and shrub species are specified in the attached Campus Tree and Shrub List. If it is deemed that plants of other origin are preferable to native plants in certain situations, they should only be used if the plants have been demonstrated to be non-invasive.

The use of non-invasive, non-native plants may serve educational purposes and visually enrich the campus landscape, however, the fundamental planting strategy should be to employ long-lived native trees and shrubs that are adapted to the local climate and soils.

Ultimately, the use of indigenous plants will help create a distinctive, identifiable and imageable campus landscape.

8. Meadows

Select areas of perimeter lawn, especially steeply sloping lawn, may be converted into meadows where this treatment provides a transition to a more natural rural landscape. Meadows may be established by:

- 1) allowing existing turf to grow without mowing,
- 2) allowing turf to grow without mowing and supplementing with native grass and flower seed, or
- 3) removing the turf and seeding with native grasses and flowers.

Several meadow areas have been established on the campus perimeter.

9. Variety

Campus planting should be sufficiently diverse both in species and age of plants to maintain resilience in the event of unforeseen changes in the environment, such as disease or severe climate stress that may target plants of a specific type.

Simultaneously, however, visual unity should be fostered. Variety within unity can be achieved by planting in groups of similar species and by avoiding clashing forms and colors among the various planting areas on campus.

In the past there has been a tendency to exclusively plant single species in certain planting conditions. While this practice leads to visual unity and consistency, if taken to an extreme, it can be visually monotonous and possibly renders the plantings more vulnerable to insects or disease.

A preferred approach for large flowering shrubs would be to employ a variety of viburnum species along with native rhododendrons and shrub dogwoods in circumstances that require large shrubs.

D. SPECIFIC AREA GUIDELINES

1. The Alumni Mall

The planting objectives for the Mall should be to transform this street into a canopied boulevard. It should be a graceful shaded street; the historical and symbolic entrance to the University. It should be lined with large stately trees that when mature will possess symbolic value for the University as a whole.

The Mall should be planted with four rows of trees of the same species: two rows in the median, plus the existing rows of Planetrees that flank the parking lanes.

The advantages of using London Planetrees to accomplish the plantings are that the two outer rows are already in place, the Planetree is relatively fast growing, it can withstand the urban limitations of the Mall environment and it can attain sufficient stature to canopy the Mall.

Alternatively, native trees that are tolerant of urban conditions could be used, leaving the existing healthy London Planetrees in place. Future plantings should be protected from mower damage through the use of appropriately sized mulch rings.



2. The Drill Field

The planting objective for the Drill Field should be to maintain a frame of native deciduous trees on the slopes along the inside of Drill Field Drive, and keep the center of the space as open lawn.

The suggestion in the 1983 Master Plan of planting trees in fingers reaching from the perimeter towards the center of the Drill Field should not be followed beyond what has already been started in the southwest quadrant of the lawn.

The simplicity of the Drill Field space should be retained and the perimeter planting reinforced to become a more complete frame. The wide unplanted opening at Burruss Hall should remain.

In addition to the large deciduous tree frame, accent masses of conifers should be maintained at their existing locations. The existing conifer groupings should be reinforced, and the groups should generally be arranged in front of the deciduous trees as viewed from the interior of the Drill Field. This will create a pattern in which groups of conifer will form peninsulas or "promontories" projecting slightly into the Drill Field, with deciduous trees forming the "coves."

Conifers on the north facing slopes on the south side of the Drill Field should be Western Cedar, Arborvitae, and Fir, while the hotter south slopes should be planted with Red Cedar.

Understory trees should be added where opportunities allow in low-traffic, low-use areas where a high branched canopy is not essential. Large deciduous canopy trees most suitable for use around the Drill Field include:

Quercus alba -- White Oak
Q. coccinia -- Scarlet Oak
Q. lyrata -- Overcup Oak
Q. velutina -- Black Oak
Q. macrocarpa -- Bur Oak
Q. borealis -- Red Oak
Q. palustris -- Pin Oak
Celtis occidentalis -- Hackberry
Ulmus Americana -- American Elm (Dutch Elm Disease resistant cultivars)
Liriodendron tulipifera -- Tulip Tree
Magnolia acuminata -- Cucumber Magnolia
Tilia Americana -- Basswood
Acer saccharum -- Sugar Maple
Gymnocladus dioica -- Kentucky Coffeetree

All of these trees will make enduring, majestic specimens. Less durable trees such as Ash, Sycamore, Red Maple should not be used extensively on the Drill Field if at all. Smaller trees suitable for use around the Drill Field include:

Nyssa sylvatica -- Black Tupelo
Amelanchier Canadensis -- Shadblow Serviceberry
A. laevis -- Allegheny Serviceberry
A. grandiflora -- Apple Serviceberry
A. arborea -- Downy Serviceberry
Cornus florida -- Dogwood
Hamamelis virginiana -- Witch-hazel
Oxydendron arborea -- Sourwood
Sassafras albidum -- Sassafras
Prunus serotina -- Wild Black Cherry
Carpinus caroliniana -- American Hornbeam
Ostrya virginiana -- Eastern Hop-hornbeam
Cladrastis kentuckea -- Yellowwood

The 2007 master plan prepared by a Arboretum Committee subcommittee should be implemented over a 25 year period to avoid large scale simultaneous tree loss caused by even-age forest conditions.



3. The Duck Pond Park

The planting objective for the Duck Pond Park and the area surrounding the President's House should be to maintain parklands and woodlands in their present extent and general composition of species. The parkland area, consisting of tree plantings in lawns should be rejuvenated. Old trees in poor condition should be pruned or removed, and new trees should be planted to establish a replacement generation.

The replacement planting should be diverse, to create a parkland with visual richness, and to foster the use of the parkland as an arboretum for educational purposes. Ideally, a long range planting plan should be developed that would establish goals for an arboretum that are consistent with the campus landscape design guidelines.

Plant material should be authenticated and formally accessioned so that it has value for teaching and research purposes. While other parts of the campus may also be incorporated into the arboretum, the Duck Pond and The Grove area should serve as its core.

Under no circumstances should the campus become a test area for plant hardiness, morphology studies, or other horticultural research that may require plants to be selected or composed in ways that would violate the landscape design guidelines.

The woodland areas around The Grove and in the Duck Pond Park should be managed as a natural assemblage of native canopy trees and woody and herbaceous understory plants. The primary canopy trees should continue to be oaks.

On the northern slopes, American Holly, Sugar Maple and other shade tolerant forest trees can continue to be encouraged. The use of native rhododendrons should be extended in the northern exposures. The canopy and understory should be managed to encourage native plants, and remove invasive exotic plants as they may arise.

An overall master plan should be developed that restores the garden paths, stone steps and walls, the landscape around the rest rooms, and establishes a native aquatic plant edge around the ponds



4. The Quadrangles

The quadrangles are all planted slightly differently, however, they all consist of lawn areas in which trees are planted. Shrubs are used to varying degrees, and are typically located around the perimeter as foundation planting.

The planting objective for the quadrangles should be to develop for each quadrangle a characteristic plant assemblage that will foster a distinct identity for the quadrangle and add to the overall variety of the campus landscape. The quadrangles represent a smaller, intimate type of campus space, different from the civic scale campus spaces which include the Mall, the Drill Field and the Duck Pond Park.

Tree planting in the quadrangles is essential to provide overhead spatial containment, the sensory interest that biomorphic forms offer in a dominantly architectural setting, and the environmental benefits of wind protection, shade, cooling, and improved air quality.

Trees with high branching canopies that form a space beneath them should be preferred over trees that are densely branched at a low level and are more object-like. This will prevent the quadrangle plantings from becoming too massive and preserve an openness which is desired for visibility and to allow sunlight to reach the lawns.

Elms are the best example of canopy trees that create a space beneath them. Other trees that are suitable for this purpose include White Oak, Red Oak, Black Oak, Bur

Oak, Scarlet Oak, Sugar Maple (improves with age), and Tulip Trees. Lindens, Horsechestnut, European Beech, Ginko and most of the conifers are examples of trees that branch low to the ground and do not typically create spaces below their canopies, or do so only in old age.

The idea of using one or two dominant characteristic tree types for each courtyard should continue, and the pattern of locating trees around the edges of the quadrangles in rows or informal groups should continue. In quadrangles where there is significant topographic change, informal groupings of trees should be favored.

The quadrangles whose terrain, shape and size support a formal planting are Payne Hall Quad, Eggleston Quad and the Newman Quad. In these quadrangles, single rows of trees framing the four sides of the space are a successful approach. The trees should be planted on the inside of the perimeter sidewalk.

Shrub layer and understory trees should continue to be planted around the perimeter areas. Openness at the centers of the quadrangles should be retained. In general, shrubs should not be planted in small groups or complicated configurations, but rather in broad strokes and simple patterns.

For example, the Yews along the north wall of Miles Hall would be much more successful as a single continuous hedge along the sidewalk rather than in their present configuration. The shrubs in the Agricultural Quadrangle are a good example of an informal arrangement

of proper scale, and illustrate how shrubs can be successfully used inside of the perimeter walkway rather than simply confined to the area between the sidewalk and the building.

The selection of shrubs and understory trees for each quadrangle should be based on developing a characteristic theme for each and should seek to provide visual interest for more than one season of the year.

For example, one courtyard may develop a Viburnum theme, another may be devoted to deciduous Azaleas and Dogwood trees, and another to large leaf Rhododendrons or hollies. The shrub and small tree themes should be selected with an understanding of the soils and microclimate of each quadrangle, and may, where possible, create a logical association with the canopy trees.

In each case, the planting theme should be simple; a single strong idea carried out with excellence rather than a complexity of ideas from which nothing emerges with clarity. As each quadrangle is framed by large buildings with singular architectural expressions, so too the plantings should adopt a practical simplicity to avoid being trivial by comparison.

The quadrangles are excellent areas to develop herbaceous ground layer plantings including spring flowering bulbs. These should also be conceived in simple patterns that relate properly to the scale of campus buildings, walks and other plantings.

The tendency toward residential scale gardening with fussy combinations of plants should be avoided. The simple patterns and composition of natural landscapes should serve to guide the spirit of campus plantings.

Turf areas of high use, such as residential quadrangles should be closely monitored with management plans developed as required to maintain quality turf.

As stormwater management continues to increase in complexity and scope, it is important that responses are site appropriate. Urbanized areas will require more structured, artful responses, while other areas are more natural in design. ICTAS 2 and New Hall West are examples of successful site / storm water management approaches.

General observations and planting recommendations regarding the campus quadrangles are as follows:

Patton

The use of ash should be discontinued in favor of native oaks. Informal placement of trees is recommended. Rejuvenation of shrub plantings as previously completed at Patton and Holden should be continued. Garden development at Norris should be of proper scale and respect the structure of the quad.

Williams

The Sugar Maple theme should be retained and new trees should be high-branched specimens. As the trees continue to mature, waste wood chip mulch may need to replace the turf under the shade of the Maples.

Payne

Maintain existing conditions.

Campbell

Retain the American Beech theme with informal layout and open ground plane. Re-evaluate shrub planting and rejuvenate and enrich shrub layer.

Ambler-Johnston

Interplant large Red Maples with native trees. Rejuvenate and enrich shrub plantings to frame pedestrian circulation and new plaza spaces

Dietrick- Cassell

Retain the oak and beech plantings and add shrub masses to frame pedestrian circulation and plaza spaces. The declining pine masses should be replaced with Red Cedar, and the Birch plantings should be retained and reinforced, as should the Viburnum hedge. The larger existing shade trees should be mulched with waste wood chips to improve long term tree health. A turf management plan should be developed due to heavy use by resident students.

Pritchard

The existing informal tree planting should be maintained. Replacements should be made as required to maintain the frame effect that is sought. Strong wooded trees such as Sugar Maple, or Oaks should be planted. Larger trees should receive waste wood chip mulch. The building entrance shrub layers should be rejuvenated.

Eggleston

The original American Elms should be protected, and the Princeton Elms maintained. The trees should be kept in formal rows along the perimeter walks. This quadrangle does not require a shrub planting except along the east and west sides where sidewalks are close to windows, and an intervening layer of shrubs would enhance separation. The hedges should be rejuvenated and supplemented. The small flowering trees along the edges near doors or portals should be maintained.

Newman

The theme of formally arranged trees should continue on all four sides of the quad. At the building lines the yew plantings should be replaced with hedges backed with flowering trees, or simply beds with flowering trees.

Upper Quad

The south side of Lane Hall should be generally maintained in its present configuration of informal trees and hedges. The hedges should not be sheared, but should receive periodic renewal pruning. To the north of Lane Hall, landscape areas made available as a result of the Upper Quad Conversion and the subsequent removal of the existing tennis courts, should be studied in greater detail to determine appropriate landscape treatments and furnishings. In general, it is recommended that the area consist of lawns and informally planted trees with potential for development of small edge plazas.

5. Core Area Linkages

The planting treatment of linkage spaces should be designed to make these areas more consistent and unified so that the pedestrian experience of moving through the campus is more coherent. It is recommended that turf grass be reduced and that ground cover and naturalistic shrub and wooded areas be developed similar to those already planted between Dietrick Hall and Slusher Hall. Grass should be retained in areas where it is valuable for informal use, and along the edges of paths where slopes permit easy mowing. In steeply sloping areas, or small areas that are impractical to maintain as turf, assemblages of native plants should be planted to replace the grass.

The long term goal of these areas should be to reduce their maintenance requirements to only periodic pruning and thinning. The specific plants for each area should be determined by soils, exposure, use, and space available at the location. The planting and management plans for various areas may also allow for the long-term succession of initial plantings to quite different ones. It may be accepted, for example, that oak seedlings be allowed to colonize a short-leaf pine planting; or indeed the plan may specify that acorns be planted at a given stage of the life cycle of a planting.

A mass shrub planting of gray dogwood or fragrant sumac used for bank stabilization may be purposefully and gradually replaced by a tree planting after the shrubs begin to naturally decline. The management process should be flexible and opportunistic.

It is recommended that initial plantings be dense enough to establish shade to limit grass and weed growth. This will typically be denser than the desired long term density. Relatively small size plants should be used to enhance acclimation, and limit the cost of dense plantings.

Species such as Sassafras, Sweetgum, Red Maple, Black Cherry and Chokecherry are suggested as suitable trees for creating a canopy fairly rapidly in the proposed naturalized areas.

Examples of successful linkage spaces are the corridor between Campbell Hall and War Memorial Hall planted with Kentucky Coffeetree and native Hollies, and the embankment on the northeast end of Payne Hall planted with Red Fescue.

Other linkage spaces that may be naturalized are the north side of the Dietrick Hall service yard; the south side of Whittemore Hall; the upper quad corridor from McBryde to Turner Street; the embankments west of Owens Hall; the embankment south of the Owens Hall service yards and the mounded area immediately west of Burke Johnston Student Center.

6. Campus Streets

The planting objective for the streets of the core campus area should be to define the campus streets as continuous spatial corridors and to create a uniform appearance. This will help to control the variation of landscape and building conditions that currently exist along most streets. Uniform rows of trees are recommended to minimize the differences in building set-backs, alignment, materials and style.

As a general rule, campus streets should be planted with deciduous canopy trees that will provide foliage at a height from fifteen to forty or sixty feet above the ground, while allowing open vision below the branches. The trees should be on both sides of the street and the species should be the same along a given street.

Changes in species should be coordinated with logical changes in street alignment or at intersections. Arbitrary changes in species or mixing a variety of species on a given street should be avoided in the interest of maximizing visual continuity. Exceptions to this can be entertained if the mixed species have very similar size, form and texture characteristics.

7. Campus Forest Areas

The proposed campus forest areas consist of existing wooded areas and open areas proposed for reforestation. There are four long-term objectives for the forest areas.

- The first is to maintain stands of large native trees with associated understory and ground layer plants that will provide a regionally fitting visual theme for beautifying and unifying the university owned areas surrounding the core campus.
- The second is to provide the environmental benefits of cooling, carbon capture, enhanced storm water management, erosion control and water quality protection, increased species diversity and reduced water consumption and energy expenditure for grounds maintenance.
- The third is to provide areas for research, education, and passive recreation in close proximity to the campus.
- The fourth is to provide an example of environmental responsibility that will serve to heighten public awareness of the relationship between human society and the natural environment.

All of these objectives are supportive of the Virginia Tech Climate Action Commitment and Sustainability Plan. The university should investigate the establishment of forest easements as a means of gaining stormwater management credits.

In balancing these objectives, it should be recognized that in areas of high visual sensitivity along roadways, the aesthetic quality of the forest should be given priority. Research activities that may result in “unattractive” landscapes or the dominance of invasive exotic species over extended periods of time should be located in areas with limited public exposure.

The forest areas along roadways should be designed and managed to enhance and unify the campus image over the long-term with a minimum of short-term unattractiveness during periods of canopy establishment. The detailed planning of reforestation initiatives should also include, as an overarching design parameter, the maintenance of campus safety and security, and the preservation of significant views.

The forest areas should not be designed as strict restorations of the forest communities that naturally occur or occurred in the region during previous times. Rather, the forest areas should be designed to stimulate the general structure and ecosystem functions of naturally occurring forest communities of the region, with a composition of species that may not necessarily replicate the original forests of the area.

The designs and the management methods for each forest area should respond to the existing vegetation soils, hydrology, exposure, size, shape and context of each site.

The methods for establishing new forests should be adapted to the site conditions and budget available for each site.

The preferred method of forest establishment in areas of high public visibility is to plant canopy trees at densities and proportions of species similar to their final desired configuration, and to allow and encourage invasion by understory species as the forest canopy develops.

Examples of the canopy trees that would be included in the initial canopy plantings are listed below. The list will require refinement based on more detailed studies that would address issues of plant availability in required sizes, species transplant characteristics, and the matching of tree types to field conditions.

Acer saccharum -- Sugar Maple
Acer rubrum -- Red Maple
Betula Lenta -- Sweet Birch
Carya sp -- Hickory
Fagus grandifolia -- American Beech
Fraxinum americana -- White Ash
Juniperus virginiana – Eastern Red Cedar
Liquidambar styraciflua – Sweet Gum
Liriodendron tulipifera -- Tuliptree
Nyssa sylvatica -- Black Tupelo
Prunus serotina -- Black Cherry
Pinus rigida -- Pitch Pine
Pinus strobus -- White Pine
Pinus echinata -- Short-leaf Pine
Quercus alba -- White Oak
Q. coccinea -- Scarlet Oak
Q. lyrata – Overcup Oak
Q. macrocarpa – Burr Oak
Q. prinus -- Chestnut Oak
Q. borealis -- Northern Red Oak
Q. shumardii – Shumard Oak
Q. velutina -- Black Oak
Tilia americana -- Basswood

In the interest of minimizing the period for canopy establishment and increasing their immediate visual effect, trees should be planted at the largest sizes practical. Weed and grass competition should be reduced in the immediate area around the planted trees until such time that the new planting can successfully compete.

Existing grass and forbes should be allowed to grow without mowing in the remainder of the project area, until they are ultimately shaded out and colonized by woody plants. The grass should be removed if rodent control becomes necessary to protect young trees from girdling.

To maintain a neat edge along roadways, a narrow strip of lawn, free of trees, may be maintained during the establishment years, and later be phased out or maintained as a grass shoulder.

Other methods of planting may be employed in situations where less immediate visual effects are acceptable, or where soil conditions, exposure or the project budget will not allow planting large canopy trees at ultimate densities. These methods include:

- Planting desired canopy trees at lower densities in loose savanna configurations that will, over time, naturally close or can be supplemented with future planting.
- Planting desired canopy trees at higher than ultimate densities (probably with smaller size planting stock for cost reasons) to increase the rate of canopy establishment and the opportunity for development of an understory layer.

- Planting fast-growing pioneer tree and shrub species at medium to high densities to rapidly establish a canopy followed by inter-planting with longer lived shade tolerate canopy species. Variations of these methods are also feasible.

The planting of fast growing temporary shelter belts and hedgerows may also be desirable to provide protection for the new forests during the first several decades of their establishment. In proposed forest areas along the edges of large parking areas it would be desirable to include a large proportion of conifers for visual and wind screening.

CAMPUS TREE AND SHRUB LIST

Preferred woody plants for use on the Virginia Tech Campus. This is not an exhaustive list of all acceptable plants. Other plants that follow the design guidelines may be used.

Canopy Trees

Abies fraseri—Fraser Fir
Acer rubrum—Red Maple
Acer saccharum—Sugar Maple
Betula lutea—Yellow Birch
Betula nigra—River Birch
Fagus grandifolia—American Beech
Fraxinus Americana—White Ash
Carya glabra—Pignut Hickory
Carya ovata—Shagbark Hickory
Carya alba—Mockernut hickory
Carya cordiformis—Bitter-nut Hickory
Liriodendron tulipifera—Tuliptree
Liquidamber styraciflua—Sweetgum
Magnolia acuminata-- Cucumber Magnolia
Nyssa sylvatica—Black Tupelo
Picea rubens—Red Spruce
Pinus strobus—White Pine
Pinus echinata—Short-leaf Pine
Plantus occidentalis--American Sycamore
Prunus serotina—Black Cherry
Quercus alba—White Oak
Quercus bicolor—Swamp White Oak
Quercus coccinea—Scarlet Oak
Quercus palustris—Pin Oak
Quercus prinus—Chestnut Oak
Quercus rubra—Northern Red Oak
Quercus velutina—Black Oak
Tilia americana—Basswood
Thuja plicata – Western Cedar
Quercus lyrata – Overcup Oak
Gymnocladus dioica – Kentucky Coffeetree
Ulmus americana – Dutch Elm Disease resistant cultivars
Quercus macrocarpa – Burr Oak
Quercus nuttallii- Nuttall Oak
Platanus acerifolia – London Planetree
Thuja occidentalis – American Arborvitae
Celtic occidentalis – Hackberry
Juniperus virginiana – Eastern Red Cedar

Understory Trees and Shrubs

Amelanchier arborea—Downy Serviceberry
Amelanchier canadensis—Shadblow Serviceberry
Amelanchier laevis—Allegany Serviceberry
Carpinus caroliniana—American Hornbeam
Clethra alnifolia—Summersweet Clethra
Cercis canadensis—Redbud
Cornus florida—Flowering Dogwood
Cornus amomum—Silky Dogwood
Cornus racemosa—Gray Dogwood
Hamamelis virginiana—Common Witch-hazel
Ilex opaca—American Holly
Kalmia latifolia—Mountain Laurel
Ostrya virginiana—Hop-Hornbeam
Oxydendrum arboretum—Sourwood
Prunus pennsylvanica—Chokecherry
Rhododendron calandulace—Flame Azalea
Rhododendron catawbiense—Catawba Rhododendron
Rhododendron maximum—Rosebay Rhododendron
Sassafras albidum—Sassafras
Vaccinium corymbosum—Highbush Blueberry
Viburnum dentatum—Arrowwood
Viburnum lentago—Nannyberry
Viburnum prunifolium—Blackhaw
Virbunum trilobum—American Cranberrybush
Xanthoriza simplicissima—Yellowroot
Crataegus viridis– Winter King Hawthorne
Ilex glabra -- Inkberry
Ilex verticillata -- Inkberry
Viburnum cultivars
Fothergilla major – Large Fothergilla
Halesia carolina – Carolina Silverbell
Aronia arbutifolia – Red Chokeberry
Aronia melanocarpa – Black Chokeberry
Fothergilla gardenia – Dwarf Fothergilla



E. SITE STRUCTURES

1. Lighting

The present system of standard light poles and fixtures should continue to be applied in new areas of the campus. The layout of fixtures should continue to follow the regular patterns of walks, roads and buildings so that the main lines of the campus structure are revealed by the layout of lights.

- New building-mounted lights should be low glare fixtures and employ lamps with good color rendition, particularly at building entrances.
- Bollards, well lights and fixtures embedded in walls or steps should not be used. These types of lights are prone to failure in exterior applications and require a high level of maintenance.
- Pole-mounted or wall-mounted fixtures consistent with the standard campus fixture should be used.
- Wall-mounted fixtures may adopt the style of the architecture on which they are mounted rather than follow the campus standard pole-mounted fixture.

2. Emergency Call Boxes

The existing emergency call boxes should be located in all academic and residential areas as well as highly traveled remote areas of the campus. The Virginia Tech Police Department shall be consulted regarding placement of the phones and to verify the phone model and proper programming to function with the existing system.

3. Structures

Walls

Site walls should be designed to be a direct extension of the architecture they are most immediately associated with. Materials and finishes shall match those of the adjacent architecture. Seat height walls located in association with building entrances and other natural gathering places are encouraged. The seat walls should have smooth cut stone or precast caps to encourage sitting, rather than rough Hokie stone or brick.

The cheek walls that contain steps should be designed to be nearly flush with surrounding lawns or plant beds, rather than projecting above the adjacent grade level.

Bike and Bus Shelters

The transparent shelters presently used on the campus should continue as the campus standard.

Pavilions and Trellises

Several opportunities exist on campus to add trellis or small pavilion structures to enrich the campus landscape. One opportunity is in the Agriculture Quadrangle on top of the existing concrete slab that overlooks the lawn. Another is at the top of the steps between Brodie Hall and Major Williams Hall.

In each case the structure should be designed to be compatible in style and materials with the surrounding architecture. For example, the rustic wood pavilion at the Duck Pond, as appropriate as it is in that setting, would be out of place within the built campus, where stone, metal or more finished wood construction would be appropriate.

Pavilions should be designed as enjoyable places to sit and as gateways along paths that frame views or mark a transition from one place to another. The pavilion at the Duck Pond, for example, is inviting and attractive because of its design and siting.

4. Art

The use of elements of sculpture, relief and ornament in the development of the campus landscape is encouraged. Any such work of art, be it free standing sculpture, a fountain or an ornamental pattern in a plaza pavement, should always be carefully integrated with the landscape immediately surrounding it. The art and its setting should be developed together so that the art is a harmonious part of the landscape rather than a foreign or free element in the landscape.

The Visual Arts Properties Committee has been established to evaluate and control the design and placement of art on the campus. The committee works with the Office of the University Architect to identify locations for commissioned or gifted sculpture.

5. Paving

Street and Parking Lot Paving

The pavement material for vehicular streets and parking lots should continue to be asphalt concrete.

All paint markings on parking lot and road pavements should be white, not yellow, except where required by VDOT standards.

Pedestrian Pavements

The pavement material for pedestrian walks should continue to be broom finished cement concrete. Score joints typically should be tooled and perpendicular to the tangent or arc length of the walk. The alignment of walks shall follow smooth continuous curves and tangents, free of kinks and misaligned curve-tangent intersections.

The preferred pavement for pedestrian plazas and terraces immediately adjacent to buildings is cut stone, or a unit paver of brick or concrete. The use of concrete on plazas and terraces is also acceptable.

To reduce glare, add interest, and provide color consistency, colored concrete may be used. The design of the plaza surface should be treated as an integral part of the surrounding architecture.

The pavement should meet adjacent buildings walls, steps in a planned way; as an interior floor would deliberately meet the walls of a building. Drainage inlets should be compatible with the adjacent architectural detailing.

Curbing

Street curbing shall be cast-in-place, or precast concrete.



III. BUILDINGS

A. INTRODUCTION

These Building Design Guidelines are a companion to the Campus Master Plan and are meant to assist architects in understanding the design and planning characteristics which make the Virginia Tech Campus a special place. The architectural appearance and overall aesthetic quality of the Virginia Tech campus are important university and community resources which deserve special care and attention to assure continuity.

The image of the university's architecture and building forms should convey long term stability while encouraging an atmosphere for creative thinking. The majority of campus buildings should work essentially as groupings or compositions rather than as individual buildings both functionally and aesthetically. The architectural style of new buildings may vary to reflect current technology and program accommodation. Any such innovations, however, must maintain a harmonious, aesthetic connection with existing campus structures.

New buildings and their associated outdoor spaces must provide varied experiences while reflecting the existing heritage and character of the established campus architecture. Building elements must exhibit permanence, a human scale, visual richness and pleasing proportions.

In order to extend the architectural fabric of the campus, building materials must be carefully integrated in a manner which is compatible with the historic existing buildings. In addressing the design of renovations, additions or new construction, designers are encouraged to find the proper balance between individual expression and overall contextual conformity.

In undertaking the requisite planning and design tasks, several considerations are paramount to the guidance of the design concepts, including:

- A consistent use of the principles of **design order**, such as building orientation, scale, massing and proportion.
- A careful integration of the **architectural elements** which are key factors in the defining characteristics of the Virginia Tech architectural language, including walls, roofs, windows, doors, openings and building materials.
- An appropriate response to the **campus context** through respect for the protection of views, setbacks and development patterns described in the Master Plan.
- Accommodation of projected growth and development in a manner which strengthens the overall **appearance, spatial organization** and **functionality** of the campus.
- A meaningful commitment to design strategies which embrace **sustainability** and are compatible with the regional environment and conservation of natural resources.

B. ARCHITECTURAL ORDER

1. Siting / Orientation

The siting of new buildings and the location of building additions must be carefully considered with respect to several key considerations, including the master plan guidelines, existing landscape features, site utility infrastructure and solar orientation.

New structures are to be placed to help define outdoor campus spaces. Their locations and groupings, as illustrated in the Master Plan, express this intention. While specific program requirements will necessitate adjustments to these parameters, the space-making intentions of the Master Plan are to be honored.

A precinct plan, developed during the concept design phase of each project, will help maintain a focus on campus master planning issues such as spatial definition, circulation, building entries, and ground level uses.

The location of entries, arcades, and ground level internal activities can do much to animate campus spaces. Where possible, these functions should be incorporated into the building's design. Spaces should be activated with the addition or relocation of entry points. Designers are to consider how views into or from a building will create a connection between the new building and outdoor areas. A window frame can be thought of as a frame for a vignette of campus life, or as a frame for a view of a building's internal life.

The following outline identifies specific 'siting' considerations for review:

1. Buildings shall be sited to reinforce and enhance the **spatial structure** of the campus and its circulation patterns.
2. Building entries shall be clear and coordinated with **circulation patterns** and landscaping elements.
3. Ground level uses shall consider the **harmony** of interior and exterior activities.
4. Building placement should be oriented to shield **utilitarian components** (parking, loading, trash areas, and utility boxes) from the most prominent campus view 'corridors.'
4. Coordinate **shared facilities** as feasible, including walkways and parking areas.
5. Locate buildings to develop a network of varied **open spaces** that facilitate both formal and informal interactions.
6. Site buildings so as to create human-scaled spaces with **spatial sensibilities** that relate to the mass, proportion, and size of surrounding buildings.
7. Locate buildings to reduce impacts on the land and **environment**.
8. Arrange building forms to make the campus inviting and transparent with a strong sense of arrival and **clarity of orientation**.
9. Promote *compact development* to preserve the campus' greatest asset — its land — for future opportunities.
10. Orient buildings to maximize passive **solar opportunities** and allow active solar technology.



2. Building Scale

The design of the original campus buildings was influenced by a broad range of factors that generated specific attributes of building size, organizational structure and volume. Many of these influences related to construction technology and available building systems with respect to structure and mechanical systems. For example, a desire for natural ventilation was a particularly important factor in determining building width in the historic campus structures.

The building Design Guidelines promote new design strategies which reflect the building's site, programmatic function, site considerations, surrounding environment, as well as their place in time.

Height

To maintain the sense of scale currently experienced in major spaces on campus, it will be important to controlling the height of buildings, particularly in the core area of campus.

- Generally, buildings are to be three to five floors in height above grade.
- If more than four floors above grade are needed, the upper floors and penthouses must be set back.
- Taller exceptional elements are to be designed and located in response to particular opportunities outlined in the campus master plan guideline, including landmark locations described in the 2006 Master Plan update.
- Buildings of three and four stories in height should be subdivided into a base, body, and top. This delineation may be accomplished through changes in building plane, differentiation in material, or both.

Massing

While many of the buildings on campus are simple in their overall massing, there is wide use of smaller scale individual elements such as bay projections and porches. These elements are used to suggest special internal functions, draw attention to important areas like entrances, and provide visual and compositional balance. These elements help to provide the visual and psychological cues necessary for an understandable architecture. Their inclusion in new designs is encouraged.

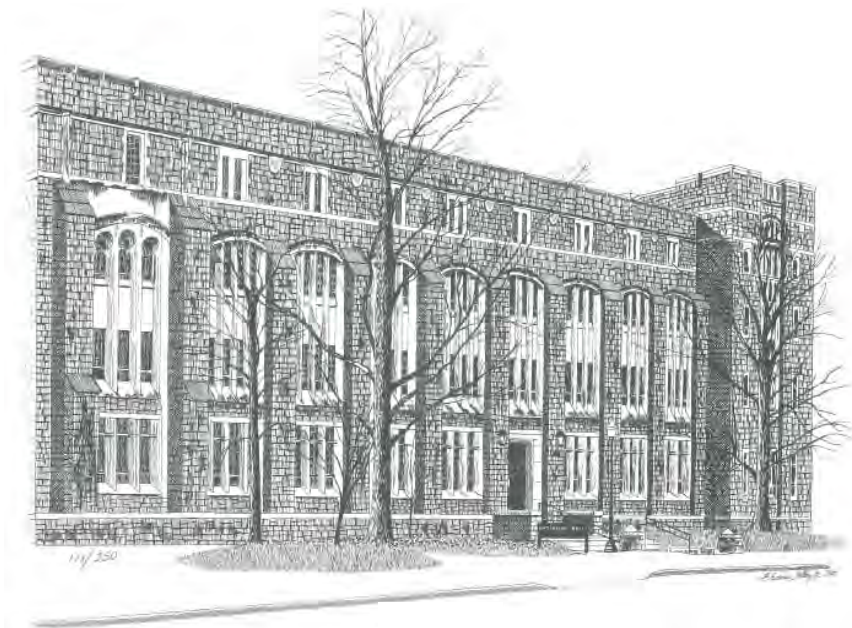
Simple massing allows constrained budgets to be focused on higher quality materials and careful detailing. The traditional buildings on campus exemplify how richness can be achieved through the use of durable materials and fine detail within the context of simple massing.

Volumetric Variation

Variation in the massing of buildings may be accomplished in several ways. The following considerations are recommended strategies for developing expression in the basic volume of new building forms.

- Bays, porches, towers, and other minor adjustments to massing are encouraged.
- Some expression of the building structure is encouraged in the design and rhythm of the facade, including options such as piers, buttresses and modulation of the wall plane.
- Openings in the masonry wall should have some level of correspondence to the building's structural rhythm, either in continuous openings or by combinations of smaller openings within the bays.
- Iconic structures, while an exception to the rule, are welcome as important campus landmarks. Substantial review and discussion should be held regarding the appropriateness of such proposals.

Of particular interest in understanding the preferred massing and spatial character of buildings in the campus landscape, please refer to the Agriculture Quadrangle for reference. The following renderings illustrate the range of building volumes and architectural language found in the quadrangle.



Hutcheson Hall



Smyth Hall



Price Hall



Seitz Hall



3. Facades

The traditional buildings on the campus have simply ordered and well articulated facades. Clearly delineated bases, middles and tops are the rule. In many cases, facades are symmetrical with the central and end bays pulled forward and emphasized with towers, pediments, or raised parapets. Bays and large order windows help organize the facades and, in some cases, indicate special interior spaces. Doors with carved surrounds, stairways, and wing walls clearly mark entries and often project several feet beyond the main facade.

When considering the key design considerations for building facades, the following guidelines identify specific considerations for review:

1. Facades shall be simple and well ordered.
2. General fenestration patterns shall be regular. Some vertical hierarchy is appropriate. Where affordable, cut stone window surrounds are preferred to precast concrete. Window openings shall be subdivided to create a vertical proportion where they form horizontal groupings.
3. The use of bays, giant order elements, or special accents to provide a large overall order is acceptable and encouraged.
4. Special detailing ornament and materials at significant locations are acceptable and encouraged.
5. Window frames and glass shall be set back approximately 6" to provide weather protection. Sills and heads shall be detailed to shed water and alleviate the possibility of unattractive weathering patterns.

Additionally, the following recommendations are provided for more specific façade design considerations:

- Buildings are to address primary campus spaces with main facades.
- Facades are to incorporate primary or symbolic building entrances.
- Main facades are generally more formal, elaborate, and make use of symmetry.
- Facades are to be divided into a base, a middle and a top.
- Facades will incorporate repetitive façade bays in accordance with their siting and scale.
- Repetitive bays are to be vertical in proportion.
- Facades will have differentiated or emphasized ends.
- Facades will be designed with three dimensional relief.
- Facades may incorporate decorative elements as appropriate to their style and importance.



Main Eggleston Hall



Newman Library



Saunders Hall



Bioinformatics Building



East Campbell Hall



Holden Hall

C. ARCHITECTURAL ELEMENTS

1. Roof Forms

Special attention must be paid to the arrangement and design of building roofs and various attached appurtenances. Roofs must be organized and designed as carefully as the other primary elements of a building.

Equipment must be integrated into the building form or placed within enclosures well integrated with the roofscape.

In most cases, both sloped and flat roof solutions can be successful. Sloped roofs, parapets, and dormers are all extant on the campus. When successful, they are integral elements of the design and provide individual character to a particular building. Sloped roofs provide the opportunity for individualizing a building that is simple in plan and elevation.

Executed in slate or standing seam metal, sloped roofs are attractive in appearance and durable. Asphalt shingles, which have a shorter life span, and a less formal appearance, are not appropriate for central campus use.

Stacks, exhaust hoods, and vents should be grouped and incorporated into the architectural composition of the buildings they serve. Since such appurtenances are often visible from a considerable distance, it is important that they be designed with a high degree of uniformity so that the distant image is harmonious and composed.

If traditional forms of construction such as these are to be used, they should be carefully reviewed. The choice of color, size, and pattern of roof tiles are important design decisions. Standing seam metal roofs allow for a similar range of options including material, color, patterning, and method of seaming. Other details, such as snow clips, ridge and valley flashing, and vents are all essential elements and should be consciously evaluated.

Where parapets occur on the campus, they are most successful when trimmed in precast concrete or cut limestone. A full range of design and detailing possibilities may be considered for copings. The specific slope of a roof, whether it is hipped or gable-ended, and the incorporation of both functional and ornamental details, such as scuppers and gargoyles, add character and individuality to a building.

These traditional details also improve the weathering of a building and its appearance over time. Where copings are used and simplified to express their modernity, a consideration of their traditional function is beneficial. Dormers provide a lively accent along the tops of several existing buildings on campus. They provide a sense of the life within a building not unlike bay projections.



War Memorial Hall



Career Services Building



Norris Hall



Main Campbell Hall



Main Eggleston Hall

2. Doors, Portals & Passages

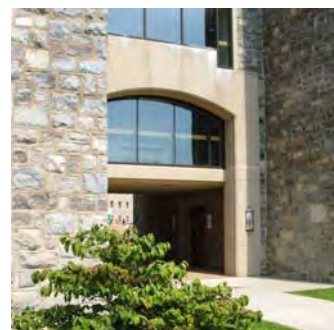
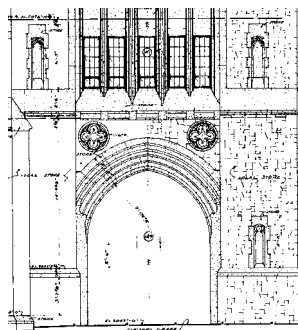
Entries should be logically placed to relate to building function and must be clearly recognizable by users. They must be open and inviting, well lit, and should provide a sense of security. The scale of building entries must be proportioned to clearly identify their location and importance while maintaining a human-scale relationship.

This requires that multi-story entries must have single-story element sets within. The entry may be used as an organizing tool for the entire facade, and may also be referenced by a feature such as a balcony at a higher floor.

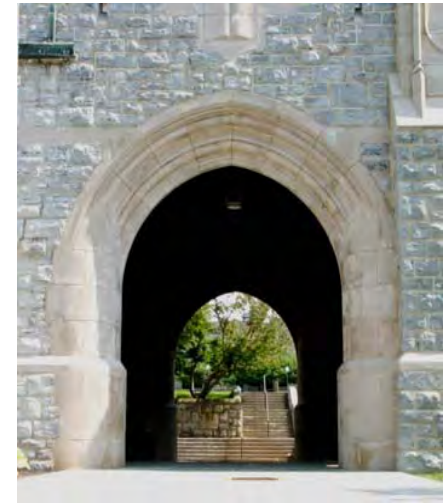
Another key element found in the more iconic buildings on campus is the presence of outdoor spaces and passages which are integrated into the campus circulation plan and specific entrance requirements for individual buildings. The interiors of passages through buildings which connect outdoor rooms and campus spaces have integrated seating ledges and wood beamed ceilings, creating a sense of place. Opportunities for such 'portal' conditions should be carefully reviewed for each project, particularly in conjunction with the Campus Master Plan.

The following basic considerations must be taken into account in the design of door and entry conditions for new buildings:

- Primary and symbolic entrances will receive particular elaboration & emphasis.
- Entrances will be clear, prominent, and aligned to the major space upon which the building fronts.
- The outdoor space at the entrance, the entry portal, and the building lobby are to be parts of a unified pedestrian experience.
- The building entrance is elaborated and celebrated by both architectural and landscape elements.
- The design will extend the exterior public space seamlessly into the building, and provide informal gathering and meeting spaces near the building entrances using a combination of paving, planting beds, low walls, benches, trees and steps.
- Service entrances are to be unobtrusive.

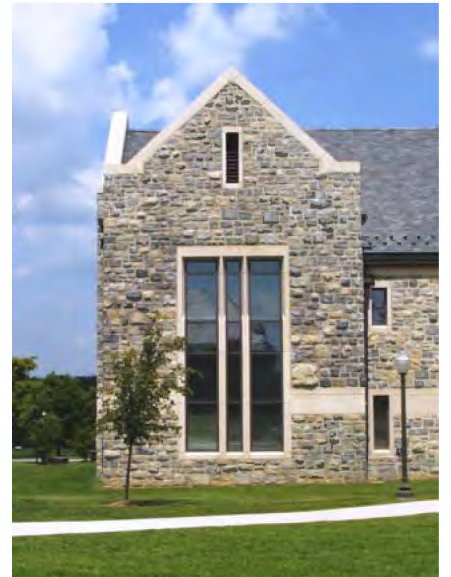


Harper Hall



Main Campbell Hall





3. Windows & Openings

Windows are anticipated to be placed visually in balanced compositions, both vertically and horizontally. Their sizes sometime vary from floor to floor to create a sense of hierarchy and order. They are generally vertically proportioned singly or through intermittent mullions, when arranged into horizontal groups.

Finished stone with surrounds (heads, jambs and sills) give a finely crafted quality to the buildings and allow window frames to meet the otherwise rough, split-faced Hokie stone. This finer finishing of materials at openings in the facade reveals an intelligent understanding and sensitivity to the reality of construction and the nature of materials.

In most cases, windows and doors in exterior walls should be recessed to represent a 'punched' or 'cut-out' expression of the openings which one would expect in a solid masonry wall. Windows and openings might also be grouped in larger configurations as a counterpoint to large areas of masonry construction.

The placement and proportion of windows must respect solar orientation, views and daylighting potentials, as well as the historical precedent of window forms within the older historic buildings of the campus. The use of oversized windows, common in some of the older buildings on campus, is encouraged on appropriate façade locations as long as configurations are integrated with a strong sustainable/solar design strategy. In general, larger openings should be used to signal principal entries, gateways or atrium features.

The use of windows promotes campus vitality. Windows allow people on the outside to be connected to activities within, while providing interest for people inside. At night, windows allow interior activities to illuminate and animate the public spaces outside and also provide a sense of security.

Natural light may be appropriate for many teaching uses, and when combined with blinds or curtains, classrooms may still have enough flexibility for computer or projection use. Glazing is very important along arcades and at building entries. Offices located at the exterior should have windows whenever possible.

Skylights help animate the interior of a building by providing natural light and color. They create an element of visual activity on the roof that can be seen on the skyline. Used as an icon or marker, a skylight system can help give the campus identity and texture.

The original campus buildings have been perceived as not having enough glass. Some of the newer buildings have more glass than the originals.

Individual panes of glass must be vertical or square. Window units may be linked together with a multi-segment mullion system. Large horizontal masonry openings can be achieved through the connection of many lites of glazing. Skylights and clerestories should be constructed from vertically oriented planes of glass and should be illuminated so that they may be seen both night and day.

- Typical windows are to be 'punched'—as individual rectangular openings in the masonry walls.
- Typical windows are to be vertical in proportion.
- Windows are to be set deep within the thickness of the wall, not flush with its outer surface.
- Larger areas of glazing, where they occur, are to consist of grouped windows, not undifferentiated curtain walls and should be located to express aspects of the buildings' circulation system, lobbies, stairs, and major public rooms.
- Operable windows are encouraged in private rooms, subject to the need to meet energy consideration and LEED Silver requirements.
- Glass is to be clear (low-e coefficient), not noticeably tinted. Reflective glass is not allowed.
- Glazed areas are to be subdivided by true mullions.
- Window mullion patterns will be designed so as to enrich the reading of the façade.

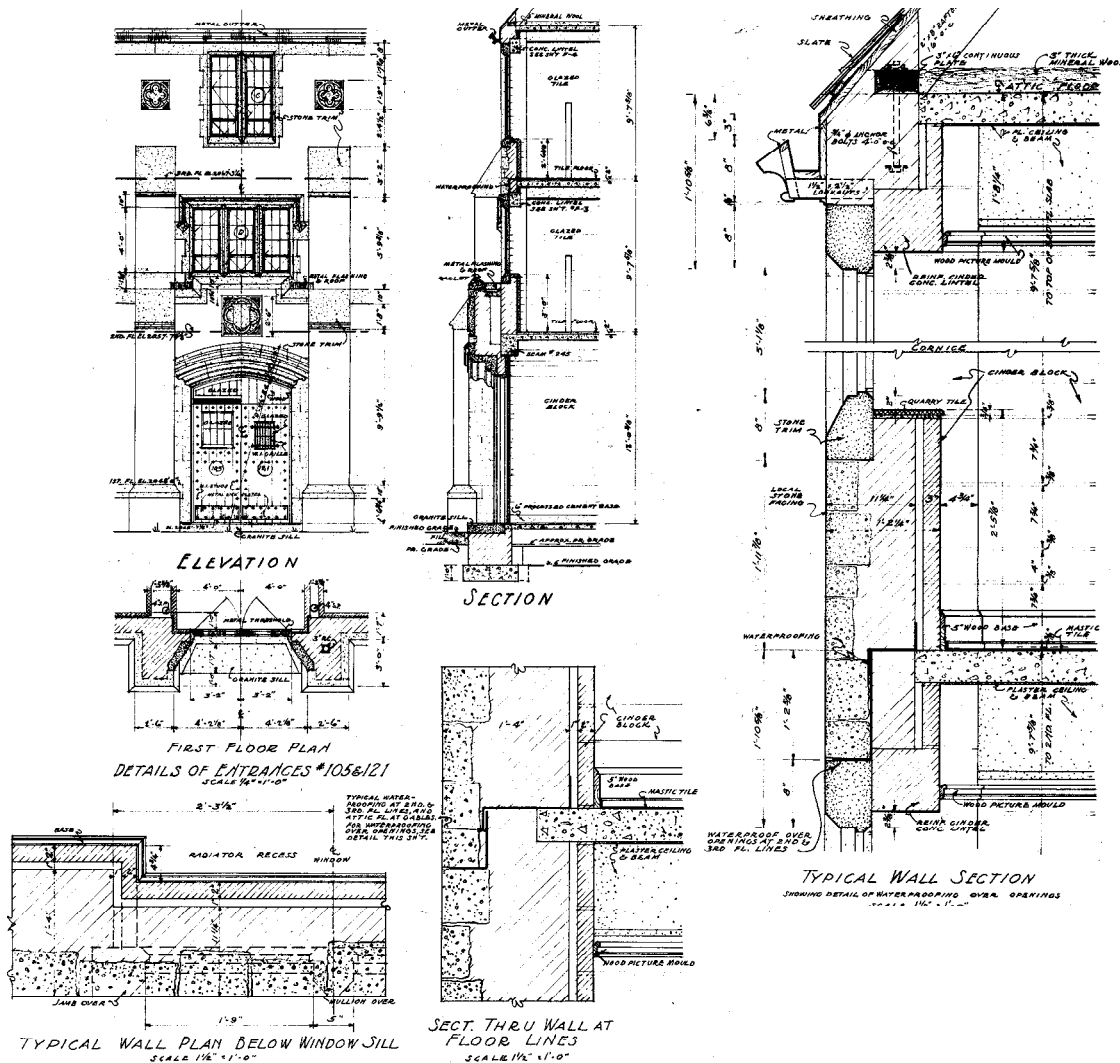


West Campbell Hall



Bioinformatics Building





4. Architectural Details

Architectural details play an important role in the development of campus architecture. Buttresses, water courses, belt (string) courses, and copings help order these facades both horizontally and vertically. These elements increase the play of light and shadow on the facades. Many also enhance the buildings' weathering capabilities. In fact, the term 'weathering' is a traditional name for elements such as sills, copings and other water-shedding architectural details.

These architectural elements have evolved over centuries and are profoundly sophisticated. They shed water effectively due to their geometry. They also create shadow lines, highlights, and ridges, which help visually organize the facade.

Their functional purpose may also direct the inevitable and unavoidable residue of the weathering process into patterns which attractively reinforce the architectural order of the facade. Ironically, this type of low-tech traditional response to the natural environment is often a better technological solution than a 'high-tech' reliance on chemically exotic caulking.

D. BUILDING MATERIALS

The vocabulary of materials for the campus built environment is a vital element in contributing to the special character of the Virginia Tech campus. Hokie stone, brick and architectural concrete are the dominant building materials on campus. Their use generally follows a clear pattern. The Drill Field and its surrounding quadrangles are Hokie stone. The buildings surrounding the inner Collegiate Gothic core along the Alumni Mall, College Avenue, and the west side of West Campus Drive are brick. Architectural cast-in-place and pre-cast concrete mixed with brick occur along the north edge of campus and in parts of south campus.

Where areas of different material-use interface, an evaluation must be made as to which materials or what blend of materials ought to be employed. Johnston Student Center and Hancock Hall illustrate the use of Hokie stone buildings in an area of material-use interface. The insertion of these stone buildings effectively bridges between the two areas, creating a quadrangle and transforming Cowgill Hall into a positive accent. In fact, stone-clad buildings are planned or have been built in most campus precincts with the intention of extending the architectural character of the campus core to these outlying areas.

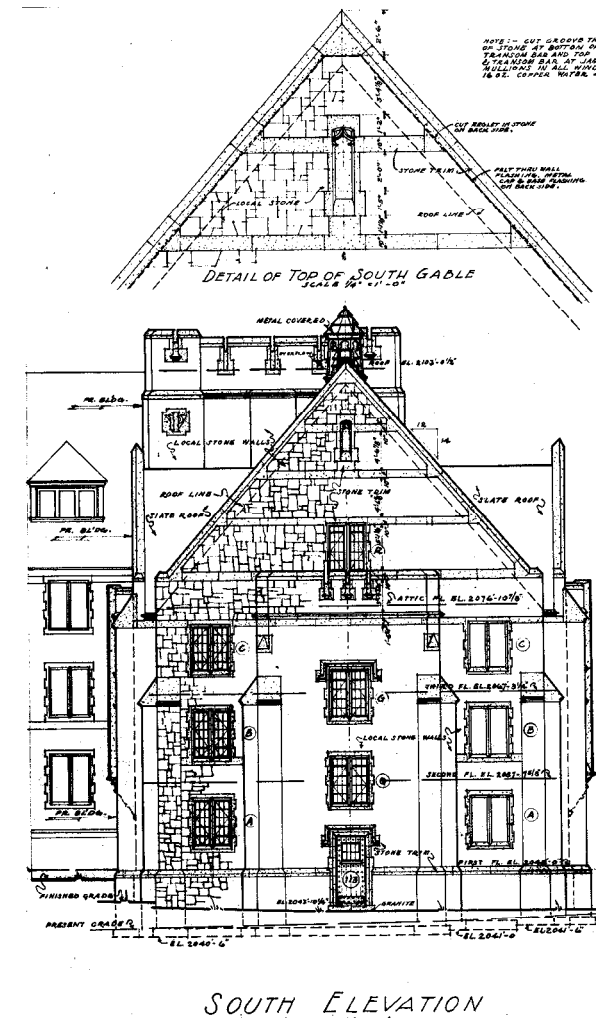
1. Walls

For buildings in the Academic Core of the campus there is a strong mandate to consider the use of Hokie stone for the facades of all new buildings and expansion projects. Each project must be reviewed in terms of its program, location, prominence and place within the Campus Master Plan to determine the appropriate palette of materials, assuring that the selection and quality of materials used in the construction of buildings, associated facilities, and site elements should be honest to their form and function.

In most cases, masonry walls should have an expression of materials that provide a sense of solidity, texture, and a sense of human scale and proportion. To further enhance these qualities of scale and proportion, strong consideration should be given to emphasizing the thickness of exterior walls to create shadows on the façade.

Hokie stone should continue the tradition of having split-faced units in a random ashlar pattern with flush mortar joints. Smooth limestone is used most appropriately for trim and ornament.

The incorporation of stone trim, accents, and ornamental elements in brick masonry campus buildings is encouraged. Pre-cast concrete, and cast stone can be aesthetically acceptable and cost-effective substitutes for limestone.





Career Services Building



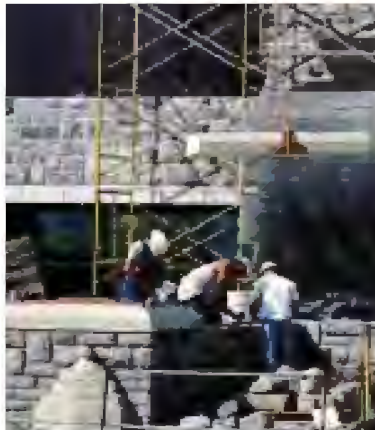
Newman Library



Bioinformatics Building



Davidson Hall

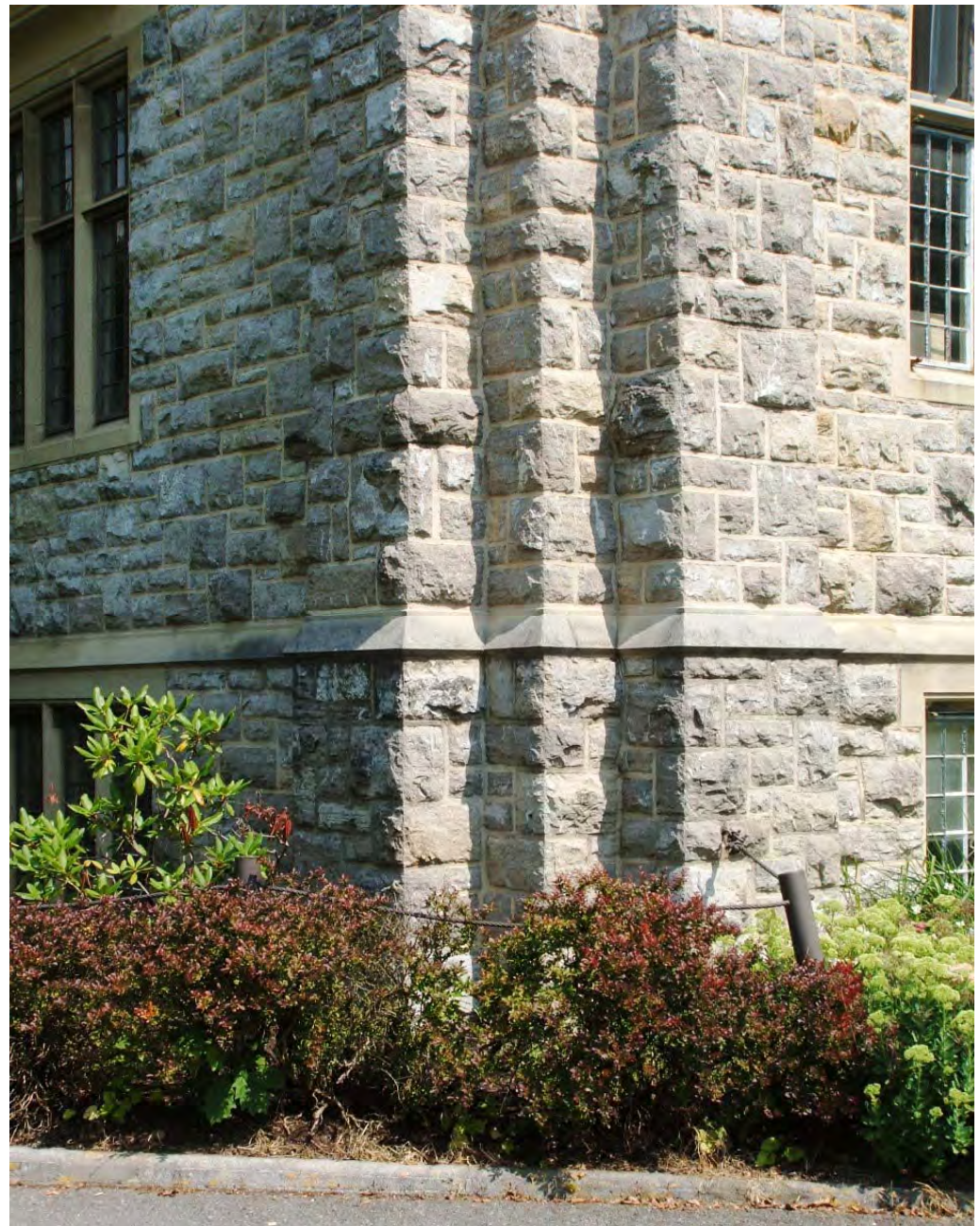


2. Hokie Stone

Virginia Tech was born as a land-grant college, and appropriately, its distinctive buildings have been constructed from the product of Southwest Virginia geology. Virginia Tech's Hokie Stone, set in the dignified Collegiate Gothic architectural style, embodies the identity the university set out to establish a century ago. Few alumni realize this progressive university began as a spartan technical college that adopted the Collegiate Gothic style in an effort to elevate its austere, utilitarian image.

The university mines the distinguishing limestone at its own quarry on the fringes of Blacksburg. Originally called "our native stone," the rock has become known more familiarly — and more affectionately — as Hokie Stone. These ancient stones are extracted and shaped by ancient methods — by humans as well as machines. Arms and hands, hammers and chisels craft the raw stone into building blocks.

In addition to the iconic Burruss Hall, every building around the Drill Field employs the material. The character and symbolic quality of Hokie Stone as a major building material has become synonymous with the Virginia Tech campus image. All new buildings in the Academic Core of the campus, including new precinct development, will consider Hokie Stone as a primary building material.



Hokie stone details on corner of Saunders Hall

3. Roofs

Roofing materials need to be of equally high quality. Sloped roofs, as previously stated, should be slate, high quality artificial slate, or tern-coated stainless steel or weathered zinc.

Flat roofs need to be evaluated for their visual appearance to the degree they are visible from above or can be utilized as terraces. In these cases, roofing pavers, vegetated roof covering systems and ballast stone need to be reviewed for their aesthetic appearance. Careful consideration needs to be given to organizing and screening rooftop mechanical equipment

The following outline identifies specific recommendations with respect to roof design considerations:

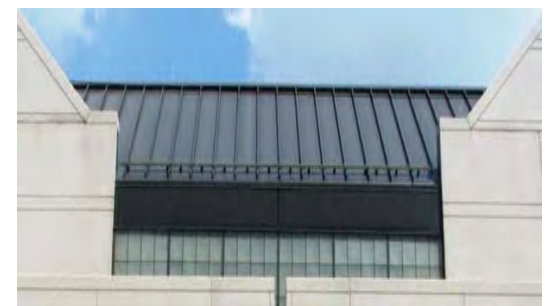
1. Well-developed and articulated rooflines are encouraged.
2. Sloped roofs and flat roofs are both acceptable.
3. Parapets shall be well articulated and trimmed with pre-cast or cut stone. Profiles, scuppers, and other ornamental devices are acceptable and encouraged.
4. Dormers and pediments are also acceptable and encouraged as are cupolas, chimneys, and other traditional roofing embellishments. Their intersection with the main roof must be well detailed and will receive careful scrutiny. These elements shall not be viewed purely as ornamental elements without functional attributes.



Payne Hall



Lane Hall



Bioinformatics Building



4. Doors and Windows

Doors and door hardware are important as they are constant points of contact between people and buildings. They denote much about the character and durability of a building. They also provide an opportunity to personalize a building and welcome users in a gracious manner.

Wood, metal, and glass can all be used acceptably on the Virginia Tech Campus. Combinations may occur where inner and outer doors form a vestibule. Attention should be given to visibility through doors for safety and convenience.

Windows should be of high quality, durable construction. Profiles and mullions should respond to the delicate quality of the traditional casements. Window glass should appear as clear as possible within good energy management requirements.





Traditional and modern interpretations of ornamentation in stone masonry walls



Saunders Hall 1931



Eggleston Hall 1935



Holden Hall 1940

4. Ornament

Ornament arranged into a coherent, topical and idiosyncratic program can enhance and elevate a building's design. It can speak to people on a symbolic and emotional level and help provide the Vitruvian "delight" so often missing in modern buildings.

Architectural ornament exists on the campus but has not been consistently addressed or implemented as a key design feature. Where it exists, it provides the type of individuality and expressiveness which make a campus memorable and unique. Heraldic shields, plant and animal imagery, and graphic designs can be integrated into an ornamental program in any traditional or contemporary building.

The creative use of unadorned construction elements can also produce a type of abstract ornament. Employing new methods for the production of ornament can suggest the eloquent advancement of technology. The use of scientific knowledge to invent methods – technologies – whereby ornament becomes feasible within the constraints of contemporary resources comes close to defining the very mission of Virginia Tech.

Particular reference is made to the newly published "*A Catalog of Architectural Ornament*" prepared by the University Planning, Design and Construction Department in conjunction with the School of Architecture and Design. This comprehensive photographic reference provides an invaluable documentation of the history of ornamentation on campus.

This invention is therefore an important and meaningful aspect of campus architecture. The existing ornamental programs on campus provide a basis upon which to start. Future programs should encourage the inclusion of ornament in innovative and symbolic ways for all of its buildings. Basic guidelines in support of this position include:

1. The campus currently has minimal ornament reflective of its lengthy history. Future buildings shall have well-developed **ornamental programs appropriate** to a University with such a broad contemporary mission.
2. **Heraldry, plant, animal, and geometric** motifs are all acceptable and encouraged in a coordinated program.
3. **Building identification** integrated into building facades are key elements of an ornamental program.
4. The use of **new technologies** to economically produce ornamental elements is acceptable and encouraged.
5. The creative use of **masonry patterning** is also acceptable as an ornamental strategy.





E. SUSTAINABLE DESIGN

1. Approach

The initiative to strongly support sustainable design strategies in building design continues its long-standing commitment to the principles that establish a *sustainable community* — which can be defined as a place of interconnectivity of all things where attention is paid to how the physical development of the campus can be sustained over time.

In conjunction with the policies outlined in the Campus Master Plan, a broad-based sustainable approach involves how building development occurs, land is used, transportation is managed, natural resources are respected, conservation technologies are practiced, and social and economical issues are prioritized.

The following design guidelines support the achievement of fiscally sound and environmentally responsible development and the proactive stewardship of all campus resources.

Integrate Environments

Recognize the basis of sustainable planning and design by integrating concerns for the social, economic and environmental realms. Express this commitment in plans and designs that reflect community goals, engage stakeholders, work with nature and perpetuate community heritage.

Design for Renewable Energy Systems and a Clean Atmosphere

Promote human health and comfort. Reduce the reliance on non-renewable energy systems through conservation, emphasis on natural energy sources such as sun and wind and the integrated use of renewable clean fuels.

Champion Natural Habitats

Enhance habitat diversity through open space preservation and the selection of native vegetation. Redevelop sites to regenerate natural habitats.

Enhance Water Resources

Limit the need for inter-basin or inter-watershed transfers and plan for efficient water consumption and critical watershed protection strategies. Prevent toxins from entering the water supply and, through redevelopment of contaminated sites, restore polluted water resources.

Promote Transportation Options

Motivate individuals' commitment to walking, bicycling and public transit by ensuring convenient alternative transit and a quality outdoor campus experience. Create a mix of uses and locate destination points to provide a safe and attractive campus realm. Think first of the pedestrian experience while realizing effective transportation systems that rely on human-powered and energy efficient systems.

Manage Materials for a Healthy Earth

Employ materials management practices that promote environmental health and contribute to the economy through diversification of manufacturing and disposal practices. Design for longevity and materials reuse and specify non-toxic materials. Select products that are locally extracted, harvested and manufactured, fortifying the local economy and the firm's commitment to design that embraces local cultures



Virginia
Polytechnic
Institute and State
University

S A S A K I

Subject: Safety and Security Camera Acceptable Use Policy

1. Purpose	1
2. Policy	1
2.1 Responsibilities.....	2
2.1.1 Responsibilities of Surveillance Oversight Committee (SOC)	2
2.1.2 Responsibilities of University Relations and General Counsel.....	2
2.2 Scope.....	3
2.3 General Principles.....	3
2.3.1 Placement of Cameras	3
2.3.2 Access and Monitoring	4
2.3.3 Appropriate Use and Confidentiality.....	4
2.3.4 Use of Cameras for Criminal Investigations.....	4
2.3.5 Exceptions.....	4
3. Procedures	5
3.1 Installation	5
3.2 Training	5
3.3 Operation	5
3.4 Storage and Retention of Recordings	6
4. Definitions	6
5. References	6
6. Approval and Revisions.....	6

1. Purpose

Virginia Tech is committed to enhancing the quality of life of the campus community by integrating the best practices of safety and security with technology. A critical component of a comprehensive security plan is the utilization of a security and safety camera systems. The surveillance of public areas is intended to deter crime and assist in protecting the safety and property of the Virginia Tech community. This policy addresses the university's safety and security needs while respecting and preserving individual privacy.

To ensure the protection of individual privacy rights in accordance with the university's core values and state and federal laws, this policy is adopted to formalize procedures for the installation of surveillance equipment and the handling, viewing, retention, dissemination, and destruction of surveillance records. The purpose of this policy is to regulate the use of camera systems used to observe and record public areas for the purposes of safety and security. The existence of this policy does not imply or guarantee that cameras will be monitored in real time 24 hours a day, seven days a week.

2. Policy

The Virginia Tech Police Department (VTPD) has the authority to select, coordinate, operate, manage, and monitor all campus security surveillance systems pursuant to this policy. All departments using camera surveillance are responsible for implementing and complying with this policy in their respective operations.

All existing uses of security camera systems shall be brought into compliance with this policy within 12 months of the approval of the policy. Unapproved or nonconforming devices will be removed.

A university Surveillance Oversight Committee (SOC) is an operational committee established by the Vice President for Administrative Services to oversee implementation of this policy. Proposed policy revisions will be reviewed by the SOC and the University Safety and Security Policy Committee.

2.1 Responsibilities

VTPD, in conjunction with Information Technology and the Office of Emergency Management (OEM), is responsible for realization and assimilation of the policy.

Information Technology and VTPD are responsible for advising departments on appropriate applications of surveillance technologies and for providing technical assistance to departments preparing proposals for the purchase and installation of security camera systems.

VTPD and Information Technology shall monitor developments in the law and in security industry practices and technology to ensure that camera surveillance is consistent with the best practices and complies with all Federal and State laws.

VTPD and Information Technology will review proposals and recommendations for camera installations and review specific camera locations to determine that the perimeter of view of fixed location cameras conforms to this policy. Proposals for the installation of surveillance cameras shall be reviewed by the Chief of Police or designee. Recommendations shall be forwarded to the SOC.

VTPD will review any complaints regarding the utilization of surveillance camera systems and determine whether this policy is being followed. Appeals of a decision made by the Chief of Police will be made to and reviewed by the SOC which will make a recommendation to the Vice President for Administrative Services who will render a decision. An appeal of the Vice President for Administrative Services decision may be taken to the University President who is the final arbiter.

2.1.1 Responsibilities of Surveillance Oversight Committee (SOC)

The SOC will be responsible for reviewing and approving or denying all proposals for security camera equipment recommended by the Chief of Police. The SOC shall propose to the Vice President for Administrative Services appropriate changes to this policy as needed.

The SOC shall be comprised of five members;

- The Virginia Tech Chief of Police or designee, Chair of the SOC
- Chief Information Officer or designee
- Vice President for Student Affairs or designee
- Associate Vice President for Facilities or designee
- Virginia Tech Director of Emergency Management or designee

2.1.2 Responsibilities of University Relations and General Counsel

University Relations will review all external requests to release records obtained through security camera surveillance. University Relations will seek consultation and advice from the General Counsel related to these requests prior to the release of any records.

2.2 Scope

This policy applies to all personnel, departments, and colleges of Virginia Tech in the use of security cameras and their video monitoring and recording systems. Security cameras may be installed in situations and places where the security and safety of either property or persons would be enhanced. Cameras will be limited to uses that do not violate the reasonable expectation of privacy as defined by law. Where appropriate, the cameras may be placed campus-wide, inside and outside buildings. Although the physical cameras may be identical, the functions of these cameras fall into three main categories:

- A. **Property Protection:** Where the main intent is to capture video and store it on a remote device so that if property is reported stolen or damaged, the video may show the perpetrator. Examples: an unstaffed computer lab, an unstaffed science lab, or a parking lot.
- B. **Personal Safety:** Where the main intent is to capture video and store it on a remote device so that if a person is assaulted, the video may show the perpetrator. Examples: a public walkway, or a parking lot.
- C. **Extended Responsibility:** Where the main intent is to have the live video stream in one area monitored by a staff member in close proximity. In this case video may or may not be recorded. Example: a computer lab with multiple rooms and only one staff.

2.3 General Principles

Information obtained from the cameras shall be used exclusively for law and/or policy enforcement, including, where appropriate, student judicial functions. Information must be handled with an appropriate level of security to protect against unauthorized access, alteration, or disclosure in accordance with Policy 7105, Policy for Protecting University Information in Digital Form (<http://www.policies.vt.edu/7105.pdf>)

All appropriate measures must be taken to protect an individual's right to privacy and hold university information securely through its creation, storage, transmission, use, and deletion.

All camera installations are subject to federal and state laws.

Departments requesting security cameras will be required to follow the procedures outlined in this policy.

2.3.1 Placement of Cameras

The locations where cameras are installed may be restricted access sites such as a departmental computer lab; however, these locations are not places where a person has a reasonable expectation of privacy. Cameras will be located so that personal privacy is maximized.

No audio shall be recorded except in areas where no one is routinely permitted. Requests to utilize audio surveillance that does not comply with this requirement will be evaluated on a case by case basis by the SOC.

Camera positions and views of residential housing shall be limited. The view of a residential housing facility must not violate the standard of a reasonable expectation of privacy.

Unless the camera is being used for criminal surveillance, monitoring by security cameras in the following locations is prohibited:

- Student dormitory rooms in the residence halls,
- Bathrooms,
- Locker rooms,
- Offices,
- Classrooms not used as a lab.

The installation of “dummy” cameras that do not operate is prohibited.

Unless being used for criminal surveillance all video camera installations should be visible.

2.3.2 Access and Monitoring

All recording or monitoring of activities of individuals or groups by university security cameras will be conducted in a manner consistent with university policies, state and federal laws, and will not be based on the subjects’ personal characteristics, including age, color, disability, gender, national origin, race, religion, sexual orientation, or other protected characteristic. Furthermore, all recording or monitoring will be conducted in a professional, ethical, and legal manner. All personnel with access to university security cameras should be trained in the effective, legal, and ethical use of monitoring equipment.

With the exception of **Extended Responsibility** cameras, university security cameras are not monitored continuously under normal operating conditions, but may be monitored for legitimate safety and security purposes that include but are not limited to the following: high risk areas, restricted access areas/locations, in response to an alarm, special events, and specific investigations authorized by the Chief of Police or designee.

For **Property Protection** and **Personal Safety** cameras, access to live video or recorded video from cameras shall be limited to persons authorized by the Chief of Police or designee. For Extended Responsibility cameras, the live video can be monitored by the staff person; however, any video recorded must comply with the recording storage and retention requirements of this policy.

When an incident is reported, the personnel responsible for the area in question may request to the Police Chief to review the images from the camera. As circumstances require, the Police Chief may authorize others to review images. A record log will be kept of all instances of access to and use of recorded material. Nothing in this section is intended to limit the authority of the Virginia Tech Police Department (VTPD) in law enforcement activities.

2.3.3 Appropriate Use and Confidentiality

Personnel are prohibited from using or disseminating information acquired from University security cameras except for official purposes. All information and/or observations made in the use of security cameras are considered confidential and can only be used for official university and law enforcement purposes upon the approval of the Chief of Police or designee. Personnel are expected to know and follow University Policy 7000, Acceptable Use and Administration of Computer and Communication Systems and the Acceptable Use of Information Systems at Virginia Tech (www.policies.vt.edu/7000.pdf).

2.3.4 Use of Cameras for Criminal Investigations

The use of mobile or hidden video equipment may be used in criminal investigations by VTPD. Covert video equipment may also be used for non-criminal investigations of specific instances which may be a significant risk to public safety, security and property as authorized by the Chief of Police or designee.

2.3.5 Exceptions

This policy does not apply to cameras used for academic purposes. Cameras that are used for research would be governed by other policies involving human subjects and are therefore excluded from this policy.

This policy does not address the use of Webcams for general use by the University (e.g., on the Official Virginia Tech Website). This policy also does not apply to the use of video equipment for the recording of public performances or events, interviews, or other use for broadcast or educational purposes. Examples of such excluded

activities would include videotaping of athletic events for post game review, videotaping of concerts, plays, and lectures, or videotaped interviews of persons. Automated teller machines (ATMs), which may utilize cameras, are exempt from this policy.

3. Procedures

Departments requesting security cameras will be required to follow the procedures outlined in this policy.

3.1 Installation

Individual colleges, departments, programs, or campus organizations installing video surveillance equipment shall submit a written request to their appropriate dean or vice president describing the proposed location of surveillance devices, justifying the proposed installation, providing a cost estimate, and identifying the funding source or sources for purchase and ongoing maintenance.

- The vice president or dean will review the request and recommend it to the Chief of Police, if appropriate.
- The Chief of Police or designee will review all proposals from deans and vice presidents. Upon completion of review of the project, the Chief of Police will forward the proposal to the SOC with a recommendation.
- The SOC will be responsible for reviewing and approving or denying all proposals for security camera equipment recommended by the Chief of Police.

Communication Network Services shall oversee the installation of all approved security camera systems with the assistance of VTPD, the Office of Information Technology and Facilities, as required.

Purchasing (HokieMart) will not accept, approve, or process any order for security camera systems without the approval of the SOC.

3.2 Training

Camera control operators shall be trained in the technical, legal, and ethical parameters of appropriate camera use.

Camera control operators shall receive a copy of this policy and provide written acknowledgement that they have read and understood its contents.

3.3 Operation

Video surveillance will be conducted in a manner consistent with all existing university policies.

Camera control operators shall monitor based on suspicious behavior, not individual characteristics.

Camera control operators shall **not** view private rooms or areas through windows.

All operators and supervisors involved in video surveillance will perform their duties in accordance with this policy.

3.4 Storage and Retention of Recordings

No attempt shall be made to alter any part of any surveillance recording. Surveillance centers and monitors will be configured to prevent camera operators from tampering with or duplicating recorded information.

Surveillance records shall not be stored by individual departments. All surveillance records shall be stored in a secure university centralized location for a period of 30 days and will then promptly be erased or written over, unless retained as part of a criminal investigation or court proceedings (criminal or civil), or other bona fide use as approved by the Chief of Police. Individual departments shall not store video surveillance recordings.

A log shall be maintained of all instances of access to or use of surveillance records. The log shall include the date and identification of the person or persons to whom access was granted.

4. Definitions

5. References

Policy 7000, Acceptable Use and Administration of Computer and Communication Systems
<http://www.policies.vt.edu/7000.pdf>

Policy 7105, Policy for Protecting University Information in Digital Form
<http://www.policies.vt.edu/7105.pdf>

6. Approval and Revisions

Approved March 1, 2010 by Vice President for Administrative Services, Sherwood G. Wilson.

Emergency Notification System Protocols

The Virginia Polytechnic Institute
and State University

January 2010

Table of Contents

1.0	Introduction	3
2.0	Operational Guidelines	5
3.0	Emergency Notification System Staff Assignments, Roles	14
6.0	Legal Notice	17

1.0 Introduction

The Virginia Polytechnic Institute and State University, or Virginia Tech (VT) has an Emergency Notification System (ENS) with multi-channel communication capabilities. VT ENS is intended to rapidly disseminate emergency information on an incident, and provide instructions to the VT campus population in Blacksburg, Virginia. The protocols outline the emergency notification process and organization.

The purpose of these guidelines is to establish the process for activating the VT ENS protocols when a threat or emergency situation is reported to the Virginia Tech Police Department (VTPD) or to another Responsible University Authority operating within their direct area of responsibility and directly involved with the emergency response for a safety-and-security incident at VT. Authorizing decision-making at the operational response level enables VT to disseminate rapid and responsible emergency information to the campus population.

1.1 Background

In April 2006, VT installed six outdoor siren and public address speakers. The public address system was originally intended to provide warning in the event of severe weather and instructs the campus population to seek shelter. This system was designed to augment a hotline that plays recorded messages regarding emergencies and warnings on campus.

In July 2007, VT Phone Alerts capability was launched as part of VT ENS. VT Phone Alerts is able to simultaneously issue phone calls, voice messaging, text messaging and email messaging to subscribers.

In 2008, VT ENS was augmented with digital signs in academic classrooms and facilities. The digital signage is linked to VT Phone Alerts and provides the same message content. VT has scheduled additional digital sign installations for public meeting and research areas in 2009.

In 2009, VT ENS was further enhanced with the introduction of the VT Desktop Alerts application, a software module that puts any supported computer connected to the internet in contact with the university's emergency notification system. The application is primarily intended for VT students, faculty and staff. However, others outside VT can also install the application.

VT ENS addresses the reporting requirements of the 2008 Higher Education Opportunity Act and Section 23-9.2:11, Code of Virginia, as amended. The Clery Act is a component of the 2008 Higher Education Opportunity Act and defines emergency notification as:

Procedures to immediately notify the campus community upon the confirmation of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students or staff occurring on the campus ... unless issuing a notification will compromise efforts to contain the emergency.

While the law does not specify requirements related to time(s) or channels(s) associated with issuing an emergency notification, it does indicate that once the emergency situation is confirmed, such warnings should be issued “immediately.”

1.2 Training and Exercising

Training and exercising are essential to demonstrating and improving the ability of VT to execute its ENS protocols, and the most effective methods for implementing the VT ENS. Periodic exercising also helps ensure that equipment and procedures are maintained in a constant state of readiness. Testing VT ENS technology may help identify issues and determine functionality before an emergency occurs.

Staff with responsibilities in the VT ENS will receive an initial training on the emergency notification protocols and process. University executives will be briefed on the emergency notification system. On an ongoing basis, staff and leadership will be trained and exercised on the VT ENS and will be informed when VT ENS protocols or VT ENS system characteristics or capabilities are updated.

VT recognizes that trained staff may not be available in an emergency to perform their function under the ENS protocols and has committed to cross-training staff on responsibilities. New staff with ENS roles will be trained on the system and protocols as they assume their positions.

2.0 Operational Guidelines

2.1 Purpose and Authority of the Emergency Notification System Protocols

These protocols provide operational guidelines for issuing emergency messages via VT ENS. These protocols are integrated with and supplement the VT Emergency Response Plan.¹

The protocols are consistent with the Safety and Security Policies of the University, and have been approved by the University Safety and Security Policy Committee, which is chaired by the University President.²

2.2 Purpose of the Virginia Tech Emergency Notification System (VT ENS)

The purpose of VT ENS is to authorize and issue³ safety and security warning notifications to the VT Blacksburg campus population in an emergency or when specific actions must be taken to maintain safety and security at the Blacksburg VT campus.

¹ Refer to the VT Emergency Response Plan and the University Safety and Security Policies for additional emergency authorities or delegations not specified in these protocols (<http://www.policies.vt.edu/5615.pdf>)

² The University Safety and Security Committee also serves as the Emergency Policy Group as described in the University Emergency Response Plan.

³ For the purposes of these Protocols, “authorizing” and “issuing” notifications are distinct activities and responsibilities; “authorizing” a notification refers to providing approval for the issuance of the notification, while “issuing” a notification refers to the technical activity of broadcasting the notification. Note that in the interest of timely notification, these Protocols do not contain a separate “approval” procedure for the language of a notification; use of the pre-approved templates (with relevant blank fields completed) addresses this issue.

2.3 Responsible University Authorities

The following University officials have been assigned the authority by the President of the University to authorize emergency notifications to provide alert, warning and safety or protection instructions:

- University President
- VT Police Chief
- Senior Officer on Duty
- Director of Emergency Management
- Vice President Administrative Services
- The following university official(s), if they are *directly involved with the emergency response for a safety-and-security incident at VT*⁴
 - Associate Vice President for Facilities
 - Director of Schiffert Health Center
 - Director of Environmental Health and Safety

These positions will be collectively referred to as “Responsible University Authorities” for the purposes of these Protocols.

At all times in these Protocols, reference to any position at the University shall be understood, in the absence of the referenced individual, to include designees.

2.4 Initial Activation of the Protocols

The process for activating the VT ENS protocols begins when a threat or emergency situation is reported to the Virginia Tech Police Department (VTPD) or to another Responsible University Authority. For confirmed threats or emergency situations that require Immediate or urgent notification, the VTPD Senior Officer on Duty or another Responsible University Authority will authorize the emergency notification based on the operational guidelines in Section 3 of these Protocols.

It should be noted that for the majority of emergency threats and incidents at the VT Blacksburg campus, the first notice of the situation will be via an incoming call to the 9-1-1 VTPD dispatch center. In the event of a threat or emergency in which the VTPD Senior Officer on Duty is not yet at the incident and/or for which specialized technical knowledge is required, another Responsible University Authority may confirm the threat and authorize the message with emergency safety instructions. The Responsible University Authority will call 9-1-1 and

⁴ Senior University Officials who are directly involved with emergency response for safety-and-security incidents at VT are designated as “Responsible University Authorities.” A Responsible University Authority is limited to issuing an immediate alert in response to an incident or event within their direct area of his/her responsibility (as defined by agency/office mission and/or position description), and only in cases in which a delay could compromise the safety and security of the university.

authorize the dispatcher to issue the message. If the Responsible University Authority is trained in and has direct access to the VT ENS interface, the Responsible University Authority may issue the message if necessary.⁵

2.5 Virginia Tech Emergency Notification System Channels

VT ENS consists of the following channels:

- VT Phone Alerts is a messaging system controlled by a web-enabled management interface that allows an operator to simultaneously send outbound VT ENS messages via the following VT Phone Alerts channels.
 - Short Message Service (SMS) or text messages sent to mobile devices (including cell phones) which may also convert to an audible message if the phone is answered.
 - Phone calls (and voice mails for unanswered calls) to non-campus phone numbers, including cell and land lines (U.S. 10-digit numbers)
 - Emails to non-VT addresses

VT Phone Alerts is dependent on an individual “opt-in” registration in order to receive alert messages. Students, faculty and staff are encouraged to sign up for the service. Users can select up to three channels/contact points by which they wish to be notified of VT Phone Alerts.

In addition, the web-enabled management interface also allows an operator to simultaneously post the message to the following additional VT ENS channels, which can also be activated independently of VT Phone Alerts:

- Digital signage in key academic classrooms and labs.
- Emails to VT addresses ([name]@vt.edu)
- Posts to the VT home page (www.vt.edu) in a “black box” message pane
- VT Desktop Alerts posts an outbound message pane on the screens of all computers that are logged on to the internet and have downloaded the VT Desktop Alert module.
- Outdoor Sirens and Public Address is a system that consists of siren blasts from six outdoor speakers located throughout the campus. It is also capable of playing a recorded message or live audio from the VTPD dispatcher.
- Voicemail to VT campus phones will record outbound messages onto voicemail throughout the VT phone system.

⁵ The VT ENS system provides real time information on messages that have been or are being sent. This prevents the issuance multiple messages for the same incident by different officials.

- Posts to the VT homepage (www.vt.edu) may supplement the VT Alert format with more in-depth information and instructions.
- The VT hotline (540-231-6668) is a recorded message system which supports multiple concurrent in-bound callers. It is used most commonly for weather information, and is sometimes referred to as the “weather hotline.”

2.6 Emergency Notification Message Characteristics

All VT ENS messages will contain at minimum the following information, in this order:

1. Nature of the incident
2. Location
3. Actions to be taken by affected populations

VT ENS messages generated via these protocols will follow formatting consistent with VT Phone Alerts system characteristics. Therefore, regardless of channel used, VT ENS messages generated via these protocols will use the same message of no more than 160 characters (the maximum number of characters available in a SMS message) for all message systems.

Additional or subsequent messaging via non-VT Phone Alerts channels (which are not constrained by technical limitations related to SMS) may use additional characters, as appropriate, to convey more information. As soon as possible following the issuance of an emergency message, the VT homepage and hotline will contain additional and/or supplemental information about the alert and/or the incident. These will provide instructions for:

1. Obtaining additional detailed information if university programs and/or services are interrupted,
2. Receiving additional updates and information, and/or
3. Reporting information.

2.7 Levels of Emergency Notification

The process for activating the VT ENS protocols begins when a threat or emergency situation is reported to VTPD or to another Responsible University Authority.

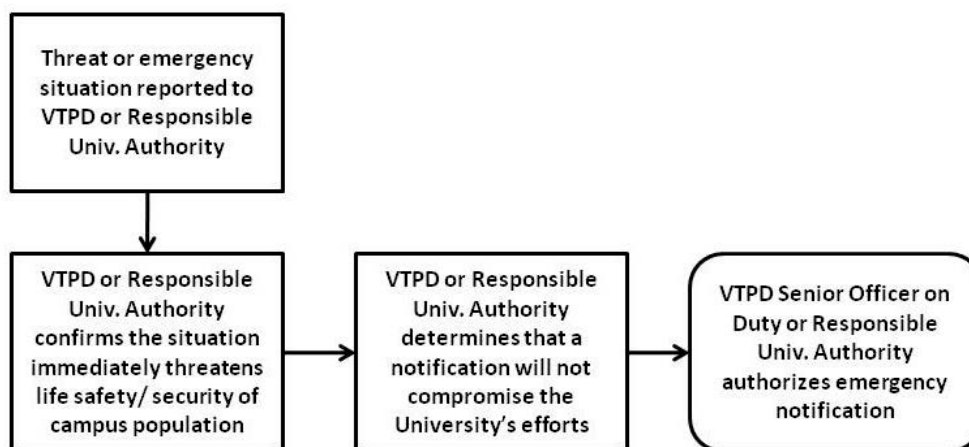
There are three levels of notifications under VT ENS. These are “Immediate,” “Urgent,” and “Status Update/ All Clear,” each of which are described on the following pages.

- **IMMEDIATE**: An Immediate Notification to the campus is made when VTPD or another Responsible University Authority has confirmed that an emergency situation poses an immediate threat to life safety or security of the campus population. The VTPD Senior Officer on Duty or another Responsible University Authority is authorized to make an Immediate Notification to provide alert, warning and safety or protection instructions.

However, the VTPD Senior Officer on Duty or other Responsible University Authority also has the authority *not* to authorize an Immediate Notification to the campus if issuing the message will create a more serious emergency and/or compromise the University's efforts to contain the emergency. If the VTPD Senior Officer or other Responsible University Authority makes a decision *not* to authorize an alert, he or she must notify and consult with the VT Police Chief.

As necessary, the Police Chief notifies the Vice President of Administrative Services and the Director of Emergency Management of the situation, notifications authorized/issued (or not authorized/issued), and any other actions taken; as necessary, the Vice President of Administrative Services then notifies the University President and other officials⁶ of the same.

At any time, if more than one operator attempts to log into the VT ENS interface, or if a VTPD dispatcher or other operator is given conflicting instructions, the system operator will contact his or her supervisor to de-conflict the messages and/or clarify the instructions.



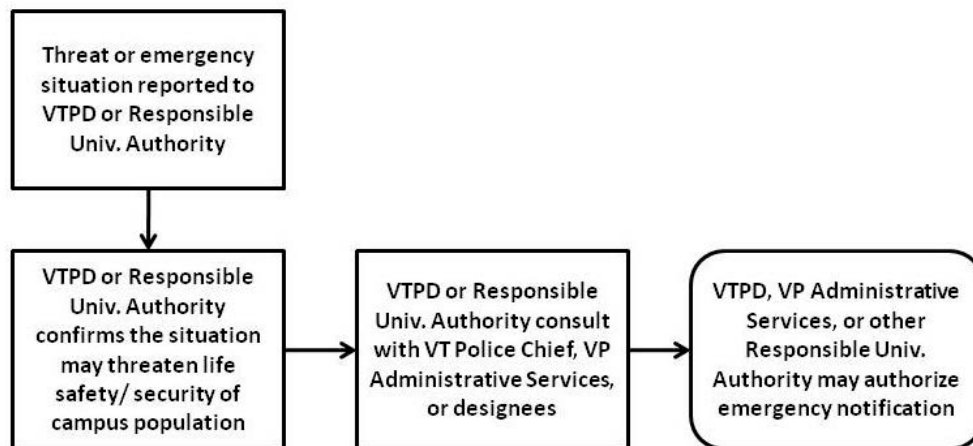
⁶ Including the Office of University Relations for situations in which informational updates via voicemail to VT campus phones, posts to the VT homepage, and/or use of the VT hotline will be appropriate.

- **URGENT**: An Urgent Notification to the campus is made when VTPD or another Responsible University Authority has confirmed that an emergency situation may pose a threat to life safety or security of campus population.

If the VTPD or another Responsible University Authority confirms an emergency situation, he or she notifies the University Police Chief, who has the option to consult with Vice President of Administrative Services regarding the emergency situation.

The VTPD Senior Officer on Duty, the Vice President of Administrative Services, or other Responsible University Authority may authorize a VT ENS message that alerts campus populations of the situation's location and provides precautionary actions. As necessary, the Vice President of Administrative Affairs notifies the University President and other officials⁷ of the situation, notifications authorized/issued (or not authorized/issued), and any other actions taken.

At any time, if more than one operator attempts to log into the VT ENS interface, or if a VTPD dispatcher or other operator is given conflicting instructions, the system operator will contact his or her supervisor to de-conflict the messages and/or clarify the instructions.



⁷ Including the Office of University Relations for situations in which informational updates via voicemail to VT campus phones, posts to the VT homepage, and/or use of the VT hotline will be appropriate.

- *STATUS UPDATE/ALL CLEAR*: A Status Update is made when there is new information or instructions for the campus population; it may provide an update on the situation or change in protective actions. An All Clear Notification indicates that the emergency has been contained. Status Update and All Clear Notifications should be timed such that SMS messages do not overlap. Status Update and All Clear Notifications are authorized by the person who has incident command, which may be the Senior Officer on Duty, University Police Chief, Vice President of Administrative Services, or other Responsible University Authorities.

2.8 Emergency Notification System Authorizations

This section describes the authorization for issuing VT ENS notifications. *All VT ENS alert protocols and procedures will be coordinated and authorized through the Office of the Vice President of Administrative Services and the Office of University Relations.*

Level	Authorized by	Issued by	Channels Activated
IMMEDIATE	VTPD Senior Officer on Duty or other Responsible University Authority	VT Police Dispatcher or other trained personnel ⁸	<ul style="list-style-type: none">• VT ENS<ol style="list-style-type: none">1. VT Phone Alerts<ol style="list-style-type: none">a. Text messageb. Non-VT emailc. Voice message2. VT Desktop Alerts3. VT email4. Classroom signs5. VT homepage• VT hotline• Sirens/PA, as needed• Other channels as developed
URGENT	University Police Chief, VP of Administrative Services, Director of Emergency Management or other Responsible University Authority	Trained Personnel	<ul style="list-style-type: none">• VT ENS<ol style="list-style-type: none">1. VT Phone Alerts<ol style="list-style-type: none">a. Text messageb. Non-VT emailc. Voice message2. VT Desktop Alerts3. VT email4. Classroom signs5. VT homepage• VT hotline• Sirens/PA, as needed• Other channels as developed

⁸ The University may train additional staff to actually operate the VT ENS web interface in support of the Responsible University Authority issuing the message. Trained staff are to issue the messages under the direction of the Responsible University Authority.

Level	Authorized by	Issued by	Channels Activated
STATUS UPDATE / ALL CLEAR	VTPD, VP of Administrative Services, or other Responsible University Authority (for incidents in which this person has incident command)	Trained personnel	<ul style="list-style-type: none"> • VT ENS <ol style="list-style-type: none"> 1. VT Phone Alerts <ol style="list-style-type: none"> a. Text message b. Non-VT email c. Voice message 2. VT Desktop Alerts 3. VT email 4. Classroom signs 5. VT homepage • VT hotline • Other channels as developed

3.0 Emergency Notification System Staff Assignments, Roles

This section describes roles and actions assigned to staff at VT for authorizing and operating the VT ENS. The Action Checklists provide detailed guidance for each position within the VT ENS.

3.1 Summary of VT ENS Staff Assignments and Roles

This Table presents a summary of staff assignments and roles in the VT ENS.

VT Staff Position	Role
VT Police Dispatcher	<ul style="list-style-type: none">• Coordinate with the VT Senior Police Officer on Duty• Issue Immediate Notifications• Issue Status Updates or All Clear Notifications as instructed• Activate the Sirens and Public Address System as instructed
VT Senior Officer on Duty	<ul style="list-style-type: none">• Confirm the emergency situation or threat• Determine whether an emergency notification to the campus would create a more serious emergency and/or compromise the University's efforts to contain the emergency• Authorize the dispatcher to send out Immediate Notifications• Notify the VT Police Chief of the situation, notifications authorized/issued, notifications not authorized/issued due to the potential to compromise university efforts to contain the emergency, and any other actions taken to contain the emergency• May authorize the VTPD Dispatcher to send an All Clear Notification (for incidents in which this person has incident command)
VT Police Chief	<ul style="list-style-type: none">• Receive notification of Immediate Notifications that have been sent, or notifications not sent because they might compromise the University's efforts or because the immediacy of the threat is undetermined• Provide executive direction to VTPD on further messages or notifications• Notify the Vice President of Administrative Services and Director of Emergency Management of the situation, notifications authorized/issued, and any other actions taken to contain the emergency• Determine whether an emergency notification to the campus would create a more serious emergency and/or compromise the University's efforts to contain the emergency• May authorize the VTPD Dispatcher to send Status Update Notification or All Clear Notifications (for incidents in which this person has incident command)

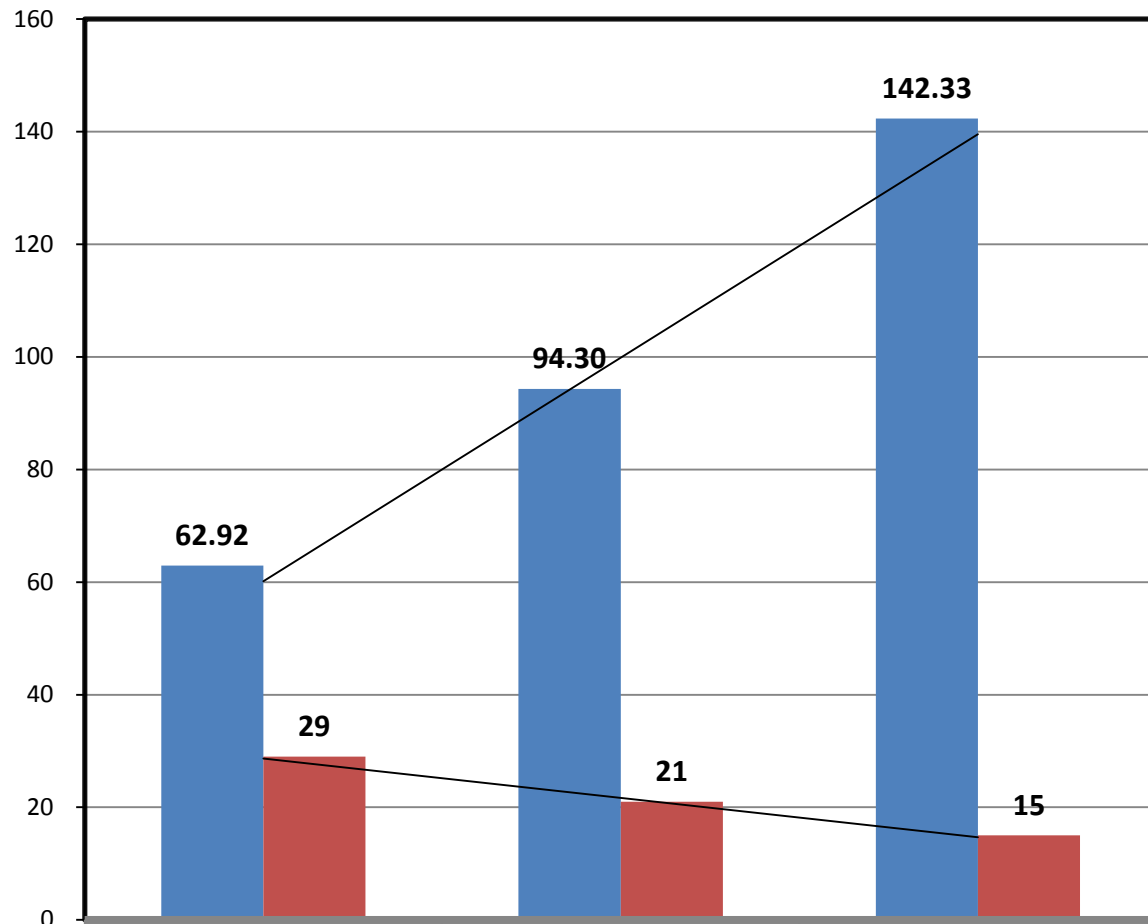
VT Staff Position	Role
Responsible University Authorities	<ul style="list-style-type: none"> • Confirm whether the emergency situation threatens the life safety or security of the campus population <i>for situations within the authorization of the Responsible University Authority</i> • Authorize the VTPD Dispatcher or trained staff to issue an Immediate or Urgent Notification • Notify the University Police Chief • Restrict the sending out of a notification if it would create a more serious emergency and/or compromise the University's efforts to contain the emergency • May authorize the VTPD Dispatcher or trained staff to send Status Update Notifications or All Clear Notifications (for incidents in which this person has incident command)
Vice President of Administrative Services	<ul style="list-style-type: none"> • Receive notification of Immediate Notifications that have been sent and, as appropriate, notifications not sent • Authorize Urgent Notifications • Notify the University President and other officials as necessary of the situation, notifications authorized/issued, and any other actions taken • May authorize the VTPD Dispatcher or trained staff to send Status Update Notifications or All Clear Notifications (for incidents in which this person has incident command)
Director of Emergency Management	<ul style="list-style-type: none"> • Support the Vice President of Administrative Services with decisions on issuing Urgent Notifications • Provide safety and security information for notifications as needed • Confirm whether the emergency situation threatens the life safety or security of the campus population <i>for situations within the authorization of the Director of Emergency Management</i> per the Emergency Response Plan, office mission, and/or position description • For situations within the authorization of the Director of Emergency Management, notify the University Police Chief • For situations within the authorization of the Director of Emergency Management, restrict the sending out of a notification if it would create a more serious emergency and/or compromise the University's efforts to contain the emergency • For situations within the authorization of the Director of Emergency Management, may authorize the VTPD Dispatcher or trained staff to send Immediate or Urgent Notifications; generally may authorize Status Update Notifications or All Clear Notifications (for incidents in which this person has incident command)
Associate Vice President of University Relations	<ul style="list-style-type: none"> • Support the Vice President of Administrative Services with decisions on or in issuing Urgent Notifications, as necessary • Issue notifications • Provide additional information on notification messages on the VT homepage, via voicemails, and on the hotline.

VT Staff Position	Role
Information Technology Department	<ul style="list-style-type: none"> • Provide technical support to VTPD, the Vice President of Administrative Services, Associate Vice President of University Relations, and other Responsible University Authority in the operation of the VT ENS and associated networks and systems • Coordinate with service providers as needed to ensure system operability

6.0 Legal Note

THE INFORMATION CONTAINED IN THIS PROTOCOL HAS BEEN PREPARED FOR USE BY VIRGINIA TECH. THE INFORMATION IS GUIDANCE FOR ISSUANCE OF AN EMERGENCY ALERT, RECOGNIZING THAT INDIVIDUAL CIRCUMSTANCE OR EVENTS NOT ANTICIPATED BY THIS PROTOCOL MAY OCCUR. THE EXPERIENCE AND JUDGMENT OF THOSE UTILIZING THE PROTOCOL IS AN IMPORTANT CONSIDERATION IN HOW AND WHEN THE PROTOCOL IS UTILIZED AND WHEN AN ALERT IS ISSUED. THE CONTENT REPRESENTS THE BEST OPINIONS ON THE SUBJECT. NO WARRANTY, GUARANTEE, OR REPRESENTATION IS MADE BY THE UNIVERSITY OF THE SUFFICIENCY OF THE INFORMATION CONTAINED HEREIN AND THE UNIVERSITY ASSUMES NO RESPONSIBILITY IN CONNECTION THEREWITH. THIS PROTOCOL IS INTENDED TO PROVIDE GUIDELINES FOR SAFE PRACTICES; THEREFORE, IT CANNOT BE ASSUMED THAT ALL PLAUSIBLE AND NON-PLAUSIBLE SCENARIOS ARE CONTAINED IN THIS DOCUMENT, OR THAT OTHER OR ADDITIONAL INFORMATION OR MEASURES MAY NOT BE REQUIRED.

Average Hokie Stone Ton Production by Employee per Year FY08 through FY10



■ No of Tons per Employee	62.92	94.30	142.33
■ No. of Employees	29	21	15

Capital Outlay Project Status Report
BUILDINGS AND GROUNDS COMMITTEE

February 28, 2010

PROJECTS BEING DESIGNED

1. Campus Heat Plant

This project provides planning authorization for the design of new heating and cooling infrastructure to serve the various areas of campus.

A/E: Affiliated Engineers, Inc. – Chapel Hill, NC

Status: Project split into various design and construction packages. Life Sciences corridor steam line expansion design criteria modified to direct burial installation, which is currently under construction.

2. Infectious Disease Research Facility (Vet Med Addition) (16,300 GSF) – CM @ Risk

This project will accommodate infectious disease research laboratory space (60%), lab office space and support areas (40%).

A/E: CUH2A Architecture, Engineering, Planning – Bethesda, MD
Construction Manager: Branch & Associates, Inc. – Roanoke, VA

Status: Working Drawings are underway.

3. Academic and Student Affairs Building (91,200 GSF) – CM @ Risk

This project will include a new dining facility, academic instruction areas, and other student space in a four or five-story building.

A/E: Burt Hill Kosar Rittleman Associates – Washington, D.C.
Construction Manager: Skanska USA Building, Inc. – Durham, NC

Status: Working Drawings are underway.

4. VBI Addition Facility (51,500 +/- GSF) – CM @ Risk

This project will include office space for faculty, researchers, research associates, and support personnel and associated conference and meeting space for growing Virginia Bioinformatics Institute (VBI) departments.

A/E: Perkins + Will – Charlotte, NC

Construction Manager: Skanska USA Building Inc. – Durham, NC

Status: Working Drawings are underway.

5. Geosciences Building & Discovery Center - Sciences Research Laboratory - I (93,300 GSF) – CM @ Risk

This project will include a combination of offices, class laboratories, research offices and laboratories, and graduate student space that will be used to house a number of departments and programs for the College of Science. A significant portion of the building is envisioned to house the Department of Geosciences. The other focus of the building program envisions an expansion of the nano-science research field.

A/E (Programming Only): CUH2A Architecture, Engineering, Planning – Bethesda, MD

A/E: Payette/E. Verner Johnson – Boston, MA

Status: A program and site confirmation study has been completed and A/E selection has been completed. CM@Risk procurement has been placed on hold until further direction from College.

6. Center for the Arts (120,000 GSF) – CM @ Risk

This project includes construction of a new Performance Hall with a 1,300-seat auditorium, as well as a Visual Arts Gallery. It also includes the renovation of Shultz Hall for Creative Technologies and support spaces.

A/E: Snohetta AS – New York, NY with STV Group, Inc. – Douglassville, PA

Construction Manager: Holder Construction Company – Charlotte, NC

Status: Preliminary Design is underway.

7. Signature Engineering Building (153,800 +/- GSF) – CM @ Risk

This project constructs a new state-of-the-art, technology enhanced flagship building for the College of Engineering.

A/E: Zimmer Gunsul Frasca Architects LLP – Washington, DC

Construction Manager: TDB

Status: Preliminary Design is underway. CM@Risk procurement underway.

8. Human and Agricultural Biosciences Building I (92,500 +/- GSF) – CM @ Risk

This project constructs a new advanced agricultural research laboratory facility.

A/E: Lord, Aeck & Sargent, Inc. – Atlanta, GA
Construction Manager: Skanska USA Building, Inc. – Durham, NC

Status: Preliminary Design is underway.

9. Renovate Davidson Hall (45,000 +/- GSF) – CM @ Risk

This project demolishes and replaces the deteriorated center and rear sections of Davidson Hall.

A/E: Einhorn Yafee Prescott – Washington, DC
Construction Manager: Barton Malow Company – Charlottesville, VA

Status: Working Drawings are underway.

10. Chiller Plant I (18,600 +/- GSF) – CM @ Risk

This project develops and implements additions/improvements to the campus chilled water infrastructure.

A/E: Burns and Roe Service Corporation – Virginia Beach, VA
Construction Manager: The Whiting-Turner Contracting Co. – Charlotte, NC

Status: Schematic Design is underway.

11. Agriculture Program Relocation, Phases I and II (N/A GSF)

This project relocates the current lactating, non-lactating, and bovine palpation herds to Kentland Farm.

A/E: Hanbury Evans Wright Vlattas + Company – Norfolk, VA
Contractor: TBD

Status: Pre-planning/programming is underway.

12. North Chiller Plant (15,000 +/- GSF) – Design/Build

This project constructs a chiller plant shell building to support the demands for the Prices Fork Lot precinct development.

Criteria Consultant: Trefz Engineering - Horsham, PA
Design/Builder: TBD

Status: Criteria development is underway.

13. Vet Med Instructional Addition (32,300 GSF)

This project will construct an addition of approximately 32,300 GSF of instructional space to provide adequate classrooms, to relieve overcrowding of the existing facility. The proposed project will address space accommodation needs with new classrooms and teaching labs, and faculty spaces.

A/E: HKS, Inc. – Richmond, VA

Contractor: TBD

Status: Pre-planning is underway.

14. Owens and West End Market Food Courts – CM @ Risk

This project constructs a seating addition with modifications to the West End Market and renovates the Dining/Food Service areas of Owens Hall.

A/E: Clark Nexsen – Charlotte, NC

Construction Manager: Branch & Associates, Inc. – Roanoke, VA

Status: Working Drawings are underway.

CONSTRUCTION PROCUREMENT PROCESS

PROJECTS UNDER CONSTRUCTION

1. Virginia Tech – Carilion Medical School and Research Institute (152,000 GSF) - PPEA

This project constructs a new medical school and research institute adjacent to the Carilion complex in Roanoke.

PPEA Team: Carilion Clinic, – Roanoke, VA
Hayes, Seay, Mattern & Mattern, Inc., - Roanoke, VA
Skanska USA Building, Inc. – Durham, NC

Status: Construction is underway.

2. Parking Structure (1,200 +/- Spaces) – Design/Build

This project will provide a parking structure in the Perry Street lot.

Criteria Consultant: DESMAN Associates – Vienna, VA
Design/Builder: Rentenbach Constructors out of Greensboro

Status: Construction is underway.

3. ICTAS - II (42,190 GSF) – CM @ Risk

This project will include state-of-the-art research facilities with highly specialized research laboratories, which will support multi-disciplinary research areas including bio-nanotechnology, bio-materials, communications technology, and sensor technology.

A/E: SmithGroup – Washington, D.C.
Construction Manager: Skanska USA Building, Inc – Durham, NC

Status: Construction is underway.

4. Ambler Johnston Hall - Improve Residence and Dining Halls – (272,000 GSF) - CM @ Risk

This project will provide complete renovations to Ambler Johnston Hall including replacement of building systems and addition of air conditioning. The project is envisioned to improve the sense of community by adding corridor daylighting and an attractive entrance area. It will be completed in multiple phases.

A/E: Clark Nexsen – Charlotte, NC
Construction Manager: Barton Malow Company – Charlottesville, VA

Status: Construction is underway. Anticipate construction completion for Phase I in Fall 2011 and Phase II in Fall 2012.

5. Football Locker Room Addition (38,500 +/- GSF) – Design/Build

This project constructs a 38,500 GSF locker room facility addition to house a new football locker room, a player's lounge, and an administrative area to serve the Athletics Department.

Design Build Team: Barton Malow Company – Charlottesville, VA

Status: Construction is underway.

6. Campus Heat Plant: Life Sciences Precinct Steam Line (Bid Package 6)

This project constructs steam and condensate distribution piping to serve the Life Sciences Precinct and provide for distribution mains for the future Boiler Plant on the western side of campus.

A/E: Affiliated Engineers, Inc. – Chapel Hill, NC

Contractor: Mid-Atlantic Infrastructure Systems – Winston-Salem, NC

Status: Construction is underway.

7. McComas Hall - Additional Recreation, Counseling and Clinical Space (27,000 GSF) – CM @ Risk

This project will expand McComas Hall to meet the growing demand for student recreation/exercise space for the university.

A/E: Hughes Group Architects – Sterling, VA

Construction Manager: The Whiting-Turner Contracting Co. – Charlotte, NC

Status: Construction is underway.

8. Materials Management Facility (7,500 GSF)

This project will construct a facility to manage, store, and process hazardous waste for disposal.

A/E: Wiley & Wilson - Lynchburg, VA

Contractor: G&H Contracting, Inc. – Salem, VA

Status: Construction is underway.

9. Visitors and Undergraduate Admissions Center (18,155 GSF) – CM @ Risk

This project will accommodate the growing needs of visitors to the campus and university admissions office.

A/E: Glavè & Holmes Associates – Richmond, VA

Construction Manager: BE&K Building Group – Charlotte, NC

Status: GMP negotiated and Construction is underway.

10. National Institute of Aerospace (60,000 GSF) - PPEA

This project constructs a new three story lab building in Hampton, Virginia.

PPEA Team: Concord Eastridge – Arlington, VA

Construction Manager: Alpha Corporation – Hampton Roads, VA

Status: PPEA team selected and design is underway.

COMPLETED PROJECTS

1. New Residence Hall – I (92,800 GSF)

This project will include construction of a new residence hall containing 264 beds as well as office space for Student Programs.

A/E: Hanbury Evans Wright Vlattas – Norfolk, VA

Contractor: Branch & Associates, Inc. – Roanoke, VA

Status: Close-out is complete and facility occupied.

2. Renovate Henderson Hall and Black Box Theater (38,570 GSF)

This project is to renovate Henderson Hall and includes an 8,600 SF Black Box Theater. The project will provide academic space for the visual and performing arts programs.

A/E: Moseley Architects – Virginia Beach, VA

Contractor: Avis Construction Company, Inc. – Roanoke, VA

Status: Close-out is complete and facility occupied.

3. Basketball Practice Facility (53,000 GSF) – CM @ Risk

This project includes construction of a state-of-the-art practice facility for men and women's basketball. It will include two full size courts, coaches' facilities, and locker rooms.

A/E: Cannon Design – Arlington, VA

Construction Manager: The Whiting-Turner Contracting Co. – Charlotte, NC

Status: Close-out is complete and facility occupied.

4. Indoor Batting Practice Facility (12,600 GSF)

This project will provide a recessed concrete slab for future installation of Field Turf, storage space, practice area, and accessory spaces adjacent to English Field.

A/E: Hanbury Evans Wright Vlattas – Wytheville, VA

Contractor: G&H Contracting, Inc. – Salem, VA

Status: Close-out is complete and facility occupied.

UNIVERSITY PLANNING, DESIGN AND CONSTRUCTION
BIDS/GMPS RECEIVED

**1. Visitors and Undergraduate Admissions Center
(12/16/09)**

Construction Budget	\$6,900,000
----------------------------	--------------------

CM@Risk: BE&K	\$7,052,618
<i>2% over Original Construction Budget</i>	

CAPITAL PROJECT STATUS REPORT
FUNDING SOURCES OF TOTAL PROJECT AUTHORIZATIONS
March 22, 2010
(Dollars in Thousands)

	DESIGN PROCESS	State Support (1)	General Obligation Bond (2)	Nongeneral Fund Cash	Nongeneral Fund Revenue Bond	Total
1	Campus Heat Plant (a)	\$17,250		\$2,750	\$11,500	\$31,500
2	Infectious Disease Research Facility	\$3,137		\$6,163		\$9,300
3	Academic and Student Affairs Building (b)				\$2,720	\$2,720
4	VBI Addition Facility (b)				\$2,400	\$2,400
5	Sciences Research Laboratory - I	\$28,758			\$16,800	\$45,558
6	Center for the Arts			\$5,000	\$58,000	\$63,000
7	Signature Engineering Building (d)	\$1,350		\$983		\$2,333
8	Human and Agricultural Biosciences Building I (e)	\$2,040				\$2,040
9	Renovate Davidson Hall (e)	\$1,506		\$750		\$2,256
10	Chiller Plant I (e)	\$480		\$500		\$980
11	Agriculture Program Relocation Phases I and II			\$1,000		\$1,000
12	North Chiller Plant			\$3,800		\$3,800
14	Owens and West End Market Food Courts				\$5,000	\$5,000
	CONSTRUCTION PROCUREMENT					
	--					
	UNDER CONSTRUCTION					
1	Virginia Tech-Carilion Medical School and Research Institute (f)	\$59,000				\$59,000
2	Parking Structure				\$30,000	\$30,000
3	ICTAS - II	\$17,500			\$17,500	\$35,000
4	Improve Residence and Dining Halls - Ambler Johnston Hall				\$75,000	\$75,000
5	Football Locker Room Addition			\$18,000		\$18,000
6	Campus Heat Plant - Life Sciences Precinct Steam Line			<i>Included in Campus Heat Plant amounts above.</i>		
7	Additional Recreation, Counseling and Clinical Space				\$13,000	\$13,000
8	Materials Management Facility	\$3,500				\$3,500
9	Visitors and Undergraduate Admissions Center			\$3,400	\$7,100	\$10,500
10	National Institute of Aerospace (f)	\$12,000				\$12,000

Notes:

- (1) General Fund and state supported debt.
- (2) 2002 General Obligation Bond program.
- (a) Project Budget is \$28,750,000.
- (b) Planning authorization only.
- (c) Project Budget is \$45,990,000.
- (d) Pre-planning authorization only.
- (e) Detailed planning authorization only.
- (f) PPEA.

CAPITAL PROJECT STATUS REPORT
Projects in Design Phase, Construction Procurement, Pending, or On Hold
March 22, 2010

PROJECTS		DATE AUTHORIZED	ORIGINAL COMPLETION DATE **		INITIAL AUTHORIZATION	CURRENT APPROVED BUDGET	PHASE	ESTIMATED BID OPEN or GMP DATE	ANTICIPATED OCCUPANCY DATE	A/ E OF RECORD	TOTAL INITIAL A/ E CONTRACT AMOUNT	A/ E CHANGE ORDERS TO-DATE	COMMENTS
DESIGN PHASE													
1	Campus Heat Plant (1)	Jul-04	Dec-09	P	\$ 2,750,000	\$ 28,750,000	CD	Jan-07	Dec-09	Affiliated Engineers, Inc.	\$ 2,326,698	\$ 336,424	
2	Infectious Disease Research Facility	Aug-06	Jan-10		\$ 7,137,000	\$ 9,300,000	CD	Aug-09	Jan-11	CUH2A Architecture, Engineering, Planning	\$ 930,591	\$ 61,405	
3	Academic and Student Affairs Building	Jun-07	Nov-12	P	\$ 2,720,000	\$ 2,720,000	CD	Jun-10	Jun-12	Burt Hill Kosar Rittleman Associates	\$ 3,550,508	\$ 117,164	
4	VBI Addition Facility	Jun-07	Nov-10	P	\$ 2,400,000	\$ 2,400,000	CD	TBD		Perkins + Will	\$ 2,524,002	\$ 201,132	
5	Sciences Research Laboratory - I	Oct-06	TBD	P	\$ 3,500,000	\$ 2,383,000	PP	TBD	TBD	CUH2A Architecture, Engineering, Planning	\$ 399,642	\$ 68,286	
6	Center for the Arts	Sep-04	TBD		\$ 40,000,000	\$ 63,000,000	SD	TBD	TBD	Shohetta AS with STV Group, Inc.	\$ 10,646,530	\$ 5,869	
7	Signature Engineering Building	Jul-08	TBD	PP	\$ 2,333,580	\$ 2,333,580	SD	TBD	TBD	Zimmer Gunsul Frasca Architects	\$ 407,271	\$ 4,482	
8	Human and Agricultural Biosciences Building I	Jul-08	Jan-13	DP	\$ 2,040,000	\$ 2,040,000	DD	TBD	TBD	Lord, Aeck & Sargent, Inc.	\$ 4,519,782	\$ 96,000	
9	Renovate Davidson Hall	Jul-08	Jul-12	DP	\$ 2,256,000	\$ 2,256,000	CD	TBD	TBD	Einhorn Yaffee Prescott	\$ 2,822,856	\$ -	
10	Chiller Plant I	Jul-08	Nov-12	DP	\$ 980,000	\$ 980,000	SD	TBD	TBD	Burns and Roe Service Corporation	\$ 257,682	\$ -	
11	Agriculture Program Relocation Phases I & II	Mar-09	TBD	PP	\$ 1,000,000	\$ 1,000,000	PP	TBD	TBD	Hanbury Evans Wright Vlattas + Company	\$ 264,138	\$ -	
12	North Chiller Plant	TBA	TBD		\$ 3,800,000	\$ 3,800,000	A/ E S	TBD	TBD	TBD	\$ -	\$ -	
13	Vet Med Instructional Addition	TBA	TBD	PP	\$ 300,000	\$ 14,000,000	PP	TBD	TBD	HKS, Inc.	\$ -	\$ -	
14	Owens and West End Market Food Courts	Jul-10	Nov-10		\$ 5,000,000	\$ 5,000,000	CD	TBD	TBD	Clark Nexsen	\$ 419,990	\$ -	
CONSTRUCTION PROCUREMENT													
Total					\$ 77,616,580	\$ 141,362,580							

** Original Completion Date is defined as the Original Substantial Completion date. Occupancy usually occurs within 60 days of Substantial Completion.

P - Only planning funds authorized.

PP - Pre-planning authorization only.

DP - Detailed planning authorization only.

(1) - Current Approved Budget amount shown reflects balance of project after bidding of subprojects.

Phase Abbreviations

A/ E S = A/ E Selection/ Programming

PP = Pre-Planning/ Programming

SD = Schematic Design

DD = Design Development (Preliminary Design)

CD = Construction Documents (Working Drawings)

BID = Bid Phase

PDG = Pending

HOLD = On Hold

CAPITAL PROJECT STATUS REPORT
Projects Under Construction and Completed
March 22, 2010

			MILESTONE DATES			SUBSTANTIAL COMPLETION DATES				CONSTRUCTION BUDGET					MISCELLANEOUS	
PROJECTS	GC/ CM/ DB	DELIVERY METHOD	STATE OR BOV AUTHORIZATION	NOTICE TO PROCEED	MOBILIZATION	SUBSTANTIAL COMPLETION WHEN AUTHORIZED	CURRENT CONTRACTUAL SUBSTANTIAL COMPLETION	NOTES	ANTICIPATED OCCUPANCY	INITIAL CONSTRUCTION BUDGET	A/ E FINAL ESTIMATE	BID/ GMP	CUMULATIVE CHANGE ORDERS TO-DATE	CURRENT CONSTRUCTION AMOUNT	ESTIMATED WORK-IN-PLACE	
UNDER CONSTRUCTION																
1	Virginia Tech-Carilion Medical School and Research Institute	Carilion/ Skanska USA Building, Inc./ HSMIM	PPEA	Jul-08	Sep-08	Sep-08	Aug-10	Aug-10		Aug-10	\$ 59,000,000	N/ A	N/ A	N/ A	\$ 59,000,000	55%
2	Parking Structure	Rentenbach Constructors Incorporated	DB	Jun-08	Jun-09	Jun-09	Jul-10	Jul-10		Aug-10	\$ 25,500,000	\$ 25,000,000	\$ 19,548,000	\$ 1,072,463	\$ 20,620,463	52%
3	ICTAS II	Skanska USA Building, Inc.	CMR	Aug-06	Apr-09	Apr-09	Oct-10	Oct-10		Nov-10	\$ 23,150,000	\$ 22,040,863	\$ 1,716,373	\$ 21,382,134	\$ 23,098,507	47%
4	Ambler Johnston Hall - Improve Residence and Dining Halls	Barton Malow Company	CMR	Mar-07	May-09	Jun-09	Jul-12	Jul-12		Aug-12	\$ 52,313,670	N/ A	\$ 50,388,670	\$ 1,838,272	\$ 52,226,942	22%
5	Football Locker Room Addition	Barton Malow Company	CMR	Mar-09	May-09	Jun-09	Aug-10	Aug-10		Sep-10	\$ 18,000,000	N/ A	\$ 12,558,008	\$ 269,992	\$ 12,828,000	46%
6	Campus Heat Plant: Life Sciences Precinct Steam Line (BP 6)	Mid-Atlantic Infrastructure Systems	DBB	Jul-04	May-09	May-09	Aug-10	Apr-10		Apr-10	\$ 6,000,000	\$ 5,845,000	\$ 4,283,011	\$ -	\$ 4,283,011	71%
7	Additional Recreation, Counseling and Clinical Space	The Whiting-Turner Contracting Company	CMR	Jul-06	Oct-09	Oct-09	Oct-10	Oct-10		Nov-10	\$ 8,798,000	\$ 8,497,000	\$ 8,360,843	\$ -	\$ 8,360,843	25%
8	Materials Management Facility	G&H Contracting, Inc.	DBB	Jul-07	Sep-09	Sep-09	Aug-10	Aug-10		Sep-10	\$ 2,507,000	\$ 2,659,613	\$ 2,180,000	\$ 34,740	\$ 2,214,740	76%
9	Visitors and Undergraduate Admissions Center	BE&K	CMR	Jul-06	Feb-10	Mar-10	Jun-11	Jun-11		Jul-11	\$ 6,100,000	\$ 6,797,301	\$ 7,052,618	\$ -	\$ 7,052,618	5%
10	National Institute of Aerospace	Concord Eastridge	PPEA	Jan-09	Feb-10	TBD	Jul-11	Jul-11		Aug-11	\$ 9,600,000	\$ 9,600,000	\$ 9,600,000	\$ -	\$ 9,600,000	5%
COMPLETED PROJECTS																
1	New Residence Hall - I	Branch & Associates, Inc.	DBB	Jul-00	Dec-07	Dec-07	May-09	Jun-09		Aug-09	\$ 17,500,000	\$ 20,098,900	\$ 25,077,582	\$ 443,845	\$ 25,521,427	100%
2	Renovate Henderson Hall and Black Box Theater	Avis Construction Company, Inc.	DBB	Feb-04	Feb-08	Feb-08	Oct-08	May-09		Aug-09	\$ 9,534,000	\$ 12,918,200	\$ 11,559,955	\$ 356,009	\$ 11,915,964	100%
3	Basketball Practice Facility	The Whiting-Turner Contracting Company	CMR	Mar-07	Apr-08	Apr-08	Aug-09	TBD		Oct-09	\$ 16,400,000	\$ 15,020,077	\$ 3,964,046	\$ 12,604,037	\$ 16,568,083	100%
4	Indoor Batting Practice Facility	G&H Contracting, Inc.	DBB	Aug-08	Nov-08	Nov-08	May-09	Jun-09		Sep-09	\$ 1,500,000	\$ 1,500,000	\$ 1,145,500	\$ 40,576	\$ 1,186,076	100%

Abbreviations

DBB = Design-Bid-Build
CMR = Construction Manager @ Risk
CMA = Construction Manager - Agent
DB = Design/ Build
PPEA = Public/ Private Partnership
OTH = Other

Notes

Report on Capital Project Costs
BUILDINGS AND GROUNDS COMMITTEE

February 16, 2010

At its June 1, 2009 meeting, the Committees requested a report that would provide a comparison of the University's capital project costs, including both construction and soft costs, with comparable institutions. The requested comparison should isolate the variable costs among institutions such as charges for lost parking spaces, utilization of land, etc., to provide a valid assessment across the institutions. In response to this request, Facilities Services engaged a third-party consultant to evaluate comparative construction cost data of like facilities from within their database and provide data for further analysis and review.

The Committees will receive information that compares the construction costs of two recent Virginia Tech buildings with the costs of comparable buildings at other universities. The cost data will be broken down to the system level (i.e. structure, enclosure, mechanical, electrical, etc.) so that substantive cost variances can be specifically identified and discussed. Information will also be provided on recurring capital project costs that are in addition to construction costs. These costs typically include architectural and engineering fees, project management and inspection, telecommunications, parking displacement, moveable equipment and furnishings, etc. The briefing will focus on the basis for such costs and the challenges associated with comparing Virginia Tech's costs with the costs of other universities.



Virginia Tech Capital Project Cost Analysis

March 22, 2010

Board of Visitors

Data Challenges

- Previous efforts to analyze and measure VT design and construction costs:
 - Stanford Cost Data
 - ACC Schools
 - Department of General Services with Virginia Higher Ed facilities
- All of these approaches encounter challenges with regard to the data due to the buildings and their unique terms:
 - Size, design, program and program fit-out
 - Inconsistent cost accounting and reporting without good detail

Construction Data Analysis

- Engaged Vermeulens Cost Consultants to evaluate:
 - Comparative construction cost data of “like” facilities from within their project data base
 - Space programming and technical designs influences on cost
 - Review and align construction cost information to enable the best case “apples-to-apples” comparison
- Focused on two projects of different types with detailed information available:
 - New Residence Hall I (Residence Hall)
 - Signature Engineering (Research Lab)

Construction Costs - Residence Facilities

Element \$/sf	VT Res	Syracuse U	U of New Haven	S.E. Missouri	SUNY Purchase
Location	Blacksburg, VA	Syracuse, NY	West Haven, CT	Cape Girardeau, MO	White Plains, NY
Total Area (GSF)	92,800	145,252	128,134	83,394	92,734
Total Adjusted Cost	\$25,850,582	\$39,282,026	\$28,848,42	\$18,924,915	\$19,079,064
Structure (1)	\$57	\$56	\$33	\$29	\$40
Enclosure	\$69	\$48	\$38	\$36	\$45
Interiors	\$35	\$37	\$33	\$36	\$32
Fittings	\$9	\$11	\$11	\$14	\$4
Mechanical	\$47	\$45	\$35	\$47	\$44
Electrical	\$16	\$25	\$21	\$21	\$9
Site	\$14	\$10	\$19	\$25	\$9
Markups	\$31	\$40	\$34	\$19	\$17
Total	\$279	\$270	\$225	\$227	\$215

(1) VT and Syracuse have extensive caisson foundations systems. Others have conventional pad and strip footing foundations. This results in approximately a \$20/sqft premium for both.

Residence Halls–Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

	VT	Syracuse	New Haven	SE Missouri
Bed room	20	21	27	35
Lounge/Lobby	9	5	11	11
Kitchen	2	2	7	2
Washroom	8	7	7	10
	39	35	52	58
Office/Amenities	20	22	3	3
Corridor/Stair	17	16	22	17
Trash/Storage	3	3	2	3
	20	19	24	20
M&E	3	6	3	3
Walls & Shafts	18	18	18	16
	21	24	21	19
Total	100	100	100	100

- Focused on two “like facilities”:
 - VT Residence
 - Syracuse University
- These two facilities have the most comparable programs:
 - 20% of the gross square feet of beds
 - 20% of the gross square feet in office/amenities

Residence Halls – Construction Details

- Enclosure: VT cladding ratio is lower than peer facilities. Hokie Stone and architectural detailing creates a higher cost/sqft for VT
- Roofing: The slate roofing cost add a premium to the VT project
- Cladding and roofing have a premium of \$28/sqft (\$24 – walls & \$4 roofing)

			VT NRH	Syracuse	New Haven	SE Missouri
Cladding	1	Wall Area/GSF	0.53	0.70	0.66	0.51
	2	\$/ Wall Area	\$110.00	\$56.00	\$50.00	\$59.00
	3	\$/GSF (1 x 2)	\$58.30	\$39.20	\$33.00	\$30.09
Roof	1	Roof Area/GSF	0.28	0.22	0.20	0.30
	2	\$/ Roof Area	\$28.00	\$21.50	\$17.50	\$9.40
	3	\$/GSF (1 x 2)	\$7.84	\$4.73	\$3.50	\$2.82
Cladding & Roof		Cladding 3 + Roof 3	\$66.14	\$43.93	\$36.50	\$32.91

Residence Facility–Construction Details

- **Electrical**
 - Syracuse includes a premium of \$10/sf for emergency power generation and distribution.
- **Contactor Markups (% of Direct Costs)**

	New Res. I	Syracuse
General Conditions & Requirements	7.6%	11.2%
Contractor's Fee	5.0%	3.0%
CM Contingency	0%	3.0%
Total	12.6%	17.2%

Construction Costs - Research Facilities

Element \$/sf	VT Signature Engineering	Georgetown U – Science Center	MSU Drug Discovery	Syracuse U - LSF	Drexel ISB	Yale ENRB	University of Pennsylvania
Location	Blacksburg, VA	Washington, DC	Charleston, SC	Syracuse, NY	Philadelphia, PA	New Haven, CT	Philadelphia, PA
Total Area (Sqft)	153,800	157,358	113,090	240,154	133,847	64,479	109,469
Total Adjusted Cost	\$67,186,660	\$67,489,786	\$49,467,675	\$82,374,823	\$46,187,139	\$31,310,534	\$53,510,151
Structure	\$53	\$51	\$61	\$43	\$43	\$65	\$55
Enclosure	\$70	\$60	\$79	\$46	\$59	\$97	\$53
Interiors	\$44	\$39	\$46	\$43	\$42	\$45	\$40
Fittings	\$28	\$39	\$50	\$43	\$27	\$38	\$61
Mechanical	\$104	\$122	\$105	\$77	\$95	\$118	\$147
Electrical	\$44	\$43	\$35	\$36	\$37	\$48	\$53
Site	\$29	\$24	\$18	\$7	\$5	\$15	\$28
Markups	\$64	\$51	\$44	\$48	\$36	\$60	\$51
Total	\$437	\$429	\$437	\$343	\$345	\$486	\$489

Research – Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

- Also focused the analysis on two “like facilities”:
 - Sig. Eng. (153,800)
 - Georgetown (157,358)
- These two facilities are the most comparable based on gross square footage, cladding and roof ratios, sites and LEED requirements.

	VTech SEB	Georgetown	MSU Drug	Drexel ISB	U Penn
Lab & Lab Support	23	32	35	29	38
Off./Meeting/Class.	28	13	11	12	8
	51	45	46	41	46
Lobby/Wash/Conf.	5	11	9	10	8
Corridor/Stair/unass.	21	23	12	18	16
	26	34	21	28	24
M&E	11	11	18	14	15
Walls & Shafts	12	11	15	17	15
	23	22	33	31	30
Total	100	100	100	100	100

Research Facility–Construction Details

- Enclosure: Hokie Stone and architectural detailing does create a higher cost/sqft for VT
- Roofing: The style and pitched roof and use of slate roofing does create a premium for Signature Engineering as compared to certain buildings. The Georgetown building incorporated a green roof which increased its cost.

			VTech SEB	Georgetown	Syracuse	MSU	UPenn
Cladding	1	Wall Area/GSF	0.51	0.58	0.45	0.72	0.70
	2	\$/ Wall Area	\$90.51	\$79.77	\$70.32	\$73.09	\$63.00
	3	\$/GSF (1 x 2)	\$46.25	\$45.91	\$31.45	\$52.84	\$44.10
Roof	1	Roof Area/GSF	0.28	0.31	0.21	0.20	0.23
	2	\$/ Roof Area	\$19.00	\$26.39	\$19.78	\$10.96	\$14.00
	3	\$/GSF (1 x 2)	\$5.31	\$8.22	\$4.17	\$2.14	\$3.22
Cladding & Roof Cladding 3 + Roof 3			\$51.56	\$54.13	\$35.62	\$54.99	\$47.32

Research Facility–Construction Details

- **Contactor Markups (% of Direct Costs)**
 - Georgetown project included various General Conditions and Requirements costs in the Owner's (soft cost) budget.
 - CM Contingency amount reflects status of design documents at the time the GMP is negotiated

	Sig. Eng.	Georgetown
General Conditions & Requirements	11.0%	7.8%
Contractor's Fee	2.5%	2.5%
CM Contingency	5.5%	3.0%
Total	19.0%	13.3%

VT Project Soft Costs

- Architect/Engineer Fees
- Project Management and Inspection
- Moveable Equipment and Furnishings (FF&E)
- Owner Contingencies
- Other
 - Materials Testing & Special Inspections
 - Telecommunications (VT CNS)
 - Electric Service (VTES)
 - HVAC Commissioning
 - Parking Relocations
 - Misc.

Project Soft Costs

	Signature Engineering			New Residence Hall		
	\$	% of Const.	\$/SF	\$	% of Const.	\$/SF
A/E Fees	\$7,149,000	10.6%	46	\$1,295,595	5.0%	14
Pre Con. Srvs.	\$340,000	0.5%	2	\$83,647	0.3%	1
PM and Insp.	\$2,989,072	4.5%	19	\$580,134	2.2%	6
Contingencies	\$3,395,280	5.0%	22	\$1,153,879	4.5%	12
FF&E	\$8,780,910	13.1%	57	\$784,000	3.0%	8
Other	\$6,494,086	9.7%	42	\$1,197,273	4.6%	13
Total	\$29,148,348	43.4%	188	\$5,094,528	19.6%	54

“Other” Soft Costs

	Signature Eng.		New Residence	
	\$	\$/SF	\$	\$/SF
Testing	578,000	4	300,000	3
VTES	627,000	4	70,000	1
Commissioning	941,000	6	135,000	1
CNS	1,181,000	8	300,000	3
FS Work Orders	102,000	1	200,000	2
Moving	133,086	1	82,000	1
Parking Relocations	1,324,000	9	0	0
Geotech	157,000	1	24,351	0
Advertisements	3,000	0	3,922	0
Signage	54,000	0	33,000	0
BCOM Fee	19,000	0	19,000	0
Fire Safety Equip.	35,000	0	20,000	0
Central Utility Allocation	1,330,000	9	0	0
Bldg. Dedication	10,000	0	10,000	0
Total	6,494,086	43	1,197,273	11

Comparison to ACC Schools

(% of Construction Cost)

- VT values are average of Sig. Eng. and New Residence Hall
- Comparable “typical project” data provided by other universities

	VT	UVA	Duke	Florida State	UNC	GT	NC State
A/E Fees	7.8%	13.0%	10.0%	7.7%	8-11%	8.8%	10.0%
Pre Con. Srvs.	0.4%	1.5%	0.0%	0.6%	1.0%	1.5%	1.0%
PM and Insp.	3.4%	4.0%	2.5-4.0%	0.5%	1.2%	2.5%	1.2%
Contingencies	4.8%	15.0%	11.0%	3.2%	1.5-5%	5.0%	10%
FF&E	8.1%	4.0%	7.0%	11.5%	1.3%+	10.0%	2.0%
Other	7.2%	2.5%	2.5%	5.0%	17.0%	3.7%	7.0%
Total	31.7%	40.0%	33-34.5%	28.5%	30-36.5%	31.5%	31.2%

**RESOLUTION ON THE AGGREGATION OF DEMAND
RESPONSE ON BEHALF OF RETAIL CUSTOMERS SERVED
BY THE VIRGINIA TECH ELECTRIC SERVICE**

WHEREAS, the Federal Energy Regulatory Commission has issued Order No. 719, 125 FERC ¶ 61,071, (Oct. 28, 2008), Order No. 719-A, 128 FERC ¶ 61,059 (Jul. 29, 2009), and Order No. 719-B, 129 FERC ¶61,252 (Dec. 17, 2009); and

WHEREAS, pursuant to Order 719 , 18 C.F.R § 35.28(g)(1)(i)(A) provides: Every Commission-approved independent system operator or regional transmission organization that operates organized markets based on competitive bidding for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services (or its functional equivalent in the Commission-approved independent system operator's or regional transmission operator's tariff) from demand response resources in these markets for that product on a basis comparable to any other resources, if the demand response resource meets the necessary technical requirements under the tariff, and submits a bid under the Commission-approved independent system or regional transmission operator's bidding rules at or below the market-clearing price, unless not permitted by the laws or regulations of the relevant electric retail regulatory authority"; and

WHEREAS, pursuant to Order No. 719-A 18 C.F.R. § 35.28(g)(1)(iii) provides: Each Commission-approved independent system operator and regional transmission organization must accept bids from an aggregator of retail customers that aggregates the demand response of the customers of utilities that distributed more than 4 million megawatt-hours in the previous fiscal year, and the customers of utilities that distributed 4 million megawatt-hours or less in the previous fiscal year, where the relevant electric retail regulatory authority permits such customers' demand response to be bid into organized markets by an aggregator of retail customers. An independent system operator or regional transmission organization must not accept bids from an aggregator of retail customers that aggregates the demand response of the customers of utilities that distributed more than 4 million megawatt-hours in the previous fiscal year, where the relevant electric retail regulatory authority prohibits such customers' demand response to be bid into organized markets by an aggregator of retail customers, or the customers of utilities that distributed 4 million megawatt-hours or less in the previous fiscal year, unless the relevant electric retail regulatory authority permits such customers' demand response to be bid into markets by aggregators of retail customers"; and

WHEREAS, the Virginia Polytechnic Institute and State University owns and operates an electric distribution system that supplies electric service to retail customers and also serves as the relevant regulatory authority for those customers by establishing the rates, terms and conditions on which the Virginia Tech Electric Service provides electric service to its retail customers; and

WHEREAS, the Virginia Tech Electric Service is located within the area served by the PJM Interconnection, LLC (PJM); and

WHEREAS, the Virginia Tech Electric Service purchases from third parties or generates all of the electric energy required to serve its retail customers; and

WHEREAS, the Virginia Tech Electric Service does not currently offer a demand response program to retail customers of its full-requirements purchasers as of the effective date of this ordinance.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Visitors that:

From the effective date of this Resolution, Educational and General (E & G) and Auxiliary retail customers of the Virginia Tech Electric Service may participate in demand response or similar programs available through PJM or another Federal Energy Regulatory Commission approved independent system operator's or regional transmission operator's organized markets for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services, either directly or through EnergyConnect, Inc., as the third party aggregator. Virginia Tech Electric Service may at some future date determine that it will exclusively or alternatively offer demand response services to its retail customers with adequate notice and rescission of this resolution prior to the PJM deadline for submission of demand response bids for a subsequent PJM Planning Year (June 1 – May 31).

RECOMMENDATION:

That the above resolution authorizing Virginia Tech Electric Services retail customers to participate in demand response or similar programs be approved.

March 22, 2010

RESOLUTION DELEGATING AUTHORITY FOR SAFETY AND SECURITY POLICIES TO THE VIRGINIA TECH SAFETY AND SECURITY POLICY COMMITTEE

WHEREAS, §23-9.2:10(B), Code of Virginia, as amended, requires the Board of Visitors to adopt a committee structure charged with education and prevention of violence on campus; and further requires that each public college or university shall have in place policies and procedures for the prevention of violence on campus; and

WHEREAS, by resolution at its June 2008 meeting, the Board of Visitors affirmed the creation and continued operation of the Campus and Workplace Violence Prevention and Risk Assessment Committee and the Threat Assessment Team; and

WHEREAS, by resolution at its November 2009 meeting, the Board of Visitors ratified the Virginia Tech Safety and Security Committee Structure, including the Safety and Security Policy Committee; and

WHEREAS, the Virginia Tech Safety and Security Policy Committee, appointed and chaired by the President, serves as the University's coordinating and policy body with responsibilities for establishing the framework for an overarching safety, emergency management, and security program for the University; and

WHEREAS, the Board of Visitors desires that the Safety and Security Policy Committee has the authority and capability to provide a comprehensive policy framework.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors authorizes the Safety and Security Policy Committee to create safety and security policies for the University.

RECOMMENDATION:

That the above resolution delegating authority for the creation of University safety and security policies be approved.

March 22, 2010

Committee Minutes

FINANCE AND AUDIT COMMITTEE

**Duck Pond Room, The Inn at Virginia Tech
8:30 a.m.**

March 22, 2010

Joint Closed Session (with Research Committee)

The Committee met in Closed Session on Sunday afternoon with the Research Committee to discuss the potential establishment of a research corporation where no previous announcement has been made concerning the corporation's location in the area.

Finance Closed Session

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. George Nolen

VPI & SU Staff: Ms. Kay Heidbreder, Ms. Sharon Kurek, Mr. M. Dwight Shelton, Jr., Dr. Charles Steger, Dr. Lisa Wilkes

1. **Motion for Closed Session**
- * 2. **Ratification of Personnel Changes Report:** The Committee met in Closed Session to review and take action on the quarterly personnel changes report.
3. **Report on Faculty Salary Initiative:** The Committee met in Closed Session to receive a report on a Faculty Salary Initiative addressing salary compression and retention issues for tenure-track faculty in the colleges.

Finance Open Session

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. George Nolen

VPI & SU Staff: Mr. Erv Blythe, Mr. Allen Campbell, Mr. Al Cooper, Mr. John Cusimano, Mr. Corey Earles, Mr. Tim Hodge, Ms. Sharon Kurek, Mr. Jim McCoy, Mr. Ken Miller, Ms. Lisa Royal, Mr. M. Dwight Shelton, Jr., Mr. Ken Smith, Dr. Raymond Smoot, Jr., Mr. Jeb Stewart, Ms. Melinda West, Dr. Lisa Wilkes

Guests: Ms. Akiko Nakamura, Mr. Mike Sage

1. **Motion to Reconvene in Open Session**
2. **Approval of Items Discussed in Closed Session:** The Committee reviewed and ratified the Personnel Changes Report.
3. **Opening Remarks and Approval of Minutes of the November 9, 2009 Meeting:** The Committee reviewed and approved the minutes of the November 9, 2009 meeting.
4. **Report on Scholarship Programs Expenditure Plans:** The Committee received an annual report on the scholarship programs expenditure plans and the December 31, 2009 cash balance in the endowment accounts. The report showed that the overall available balances for scholarships grew this year as compared to the prior year and is up by nearly \$1 million compared to the prior year, to \$2.8 million. The Vice President and Dean of Undergraduate Education discussed the endowment restrictions that are affecting approximately \$500,000 of the unspent scholarship funds; plans are moving forward to have the scholarship re-programmed so that the funds can be made available to students. The Committee accepted the report but expressed concern that greater progress has not occurred. The Committee requested the University place a greater priority on ensuring the scholarship funds are made available to students, particularly given the current economic period.
5. **Presentation of University's Annual Financial Report:** The Committee received an overview of the University's Annual Financial Report for the fiscal year ending June 30, 2009. The financial statements have been prepared in accordance with generally accepted accounting principles, and the Auditor of Public Accounts issued an unqualified (or clean) opinion. The University had total revenues of \$1,029.6 million and total operating expenses of \$970.1 million for fiscal year 2009. Total revenues increased by \$44 million or 4.5 percent over the previous year. The majority of the growth in operating revenues came from the student tuition and fee revenue, which increased by \$31 million from the prior year. Total operating expenses increased by \$24.5 million or 2.6 percent in fiscal year 2009. As of June 30, 2009, the total assets for the affiliated corporations were \$955.7 million. The Virginia Tech Foundation, Inc., the largest of the affiliated corporations, had total assets of \$942.1 million as of June 30, 2009, which was an increase of \$16.1 million from 2008.
6. **Report on the 2010 Legislative Session:** The Committee received a report on the results of the 2010 legislative session, including the Governor's Executive Budget as submitted on December 18, 2009. This report presents the major elements of the Executive Budget and General Assembly actions for the 2010-2012 Biennium. The 2010 General Assembly Session adjourned March 14 and

the Governor has until the Reconvened Session (veto session) on April 21, 2010 to offer amendments to the budget.

Highlights of the new budget for fiscal years 2010-12 include: a 3 percent bonus for state employees if state revenues increase above the current projection of \$82 million; an employee contribution of 5 percent to their retirement benefit for new employees beginning July 1, 2010; and a temporary reduction in the current deferred compensation cash match program. Items specific to higher education institutions include an increase in the capital fee paid by out-of-state students: changes to the Equipment Trust Fund Program (Virginia Tech's ETF program is reduced nearly \$500,000 to \$8.3M GF in each year of the 2010-12 biennium. A new \$2.3 million "Research ETF Appropriation" is provided in each year of the 2010-12 biennium); reduction in Maintenance Reserve Funding (Virginia Tech's program is reduced nearly \$3 million to \$5.6 million in 2011); reductions to the University Division base operating support (\$5.2 million in 2011 and \$21.8 million in 2012 for Virginia Tech with \$20.9 million of stimulus funds being provided in 2011.); and, similar reductions in the CE/AES Division base operating support (\$1.1 million in 2011 and \$4.5 million in 2012, as well as an additional \$1 million reduction to reorganize Extension services in 2012). With these additional budget reductions, the cumulative reductions to Virginia Tech for 2008-12 will be approximately \$75 million.

7. **Briefing on the Development of 2010-2011 Tuition and Fees:** The Committee received a status report on the development of 2010-2011 tuition and fees. The state budget was sent to the Governor in mid-March 2010 for approval. The Governor has 30 days to sign and submit additional amendments to the budget before the reconvened session on April 21, 2010. The final state budget has the potential to have a significant impact on tuition and fee decisions. The allocation of federal stimulus funding and level of reduction in General Funds are key elements in the resolution of the higher education budget for 2010-2011.

Despite these uncertainties, the University intends to continue to pursue progress with regard to its Strategic Plan. The results of the 2010 General Assembly Session, including the losses in General Fund support, the allocation of federal stimulus funding, and the impact on tuition and fees revenues from new funding requirements, will be critical to the operations of the University in 2010-11. University management believes that it must take sufficient time subsequent to the end of the General Assembly Session to fully assess its revenue options and opportunities. The University proposes that the 2010-2011 tuition and fees proposal be submitted to the Executive Committee of the Board of Visitors for approval as soon as is practical after the Reconvened Session on April 21, 2010.

8. **Report on Capital Project Construction Costs:** As a follow-up to the November meeting, the Committee received a report on capital project construction costs that compares the construction costs of two recent Virginia Tech buildings with the costs of comparable buildings at other universities. The cost data was broken

down to the system level (i.e. structure, enclosure, mechanical, electrical, etc.) so that substantive cost variances could be specifically identified and discussed. Information was also provided on recurring capital project costs that are in addition to construction costs (i.e., a/e fees, project management and inspection, telecommunications, parking displacement, moveable equipment and furnishings, etc.) The briefing focused on the basis for such costs and the challenges associated with comparing Virginia Tech's costs with the costs of other universities. In addition, the briefing covered the actions the University is taking in response to the report. One example shared is the modification of quarry operations to produce a more consistent stone which will result in lower costs per ton. If there are cost savings, the committee requested that these be captured and reflected in the final project budget. The outcome of our internal review, inclusive of the consultant study, indicated that the Virginia Tech construction costs are comparable to ACC schools.

- * 9. **Approval of Year-to-Date Financial Performance Report (July 1, 2009 – December 31, 2009):** The Committee reviewed the Year-to-Date Financial Performance Report for July 1, 2009 – December 31, 2009. For the second quarter, all programs of the University were on target and routine budget adjustments were made to reflect changes in General Fund revenues and expenditure budgets in academic and administrative areas.

During the first quarter, the annual budget for Tuition and Fees was increased by \$8 million for strong fall enrollments and the university was assigned a \$26.4 million reduction in State General Fund support which was partially offset by an allocation of \$12.2 million in federal stimulus support.

During the Second quarter, the Governor revised the mix of General Fund and federal stimulus support in the University and Cooperative Extension/Agricultural Experiment Station Division (CE/AES) Divisions. General Fund support was increased \$20 million while stimulus funds were reduced \$18 million. This resulted in a \$2 million mitigation of the current year reduction assigned during the first quarter. The University Division budget was increased \$3 million for General Fund support to support the Commonwealth's Rolls Royce initiative.

The Federal revenue and expenditure budgets in the CE/AES Division has been increased by \$2.03 million for the carryover of unexpected federal funds and revised calculations of other federal formula funds.

Routine budget adjustments have been made in several auxiliaries to reflect revenue and expenditure changes. The Intercollegiate Athletics annual revenue budget was adjusted \$1.2 million to reflect increased revenue from a variety of sources while its annual expense and reserve draw budgets were adjusted to include increased expenditures, a \$9.0 million cash drawdown to fund the construction costs for the Jamerson Center Addition, and a \$3.2 million cash drawdown to fund the West Side expansion final expenses.

For the quarter ending December 31, 2009, \$45.5 million had been expended for Educational and General and General Obligation Bond Projects, and \$30.3 million in expenditures were incurred for Auxiliary Enterprises capital projects.

The Committee recommended the Year-to-Date Financial Performance Report to the full Board for approval.

- * **10. Approval of 2010-11 Compensation for Graduate Assistants:** The Committee reviewed and took action on the proposed 2010-11 schedule of stipends and support for the graduate health insurance program for graduate students who work as graduate assistants (including graduate teaching assistants and graduate research assistants) while pursuing master's or doctoral degrees. To be competitive in the recruitment and retention of high quality graduate students, it is important for the University to provide compensation packages that are comparable with those offered by peer institutions. The key components of the compensation packages are competitive stipends, tuition assistance, and health insurance.

Since there is no salary increase for fiscal year 2010-11 included in the proposed state budget, the University proposes to maintain graduate student stipends at current levels for 2010-11. However, if the official 2010-11 compensation plan changes, the graduate assistantship compensation program for 2010-11 would be revised accordingly.

To enhance the University's competitiveness in recruiting highly qualified graduate students, in 2001 the Board of Visitors approved a health insurance program as part of the graduate student compensation package for graduate students on assistantships. For 2009-10, the Board of Visitors authorized coverage of 82.5 percent of the annual premium for insurance obtained through the University. For 2010-11, the University proposes to increase its support for the graduate health insurance program to 87.5 percent as well as making the following enhancements to the health insurance program in the Fall 2010: increased outpatient maximum for prescription drug coverage from \$1,000 to \$2,000; inclusion of annual physicals with a \$100 maximum benefit and \$25 copayment; and enhanced coverage of diagnostic services and labs at the University's health center. Additionally, the University is on track to conduct a Request for Proposals (RFP) and actively solicit proposals to achieve a decision regarding the insurance provider in advance of the next fiscal year. With the University's commitment to further move the subsidy to 90 percent in the future, the enhanced insurance coverage provided, and the pending request to vendors to solicit proposals, the University considers its program to create a strong and competitive student health program to be complete.

The Committee recommended the 2010-11 Compensation for Graduate Assistants to the full Board for approval.

- * **11. Approval of Revisions to the Policy Governing the Investment of University Funds:** As part of the Restructured Higher Education Financial and Administrative Operations Act, the University began investing its non-general fund money effective July 2, 2007. Professional money management firms Standish-Mellon and Merganser Capital Management were hired to manage the University's non-endowed, short-term operating and intermediate-term cash balances.

Authorized investments for the University are set forth in the "Investment of Public Funds Act" of the Code of Virginia. Although the Code outlines the types of securities allowed for investment, the University can define many of its risk parameters and has generally followed the Virginia Department of the Treasury's investment policy as a guide to further define our risk profile. The Department of the Treasury's investment policy has recently been updated to redefine some risk parameters and to further clarify certain types of securities allowed for investment. Accordingly, the Policy Governing the Investment of University Funds has been updated.

The primary objectives of the University's investment policy are to provide the highest investment return at defined levels of risk, while providing both safety of principal and sufficient liquidity to meet the daily cash flow needs of the University. The proposed Policy revision identifies the University Treasurer, or designee(s), as authorized to invest University funds in the marketable securities as set forth in the Policy. The Policy also identifies allocation guidelines between the Primary Liquidity and Extended Duration allocations, as well as diversification and duration parameters for all the portfolios.

The Committee recommended the Revisions to the Policy Governing the Investment of University Funds to the full Board for approval.

- * **12. Approval of the Virginia Tech Research Corporation:** The University seeks approval to establish the Virginia Tech Research Corporation, Inc. as a university related corporation to provide administrative, research, and development services supporting innovative applications of science and technology, and technical assistance to enhance global competitiveness. The corporation will receive oversight from a board of directors composed of both University and external members. The Vice President for Research will serve as chair of the board and the Chief Operating Officer of the Virginia Tech Foundation will serve as its secretary-treasurer. Additionally, the affiliation agreement governing the corporation's relationship to the University is presented for approval and is consistent with the affiliation agreement in place for the university's current related corporations. Initial funding for the corporation will be requested from the Virginia Tech Foundation, Inc., to be repaid from surplus revenue.

The Committee recommended establishment of the Virginia Tech Research Corporation, Inc. and its affiliation agreement to the full Board for approval.

Joint Open Session (with Buildings and Grounds Committee)

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. Ben J. Davenport, Jr., Ms. Michele L. Duke, Mr. Douglas R. Fahl, Ms. Kristina J. Hartman – Undergraduate Student Representative, Dr. Calvin D. Jamison, Sr., Mr. John R. Lawson, II, Mr. George Nolen, Mr. Paul W. Rogers, Jr., Mr. James W. Severt, Sr., Mr. Thomas L. Tucker – Staff Representative

VPI & SU Staff: Mr. Erv Blythe, Mr. Bob Broyden, Mr. Ralph Byers, Mr. Allen Campbell, Mr. Michael Coleman, Mr. Al Cooper, Mr. John Cusimano, Mr. Corey Earles, Dr. Elizabeth Flanagan, Ms. Kimberly Haines, Mr. Tim Hodge, Mr. Z. Scott Hurst, Ms. Sharon Kurek, Mr. Jim McCoy, Ms. Lisa Royal, Mr. M. Dwight Shelton, Jr., Dr. Frank Shushok, Jr., Dr. Guy Sims, Dr. Raymond Smoot, Jr., Dr. Edward Spencer, Mr. Jeb Stewart, Mr. Ross Verbrugge, Ms. Melinda West, Dr. Lisa Wilkes, Dr. Sherwood Wilson

The Committee met with the Buildings and Grounds Committee to review and approve the following projects and was joined by the Student Affairs and Athletics Committee for the discussion of the Oak Lane Community Project.

- * 1. **Approval of Phase IV of Oak Lane Community Project:** The University's Campus Master Plan envisions an expansion of the Special Purpose Housing area of campus. While expansion of the current community has been considered a potential future improvement, a recent proposal from student housing corporations to partner on the expansion presents an opportunity to advance the project. The partnership involves the University building and financing houses in a manner similar to the first three phases, and the house corporations providing gifts to the Virginia Tech Foundation to be used to cover a portion of the cost of the houses and allow for customized unique designs. Because the housing corporations will customize elements of their particular residence and will provide private support to cover a portion of the costs, a specific cost for each house has not yet been established.

To ensure sufficient authorization for the first five houses, the University is requesting a \$23.5 million blanket authorization to cover the costs of Phase IV. Only the amount actually required for five houses and infrastructure will be used; thus, the authorization may not be fully utilized. The University has developed a financing plan to provide assurance regarding the financial feasibility of the project. This plan requires sufficient private support to cover at least 33 percent of the project costs of the houses and debt financing to cover the remaining costs of the houses and site development. The debt will be serviced from residential programs auxiliary revenue.

The Committees recommended the Phase IV of Oak Lane Community Project to the full Board for approval.

- * 2. **Approval of College of Veterinary Medicine Instruction Building Planning Project:** The existing classroom and office space in the College of Veterinary Medicine, constructed over twenty-five years ago, is no longer capable of meeting the needs and demands of the school's modern clinically-based teaching and learning program. Beyond the existing space constraints, the College is in the initial stage of expanding its enrollments of DVM students beyond the current 360; enrollment may grow to 520 students. The proposed solution to the space quality and quantity constraints is to move forward with the Veterinary Medicine Instruction Facility, which is a high priority project in the University's capital outlay plan. To advance the project, the College and Finance have worked together on a funding plan using student fee revenue to support a project with nongeneral fund resources. This request is for a \$1.4 million planning authorization to move forward with the design of the envisioned facility not to exceed a budget of \$14 million.

The Committees recommended the College of Veterinary Medicine Instruction Building Planning Project to the full Board for approval.

- * 3. **Approval of Academic and Student Affairs Building Construction Project:** The proposed project is envisioned as a 75,000 gross square foot, three story building located among several academic buildings and directly between ICTAS-1 and Randolph Hall. This project will provide undergraduate and graduate students a convenient facility with an array of needed spaces and services. Two floors of dining space will accommodate the replacement of Shultz Hall with services in high demand from students. The instructional space will provide needed class and seminar space during the class day, which will double as student activity space, tutorial space, and student group-work space after hours.

The Dining Program, Provost Office, and Finance have worked together to develop a funding plan to support the total project costs that includes a debt issuance that will be serviced by revenues from dining services operations and facility use agreements with support operations. This request is for an authorization to move forward with the construction of the proposed \$45.2 million Academic and Student Affairs Building.

The Committees recommended the Academic and Student Affairs Building Construction Project to the full Board for approval.

- * 4. **Approval of Motor Pool Renovation and Addition Project:** The University's Fleet Services unit has undertaken an improvement of the motor pool building to better serve University customers and employees by bringing the facility up to date. The project includes additional space of about 4,500 gross square feet for two new wash bays and a new office addition with minor renovations to the existing space. The University has developed a funding plan that includes an internal loan serviced by Fleet Services recoveries, to be repaid over ten years, to fully support the project costs. The project, as originally initiated, was below the

scope and cost thresholds for projects needing capital approval. Upon determining that costs would exceed the original budget and capital cost threshold, the University is requesting Board of Visitors' approval for a \$1.1 million capital project authorization to appropriately administer and closeout the project. The Committees requested that, in the future, the University take every action to ensure that cost overruns on projects do not occur and that renovation projects do not expand to the level of qualification of as a capital project.

The Committees recommended the Motor Pool Renovation and Addition Project to the full Board for approval.

Audit Closed Session

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. George Nolen

VPI & SU Staff: Ms. Kay Heidbreder, Ms. Sharon Kurek, Mr. M. Dwight Shelton, Jr., Dr. Charles Steger, Dr. Lisa Wilkes

1. **Update on Fraud, Waste, and Abuse Cases:** The Committee met in Closed Session to receive an update on the outstanding fraud, waste, and abuse cases.
2. **Discussion with the Director of Internal Audit:** The Committee met in Closed Session with the Director of Internal Audit to discuss audits of specific departments and units where individual employees were identified.

Audit Open Session

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. George Nolen

VPI & SU Staff: Mr. Erv Blythe, Mr. Allen Campbell, Mr. Al Cooper, Mr. John Cusimano, Mr. Corey Earles, Mr. Tim Hodge, Ms. Sharon Kurek, Mr. Ken Miller, Ms. Lisa Royal, Mr. M. Dwight Shelton, Jr., Mr. Ken Smith, Dr. Raymond Smoot, Jr., Mr. Jeb Stewart, Ms. Melinda West, Dr. Lisa Wilkes

1. **Approval of Minutes of the November 9, 2009 Meeting:** The Committee reviewed and approved the minutes of the November 9, 2009 meeting.
2. **Review and Acceptance of University's Update of Responses to all Previously Issued Internal Audit Reports:** The Committee reviewed the University's update of responses to all previously issued internal audit reports. At the November meeting, the University reported that as of September 30, 2009, four audit comments remained outstanding. No audit comments have been

issued since then. As of December 31, 2009, the University has addressed four comments, leaving no open recommendations in progress.

The Committee accepted the report.

3. **Review of Internal Audit Department's Status Report as of December 31, 2009:** The Committee reviewed the Internal Audit Department's Status Report as of December 31, 2009. During the second quarter, the audit department had completed six of the 26 planned audits; the remaining audits are on target to be presented by year-end. The department also completed a peer review to determine how audit reports were utilized with management and Board members, how institutions were performing risk assessments for fraud and information technology, and how they were involved in continuous monitoring and customer satisfaction. The Director presented a modification of the 2010 Audit Plan to delete the planned audit of the Office of Investments and Debt Management due to a recent review of the internal controls and processes by the Controller's Office which identified no concerns.

The Committee accepted the report.

4. **Review and Acceptance of the following Internal Audit Reports/Memos Issued:** The Committee reviewed and accepted the following Internal Audit reports:
 - a. Office of Sponsored Programs – Pre-Award: The audit indicated that management has designed and implemented controls that are effective at reducing Office of Sponsored Programs' exposure to business risks. The audit noted that Office of Sponsored Programs had effective controls for reviewing and approving proposals as well as negotiating and establishing awards. An audit recommendation was issued to management where opportunities for further improvement were noted in the area of timely receipts of proposals from the Principal Investigators.
 - b. Virginia Bioinformatics Institute: The audit indicated that management has designed and implemented controls that are effective at reducing the Virginia Bioinformatics Institute's exposure to business risks. For the awards reviewed, Internal Audit found that Virginia Bioinformatics Institute's research administration complied with Office of Management and Budget A-21 regulations as expenditures were allowable and effort reports were completed timely by the employee or an individual having firsthand knowledge of the employee's efforts for the reporting period.
 - c. Learning Technologies: The audit indicated that management has designed and implemented controls that are effective at reducing the department's exposure to most of the business risks it faces, but an improvement is recommended to achieve a fully effective system of internal controls. Internal

- Audit found that processes and controls for use of the Equipment Trust Fund, FDI computer procurement and transfers, and Testing and Data Services final exam scoring services are all very effective. No recommendations were made in the areas of information technology project management or the Blackboard-to-Scholar migration tool. Internal Audit recommends that Learning Technologies assess web application software security concerns and test implementation of component upgrades that will mitigate security risks.
- d. **Macromolecules and Interfaces Institute:** The audit indicated that management has designed and implemented controls that are effective at reducing the institute's exposure to business risks. For the awards reviewed, Internal Audit found that Macromolecules and Interfaces Institute's research administration complied with Office of Management and Budget A-21 regulations and effort reports were completed on a timely basis.
5. **Review of Auditor of Public Accounts Statewide Reviews and Special Reports:** In addition to the annual audits of the University's financial statements and its Intercollegiate Athletics program, the Auditor of Public Accounts (APA) has included Virginia Tech along with other agencies in recent program reviews designed to assess controls on a statewide basis. The APA has issued three state-wide audit reports that reference or impact Virginia: Review of Data Collection Process Over Institutional Performance Standards (August 2009); Review of Budget and Appropriation Processing Controls for the year ended June 30, 2009 (December 2009); Student Housing at Virginia's State-Supported Universities (November 2009). The APA reviews included no specific recommendations to the University.
6. **Review on Compliance with Audit Resolution of University-Related Corporations:** The Committee received a compliance report for the audits of the University-related corporations. These corporations include Virginia Tech Foundation, Inc., Virginia Tech Services, Inc., and Virginia Tech Intellectual Properties, Inc. Each University-related corporation is 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.

There being no further business, the meeting adjourned at 11:44 a.m.

Report on Faculty Salary Initiative

FINANCE AND AUDIT COMMITTEE

February 25, 2010

The Board of Visitors delegated certain faculty compensation actions to the university administration. Although the board no longer reviews individual special salary adjustments under 10 percent, the board retains a great interest in faculty compensation issues generally. This report addresses an initiative that resulted in 171 special adjustments for tenure-track faculty effective January 2010. All adjustments were below the delegated authority level.

The University has been working on strategies for addressing salary compression and retention issues for tenure-track faculty in the colleges. Although university leaders have taken a proactive position in retaining highly valued faculty members who receive inquiries or offers from other institutions, a broader, more systematic approach is needed as well. A multi-year strategy was adopted by the University given limited resources. The deans identified productive faculty members where retention, compression, or both, created inequities or vulnerability to competitive recruitment. Recommendations were reviewed and tested by examining the past three years of merit recommendations and measures of teaching and research productivity. Participants are mostly associate and full professors, with some at the assistant professor level. The most critical cases were selected to receive three equal adjustments averaging a total of 5 percent over a three-year period. The first set of adjustments was made effective January 25, 2010. The remaining two adjustments are planned for January 2011 and January 2012. Participating faculty members remain eligible for any university wide merit process.

The adjustments for this first phase averaged 1.65 percent and ranged from \$333 to \$4,167; the average adjustment for this first phase was \$1,359. The cost of the first phase was \$232,322, with the total program projected to cost just under \$700,000. A summary of adjustments by college follows. Faculty members have been notified and the program has been favorably received. While the adjustments are very modest given limited resources, the initiative's purpose was to signal to productive faculty members their value to the university and our commitment to their career progress at Virginia Tech.

College	Number of Faculty	Total Amount of Adjustments	Average Percent
College of Agriculture & Life Sciences	25	\$ 33,721	1.8%
College of Architecture & Urban Studies	12	18,167	2.2%
Pamplin College of Business	10	23,667	2.0%
College of Engineering	36	63,935	1.9%
College of Liberal Arts & Human Sciences	40	37,667	1.5%
College of Natural Resources	7	8,500	1.4%
College of Science	19	33,332	2.3%
Virginia-Maryland Regional College of Veterinary Medicine	22	13,333	0.6%
University Total	171	\$232,322	1.65%

Update to Responses to Open Internal Audit Comments

FINANCE AND AUDIT COMMITTEE

December 31, 2009

As part of the internal audit process, University management participates in the opening and closing conferences and receives copies of all Internal Audit final reports. The audited units are responsible for implementing action plans by the agreed upon implementation dates, and management is responsible for on-going 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, Internal Audit performs a follow up visit within two weeks after the target implementation date. Internal Audit 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 Finance and Audit 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.

Consistent with the report presented at the November Board meeting, the report of open audit recommendations includes the following two sections:

- A summary report showing each audit in order of final report date, with extended and on-schedule open high or medium priority recommendations grouped by priority.
- A report detailing all open high or medium priority recommendations for each audit, in order of the original target completion date, and including an explanation for those having revised target dates or revised priority levels.

The report presented at the November 9, 2009 meeting covered internal audit reports reviewed and accepted through the prior Board meeting, and included four open high or medium priority recommendations. Activity for the quarter ended December 31, 2009 resulted in the following:

Open recommendations as of October 1, 2009	4
Add: Medium and High priority recommendations issued	0
Subtract: recommendations addressed	4
Remaining open recommendations as of December 31, 2009	<u>0</u>

While this report is prepared as of the end of the quarter, management has traditionally conducted an informal review of the status of the open recommendations before the board meeting. All current recommendations are complete and were closed within the original due date.

Open Recommendations by Priority Level

FINANCE AND AUDIT COMMITTEE

December 31, 2009

Report Date	Audit Name	Audit Number	Total Recommendations						
			ISSUED	COMPLETED	OPEN				
					Extended		On-schedule		Total
					High	Medium	High	Medium	Open
05-Aug-09	Communication Network Services	831	2	2					0
05-Aug-09	Enterprise Systems	842	1	1					0
07-Aug-09	Human Resources	839	2	2					0
07-Aug-09	NCAA Compliance - Recruiting	829	3	3					0
Totals:			8	8	0	0	0	0	0

Internal Audit Open Recommendations

FINANCE AND AUDIT COMMITTEE

December 31, 2009

Report Date	Item	Audit Number	Audit Name	Recommendation Name	Priority		Target Date		Follow Up Status	Status of Recommendations with Revised Priority / Target Dates
					Original	Revised	Original	Revised		
05-Aug-09	1	842	Enterprise Systems	Managing Service Requests	Medium		16-Nov-09		1	
07-Aug-09	2	829	Human Resources	Hiring - Faculty Transcripts	Medium		01-Dec-09		1	
05-Aug-09	3	831	Communication Network Services	Continuity of Operations Plan (COOP)	Medium		31-Jan-10		1	
07-Aug-09	4	829	NCAA Compliance - Recruiting	Recruiting Records	High		31-Jan-10		1	

(1) The recommendation is complete and Audit has closed the item.

Internal Audit Status Report
FINANCE AND AUDIT COMMITTEE

December 31, 2009

Director's Observations

Internal Audit worked diligently during the second quarter of fiscal year 2010 to ensure the audit plan stays on schedule. Continued factors in achieving the plan will be the ability to sustain staff at the planned level, a level of investigations that is not overly intrusive, and carefully balancing any additional requests for add-on audit services against the plan objectives. We have continued emphasis on follow-up activities to ensure timely corrective action on audit findings.

We have begun the planning phase for the fiscal year 2011 audit plan and are seeking input from senior management. We are in the process of finishing an internal quality review assessment in preparation for our external review in June.

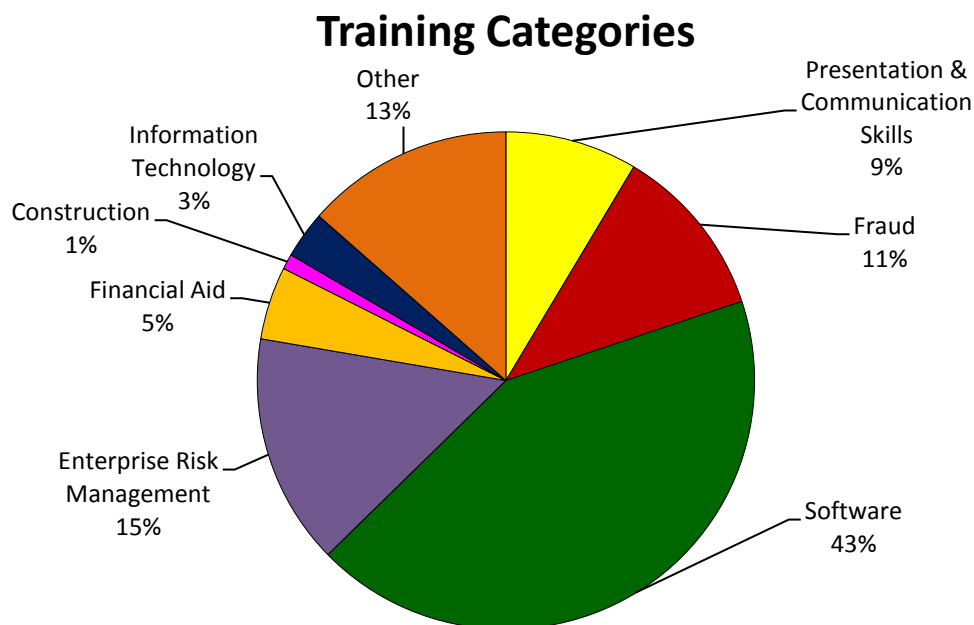
Staffing and Continuing Professional Education:

During the last quarter, we hired a full time administrative coordinator which eliminated the position of a part-time administrative assistant. One of our staff auditors became a Certified Fraud Examiner.

Department personnel were able to participate in several quality training events during the past three months, including the following:

- One of our IT auditors completed the online training course "Sarbanes Oxley for IT Auditors" presented by MIS Training Institute.
- One of our IT auditors completed the online training course "How to Audit Automated Business Applications" presented by MIS Training Institute.
- Our IT audit manager completed the online training course "Controlling Client/Server Environments Module 1 & 2" presented by MIS Training Institute.
- Our IT audit manager completed the online training course "Securing and Auditing Your Website" presented by MIS Training Institute.
- Our director attended "Developing a Fraud Risk Management Program for Your Organization" presented by The Institute of Internal Auditors.
- Our director attended "Fraud Auditing Using ACL" presented by The Institute of Internal Auditors.

Internal Audit staff averaged 92 hours of continuing education, exceeding the 40 hours required annually. The excess training is a result of a week of training focused on the new audit management system application.



Benchmarking

Internal Audit conducted a peer review of several of Virginia Tech's national peer universities as well as the other Virginia doctoral institutions to determine what audit shops are including in their audit reports, who reports are addressed to, what information is shared with the audit committee, and when the information is shared with the audit committee. In addition, we utilized this survey to determine which peer universities had performed specialized risk assessments for fraud and information technology (IT), were involved in continuous monitoring, and surveyed customer satisfaction at the conclusion of the audit.

The following observations were made based on the responses from 17 State Council of Higher Education for Virginia (SCHEV) peers and 10 College and University Auditors of Virginia (CUAV) peers who responded to our survey:

Audit Report Issuance		
	<i>Audit Committee</i>	<i>Management</i>
SCHEV	13%	87%
CUAV	11%	89%

Information Provided to Audit Committee		
	<i>Full Report</i>	<i>Executive Summary and/or High Risk Issues</i>
SCHEV	40%	60%
CUAV	50%	50%

Timing of Information Provided to Audit Committee				
	<i>When Issued</i>	<i>Periodically or With Board Materials</i>	<i>Upon Request</i>	<i>Not Shared</i>
SCHEV	13%	60%	7%	20%
CUAV	40%	50%	10%	-

- Twenty-four percent of our SCHEV peers and 40 percent of our CUAV peers perform some sort of continuous monitoring.
- Thirty-three percent of our SCHEV peers and 60 percent of our CUAV peers have performed an IT Risk Assessment.
- Twenty-four percent of our SCHEV peers have performed a Fraud Risk Assessment.
- Seventy-one percent of our SCHEV peers and 70 percent of our CUAV peers send a customer satisfaction survey after the audit has been completed.

Virginia Tech is in the process of developing the methodology so that both a campus-wide Fraud Risk Assessment and an IT Risk Assessment can be conducted. In addition, we are in the process of setting up continuous monitoring in some audit areas and are working with Betsy Blythe, the Director of Information Warehousing, to create a portal for easy access to data. We already send out electronic customer satisfaction surveys after our audits are completed, but will review the content to ensure we are asking the most appropriate questions.

Compliance Review Activities:

Audit completed two of the five planned compliance reviews for the fiscal year 2010 Audit Plan. The objective of compliance reviews is to contribute to the improvement of risk management and the control systems within selected Senior Management areas by evaluating compliance with university policies and procedures.

Vice President for Alumni Relations Review

The team completed a review of compliance with general administrative policies in all areas reporting to the Vice President for Alumni Relations for the period July 1, 2008 through June 30, 2009. The overall assessment levels of compliance are summarized below.

Overall Assessment

Administrative Area	Rating
Fiscal Responsibility	Effective
Employee Compensation and Leave	Effective
Expenditures (Purchase Cards)	Effective
Fixed Assets Management	Effective
Funds Handling	Effective
Information Technology	Effective
University Key Control	Effective
Emergency Management Planning	Effective

College of Business Review

The team completed a review of compliance with general administrative policies in all areas reporting to the Dean of the College of Business for the period July 1, 2008 through September 30, 2009. The overall assessment levels of compliance are summarized below.

Overall Assessment

Administrative Area	Rating
Fiscal Responsibility	Improvements Recommended
Employee Compensation and Leave	Effective
Expenditures (Purchase Cards)	Effective
Fixed Assets Management	Effective
Funds Handling	Effective
Information Technology	Effective
University Key Controls	Effective
Emergency Management Planning	Significant Improvements are needed

Fiscal Responsibility – Our review noted that three of 33 Snapshot by Organization reports and reconciliations for the month were prepared during the audit a day after the request for documentation was made. Marketing had the three exceptions and upon further inquiry, Audit noted that fund reconciliations for this department had not been performed since October 2007.

Emergency Management Planning – Our review of Emergency Action Plans (EAPs) for the College of Business identified that management has not designed or implemented EAPs. Although a college-wide COOP plan has been adopted, EAPs are required for each department and for each building in which they occupy a space, and should be updated annually. We recommended that the College of Business develop and implement a process which ensures that the EAPs are established, revised periodically, and communicated to all employees. The College of Business will develop EAPs by March 31, 2010.

Status of 2010 Audit Plan

As of February 2010, six of 26 planned audits are complete. The Information Technology Security Office and Environmental, Health and Safety Services are substantially complete, while seven additional audits (Athletics, Chemistry Department, Electronic Sensitive Data, Network Infrastructure Systems Support, Scholarships and Financial Aid, Dining Services, and College of Science) and a Conflicts of Interest advisory service are underway.

Audit Project	Risk Ranking	Projected BOV Mtg	Report Issue Date
Office of Sponsored Programs - Pre-Award	High	3/22/2010	3/1/2010
Virginia Bioinformatics Institute	High	3/22/2010	2/17/10
Learning Technologies	Medium	3/22/2010	2/22/10
Macromolecules & Interfaces Institute	Medium	3/22/2010	2/17/10
Athletic Department - Operations	High	6/7/2010	
Chemistry Department	High	6/7/2010	
Electronic Sensitive Data	High	6/7/2010	
Information Technology Security Office	High	6/7/2010	
Network Infrastructure Systems Support	High	6/7/2010	
Scholarships and Financial Aid	High	6/7/2010	
Dining Services	Medium	6/7/2010	
Environmental Health & Safety	Medium	6/7/2010	
Investments & Debt Management	Medium	6/7/2010	
Construction Project Management Process	High	8/30/2010	
Cooperative Extension	High	8/30/2010	
Departmental Scholarships/Foundation	High	8/30/2010	
Emergency Preparedness – Action Plans	Medium	8/30/2010	
Leave Accounting	Medium	8/30/2010	
Secure Enterprise Technology Initiatives	Medium	8/30/2010	
Surplus Property Compliance	Medium	8/30/2010	
University Unions and Student Activities	Medium	8/30/2010	
Compliance Review		Projected BOV Mtg	Report Issue Date
College of Business		3/22/2010	2/25/2010
Vice President for Alumni Relations		3/22/2010	3/1/2010
College of Science		6/7/2010	
Vice President and Dean for Undergraduate Education		8/30/2010	
Vice President for Administrative Services		8/30/2010	
Advisory Services		Projected BOV Mtg	Report Issue Date
Conflicts of Interest		6/7/2010	
Institute for Advanced Learning & Research		8/30/2010	

Review and Acceptance of Internal Audit Reports Issued

FINANCE AND AUDIT COMMITTEE

March 1, 2010

Background

In concurrence with the fiscal year 2010 Internal Audit Plan approved by the Finance and Audit Committee at the August 31, 2009 Board of Visitors meeting, the department has completed four risk-based audits during this reporting period. This report provides a summary of the ratings issued during the period and the rating system definitions. Internal Audit continues to make progress on the annual audit plan.

Ratings issued this period

Office of Sponsored Programs – Pre-Award	Effective
Virginia Bioinformatics Institute	Effective
Learning Technologies	Improvements are Recommended
Macromolecules and Interfaces Institute	Effective

Summary of Audit Ratings

Internal Audit'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.

Not Reliable – 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:

We recommend that the internal audit reports reviewed above be accepted by the Finance and Audit Committee.

TO: Finance and Audit Committee of the Board of Visitors

FROM: Sharon M. Kurek, Director *dmk*

DATE: March 1, 2010

SUBJECT: Final Report – Audit No. 10-903, Office of Sponsored Programs - Pre-Award

Internal Audit has completed an audit of the Office of Sponsored Programs (OSP) in the area of Pre-Award in conformity with the fiscal year 2010 audit plan. The objective of this review was to contribute to the improvement of risk management and the control systems by identifying OSP's exposures to risks and evaluating the controls designed by management to mitigate those risks.

BACKGROUND

OSP provides service to faculty and staff in their pursuit and administration of external funding. The office provides full service throughout the lifecycle of a project, from preliminary budget development to award closeout. The office structure is organized into Pre-Award and Post-Award functions. The Pre-Award unit handles the budget development, review and approval of all proposals as well as the negotiation and establishment of all awards. The Post-Award unit handles the administration of the awards, including billing and closeout of the awards. During fiscal year 2009, OSP was awarded approximately \$232 million for externally funded grants and contracts, and monitored approximately \$211 million in expenditures.

During fiscal year 2009, Pre-Award submitted 3,139 proposals for an approximate total requested of \$1.3 billion and handled approximately 2,385 awards totaling \$232 million.

RISK EXPOSURE

Internal Audit periodically performs a detailed risk assessment of the university's auditable entities using factors such as the amount of cash inflows, operating expenditures, research activities, management of sensitive information, level of external regulation, etc. The goal of the risk assessment is to prioritize those entities within the university that should receive audit attention. OSP was determined to be a high risk entity due to the potential risks generated by the volume of awards, proposals, and large amount of revenues collected.

SCOPE

In conducting the audit, we performed a risk assessment of OSP to evaluate the adequacy and effectiveness of the processes in place and to identify areas of high risk. Based on our risk assessment, our audit work focused on the pre-award process. The audit covered the period of July 1, 2008 to October 31, 2009. Internal Audit has been reviewing different functions of OSP annually so that a comprehensive audit is conducted over a three-year period.

OVERALL ASSESSMENT

Our audit indicated that management has designed and implemented controls that are effective at reducing OSP's exposure to business risks. We noted that OSP had effective controls for reviewing and approving proposals as well as negotiating and establishing awards. OSP ensured that the proposals met the sponsor's requirements and the Sponsored Program Approval forms were completed accurately. Regarding awards received from sponsors, OSP

ensured that the award's terms and conditions complied with state and university policies and regulations; the awards agreed to the time frame, dollar amount and work included in the proposal; and the awards were accurately entered in Banner.

An audit recommendation was issued to management where opportunities for further improvement were noted in the area of timely receipts of proposals from the Principal Investigators. See the attached appendix for our recommendation and management's action plan.

MANAGEMENT

John C. Rudd, Acting Assistant Vice President for Sponsored Programs Administration

Linda R. Bucy, Assistant Vice President for Finance and Controls

Bonnie Beasley, Director of Pre-Award

AUDITORS

Sharon M. Kurek, Director

Mel Bowles, Jr., Associate Director

Divya Amin, Auditor In Charge

We appreciate the cooperation and assistance provided by management and their staff during our audit.

cc: Auditor of Public Accounts
Bonnie Beasley
Robert R. Broyden
Linda R. Bucy
Roderick A. Hall
Mark G. McNamee
Kenneth E. Miller
John C. Rudd
M. Dwight Shelton, Jr.
Charles W. Steger
Robert W. Walters

TO: Finance and Audit Committee of the Board of Visitors

FROM: Sharon M. Kurek, Director 

DATE: February 17, 2010

SUBJECT: Final Report – Audit No. 10-902, Virginia Bioinformatics Institute

Internal Audit has completed an audit of the Virginia Bioinformatics Institute (VBI) in conformity with the fiscal year 2010 audit plan. The objective of this review was to contribute to the improvement of risk management and the control systems by identifying VBI's exposures to risks and evaluating the controls designed by management to mitigate those risks.

BACKGROUND

VBI was established at Virginia Tech in July 2000 and is a Commonwealth of Virginia shared resource. The Institute serves as a flagship bioinformatics research institute, wedding cutting-edge biological research with state-of-the-art computer science. VBI continues to maintain a sound funding base in what remain challenging times for the global economy and the wider research community. For the 2008-2009 fiscal year, VBI's annual research expenditures reached an all time high of \$16.9 million. The Institute's success is due to the outstanding commitment that has been shown by its employees over the years, which numbered 223 highly qualified staff as of June 30, 2009. Total active awards by sponsor for VBI were \$95 million at the end of the 2008-2009 fiscal year. Three main federal sponsors continue to support the majority of the extramural research program of VBI: the National Institutes of Health (36.1%), the United States Department of Defense (35.7%), and the National Science Foundation (16.9%). Other leading federal agencies and academic institutions represent the balance of sponsored funding. The Institute continues to focus on securing financial support for large-scale, transdisciplinary research projects that will deliver significant opportunities for advancement in the years ahead. This approach has been the catalyst behind the Institute's growth since its inception. In 2010, VBI will celebrate the ten-year anniversary of the Institute.

RISK EXPOSURE

Internal Audit periodically performs a detailed risk assessment of the university's auditable entities using factors such as the amount of cash inflows, operating expenditures, research activities, management of sensitive information, level of external regulation, etc. The goal of the risk assessment is to prioritize those entities within the university that should receive audit attention. VBI was determined to be a high risk entity due to the amount of research expenditures, the number of laboratories and the amount of service center revenues.

SCOPE

In conducting the audit, we performed a risk assessment of VBI to evaluate the adequacy and effectiveness of the processes in place and to identify areas of high risk. Based on our risk assessment, our audit work focused on federal grants, laboratory safety, service centers, and a general survey of information technology assets. We also facilitated further discussions between VBI and the Controller's Office regarding the implementation of a new accounting standard for fiscal year 2010. The audit covered the period of July 1, 2008 to October 31, 2009.

OVERALL ASSESSMENT

Our audit indicated that management has designed and implemented controls that are effective at reducing VBI's exposure to business risks. Management actively monitors service centers to ensure charges for services are commiserate with the actual costs of those services. For the awards reviewed, we also found that VBI's research administration complied with Office of Management and Budget A-21 regulations as expenditures were allowable and effort reports were completed timely by the employee or an individual having firsthand knowledge of the employee's efforts for the reporting period. We noted the Laboratory Facilities Manager has implemented a self-audit process to quickly and effectively identify and correct problems in laboratories.

MANAGEMENT

Harold Garner, Executive Director
Lauren J. Coble, Chief Operating Officer
Deb Williams, Senior Financial Manager
Sharon K. Lawson, Senior Grants and Contracts Manager
Linda S. Correll, Laboratory Facility and Resource Manager
Zeb Bowden, Associate Director, Core Computational Facility

AUDITORS

Sharon M. Kurek, Director
Mel Bowles, Jr., Associate Director
Andrea Abiyounes, Audit Manager
Lisa Brown, Auditor In Charge

We appreciate the cooperation and assistance provided by management and their staff during our audit.

cc: Auditor of Public Accounts
Zeb Bowden
Robert R. Broyden
Lauren J. Coble
Linda S. Correll
Harold Garner
Sharon K. Lawson
Kenneth E. Miller
M. Dwight Shelton, Jr.
Charles W. Steger
Robert W. Walters
Deb Williams



TO: Finance and Audit Committee of the Board of Visitors

FROM: Sharon M. Kurek, Director *dmk*

DATE: February 22, 2010

SUBJECT: Final Report – Audit No. 10-900, Learning Technologies

Internal Audit has completed an audit of Learning Technologies in conformity with the fiscal year 2010 audit plan. The objective of this review was to contribute to the improvement of risk management and the controls designed by management to mitigate those risks.

BACKGROUND

The mission of Learning Technologies is to provide a learning infrastructure that meets modern needs for integrating technology across content areas. It seeks to create and support robust environments for learning, discovery and engagement for faculty and students that are grounded in sound principles of learning, and in a thorough knowledge of integrating technology for effectiveness and efficiency of effort. It seeks these aims in several ways:

- Through comprehensive development programs and training activities in the appropriate use of emerging technologies;
- Through systematic application of appropriate resources to designing, developing, implementing, and evaluating technology-assisted instruction; and
- By providing highly responsive services that advance and support technology-assisted learning, discovery, and engagement.

The professionals of Learning Technologies have knowledge, skills, and abilities that are systematically applied to meet diverse needs across the university. Learning Technologies participates in the strategic planning that enables the integration of learning technologies for 21st century activities. In collaboration with university colleagues, Learning Technologies defines, develops, and supports the technology tools (e.g., course management and collaborative learning systems, electronic portfolios, and other specialized software) necessary for excellence in learning, discovery, and engagement at Virginia Tech.

RISK EXPOSURE

Internal Audit periodically performs a detailed risk assessment of the university's auditable entities using factors such as the amount of cash inflows, operating expenditures, research activities, management of sensitive information, level of external regulation, etc. The goal of the risk assessment is to prioritize those entities within the university that should receive audit attention. Learning Technologies was determined to be a medium risk entity due to significant use of the Equipment Trust Fund and its significant support role for faculty.

SCOPE

In conducting this audit, we met with senior managers and directors from Learning Technologies to identify business goals and objectives, potential risks, processes used to mitigate those risks, and potential audit objectives. We performed a risk assessment of Learning Technologies to evaluate the adequacy and effectiveness of the processes in place and to identify areas of high

risk. Based on our risk assessment, areas that were tested during the audit included use of the Equipment Trust Fund, Faculty Development Institute (FDI) computer procurement and transfer, web applications security, Blackboard-to-Scholar migration tool, information technology project management, and final exam Opscan form processing.

OVERALL ASSESSMENT

Our review indicates that management has designed and implemented controls that are effective at reducing the department's exposure to most of the business risks it faces, but an improvement is recommended to achieve a fully effective system of internal controls. We found that processes and controls for use of the Equipment Trust Fund, FDI computer procurement and transfers, and Testing and Data Services final exam scoring services are all very effective. No recommendations were made in the areas of information technology project management or the Blackboard-to-Scholar migration tool. We do recommend that Learning Technologies assess web application software security concerns and test implementation of component upgrades that will mitigate security risks. See the attached appendix for our recommendation and management's action plan.

MANAGEMENT

Anne H. Moore, Associate Vice President for Learning Technologies
J. Thomas Head, Chief of Staff and Director of Administration
John F. Moore, Senior Director for Strategy and Planning
Shelli B. Fowler, Executive Director of Graduate Development Programs and New Pedagogies
David R. Adams, Director of Learning Systems Integration and Support
Robert Dickert, Director of Computer-Integrated Learning Spaces
William D. Humphries, Director of Learning Application Development
David P. McPherson, Director of Online Course Systems
Jeshua A. Pacifici, Director of Graduate Student Development
Bruce A. Rakes, Director of Fixed Assets and Logistics
Barbara Robinson, Director of Testing and Data Services
Edward E. Schwartz, Director of Development Programs Administration and Collaboration
Jennifer Lynn Vanderhorst Sparrow, Director of Emerging Technologies and New Ventures
C. Edward Watson, Director of Professional Development and Strategic Initiatives
Gary Worley, Director of Imaging and Repository Initiatives
Marc R. Zaldivar, Director of Electronic Portfolio Initiatives
James Dustin, Operations Coordinator for InnovationSpace
Donald Neel, Operations Technician for Test Scoring Services
Thresa Vinardi, Programmer/Analyst for Test Scoring Services

AUDITORS

Sharon M. Kurek, Director
Mel Bowles, Jr., Associate Director
Paul Toffenetti, Audit Manager
Mike Emero, Auditor-In-Charge

We appreciate the cooperation and assistance provided by management and their staff during our audit.

cc: Auditor of Public Accounts
David R. Adams
Earving L. Blythe
Robert R. Broyden
Shelli B. Fowler
J. Thomas Head
Randy Marchany
Kenneth E. Miller
Anne H. Moore
John F. Moore
M. Dwight Shelton, Jr.
Charles W. Steger
Jeb E. B. Stewart
Daniel A. Wubah



TO: Finance and Audit Committee of the Board of Visitors

FROM: Sharon M. Kurek, Director *dmk*

DATE: February 17, 2010

SUBJECT: Final Report – Audit No. 10-901, Macromolecules & Interfaces Institute

Internal Audit has completed an audit of the Macromolecules and Interfaces Institute (MII) in conformity with the fiscal year 2010 audit plan. The objective of this review was to contribute to the improvement of risk management and the control systems by identifying MII's exposures to risks and evaluating the controls designed by management to mitigate those risks.

BACKGROUND

Polymer science and engineering have been active interdisciplinary research and education activities at Virginia Tech since the mid-1970s. Over the years, five separate University Centers were formed to promote the science and engineering of macromolecules and to interface with the external scientific and industrial communities. Shifting research and industrial frontiers in polymer science and engineering led Virginia Tech to reorganize and consolidate this world respected effort into a single entity (MII) in 2004.

MII is made up of an interdisciplinary group of faculty committed to continuing the growth and advancing the stature of the existing Virginia Tech, highly-ranked macromolecular science and engineering program. MII is committed to fostering a dynamic research and education environment that enthusiastically promotes the recruitment and education of high-quality graduate students; actively initiates and conducts timely research at both the fundamental and applied levels including facilitating winning interdisciplinary proposals; and vigorously pursues continuing education and economic growth through communications and outreach activities with industry and government agencies.

RISK EXPOSURE

Internal Audit periodically performs a detailed risk assessment of the university's auditable entities using factors such as the amount of cash inflows, operating expenditures, research activities, management of sensitive information, level of external regulation, etc. The goal of the risk assessment is to prioritize those entities within the university that should receive audit attention. MII was determined to be a moderate risk entity due to their volume of sponsored research funds.

SCOPE

In conducting the audit, we performed a risk assessment of MII to evaluate the adequacy and effectiveness of the processes in place and to identify areas of high risk. Based on our risk assessment, our audit work focused on MII's grant activity, Industrial Affiliates Program and the oversight of interdisciplinary research center operations. The audit covered the period of July 1, 2007 to September 30, 2009.

OVERALL ASSESSMENT

Our audit indicated that management has designed and implemented controls that are effective at reducing the institute's exposure to business risks. Since their inception, MII has been very successful in getting their proposals awarded which has been instrumental in helping them achieve their objectives and goals. For the awards reviewed, we also found that MII's research administration complied with Office of Management and Budget A-21 regulations as expenditures were allowable and effort reports were completed timely by the employee or an individual having firsthand knowledge of the employee's efforts for the reporting period.

MANAGEMENT

S. Richard Turner, Director, MII

Tammy Jo Hiner, Business Manager, MII

AUDITORS

Sharon M. Kurek, Director

Mel Bowles, Jr., Associate Director

Aparna Yellapantula, Auditor In Charge

We appreciate the cooperation and assistance provided by management and their staff during our audit.

cc: Auditor of Public Accounts
Richard C. Benson
Robert R. Broyden
Lay Nam Chang
Roderick A. Hall
Tammy Jo Hiner
Mark G. McNamee
Kenneth E. Miller
M. Dwight Shelton, Jr.
Charles W. Steger
S. Richard Turner
Robert W. Walters

Auditor of Public Accounts Statewide Reviews and Special Reports

FINANCE AND AUDIT COMMITTEE

February 5, 2010

Background

In addition to the annual audits of the University's financial statements and its Intercollegiate Athletics program, the Auditor of Public Accounts (APA) has included Virginia Tech along with other agencies in recent program reviews designed to assess controls on a statewide basis. The APA has shifted its audit approach to include these special reviews as a part of their annual audit plan. Due to the breadth of programs and the dollar volume of activities at Virginia Tech, it seems likely that the University will often be one of the agencies selected for review; this will increase the number of opportunities for the auditors to provide internal control recommendations specific to the institution.

The following report provides an analysis of the APA's statewide audit activities consistent with the University's planned approach to manage and report on these audit activities.

Recent Audit Activity

Since our last report, the APA has issued three state-wide audit reports that reference or impact Virginia Tech; these APA reports are summarized below. The prior report to the Finance and Audit Committee on the APA's statewide reviews and special reports was reviewed with the Committee in August 2009.

Review of Data Collection Process Over Institutional Performance Standards, August 2009

The Restructured Higher Education Financial and Administrative Operations Act (Restructuring Act) gave state-supported colleges and universities greater autonomy in exchange for meeting established goals. The Act required the establishment of performance measures for each goal that applies to all universities, known as the Institutional Performance Standards (IPS). These performance measures are reported annually to the State Council for Higher Education for Virginia (SCHEV).

The APA review concluded that the data collection procedures over IPS academic performance measure data were adequate. The majority of universities followed some, or all, of the best practices identified by the APA.

Overall recommendations to improve the processes were to document policies and procedures related to SCHEV reporting and to cross-train employees to ensure that multiple individuals can perform the majority of tasks associated with SCHEV data. Another recommendation was that SCHEV enhance the SCHEV website to make the information easier to find and understand and to continue implementation of the certification subcommittee and evaluation related processes. (The APA included no recommendations specific to Virginia Tech in this review).

Review of Budget and Appropriation Processing Controls for the year ended June 30, 2009, December 2009

This APA review of the Statewide Budget and Appropriation Controls for the year ended June 30, 2009 found that the Commonwealth's Department of Planning and Budget's (DPB) policies and procedures were adequate. One issue that remains unaddressed, however, is budget transparency issues arising from budget adjustments processed by DPB.

One of the more significant transparency issues involves the transfer of General Funds to various non-general funds for programs like Personal Property Tax Relief as well as higher education programs. These transfers occur to comply with requirements of the Appropriation Act which are intended to allow for separate monitoring and tracking of these funds, however, the current practice creates a loss of funding transparency. The APA recommends addressing this statewide issue. (The APA included no recommendations specific to Virginia Tech in this review).

Student Housing at Virginia's State-Supported Universities, November 2009

This APA review is composed of two phases that will take place over a two-year period. The APA objectives for phase one of this report were to: compare the various university policies relating to mandatory on-campus housing; discuss enrollment trends, housing inventories, and on-campus occupancy rates; and provide an overview of the financial arrangements that universities have with both their foundations and other third parties. The objectives for phase two of this report, scheduled for completion next year, will be to examine the affect of university housing on the community and some housing alternatives.

Each of Virginia's 14 state-supported universities have on-campus student housing. Full-time enrollment at these universities has increased 23 percent since 2000. Demand for on-campus housing has also increased. Nearly all of the universities plan to increase on-campus housing to meet this increased demand. The report also noted that some of the universities' foundations have successfully leveraged their assets and borrowed funds without increasing the direct debt on their financial statements. However, such universities have ongoing obligations in the form of operating lease arrangements and/or commitments to fill such foundation-owned facilities first.

The APA report reflected that in the fall of 2008, Virginia Tech had a 101 percent on-campus occupancy rate. Additionally, the report reflected enrollment trends for all state-supported universities. Virginia Tech's full-time enrollment increased by 12.4 percent from 2000 to 2008. The report listed Virginia Tech as one of six universities where a smaller percentage of students lived on-campus in fall 2008 than in fall 2000. This is because growth in on-campus housing rooms grew at a slower pace (8.9 percent) during this same period. (The APA included no recommendations specific to Virginia Tech in this review).

University Responses to Audit Requests and Audit Comments

The University continues to provide information related to several statewide audit activities and anticipates that additional requests will be received in the future based on various discussions with representatives from the Auditor of Public Accounts. These requests and audit efforts will be coordinated through the offices reporting to the Vice President for Finance and Chief Financial Officer to ensure that the University provides the requested support to the APA, that all recommendations are reviewed, and that University responses are appropriate and timely. Further, as these audit reports are issued, the University will submit an analysis of the report and its impact on Virginia Tech to the Finance and Audit Committee, in a manner similar to this report.

Report on Audits of University-Related Corporations

FINANCE AND AUDIT COMMITTEE

February 5, 2010

In accordance with the resolution passed by the Finance and Audit Committee on April 25, 1985, and as amended on November 13, 1995 and March 31, 2008, each University-related corporation is required to provide the University's President audited annual financial statements, management letters from the external auditors, management's responses thereto, and an annual certification that all procedures outlined in the resolution have been met. These financial statements, management letters, and management responses have been reviewed and found to meet the standards set forth in the audit resolution.

VIRGINIA TECH CORPORATIONS COMPLIANCE WITH AUDIT RESOLUTION

Corporation	Audited Financial Statement	Management Letter	Response to Management Letter	External Auditor Length of Service	Certification Letter
VT Foundation, Inc.	✓	1	1	3	✓
VT Intellectual Prop., Inc.	✓	1	1	3	✓
VT Services, Inc.	✓	1	1	3	✓

¹ No management recommendations resulted from the audit.

² A management letter was issued. Responses to this management letter were submitted.

³ Corporation using same audit firm as in years past; management team has been rotated within the past five years in accordance with the audit resolution.

Presentation Date: March 22, 2010

Scholarship Programs Expenditure Plans

FINANCE AND AUDIT COMMITTEE

February 28, 2010

At the March 2006 Board meeting, the Finance and Audit Committee received a report on the Virginia Tech Foundation Endowment Scholarship Funds Expenditure Plans. The University worked with the college deans and senior management areas where scholarships are held to develop action plans that would fully address the Committee's request to (1) determine a proper level of reserve for the specific unit; and (2) fully utilize funds available annually.

The March 2010 report provides the third annual update to the Committee on the scholarship programs expenditure plans. Information provided includes the December 31, 2009 and February 28, 2010 cash balances in the scholarship endowment accounts compared to the previous year. The scholarship market value of the endowment provides a benchmark for the corpus of the account which can be used annually for comparison.

SUMMARY TABLE
VT Foundation Endowment Scholarship Funds Expenditure Plans Update
February 28, 2010

Unit	Proposed Reserve Provided by Unit	Cash Balance Scholarship Endowment Income Account 12/31/2008 12/31/2009	Cash Returned to Endowment 1/1/08-12/31/08 1/1/09- 12/31/09	Cash Balances After Spring Semester Awards 2/28/2009 2/28/2010 (Does <u>not</u> include income for Mar/Jun)	Scholarship Endowment Market Value 12/31/08 12/31/09
Agriculture and Life Sciences	Maintain a balance across all funds not to exceed \$90,000 (10% or less of June 30, 2005 balance)	\$495,641 \$544,203	\$61,194 \$12,806	\$233,618 \$295,063	\$9,981,236 \$11,408,428
Architecture and Urban Studies	Maintain waiting list; excess funds roll back to endowment	\$56,541 \$64,591	\$96,765 \$810	\$6,515 \$16,466	\$2,317,100 \$2,800,529
Science	Attempt to maintain a balance across all scholarships of 10% of annual earnings	\$209,744 \$171,038	\$21,963 \$34,668	\$84,812 \$55,738	\$5,264,614 \$6,221,176
Business	Excess rolled back to endowment	\$356,338 \$521,079	\$80,072 \$5,370	\$(105,753) \$59,177	\$15,953,690 \$22,902,973
Engineering	Residual balance of \$200 per fund	\$749,732 \$875,625	\$3,103 \$16,200	\$(30,169) \$(19,496)	\$28,236,825 \$33,403,038
Liberal Arts and Human Sciences	Maintain 10%, with excess funds rolled back to endowment	\$375,249 \$351,696	\$0 \$0	\$249,308 \$269,661	\$4,649,219 \$5,355,810
Natural Resources	Excess balance rolled back to endowment	\$222,511 \$223,798	\$0 \$0	\$135,138 \$150,480	\$2,677,565 \$3,131,147
Veterinary Medicine	Under review; at present maintain a balance of \$100,000	\$1,117,882 \$1,210,731	\$38,633 \$0	\$986,251 \$1,055,362	\$8,666,897 \$11,090,516
Provost/ Financial Aid	Target a 15% reserve	\$1,546,989 \$1,959,763	\$9,393 \$8,371	\$380,977 \$987,661	\$35,858,129 \$40,635,296
Totals		\$5,130,627 \$5,922,524	\$311,123 \$78,225	\$1,940,697 \$2,870,112	\$113,605,275 \$136,948,913

Presentation of the University's Annual Financial Report

FINANCE AND AUDIT COMMITTEE

February 15, 2010

Fiscal year 2009 represented a challenging period to continue the advancement of Virginia Tech. While the university continued to grow the quality and reach of its instructional and research programs, the national recession and its effect on Virginia resulted in significant impacts with regard to the university's finances. Constrained resources at the state level have resulted in significant budget reductions to higher education.

Summary of Audit Results

- Unqualified audit opinion
- No material weakness in internal controls
- No written audit recommendations or compliance findings

Assets, Liabilities and Net Assets at June 30, 2008 & 2009

(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Current assets	\$ 268.0	\$ 265.5	\$ 2.5	0.9 %
Capital assets, net	972.1	871.5	100.6	11.5 %
Other assets	189.4	202.3	(12.9)	(6.4)%
Total assets	1,429.5	1,339.3	90.2	6.7 %
Current liabilities	207.5	198.5	9.0	4.5 %
Noncurrent liabilities	303.0	281.3	21.7	7.7 %
Total liabilities	510.5	479.8	30.7	6.4 %
Invested in capital assets, net	669.7	622.9	46.8	7.5 %
Restricted	113.1	118.9	(5.8)	(4.9)%
Unrestricted	136.2	117.7	18.5	15.7 %
Total net assets	\$ 919.0	\$ 859.5	\$ 59.5	6.9 %

The balance sheet shows positive results for fiscal year 2009 with the key indicators as follows:

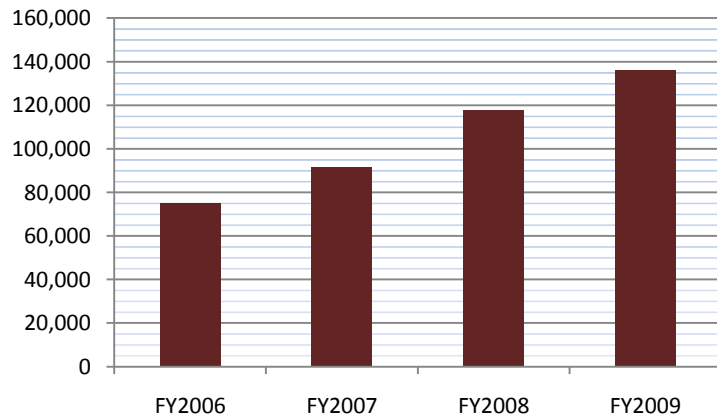
- Assets increased more than liabilities and Net Assets increased by \$59.5 million.
- The largest increase (over \$100 million) occurred in Capital Assets.
- The largest rate of increase (15.7 percent) was in Unrestricted Net Assets (a key indicator of improving liquidity)

Improvement Trends in Financial Position / Net Assets

(all dollars in thousands)

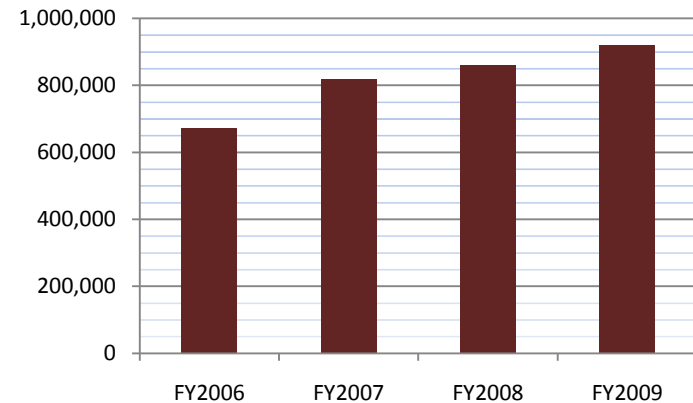
	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>
Capital Assets, Net of Related Debt	\$ 496,739	\$ 568,395	\$ 622,885	\$ 669,721
Restricted, Nonexpendable	354	356	358	358
Restricted, Expendable				
Capital projects	5,856	52,280	9,390	7,738
Other	93,769	106,765	109,111	104,980
Unrestricted	74,953	91,740	117,750	136,154
Total Net Assets	\$ 671,671	\$ 819,536	\$ 859,494	\$ 918,951

Unrestricted Net Assets



All Dollars in Thousands

Total Net Assets



All Dollars in Thousands

Ongoing Investments in Capital Assets

Summary Changes in Capital Assets for FY2009

(all dollars in thousands)

	Beginning Balance	Additions	Retirements	Ending Balance
Depreciable capital assets				
Buildings	\$ 806,913	\$ 88,275	\$ 41	\$ 895,147
Moveable equipment	353,056	33,684	16,574	370,166
Fixed equipment	76,577	4,521	126	80,972
Infrastructure	105,865	6,690	0	112,555
Library books	67,273	2,262	32	69,503
Total depreciable capital assets, at cost	1,409,684	135,432	16,773	1,528,343
Less accumulated depreciation				
Buildings	263,952	23,253	27	287,178
Moveable equipment	240,168	28,845	14,899	254,114
Fixed equipment	38,730	3,075	42	41,763
Infrastructure	74,306	3,161	0	77,467
Library books	54,760	2,479	32	57,207
Total accumulated depreciation	671,916	60,813	15,000	717,729
Total depreciable capital assets, net	737,768	74,619	1,773	810,614
Nondepreciable capital assets				
Land	44,474	120	0	44,594
Livestock	578	58	0	636
Construction in progress	86,220	121,119	92,206	115,133
Equipment in process	2,410	1,172	2,406	1,176
Total nondepreciable capital assets	133,682	122,469	94,612	161,539
Total capital assets, net	\$ 871,450	\$ 197,088	\$ 96,385	\$ 972,153

Summary of Revenues, Expenses, and Changes in Net Assets for FY2009

(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Operating revenues	\$ 684.5	\$ 633.7	\$ 50.8	8.0 %
Operating expenses	970.1	945.6	24.5	2.6 %
Operating loss	(285.6)	(311.9)	26.3	(8.4)%
State appropriations	255.4	269.8	(14.4)	(5.3)%
Other non-operating revenues and expenses	43.6	56.9	(13.3)	(23.4)%
Non-operating income	299.0	326.7	(27.7)	(8.5)%
Income before other revenues & expenses	13.4	14.8	(1.4)	(9.5)%
Other revenues, expenses, gains or losses	46.1	25.2	20.9	82.9 %
Increase in net assets	59.5	40.0	19.5	48.8 %
Net assets - beginning of year	859.5	819.5	40.0	4.9 %
Net assets - end of year	\$ 919.0	\$ 859.5	\$ 59.5	6.9 %

Note: Under GASB reporting, public universities will always show an operating loss because state appropriations, gifts and investment income are all considered non-operating revenues.

Despite significant reductions in state appropriations and net investment income, budgetary controls and fiscal management practices resulted in income before other revenues & expenses consistent with the previous year.

Increase (Decrease) in Revenues for Fiscal Year 2009

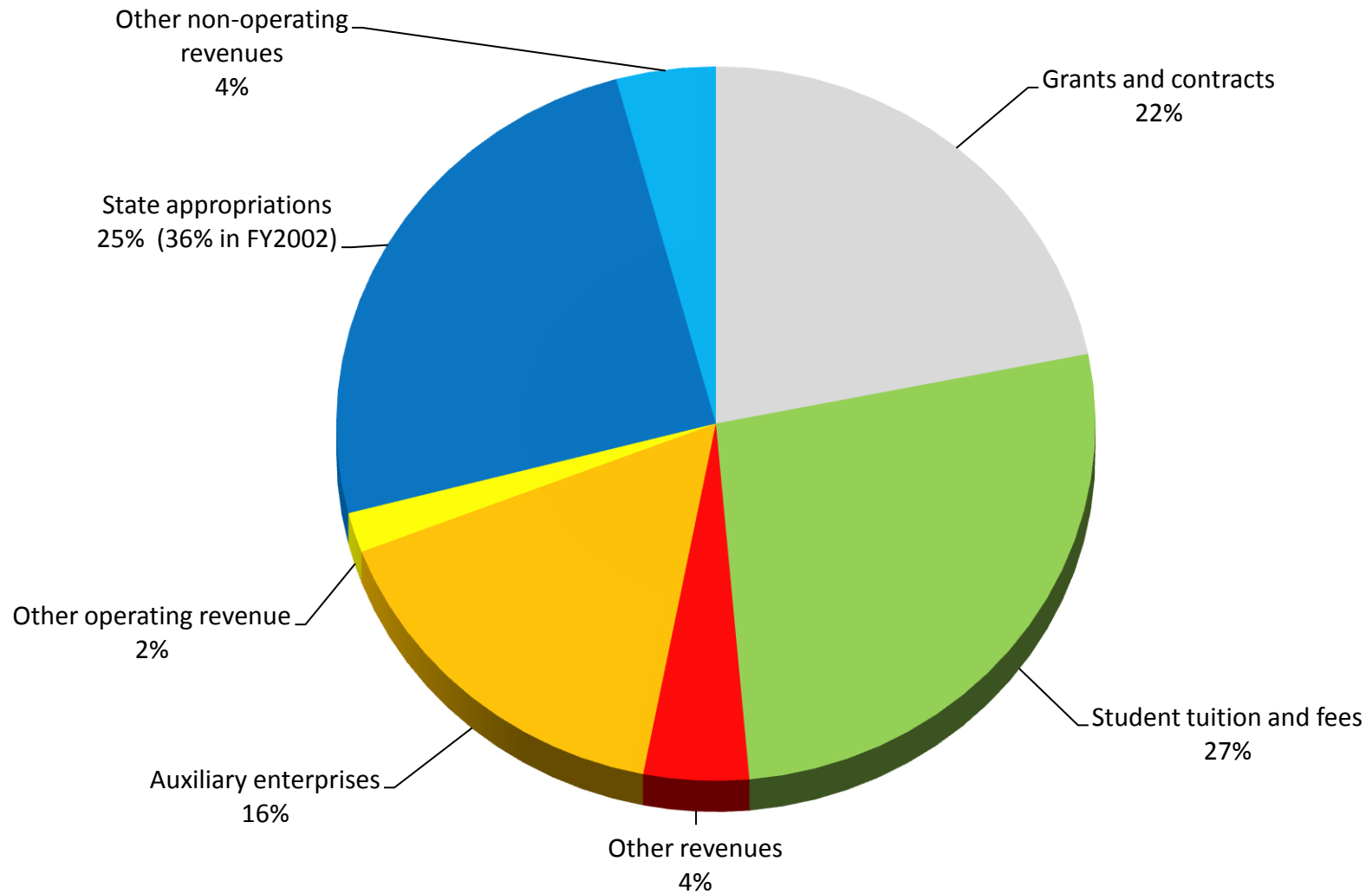
(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Operating revenues				
Student tuition and fees, net (1)	\$ 275.1	\$ 244.1	\$ 31.0	12.7 %
Grants and contracts	225.2	218.6	6.6	3.0 %
Auxiliary enterprises	165.6	153.6	12.0	7.8 %
Other operating revenue	18.6	17.4	1.2	6.9 %
Total operating revenues	684.5	633.7	50.8	8.0 %
Non-operating activity				
State appropriations	255.4	269.8	(14.4)	(5.3)%
Other non-operating revenues (2)	43.6	56.9	(13.3)	(23.4)%
Total non-operating revenues	299.0	326.7	(27.7)	(8.5)%
Other revenues				
Capital appropriations	(12.3)	(12.6)	0.3	2.4 %
Capital grants and gifts	59.7	38.3	21.4	55.9 %
Loss on disposal of capital assets	(1.3)	(0.5)	(0.8)	(160.0)%
Total capital revenues, gains	46.1	25.2	20.9	82.9 %
Total revenues	\$ 1,029.6	\$ 985.6	\$ 44.0	4.5 %

(1) The increased tuition revenues are due to both an increase in rates and enrollment growth.

(2) Includes gifts, net investment income, interest expense on debt related to capital assets, and other non-operating revenues. Most of the reduction related to net investment income.

Revenue by Source for Fiscal Year 2009

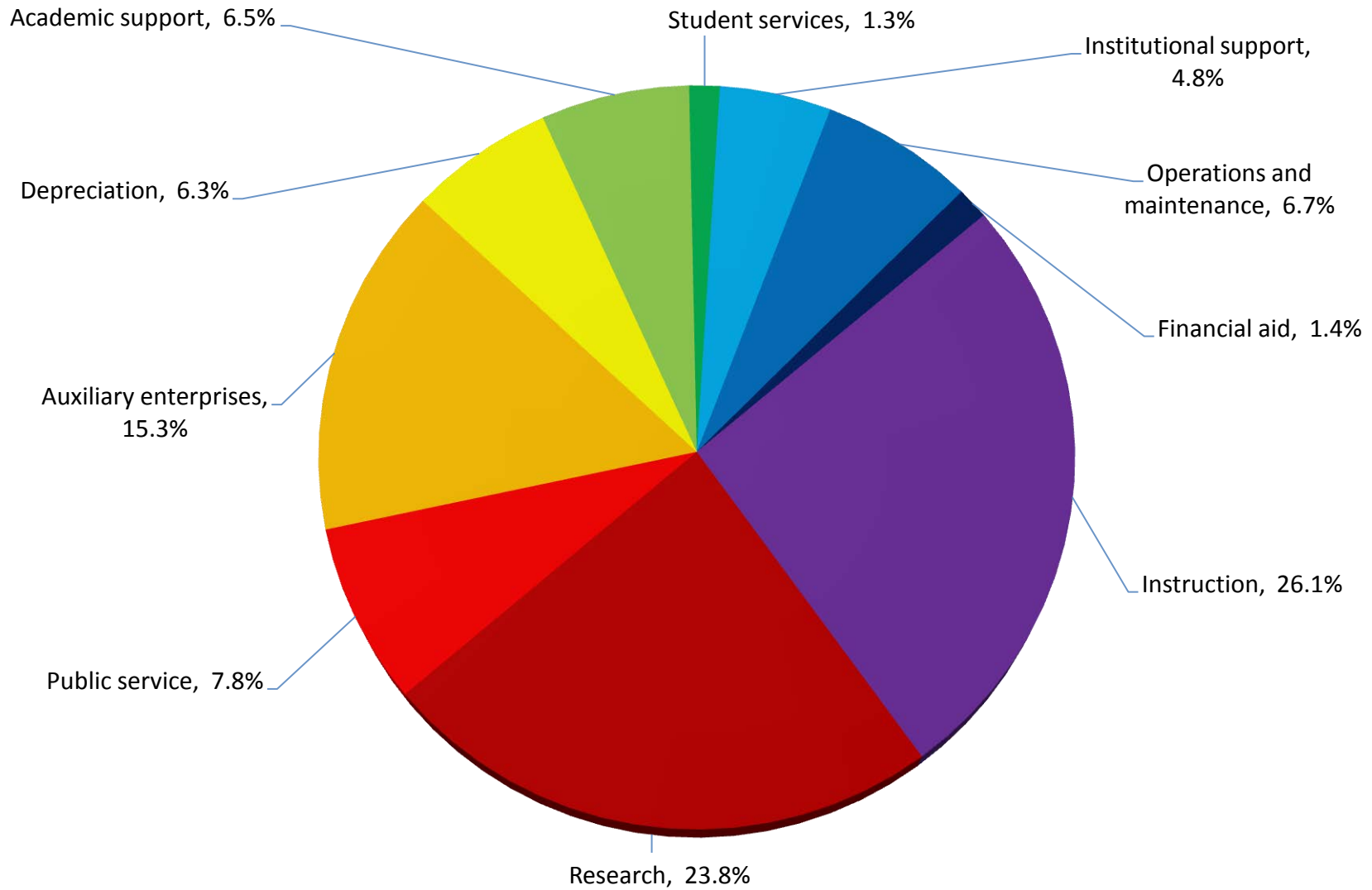


Increase (Decrease) in Operating Expenses for Fiscal Year 2009

(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Instruction	\$ 253.3	\$ 250.5	\$ 2.8	1.1 %
Research	231.2	220.7	10.5	4.8 %
Public service	75.9	78.9	(3.0)	(3.8)%
Auxiliary enterprises	148.3	139.1	9.2	6.6 %
Depreciation and amortization expense	61.0	56.8	4.2	7.4 %
Subtotal	769.7	746.0	23.7	3.2 %
Support, maintenance, and other expenses				
Academic support	62.5	60.6	1.9	3.1 %
Student services	12.8	12.3	0.5	4.1 %
Institutional support	46.9	51.6	(4.7)	(9.1)%
Operations and maintenance	64.7	61.3	3.4	5.5 %
Student financial assistance, loan admin. fees and collection costs	13.5	13.8	(0.3)	(2.2)%
Total support, maint, and other expenses	200.4	199.6	0.8	0.4 %
Total expenses	\$ 970.1	\$ 945.6	\$ 24.5	2.6 %

Operating Expenses



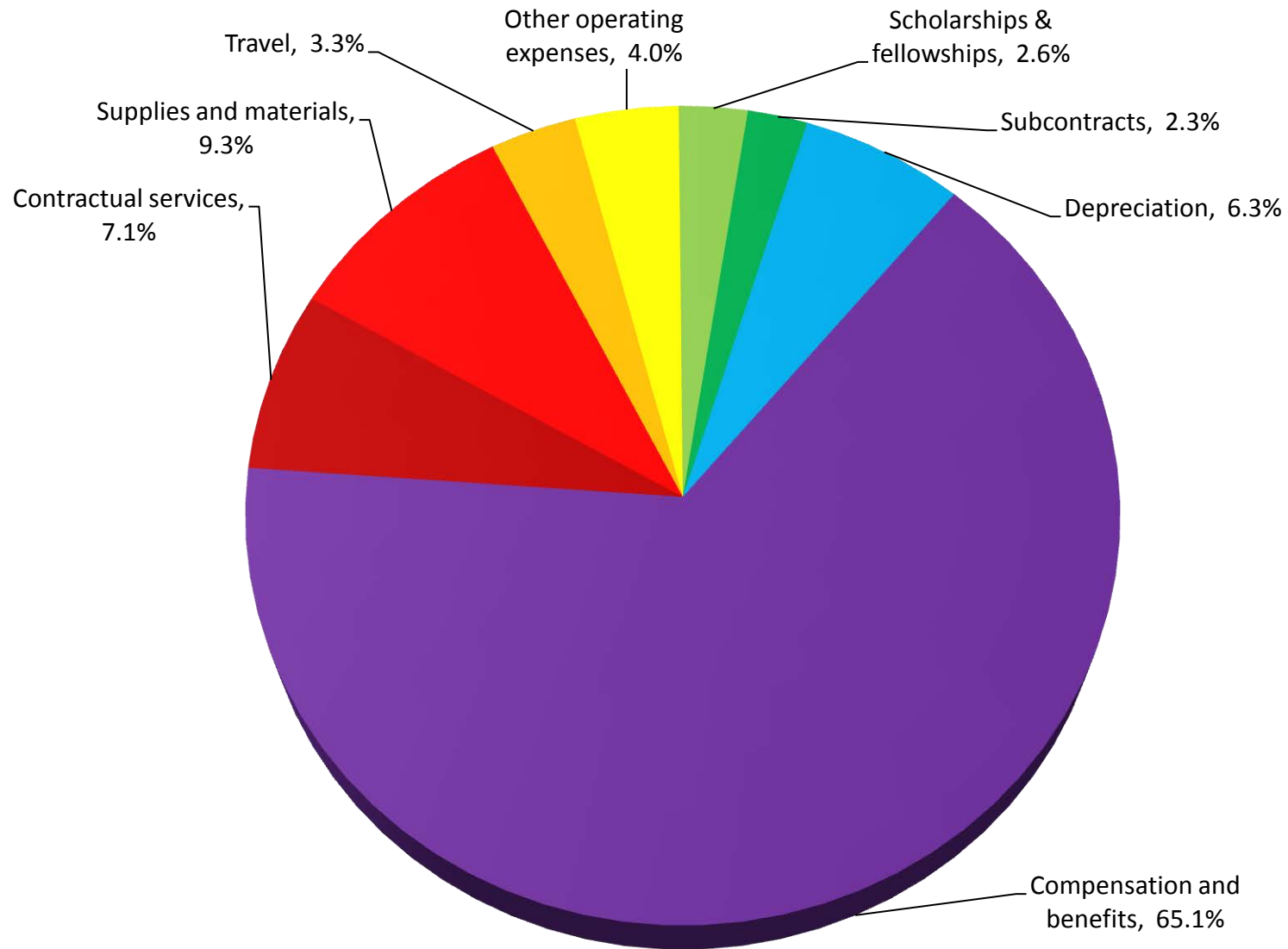
Expense by Natural Classification for Fiscal Year 2009

(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Compensation and benefits	\$ 630.8	\$ 615.9	\$ 14.9	2.4 %
Contractual services	69.1	70.8	(1.7)	(2.4)%
Supplies and materials	89.8	86.4	3.4	3.9 %
Travel	32.3	33.5	(1.2)	(3.6)%
Other operating expenses	38.8	36.1	2.7	7.5 %
Scholarships and fellowships (1)	25.7	24.9	0.8	3.2 %
Sponsored program subcontracts	22.4	21.2	1.2	5.7 %
Depreciation and amortization	61.2	56.8	4.4	7.7 %
Total operating expenses	\$ 970.1	\$ 945.6	\$ 24.5	2.6 %

(1) Under GASB reporting, this number includes only part of the total financial aid provided. This number is net of \$72.3 million of scholarship allowance items such as university funded waivers, graduate tuition remission, other sponsored funding, etc.

Expenses by Natural Classifications for Fiscal Year 2009



Changes in Long-term Debt Payable Activity

(all dollars in thousands)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Current Position</u>
Bonds payable					
Section 9(c) general obligation	\$ 45,749	\$ 23,485	\$ 7,087	\$ 62,147	\$ 4,527
Section 9(d) revenue bonds	82,266		8,274	73,992	5,150
Notes payable	124,146	1,554	4,640	121,060	4,910
Capital lease obligations	11,146	17,341	981	27,506	1,100
Installment purchase obligations	1,516	140	496	1,160	421
Total Long-term debt payable	<u>\$ 264,823</u>	42,520	21,478	<u>\$ 285,865</u>	<u>\$ 16,108</u>
Current year debt defeasance		(3,792)	(3,791)		
Total additions/retirements, net of current year defeasance		<u>\$ 38,728</u>	<u>\$ 17,687</u>		

Bonds payable issued in FY 2009 were primarily for a new dormitory project (\$17.2 million par value).

During FY 2009 capital leases were negotiated with the Virginia Tech Foundation, Inc. for the Integrated Life Sciences & related vivarium buildings.

Growth in Externally Sponsored Programs

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Number of Awards	2,086	2,122	2,131	2,263	2,384
Value of Awards <i>(in millions)</i>	\$ 189.5	\$ 195.9	\$ 203.1	\$ 227.6	\$ 232.3
Research Expenditures Reported to NSF <i>(in millions)</i>	\$ 290.0	\$ 321.7	\$ 367.0	\$ 373.3	\$ 396.7
NSF Rank	56	54	42	46	N/A

Growth in Financial Aid

	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
<u>Number of Students</u>					
Loans	10,962	11,140	11,067	11,376	12,077
Grants, scholarships, and waivers	14,088	14,481	15,600	16,221	16,812
Employment opportunities	7,923	8,067	8,101	8,699	8,263
<u>Total Amount (in millions)</u>					
Loans	\$ 93.6	\$ 101.0	\$ 102.2	\$ 105.9	\$ 127.9
Grants, scholarships, and waivers	94.8	104.1	119.8	139.2	158.1
Employment opportunities	48.7	50.5	53.4	58.4	60.3
Total Financial Aid	\$ 237.1	\$ 255.6	\$ 285.4	\$ 303.5	\$ 346.3

Unlike recent years, loans increased by 21%, reflecting the impact of the economic downturn. However, total grants and scholarships still exceed loans by \$30.2 million, and total financial aid awards from all sources continued to grow.

Summary Composition of Investments at June 30, 2009

(All Dollars in Thousands)

<u>Description and Credit Rating</u>	<u>Cash Equivalents</u>	<u>Short-Term Investments</u>	<u>Long-Term Investments</u>	<u>Total</u>
U.S. Treasury Securities (N/A)	\$ 145,215		\$ 3,340	\$ 148,555
Federal Agency Securities (AAA to Aaa)			18,610	18,610
Debt Securities (A1 to A3)			21,696	21,696
Commercial Paper (A1)	9,095			9,095
Repurchase Agreements (N/A)	87,656			87,656
Snap Funds (AAAm)	17,054			17,054
Investments with VTF (N/A)	878		35,217	36,095
Other Investments (AAA to BBB+)		1,106	18,064	19,170
June 30, 2009 Balance	\$ 259,898	\$ 1,106	\$ 96,927	\$ 357,931
June 30, 2008 Balance	226,682	2,162	107,818	336,662
Change in Investment Balances	\$ 33,216	\$ (1,056)	\$ (10,891)	\$ 21,269

Subsequent Events:

In October 2009 the university issued \$67.3 million of long-term debt through the Virginia College Building Authority primarily for the renovation of Ambler Johnston Hall (\$39 million) and the new parking deck (\$24.6 million).

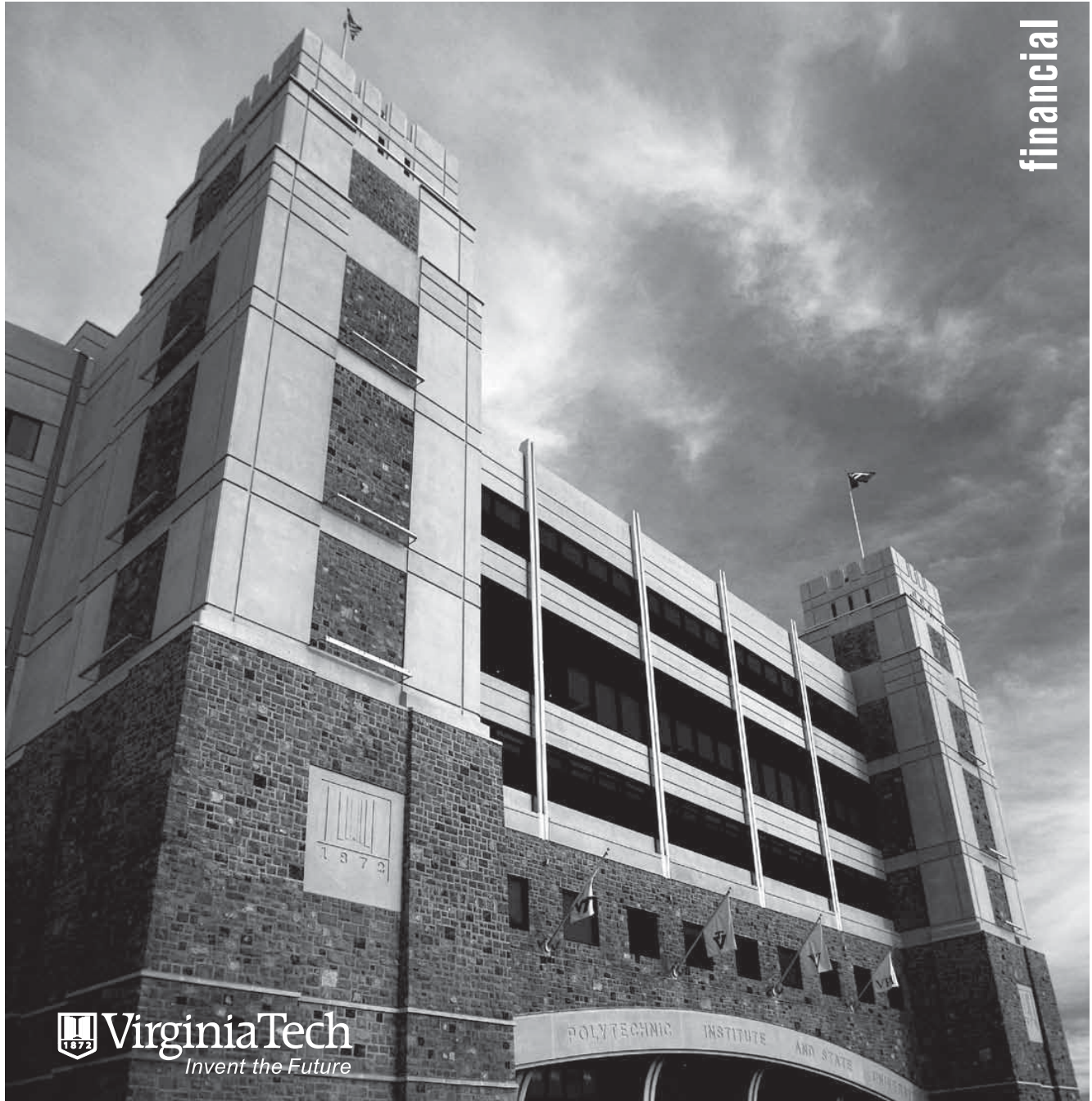
Conclusion:

Despite significant fiscal challenges the university continues to make progress on several fronts including the following:

- Continued investment in facilities supporting the university's strategic plan with the prudent use of debt financing
- Continued growth in liquidity / unrestricted net assets to support the growth in debt
- Ongoing growth in university research programs – NSF research expenditures grew to \$396.7 million for fiscal year 2009 (6.3 percent increase)
- Successful progress towards the \$1billion goal of the capital campaign
- Strong student demand – we continue to have growth in applications and the successive improvements of overall quality of each entering class

2008-09 **report**

financial



 **VirginiaTech**
Invent the Future

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

Message from the Vice President for Finance and Chief Financial Officer



M. Dwight Shelton, Jr.

Fiscal year 2009 represented a challenging period to continue the advancement of Virginia Tech. While the university continued to grow the quality and reach of its instructional and research programs, the national recession and its effect on Virginia resulted in significant impacts with regard to the university's finances. Constrained resources at the state level have resulted in significant budget reductions to higher education. The university has had to work harder than ever in the face of diminished resources. Despite these issues, we have had a successful year on several fronts. While continuing to move forward with our academic programs, we have managed operations within structurally balanced budgets, realized growth in unrestricted net assets and capital assets, and maintained a significant ongoing capital campaign.

In support of its research and instructional programs, the university is in the midst of the largest capital construction program in its history, approximately one-half billion dollars, and is building a significant number of research, educational and instructional facilities as well as facilities to support auxiliary operations. Expenditures on capital projects totaled \$98 million for the year ended June 30, 2009, and we expect capital expenditures in the range of \$173 million for fiscal year 2010. The university continues to work at the state level to obtain additional support for future critically needed instructional and research facilities.

Closely related to the capital program is the need to maintain a strong bond rating in relationship to our issuance of debt for nongeneral fund supported projects. The debt ratings have improved and the university continues to take explicit actions to strengthen its bond rating such as improving its overall liquidity position and unrestricted net assets balances. The university has a current debt ratio of 3.04 percent and retains a significant level of debt capacity to support future projects.

As a land-grant institution, one of our core values is the advancement of research within the local, state, and global environment. Continued growth in research remains a significant element of the university's strategic plan. The university has realized growth in its research program over the last several years, and that trend continued in fiscal year 2009. Research expenses sustained a modest increase of \$10.5 million, or 5 percent, despite the significant decline in the economy. The recent initiatives and collaborative efforts such as the newly created Virginia Tech Carilion School of Medicine and Research Institute will provide major new research opportunities in biomedical areas in the future. Further, the federal stimulus program created early in calendar year 2009 included significant allocation of grant funds to the major granting agencies of National Institutes of Health and the National Science Foundation. Virginia Tech faculty responded to that funding opportunity submitting a significant number of grant proposals, and the university expects a growth in research expenditures over the next two to three years resulting from awards from this increased proposal activity.

The university is in the midst of a capital campaign with a goal of \$1 billion. Despite economic difficulties at the national level, our capital campaign continues on target to meet its goal of \$1 billion by the end of December 2010. Pledges to the campaign totaled \$809.9 million as of June 30, 2009. Private funds represent an increasing element of support for the university's operations and are creating the incremental funds necessary to ensure the continuation of quality instructional and research programs for our students and the citizens of the commonwealth.

While losses in state support have adversely impacted the university's instructional budget, other elements of the operating budget have continued to grow. The university's annual budget exceeded \$1 billion for the first time in 2008-2009, with a total budget of approximately \$1.2 billion including the Virginia Tech Foundation and other related corporations. Tuition and fees represent the single largest source of revenue for the university, approximately \$275 million. While this amount represents only 27 percent of the total university's budget, it has become the major source of support (58 percent) for the instructional program budget due to the continued erosion of state support. Although the university has been able to sustain or slightly grow its overall operations, there is an ongoing shift in support away from state funding. As the commonwealth reduces its revenue budget, it has not been able to maintain its traditional funding strategy for higher education.

Because of the reductions by the commonwealth, the university has lost approximately \$42.1 million of general fund support during fiscal years 2008 and 2009 that covered university instructional, land grant, and research programs. Through additional nongeneral fund revenues and operating efficiencies, the university was able to hold reductions to operating units to only 3.5 percent through fiscal year 2009, minimizing the impact on personnel resources. However, in September 2009 the state assessed an additional 15 percent budget reduction to the university totaling \$26.4 million of general fund resources. Continued revenue losses accelerate the need for the university to identify alternative revenue resources to support its programs and identify cost reductions to offset the impact of the loss in state support. We anticipate that the generation of nongeneral fund revenues including tuition and fees, research, business activities, and private support will represent a larger proportion of university financial resources in the future.

In the midst of those resource constraints, the university has also focused on controlling costs and becoming more efficient wherever possible. These strides are occurring in both the academic and administrative support areas. For example, the interest in supporting a sustainable environment and green initiatives is growing at campuses across the nation and Virginia Tech is no exception. The campus community strongly supports actions that improve sustainability at the university; this was evidenced in 2008-2009 by the establishment of the Virginia Tech Climate Action Commitment and Sustainability Plan. That commitment includes several initiatives which will both improve our sustainability and reduce costs as the university becomes more energy efficient. The university's long term commitment to the plan will require a cooperative effort on the behalf of the administration, students, and faculty working together to achieve those goals. The initiatives undertaken will improve university sustainability and create additional savings as we identify actions that are financially viable.

Enhancements in the electronic procurement system have resulted in the electronic order and payment processing for a large number of transactions. The implementation of electronic ordering system for internal goods and services eliminated many paper transactions this year resulting in more efficient operations. The university is expanding its use of electronic workflow and document management in various areas to create more efficient transaction processing environments. These are but two examples of administrative actions that have allowed the university to absorb reductions in resources while continuing to support the mission of the university.

Despite significant financial challenges, the university is making progress on several fronts. In addition to the continued investment in facilities, growth in research, and a successful capital campaign, we have also experienced growth in applications and interest in Virginia Tech by prospective students. Student demand for Virginia Tech degrees is growing and the overall quality of the entering class continues to improve with each successive year. In addition, we had a record number of enrollments in fiscal year 2008-2009 of 30,739. The university continues to make progress towards achieving the various elements of its strategic plan to improve the overall quality of mission critical programs. The administration and finance areas are taking actions to fully support these goals and be a part of the solution as Virginia Tech moves forward to be a leader in higher education and research and to Invent the Future.

M. Dwight Shelton Jr.
Vice President for Finance and Chief Financial Officer

Contents	
Message from the VP for Finance 2
Management's Responsibility 4
Report of the Independent Auditor 5
Management's Discussion and Analysis 6
Financial Statements14
Notes to Financial Statements18
Supplementary Information 36
Business and Financial Leadership40

Management's Responsibility for Financial Reporting and Internal Controls

The information in this *Annual Financial Report*, including the accompanying basic financial statements, notes, management's discussion and analysis, and other information is the responsibility of Virginia Tech executive management. Responsibility for the accuracy of the financial information and fairness of its presentation, including all disclosures, rests with the management of the university. Management believes the information is accurate in all material respects and fairly presents the university's revenues, expenses, and changes in net assets as well as its overall financial position. This report was prepared in accordance with generally accepted accounting principles for public colleges and universities in the United States of America as prescribed by the Governmental Accounting Standards Board. Management is responsible for the objectivity and integrity of all representations herein. The *Annual Financial Report* includes all disclosures necessary for the reader of this report to gain a broad understanding of the university's operations for the year ended June 30, 2009.

The administration is responsible for establishing and maintaining the university's system of internal controls. Key elements of the university's system of internal controls include: careful selection and training of administrative personnel; organizational structure that provides appropriate division of duties; thorough and continuous monitoring, control, and reporting of operating budgets versus actual operating results; well communicated written policies and procedures; annual self-assessments led by the Office of the University Controller; a growing management services segment; and an extensive internal audit function. Although there are inherent limitations to the effectiveness of any system of accounting controls, management believes that the university's system provides reasonable, but not absolute, assurances that assets are safeguarded from unauthorized use or disposition, and accounting records are sufficiently reliable to permit preparation of financial statements and appropriate accountability for assets and liabilities.

The Finance and Audit Committee of the Virginia Tech Board of Visitors reviews and monitors the university's financial reporting and accounting practices. The committee meets with external independent auditors annually to review the *Annual Financial Report* and results of audit examinations. The committee also meets with internal auditors and university financial officers at least quarterly. These meetings include a review of the scope, quality, and results of the internal audit program, and a review of issues related to internal controls and quality of financial reporting.

The Auditor of Public Accounts (APA), the office of the Commonwealth of Virginia's auditors, has examined these annual financial statements and the report thereon appears on the facing page. The APA examination includes a study and evaluation of the university's system of internal controls, financial systems, policies, and procedures, resulting in the issuance of a management letter describing various issues considered worthy of management's attention. The university has implemented policies and procedures for the adequate and timely resolution of such issues. No material weaknesses were found on internal control matters by the APA for the fiscal year ended June 30, 2009.

M. Dwight Shelton, Jr.
Vice President for Finance and Chief Financial Officer

Independent Auditor's Report on Financial Statements

November 5, 2009

The Honorable Timothy M. Kaine, *Governor of Virginia*

The Honorable M. Kirkland Cox, *Chairman, Joint Legislative Audit and Review Commission*

The Board of Visitors, *Virginia Polytechnic Institute and State University*

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component units of Virginia Polytechnic Institute and State University, a component unit of the Commonwealth of Virginia, as of and for the year ended June 30, 2009, which collectively comprise the university's basic financial statements as listed in the table of contents. These financial statements are the responsibility of university management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the component units of the university, which are discussed in note 1. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units of the university, is based on the reports of the other auditors. The prior year summarized comparative information has been derived from the university's fiscal year 2008 financial statements, and in our report dated October 29, 2008, we expressed an unqualified opinion on the respective financial statements of the university.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the component units of the university that were audited by other auditors upon whose reports we are relying were audited in accordance with auditing standards generally accepted in the United States of America, but not in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and discretely presented component units of the university as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 6 through 13 is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements of the university. The consolidating schedules and affiliated corporations' financial highlights are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The consolidating schedules on pages 38 and 39 and affiliated corporations' financial highlights on pages 36 and 37 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2009, on our consideration of Virginia Polytechnic Institute and State University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Walter J. Kucharski
Auditor of Public Accounts

Management's Discussion and Analysis (unaudited)

Virginia Polytechnic Institute and State University, popularly known as Virginia Tech, is a comprehensive, land-grant university located in Blacksburg, Virginia. The university offers 193 graduate, undergraduate, and professional degree programs through its eight academic colleges (Agriculture and Life Sciences, Architecture and Urban Studies, Pamplin College of Business, Engineering, Science, Liberal Arts and Human Sciences, Natural Resources, and the Virginia-Maryland College of Veterinary Medicine). The university serves 30,739 students and employs 2,172 full-time teaching and research faculty members.

Virginia Tech has evolved into a position of increasing national prominence since its founding in 1872, consistently ranking among the nation's top universities for undergraduate and graduate programs. The university's research program was ranked 46th by the National Science Foundation among the top research institutions in the United States in its latest survey measuring annual research expenditures.

The university is an agency of the Commonwealth of Virginia, and therefore included as a component unit in the Commonwealth of Virginia's *Comprehensive Annual Financial Report*. The 14 members of the Virginia Tech Board of Visitors govern university operations. Members of the board are appointed by the Governor of Virginia.

Overview

This unaudited Management's Discussion and Analysis (MD&A) is required supplemental information under the Governmental Accounting Standards Board's (GASB) reporting model. It is designed to assist readers in understanding the accompanying financial statements and provides an overall view of the university's financial activities based on currently known facts, decisions, and conditions. This discussion includes an analysis of the university's financial condition and results of operations for the fiscal year ended June 30, 2009. Comparative numbers are included for the fiscal year ended June 30, 2008. Since this presentation includes highly summarized data, it should be read in conjunction with the accompanying basic financial statements, including notes and other supplementary information. The university's management is responsible for all of the financial information presented, including this discussion and analysis.

The university's financial statements have been prepared in accordance with GASB Statement 35, *Basic Financial Statements — and Management's Discussion and Analysis — for Public Colleges and Universities*, as amended by GASB Statements 37 and 38. The three required financial statements are the *Statement of Net Assets* (balance sheet), the *Statement of Revenues, Expenses, and Changes in Net Assets* (operating statement), and the *Statement of Cash Flows*. These statements are summarized and analyzed in the following sections. Combining schedules are included in the supplementary information. These schedules indicate how major fund groups were aggregated to arrive at the single column totals.

Using criteria provided in GASB Statement 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement 14, the university's six affiliated corporations were evaluated on the nature and significance of their relationship to the university. The Virginia Tech Foundation Inc. (VTF or 'the foundation') and Virginia Tech Services Inc. (VTS) were determined to be component

units and are presented in a separate column on the university's financial statements. The foundation is not part of this MD&A, but additional detail regarding its financial activities can be found in note 26 of the Notes to Financial Statements. Transactions between the university and these component units have not been eliminated in this year's financial statements.

The following GASB statements of standards became effective in fiscal year 2009: Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*; Statement 52, *Land and Other Real Estate Held as Investments by Endowments*; Statement 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*; and Statement 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*. The university has conducted a review of its facilities and has determined it has no reporting requirement under GASB 49. The university has reviewed its endowment investments and has determined its investments do not meet the criteria set forth in GASB 52. The remaining statements effective this fiscal year, GASB 55 and GASB 56 do not require disclosures by the university in its financial report.

Statement of Net Assets

The *Statement of Net Assets* (SNA) presents the assets, liabilities, and net assets of the university as of the end of the fiscal year. The purpose of the statement is to present a snapshot of the university's financial position to the readers of the financial statements.

The data presented aids readers in determining the assets available to continue operations of the university. It also allows readers to determine how much the university owes to vendors, investors, and lending institutions. Finally, the SNA provides a picture of net assets and their availability for expenditure by the university. Sustained increases in net assets over time are one indicator of the financial health of the organization.

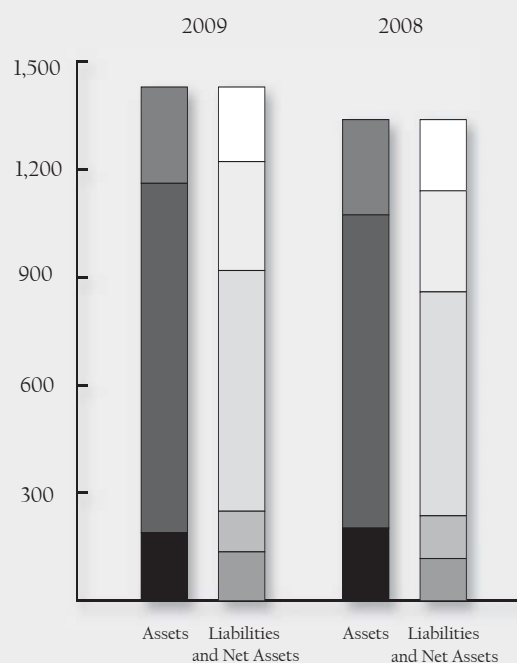
The university's net assets are classified as follows:

- ⦿ Invested in capital assets — Invested in capital assets, net of related debt, represent the university's total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets. Debt incurred, but not yet expended for capital assets, is not included as a component of invested in capital assets, net of related debt.
- ⦿ Restricted net assets, expendable — Expendable restricted net assets include resources the university is legally or contractually obligated to expend in accordance with restrictions imposed by external third parties. These assets partially consist of quasi-endowments totaling \$35.2 million. The quasi-endowments are managed by VTF.
- ⦿ Restricted net assets, nonexpendable — Nonexpendable restricted net assets consist of endowment and similar type funds where donors or other outside sources have stipulated, as a condition of the gift instrument, the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income to be expended or added to principal. The university's nonexpendable endowments of \$0.4 million are included in its column on the SNA.

Assets, Liabilities and Net Assets

For the years ended June 30, 2009 and 2008
(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Current assets	\$ 268.0	\$ 265.5	\$ 2.5	0.9 %
Capital assets, net	972.1	871.5	100.6	11.5 %
Other assets	189.4	202.3	(12.9)	(6.4)%
Total assets	1,429.5	1,339.3	90.2	6.7 %
Current liabilities	207.5	198.5	9.0	4.5 %
Noncurrent liabilities	303.0	281.3	21.7	7.7 %
Total liabilities	510.5	479.8	30.7	6.4 %
Invested in capital assets, net	669.7	622.9	46.8	7.5 %
Restricted	113.1	118.9	(5.8)	(4.9)%
Unrestricted	136.2	117.7	18.5	15.7 %
Total net assets	\$ 919.0	\$ 859.5	\$ 59.5	6.9 %



⊙ **Unrestricted net assets** — Unrestricted net assets represent resources used for transactions relating to academic departments and general operations of the university, and may be used at the discretion of the university's board of visitors to meet current expenses for any lawful purpose in support of the university's primary missions of instruction, research, and outreach. These resources are derived from student tuition and fees, state appropriations, recoveries of facilities and administrative (indirect) costs, and sales and services of auxiliary enterprises and educational departments. The auxiliary enterprises are self-supporting entities that provide services for students, faculty, and staff. Some examples of the university's auxiliaries are intercollegiate athletics and student residential and dining programs.

Total university assets increased by \$90.2 million or 6.7% during fiscal year 2009, bringing the total to \$1,429.5 million at year-end. Growth in current and capital assets (\$2.5 million and \$100.6 million, respectively) was partially offset by declines in the remaining asset categories of \$12.9 million. The majority of the growth in current assets was directly related to increases in cash and cash equivalents (\$28.2) offset by declines in the Securities Lending and Accounts Receivable categories (\$19.2 million and \$6.2 million, respectively). The decline in asset values in the Securities Lending category was solely due to the university's decision to reduce its exposure to investment losses from market volatility by terminating its participation in securities lending activity. Declines in the current asset category, Accounts Receivable, were due primarily to decreasing grants and contract receivables (\$4.6 million) and an increase in the allowance for doubtful accounts (\$1.0 million). The increased use of payment practices, such as advanced payment with private sponsors and letter of credit draws with federal sponsors, has contributed to the reduction in grants and contract receivables. The increase in invested in

capital assets, net, reflects the ongoing construction of major research buildings and the capitalization of completed research and instructional facilities discussed in detail in the following section, Capital Asset and Debt Administration.

Total university liabilities increased \$30.7 million or 6.4% during fiscal year 2009. The current liabilities category increased \$9.0 million and the noncurrent liabilities category increased \$21.7 million. The majority of the increase in current liabilities was in the Accounts Payable (\$10.2 million) and Commercial Paper (\$18.9 million) categories. This increase was partially offset by the reduction in obligations under Securities Lending (\$19.2 million) reflecting the university's decision to terminate its participation in this activity. The growth in the noncurrent liabilities category primarily results from net additions to long-term debt (\$6.4 million) and capital lease obligations (\$15.8 million). These additions were partially offset by a reduction in installment purchases. For more information, see the Capital Asset and Debt Administration section.

Total assets grew at a rate greater than total liabilities, thus increasing the university's net assets by \$59.5 million (6.9%). Invested in capital assets, net of related debt, and unrestricted assets increased \$46.8 million and \$18.5 million, respectively. This was partially offset by the net reduction in the components of restricted assets, expendable of \$5.8 million. The net reduction is attributed to the decline in valuation of assets assigned to the components of this category supporting scholarships, research, instruction and other uses (\$8.0 million), reduction in funds available for on-going capital construction (\$1.7 million) and an increased amount assigned to debt service (\$3.8 million) supporting several major debt funded projects completed this fiscal year (see note 21, Capital Appropriations).

Capital Asset and Debt Administration

One of the critical factors in ensuring the quality of the university's academic, research, and residential life functions is the development and renewal of its capital assets. The university continues to maintain and upgrade current structures as well as pursue opportunities for additional facilities. Investment in new structures and the upgrade of current structures serves to enrich high-quality instructional programs, residential lifestyles, and research activities.

Note 8 of the Notes to Financial Statements describes the university's significant investment in depreciable capital assets with gross additions of \$135.4 million during fiscal year 2009. The completion of the Institute for Critical Technologies and Applied Science (ICTAS-I) facility (\$44.6 million), Cowgill Hall HVAC (\$9.7 million), and upgrades to the campus heat plant (\$8.1 million) were the significant components of building additions, totaling \$88.3 million in this fiscal year. Ongoing investments in instructional, research, and computer equipment totaled \$33.7 million. Depreciation expense related to capital assets was \$60.8 million with net asset retirements of \$1.8 million. The net increase in depreciable capital assets for this period was \$72.8 million. The largest increase in nondepreciable capital assets was due to the net increase in the construction in progress category, primarily related to the continuing construction of the New

in the next fiscal year, from the noncurrent liabilities category to the current liabilities category partially offset increases in this category. See notes 12 and 13 of the *Notes to Financial Statements* for more details.

Capital projects in progress carry commitments to construction contractors, architects, and engineers totaling \$152.7 million at June 30, 2009. These obligations are for future effort and as such have not been accrued as expenses or liabilities on the university's financial statements. Three projects constituted the majority of the financial commitment: renovation of Ambler-Johnston Hall (\$48.5 million), construction of the Virginia Tech Carilion Medical School and Research Institute (\$46.2 million), and a new parking structure (\$18.1 million). These commitments represent only a portion of the university's capital projects currently under construction or authorized by the commonwealth.

The educational and general (E&G) portion of the university's capital outlay program represents five projects currently in various stages of completion. Two of the largest projects in this category are the Virginia Tech Carilion Medical School and Research Institute (\$59.0 million) and the Institute for Critical Technologies and Applied Science-II (\$31.0 million). In addition to the capital projects underway, there were several new construction and renovation projects approved for instructional and research facilities. The larger of the

Funding for Authorized Current and Future Capital Projects

As of June 30, 2009
(all dollars in millions)

	State Funds (1)	Other Funds (2)	University Debt Issued Before June 30, 2009	University Debt To Be Issued After June 30, 2009	Total Funding	Cash Basis Project-To-Date Expenses
Current education and general	\$ 95.1	\$ 9.4	\$ -	\$ -	\$ 104.5	\$ 27.5
Current auxiliary enterprise	-	27.3	129.9	39.4	196.6	58.9
Total current	95.1	36.7	129.9	39.4	301.1	86.4
Future education and general	39.7	16.5	-	116.5	172.7	8.1
Future auxiliary enterprise	-	18.0	-	70.0	88.0	1.1
Total future	39.7	34.5	-	186.5	260.7	9.2
Total authorized	\$ 134.8	\$ 71.2	\$ 129.9	\$ 225.9	\$ 561.8	\$ 95.6

(1) Includes the general fund, capital appropriations and the general obligation bonds of the Commonwealth of Virginia.

(2) Includes private gifts, auxiliary surpluses, student fees, and other customer revenues.

Residence Hall I, the Basketball Practice facility and the renovation of Henderson Hall. The construction of these projects and others was funded using proceeds from the sale of commercial paper. This temporary financing will be replaced with permanent debt financing from the issuance of university bonds and long-term notes.

Noncurrent liabilities sustained a net increase of \$21.7 million during fiscal year 2009. The majority of the net increase in noncurrent liabilities resulted from the addition of the Integrated Life Sciences Building and Vivarium capital leases (\$17.3 million) and issuance of new debt liquidating outstanding commercial paper used as temporary funding for the ongoing construction of the following projects: the New Residence Hall I (\$17.2 million), a new parking lot (\$1.5 million), and the McComas Hall exterior repairs (\$1.5 million). The normal reclassification of long-term debt (\$16.1 million), to be retired

approved new construction projects are: the Sciences Building Laboratory I, the Human and Agricultural Biosciences Building I, the Visitor and Undergraduate Admissions Center, and the Performing Arts Center. The Commonwealth of Virginia will provide partial funding for several of these E&G projects.

The voter-approved Virginia Higher Education Bond Referendum provided \$900 million of debt financing for capital projects to create quality educational facilities for the commonwealth's universities and colleges. Virginia Tech received \$5.7 million this year, the final funding increment of the \$95.3 million in bond proceeds allocated to partially fund ten capital projects. These bonds are the obligation of the Commonwealth of Virginia, however, not the university. The university plans to provide additional funding for these and other projects by issuing \$116.5 million of long-term debt.

The university's auxiliary enterprises have approval for five new capital projects. These future capital projects include a new residence hall; additions to recreational sports, counseling and clinic space; an indoor athletic training facility; an addition to the Jamerson Center; and the renovation of an existing dining space. Since auxiliaries are required to be self-supporting, no state general funds or capital appropriations are provided for these projects. The projects have been or will be funded from a combination of private gifts, student fees, other customer revenues, and debt financing.

Virginia Tech had a total authorization of \$561.8 million in capital building projects as of June 30, 2009, requiring approximately \$225.9 million in additional debt financing.

The university's bond ratings of Aa2 and AA from Moody's and Standard & Poor's, respectively, reflect strong student demand, balanced operating performance, and adequate reserves to address unforeseen expenses.

Summary of Revenues, Expenses, and Changes in Net Assets

For the years ended June 30, 2009 and 2008
(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Operating revenues	\$ 684.5	\$ 633.7	\$ 50.8	8.0 %
Operating expenses	970.1	945.6	24.5	2.6 %
Operating loss	(285.6)	(311.9)	26.3	(8.4)%
Non-operating revenues and expenses	299.0	326.7	(27.7)	(8.5)%
Income before other revenues, expenses, gains or losses	13.4	14.8	(1.4)	(9.5)%
Other revenues, expenses, gains or losses	46.1	25.2	20.9	82.9 %
Increase in net assets	59.5	40.0	19.5	48.8 %
Net assets - beginning of year	859.5	819.5	40.0	4.9 %
Net assets - end of year	\$ 919.0	\$ 859.5	\$ 59.5	6.9 %

Statement of Revenues, Expenses, and Changes in Net Assets

Operating and non-operating activities creating changes in the university's total net assets are presented in the *Statement of Revenues, Expenses, and Changes in Net Assets*, found on page 15. The purpose of the statement is to present all revenues received and accrued, all expenses paid and accrued, and gains or losses from investments and capital assets.

Operating revenues are generally received through providing goods and services to the various customers and constituencies of the university. Operating expenses are expenditures made to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the missions of the university. Salaries and fringe benefits for faculty and staff are the largest type of operating expense. Non-operating revenues are revenues received for which goods and services are not directly provided. State appropriations and gifts, included in this category, provide substantial support for paying operating expenses of the university. Therefore, the university, like most public institutions, will expect to show an operating loss.

Operating Revenues

Total operating revenues increased by \$50.8 million or 8.0% from the prior fiscal year. The majority of the growth in operating revenues comes from the student tuition and fee revenue (\$31.0 million and 12.7% from the prior year). This increase was expected given the rise in both in-state and out-of-state tuition rates, effective with the fall 2008 semester. Grants and contracts revenue grew by \$6.6 million or 3.0% from the prior year. The increases were primarily from spon-

sored research supported by multiple federal agencies in the research areas managed by the Virginia Bioinformatics Institute, Virginia Tech Transportation Institute, and programs conducted in the major engineering disciplines. Auxiliary enterprise revenue also grew by \$12.0 million, primarily from increased service rates and fee revenue generated by operations of the Dorm and Dining auxiliary (\$6.4 million), Electric auxiliary (\$3.0 million), and the Telecommunications auxiliary (\$2.0 million). Overall, the university's operating revenue increased to \$684.5 million in fiscal year 2009, compared to \$633.7 million in fiscal year 2008.

Non-operating and Other Revenues

Non-operating revenue totaled \$299.0 million, a decrease of \$27.7 million from the previous year's total. The revenue reductions in this category results from the reversion of state appropriations (\$14.4 million) and decreasing revenue from investment income (\$15.0 million) due to market retrenchment, partially offset by net increases in the remaining non-operating revenue categories. The state reduced current year appropriation revenues as part of budget adjustments necessary to accommodate declines in statewide general revenue collections.

Total other revenue, expenses, gains and losses increased by \$20.9 million compared to the prior year. Increased funding from the 21st Century bond program (\$29.4 million) and private gifts (\$4.2 million) was partially offset by reductions in the General Obligation Bond program (\$12.4 million) for capital projects. During fiscal year 2009, the commonwealth continued the conversion of existing general fund appropriations for on-going capital projects to debt financing. This resulted in the reversion of general funds appropriated in prior

Increase (Decrease) in Revenues

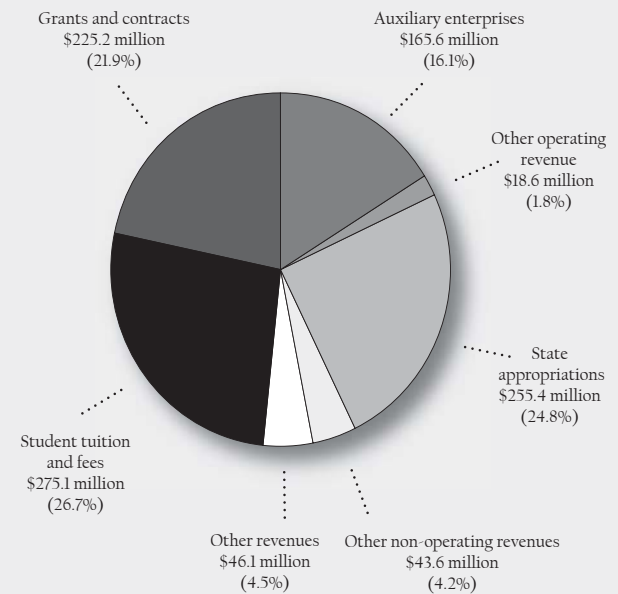
For the years ended June 30, 2009 and 2008
(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Operating revenues				
Student tuition and fees, net	\$ 275.1	\$ 244.1	\$ 31.0	12.7 %
Grants and contracts	225.2	218.6	6.6	3.0 %
Auxiliary enterprises	165.6	153.6	12.0	7.8 %
Other operating revenue	18.6	17.4	1.2	6.9 %
Total operating revenues	684.5	633.7	50.8	8.0 %
Non-operating activity				
State appropriations	255.4	269.8	(14.4)	(5.3)%
Other non-operating revenues*	43.6	56.9	(13.3)	(23.4)%
Total non-operating revenues	299.0	326.7	(27.7)	(8.5)%
Other revenues				
Capital appropriations	(12.3)	(12.6)	0.3	2.4 %
Capital grants and gifts	59.7	38.3	21.4	55.9 %
Loss on disposal of capital assets	(1.3)	(0.5)	(0.8)	(160.0)%
Total capital revenues, gains	46.1	25.2	20.9	82.9 %
Total revenues	\$ 1,029.6	\$ 985.6	\$ 44.0	4.5 %

* Includes gifts, investment income, interest expense on debt related to capital assets, and other non-operating revenues.

Revenues by Source

For the year ended June 30, 2009



fiscal years, as well as the conversion of planned current year general appropriation for capital projects. The current year reduction in the capital appropriations of \$12.3 million was less than the prior year reduction of \$12.6 million.

As shown in the chart above, revenues from all sources (operating, non-operating, and other) for fiscal year 2009 totaled \$1,029.6 million, increasing by \$44.0 million from the prior year. Operating expenses (shown in the chart on the facing page) totaled approximately \$970.1 million for fiscal year 2009 growing by \$24.5 million. Total revenues less total expenses resulted in an increase to net assets of \$59.5 million for fiscal year 2009. (Details about changes in operating expenses are included in the following section.)

Total Expenses

The university is committed to recruiting and retaining outstanding faculty and staff. The personnel compensation package is one way to successfully compete with peer institutions and nonacademic employers. The natural expense category, compensation and benefits, comprises \$630.8 million or 65.1% of the university's total operating expenses. This category increased by \$14.9 million (2.4%) over the previous year. Generally, increases to expenses in this category come from three sources: increase in the number of personnel, annual salary increases, and the general upward trend in the costs of fringe benefits. No salary increases were funded by the commonwealth in FY2009 due to statewide budget reductions, and total fringe benefit expenses remained relatively flat, increasing only \$0.5 million or 0.3% during fiscal year 2009. The increased salary costs can be attributed to the year-over-year change in the number of faculty and funded graduate research assistants as reflected in the increased salary costs in the functional categories of Research (\$10.0 million) and Instruction (\$5.3 million). These compensation cost increases were partially offset by reductions in the Institu-

tional support category (\$4.0 million). The cost reductions in this category were primarily due to increased recovery of costs charged to functional categories for administrative support (\$3.0 million) and salary reductions of \$1.0 million across multiple institutional support areas, such as Computer Network Services, Human Resources, and the Controller's Office.

Operating expenses for fiscal year 2009 totaled \$970.1 million, up \$24.5 million from fiscal year 2008. The net increase resulted from growth in all functional categories except institutional support, public service and student financial assistance costs. The largest growth in operating expenses occurred in the research category, which grew by \$10.5 million. The growth in research reflects the continued expansion of existing research efforts and new initiatives supported in part through the expansion of externally sponsored research grants and contracts. The auxiliary enterprises category sustained the second largest increase (\$9.2 million) representing the increasing costs of services provided to students, faculty and staff.

The largest percentage growth in operating expenses was in the depreciation and amortization expense category (7.4% or \$4.2 million). The year-over-year increase in facility additions (\$25.8 million) and capital equipment purchases (\$1.1 million) contributed to the overall growth in depreciation expense. In the support categories, operations and maintenance continues its upward trend (\$3.4 million or 5.5%) at a somewhat slower pace than the past year. The impact of additional facilities and increasing utility costs is reflected in the net increase in the cost of electricity (up \$1.7 million over the past year). Other utility generation costs, such as, coal, natural gas, and oil also sustained cost increases (\$4.4 million) reflecting the volatile market conditions for these commodities in the early part of this fiscal year. These increases in operations and maintenance costs were partially offset by reductions across multiple cost categories.

The largest percentage decrease was in the institutional support category (9.1% or \$4.7 million). This represents the increased recovery of fiscal, general and administrative and computer services support costs from the auxiliaries and other functional users (\$3.8 million increase). The remaining cost reduction in this category results from general savings across multiple expense categories.

The university's operating revenues grew by \$50.8 million or 8.0% over the preceding year, while operating expenses increased by \$24.5

million or 2.6%. This resulted in a smaller operating loss for the current fiscal year (\$285.6 million) in comparison to the operating loss (\$311.9 million) generated during the past year. The primary reason for the decrease in the operating loss was the growth in revenues across all operating areas with the largest increases in the Student tuition and fees category and Auxiliary enterprises category. State appropriations and other net non-operating revenues were used to meet operating expenses not offset by operating revenues.

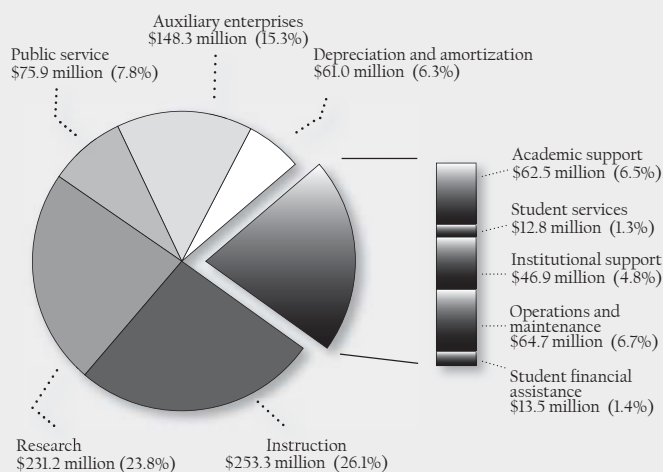
Increase (Decrease) in Expenses by Function

For the years ended June 30, 2009 and 2008
(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Instruction	\$ 253.3	\$ 250.5	\$ 2.8	1.1 %
Research	231.2	220.7	10.5	4.8 %
Public service	75.9	78.9	(3.0)	(3.8)%
Auxiliary enterprises	148.3	139.1	9.2	6.6 %
Depreciation and amortization expense	61.0	56.8	4.2	7.4 %
Subtotal	769.7	746.0	23.7	3.2 %
Support, maintenance, other expenses				
Academic support	62.5	60.6	1.9	3.1 %
Student services	12.8	12.3	0.5	4.1 %
Institutional support	46.9	51.6	(4.7)	(9.1)%
Operations and maintenance	64.7	61.3	3.4	5.5 %
Student financial assistance, loan				
admin. fees & collection costs	13.5	13.8	(0.3)	(2.2)%
Total support, maintenance, other	200.4	199.6	0.8	0.4 %
Total expenses	\$ 970.1	\$ 945.6	\$ 24.5	2.6 %

Expenses by Function

For the year ended June 30, 2009



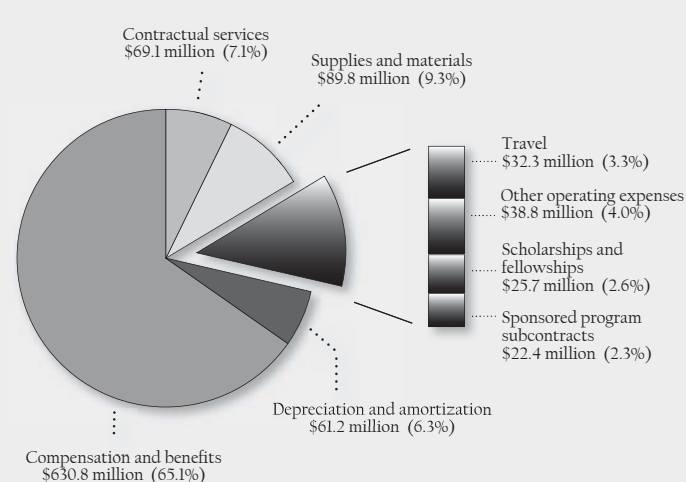
Increase (Decrease) in Expenses by Natural Classification

For the years ended June 30, 2009 and 2008
(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Compensation and benefits	\$ 630.8	\$ 615.9	\$ 14.9	2.4 %
Contractual services	69.1	70.8	(1.7)	(2.4)%
Supplies and materials	89.8	86.4	3.4	3.9 %
Travel	32.3	33.5	(1.2)	(3.6)%
Other operating expenses	38.8	36.1	2.7	7.5 %
Scholarships and fellowships	25.7	24.9	0.8	3.2 %
Sponsored program subcontracts	22.4	21.2	1.2	5.7 %
Depreciation and amortization	61.2	56.8	4.4	7.7 %
Total operating expenses	\$ 970.1	\$ 945.6	\$ 24.5	2.6 %

Expenses by Natural Classification

For the year ended June 30, 2009



Statement of Cash Flows

The *Statement of Cash Flows* presents detailed information about the cash activity of the university during the year. Cash flows from operating activities will always be different from the operating loss on the *Statement of Revenues, Expenses and Changes in Net Assets* (SRECNA). This difference occurs because the SRECNA is prepared on the accrual basis of accounting and includes noncash items, such as depreciation expenses, whereas the *Statement of Cash Flows* presents cash inflows and outflows without regard to accrual items. The *Statement of Cash Flows* should help readers assess the ability of an institution to generate sufficient cash flows necessary to meet its obligations.

The statement is divided into five sections. The first section, *Cash flows from operating activities*, deals with operating cash flows and shows net cash used by operating activities of the university. The *Cash flows from noncapital financing activities* section reflects cash received and disbursed for purposes other than operating, investing and capital financing. GASB requires general appropriations from the commonwealth and noncapital gifts be shown as cash flows from noncapital financing activities. *Cash flows from capital and related financing activities* presents cash used for the acquisition and construction of capital and related items. Plant funds and related long-term debt activities (except depreciation and amortization), as well as gifts to endowments, are included in cash flows from capital financing activities. *Cash flows from investing activities* reflects the cash flows generated from investments which include purchases, proceeds, and interest. The last section reconciles

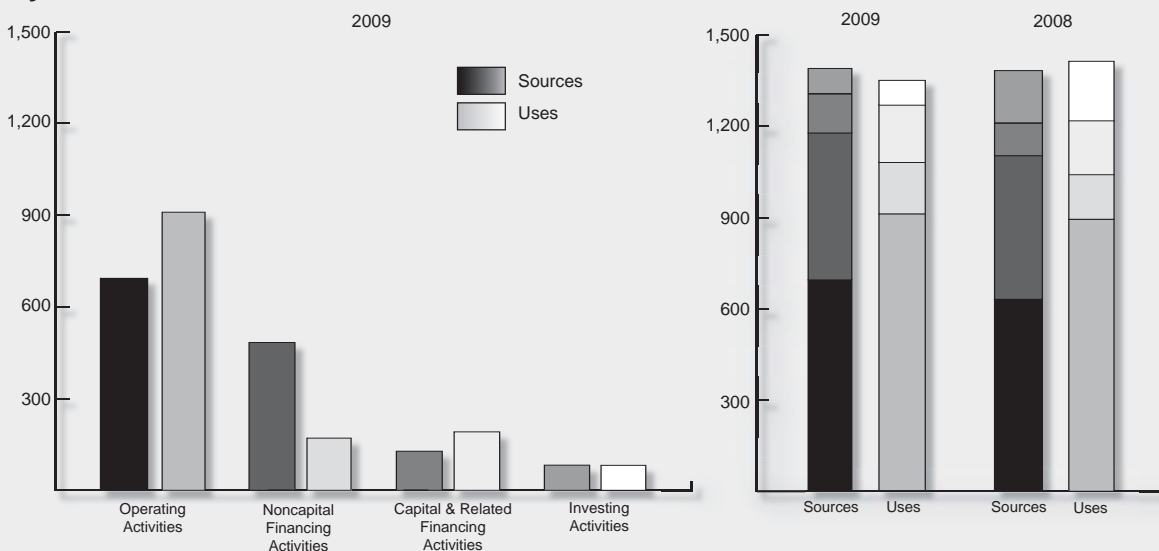
the operating income or loss reflected on the *Statement of Revenues, Expenses, and Changes in Net Assets* for fiscal year 2009 to net cash used by operating activities.

Major operating activity sources of cash for the university included student tuition and fees (\$274.8 million), grants and contracts (\$213.6 million), and auxiliary enterprise revenues (\$167.3 million). Major operating activity uses of cash included compensation and benefits (\$629.4 million) and operating expenses (\$264.0 million). Operating activity uses of cash significantly exceed operating activity sources of cash due to classification of state appropriations (\$255.4 million) and gifts (\$46.4 million) as noncapital financial activities.

Economic Outlook

The university, as a public institution, is subject to many of the economic conditions impacting the Commonwealth of Virginia. The commonwealth currently supports 23% of the university's budget through general fund appropriations. During the current fiscal year, the commonwealth reduced general fund support for higher education in October 2008, and imposed additional reductions in general funds for the 2009-10 academic year. The commonwealth did mitigate a significant portion of the 2009-10 general funds reduction to higher education on a one-time basis through the allocation of federal funds provided to the commonwealth under the American Recovery and Reinvestment Act to stimulate economic recovery through revenue stabilization. In addition, the commonwealth maintained the

Summary of Cash Flows



(The graphs above demonstrate the relationship between sources and uses of cash. The graph on the left shows activity for fiscal year 2009 only, grouped by related sources and uses of cash, while the graph on the right compares that same activity across fiscal years 2009 and 2008 in a stacked format.)

For the years ended June 30, 2009 and 2008
(all dollars in millions)

	2009	2008	Change	
			Amount	Percent
Net cash used by operating activities	\$ (216.3)	\$ (263.0)	\$ 46.7	17.8 %
Net cash provided by noncapital activities	312.8	324.8	(12.0)	(3.7) %
Net cash used by capital and related financing activities	(63.1)	(71.8)	8.7	11.8 %
Net cash provided (used) by investing activities	0.3	(24.2)	24.5	102.5 %
Net increase (decrease) in cash and cash equivalents	33.7	(34.2)	67.9	198.8 %
Cash and cash equivalents - beginning of year	222.8	257.0	(34.2)	(13.3) %
Cash and cash equivalents - end of year	\$ 256.5	\$ 222.8	\$ 33.7	15.2 %

university's board of visitors' authority to establish tuition and fees rates. The university anticipates that there will be continued pressure on general funds as the national economy and state general fund revenues begin to slowly recover from the recession, thus revenues and expenditures are being watched closely moving forward. The university will employ cost containment and income enhancement techniques which have helped to successfully manage such reductions in the past. In addition, the university will employ strategic planning processes to minimize the impact on the university's core missions of instruction, research and public service.

Virginia Tech, along with all other Virginia institutions of higher education, continues to maintain significant decentralized authority from the Commonwealth of Virginia through the requested restructuring of higher education, which has built upon the success of the decentralization authority received from the commonwealth over the last decade. Restructuring provides additional flexibility and authority to the participant institutions with the potential for increased efficiencies and cost savings. During last fiscal year, the university completed the process of transitioning the investment of university funds from the commonwealth to private investment management. The 2009 legislative session expanded the university's authority authorizing the investment of nongeneral fund reserves and balances and local funds in a broader array of securities to maximize return on investment while managing risk. This expanded authority will be available for use in determining investment strategies during fiscal year 2010. The market value of the university's investments at June 30, 2009 was \$357.9 million of which approximately 10% would be eligible under the expanded investment authority mentioned above.

The university has limited its exposure to turbulent economic conditions through the implementation of its investment policy. The university's investment policy, established by the board of visitors and monitored by the board's Finance and Audit Committee, requires that its public funds be invested in accordance with the Investment of Public Funds Act, Section 2.2-4500 through 2.2-4516, et seq., *Code of Virginia*. The university has limited its investment in equities subject to market volatility to restricted gift funds designated by management as quasi-endowments. These funds are invested in the

Virginia Tech Foundation Inc. endowment pool. At the end of the fiscal year, the valuation of the university's share of the endowment pool stabilized at \$35.2 million, sustaining an overall loss of \$9.5 million.

The university continually monitors the valuation of its investments. At September 30, 2009 the total market value for the university's investments was \$369.4 million including unrealized gains on investments of \$1.3 million. The university's investment in equities, as mentioned above and managed by the foundation as part of the endowment pool, is estimated by university management to have a market value, net of unrealized losses/gains and other charges, of approximately \$37.6 million at September 30, 2009.

Executive management believes the university will maintain its solid financial foundation and is well positioned to continue its excellence in teaching, research, and public service. Management's policies of cost containment and investing in strategic initiatives will ensure the university is well prepared to manage changes in state support while continuing to grow and expand. The financial position of the university is strong as evidenced by its diversified portfolio of research funding, strengthened National Science Foundation research ranking, strong student demand from increasingly talented students, auxiliary enterprises with high customer satisfaction, low total cost of attendance, growing contributions to endowments, and quality debt ratings from Moody's (upgraded to Aa2 in August 2008) and Standard and Poor's (AA). These debt ratings allow the university to obtain funding for capital projects with advantageous terms.

Virginia Tech continues the university's largest private capital campaign and anticipates that private support will continue to grow. The campaign has raised \$809.9 million of its \$1 billion goal as of June 30, 2009. The university is grounded by an impressive community of students, faculty, and staff. These assets will sustain Virginia Tech's bright future as the commonwealth's largest university offering more career options than any other Virginia university.

The university's overall financial position remains strong. Management continues to maintain a close watch over resources to ensure the ability to react to unknown internal and external issues and sustain its current high quality financial position.

Statement of Net Assets

As of June 30, 2009, with comparative financial information as of June 30, 2008
(all dollars in thousands)

Assets

Current assets

	2009		2008	
	Virginia Tech	Component Units	Virginia Tech	Component Units
Cash and cash equivalents (Note 4)	\$ 197,379	\$ (16,524)	\$ 169,163	\$ (36,140)
Cash equivalents, securities lending (Note 5)	-	-	19,203	-
Short-term investments (Notes 4, 26)	1,106	19,523	990	23,425
Accounts and contributions receivable, net (Notes 1, 6, 26)	41,723	36,726	47,924	36,802
Notes receivable, net (Note 1)	1,464	469	1,232	738
Due from Commonwealth of Virginia (Note 7)	5,135	-	6,141	-
Inventories	10,455	8,389	12,067	8,315
Prepaid expenses	10,722	419	8,806	805
Other assets	-	2,722	-	733
Total current assets	<u>267,984</u>	<u>51,724</u>	<u>265,526</u>	<u>34,678</u>

Noncurrent assets

Cash and cash equivalents (Note 4)	59,141	61,181	53,593	78,799
Due from Commonwealth of Virginia (Note 7)	9,581	-	18,903	-
Short-term investments (Note 4)	-	-	1,172	-
Accounts and contributions receivable, net (Notes 1, 6, 26)	8,192	41,719	5,052	41,978
Notes receivable, net (Note 1)	13,362	16,730	13,904	16,159
Net investments in direct financing leases	-	25,291	-	7,210
Irrevocable trusts held by others, net	-	7,404	-	9,631
Long-term investments (Notes 4, 26)	96,927	574,868	107,818	597,162
Depreciable capital assets, net (Notes 8, 26)	810,614	115,456	737,768	112,423
Nondepreciable capital assets (Notes 8, 26)	161,539	55,687	133,682	37,469
Intangible assets, net	1,333	654	1,466	679
Other assets	798	3,996	453	2,827
Total noncurrent assets	<u>1,161,487</u>	<u>902,986</u>	<u>1,073,811</u>	<u>904,337</u>
Total assets	<u>1,429,471</u>	<u>954,710</u>	<u>1,339,337</u>	<u>939,015</u>

Liabilities

Current liabilities

Accounts payable and accrued liabilities (Note 9)	109,796	12,030	99,550	12,883
Obligations under securities lending (Note 5)	-	-	19,203	-
Accrued compensated absences (Notes 1, 15)	18,828	535	18,250	531
Deferred revenue (Notes 1, 10)	36,163	2,182	36,191	1,444
Funds held in custody for others	5,840	-	6,341	-
Commercial paper (Note 11)	20,810	-	1,955	-
Long-term debt payable (Notes 12, 13, 26)	16,108	14,816	17,082	22,787
Other liabilities	-	4,373	13	2,444
Total current liabilities	<u>207,545</u>	<u>33,936</u>	<u>198,585</u>	<u>40,089</u>

Noncurrent liabilities

Accrued compensated absences (Notes 1, 15)	18,902	30	19,333	45
Federal student loan program contributions refundable (Note 15)	13,210	-	13,194	-
Deferred revenue	-	6,356	-	6,216
Long-term debt payable (Notes 12, 13, 26)	269,757	181,546	247,741	68,092
Liabilities under trust agreements	-	24,334	-	32,232
Agency deposits held in trust (Note 26)	-	46,193	-	57,406
Other liabilities	1,106	12,418	990	8,607
Total noncurrent liabilities	<u>302,975</u>	<u>270,877</u>	<u>281,258</u>	<u>172,598</u>
Total liabilities	<u>510,520</u>	<u>304,813</u>	<u>479,843</u>	<u>212,687</u>

Net assets

Invested in capital assets, net of related debt	669,721	38,050	622,885	74,737
Restricted, nonexpendable	358	306,297	358	294,778
Restricted, expendable				
Scholarships, research, instruction, and other	59,962	243,859	67,932	310,163
Capital projects	7,738	37,011	9,390	40,901
Debt service	45,018	-	41,179	-
Unrestricted	136,154	24,680	117,750	5,749
Total net assets	<u>\$ 918,951</u>	<u>\$ 649,897</u>	<u>\$ 859,494</u>	<u>\$ 726,328</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

Statement of Revenues, Expenses and Changes in Net Assets

For the year ended June 30, 2009 with comparative financial information for the year ended June 30, 2008
(all dollars in thousands)

	2009		2008	
	Virginia Tech	Component Units	Virginia Tech	Component Units
Operating revenues				
Student tuition and fees, net (Note 1)	\$ 275,056	\$ -	\$ 244,052	\$ -
Gifts and contributions	-	34,714	-	57,270
Federal appropriations	15,379	-	16,397	-
Federal grants and contracts	154,615	-	143,022	-
State grants and contracts	13,656	-	15,783	-
Local grants and contracts (Note 3)	13,806	-	16,120	-
Nongovernmental grants and contracts	27,799	-	27,262	-
Sales and services of educational activities	13,586	-	14,379	-
Auxiliary enterprise revenue, net (Note 1)	165,569	48,160	153,579	50,746
Other operating revenues	5,037	30,458	3,104	29,343
Total operating revenues	<u>684,503</u>	<u>113,332</u>	<u>633,698</u>	<u>137,359</u>
Operating expenses				
Instruction	253,313	3,762	250,506	3,585
Research	231,212	5,352	220,677	4,609
Public service	75,928	3,892	78,899	4,133
Academic support	62,485	18,531	60,581	13,901
Student services	12,751	-	12,332	-
Institutional support	46,941	31,333	51,592	41,168
Operation and maintenance of plant	64,715	8,622	61,306	7,139
Student financial assistance	13,281	19,582	13,608	18,383
Auxiliary enterprises	148,252	43,526	139,135	44,589
Depreciation expense (Note 8)	60,813	5,158	56,666	5,438
Amortization expense	133	-	133	-
Other operating expenses	285	9,214	200	9,012
Total operating expenses	<u>970,109</u>	<u>148,972</u>	<u>945,635</u>	<u>151,957</u>
Operating loss	<u>(285,606)</u>	<u>(35,640)</u>	<u>(311,937)</u>	<u>(14,598)</u>
Non-operating revenues (expenses)				
State appropriations (Note 20)	255,423	-	269,767	-
Gifts	46,504	-	43,476	-
Non-operating grants and contracts	2,167	-	4,905	-
Federal student financial aid (Pell)	9,000	-	7,621	-
Investment income, net	(2,918)	9,273	12,095	11,117
Net loss on investments	-	(70,149)	-	(6,943)
Other additions	585	-	457	-
Interest expense on debt related to capital assets	(11,812)	(3,691)	(11,649)	(3,932)
Net non-operating revenues (expenses)	<u>298,949</u>	<u>(64,567)</u>	<u>326,672</u>	<u>242</u>
Income (loss) before other revenues, expenses, gains, or losses	<u>13,343</u>	<u>(100,207)</u>	<u>14,735</u>	<u>(14,356)</u>
Capital appropriations (Note 21)	(12,338)	-	(12,585)	-
Change in valuation of split interest agreements	-	(7,034)	-	(3,361)
Change in valuation of contributions receivables	-	1,875	-	-
Capital grants and gifts (Note 7)	59,770	9,537	38,360	9,141
Loss on disposal of capital assets	(1,318)	(192)	(552)	(210)
Additions to permanent endowments	-	20,892	-	25,167
Other revenues (expenses)	-	(1,302)	-	(1,251)
Total other revenues, expenses, gains, and losses	<u>46,114</u>	<u>23,776</u>	<u>25,223</u>	<u>29,486</u>
Increase (decrease) in net assets	<u>59,457</u>	<u>(76,431)</u>	<u>39,958</u>	<u>15,130</u>
Net assets—beginning of year	<u>859,494</u>	<u>726,328</u>	<u>819,536</u>	<u>711,198</u>
Net assets—end of year	<u>\$ 918,951</u>	<u>\$ 649,897</u>	<u>\$ 859,494</u>	<u>\$ 726,328</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

Statement of Cash Flows

For the year ended June 30, 2009, with comparative financial information for the year ended June 30, 2008
(all dollars in thousands)

	2009	2008
Cash flows from operating activities		
Student tuition and fees	\$ 274,771	\$ 244,798
Federal appropriations	15,379	16,397
Grants and contracts	213,597	198,864
Sales and services of educational activities	13,586	14,379
Auxiliary enterprises	167,339	148,721
Other operating receipts	5,217	2,930
Payments for compensation and fringe benefits	(629,385)	(614,334)
Payments for operating expenses	(263,955)	(260,890)
Payments for scholarships and fellowships	(12,941)	(13,279)
Loans issued to students	(3,394)	(5,517)
Collection of loans from students	3,479	4,879
Net cash used by operating activities	(216,307)	(263,052)
Cash flows from noncapital financing activities		
State appropriations	255,423	269,767
Gifts received for other than capital purposes	46,428	43,823
Non-operating grants and contracts	2,167	4,905
Federal student financial aid (Pell)	9,000	7,621
Federal Direct Lending Program—receipts	108,903	86,197
Federal Direct Lending Program—disbursements	(108,901)	(86,199)
Hokie Spirit Fund—receipts	-	6,903
Hokie Spirit Fund—disbursements	-	(6,994)
Funds held in custody for others—receipts	61,513	52,882
Funds held in custody for others—disbursements	(61,736)	(54,105)
Net cash provided by noncapital financing activities	312,797	324,800
Cash flows from capital and related financing activities		
Capital appropriations	(12,338)	(12,585)
Capital grants and gifts	66,535	86,424
Proceeds from capital debt	42,380	19,252
Proceeds from the sale of capital assets and insurance recoveries	(733)	(93)
Acquisition and construction of capital assets	(143,865)	(120,399)
Principal paid on capital debt and leases	(21,478)	(33,190)
Short-term debt, commercial paper	18,855	783
Interest paid on capital debt and leases	(12,443)	(11,979)
Net cash used by capital and related financing activities	(63,087)	(71,787)
Cash flows from investing activities		
Proceeds from sales and maturities of investments	75,756	162,021
Interest on investments	6,098	9,512
Purchase of investments and related fees	(81,493)	(195,713)
Net cash provided (used) by investing activities	361	(24,180)
Net increase (decrease) in cash and cash equivalents	33,764	(34,219)
Cash and cash equivalents—beginning of year	222,756	256,975
Cash and cash equivalents—end of year	\$ 256,520	\$ 222,756

The accompanying Notes to Financial Statements are an integral part of this statement.

Statement of Cash Flows (continued)

For the year ended June 30, 2009 with comparative financial information for the year ended June 30, 2008
(all dollars in thousands)

	2009	2008
Reconciliation of operating loss to net cash used by operating activities		
Operating loss	\$ (285,606)	\$ (311,937)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation expense	60,813	56,666
Amortization expense	133	133
Changes in assets and liabilities		
Receivables, net of allowance for doubtful accounts	5,235	(6,755)
Inventories	1,612	(199)
Prepaid items	(2,261)	(1,536)
Notes receivable, net of allowance for doubtful accounts	310	(782)
Accounts payable and accrued liabilities	1,859	268
Accrued payroll	1,240	1,458
Compensated absences	147	255
Deferred revenue	(28)	(541)
Credit card rebate	223	(82)
Federal loan program contributions refundable	16	-
Total adjustments	69,299	48,885
Net cash used by operating activities	\$ (216,307)	\$ (263,052)

Noncash investing, capital, and financing activities

Change in accounts receivable related to non-operating income	\$ (2,174)	\$ (653)
Capital assets acquired through in-kind donations as a component of capital gifts and grants income	\$ 1,193	\$ 1,905
Change in fair value of investments recognized as a component of interest income	\$ (3,658)	\$ (6,302)
Change in fair value of interest payable affecting interest paid	\$ (11)	\$ (78)
Capital assets acquired through installment purchase agreements	\$ 140	\$ 203
Change in interest receivable affecting interest received	\$ (176)	\$ 10

The accompanying Notes to Financial Statements are an integral part of this statement.

Notes to Financial Statements

Contents

Note 1	Summary of Significant Accounting Policies	18
Note 2	Related Parties	20
Note 3	Local Government Support	20
Note 4	Cash, Cash Equivalents, and Investments	21
Note 5	Securities Lending Transactions	22
Note 6	Accounts Receivable	22
Note 7	Commonwealth Equipment and Capital Project Reimbursement Programs	22
Note 8	Capital Assets	23
Note 9	Accounts Payable and Accrued Liabilities	23
Note 10	Deferred Revenue	23
Note 11	Short-term Debt	23
Note 12	Summary of Long-term Indebtedness	23
Note 13	Detail of Long-term Indebtedness	25
Note 14	Long-term Debt Defeasance	26
Note 15	Change in Other Liabilities	27
Note 16	Lease Commitments	27
Note 17	Capital Improvement Commitments	27
Note 18	Contributions to Pension Plans	28
Note 19	Postemployment Benefits	28
Note 20	Appropriations	28
Note 21	Capital Appropriations	28
Note 22	Grants and Contracts Contingencies	29
Note 23	Federal Direct Lending Program	29
Note 24	Risk Management and Employee Health Care Plans	29
Note 25	Expenses by Natural Classification within Functional Classification	29
Note 26	Component Units Financial Statements and Footnotes	29
Note 27	Joint Ventures	35
Note 28	Jointly Governed Organizations	35
Note 29	Pending Litigation	35
Note 30	Subsequent Events	35

I. Summary of Significant Accounting Policies

Reporting Entity

Virginia Polytechnic Institute and State University is a public land-grant university serving the Commonwealth of Virginia, the nation, and the world community. The discovery and dissemination of new knowledge are central to its mission. Through its focus on teaching and learning, research, and discovery, outreach and engagement, the university creates, conveys, and applies knowledge to expand personal growth and opportunity, advance social and community development, foster economic competitiveness, and improve the quality of life.

The university includes all funds and entities over which the university exercises or has the ability to exercise oversight authority for financial reporting purposes.

Under Governmental Accounting Standards Board (GASB) Statement 39, the Virginia Tech Foundation Inc. (VTF) and the Virginia Tech Services Inc. (VTS) are included as component units of the university.

A separate report is prepared for the Commonwealth of Virginia that includes all agencies, boards, commissions, and authorities over which the commonwealth exercises or has the ability to exercise oversight authority. The university is a component unit of the Commonwealth of Virginia and is included in the basic financial statements of the commonwealth.

Virginia Tech Foundation Inc.

The foundation is a legally separate, tax-exempt organization established in 1948 to receive, manage, and disburse private gifts in support of Virginia Tech programs. The foundation is governed by a 35 member board of directors. The bylaws of the foundation provide that the rector of the board of visitors, the president of the alumni association, the president of the athletic fund, and the president of the university shall be members of the foundation board. The remainder of the board is composed of alumni and friends of the university who actively provide private support for university programs. Directors are elected by a vote of the membership of the foundation. Membership is obtained by making gifts at or above a specified level to the foundation.

The foundation serves the university by generating significant funding from private sources and aggressively managing its assets to provide funding which supplements state appropriations. It provides additional operating support to colleges and departments, assists in the funding of major building projects, and provides seed capital for new university initiatives. Although the university does not control the timing or amount of receipts from the foundation, the majority of resources, or incomes which the foundation holds and invests, are restricted to the activities of the university by the donors. Because these restricted resources held by the foundation can only be used by or for the benefit of the university, the foundation is considered a component unit of the university and is discretely presented in the financial statements. The administrative offices of Virginia Tech Foundation Inc. are located on the 4th floor of the University Gateway Center, 902 Prices Fork Road, Blacksburg, Virginia 24061.

During the year ended June 30, 2009, the foundation distributed \$62,506,000 to the university, for both restricted and unrestricted purposes.

Virginia Tech Services Inc.

Virginia Tech Services Inc. was formed as a separate nonprofit corporation to own and operate bookstores and provide other services for the use and benefit of the students, faculty, staff, and alumni of Virginia Tech. VTS transfers any surplus funds to the university or the foundation for allocation and use by the university as the president of the university and board of visitors deem appropriate. Although the university does not control the timing or amount

of receipts from VTS, the majority of resources or income thereon that VTS holds is for the benefit of the university. Because these resources are for the benefit of the university, VTS is considered a component unit of the university and is discretely presented in the financial statements. The administrative offices of Virginia Tech Services Inc. are located at University Bookstore, Blacksburg, Virginia 24061.

During the year ended June 30, 2009, VTS paid \$1,190,000 to the university, primarily for the rental of facilities.

Financial Statement Presentation

GASB Statement 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*, issued November 1999, establishes accounting and financial reporting standards for public colleges and universities within the financial reporting guidelines of GASB Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. The standards are designed to provide financial information that responds to the needs of three groups of primary users of general-purpose external financial reports: the citizenry, legislative and oversight bodies, and investors and creditors. The university is required under this guidance to include Management's Discussion and Analysis, and basic financial statements, including notes, in its financial statement presentation.

In fiscal year 2009 the following GASB statements of standards were effective: Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, Statement 52, *Land and Other Real Estate Held as Investments by Endowments*, Statement 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and Statement 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*. Statement 49 establishes standards of accounting and reporting for pollution remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as assessments and cleanups. The university has reviewed its operations and determined it has no reporting requirement under GASB 49. Statement 52 establishes consistent standards for the reporting of land and other real estate held as investments and requires endowments to report their land and other real estate investments at fair value. Assets of this nature are held by VTF for the university and are reported at fair value. GASB Statements 55 and 56 were effective upon issuance in March 2009. The university has no additional reporting requirements or disclosures resulting from these two standards.

Basis of Accounting

For financial reporting purposes, the university is considered a special-purpose government engaged only in business-type activities. Accordingly, the university's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The university has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The university has elected not to apply FASB pronouncements issued after the applicable date.

Cash Equivalents

For purposes of the statements of net assets and cash flows, the university considers all highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

Investments

GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that purchased investments, interest-bearing temporary investments classified with cash, and investments received as gifts be recorded at fair value (see Note 4). Changes in unrealized gain (loss) on the carrying value of the investments are reported as a component of investment income in the *Statement of Revenues, Expenses, and Changes in Net Assets*.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students, and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from federal, state and local governments, and non-governmental sources, in connection with reimbursement of allowable expenses made pursuant to the university's grants and contracts. Accounts receivable are recorded net of allowance for doubtful accounts. See Note 6 for a detailed list of accounts receivable amounts.

Notes Receivable

Notes receivable consists of amounts due from the Federal Perkins Loan Program, the Health Professional Student Loan Program, and from other student loans administered by the university. Notes receivable is recorded net of allowance for doubtful accounts for current and noncurrent notes receivable, which totaled \$36,000 and \$286,000, respectively, as of June 30, 2009.

Inventories

Inventories are stated at the lower of cost or market (primarily first-in, first-out method) and consist mainly of expendable supplies, fuel for the physical plant, and publications.

Noncurrent Cash and Investments

Noncurrent cash and investments are externally restricted to make debt service payments or purchase other noncurrent assets.

Capital Assets

Capital assets consisting of land, buildings, infrastructure, and equipment are stated at appraised historical cost or actual cost where determinable. Construction in progress and equipment in process are capitalized at actual cost as expenses are incurred. Library materials are valued using published average prices for library acquisitions, and livestock is stated at estimated market value. All gifts of capital assets are recorded at fair market value as of the date of donation.

Equipment is capitalized when the unit acquisition cost is \$2,000 or greater and the estimated useful life is one year or more. Renovation costs are capitalized when expenses total more than \$100,000, the asset value significantly increases, or the useful life is significantly extended. Routine repairs and maintenance are charged to operating expense in the year the expense is incurred.

Depreciation is computed using the straight-line method over the useful life of the assets. The useful life is 40 to 60 years for buildings, 10 to 50 years for infrastructure and land improvements, 10 years for library books, and 3 to 30 years for fixed and movable equipment. Livestock is not depreciated, as it tends to appreciate over the university's normal holding period.

Special collections are not capitalized due to the collections being: (1) held for public exhibition, education, or research in the furtherance of public service rather than financial gain; (2) protected, kept unencumbered, cared for, and preserved; and (3) subject to university policy requiring the proceeds from the sales of collection items to be used to acquire other items for collections.

Interest Capitalization

Interest expense incurred during the construction of capital assets is capitalized, if material, net of interest income earned on resources set aside for this purpose. The university incurred and capitalized net interest expense related to the construction of capital assets totaling \$1,881,000 for the fiscal year ended June 30, 2009.

Accrued Compensated Absences

Certain salaried employees' attendance and leave regulations make provisions for the granting of a specified number of days of leave with pay each year. The amount reflects, as of June 30, all unused vacation leave, sabbatical leave, and the amount payable upon termination under the Commonwealth of Virginia's sick leave pay out policy. The applicable share of employer related taxes payable on the eventual termination payments is also included. The university's liability and expense for the amount of leave earned by employees but not

taken, as of June 30, 2009, is recorded in the *Statement of Net Assets*, and is included in the various functional categories of operating expenses in the *Statement of Revenues, Expenses, and Changes in Net Assets*.

Deferred Revenues

Deferred revenue represents revenue collected but not earned as of June 30, 2009. This amount is primarily composed of revenue for grants and contracts, prepaid athletic ticket sales, and prepaid student tuition and fees. Summer Session I tuition and fees received during the fiscal year are considered earned at the end of the refund period, approximately June 15 of each year. Tuition and fees received prior to year end for Summer Session II are deferred and recognized as revenue in the next fiscal year. See Note 10 for a detailed list of deferred revenue amounts.

Noncurrent Liabilities

Noncurrent liabilities include: (1) the principal amounts of revenue bonds payable, notes payable, and capital lease obligations with maturities greater than one year and (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year.

Net Assets

The university's net assets are classified as follows:

- ⊙ Invested in capital assets, net of related debt — Invested in capital assets, net of related debt represents the university's total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.
- ⊙ Restricted net assets, expendable — Expendable restricted net assets include resources for which the university is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.
- ⊙ Restricted net assets, nonexpendable — Nonexpendable restricted net assets consist of endowment and similar type funds where donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, to be expended or added to principal.
- ⊙ Unrestricted net assets — Unrestricted net assets represent resources derived from student tuition and fees, state appropriations, recoveries of facilities and administrative (indirect) costs, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational departments and the general operations of the university, and may be used at the discretion of the university's board of visitors to meet current expenses for any lawful purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the university's policy is to apply the expense towards restricted resources before unrestricted resources.

Income Taxes

The university, as a political subdivision of the Commonwealth of Virginia, is excluded from federal income taxes under Section 115 (1) of the Internal Revenue Code, as amended.

Classifications of Revenues

The university has classified its revenues as either operating or non-operating revenues according to the following criteria:

- ⊙ Operating revenues — Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowance; (2) sales and services of auxiliary enterprises, net of scholarship allowance; (3) most federal, state, local, and nongovernmental grants and contracts and federal appropriations; and (4) interest on institutional student loans.

- ⊙ Non-operating revenues — Non-operating revenues are revenues received for which goods and services are not provided. State appropriations, gifts, and other revenue sources that are defined as non-operating revenues by GASB Statement 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* are included in this category.

Scholarship Allowance

Student tuition and fees, certain auxiliary revenues, and student financial assistance expenses are reported net of scholarship allowance in the *Statement of Revenues, Expenses, and Changes in Net Assets*. Scholarship allowance is the difference between the stated charge for goods and services provided by the university and the amount paid by students and/or third parties making payments on the students' behalf. For the fiscal year ended June 30, 2009, the scholarship allowance for student tuition and fee revenue and auxiliary enterprise revenue totaled \$58,505,000 and \$13,775,000 respectively. Scholarship allowance to students is reported using the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). The alternative method is an algorithm that computes scholarship allowance on a university-wide basis rather than on an individual student basis.

Comparative Data

The university presents its financial information on a comparative basis. The basic financial statements include certain prior year summarized comparative information in total, but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, the prior year information should be read in conjunction with the university's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

2. Related Parties

In addition to the component units discussed in Note 1, Virginia Tech also has related parties that were not considered significant. These financial statements do not include the assets, liabilities, and net assets of the related parties that support university programs. The related parties of the university are: Virginia Tech Alumni Association, Virginia Tech Athletic Fund Inc., Virginia Tech Intellectual Properties Inc., Virginia Tech Corps of Cadets Alumni Inc., and any of the subsidiaries of these corporations.

The organizations are related to the university by affiliation agreements. These agreements, approved by the board of visitors, require an annual audit to be performed by independent auditors. Affiliated organizations that hold no financial assets and certify all financial activities or transactions through the Virginia Tech Foundation Inc. may be exempt from the independent audit requirement. Exemption requirements are met by Virginia Tech Alumni Association; Virginia Tech Athletic Fund Inc.; and Virginia Tech Corps of Cadets Alumni Inc. They are therefore not required to have an annual audit. Virginia Tech Intellectual Properties Inc. is required to have an annual audit. Auditors have examined the financial records of the organization and a copy of their audit report has been provided to the university.

3. Local Government Support

The university, through the operation of its Cooperative Extension Service, maintains offices in numerous cities and counties throughout the Commonwealth of Virginia. Personnel assigned to these locations receive a portion of their compensation from local governments. Also included in the expenses of these extension offices are unit support services, which include such items as rent, telephone, supplies, equipment, and extension program expenses. The amount contributed by the various local governments totaled \$12,253,000 in 2009, and has been included in revenues and expenses of the accompanying financial statements. The university received other local government support of \$1,553,000 in 2009.

4. Cash, Cash Equivalents, and Investments

The following information is provided with respect to the university's cash, cash equivalents, and investments as of June 30, 2009. The following risk disclosures are required by GASB Statement 40, *Deposit and Investment Risk Disclosures*:

⊙ Custodial credit risk (category 3 deposits and investments) — The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The university had no category 3 deposits or investments for 2009.

⊙ Credit risk — Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. GASB Statement 40 requires the disclosure of the credit quality rating on any investments subject to credit risk.

⊙ Concentration of credit risk — The risk of loss attributed to the magnitude of a government's investment in a single issuer is referred to as concentration of credit risk. GASB Statement 40 requires disclosure of any issuer with more than five percent of total investments. The university's investment policy requires its investment pools and sub-portfolios be diversified so that no more than 5% of the value of the respective portfolios be invested in securities of any single issuer. The university does not have investments subject to risks due to the concentration of credit.

⊙ Interest rate risk — This is the risk that interest rate changes will adversely affect the fair value of an investment. GASB Statement 40 requires disclosure of maturities for any investments subject to interest rate risk. The university uses a duration methodology to measure the maturities of its investment portfolios. The university's *Statement of Policy Governing the Investment of University Funds* established two investment pools, Primary Liquidity Pool and Total Return Pool, managed by external investment firms. Asset allocations to the Primary Liquidity Pool are targeted at 75% of total investments with approximate maturities between 15 to 90 days. The Total Return Pool is structured into three sub-portfolios: a Short Duration Portfolio, an Intermediate Duration Portfolio, and an Extended Duration Portfolio with target investment maturity durations of 1.7 years, 3.8 years and 4.8 years, respectively.

Categorization of credit quality and interest rate risk

Investments held on June 30, 2009 (all dollars in thousands)

Investment type	Credit Rating	Less than 1 Year	1-5 Years	6-10 Years	Fair Value
U.S. Treasury and Agency securities (1)	N/A	\$ 145,734	\$ 2,821	\$ -	\$ 148,555
Debt securities					
Corporate notes	A1		2,972		2,972
Corporate notes	A2	518	1,710		2,228
Corporate notes	A3		73		73
Corporate notes	Aaa	561	7,421		7,982
Corporate notes	Aa2		633		633
Corporate notes	Aa3		1,008		1,008
Corporate bonds	A1		600		600
Corporate bonds	A2	500	978		1,478
Corporate bonds	A3		893		893
Corporate bonds	Aa1		907		907
Corporate bonds	Aa2		2,212		2,212
Corporate bonds	Aa3		710		710
Commercial paper (2)	A-1	9,095			9,095
Repurchase agreements	N/A	87,656			87,656
Asset backed securities	Aaa	7,994	9,055		17,049
Asset backed securities (2)	AAA		248		248
Federal agency securities					
Unsecured bonds and notes	Aaa	8,011	908		8,919
Mortgage backed securities	Aaa	1,170	6,231		7,401
Mortgage backed securities (2)	AAA	506	1,784		2,290
Money market & mutual funds					
Money market & mutual funds	Aaa	697			697
Money market & mutual funds (2)	AAA	1,114			1,114
Other					
Deposits with VTF	N/A	878			878
Dairymen's Equity	BBB+			60	60
Short-term investment fund	AAAm	2			2
State Non-Arbitrage Program	AAAm	17,054			17,054
Subtotal		\$ 281,490	\$ 41,164	\$ 60	\$ 322,714
Investments without specific maturities					
Investments held with VTF					35,217
Total					\$ 357,931

(1) Credit quality ratings are not required for U.S. Government securities that are explicitly guaranteed by the United States Government.

(2) Credit ratings are from Moody's Investors Service except for these investments which are rated by Standard & Poor's.

⊙ Foreign currency risk — This risk refers to the possibility that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The university had no foreign investments or deposits for 2009.

Cash and Cash Equivalents

Cash deposits held by the university are maintained in accounts that are collateralized in accordance with the *Virginia Security for Public Deposits Act*, Section 2.2-4400, et seq., *Code of Virginia*. Cash and cash equivalents represent cash with the treasurer, cash on hand, certificates of deposit and temporary investments with original maturities of 90 days or less, and cash equivalents with the Virginia State Non-Arbitrage Program (SNAP). SNAP is an open-end management investment company registered with the Securities and Exchange Commission (SEC). Cash and cash equivalents reporting requirements are defined by GASB Statement 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting*.

Investments

The investment policy of the university is established by the board of visitors and monitored by the board's Finance and Audit Committee. Authorized investments are set forth in the *Investment of Public Funds Act*, Section 2.2-4500 through 2.2-4516, et seq., *Code of Virginia*. Authorized investments include: U.S. Treasury and agency securities, corporate debt securities of domestic corporations, asset-backed securities, mortgage-backed securities, AAA rated obligations of foreign governments, bankers acceptances and bank notes, negotiable certificates of deposit, repurchase agreements, and money market funds.

Investments fall into two groups: short-term and long-term. Short-term investments have an original maturity of over 90 days but less than or equal to one year. Long-term investments have an original maturity greater than one year. A categorization of university investments is presented below.

Summary of investments As of June 30, 2009 (all dollars in thousands)

Investment type	Current Assets	Noncurrent Assets	Total
Cash equivalents	\$ 209,010	\$ 50,888	\$ 259,898
Short-term investments	1,106	-	1,106
Long-term investments	-	96,927	96,927
Total investments	<u>\$ 210,116</u>	<u>\$ 147,815</u>	<u>\$ 357,931</u>

5. Securities Lending Transactions

GASB Statement 28, *Accounting and Financial Reporting for Securities Lending Transactions*, establishes standards of accounting and financial reporting for transactions where governmental entities transfer securities to broker-dealers and other entities for collateral, and simultaneously agree to return the collateral for the same securities in the future. The enabling legislation for the securities lending program is Section 2.2-4506 of the *Code of Virginia*, as amended.

In prior years, the university participated in the Virginia treasury securities lending program. The university's investments included in the securities lending program and the securities lending transactions reported on the financial statements are now managed by Bank of New York Mellon Asset Servicing through Mellon Global Securities Lending. During the past year, university investments, consisting of a combination of U.S. Treasury and U.S. Government backed securities, were loaned through the securities lending program. Due to market volatility, the university terminated its participation in the securities lending program during the first quarter of fiscal year 2009.

6. Accounts Receivable

Accounts receivable consists of the following as of June 30, 2009 (all dollars in thousands):

Current receivables

Grants and contracts	\$ 36,151
Accrued investment interest	340
Student tuition and fees	2,504
Auxiliary enterprises and other operating activities	<u>5,243</u>
Total current receivables before allowance	44,238
Less allowance for doubtful accounts	<u>2,515</u>
Net current accounts receivable	<u>41,723</u>

Noncurrent receivables

Capital gifts, grants and other receivables	8,039
Accrued investment interest	<u>153</u>
Total noncurrent receivables	<u>8,192</u>
Total receivables	<u>\$ 49,915</u>

7. Commonwealth Equipment and Capital Project Reimbursement Programs

The commonwealth has established several programs to provide state-supported institutions of higher education with bond proceeds for financing the acquisition and replacement of instructional and research equipment and facilities. During fiscal year 2009, funding has been provided to the university from three programs: general obligation bonds [code section 9(b)], and two programs (21st Century program and the Equipment Trust Fund) managed by the Virginia College Building Authority (VCBA). The VCBA issues bonds and uses the proceeds to reimburse the university and other institutions of higher education for expenses incurred in the acquisition of equipment and facilities.

The *Statement of Revenues, Expenses, and Changes in Net Assets* includes the amounts listed below for the year ended June 30, 2009, in "Capital Grants and Gifts" line item for equipment and facilities obtained with funding under these three programs. Part of the funding for these programs is receivable from the commonwealth at June 30, 2009 as shown in the following paragraph (all dollars in thousands):

VCBA 21 st Century program	\$ 30,964
VCBA Equipment Trust Fund program	8,685
General obligation bonds 9(b)	<u>5,734</u>
	<u>\$ 45,383</u>

The line items, "Due from Commonwealth of Virginia", on the *Statement of Net Assets* for the year ended June 30, 2009, represents pending reimbursements from the following programs (all dollars in thousands):

Capital appropriations receivable	\$ 1,523
VCBA Equipment Trust Fund program	4,271
Credit card rebate/accrued interest	865
VCBA 21 st Century program	8,056
General obligation bonds 9(b)	<u>1</u>
	<u>\$ 14,716</u>

8. Capital Assets

A summary of changes in capital assets follows for the year ending June 30, 2009 (*all dollars in thousands*):

	Beginning Balance	Additions	Retirements	Ending Balance
<i>Depreciable capital assets</i>				
Buildings	\$ 806,913	\$ 88,275	\$ 41	\$ 895,147
Moveable equipment	353,056	33,684	16,574	370,166
Fixed equipment	76,577	4,521	126	80,972
Infrastructure	105,865	6,690	-	112,555
Library books	67,273	2,262	32	69,503
Total depreciable capital assets, at cost	<u>1,409,684</u>	<u>135,432</u>	<u>16,773</u>	<u>1,528,343</u>
<i>Less accumulated depreciation</i>				
Buildings	263,952	23,253	27	287,178
Moveable equipment	240,168	28,845	14,899	254,114
Fixed equipment	38,730	3,075	42	41,763
Infrastructure	74,306	3,161	-	77,467
Library books	54,760	2,479	32	57,207
Total accumulated depreciation	<u>671,916</u>	<u>60,813</u>	<u>15,000</u>	<u>717,729</u>
Total depreciable capital assets, net of accumulated depreciation	<u>737,768</u>	<u>74,619</u>	<u>1,773</u>	<u>810,614</u>
<i>Nondepreciable capital assets</i>				
Land	44,474	120	-	44,594
Livestock	578	58	-	636
Construction in progress	86,220	121,119	92,206	115,133
Equipment in process	2,410	1,172	2,406	1,176
Total nondepreciable capital assets	<u>133,682</u>	<u>122,469</u>	<u>94,612</u>	<u>161,539</u>
Total capital assets, net of accumulated depreciation	<u>\$ 871,450</u>	<u>\$ 197,088</u>	<u>\$ 96,385</u>	<u>\$ 972,153</u>

9. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at June 30, 2009, consist of the following (*all dollars in thousands*):

Accounts payable	\$ 48,473
Accrued salaries and wages payable	55,107
Retainage payable	<u>6,216</u>
Total current accounts payable and accrued liabilities	<u>\$ 109,796</u>

Retainage payable represents funds held by the university as retainage on various construction contracts for work performed. The funds retained will be remitted to the various contractors upon satisfactory completion of the construction projects.

10. Deferred Revenue

Deferred revenue consists of the following at June 30, 2009 (*all dollars in thousands*):

Grants and contracts	\$ 13,154
Prepaid athletic tickets	12,140
Prepaid tuition and fees	6,846
Other auxiliary enterprises	<u>4,023</u>
Total deferred revenue	<u>\$ 36,163</u>

11. Short-term Debt

On March 31, 2008, the Virginia Tech Board of Visitors approved the short-term financing of capital projects with commercial paper issued through the Virginia Municipal League / Virginia Association of Counties (VML/VACo) commercial paper program. This tax-exempt commercial paper financing program gives the university access to a revolving facility to finance or refinance up to \$50 million for capital projects under construction that have been previously approved for debt financing by either the board of visitors or the General Assembly of the Commonwealth of Virginia.

At June 30, 2009 the amount outstanding was \$20,810,000. The average days-to-maturity was 26 days with a weighted average effective interest rate of 1.23%.

12. Summary of Long-term Indebtedness

Bonds Payable

The university has issued two categories of bonds pursuant to section 9 of Article X of the *Constitution of Virginia*.

Section 9(d) bonds are revenue bonds which are limited obligations of the university, payable exclusively from pledged general revenues, and which are not legal or moral debts of the Commonwealth of Virginia. Pledged general revenues include general fund appropriations, student tuition and fees, facilities and administrative (indirect) cost recoveries, auxiliary enterprise revenues, and other revenues not required by law to be used for another

purpose. The university has issued section 9(d) bonds directly through underwriters and also participates in the Public Higher Education Financing Program (Pooled Bond Program) created by the Virginia General Assembly in 1996. Through the Pooled Bond Program, the Virginia College Building Authority issues section 9(d) bonds and uses the proceeds to purchase debt obligations (notes) of the university and various other institutions of higher education. The notes are secured by the pledged general revenues of the university. For more information, see the following description of Notes Payable and Note 13, Detail of Long-term Indebtedness.

Section 9(c) bonds are general obligation revenue bonds issued by the Commonwealth of Virginia on behalf of the university and secured by the net revenues of the completed project and the full faith, credit, and taxing power of the Commonwealth of Virginia.

Bond covenants related to some of these bonds, both 9(c) and 9(d), established or continued groups of accounts called systems. The investment firms of Standish Mellon and Merganser hold these systems in trust for managing the net revenues and debt service of certain university auxiliaries. The revenue bonds issued by the Dorm and Dining Hall System, the University Services System (comprised of the Student Centers, Recreational Sports, and Student Health auxiliaries), the Utility System (the Electric Service auxiliary), and the Athletic System are secured by a pledge of each system's net revenues generated from student or customer fees, and are further secured by the pledged general revenues of the university.

Notes Payable

Notes payable are debt obligations between the Virginia College Building Authority (VCBA) and the university. The VCBA issues bonds through the Pooled Bond Program and uses the proceeds to purchase debt obligations (notes) of the university. The notes are secured by the pledged general revenues of the university.

Capital Leases

Capital leases represent the university's obligation to Virginia Tech Foundation Inc. for lease agreements related to the Student Services building, Southgate Center addition, Hunter Andrews Information Systems building addition, and the Integrated Life Sciences building (ILSB), including a separate lease for the Vivarium located within the ILSB. The assets under capital lease are recorded at the net present value of the minimum lease payments during the lease term.

Installment Purchase Obligations

The university has entered into various installment purchase contracts to finance the acquisition of equipment. The length of the purchase agreements ranges from two to five years with variable rates of interest. The outstanding principal is included in the "Long-term debt payable" line items on the *Statement of Net Assets*.

A summary of the university's long-term indebtedness, including activity for fiscal year 2009, future principal commitments, and future interest commitments, is presented below.

Changes in long-term debt payable activity

As of June 30, 2009 (all dollars in thousands)

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion
Bonds payable					
Section 9(c) general obligation revenue bonds	\$ 45,749	\$ 23,485	\$ 7,087	\$ 62,147	\$ 4,527
Section 9(d) revenue bonds	82,266	-	8,274	73,992	5,150
Notes payable	124,146	1,554	4,640	121,060	4,910
Capital lease obligations	11,146	17,341	981	27,506	1,100
Installment purchase obligations	1,516	140	496	1,160	421
Total long-term debt payable	<u>\$ 264,823</u>	<u>42,520</u>	<u>21,478</u>	<u>\$ 285,865</u>	<u>\$ 16,108</u>
Current year debt defeasance		(3,792)	(3,791)		
Total additions/retirements, net of current year defeasance		<u>\$ 38,728</u>	<u>\$ 17,687</u>		

Future principal commitments

For fiscal years subsequent to 2009 (all dollars in thousands)

	Section 9(c) Bonds	Section 9(d) Bonds	Notes Payable	Capital Lease Obligations	Installment Purchase Obligations	Total Long-term Debt Payable
2010	\$ 4,527	\$ 5,150	\$ 4,910	\$ 1,100	\$ 421	\$ 16,108
2011	4,567	5,340	5,115	1,162	426	16,610
2012	3,832	5,540	5,375	1,230	201	16,178
2013	4,008	5,815	5,625	1,299	58	16,805
2014	3,363	6,105	5,910	1,377	21	16,776
2015 – 2019	16,196	20,505	34,075	8,193	33	79,002
2020 – 2024	13,410	11,780	31,789	7,425	-	64,404
2025 – 2029	9,960	14,015	22,895	5,720	-	52,590
2030 – 2034	-	-	2,775	-	-	2,775
Unamortized premium	2,060	997	3,164	-	-	6,221
Deferral on debt defeasance	224	(1,255)	(573)	-	-	(1,604)
Total future principal requirements	<u>\$ 62,147</u>	<u>\$ 73,992</u>	<u>\$ 121,060</u>	<u>\$ 27,506</u>	<u>\$ 1,160</u>	<u>\$ 285,865</u>

Future interest commitments

For fiscal years subsequent to 2009 (all dollars in thousands)

	Section 9(c) Bonds	Section 9(d) Bonds	Notes Payable	Capital Lease Obligations	Installment Purchase Obligations	Total Interest
2010	\$ 2,899	\$ 3,490	\$ 5,486	\$ 1,504	\$ 34	\$ 13,413
2011	2,706	3,297	5,250	1,449	18	12,720
2012	2,482	3,086	4,993	1,389	6	11,956
2013	2,291	2,819	4,705	1,327	2	11,144
2014	2,098	2,533	4,423	1,260	1	10,315
2015 – 2019	7,896	8,657	13,699	5,155	1	35,408
2020 – 2024	4,524	5,054	8,642	2,959	-	21,179
2025 – 2029	1,153	2,059	2,727	835	-	6,774
2030 – 2034	-	-	133	-	-	133
Total future interest requirements	<u>\$ 26,049</u>	<u>\$ 30,995</u>	<u>\$ 50,058</u>	<u>\$ 15,878</u>	<u>\$ 62</u>	<u>\$ 123,042</u>

13. Detail of Long-term Indebtedness

Bonds payable

As of June, 30, 2009 (all dollars in thousands)

	Interest rates	Maturity	2009
<i>Revenue Bonds</i>			
Dormitory and dining hall system			
Series 2004A, issued \$2,710 – refunding series 1996A*	2.00% - 5.00%	2016	\$ 2,005
Series 2004A, issued \$1,665 – refunding series 1996A*	2.00% - 5.00%	2016	1,230
Series 2004B, issued \$1,265 – refunding series 1996B*	2.00% - 4.00%	2016	900
University services systems			
Student Health and Fitness Center			
Series 2004C, issued \$15,105 – refunding series 1996C*	2.00% - 5.00%	2016	10,895
Athletic system			
Athletic facility – improvements			
Series 2004D, issued \$4,155 – refunding series 1996A*	2.00% - 5.00%	2016	3,070
Lane Stadium west sideline expansion			
Series 2004D, issued \$52,715	3.00% - 5.13%	2029	40,555
Northern Virginia Graduate Center			
Series 2004A, issued \$7,860 – refunding series 1996A*	2.00% - 5.00%	2020	6,505
Architectural/engineering			
Series 2004A, issued \$4,685 – refunding series 1996A*	2.00% - 5.00%	2016	3,470
Coal fired facility			
Series 2004A, issued \$6,005 – refunding series 1996A*	2.00% - 5.00%	2016	4,450
Series 2004A, issued \$1,585 – refunding series 1996A*	2.00% - 5.00%	2016	1,170
Unamortized premium (discount)			997
Deferral on debt defeasance			(1,255)
Total revenue bonds			<u>73,992</u>

General Obligation Revenue Bonds

Dormitory and dining hall system			
Series 2003A, issued \$2,694 – refunding series 1993B*	2.50% - 5.50%	2011	748
Series 2004B, issued \$9,995 – partial refunding series 1997*	2.00% - 5.00%	2017	8,218
Series 2004B, issued \$1,928 – partial refunding series 1998*	2.00% - 5.00%	2018	1,745
Series 2004B, issued \$9,995 – partial refunding series 1997*	2.00% - 5.00%	2019	1,141
Series 2004A, issued \$4,800	3.75% - 5.00%	2024	3,975
Series 2007A, issued \$5,995	4.00% - 5.00%	2027	5,995
Series 2007A, issued \$13,130	4.00% - 5.00%	2027	13,130
Series 2008B, issued \$1,813 – refunding series 1998R*	4.38% - 4.70%	2013	1,450
Series 2008B, issued \$969 – refunding series 1998R*	4.38% - 4.70%	2013	775
Series 2008B, issued \$1,010 – refunding series 1998R*	4.38% - 4.70%	2013	809
Series 2008B, issued \$17,185	3.00% - 5.00%	2028	17,185
University services system – student center			
Series 2003A, issued \$684 – refunding series 1993B*	2.50% - 5.50%	2010	109
Series 2003A, issued \$1,755 – refunding series 1993B*	2.50% - 5.50%	2011	485
Parking facilities			
Series 2002, issued \$975	2.50% - 5.00%	2017	590
Series 2003A, issued \$2,268 – refunding series 1993B*	2.50% - 5.50%	2011	630
Series 2004B, issued \$951 – partial refunding series 1997*	2.00% - 5.00%	2017	778
Series 2006B, issued \$685	4.00% - 5.00%	2026	605
Series 2008B, issued \$1,545	3.00% - 5.00%	2028	1,495
Unamortized premium (discount)			2,060
Deferral on debt defeasance			224
Total general obligation revenue bonds			<u>62,147</u>
Total bonds payable			<u>\$ 136,139</u>

Notes payable

Notes payable to VCBA under the pooled 9(d) bond program at June 30, 2009 (*all dollars in thousands*)

	Average coupon rate	Maturity	2009
Dormitory and dining hall system			
Series 1998A, issued \$10,145 – partial refunding*	4.53%	2019	\$ 1,550
Series 1999A, issued \$10,905 – partial refunding*	5.73%	2010	515
Series 2004B, issued \$ 1,120 – partial refunding series 1999*	5.00%	2014	1,120
Series 2004B, issued \$ 7,420 – partial refunding series 1999A*	3.00% - 5.00%	2020	7,240
Series 2005, issued \$ 2,815	3.50% - 5.00%	2026	2,555
Series 2007B, issued \$ 3,395 – partial refunding series 1998A*	4.00% - 4.50%	2019	3,390
University services system – Smith Career Center			
Series 2002A, issued \$4,405*	5.19%	2023	1,960
Series 2007B, issued \$1,621 – partial refunding series 2002A*	4.00% - 4.50%	2020	1,613
Utility system			
Series 2000A, issued \$2,925 – partial refunding*	5.25%	2021	640
Series 2002A, issued \$2,875*	5.19%	2023	1,275
Series 2004B, issued \$870 – partial refunding series 2000A*	3.00% - 5.00%	2017	847
Series 2007B, issued \$646 – partial refunding series 2000A*	4.00% - 4.50%	2020	646
Series 2007B, issued \$1,060 – partial refunding series 2002A*	4.00% - 4.50%	2020	1,055
Athletic system			
Lane Stadium expansion			
Series 2001A, issued \$26,285*	4.70%	2027	14,335
Series 2007B, issued \$2,860 – partial refunding series 2001A*	4.00% - 4.50%	2020	2,855
Infectious waste facility			
Series 2000A, issued \$1,640 – partial refunding*	5.25%	2021	360
Series 2004B, issued \$480 – partial refunding series 2000A*	3.00% - 5.00%	2017	473
Series 2007B, issued \$359 – partial refunding series 2000A*	4.00% - 4.50%	2020	359
Biomedical facility			
Series 2002A, issued \$21,930	5.11%	2028	13,795
Series 2007B, issued \$5,649 – partial refunding series 2002A*	4.00% - 4.50%	2020	5,621
Alumni and conference center, series 2003A, issued \$21,585	4.63%	2031	20,090
Life Sciences-I, series 2005, issued \$8,295	3.50% - 5.00%	2026	7,525
ICTAS-I, series 2006A, issued \$16,145	3.00% - 5.00%	2027	15,135
Boiler pollution controls, series 2006A, issued \$1,925	3.00% - 5.00%	2027	1,805
Surge space building, series 2006A, issued \$7,025	4.00% - 5.00%	2022	6,355
Campus heating plant, series 2007A, issued \$3,880	4.50% - 5.00%	2028	3,880
McComas exterior repairs, series 2009A, issued \$1,475	2.75% - 5.00%	2029	1,475
Unamortized premium (discount)			3,164
Deferral on debt defeasance			(573)
Total notes payable			<u>\$ 121,060</u>

*See Footnote 14 – Long-term Debt Defeasance

Other long-term debt

At June 30, 2009 (*all dollars in thousands*)

Capital leases payable for agreements related to the Student Services, Southgate Center addition, Hunter Andrews addition,	
Integrated Life Sciences (ILSB) buildings, separate Vivarium lease, and equipment	\$ 27,506
Installment purchase obligations for equipment purchases through June 2009 with various interest rates and maturing through 2016	1,160
Total other long-term debt	<u>\$ 28,666</u>

14. Long-term Debt Defeasance

Current Year

The university issued \$3,792,000 of section 9(c) bonds to refund \$3,791,000 of section 9(c) bonds in fiscal year 2009. The resulting net loss of \$1,000 will be amortized over the life of the new debt. For financial reporting purposes, these bonds are considered an in-substance defeasance and have therefore been removed from the long-term debt payable line item of the *Statement of Net Assets*. The assets in escrow have similarly been excluded. The details of each bond issue refunded are presented below.

Bond issues refunded

As of June 30, 2009 (<i>all dollars in thousands</i>)	True Interest Cost	Bonds Refunded	Refunding Bonds Issued	Accounting Gain (Loss)	Reduction in Debt Service	Gain Discounted at TIC	Defeased Debt
Series 1998, issued \$3,158	4.40%	\$ 1,812	\$ 1,813	\$ (1)	\$ 57	\$ 52	\$ 1,812
Series 1998, issued \$1,380	4.40%	969	969	-	30	28	969
Series 1998, issued \$1,440	4.40%	1,010	1,010	-	32	29	1,010
Total		<u>\$ 3,791</u>	<u>\$ 3,792</u>	<u>\$ (1)</u>	<u>\$ 119</u>	<u>\$ 109</u>	<u>\$ 3,791</u>

Previous Years

In previous fiscal years in accordance with GASB Statement 7, *Advance Refundings Resulting in the Defeasance of Debt*, the university has excluded from its financial statements the assets in escrow and the section 9(c) or 9(d) bonds payable that were defeased in-substance. For the year ended June 30, 2009, bonds payable considered defeased in previous years totaled \$12,466,000.

15. Change in Other Liabilities

A summary of changes in other liabilities for the year ended June 30, 2009, follows (*all dollars in thousands*):

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Accrued compensated absences	\$ 37,583	\$ 25,305	\$ 25,158	\$ 37,730	\$ 18,828
Federal student loan program contribution refundable	13,194	217	201	13,210	-
Total other liabilities	<u>\$ 50,777</u>	<u>\$ 25,522</u>	<u>\$ 25,359</u>	<u>\$ 50,940</u>	<u>\$ 18,828</u>

16. Lease Commitments

The university has entered into numerous agreements to lease land, buildings, and equipment. With some of these agreements, the university is committed under various operating leases for equipment and space. In general, the leases are for three to five-year terms and the university has renewal options. During the normal course of business the university expects similar leases to replace these leases. The total lease expense was approximately \$17,928,000 for the year ended June 30, 2009. This amount includes approximately \$6,764,000 in lease payments to the Virginia Tech Foundation Inc. for office and laboratory space. In addition, the total lease expense includes approximately \$2,512,000 of short-term equipment rentals that can be terminated at any time. The short-term equipment rental costs are not included in the summary of future lease payments listed in the adjacent table.

A summary of future minimum lease payments under operating leases as of June 30, 2009, follows (*all dollars in thousands*):

2010	\$ 10,481
2011	8,237
2012	5,347
2013	1,496
2014	521
2015 – 2019	415
2020 – 2024	249
Total	<u>\$ 26,746</u>

17. Capital Improvement Commitments

The amounts listed in the following table represent the value of obligations remaining on capital improvement project contracts. These obligations are for future effort and as such have not been accrued as expenses or liabilities on the university's financial statements. Outstanding contractual commitments for capital improvement projects as of June 30, 2009, include:

Capital commitments by project

(*all dollars in thousands*)

Ambler Johnston Hall renovation	\$ 48,460
Virginia Tech Carilion Medical School and Research Institute	46,162
Parking structure	18,144
Football locker room addition	11,023
Henderson Hall renovation	9,844
Campus heat plant	4,020
Human and Agricultural Biosciences Building I	3,071
Academic and Student Affairs building	2,563
ICTAS - II	2,213
Davidson Hall renovation	1,766
Basketball practice facility	1,346
New residence hall	927
Other projects	3,203
Total	<u>\$ 152,742</u>

Capital commitments by source of funding

(*all dollars in thousands*)

General obligation bond proceeds	\$ 83,018
Capital appropriations	54,102
Auxiliary enterprise funds	8,061
Private funds	5,502
State general appropriations	1,324
Facilities and administrative (indirect) cost recoveries and university education and general funds	735
Total	<u>\$ 152,742</u>

18. Contributions to Pension Plans

Virginia Retirement System

Employees of the university are employees of the Commonwealth of Virginia and therefore participate in the commonwealth's defined benefit retirement plan. This plan is administered by the Virginia Retirement System (VRS). VRS is a multiple-employer public employee retirement system that acts as a common investment and administrative agency for the Commonwealth of Virginia and its political subdivisions.

The VRS does not measure assets and pension benefit obligations separately for individual state institutions. Information related to this plan is available at the statewide level only and can be found in the Commonwealth of Virginia's *Comprehensive Annual Financial Report*. The commonwealth, not the university, has the overall responsibility for contributions to this plan.

The university's expenses include the amount assessed by the commonwealth for contributions to VRS, which totaled approximately \$25,185,000 for the year ended June 30, 2009.

Optional Retirement Plan

Full-time faculty and certain administrative staff participate in a defined contribution plan administered by three different providers other than the VRS. The three different providers are TIAA/CREF Insurance Companies, Fidelity Investments Tax-Exempt Services Co., and the Variable Annuity Life Insurance Company (VALIC). This plan is a defined contribution program where the retirement benefits received are based upon the employer's (5.4%) and employees' (5%) contributions, plus interest and dividends.

Individual contracts issued under the plan provide for full and immediate vesting of both the university's and the employees' contributions. Total pension costs under this plan were approximately \$17,756,000 for year ended June 30, 2009. Contributions to the optional retirement plan were calculated using the base salary amount of approximately \$172,786,000 for this fiscal year.

Deferred Compensation Plan

Employees of the university are employees of the Commonwealth of Virginia. State employees may participate in the commonwealth's Deferred Compensation Plan. Participating employees can contribute to the plan each pay period with the commonwealth matching up to \$20 per pay period. The dollar amount match can change depending on the funding available in the commonwealth's budget. The Deferred Compensation Plan is a qualified defined contribution plan under section 401(a) of the *Internal Revenue Code*. The university expense for contributions under the Deferred Compensation Plan, which is an amount assessed by the commonwealth, was approximately \$1,971,000 for the fiscal year 2009.

Federal Pension Plans

Certain Cooperative Extension Service (CES) professional employees are participants in either the Federal Employee Retirement System (FERS) or the Federal Civil Service Retirement System (CSRS). FERS and CSRS are defined benefit plans in which benefits are based upon the highest base pay over any three consecutive years and the years of creditable service. Pension costs under these plans were approximately \$331,000 for the year ended June 30, 2009. Contributions to FERS and CSRS were calculated using the base salary amount of approximately \$4,142,000 for the fiscal year 2009.

In addition, the university contributed \$39,000 for the year ended June 30, 2009, in employer contributions to the Thrift Savings Plan. The Thrift Savings Plan is a defined contribution plan in which the university matches employee contributions within certain limitations.

19. Postemployment Benefits

The commonwealth sponsors postemployment benefit programs that are administered by the Virginia Retirement System. These programs, a statewide group life insurance program and the Virginia Sickness & Disability Program's long-term care plan, provide postemployment benefits to eligible retired and terminated employees. Health care credits are also provided to offset the monthly health insurance premiums of its retirees who have at least 15 years of service. Information related to these plans is available at the statewide level in the commonwealth's *Comprehensive Annual Financial Report*.

20. Appropriations

The Appropriation Act specifies that unexpended general fund appropriations that remain on the last day of the current year, ending on June 30, 2009, shall be reappropriated for expenditure in the first month of the next year, beginning on July 1, 2009, except as may be specifically provided otherwise by the General Assembly. The governor may, at his discretion, unallot funds from the reappropriated balances that relate to unexpended appropriations for payments to individuals, aid to localities, or any pass-through grants.

During the year ended June 30, 2009, the following adjustments were made to the university's original appropriation (*all dollars in thousands*):

Original legislative appropriation

(per Chapter 781 as amended)

Education and general programs	\$ 245,491
Student financial assistance	17,151
Commonwealth research initiative	3,122
Unique military activities	1,570
Eminent scholar program	578
Engineering research center fund	62
Total appropriation	<u>267,974</u>

Adjustments

Budget reductions	(11,196)
Health insurance premium	(1,330)
Virginia Retirement System	(16)
Virginia Sickness & Disability	(82)
Group life insurance premium	(246)
Transfer from student financial assistance program for undergraduate internships and graduate assistantships	221
Student financial assistance adjustment	120
Other adjustments	(22)
Total adjustments	<u>(12,551)</u>
Adjusted appropriation	<u>\$ 255,423</u>

21. Capital Appropriations

Capital project general fund appropriations were not provided to the university by the commonwealth during the year ended June 30, 2009. During the current year, the commonwealth converted general fund appropriations recognized in the previous year for on-going capital projects to debt funding. This resulted in the reversion of general funds appropriated in prior fiscal years as directed by Chapter 879 as amended by Chapter 781, 2008 *Acts of Assembly*, Section 2-0 Q and 2-1 C 182.10. Additionally, capital outlays for the current year were reduced. The funding for the capital projects affected by the reversions and reductions to general fund appropriation will be replaced by proceeds from debt financing by the commonwealth.

Capital project general fund appropriations reported on the *Statement of Net Assets* for the period ending June 30, 2009 consists of the following (*all dollars in thousands*):

Section 2-0 Q capital appropriation reversions	\$ (1,000)
Section 2-1 C 182.10 capital appropriation reversions	<u>(11,338)</u>
Total capital appropriations	<u>\$ (12,338)</u>

22. Grants and Contracts Contingencies

The university has received federal grants for specific purposes that are subject to review and audit by the grantor agencies. Claims against these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the outlay of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the university.

In addition, the university is required to comply with various federal regulations issued by the Office of Management and Budget. Failure to comply with certain system requirements of these regulations may result in questions concerning the allowance of related direct and indirect charges pursuant to such agreements. As of June 30, 2009, the university estimates that no material liabilities will result from such audits or questions.

23. Federal Direct Lending Program

The university participates in the Federal Direct Lending Program. Under this program, the university receives funds from the U.S. Department of Education for Stafford and Plus Parent Loan Programs and disburses these funds to eligible students. The funds can be applied to outstanding student tuition and fee charges or refunded directly to the student.

These loan programs are treated as student payments with the university acting as a fiduciary agent for the student. Therefore, the receipt of the funds from the federal government is not reflected in the federal government

grants and contracts total on the *Statement of Revenues, Expenses, and Changes in Net Assets*. The activity is included in the noncapital financing section of the *Statement of Cash Flows*. For the fiscal year ended June 30, 2009, cash provided by the program totaled \$108,903,000 and cash used by the program totaled \$108,901,000.

24. Risk Management and Employee Health Care Plans

The university is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The university participates in insurance plans maintained by the Commonwealth of Virginia. The state employee health care and worker's compensation plans are administered by the Department of Human Resource Management and the risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, boiler and machinery, and air and watercraft plans. The university pays premiums to each of these departments for its insurance coverage. In addition, the university contracts with private insurers to provide additional fidelity bonding coverage, automobile physical damage coverage, business interruption coverage for the Equine Medical Center and overseas liability coverage. Information relating to the commonwealth's insurance plans is available in the Commonwealth of Virginia's *Comprehensive Annual Financial Report*.

25. Expenses by Natural Classification within Functional Classification

The university's operating expenses by functional classification were as follows for the year ended June 30, 2009 (*all dollars in thousands*):

	Compensation and Benefits	Contractual Services	Other Supplies and Materials	Travel	Operating Expenses	Scholarships and Fellowships	Sponsored Program Subcontracts	Total
Instruction	\$ 231,511	\$ 9,216	\$ 5,623	\$ 4,549	\$ 1,512	\$ 703	\$ 199	\$ 253,313
Research	157,273	12,422	18,124	9,845	2,893	10,250	20,405	231,212
Public service	48,663	15,980	2,924	5,141	1,277	208	1,735	75,928
Academic support	43,708	6,349	10,596	859	774	194	5	62,485
Student services	9,855	1,338	667	616	200	74	1	12,751
Institutional support	40,041	3,710	317	1,922	564	381	6	46,941
Operation and maintenance of plant	26,987	290	19,824	179	17,418	17	-	64,715
Student financial assistance	340	12	22	170	4	12,733	-	13,281
Auxiliary enterprises	72,394	19,782	31,746	8,991	14,234	1,103	2	148,252
Subtotal before other costs	<u>\$ 630,772</u>	<u>\$ 69,099</u>	<u>\$ 89,843</u>	<u>\$ 32,272</u>	<u>\$ 38,876</u>	<u>\$ 25,663</u>	<u>\$ 22,353</u>	<u>908,878</u>
Depreciation expense								60,813
Amortization expense								133
Loan administrative fees and collection costs								285
Total operating expenses								<u>\$ 970,109</u>

26. Component Units Financial Statements and Footnotes

The component units' statements on the following pages, and subsequent footnotes, comply with the General Accounting Standards Board (GASB) presentation format. Both Virginia Tech Foundation Inc. and Virginia Tech Services Inc. follow the Financial Accounting Standards Board (FASB) presentation format in their audited financial statements. Consequently, reclassifications have been made to convert their statements to the GASB format.

Component Units

Consolidating Statement of Net Assets

The financial position for the university's component units as of June 30, 2009

(all dollars in thousands)

	Virginia Tech Foundation	Virginia Tech Services	Total Component Units
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ (17,109)	\$ 585	\$ (16,524)
Short-term investments	16,512	3,011	19,523
Accounts and contributions receivable, net	36,467	259	36,726
Notes receivable, net	469	-	469
Inventories	439	7,950	8,389
Prepaid expenses	313	106	419
Other assets	2,722	-	2,722
Total current assets	<u>39,813</u>	<u>11,911</u>	<u>51,724</u>
<i>Noncurrent assets</i>			
Cash and cash equivalents	61,181	-	61,181
Accounts and contributions receivable, net	41,719	-	41,719
Notes and deeds of trust receivable, net	16,730	-	16,730
Net investments in direct financing leases	25,291	-	25,291
Irrevocable trusts held by others, net	7,404	-	7,404
Long-term investments	574,868	-	574,868
Depreciable capital assets, net	114,760	696	115,456
Nondepreciable capital assets	55,687	-	55,687
Intangible assets, net	654	-	654
Other assets	3,996	-	3,996
Total noncurrent assets	<u>902,290</u>	<u>696</u>	<u>902,986</u>
Total assets	<u>942,103</u>	<u>12,607</u>	<u>954,710</u>
LIABILITIES			
<i>Current liabilities</i>			
Accounts payable and accrued liabilities	5,375	6,655	12,030
Accrued compensated absences	262	273	535
Deferred revenue	1,168	1,014	2,182
Long-term debt payable	14,816	-	14,816
Other liabilities	3,873	500	4,373
Total current liabilities	<u>25,494</u>	<u>8,442</u>	<u>33,936</u>
<i>Noncurrent liabilities</i>			
Accrued compensated absences	30	-	30
Deferred revenue	6,356	-	6,356
Long-term debt payable	181,546	-	181,546
Liabilities under trust agreements	24,334	-	24,334
Agency deposits held in trust	46,193	-	46,193
Other liabilities	12,418	-	12,418
Total noncurrent liabilities	<u>270,877</u>	<u>-</u>	<u>270,877</u>
Total liabilities	<u>296,371</u>	<u>8,442</u>	<u>304,813</u>
NET ASSETS			
Invested in capital assets, net of related debt	37,354	696	38,050
Restricted, nonexpendable	306,297	-	306,297
Restricted, expendable			
Scholarships, research, instruction, and other	243,859	-	243,859
Capital projects	37,011	-	37,011
Unrestricted	21,211	3,469	24,680
Total net assets	<u>\$ 645,732</u>	<u>\$ 4,165</u>	<u>\$ 649,897</u>

Component Units

Consolidating Statement of Revenues, Expenses, and Changes in Net Assets

The university's component unit activity for the year ended June 30, 2009

(all dollars in thousands)

	Virginia Tech Foundation	Virginia Tech Services	Total Component Units
OPERATING REVENUES			
Gifts and contributions	\$ 34,714	\$ -	\$ 34,714
Auxiliary enterprise revenue			
Hotel Roanoke	19,265	-	19,265
River Course	1,095	-	1,095
Bookstore	-	27,800	27,800
Other revenues			
Rental income	16,927	-	16,927
Other	13,531	-	13,531
Total operating revenues	<u>85,532</u>	<u>27,800</u>	<u>113,332</u>
OPERATING EXPENSES			
Instruction	3,762	-	3,762
Research	5,352	-	5,352
Public service	3,892	-	3,892
Academic support	18,531	-	18,531
Institutional support			
Other university programs	19,747	-	19,747
Fund-raising	9,368	-	9,368
Management and general	2,218	-	2,218
Operation and maintenance of plant			
Operation and maintenance of plant	3,648	-	3,648
Research center costs	4,974	-	4,974
Student financial assistance	19,582	-	19,582
Auxiliary enterprises			
Hotel Roanoke	14,330	-	14,330
River Course	1,331	-	1,331
Bookstore	-	27,865	27,865
Depreciation expense	5,158	-	5,158
Other expenses	9,214	-	9,214
Total operating expenses	<u>121,107</u>	<u>27,865</u>	<u>148,972</u>
OPERATING LOSS	<u>(35,575)</u>	<u>(65)</u>	<u>(35,640)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income, net	9,273	-	9,273
Net losses on investments	(70,149)	-	(70,149)
Interest expense on debt related to capital assets	(3,691)	-	(3,691)
Net non-operating revenues (expenses)	<u>(64,567)</u>	<u>-</u>	<u>(64,567)</u>
LOSS BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	<u>(100,142)</u>	<u>(65)</u>	<u>(100,207)</u>
Change in valuation of split interest agreements	(7,034)	-	(7,034)
Change in valuation of contributions receivables	1,875	-	1,875
Capital grants and gifts	9,537	-	9,537
Loss on disposal of capital assets	(192)	-	(192)
Additions to permanent endowments	20,892	-	20,892
Other revenues (expenses)	(1,302)	-	(1,302)
Total other revenue, expenses, gains, or losses	<u>23,776</u>	<u>-</u>	<u>23,776</u>
Increase in net assets	<u>(76,366)</u>	<u>(65)</u>	<u>(76,431)</u>
Net assets—beginning of year	722,098	4,230	726,328
Net assets—end of year	<u>\$ 645,732</u>	<u>\$ 4,165</u>	<u>\$ 649,897</u>

Component Unit Footnotes

Contributions Receivable – Virginia Tech Foundation Inc.

The following summarizes unconditional promises to give at June 30, 2009 (all dollars in thousands):

<i>Current receivables</i>	
Receivable in less than one year	\$ 27,889
<i>Noncurrent receivables</i>	
Receivable in one to five years	38,367
Receivable in more than five years	6,143
Total noncurrent receivables before allowance	44,510
Less allowance for uncollectible contributions	(4,651)
Net noncurrent contributions receivable	39,859
Total contributions receivable	<u>\$ 67,748</u>

The discount rates ranged from 1.20% to 2.16% in 2009. As of June 30, 2009, there were no conditional promises to give.

Investments – Virginia Tech Foundation Inc.

Investments by type of security at June 30, 2009 (all dollars in thousands):

	Cost	Fair value
<i>Short-term investments</i>		
Corporate debt securities	\$ 6,937	\$ 6,925
U.S. Government treasuries	11,507	9,587
U.S. Government agencies	-	-
Total short-term investments	<u>18,444</u>	<u>16,512</u>
<i>Long-term investments</i>		
Cash and cash equivalents	17,562	17,562
U. S. Government treasuries	13,739	14,183
U. S. Government agencies	806	827
State, county and municipal securities	2,991	3,097
Corporate debt securities	27,877	28,417
Common and preferred stock	178,963	161,660
Partnerships and other joint ventures	265,425	240,880
Foreign securities	53,708	39,635
Real estate	26,349	26,910
Other	6,804	6,804
Total long-term investments	<u>594,224</u>	<u>539,975</u>
<i>Restricted to investment in land, buildings and equipment</i>		
Cash and cash equivalents	18,106	18,106
U.S. Government agencies	31,090	32,039
Corporate debt securities	2,820	2,853
Total restricted	<u>52,016</u>	<u>52,998</u>
Total investments	<u>\$ 664,684</u>	<u>\$ 609,485</u>

As of June 30, 2009, long-term investments include investment assets held in internally managed trust funds with a carrying value totaling \$39,364.

As of June 30, 2009, the foundation has \$175,631 of investments in both marketable and non-marketable alternative investment funds that are reported at fair value. For substantially all of these investments, the foundation has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment.

As of June 30, 2009, the foundation has committed to make additional capital contributions of approximately \$72,100 to various private equity partnerships over the next ten years.

During 2004, the foundation invested \$1,000 to become a member of a communications network infrastructure. Additionally, the foundation entered into an agreement to make additional investments in the communications network infrastructure over a four-year period. The foundation contributed \$800 in 2008, 2007, 2006, 2005, and 2004, under the agreement. During 2009, the foundation invested \$700 as an additional investment outside the original agreement. Included in other long-term investments as of June 30, 2009, is \$5,700 related to this communications network infrastructure.

The following tabulation summarizes changes in relationships between cost and fair value of investments:

	Fair Value	Cost	Net gains (losses)
June 30, 2009	\$ 609,485	\$ 664,684	\$ (55,199)
June 30, 2008	617,302	593,517	23,785
Unrealized net loss for FY2009, including net loss on agency deposits held in trust of \$7,460			(78,984)
Realized net gains for FY2009, including net loss on agency deposits held in trust of \$930			8,642
Total net loss for FY2009, including net loss on agency deposits held in trust of \$8,390			<u>\$ (70,342)</u>

Investment management fees incurred in 2009 totaled \$1,444.

Land, Buildings, and Equipment - Virginia Tech Foundation Inc.

A summary of land, buildings, and equipment at cost, less accumulated depreciation for the year ending June 30, 2009 is presented as follows (all dollars in thousands):

<i>Depreciable capital assets</i>	
Buildings	\$ 142,085
Equipment and other	14,341
Land improvements	13,740
Total depreciable capital assets, at cost	170,166
Less accumulated depreciation	(55,406)
Total depreciable capital assets, net	<u>114,760</u>
<i>Nondepreciable capital assets</i>	
Land	42,061
Vintage and other collection items	4,368
Livestock	2,063
Construction in progress	7,195
Total nondepreciable capital assets	<u>55,687</u>
Total capital assets, net	<u>\$ 170,447</u>

As of June 30, 2009 outstanding contractual commitments for projects under construction approximated \$33,300.

Long-Term Debt Payable - Virginia Tech Foundation Inc.

Notes payable

The following is a summary of outstanding notes payable at June 30, 2009 (all dollars in thousands):

Unsecured commercial note payable due September 10, 2014, plus interest at 4.65%	\$ 852
Unsecured variable rate commercial note payable due June 30, 2010 with automatic yearly renewal, plus interest at the 30-day LIBOR rate plus 35 basis points (0.67% at June 30, 2009), principal balance not to exceed \$13.8 million	11,356
Secured variable rate promissory note payable upon sale of collateral, or receipt of any insurance payment due to destruction of collateral plus interest at the LIBOR rate plus 125 basis points (1.56% at June 30, 2009) collateralized by interest in a Citation V Ultra airplane	832
Total VTF notes payable	<u>13,040</u>
Unsecured note payable upon the sale of the hotel and repayment of all debt of the hotel and the Hotel Roanoke Foundation (HRF)	1,775
Unsecured note payable to the City of Roanoke Redevelopment and Housing Authority due in aggregate annual installments of \$497, including interest at 4.048%, guaranteed by the U.S. Department of Housing and Urban Development, maturing June 30, 2014	2,600
Total HRF notes payable	<u>4,375</u>
Total notes payable	<u>\$ 17,415</u>

Component Unit Footnotes (continued)

During 2003, the foundation used proceeds from borrowings on notes payable totaling \$13,800 to provide a loan to an unrelated party through a promissory note receivable proceeds from which the unrelated party used to purchase the University Mall building located in Blacksburg, Virginia. The promissory note receivable earns interest at a fixed rate of 6.18% through June 30, 2013 and 6.96% thereafter through June 30, 2023, the maturity date. The promissory note receivable is secured by a first deed of trust in the real property of the University Mall building, as well as the assignment of leases and rents, security agreements and fixture filing statements.

To comply with the terms of the \$55 million unsecured variable rate note agreement, the foundation maintains a back-up line of credit with a lender in the amount of \$55 million at an annual fee of 0.13% of the total commitment. As of June 30, 2008, no funds were outstanding under this commitment. This note agreement was terminated during 2009.

The aggregate annual maturities of notes payable for each of the five years and thereafter subsequent to June 30, 2009, are (all dollars in thousands):

2010	\$ 12,302
2011	578
2012	602
2013	628
2014	654
Later years or as cash becomes available from hotel net operating income	2,651
Total notes payable	<u>\$ 17,415</u>

Bonds payable

HRF is obligated under City of Roanoke Redevelopment and Housing Authority Taxable Redevelopment Revenue Term Bonds (Series 1998). Bond proceeds were used to prepay the first mortgage notes payable to a lender group and provide long-term financing for the renovation of the Hotel Roanoke. On June 1, 2003, the bonds were remarketed to VTREF and the new term rate of 4.10% extended through May 31, 2008. On June 1, 2008, the bonds were remarketed and the new term rate of 5.00% will extend through May 31, 2013. The Term Bonds are subject to mandatory annual sinking fund redemption through 2018 in varying amounts ranging from \$275 to \$490 and are guaranteed by HRLLC. The Term Bonds are eliminated for consolidation purposes as of June 30, 2009.

The foundation is obligated under Industrial Development Authority of Craig County, Virginia Variable Rate Demand Revenue Refunding Bonds (Series 2000). Bond proceeds were used to finance the construction of office facilities and laboratory space being leased to the university. The Series 2000 bonds, which mature on November 1, 2020, bear a fixed interest rate of 3.55%.

The foundation is obligated under Industrial Development Authority of Montgomery County, Virginia Variable Rate Revenue Bonds dated August 25, 2005 (Series 2005). Bond proceeds were used to refinance previously outstanding Series 2001A and Series 2002A bonds. The remainder was used to finance the construction of and equipment purchases for three facilities to be used in support of the university. The bonds, which mature June 1, 2035, bear a variable interest rate, which including remarketing and credit enhancement fees, was 0.565% at June 30, 2009.

The foundation was previously obligated under Industrial Development Authority of Montgomery County, Virginia Variable Rate Revenue Bonds dated January 23, 2007 (Series 2007). Bond proceeds were used to finance the construction of several facilities to be used in support of the university. The bonds, which were to mature June 1, 2027, bore a variable interest rate, which including broker-dealer commission fees, was 1.970% at June 30, 2008. During 2008, the foundation gave the owners of the Series 2007 bonds their notice of borrower intent to bid in auction to repurchase the Series 2007 bonds. Through June 30, 2008, the foundation incrementally repurchased approximately 88% of the Series 2007 bonds at par value plus accrued interest. During 2009, the foundation incrementally repurchased the majority of the remaining approximately 12% of the Series 2007 bonds at par value plus accrued interest. These bonds held in treasury were refinanced in February 2009 in connection with the foundation's 2009 bond offering described in subsequent paragraphs.

The foundation is obligated under Industrial Development Authority of Montgomery County, Virginia Revenue Bonds (Series 2009A) and Taxable Revenue Bonds (Series 2009B) dated February 12, 2009. Bond proceeds were used to refinance the previously outstanding Series 2007 bonds, the unsecured variable rate promissory note payable, and the unsecured variable rate commercial note payable, as well as finance the construction of several facilities, primarily for the National Capital Region facility, to be used in support of the university. The bonds mature on February 1, 2039 and bear variable interest rates (including remarketing and liquidity fees) of 0.925% and 1.275%, respectively, on June 30, 2009.

As of June 30, 2009, unused proceeds from the Series 2009A and Series 2009B bond offering, which are restricted to investment in land, buildings and equipment, have been temporarily invested in investment securities as disclosed in the investment note above and are separately recorded in the consolidated statement of financial position.

Principal amounts outstanding for these bonds as of June 30, 2009, are as follows (all dollars in thousands):

Bond Series:	
Series 2000	\$ 2,607
Series 2005	41,070
Series 2009A	70,320
Series 2009B	64,950
Total bonds payable	<u>\$ 178,947</u>

The aggregate annual maturities of bonds payable for each of the five years and thereafter subsequent to June 30, 2009, are as follows (all dollars in thousands):

2010	\$ 2,514
2011	2,630
2012	2,728
2013	2,855
2014	2,972
Later years	165,248
Total	<u>\$ 178,947</u>

To comply with the terms of the Series 2005 bond agreement, the foundation maintains a letter of credit with a lender in the amount of \$43,993 at annual fees equal to 0.20% of the total commitment. At June 30, 2009, no funds were outstanding under this commitment.

To comply with the terms of the Series 2009A and Series 2009B bond agreement, the foundation maintains a revolving credit facility in the amount of \$149,996 at annual fees equal to 0.45% of the total commitment. At June 30, 2009, no funds were outstanding under this commitment.

Effective April 1, 2003, the foundation entered into an interest rate swap agreement (Swap 1) with a lending institution. The agreement was based on the principal balance (notional amount of \$2,585) for a promissory note payable. The foundation participates as a fixed rate payer, with a fixed interest rate of 3.715% for a seven-year term ending February 1, 2010. The lending institution participates as a floating rate payer, with a variable interest rate, which is calculated based on the LIBOR and was 0.31% at June 30, 2009. The change in fair value of Swap 1 was a loss of approximately \$34 for fiscal year 2009. The fair value of the interest rate swap agreement approximated \$59 in favor of the lending institution as of June 30, 2009.

Effective September 1, 2005, the foundation entered into an interest rate swap agreement (Swap 2) with a lending institution. This agreement was based on the principal balances (notional amount of \$21,535) for the Series 2001A and Series 2002A bond issues, which were refinanced by the Series 2005 bonds. The foundation participates as a fixed rate payer, with a fixed rate of 3.265% for a 17-year term ending June 30, 2022. The lending institution participates as a floating rate payer, with a floating interest rate, which is calculated based on the weighted average of 70% of USD-LIBOR-BBA and was 0.215% at June 30, 2009. The change in fair value of Swap 2 was a loss of approximately \$984 for fiscal year 2009. The fair value of the interest rate swap agreement approximated \$1,251 as of June 30, 2009 in favor of the lending institution.

On September 1, 2005, the foundation entered into two separate interest rate swap agreements (Swap 3) with a lending institution. These agreements were based on the principal balances (notional amount of \$17,065) for the

Component Unit Footnotes (continued)

Series 2005 bond issue and were effective September 1, 2006. The foundation participates as a fixed rate payer, with a fixed rate of 3.035% and 3.2125% ending August 1, 2010 and June 1, 2025, respectively. The lending institution participates as a floating rate payer, with a floating interest rate, which is calculated based on the weighted average of 70% of USD-LIBOR-BBA and was 0.215% at June 30, 2009. The change in fair value of Swap 3 was a loss of approximately \$681 for fiscal year 2009. The fair value of the interest rate swap agreements approximated \$806 as of June 30, 2009 in favor of the lending institution.

Effective March 12, 2007, the foundation entered into two separate interest rate swap agreements (Swap 4) with a lending institution. These agreements were based on the principal balances (notional amount of \$24,480) for the Series 2007 bond issue. The foundation participates as a fixed rate payer, with a fixed rate of 3.7367% and 3.4670% ending June 1, 2027 and June 1, 2012, respectively. The lending institution participates as a floating rate payer, with a floating interest rate, which is calculated based on the weighted average of USD-BMA Municipal Swap Index and was 0.35633% at June 30, 2009. The change in fair value of Swap 4 was a loss of approximately \$743 for fiscal year 2009. The fair value of the interest rate swaps agreements approximated \$1,167 as of June 30, 2009 in favor of the lending institution.

Effective April 1, 2009, the foundation entered into three separate interest rate swap agreements (Swap 5) with two lending institutions. These agreements were based on principal balances (notional amounts of \$103,380) for Series 2009A and Series 2009B bond issue. For two of the agreements, the foundation participates as a fixed rate payer, with a fixed rate of 1.165% and 1.486% ending June 11, 2011. For the third agreement, the foundation participates as a floating rate payer, with a floating interest rate, which is calculated on the weighted average of USD-SIFMA Municipal Swap Index, with a rate of 0.35633% as of June 30, 2009, ending June 1, 2027. The lending institutions participate as a floating rate payer, with a floating interest rate, which is calculated based on the weighted average of 59% of USD-LIBOR-BBA plus 0.25%, the weighted average of USD-LIBOR-BBA and the weighted average of 90.10% of USD-LIBOR-BBA and was 0.46157%, 0.31638%, and 0.56604% at June 30, 2009, respectively. The change in fair value of Swap 5 was a loss of approximately \$16 for fiscal year 2009. The fair value of the interest rate swap agreements approximated \$16 in favor of the lending institutions as of June 30, 2009.

The following table summarizes the fair values of the foundation's interest rate swaps and changes in the fair values of the swaps (*all dollars in thousands*):

	Fair Values	Change in Fair Value
Swap 1	\$ 59	\$ 34
Swap 2	1,251	984
Swap 3	806	681
Swap 4	1,167	743
Swap 5	16	16
Total	<u>\$ 3,299</u>	<u>\$ 2,458</u>

Total interest expense incurred in the aggregate related to notes payable and bonds payable in 2009 totaled \$3,737.

Agency Deposits Held in Trust - Virginia Tech Foundation Inc.

Under an agreement between the university and the foundation, the foundation serves as agent in connection with the investment, management, and administration of the Pratt Estate Funds and Donaldson Brown Endowment Funds. In addition, the foundation serves as agent and maintains investments for the Virginia Tech Alumni Association Inc., Virginia Tech Services Inc., and certain other associations.

A summary of agency deposits held in trust for the year ending June 30, 2009 is presented as follows (*all dollars in thousands*):

University—Pratt Estate	\$ 34,817
University—Donaldson Brown Endowment	629
University—Other	632
Virginia Tech Alumni Association Inc.	3,377
Virginia Tech Services Inc.	3,010
Other	<u>3,728</u>
Total agency deposits held in trust	<u>\$ 46,193</u>

27. Joint Ventures

The Hotel Roanoke Conference Center Commission was created by a joint resolution of the university and the City of Roanoke. The purpose of the commission is to establish and operate a publicly owned conference center in Roanoke adjacent to the renovated Hotel Roanoke. The powers of the commission are vested in commissioners. Each participating governing body appoints three commissioners for a total of six commissioners. The commission has the authority to issue debt, and such debt is the responsibility of the commission. The intention of the commission is to be self-supporting through its user fees. The university and the City of Roanoke equally share in any operating deficit or additional funding needed for capital expenditures. The university made contributions of \$80,000 using private funds to the commission for the fiscal year ended June 30, 2009.

The Virginia Tech Carilion School of Medicine was established as a 501(c)(3) nonprofit organization. This joint venture will receive oversight from a board of directors. Virginia Tech and Carilion Clinic will each appoint a specific number of board members. These board members will elect the remaining members of the board of directors. The commonwealth has provided the capital funds for the building's construction on land owned by Carilion Clinic under a public-private partnership. Construction of the \$59 million, 154,000 square foot facility commenced during September 2008 with expected completion within two years. This facility will house the Virginia Tech Carilion School of Medicine and the new Virginia Tech Carilion Research Institute, a part of Virginia Tech. Approximately two-thirds of the building will be occupied by the university's research institute with the remaining space allocated to the School of Medicine.

28. Jointly Governed Organizations

Blacksburg-Christiansburg & VPI Water Authority

Created by a concurrent resolution of the university and the towns of Blacksburg and Christiansburg, the authority operates and maintains the water supply system for the university and the other participating governing bodies. A five-member board governs the authority with one member appointed by each governing body and two at-large members appointed by the joint resolution of each of the governing bodies. The authority's indebtedness is not an obligation of the university and is payable solely from the revenues of the authority. The university paid \$566,000 to the authority for the purchase of water for the fiscal year ended June 30, 2009.

Blacksburg-VPI Sanitation Authority

Created by a concurrent resolution of the university and the town of Blacksburg, the authority operates and maintains the wastewater treatment system for the participating governing bodies. Each participating governing body appoints one member of the five-member board of directors. Three at-large members are appointed by the joint resolution of each of the governing bodies. The authority's indebtedness is not an obligation of the university and is payable solely from the revenues of the authority. The university paid \$551,000 to the authority for the purchase of sewer services for the fiscal year ended June 30, 2009.

Montgomery Regional Solid Waste Authority

Created by a joint resolution of the university, the towns of Blacksburg and Christiansburg, and the county of Montgomery, the authority represents its members in solid waste and recycling issues as well as operating a recycling facility. The authority is governed by its board with each participating governing body appointing one board member, and all governing bodies jointly appointing the fifth at-large member. Each governing body provides collection of solid waste and recyclables from within its jurisdiction and delivers the collected materials to the authority for disposal of the waste, and the processing and marketing of the recyclables. All indebtedness is the obligation of the authority and payable from its revenues. The university paid \$230,000 to the authority for tipping fees for the fiscal year ended June 30, 2009.

Virginia Tech/Montgomery Regional Airport Authority

Created by a joint resolution of the university, the towns of Blacksburg and Christiansburg, and the county of Montgomery, this authority serves to develop a regional airport based on the mission of servicing corporate executive markets and other general aviation markets; obtaining grants, loans and other funding for airport improvements and other activities; and in promoting and assisting in regional economic development. The authority is governed by its board, which consists of five members. Each participating governing body appoints one member of the board, and jointly all governing bodies appoint the fifth member. All indebtedness is the obligation of the authority and payable from its revenues. The university's funding commitment for fiscal year 2009 was \$50,000, all of which Virginia Tech paid to the authority.

29. Pending Litigation

The university has been named as a defendant in a number of lawsuits. One such litigation involving the Lane stadium construction project is nearing resolution. A reasonable estimate of the settlement liability has been accrued with planned funding from the proceeds remaining in the capital project. The final outcome of the remaining lawsuits cannot be determined at this time. However, management is of the opinion that any ultimate liability to which the university may be exposed will not have a material effect upon the university's financial position.

30. Subsequent Events

The university has secured short-term financing for capital projects through the Virginia Municipal League/Virginia Association of Counties (VML/VACo) commercial paper program. The university makes monthly draws from this program to meet capital project funding requirements. As of October 15, 2009, the university has a total balance of commercial paper outstanding of \$22,810,000.

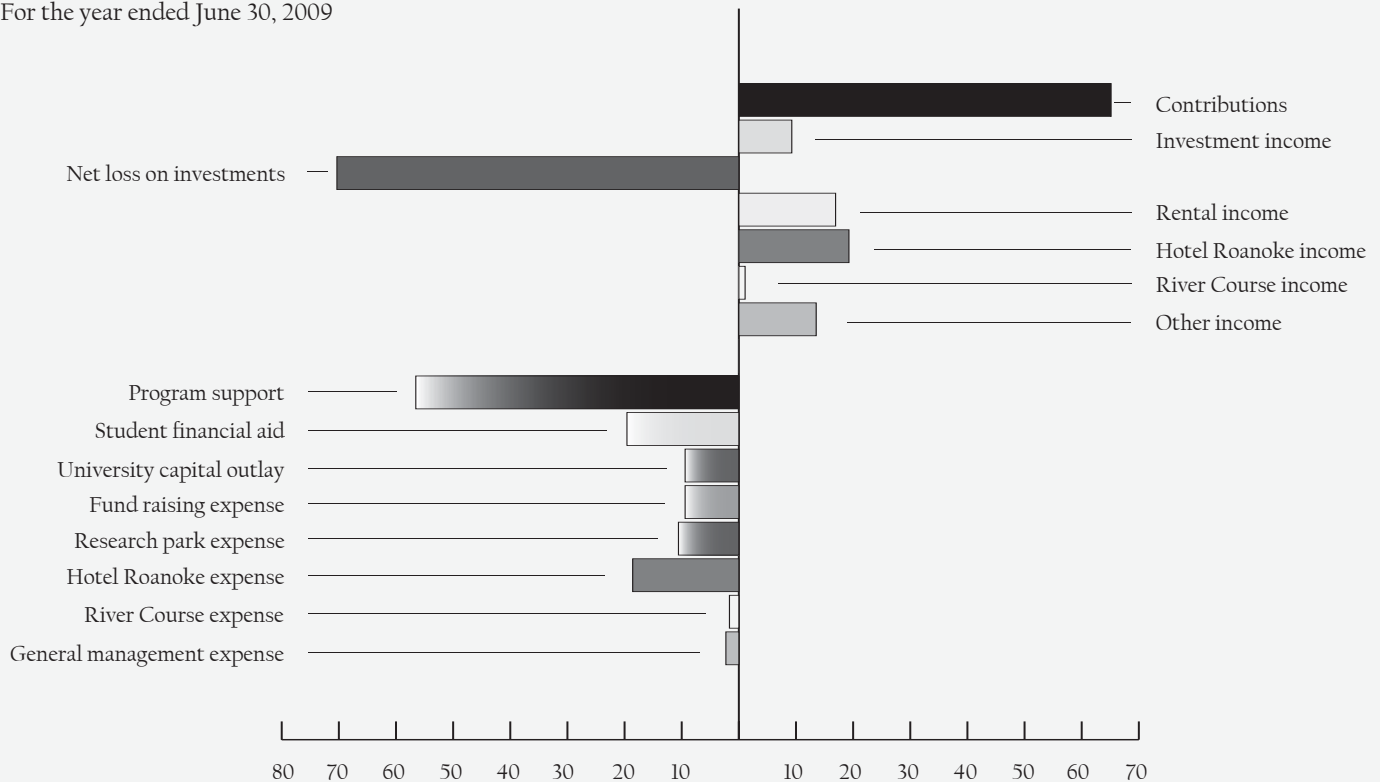
On October 21, 2009, the Virginia Department of the Treasury, on behalf of the university, issued Series 2009B 9(c) bonds with Par amounts totaling \$67,315,000. Proceeds from the bonds will fund three projects: the renovation of Ambler Johnston Hall (\$39.0 million), the parking structure with embedded chiller plant (\$24.6 million) and ongoing improvements to residence and dining halls (\$3.7 million). These bonds are an obligation of the university and are secured by the net revenues of the completed project and the full faith, credit, and taxing power of the Commonwealth of Virginia.

Supplementary Information

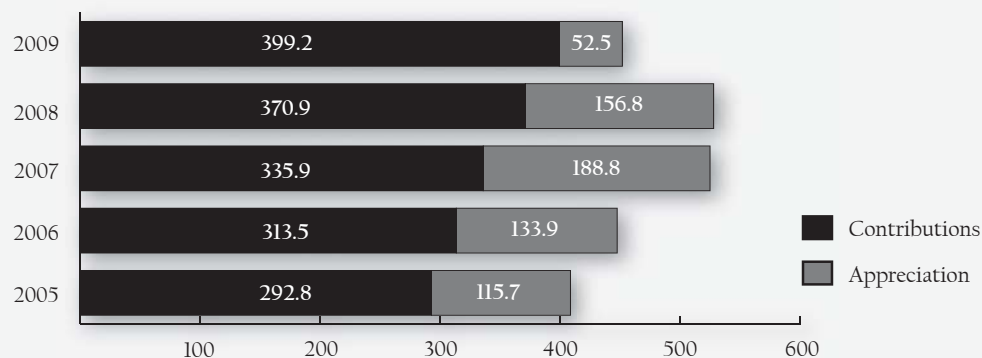
Virginia Tech Foundation Inc.

The purpose of Virginia Tech Foundation Inc. is to receive, invest, and manage private funds given for the support of programs at Virginia Tech and to foster and promote the growth, progress, and general welfare of the university. During the current fiscal year, the foundation recognized \$65.1 million in contributions for support of the university. Investment income of \$9.3 million, along with net losses on investments of \$70.3 million, resulted in a \$61.1 million net loss on investment activity. Property rental, hotel operating, and golf course income totaled \$37.3 million. Other income accounted for \$16.0 million. Total income of \$54.9 million was offset by \$124.8 million in expenses that supported the university and its programs. Direct support to various university programs aggregated \$82.3 million, which included \$19.6 million in scholarship support to students and faculty and \$9.4 million towards university capital projects. Additional expenses such as fund-raising, management and general, research center, hotel operating, golf course, and other costs totaled \$42.5 million. Total net assets decreased by \$76.4 million over the previous year. The graphs below are categorized as presented in the audited financial statements for the foundation which follows the Financial Accounting Standards Board (FASB) presentation requirements (*all dollars in millions*):

Virginia Tech Foundation Inc. Revenues, Expenses, Gains and Losses
For the year ended June 30, 2009



Virginia Tech Foundation Inc. Endowment Market Value*
Fiscal years 2009 - 2005



*Market value of endowment funds includes agency deposits held in trust of \$46.2 million.
(Source: Virginia Tech investment managers, unaudited)

Affiliated Corporations Financial Highlights

For the years ended June 30, 2009-2005

(all dollars in thousands)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Assets					
Virginia Tech Foundation Inc.	\$ 942,103	\$ 925,994	\$ 940,879	\$ 808,912	\$ 728,006
Virginia Tech Services Inc.	12,607	13,021	11,713	8,861	10,335
Virginia Tech Intellectual Properties Inc.	1,012	1,035	726	1,180	1,569
Total Assets	<u>\$ 955,722</u>	<u>\$ 940,050</u>	<u>\$ 953,318</u>	<u>\$ 818,953</u>	<u>\$ 739,910</u>
Revenues					
Virginia Tech Foundation Inc.	\$ 54,884	\$ 145,715	\$ 201,521	\$ 167,458	\$ 151,870
Virginia Tech Services Inc.	27,800	29,917	24,918	21,946	22,622
Virginia Tech Intellectual Properties Inc.	1,873	1,183	1,193	779	1,129
Total Revenues	<u>\$ 84,557</u>	<u>\$ 176,815</u>	<u>\$ 227,632</u>	<u>\$ 190,183</u>	<u>\$ 175,621</u>
Expenses					
Virginia Tech Foundation Inc.	\$ 136,313	\$ 130,894	\$ 103,393	\$ 102,663	\$ 96,936
Virginia Tech Services Inc.	27,865	29,607	23,312	22,338	22,773
Virginia Tech Intellectual Properties Inc.	1,841	1,558	1,708	954	1,095
Total Expenses	<u>\$ 166,019</u>	<u>\$ 162,059</u>	<u>\$ 128,413</u>	<u>\$ 125,955</u>	<u>\$ 120,804</u>

The organizations included above are related to the university by affiliation agreements. These agreements, approved by the Virginia Tech Board of Visitors, require an annual audit to be performed by independent auditors. These auditors have examined the financial records of the organizations presented in the table above and copies of their audit reports have been provided to the university. Values presented in this table are based solely upon these audit reports and do not include any consolidation entries to alter these amounts. Affiliated organizations that hold no financial assets and certify all financial activities or transactions through the Virginia Tech Foundation Inc. may be exempt from the independent audit requirement. The Virginia Tech Athletic Fund Inc., the Virginia Tech Corps of Cadets Alumni Inc., and the Virginia Tech Alumni Association meet exemption requirements and are not presented separately in this table.

Consolidating Schedule of Net Assets

As of June 30, 2009
(all dollars in thousands)

	Current Funds		Loan	Endowment and	Plant	Agency	Total
	Unrestricted	Restricted	Funds	Similar Funds	Funds	Funds	
ASSETS							
<i>Current assets</i>							
Cash and cash equivalents	\$ 175,481	\$ 14,291	\$ 1,767	\$ -	\$ -	\$ 5,840	\$ 197,379
Short-term investments	1,106	-	-	-	-	-	1,106
Accounts receivable, net	6,649	35,074	-	-	-	-	41,723
Notes receivable, net	-	-	1,464	-	-	-	1,464
Due from Commonwealth of Virginia	5,135	-	-	-	-	-	5,135
Inventories	10,455	-	-	-	-	-	10,455
Prepaid expenses	10,369	353	-	-	-	-	10,722
Due to (from) other funds	3,446	7,591	(70)	351	(11,318)	-	-
Total current assets	212,641	57,309	3,161	351	(11,318)	5,840	267,984
<i>Noncurrent assets</i>							
Cash and cash equivalents	-	-	-	80	59,061	-	59,141
Due from Commonwealth of Virginia	-	-	-	-	9,581	-	9,581
Accounts receivable, net	-	-	-	-	8,192	-	8,192
Notes receivable, net	-	-	13,362	-	-	-	13,362
Long-term investments	41,853	-	-	35,580	19,494	-	96,927
Depreciable capital assets, net	-	-	-	-	810,614	-	810,614
Nondepreciable capital assets	-	-	-	-	161,539	-	161,539
Intangible assets, net	-	-	-	-	1,333	-	1,333
Other assets	798	-	-	-	-	-	798
Total noncurrent assets	42,651	-	13,362	35,660	1,069,814	-	1,161,487
Total assets	255,292	57,309	16,523	36,011	1,058,496	5,840	1,429,471

LIABILITIES

<i>Current liabilities</i>							
Accounts payable and accrued expenditures	64,298	16,152	2	-	29,344	-	109,796
Accrued compensated absences	15,437	3,391	-	-	-	-	18,828
Deferred revenue	22,799	13,364	-	-	-	-	36,163
Funds held in custody for others	-	-	-	-	-	5,840	5,840
Commercial paper	-	-	-	-	20,810	-	20,810
Long-term debt payable	-	-	-	-	16,108	-	16,108
Total current liabilities	102,534	32,907	2	-	66,262	5,840	207,545
<i>Noncurrent liabilities</i>							
Accrued compensated absences	15,498	3,404	-	-	-	-	18,902
Federal student loan program contributions refundable	-	-	13,210	-	-	-	13,210
Long-term debt payable	-	-	-	-	269,757	-	269,757
Other liabilities	1,106	-	-	-	-	-	1,106
Total noncurrent liabilities	16,604	3,404	13,210	-	269,757	-	302,975
Total liabilities	119,138	36,311	13,212	-	336,019	5,840	510,520

NET ASSETS

Invested in capital assets, net of related debt	-	-	-	-	669,721	-	669,721
Restricted, nonexpendable	-	-	-	358	-	-	358
Restricted, expendable							
Scholarships, research, instruction, other	-	20,998	3,311	35,653	-	-	59,962
Capital projects	-	-	-	-	7,738	-	7,738
Debt service	-	-	-	-	45,018	-	45,018
Unrestricted	136,154	-	-	-	-	-	136,154
Total net assets	\$ 136,154	\$ 20,998	\$ 3,311	\$ 36,011	\$ 722,477	\$ -	\$ 918,951

Consolidating Schedule of Revenues, Expenses, and Changes in Net Assets

For the year ended, June 30, 2009

(all dollars in thousands)

	Current Funds		Loan	Endowment and	Plant	
	Unrestricted	Restricted	Funds	Similar Funds	Funds	Total
OPERATING REVENUES						
Student tuition and fees	\$ 272,871	\$ 2,185	\$ -	\$ -	\$ -	\$ 275,056
Federal appropriations	-	15,379	-	-	-	15,379
Federal grants and contracts	32,736	121,879	-	-	-	154,615
State grants and contracts	795	12,861	-	-	-	13,656
Local grants and contracts	182	13,624	-	-	-	13,806
Nongovernmental grants and contracts	5,487	22,265	-	-	47	27,799
Sales and services of educational departments	13,586	-	-	-	-	13,586
Auxiliary enterprise revenue	165,569	-	-	-	-	165,569
Other operating revenues	3,878	1,116	43	-	-	5,037
Total operating revenues	<u>495,104</u>	<u>189,309</u>	<u>43</u>	<u>-</u>	<u>47</u>	<u>684,503</u>
OPERATING EXPENSES						
Instruction	245,882	7,431	-	-	-	253,313
Research	79,148	152,064	-	-	-	231,212
Public service	39,437	36,491	-	-	-	75,928
Academic support	60,456	2,029	-	-	-	62,485
Student services	11,696	1,055	-	-	-	12,751
Institutional support	42,738	4,203	-	-	-	46,941
Operation and maintenance of plant	58,189	717	-	-	5,809	64,715
Student financial assistance	124	13,157	-	-	-	13,281
Auxiliary enterprises	148,252	-	-	-	-	148,252
Loan administrative fees & collection costs	219	-	66	-	-	285
Amortization Expense	-	-	-	-	133	133
Depreciation expense	-	-	-	-	60,813	60,813
Total operating expenses	<u>686,141</u>	<u>217,147</u>	<u>66</u>	<u>-</u>	<u>66,755</u>	<u>970,109</u>
OPERATING LOSS	<u>(191,037)</u>	<u>(27,838)</u>	<u>(23)</u>	<u>-</u>	<u>(66,708)</u>	<u>(285,606)</u>
NON-OPERATING REVENUES (EXPENSES)						
State appropriations	233,055	22,368	-	-	-	255,423
Gifts	12,420	33,875	209	-	-	46,504
Non-operating grants and contracts	-	2,167	-	-	-	2,167
Federal student financial aid (Pell)	-	9,000	-	-	-	9,000
Investment income, net of investment expense	3,112	(707)	-	(7,184)	1,861	(2,918)
Other additions and deductions	-	-	4	-	581	585
Interest on capital assets	-	-	-	-	(11,812)	(11,812)
Net non-operating revenues (expenses)	<u>248,587</u>	<u>66,703</u>	<u>213</u>	<u>(7,184)</u>	<u>(9,370)</u>	<u>298,949</u>
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, AND LOSSES	<u>57,550</u>	<u>38,865</u>	<u>190</u>	<u>(7,184)</u>	<u>(76,078)</u>	<u>13,343</u>
Capital appropriations	-	-	-	-	(12,338)	(12,338)
Capital grants and contracts	(1,331)	2,427	-	209	58,465	59,770
Loss on disposal of plant assets	-	-	-	-	(1,318)	(1,318)
Total other revenues, expenses, gains and losses	<u>(1,331)</u>	<u>2,427</u>	<u>-</u>	<u>209</u>	<u>44,809</u>	<u>46,114</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFERS	<u>56,219</u>	<u>41,292</u>	<u>190</u>	<u>(6,975)</u>	<u>(31,269)</u>	<u>59,457</u>
Mandatory transfers	(36,169)	-	-	-	36,169	-
Nonmandatory transfers	(17,153)	2,369	-	(2,709)	17,493	-
Equipment and library book transfers	(19,633)	(6,997)	-	-	26,630	-
Scholarship allowance transfer	35,140	(35,140)	-	-	-	-
Total transfers	<u>(37,815)</u>	<u>(39,768)</u>	<u>-</u>	<u>(2,709)</u>	<u>80,292</u>	<u>-</u>
Increase (decrease) in net assets after transfers	<u>18,404</u>	<u>1,524</u>	<u>190</u>	<u>(9,684)</u>	<u>49,023</u>	<u>59,457</u>
Net assets – beginning of year	<u>117,750</u>	<u>19,474</u>	<u>3,121</u>	<u>45,695</u>	<u>673,454</u>	<u>859,494</u>
Net assets – end of year	<u>\$ 136,154</u>	<u>\$ 20,998</u>	<u>\$ 3,311</u>	<u>\$ 36,011</u>	<u>\$ 722,477</u>	<u>\$ 918,951</u>

Business and Financial Leadership

M. Dwight Shelton, Jr.

Vice President for Finance and Chief Financial Officer

Raymond D. Smoot, Jr.

University Treasurer

Sherwood G. Wilson

Vice President for Administrative Services

Michael J. Coleman

Associate Vice President for Facilities

Kenneth E. Miller

University Controller

Sharon M. Kurek

Director of Internal Audit

John J. Cusimano

Associate Treasurer

This 2008-2009 Financial Report was produced by the Office of the University Controller. Questions about this document or requests for copies of the printed version should be referred to the controller's office at (540) 231-6418. An electronic version of this report is available at the controller's office website address:

www.co.vt.edu/Financial_Reporting/financial_reporting

**2010-12 Appropriation Request
And Review of Executive Budget and Legislative Session**

FINANCE AND AUDIT COMMITTEE

March 5, 2010

Overview of the Appropriations Process

Traditionally, the University submits budget decision packages for consideration for inclusion in the Executive Budget in the fall. Due to the significantly limited resources of the state and the impending additional state budget reductions in the fall of 2009, the Department of Planning and Budget instructed agencies to limit budget requests to those of a critical nature. In addition, any submitted decision packages must have first received approval from that agency's Secretary. The University prepared and submitted to the Secretary of Education budget briefs covering the critical needs of Operation and Maintenance of new facilities, unanticipated increases in fixed expenses, and the operation of the new Center for Creative Technologies in the Arts. Ultimately, the University received approval for and submitted one decision package for potential inclusion in the Governor's Executive Budget, the operation of the Center for Creative Technologies in the Arts.

Governor Kaine presented the Executive Budget for the upcoming biennium, along with his proposed amendments to the 2008-10 biennial budget, on Friday, December 18, 2009. The General Assembly session opened on January 13, 2010 and was scheduled to complete its work by March 13, 2010. This report presents the major elements of the Executive Budget and General Assembly actions for the remainder of the current year and the upcoming biennium.

Executive Budget Proposals for 2010-12 Biennium

The Executive Budget included the following operating and capital budget recommendations for Virginia Tech; these actions are reflected on Schedule 1, which is attached to this report.

Operating Budgets

- **Base Reductions and Changes in One-time State and Stimulus Support:** The Executive Budget continued the base General Fund (GF) reductions previously assigned in September 2009 of \$21,846,706 for Agency 208 and \$4,528,956 for Agency 229. No additional reductions were proposed. To comply with federal American Recovery and Reinvestment Act Maintenance of Effort requirements, the budget bill adjusted GF and stimulus support:

- Agency 208: \$16,661,472 of one-time GF support in fiscal year 2009-10 offset by a reduction in stimulus funding of \$16,006,396. The one-time GF support is continued in fiscal year 2010-11 only and supplemented with \$20,892,536 of stimulus funding.
- Agency 229: \$3,454,025 of one-time GF support in fiscal year 2009-10 offset by a reduction in stimulus funding of \$2,107,009. The one-time GF support is continued in fiscal year 2010-11 only and supplemented with \$4,756,374 of stimulus funding.

No additional GF or stimulus funding is proposed for fiscal year 2011-12. Language in the Executive Budget allows the use of a portion of the stimulus funding provided for the 2010-11 year in the first quarter of 2011-12.

- **Furlough:** The previously communicated one day furlough was continued.
- **Retirement programs:** A proposal was introduced for employees to fund one percent of the employer share of the Virginia Retirement System (VRS) program in 2010-11 and an additional one percent was added in 2011-12 (for a total of two percent). The same employee contributions are proposed for participants in the Optional Retirement Program (ORP).
- **Deferred Compensation Program:** The Executive Budget suspended the \$20 per pay period deferred compensation cash match program for the last five pay periods of 2009-10 and for the next biennium.
- **Faculty and Staff Salary Increase:** The Executive Budget did not include a pay increase for staff or faculty in either year of the upcoming biennium. Language in the Executive Budget additionally prohibits agencies from providing pay increases for state employees during the biennium.
- **Interest:** The Executive Budget removed the allocation of the Educational and General interest and credit card rebates granted upon achievement of restructuring performance measures in the second year of the biennium. This results in the loss of approximately \$860,118 in 2011-12.
- **Reversion of Auxiliary Reserves Fiscal Year 2010-11:** The Executive Budget proposed a central capture of 5 percent of auxiliary enterprise balances in 2010-11. This would require Virginia Tech to transfer \$593,524 of student fee and other auxiliary revenue to the state.
- **Capture of Rate Savings:** The Executive Budget proposed temporarily suspending and/or adjusting state rates for eVA, retirement, group life insurance, VSDP, and retirement health and reverting both the GF and nongeneral fund (NGF) share.
- **Equipment Trust Fund:** Only \$50 million of spending authority was provided through the Virginia College Building Authority to fund equipment purchases for

institutions of higher education in the Executive Budget. Virginia Tech was proposed to receive \$7,510,149 in each year of the biennium, a decrease of \$1,314,120 from 2009-10. The debt issuance that underwrites this program was made subject to the state's debt capacity. As a result, in order for the funding of the equipment trust fund program to occur in 2010-12, the General Assembly would have to find a strategy to overcome concerns regarding the limitations in debt capacity.

- **Operation and Maintenance of New Facilities:** The Executive Budget included no funding to support operation and maintenance costs for new facilities coming online. This is consistent with the state's strategy, initiated in 2008-09, of not funding the state share of these costs.
- **Tuition Authority:** The Executive Budget included no additional restrictions, beyond the federal stimulus requirement to mitigate tuition for Virginia undergraduates, on the Virginia Tech Board of Visitors' authority to establish tuition and fee rates.

Other areas of interest

- **Rolls Royce:** Federal stimulus funding was replaced by GF support for the Rolls Royce collaborative research project to comply with the project's original agreement.
- **Eminent Scholars Program:** Reflecting actions taken in September 2009, the Executive Budget continued the 15 percent GF reduction for the Eminent Scholars program. This will result in a loss of \$57,778 for Virginia Tech in each year of the biennium.
- **Charges by Central Agencies:** Treasury is authorized to charge 10 basis points for 9(c) debt issuance and to double the fee for the State Non-arbitrage Program (SNAPS). The Virginia Department of Accounts (DOA) is authorized to retain a portion of NGF interest and credit card rebate savings for administrative tasks associated with Level III institutions.

Language

Graduate Financial Aid: Language that previously limited state graduate financial aid to no more than 50 percent nonresident students is revised, allowing the University to consider graduate students who are employed as teaching assistants, research assistants, or graduate assistants as resident students. New language: *Section 4-5.01 b.3d) Not more than 50 percent of the funds designated by an institution as graduate grants from the appropriation, and approved as such by the Council, shall be awarded to persons not eligible to be classified as Virginia domiciliary resident students except in cases where the persons meet the criteria outlined in § 4-2.01b.6.* This change is supportive of the graduate assistantship program at Virginia Tech and will help provide administrative efficiency to the operation of the graduate tuition remission program.

Capital Outlay

- **Envisions advancing \$1 billion in projects with previously authorized planning from Chapter 1 (2008):** The Executive Budget provided construction funding for the four GF supported Virginia Tech projects with current planning authorizations: Davidson Hall, Chiller Plant, Engineering Signature Building, and Human and Agricultural Biosciences Building (Agency 229). The University captured the lead share of the program with \$147.6 million, or 13.6 percent, of the funding pool. This is the largest share of the program by a \$33 million margin. This proposed construction funding is anticipated for the 2011-12 fiscal year, and would be based on a determination by the Secretary of Finance that debt capacity is available to provide construction funding and that the construction phase of these projects should commence.
- **Maintenance Reserve:** The Executive Budget reduced higher education program funding by 31 percent from the previous biennium. The University's allocation dropped by 25 percent to \$12.7 million from \$16.9 million, a \$4.2 million reduction. The Executive Budget continued the practice initiated in 2008 of using bond proceeds to finance the Maintenance Reserve program. As a result, the proposed funding for the Maintenance Reserve program in 2010-12 was subject to the same criteria as described earlier for the Equipment Trust Fund for the upcoming biennium.
- **Advancing Nongeneral Fund projects:**
 - **Academic Student Affairs Building (Agency 208):** The Executive Budget provided authorization for the University to issue debt (\$35 million of 9c debt and \$10 million of 9d debt) through the state's Virginia College Building Authority for the \$45 million Academic Student Affairs Building project. This authorization provided the most favorable cost of capital for financing the project, which will be ready for construction pricing later this spring.
 - **Improve Kentland Facilities (Agency 229):** The Executive Budget included \$5 million of NGF authorization for this project. The original request was for \$15 million of GF and \$5 million of NGF. The source of revenue for the \$5 million is proceeds from the anticipated future acquisition of property by the FAA for the runway extension project. This funding authorization was designed to support the strategic vision for the improvements to the Kentland Facilities and the related relocation of components of the Agriculture and Life Sciences programs to these facilities.
- **Replace Prior Stimulus Support with General Fund:** The Executive Budget restored GF support in place of stimulus funding that had been allocated in the 2009 budget for the Engineering Signature Building and Human and Agricultural Biosciences Building. These allocations were not new funding.

2010 Legislative Session Amendments

The 2010 General Assembly Session began with an Executive Budget that relied heavily on reductions to state agencies and an increase in income tax revenue. This revenue proposal was not supported by the legislature, and left a \$1.9 billion shortfall to be addressed for the 2010-12 biennium. Because of these difficult economic conditions, and a very real possibility of additional reductions of state agency funding, the University focused on updating the General Assembly on the impact of budget reductions, supporting measures to address core needs of the institution, and support for employees.

In light of the economic situation, the University worked to ensure maximum flexibility in its ability to manage reductions and cover critical needs including: utilities, contract escalations, unfunded mandates, operation and maintenance of new facilities, and prior commitments. In addition, the University worked with key groups to ensure that resources generated by self-supporting auxiliary enterprises (primarily student fees) continue to be managed and retained by the institution.

The University advocated for the continuation of the Equipment Trust Fund and Maintenance Reserve programs that are critical to our instructional and research programs as well as the campus infrastructure. Similarly, the University supported capital bond projects that are proposed in the Executive Budget. Although the state's limited debt capacity is severely constrained, the University has urged the legislature to find a solution to create some debt capacity for these projects and the Equipment Trust Fund and Maintenance Reserve programs.

Though the University did not directly submit related legislative amendments, many of these issues received considerable attention during the Session. The University, working with legislators and through groups such as the Council of Presidents, actively participated in discussions to bring attention to the impacts of these issues on the institution, and to ensure that every effort was made to address the needs of the University.

Governor McDonnell's Executive Budget Recommendations

On February 17, 2010, Governor McDonnell issued recommendations to the General Assembly budget-writing committees reflecting his priorities for the Commonwealth. Governor McDonnell recommended no additional reductions to colleges and universities, noting that institutions of higher education will face up to 26 percent reductions in GF support by 2012 in the Executive Budget introduced in December 2009 by outgoing Governor Kaine. He also recognized that institutions of higher education are facing increased enrollment pressure and will likely be forced to raise tuition and fees over the biennium.

Governor McDonnell recommended the following savings strategies that have potential impact to the University:

- Reduce VRS and ORP benefits for new employees, while restoring full benefits to existing employees that were reduced in the Executive Budget.
- Provide a one-time bonus of three percent of each state employee's salary in November 2011.
- Implement up to five days of furlough in each year, unless revenues are sufficient.
- Eliminate the Eminent Scholars Program.
- Reduce TAG grants.
- Capture savings by reducing the number of required printed and photocopied materials.

Though Governor McDonnell did not introduce specific amendments to the Executive Budget Bill, his general recommendations were heard by each chamber's money committee, and some were incorporated in the final reported budgets.

House and Senate Recommendations for Virginia Tech

The House and Senate amendments to the Executive Budget were passed by their respective chambers on February 25, 2010.

Operating Budgets

Budget Reductions for Agency 208 and 229: The House and Senate continued the reductions proposed in the Executive Budget for the current year and the first year of the biennium without change. While the Senate did not assign additional reductions to higher education, the House further reduced the University's GF appropriation by \$4,529,798 in the second year. The House also allocated \$1,225,590 GF to Agency 229, decreasing the reduction in 2011-12.

Consolidation and Elimination of Extension Offices: The House proposed an amendment for the Cooperative Extension Service to eliminate programs related to family and consumer services, community viability, and lawn and garden programs statewide. Further, it required the Cooperative Extension Service to eliminate the following offices: Alexandria, Arlington, Fairfax, Norfolk, Petersburg, Portsmouth, Prince William, and Richmond City. The amendment also directs the Cooperative Extension Service to consolidate and merge offices as follows: Rockbridge (Botetourt and Fincastle), Amherst (Lynchburg and Appomattox), York (Hampton), Page (Rockingham-Harrisonburg), Warren (Frederick), Powhatan (Chesterfield), Campbell (Bedford), Hanover (Caroline and Henrico), Fluvanna (Albemarle), Greene (Orange and Madison), Rappahannock (Madison and Culpeper), Chesapeake (Virginia Beach), and Spotsylvania (Stafford). The House amendments expect the elimination and consolidation of extension offices to save \$2,512,595 in the second year of the biennium.

Federal Stimulus Funds: The House and Senate amendments made no changes to the current year federal stimulus appropriations. For 2010-11, the House provided an additional \$6,855,978 of support to Agency 208 and lowered the support for Agency 229 by \$3,606,965. The Senate continued the language in the Executive Budget allowing for the use of the federal stimulus funding appropriated in the first year of the biennium in the first quarter of the second year. The House included item-specific language that required all unexpended appropriations in 2010-11 to be reappropriated in 2011-12.

Operation and Maintenance of New Facilities: The Executive Budget provided no GF support for facilities coming online during the 2010-12 biennium. Neither the House nor the Senate amendments proposed any new funding for operation and maintenance of new facilities.

Undergraduate Student Financial Assistance: The House amendments provided for changes to the financial aid distribution methodology that will generate system-wide savings of \$20 million in the second year of the biennium. The House called on SCHEV to revise the methodology and report their findings by September, 2010. The Senate made no changes to Student Financial Assistance.

Faculty and Staff Salary Increase: Neither the House nor the Senate amendments provided base pay increases for faculty or staff in either year of the upcoming biennium. Both chambers provided a one-time bonus of three percent of each state employee's salary if funds are available.

Auxiliary Reserves: Both the House and the Senate budget amendments proposed removing the transfer of 5 percent of auxiliary balances that was proposed in the Executive Budget to the General Fund.

Furlough: The House removed the proposed furlough in the current year and does not implement any furlough days in either year of the biennium. The Senate retained the one day furlough in the Executive Budget for the current year, and plans on three furlough days in each year of the coming biennium. The Senate provided language allowing institutions of higher education to provide furlough savings through alternative means. The budget proposals intend to revert both the GF and NGF savings.

Retirement: The House and Senate both made several changes to state employee retirement plans, achieving savings by reducing benefits for employees who start working after July 1, 2010. The House would lower the Optional Retirement Plan rate for new employees to 8 percent, 5 percent of which would be contributed by the employee. The Senate would lower the Optional Retirement Plan rate to 8.9 percent, and have employees contribute an additional 5 percent.

The House removed the Executive Budget plan to require current employees to contribute 1 percent in the first year and 2 percent in the second year to their respective retirement plans, and maintained the prior benefit rates for existing employees. The

Senate did not change those plans, and retained the requirement for current employees to contribute 1 percent in the first year and 2 percent in the second year to their retirement plans.

Deferred Compensation Cash Match: The House lifted the suspension of the deferred compensation cash match plan for the current year and the upcoming biennium. The Senate did not, maintaining the Executive Budget plan to suspend the program in the fourth quarter of 2009-10 and for both years of the 2010-12 biennium.

Rate Savings: Savings from changes to retirement apply to NGF savings as well. As rates and benefits are changed, NGF savings are to be transferred to the state. The capture of NGF savings is inconsistent with the Restructuring agreement.

The House planned to collect savings from the reduction and suspension of benefits in a “Virginia Retirement System Suspense Payment Fund.” After all collected funds are paid to the respective retirement plans (at the lower rates), funds remaining shall become part of the General Fund balance.

Language Changes

Tuition Authority: The House amendments to the federal stimulus appropriations for institutions of higher education included the following language regarding tuition: “This funding is intended to mitigate the general fund reductions to the institution, moderate the level of tuition and fee increases, encourage increased student access, and allow the institution to manage its total funding across the biennium.”

Compensation: The Senate removed the prohibition on salary increases that was proposed in the Executive Budget. The Senate’s language allows institutions of higher education to utilize NGF resources for this purpose.

Graduate Financial Aid: The updated language in the Executive budget was not changed by the House or Senate.

Medicaid Contingent Appropriations: Contingent upon passage of an enhanced Federal Medical Assistance Percentage (FMAP), the House proposed the restoration of several budget reductions including \$75,000,000 to the E&G programs of public colleges and universities (approximately one half of the second year reductions), as well as a three percent bonus planned for December 2011 for state employees. The Senate also based several medical and medical facility specific actions and rate changes on the successful passage of an enhanced FMAP rate. The Senate FMAP contingent appropriations are not expected to impact the University.

Statewide Programs

Eminent Scholars Program: The House amendments eliminated all GF support of the Eminent Scholars program, a \$385,365 loss for Virginia Tech. The Senate amendments

made no changes to the proposed 15 percent reduction to the program in the Executive Budget.

Equipment Trust Fund: The House provided annual funding of \$8,328,077 for the program, with an additional annual allocation of \$2,295,000 specifically for research equipment. The Senate made no changes to the Executive Budget proposal to reduce annual program funding to \$7,150,149.

Tuition Assistance Grant (TAG): The House reduced funding for TAG by (\$5,000,000) in each year of the biennium, while the Senate reduced funding by (\$9,900,000) in the second year. The House also added language authorizing students from the Virginia Tech-Carilion School of Medicine entering in the fall of 2010 to participate in the program.

Other Areas of Interest

Capital Fee: The House amendments made no changes to the existing capital fee program. Senate amendments recommended implementing a state-assessed capital fee charged to in-state students of \$2.50 per credit hour for debt service in the second year of the biennium. This would create an estimated NGF transfer of \$1,551,888 to the Commonwealth in 2011-12. The Senate also increased the University's NGF allocation for the existing out-of-state capital fee by \$122,830 to align with estimated revenue, totaling \$2,723,010 for the biennium.

Public Radio and Television: The House amendments eliminated all GF support for public television and radio stations. This could mean the loss of an additional \$100,000 for WVTF, Virginia Tech's public radio station. The Senate amendments did not reduce funding, but moved the public television and radio stations funding from the Secretary of Education and Workforce to the Secretary of Administration.

Capital Outlay

Maintenance Reserve Funding: The House amendments proposed adjusting Maintenance Reserve allocations to reflect the same portions as in the prior fiscal year. This results in a loss of \$3 million in each year of the biennium, and a total Maintenance Reserve appropriation of \$5.6 million each year. The University would continue to receive the largest portion of Maintenance Reserve funding among higher education institutions. The Senate made no changes to the allocations in the Executive Budget Bill, which provided \$6.4 million annually.

Capital Bond Package: The bond program in the House proposal has been scaled back to only include projects that have been reviewed by the Department of General Services. This will reduce the \$1.1 billion bond program size by an estimated \$300 million, which would bring the total program under \$800 million. All Virginia Tech projects are included within the program. There was no change to the Bond Program in the Senate.

Center for Creative Technologies Laboratory: The House and Senate budgets transferred \$28,758,000 of support from an existing deferred project to the Center for Creative Technologies Laboratory for the planning and construction phases of the project.

Replace Prior Stimulus Support: The Senate changed the fund source from federal stimulus to a treasury loan for portions of certain planning projects. Virginia Tech projects in this action include Signature Engineering Building and Human and Agriculture Biosciences Building; however, the total project budgets are not affected.

Debt: The House and Senate proposed modifications to the priorities of the financing plan that the Secretary of Finance will develop and present to the Governor, the House Appropriations Committee, and the Senate Finance Committee later this year.

- The House slightly modified the priorities to eliminate an item – Improvements: Energy Conservation. The new order includes:
 - 1) Maintenance Reserve,
 - 2) Higher Education Equipment Trust Fund,
 - 3) Equipment for Previously Funded Projects, and
 - 4) Construction funds for projects with completed planning.
- The Senate made several changes to the priorities including expanding the list by three items, establishing a new top priority, and renaming some items. The new order includes:
 - 1) Projects under contract on the effective date of this Act,
 - 2) Maintenance Reserve,
 - 3) Higher Education Equipment Trust Fund,
 - 4) Equipment for Previously Funded Projects,
 - 5) Projects funded by previous Acts of the General Assembly, but not under contract on the effective date of this Act,
 - 6) Construction funds for projects in this Act, and
 - 7) Improvements: Energy Conservation projects authorized in Item C-84 of this Act.

Joint Budget Conference Committee and Reconvened Session

The Joint Budget Conference Committee is scheduled to produce a consolidated budget by March 11 for each chamber to consider before the General Assembly's scheduled adjournment on March 13. Governor McDonnell will then have until the Reconvened Session (veto session) on April 21, 2010 to offer amendments to the budget.

PROPOSED APPROPRIATIONS FROM THE EXECUTIVE BUDGET AND EACH HOUSE OF THE GENERAL ASSEMBLY
as of February 21, 2010 (Crossover)

Operating Budget

	Executive Budget			House			Senate		
	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12	2009-10	2010-11	2011-12
General Fund									
University Division									
E&G Budget Reduction	\$ (5,185,234)	\$ (5,185,234)	\$ (21,846,706)	\$ (5,185,234)	\$ (5,185,234)	\$ (26,376,504)	\$ (5,185,234)	\$ (5,185,234)	\$ (21,846,706)
Eminent Scholar Reduction		(57,778)	(57,778)	-	(385,187)	(385,187)	-	(57,778)	(57,778)
Distribute Central Adjustment		(2,527,972)	(2,527,972)	-	(2,527,972)	(2,527,972)	-	(2,527,972)	(2,527,972)
Revise Student Financial Aid Methodology						<i>To Be Determined</i> (a)			
Equipment Trust Fund	(b)	(1,314,120)	(1,314,120)	-	(496,192)	(496,192)	-	(1,314,120)	(1,314,120)
Equipment Trust Fund - Research Allocation		-	-		2,295,000	2,295,000		-	-
Subtotal University Division	(5,185,234)	(9,085,104)	(25,746,576)	(5,185,234)	(6,299,585)	(27,490,855)	(5,185,234)	(9,085,104)	(25,746,576)
Cooperative Extension/AES Division (CE/AES)									
E&G Budget Reduction	(1,074,931)	(1,074,931)	(4,528,956)	(1,074,931)	(1,074,931)	(3,303,366)	(1,074,931)	(1,074,931)	(4,528,956)
Eliminate and Consolidate Extension Offices				-	-	(2,512,595)	-	-	-
Distribute Central Adjustments		(1,050,016)	(1,050,016)	-	(1,050,016)	(1,050,016)	-	(1,050,016)	(1,050,016)
Subtotal CE/AES	(1,074,931)	(2,124,947)	(5,578,972)	(1,074,931)	(2,124,947)	(6,865,977)	(1,074,931)	(2,124,947)	(5,578,972)
Total General Fund	(6,260,165)	(11,210,051)	(31,325,548)	(6,260,165)	(8,424,532)	(34,356,832)	(6,260,165)	(11,210,051)	(31,325,548)
Federal Stimulus									
University Division Funding	(5,842,638)	20,892,536		(5,842,638)	27,748,514	-	(5,842,638)	20,892,536	-
Cooperative Extension/AES Division Funding		4,756,374		-	1,149,409	-	-	4,756,374	-
Total Stimulus	(5,842,638)	25,648,910	-	(5,842,638)	28,897,923	-	(5,842,638)	25,648,910	-
Nongeneral Fund									
E&G Interest Earnings not continued in FY12			(767,792)	-	-	(767,792)	-	-	(767,792)
E&G Credit Card Rebate not continued in FY12			(92,326)	-	-	(92,326)	-	-	(92,326)
Out-of-State Student Capital Fee Technical Adjustment								(122,830)	(122,830)
New InState student Capital Fee									(1,551,888)
Transfer of 5% of Auxiliary Reserves		(593,524)		-	-	-	-	-	-
Total Nongeneral	-	(593,524)	(860,118)	-	-	(860,118)	-	(122,830)	(2,534,836)
Net Impact of All Changes to Operating Budget	\$ (12,102,803)	\$ 13,845,335	\$ (32,185,666)	\$ (12,102,803)	\$ 20,473,391	\$ (35,216,950)	\$ (12,102,803)	\$ 14,316,029	\$ (33,860,384)

NOTE: For ongoing base budget items, the funding displayed in each year is incremental to the original appropriation in 2009-10.

a) The House recommended revising the current Student Financial Aid methodology to save \$20 million in the second year. The House called for SCHEV to determine results of this change by September 1, 2010.

b) In 2009-10, Virginia Tech's Equipment Trust Fund appropriation was \$8,824,269.

PROPOSED APPROPRIATIONS FROM THE EXECUTIVE BUDGET AND EACH HOUSE OF THE GENERAL ASSEMBLY
as of February 21, 2010 (Crossover)

Capital Budget		Executive Budget		House Budget		Senate Budget	
State Support		State	NGF	State	NGF	State	NGF
2011 Bond Program	(a)						
Renovate Davidson Hall, Phase I		\$ 29,894,000		\$ 29,894,000	\$ -	\$ 29,894,000	\$ -
Construct Engineering Signature Building		48,607,000		48,607,000	-	48,607,000	-
Construct Chiller Plant, Phase I		11,580,000		11,580,000	-	11,580,000	-
Agency 229: Construct HABBI Building		52,235,000		52,235,000	-	52,235,000	-
Total State Support		142,316,000	-	142,316,000	-	142,316,000	-
Maintenance Reserve							
Maintenance Reserve 2010-11	(b)	6,387,148		5,630,449		6,387,148	
Maintenance Reserve 2011-12		6,387,148		5,630,449		6,387,148	
Funding Changes							
Sciences Research Lab I	(c)			(28,758,000)	-	(28,758,000)	-
Center for Creative Technologies Lab	(c)			28,758,000	-	28,758,000	-
Federal Stimulus Supplant	(d)						
Agency 229: HABBI Building		1,000,000	(1,000,000)	1,000,000	(1,000,000)	1,000,000	(1,000,000)
Engineering Signature Building		1,100,230	(1,100,230)	1,100,230	(1,100,230)	1,100,230	(1,100,230)
Total Federal		2,100,230	(2,100,230)	2,100,230	(2,100,230)	2,100,230	(2,100,230)
Nongeneral Fund							
Agency 229: Improve Kentland Facilities, Phase I	(e)		5,000,000	-	5,000,000	-	5,000,000
Academic and Student Programs Building			45,153,000	-	45,153,000	-	45,153,000
Total Nongeneral		-	50,153,000	-	50,153,000	-	50,153,000
Total		\$ 157,190,526	\$ 48,052,770	\$ 155,677,128	\$ 48,052,770	\$ 157,190,526	\$ 48,052,770

a) The program is limited to projects with previously authorized planning funds from Chapter 1 (2008). Projects will be phased-in over time depending on state debt capacity. The amounts do not include planning funds previously authorized or nongeneral fund components.

b) In 2009-10, Virginia Tech's Maintenance Reserve appropriation was \$8,679,000.

c) This transfers existing state support for the Sciences Research Laboratory I to the Center for Creative Technologies Laboratory.

d) The Executive Budget provides General Fund revenue to replace Federal Stimulus funds. The House makes no change to this swap. The Senate proposes to use state Treasury Loans instead of General Fund.

e) The source of revenue is proceeds from the anticipated future acquisition of property by the FAA for the runway extension project. This authorization and funding are envisioned to support the relocation of components of the Dairy Science program.

**2010-12 Appropriations Request
Update on the Joint Conference Committee Budget**

FINANCE AND AUDIT COMMITTEE

March 14, 2010

Joint Budget Conference Committee

The General Assembly Budget Conference Committee was scheduled to complete its work on reconciling the differences between the House and Senate budgets and present the recommendations of the Joint Conference Committee by March 11, 2010. However, that deadline was not met, and the Session was extended to provide additional time for the House and Senate conferees to reach an agreement on the 2010-12 budget.

The Joint Conference Committee of Virginia's General Assembly reached an agreement on March 14 and released its budget amendments to Governor Kane's proposed 2010-12 Executive Budget. The General Assembly promptly approved the operating and capital budgets recommended by the Conference Committee. The approved budget bill was subsequently presented to Governor McDonnell for approval and/or modification. Gubernatorial amendments to the budget will be completed and offered to the General Assembly at the Reconvened Session on April 21.

The University focused considerable effort over the course of the legislative session promoting the needs of the institution and working to obtain the most favorable outcome possible for the University and its employees. The attached schedules provide an overview of the actions of the General Assembly and the impacts on Virginia Tech for the remainder of the current year and through the upcoming 2010-12 biennium. The following is a brief summary of the items of particular interest to Virginia Tech:

Operating Budgets

- **Base Reductions and Changes in One-time State and Stimulus Support:** The Conference Committee Budget continued the base General Fund (GF) reductions and stimulus appropriations proposed for the biennium in the Executive Budget for Agencies 208 and 229.
- **Reappropriation Provision:** Consistent with proposed language in the Executive Budget, the Conference Committee Budget allows the use of a portion of the stimulus funding provided for the 2010-11 year in the first quarter of 2011-12.
- **Undefined Reduction:** A central State "clearing account" is created to retain \$10 million GF savings in 2011-12; the intent is that this additional cost will be distributed to institutions of higher education based on a method yet to be determined.
- **Cooperative Extension Reorganization:** In addition to the \$4.5 million budget reduction assigned to the Cooperative Extension/Agricultural Research Division in 2011-

12 in the introduced Executive Budget, the General Assembly assigned an additional targeted reduction of \$1 million in 2011-12; the required reductions will be assigned to the Cooperative Extension Service through a strategic planning process that is based on consultation with relevant industries and organizations, and that

- (1) Places priority on the historic mission of extension to fulfill the land-grant mission in partnership with the United States Department of Agriculture,
 - (2) Defines programming, locations, and funding sources,
 - (3) Addresses potential duplication of effort with state and local agencies,
 - (4) Eliminates low-priority programs, and (5) Seeks to restructure and consolidate local offices in a manner that is financially and logistically beneficial while preserving delivery of critical programs in high priority areas.
- **Furlough:** The previously proposed one day furlough for 2009-10 was accepted. Institutions of higher education will be allowed to achieve these savings through “alternative means”. There is no furlough in either year of the 2010-12 biennium.
 - **Retirement programs:** Existing employees will not be required to contribute to their retirement plans as proposed in the Executive Budget. However, new employees (hired after July 1, 2010) will be required to contribute a five percent employee share to their retirement plans (VRS and ORP). The state’s contribution to the Optional Retirement Plan for existing employees is unchanged, while the rate for new employees will be reduced to 8.5 percent. Higher education institutions have the option of increasing this rate to 8.9 percent, with the difference being paid from nongeneral funds.
 - **Deferred Compensation Program:** The deferred compensation cash match program is restored for the last five pay periods of 2009-10. The program will be reduced by one-half (to \$10 per pay period) for the first year of the 2010-12 biennium, and fully restored (\$20 per pay period) in the second year.
 - **Faculty and Staff Salary Increase:** There is no base pay increase provided in either year of the biennium. A one-time bonus of three percent will be given to all state employees on December 16, 2010 if actual state revenue meets or exceeds projections by \$82.2 million for the 2009-10 fiscal year. If actual revenue exceeds projections, but by less than \$82.2 million, the bonus will be prorated.
 - **Other Revenue Reductions:** The Conferees retained Governor Kaine’s proposal to eliminate the Educational and General interest income and credit card rebates (granted upon achievement of restructuring performance measures) in the second year of the biennium. This action is estimated to reduce resources available to Virginia Tech by \$860,118 in 2011-12.
 - **Reversion of Auxiliary Reserves Fiscal Year 2010-11:** The Conference Budget rejected the Executive Budget proposal to capture five percent of auxiliary enterprise balances in 2010-11.
 - **Capture of Rate Savings:** The conference budget captures both GF and nongeneral fund savings resulting from the suspension or modification of benefit rates into a new

fund “to be known as the Virginia Retirement System Suspense Payment Fund.” This fund will collect all savings in separate funds for retirement, group life insurance, retiree health care credit, and the Virginia Sickness and Disability Program; these savings will be used to make required (reduced) payments to each respective program. “All funds remaining in this fund at the close of any fiscal year shall become part of the GF balance.” State agencies will continue to make full contributions to the State Comptroller for Virginia Retirement System (VRS) programs. From these funds, the State Comptroller will make reduced payments to VRS based on the actuarial “normal” cost of providing the benefits, with the associated savings becoming part of the GF balance.

- **Equipment Trust Fund (ETF):** For the University, funding for the ETF program is reduced by \$496,192 to \$8,328,077 GF in each year of the 2010-12 biennium. A new \$2,295,000 “Research ETF Appropriation” is provided in each year of the 2010-12 biennium. However, the debt issuance that underwrites this program is currently limited by constraints from the state’s debt capacity model (the State debt ratio is currently greater than its 5 percent self-imposed ceiling). As a result, in order for the ETF program to occur in 2010-12, the State will have to find a strategy to overcome its current lack of state-wide debt capacity.
- **Operation and Maintenance of New Facilities:** The conference budget included no funding to support operation and maintenance costs for new facilities coming online. This is consistent with the state’s strategy, initiated in 2008-09, of not funding the state share of these costs.
- **Tuition Authority:** The Conference Committee Budget included no additional restrictions, beyond the federal stimulus requirement to mitigate tuition for Virginia undergraduates, to the Virginia Tech Board of Visitors’ authority to establish tuition and fee rates.
- **Out-of-State Student Capital Fee:** The existing charge to out-of-state students to fund debt service on capital projects is increased by \$5 per credit hour to a total of \$15 per credit hour. This will increase the University’s transfer to the state for this item by \$1,484,335 in each year of the biennium.

Other areas of interest

- **Rolls Royce:** Federal stimulus funding was replaced by GF support for the Rolls Royce collaborative research project to comply with the project’s original agreement. The state also provides \$1 million in the first year for site preparation and expresses the intent of the General Assembly to provide remaining incentives through fiscal year 2014 in accordance with the existing commitment to the project.
- **Eminent Scholars Program:** Reflecting actions taken in September 2009, the Executive Budget continued the 15 percent GF reduction for the Eminent Scholars program. The conference budget further reduced the program’s appropriation by half.

This will result in an approximate total loss of \$221,572 for Virginia Tech in each year of the biennium.

- **Public Radio and Television:** GF support for public television and radio across the state is reduced by \$730,073.

Language

- **Undergraduate Student Financial Assistance:** The budget does not allocate any additional student financial assistance to higher education. However, new budget language calls on SCHEV to revise the undergraduate student financial aid methodology and report their findings by October 2010.
- **Graduate Student Financial Aid:** Language that previously limited state graduate financial aid to no more than 50 percent nonresident students is revised, allowing the University to consider graduate students who are employed as teaching assistants, research assistants, or graduate assistants as resident students. This change is supportive of the graduate assistantship program at Virginia Tech and will help provide administrative efficiency to the operation of the graduate tuition remission program.
- **Tuition Assistance Grant (TAG) Program:** The budget reduces overall TAG funding by \$5 million in each year of the biennium. However, new language in the budget makes new students enrolling in the Virginia Tech Carilion School of Medicine in the fall of 2010 eligible for TAG participation.

Capital Outlay

- **Maintenance Reserve Funding:** Consistent with the Executive Budget proposal, the Conference Committee amendments maintain the overall program funding reduction to \$50 million from \$75 million. The Conference budget adjusts the allocations in the Executive Budget Bill to reflect the same portions as in the prior fiscal year. For Virginia Tech, this results in a total Maintenance Reserve appropriation of \$5.6 million in fiscal year 2011, a loss of approximately \$3 million from fiscal year 2010. While this loss in funding is significant, the University continues to receive the largest portion of Maintenance Reserve funding among higher education institutions. The Conference budget appropriates funds only for fiscal year 2011. The Director of the Department of Planning and Budget will develop recommendations for fiscal year 2012 allocation in consultation with money committee staff. This work is to be done by October 1, 2010.
- **Capital Bond Package:** The Conference Committee made no changes to the Bond Program in the Executive Budget Bill. Virginia Tech's four projects remain within the program, and the University is slated to receive the highest proportion of funding from the bond program among higher education institutions. Most importantly, the General Assembly accepted language in the Executive Budget that allows the allocation of construction funding to these projects upon a determination by the Secretary of Finance that sufficient debt capacity is available to support these projects. The timing of the

implementation of the balance of the \$1.1 billion program, including Virginia Tech's projects, is pending the outcome of a financing plan from the Secretary of Finance that is due later this year.

In a related action, the Conference budget advances funding in the range of \$80 to \$100 million to implement seven projects from the \$1.1 billion bond program. These projects represent several smaller dollar value projects within the bond program and do not include any projects from Virginia Tech, University of Virginia, or Virginia Commonwealth University.

- **Center for Creative Technologies Laboratory:** The Conference Committee budget transfers \$28.758 million of support from an existing deferred Virginia Tech project, which is included in the \$1.1 billion bond program, to the Center for Creative Technologies Laboratory for the planning and construction phases of the project. A future furniture, fixtures, and equipment appropriation of \$2.692 million is expected as well, which would bring the eventual project total to \$31.45 million. This reallocation of GF support was a critical budget initiative for the University; it will allow the University to move to the construction phase of the arts initiative facilities during 2010.
- **Replace Prior Stimulus Support:** The Conference Committee changed the fund source from federal stimulus to a state capital planning fund for portions of certain planning projects. Virginia Tech projects in this action include Signature Engineering Building and Human and Agriculture Biosciences Building. While the state's source of support changes, the project budgets are not affected.
- **Debt:** The Conference Committee budget proposes no changes to the priorities of the financing plan that the Secretary of Finance will develop and present to the Governor, the House Appropriations Committee, and the Senate Finance Committee later this year. The plan to schedule debt issuances to fund projects has the following priority order:
 - 1) Maintenance Reserve,
 - 2) Higher Education Equipment Trust Fund,
 - 3) Equipment for Previously Funded Projects,
 - 4) Improvements: Energy Conservation, and
 - 5) Construction funds for projects with completed planning.

The University continues to monitor budget activities at the state level. Any additional changes to the budget will be fully evaluated as the University prepares to bring forward proposed 2010-11 University budgets.

PROPOSED APPROPRIATIONS THROUGH THE JOINT CONFERENCE COMMITTEE

March 14, 2010 (Adjournment)

(Dollars in Thousands)

Operating Budget**General Fund****University Division**

	2009-10	2010-11	2011-12
E&G Budget Reduction	\$ (5,185)	\$ (5,185)	\$ (21,847)
Eminent Scholar Reduction		(58)	(58)
Distribute Central Adjustment		(2,528)	(2,528)
Revise Student Financial Aid Methodology			
Equipment Trust Fund		(1,314)	(1,314)
Equipment Trust Fund - Research Allocation			
Subtotal University Division	(5,185)	(9,085)	(25,747)

Cooperative Extension/AES Division (CE/AES)

E&G Budget Reduction	(1,075)	(1,075)	(4,529)
Restructure			
Distribute Central Adjustments		(1,050)	(1,050)
Subtotal CE/AES	(1,075)	(2,125)	(5,579)

Total General Fund

	(6,260)	(11,210)	(31,326)
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Federal Stimulus

University Division ARRA Funding	(5,843)	20,893	
Cooperative Extension/AES Division ARRA Funding		4,756	
Total Stimulus	(5,843)	25,649	

Nongeneral Fund

E&G Interest Earnings not continued in FY12			(768)
E&G Credit Card Rebate not continued in FY12			(92)
Out-of-State Student Capital Fee Increase			
Transfer of 5% of Auxiliary Reserves		(594)	
Total Nongeneral		(594)	(860)

Net Impact of All Changes to Operating Budget

	\$ (12,103)	\$ 13,845	\$ (32,186)
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Joint Conference Budget

	2009-10	2010-11	2011-12
	\$ (5,185)	\$ (5,185)	\$ (21,847)
		(222)	(222)
		(2,528)	(2,528)
			<i>To Be Determined</i> (a)
		(496)	(496) (b)
		2,295	2,295 (b)
	(5,185)	(6,136)	(22,797)
	(1,075)	(1,075)	(4,529)
			(1,000)
		(1,050)	(1,050)
	(1,075)	(2,125)	(6,579)
	(6,260)	(8,261)	(29,376)
	(5,843)	20,893	
		4,756	
	(5,843)	25,649	
			(768)
			(92)
		(1,484)	(1,484)
		(1,484)	(2,344)
	\$ (12,103)	\$ 15,904	\$ (31,721)

NOTE: For ongoing base budget items, the funding displayed in each year is incremental to the original appropriation in 2009-10.

NOTE: The Conference Committee established a \$10 million GF reduction clearing account in 2011-12 for higher education institutions. The distribution of the reductions will be determined in 2010-11.

a) The Conference Committee required that SCHEV review funding requirements for Student Financial Assistance and report its results to the General Assembly by October 1, 2010.

b) In 2009-10, Virginia Tech's Equipment Trust Fund appropriation was \$8,824,269. 2010-12 biennium appropriations are subject to review of the Commonwealth's debt capacity by the Secretary of Finance.

Presentation Date: March 22, 2010

PROPOSED APPROPRIATIONS THROUGH THE JOINT CONFERENCE COMMITTEE

March 14, 2010 (Adjournment)

(Dollars in Thousands)

Capital Budget**State Support****2011 Bond Program (a)**

Renovate Davidson Hall, Phase I
 Construct Engineering Signature Building
 Construct Chiller Plant, Phase I
 Agency 229: Construct HABBI Building

Total State Support**Maintenance Reserve (b)**

Fiscal Year 2011
 Fiscal Year 2012

Total Maintenance Reserve**Funding Changes (c)**

Sciences Research Lab I
 Center for Creative Technologies Lab

Total Funding Changes**Federal Stimulus Supplant (d)**

Agency 229: HABBI Building
 Engineering Signature Building

Total Federal**Nongeneral Fund**

Agency 229: Improve Kentland Facilities, Phase I (e)
 Academic and Student Programs Building

Total Nongeneral**Total**

Executive Budget	
State	NGF
\$ 29,894	
48,607	
11,580	
52,235	
142,316	
6,387	
6,387	
12,774	
1,000	\$ (1,000)
1,100	(1,100)
2,100	(2,100)
	5,000
	45,153
	50,153
\$ 157,191	\$ 48,053

Joint Conference Budget	
State	NGF
\$ 29,894	
48,607	
11,580	
52,235	
142,316	
5,630	
5,630	
(28,758)	
28,758	
1,000	\$ (1,000)
1,100	(1,100)
2,100	(2,100)
	5,000
	45,153
	50,153
\$ 150,047	\$ 48,053

(a) The program is limited to projects with previously authorized planning funds from Chapter 1 (2008). Projects will be phased-in over time depending on state debt capacity. The amounts do not include planning funds previously authorized or nongeneral fund components.

(b) The Conference budget appropriates and allocates funds for only fiscal year 2011. The Director, Department of Planning and Budget shall work with the money committee staff to develop recommendations for fiscal year 2012. In 2009-10, Virginia Tech's Maintenance Reserve appropriation was \$8,679,000.

(c) This transfers existing state support for the Sciences Research Laboratory I to the Center for Creative Technologies Laboratory. A future furniture, fixtures and equipment appropriation of \$2.692 million is expected as part of the overall funding transfer from the Sciences Research Laboratory project.

(d) The Executive Budget provides General Fund revenue to replace Federal Stimulus funds. The Conference amendments change the source to a state central capital planning fund that will be reimbursed by bond proceeds from a future state issuance.

(e) The source of revenue is proceeds from the anticipated future acquisition of property by the FAA for the runway extension project. This authorization and funding are envisioned to support the relocation of components of the Dairy Science program.

Presentation Date: March 22, 2010

Status Report on Development of 2010-11 Tuition and Fees

FINANCE AND AUDIT COMMITTEE

February 22, 2010

Background

Prior to 1996-97, the University traditionally developed tuition and fee proposals in February and March of each year. The final rates were submitted to the Board of Visitors in April. This process allowed the University to incorporate into the tuition and fee proposals the impact of actions taken by the General Assembly session each year.

For 1996-97 the University accelerated the timetable for the development and approval of tuition and fee rates into February and March because of increasing interest in providing tuition and fee charges at an earlier date. During a period in which recruitment of undergraduate students was becoming more competitive, finalizing these rates earlier in the year helped students plan for the financial costs of the upcoming academic year and provided more time for the Office of University Scholarships and Financial Aid to develop assistance packages for students. The University has strived to continue this somewhat early approval process since that time.

Development of 2010-11 Tuition and Fees Proposal

The House and Senate each approved their respective amendments to the introduced 2010-12 biennial budget on February 25. The Joint Conference Committee is now considering each body's work and is scheduled to produce a consolidated version for the House and Senate to consider by March 11. If approved by the General Assembly's adjournment on March 13 as scheduled, the budget will then be sent to Governor McDonnell for his approval. The Governor may sign or submit additional amendments to the budget before the reconvened session on April 21, 2010.

The allocation of federal stimulus funding and the level of reduction in General Funds are key elements in the resolution of the higher education budget for 2010-11. While the Senate amendments propose some changes to the Executive Budget, the House amendments propose more significant changes in General Fund and federal stimulus funding levels. Another significant difference is the potential for a new resident student capital fee proposed by the Senate to be paid to the Virginia College Building Authority for debt service on bonds issued under the 21st Century Program. In summary, the state budget is not final.

The final state budget has the potential to have a significant impact on tuition and fee decisions. The University absorbed a significant reduction in General Fund support in 2007-08 totaling approximately \$13.6 million, and it was assessed additional reductions of \$10.2 million in 2008-09 and \$18.3 million in 2009-10. The Executive Budget proposed an additional reduction of \$6.3 million in 2009-10, \$3.6 million in 2010-11, and \$20.1 million in 2011-12. Executive Budget reductions could change as they are considered by the 2010 General Assembly. As proposed in the Executive Budget, the total reduction in General Fund support is \$72.2 million dollars over the five fiscal years. These reductions in General Fund support have already resulted in reductions to budgets across the Educational and General programs of the University, adversely impacting both the academic and administrative functions of the institution, and additional reductions will be necessary. While federal stimulus funds are appreciated and will be helpful in the short term, the one-time fund source will not continue and thus will not offset the losses in state funding.

Despite these uncertainties, the University intends to continue to pursue progress with regard to its Strategic Plan. The results of the 2010 General Assembly Session, including the losses in General Fund support, the allocation of federal stimulus funding, and the impact on tuition and fees revenues from new funding requirements, will be critical to the operations of the University in 2010-11. University management believes that it must take sufficient time subsequent to the end of the General Assembly Session to fully assess its revenue options and opportunities. It is most unlikely that this work can be completed, including critical internal review and approval, in such time to submit the tuition and fees package to the Board of Visitors for approval as of March 22, 2010.

Consistent with prior years, the University intends to develop its 2010-11 tuition and fees proposals in light of the parameters provided by the General Assembly. In developing the rate proposals, the University will use the principles previously shared with the Board of Visitors concerning the establishment of market-based tuition and fee rates over a period of several years, in relationship to the University's benchmark institutions. The rate proposals must also factor in mandatory cost increases, the University's base budget adequacy need, critical campus needs, federal stimulus funding and any restrictions accruing from those funds, the structural balance of the budget, and the impacts of the 2009-10 and 2010-11 state budget reductions. In order to address the funding actions of the General Assembly and to adhere to these principles and funding requirements in the development of the tuition and fee rates, the University proposes that the 2010-11 tuition and fees proposal be submitted to the Executive Committee of the Board of Visitors for approval as soon as is practical after the Reconvened Session on April 21, 2010.

Report on Capital Project Costs
FINANCE AND AUDIT COMMITTEE

February 16, 2010

At its June 1, 2009 meeting, the Committees requested a report that would provide a comparison of the University's capital project costs, including both construction and soft costs, with comparable institutions. The requested comparison should isolate the variable costs among institutions such as charges for lost parking spaces, utilization of land, etc., to provide a valid assessment across the institutions. In response to this request, Facilities Services engaged a third-party consultant to evaluate comparative construction cost data of like facilities from within their database and provide data for further analysis and review.

The Committees will receive information that compares the construction costs of two recent Virginia Tech buildings with the costs of comparable buildings at other universities. The cost data will be broken down to the system level (i.e. structure, enclosure, mechanical, electrical, etc.) so that substantive cost variances can be specifically identified and discussed. Information will also be provided on recurring capital project costs that are in addition to construction costs. These costs typically include architectural and engineering fees, project management and inspection, telecommunications, parking displacement, moveable equipment and furnishings, etc. The briefing will focus on the basis for such costs and the challenges associated with comparing Virginia Tech's costs with the costs of other universities.



Virginia Tech Capital Project Cost Analysis

March 22, 2010

Board of Visitors

Data Challenges

- Previous efforts to analyze and measure VT design and construction costs:
 - Stanford Cost Data
 - ACC Schools
 - Department of General Services with Virginia Higher Ed facilities
- All of these approaches encounter challenges with regard to the data due to the buildings and their unique terms:
 - Size, design, program and program fit-out
 - Inconsistent cost accounting and reporting without good detail

Construction Data Analysis

- Engaged Vermeulens Cost Consultants to evaluate:
 - Comparative construction cost data of “like” facilities from within their project data base
 - Space programming and technical designs influences on cost
 - Review and align construction cost information to enable the best case “apples-to-apples” comparison
- Focused on two projects of different types with detailed information available:
 - New Residence Hall I (Residence Hall)
 - Signature Engineering (Research Lab)

Construction Costs - Residence Facilities

Element \$/sf	VT Res	Syracuse U	U of New Haven	S.E. Missouri	SUNY Purchase
Location	Blacksburg, VA	Syracuse, NY	West Haven, CT	Cape Girardeau, MO	White Plains, NY
Total Area (GSF)	92,800	145,252	128,134	83,394	92,734
Total Adjusted Cost	\$25,850,582	\$39,282,026	\$28,848,42	\$18,924,915	\$19,079,064
Structure (1)	\$57	\$56	\$33	\$29	\$40
Enclosure	\$69	\$48	\$38	\$36	\$45
Interiors	\$35	\$37	\$33	\$36	\$32
Fittings	\$9	\$11	\$11	\$14	\$4
Mechanical	\$47	\$45	\$35	\$47	\$44
Electrical	\$16	\$25	\$21	\$21	\$9
Site	\$14	\$10	\$19	\$25	\$9
Markups	\$31	\$40	\$34	\$19	\$17
Total	\$279	\$270	\$225	\$227	\$215

(1) VT and Syracuse have extensive caisson foundations systems. Others have conventional pad and strip footing foundations. This results in approximately a \$20/sqft premium for both.

Residence Halls–Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

- Focused on two “like facilities”:
 - VT Residence
 - Syracuse University
- These two facilities have the most comparable programs:
 - 20% of the gross square feet of beds
 - 20% of the gross square feet in office/amenities

	VT	Syracuse	New Haven	SE Missouri
Bed room	20	21	27	35
Lounge/Lobby	9	5	11	11
Kitchen	2	2	7	2
Washroom	8	7	7	10
	39	35	52	58
Office/Amenities	20	22	3	3
Corridor/Stair	17	16	22	17
Trash/Storage	3	3	2	3
	20	19	24	20
M&E	3	6	3	3
Walls & Shafts	18	18	18	16
	21	24	21	19
Total	100	100	100	100

Residence Halls – Construction Details

- Enclosure: VT cladding ratio is lower than peer facilities. Hokie Stone and architectural detailing creates a higher cost/sqft for VT
- Roofing: The slate roofing cost add a premium to the VT project
- Cladding and roofing have a premium of \$28/sqft (\$24 – walls & \$4 roofing)

			VT NRH	Syracuse	New Haven	SE Missouri
Cladding	1	Wall Area/GSF	0.53	0.70	0.66	0.51
	2	\$/ Wall Area	\$110.00	\$56.00	\$50.00	\$59.00
	3	\$/GSF (1 x 2)	\$58.30	\$39.20	\$33.00	\$30.09
Roof	1	Roof Area/GSF	0.28	0.22	0.20	0.30
	2	\$/ Roof Area	\$28.00	\$21.50	\$17.50	\$9.40
	3	\$/GSF (1 x 2)	\$7.84	\$4.73	\$3.50	\$2.82
Cladding & Roof	Cladding 3 + Roof 3		\$66.14	\$43.93	\$36.50	\$32.91

Residence Facility–Construction Details

- **Electrical**
 - Syracuse includes a premium of \$10/sf for emergency power generation and distribution.
- **Contactor Markups (% of Direct Costs)**

	New Res. I	Syracuse
General Conditions & Requirements	7.6%	11.2%
Contractor's Fee	5.0%	3.0%
CM Contingency	0%	3.0%
Total	12.6%	17.2%

Construction Costs - Research Facilities

Element \$/sf	VT Signature Engineering	Georgetown U – Science Center	MSU Drug Discovery	Syracuse U - LSF	Drexel ISB	Yale ENRB	University of Pennsylvania
Location	Blacksburg, VA	Washington, DC	Charleston, SC	Syracuse, NY	Philadelphia, PA	New Haven, CT	Philadelphia, PA
Total Area (Sqft)	153,800	157,358	113,090	240,154	133,847	64,479	109,469
Total Adjusted Cost	\$67,186,660	\$67,489,786	\$49,467,675	\$82,374,823	\$46,187,139	\$31,310,534	\$53,510,151
Structure	\$53	\$51	\$61	\$43	\$43	\$65	\$55
Enclosure	\$70	\$60	\$79	\$46	\$59	\$97	\$53
Interiors	\$44	\$39	\$46	\$43	\$42	\$45	\$40
Fittings	\$28	\$39	\$50	\$43	\$27	\$38	\$61
Mechanical	\$104	\$122	\$105	\$77	\$95	\$118	\$147
Electrical	\$44	\$43	\$35	\$36	\$37	\$48	\$53
Site	\$29	\$24	\$18	\$7	\$5	\$15	\$28
Markups	\$64	\$51	\$44	\$48	\$36	\$60	\$51
Total	\$437	\$429	\$437	\$343	\$345	\$486	\$489

Research – Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

- Also focused the analysis on two “like facilities”:
 - Sig. Eng. (153,800)
 - Georgetown (157,358)
- These two facilities are the most comparable based on gross square footage, cladding and roof ratios, sites and LEED requirements.

	VTech SEB	Georgetown	MSU Drug	Drexel ISB	U Penn
Lab & Lab Support	23	32	35	29	38
Off./Meeting/Class.	28	13	11	12	8
	51	45	46	41	46
Lobby/Wash/Conf.	5	11	9	10	8
Corridor/Stair/unass.	21	23	12	18	16
	26	34	21	28	24
M&E	11	11	18	14	15
Walls & Shafts	12	11	15	17	15
	23	22	33	31	30
Total	100	100	100	100	100

Research Facility–Construction Details

- Enclosure: Hokie Stone and architectural detailing does create a higher cost/sqft for VT
- Roofing: The style and pitched roof and use of slate roofing does create a premium for Signature Engineering as compared to certain buildings. The Georgetown building incorporated a green roof which increased its cost.

			VTech SEB	Georgetown	Syracuse	MSU	UPenn
Cladding	1	Wall Area/GSF	0.51	0.58	0.45	0.72	0.70
	2	\$/ Wall Area	\$90.51	\$79.77	\$70.32	\$73.09	\$63.00
	3	\$/GSF (1 x 2)	\$46.25	\$45.91	\$31.45	\$52.84	\$44.10
Roof	1	Roof Area/GSF	0.28	0.31	0.21	0.20	0.23
	2	\$/ Roof Area	\$19.00	\$26.39	\$19.78	\$10.96	\$14.00
	3	\$/GSF (1 x 2)	\$5.31	\$8.22	\$4.17	\$2.14	\$3.22
Cladding & Roof Cladding 3 + Roof 3			\$51.56	\$54.13	\$35.62	\$54.99	\$47.32

Research Facility–Construction Details

- **Contactor Markups (% of Direct Costs)**
 - Georgetown project included various General Conditions and Requirements costs in the Owner's (soft cost) budget.
 - CM Contingency amount reflects status of design documents at the time the GMP is negotiated

	Sig. Eng.	Georgetown
General Conditions & Requirements	11.0%	7.8%
Contractor's Fee	2.5%	2.5%
CM Contingency	5.5%	3.0%
Total	19.0%	13.3%

VT Project Soft Costs

- Architect/Engineer Fees
- Project Management and Inspection
- Moveable Equipment and Furnishings (FF&E)
- Owner Contingencies
- Other
 - Materials Testing & Special Inspections
 - Telecommunications (VT CNS)
 - Electric Service (VTES)
 - HVAC Commissioning
 - Parking Relocations
 - Misc.

Project Soft Costs

	Signature Engineering			New Residence Hall		
	\$	% of Const.	\$/SF	\$	% of Const.	\$/SF
A/E Fees	\$7,149,000	10.6%	46	\$1,295,595	5.0%	14
Pre Con. Srvs.	\$340,000	0.5%	2	\$83,647	0.3%	1
PM and Insp.	\$2,989,072	4.5%	19	\$580,134	2.2%	6
Contingencies	\$3,395,280	5.0%	22	\$1,153,879	4.5%	12
FF&E	\$8,780,910	13.1%	57	\$784,000	3.0%	8
Other	\$6,494,086	9.7%	42	\$1,197,273	4.6%	13
Total	\$29,148,348	43.4%	188	\$5,094,528	19.6%	54

“Other” Soft Costs

	Signature Eng.		New Residence	
	\$	\$/SF	\$	\$/SF
Testing	578,000	4	300,000	3
VTES	627,000	4	70,000	1
Commissioning	941,000	6	135,000	1
CNS	1,181,000	8	300,000	3
FS Work Orders	102,000	1	200,000	2
Moving	133,086	1	82,000	1
Parking Relocations	1,324,000	9	0	0
Geotech	157,000	1	24,351	0
Advertisements	3,000	0	3,922	0
Signage	54,000	0	33,000	0
BCOM Fee	19,000	0	19,000	0
Fire Safety Equip.	35,000	0	20,000	0
Central Utility Allocation	1,330,000	9	0	0
Bldg. Dedication	10,000	0	10,000	0
Total	6,494,086	43	1,197,273	11

Comparison to ACC Schools

(% of Construction Cost)

- VT values are average of Sig. Eng. and New Residence Hall
- Comparable “typical project” data provided by other universities

	VT	UVA	Duke	Florida State	UNC	GT	NC State
A/E Fees	7.8%	13.0%	10.0%	7.7%	8-11%	8.8%	10.0%
Pre Con. Srvs.	0.4%	1.5%	0.0%	0.6%	1.0%	1.5%	1.0%
PM and Insp.	3.4%	4.0%	2.5-4.0%	0.5%	1.2%	2.5%	1.2%
Contingencies	4.8%	15.0%	11.0%	3.2%	1.5-5%	5.0%	10%
FF&E	8.1%	4.0%	7.0%	11.5%	1.3%+	10.0%	2.0%
Other	7.2%	2.5%	2.5%	5.0%	17.0%	3.7%	7.0%
Total	31.7%	40.0%	33-34.5%	28.5%	30-36.5%	31.5%	31.2%

Financial Performance Report - Operating and Capital

FINANCE AND AUDIT COMMITTEE

July 1, 2009 to December 31, 2009

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 the expenditures when obligated rather than 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 Audit Committee and the Board of Visitors through this report. Where adjustments impact appropriations at the state level, the University budget coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to December 2009-10 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

1. Tuition and Fee revenue is ahead of historical projections due to earlier than projected tuition collections and the timing of unfunded scholarship awards.
2. The Commonwealth is revising the allocation of federal stimulus support and further changes are possible during the General Assembly session; as a result, stimulus funds have not yet been released to institutions of higher education.
3. Academic and Support expenditures are behind historical projections due to the timing of operating expenditures.
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 revenue and expenses are less than projected, but sponsored research expenditures are ahead of 2008-09 activity levels.
6. The General Fund revenue budget has been increased by \$221,000 for a transfer from Student Financial Assistance to the Educational and General program for assistantships in the Multicultural Academic Opportunities Program, increased by \$29,333 for VIVA libraries distribution costs, and increased by \$3,083,333 for support of the Rolls Royce initiative. The General Fund reductions include \$580,889 to match the actual central appropriations transfer for fringe benefits and \$22,500 for the General Fund reduction assigned to Agriculture and Consumer Services for pass-through funds which support agriculture education specialists at Virginia Tech. The budget has also been decreased by \$5,185,235 due to the following executive actions: On September 8, 2009, the Governor assigned a \$21,846,707 General Fund reduction to the E&G component of the University Division. The state planned to offset the 2009-10 General Fund reduction with federal stimulus funding. Due to Maintenance of Effort requirements announced in December 2009, the stimulus funding was reduced and the General Fund budget was increased by \$16,661,472. The corresponding expenditure budgets have been adjusted accordingly.
7. The annual budget for Tuition and Fees has been decreased by \$80,168 to finalize the Virginia/Maryland Regional College of Veterinary Medicine regional capitation agreement and increased by \$8,054,187 for strong fall enrollments. The corresponding expenditure budgets have been adjusted accordingly.
8. In September, the federal revenue budget for the University Division was increased by \$10,163,758 to reflect the state's plan to offset a portion of the 2009-10 General Fund reductions. Due to Maintenance of Effort requirements, the federal stimulus funding was decreased by \$16,006,396 when the Executive Budget was released. The corresponding expenditure budgets have been adjusted accordingly.
9. The All Other Income revenue budget for the University Division has been decreased by \$232,208 to reflect lower than projected interest earnings due to lower market rates. The corresponding expenditure budgets have been adjusted accordingly.
10. The General Fund revenue budget in the Cooperative Extension/Agricultural Experiment Station Division has been decreased by \$20,638 to match the actual central appropriations transfer for fringe benefits. The budget has also been decreased by \$1,074,931 due to the following executive actions: On September 8, 2009, the Governor assigned a \$4,528,956 General Fund reduction to the Cooperative Extension/Agricultural Experiment Station Division. The state planned to offset \$2,107,009 of the 2009-10 General Fund reduction with federal stimulus funding. Due to Maintenance of Effort requirements announced in December 2009, the stimulus funding was removed and \$3,454,025 of General Funds were appropriated to offset the current year reductions. The corresponding expenditure budgets have been adjusted accordingly.
11. The federal revenue budget in the Cooperative Extension/Agricultural Experiment Station Division has been increased by \$2,033,925 for the carryover of unexpended federal funds and revised calculations of other federal formula funds. The corresponding expenditure budgets have been adjusted accordingly.
12. The Sponsored Programs budget has been decreased by \$57,600 for Virginia Tech's share of the General Fund reduction assigned to SCHEV's Eminent Scholars Program by the Governor on September 8, 2009.
13. The projected year-end revenue and expense budgets for Student Financial Assistance were reduced by \$221,000 for the transfer from Student Financial Assistance to the Educational and General program for assistantships in the Multicultural Academic Opportunities Program and increased by \$308,051 for the Commonwealth Scholarship Assistance Program, \$16,200 for the VA Military Survivors and Dependent Program, and \$4,500 for the two-year College Transfer Grant.
14. The projected annual budgets in All Other Programs were adjusted to reflect the finalization of the Local Funds budget and increases for activities that were initiated prior to June 30, 2009 but incomplete at fiscal year end.

**OPERATING BUDGET
2009-10**

Attachment F

Dollars in Thousands

	July 1, 2009 - December 31, 2009			Annual Budget for 2009-10		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
General Fund	\$86,797	\$86,797	\$0	\$150,706	\$148,251	\$-2,455 (6)
Tuition and Fees	171,572	168,897	2,675 (1)	285,037	293,011	7,974 (7)
Federal Funds (ARRA)	0	4,662	-4,662 (2)	15,167	9,325	-5,842 (8)
All Other Income	17,646	16,794	852	27,876	27,644	-232 (9)
Total Revenues	\$276,015	\$277,150	\$-1,135	\$478,786	\$478,231	\$-555
<u>Expenses</u>						
Academic Programs	\$-153,883	\$-155,597	\$1,714 (3)	\$-297,373	\$-298,841	\$-1,468 (6,7,8,9)
Support Programs	-86,069	-87,209	1,140 (3)	-181,413	-179,390	2,023 (6,7,8,9)
Total Expenses	\$-239,952	\$-242,806	\$2,854	\$-478,786	\$-478,231	\$555
NET	\$36,063	\$34,344	\$1,719	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
General Fund	\$34,750	\$34,750	\$0	\$63,593	\$62,497	\$-1,096 (10)
Federal Appropriation	7,193	7,002	191	13,570	15,604	2,034 (11)
Federal Funds (ARRA)	0	0	0	0	0	0
All Other Income	362	490	-128	876	876	0
Total Revenues	\$42,305	\$42,242	\$63	\$78,039	\$78,977	\$938
<u>Expenses</u>						
Academic Programs	\$-39,383	\$-39,964	\$581	\$-70,137	\$-71,375	\$-1,238 (10,11)
Support Programs	-2,616	-2,775	159	-7,902	-7,602	300 (10,11)
Total Expenses	\$-41,999	\$-42,739	\$740	\$-78,039	\$-78,977	\$-938
NET	\$306	\$-497	\$803	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$123,559	\$123,873	\$-314 (4)	\$218,015	\$219,894	\$1,879 (4)
Expenses	-107,639	-112,720	5,081 (4)	-201,288	-222,244	-20,956 (4)
Reserve Drawdown (Deposit)	-15,920	-11,153	-4,767 (4)	-16,727	2,350	19,077 (4)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$118,443	\$120,084	\$-1,641 (5)	\$248,198	\$248,140	\$-58 (12)
Expenses	-121,979	-139,281	17,302 (5)	-248,198	-248,140	58 (12)
Reserve Drawdown (Deposit)	3,536	19,197	-15,661	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
General Fund	\$8,882	\$8,882	\$0	\$17,661	\$17,769	\$108 (13)
Federal Funds (ARRA)	0	1,078	-1,078 (2)	2,155	2,155	0
Expenses	-10,262	-10,067	-195	-19,816	-19,924	-108 (13)
NET	\$-1,380	\$-107	\$-1,273	\$0	\$0	\$0
All Other Programs *						
Revenue	\$2,634	\$2,886	\$-252	\$5,706	\$5,902	\$196 (14)
Expenses	-2,967	-2,983	16	-5,706	-6,035	-329 (14)
Reserve Drawdown (Deposit)	333	97	236	0	133	133 (14)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$571,838	\$576,195	\$-4,357	\$1,048,560	\$1,051,068	\$2,508
Expenses	-524,798	-550,596	25,798	-1,031,833	-1,053,551	-21,718
Reserve Drawdown (Deposit)	-12,051	8,141	-20,192	-16,727	2,483	19,210
NET	\$34,989	\$33,740	\$1,249	\$0	\$0	\$0

* All Other Programs include federal work study, alumni affairs, surplus property, and unique military activities.

AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls are higher than projected due to continued growth in off-campus meal plan sales and dining dollar receipts. Expenditures in Residence and Dining Halls are lower than projected because of the timing of operating expenses.
2. Expenditures in Telecommunications Services are lower than projected due to the timing of equipment purchases related to the campus telecommunications infrastructure.
3. Student fee revenues in the University Services System are higher than projected due to higher enrollments than budgeted. Expenses are lower than projected overall due to staff turnover and vacancy and the timing of operating expenses.
4. Revenues for the Intercollegiate Athletics System are higher than projected due to higher than anticipated student fees from higher than budgeted enrollments, conference revenue sharing, prior year revenue timing, and neutral site game. Expenses are lower than projected overall due to staff turnover and vacancy and lower than projected operating expenses.
5. Revenues and expenses for the Electric Service auxiliary are lower than projected due to lower than anticipated electrical consumption. Expenses are also lower than projected due to the lower than anticipated cost of purchased electricity. The University is currently analyzing the situation; a budget adjustment will be completed in the third quarter.
6. Revenues and expenses for the Inn at Virginia Tech and Skelton Conference Center are lower than projected due to reduced business activity as a result of the economic downturn.
7. Revenues for Other Enterprise Functions are higher than projected due to a new requirement for all incoming undergraduate students to purchase a common software bundle to ensure access to the required version of operating and application software that was not envisioned within the original budget. A budget adjustment will be completed in the third quarter.
8. The projected annual budget across all of the auxiliary enterprise units was adjusted \$3.9 million for outstanding 2008-09 commitments and projects that were initiated but not completed before June 30, 2009.
9. The projected annual expense and reserve budgets for auxiliaries with University facilities were increased to accommodate the cost of a state required facility condition assessment study.
10. The projected annual expense and reserve budgets for Residence and Dining Halls were adjusted for a Value Added Tax expense for the Center for European Studies and Architecture related to prior years' operations in Switzerland.
11. The projected annual revenue, expense, and reserve budgets for the Telecommunications Services auxiliary were adjusted during budget finalization for changes in departmental service rates and other self-generated revenue.
12. The projected annual revenue, expense, and reserve budgets for the University Services System were adjusted for a technical change in the self-generated revenue budget for the Recreational Sports auxiliary, a building feasibility study for the Squires Student Center, and the establishment of auxiliary support for the Center for Arts.
13. The projected annual revenue budget for Intercollegiate Athletics was adjusted \$1.2 million to accommodate increased revenue from the NCAA Opportunity Fund, handling fees, football game settlements, basketball game settlements, conference allocation, private gifts, and Chick-fil-A Bowl. These increases were partially offset by lower than projected interest earnings, football away games, football ticket allocations, basketball away games, and tennis center. Annual expense and reserve draw budgets were adjusted to accommodate personnel actions, operating adjustments, office space renovation, team travel, Chick-fil-A Bowl, a \$9.0 million cash drawdown to fund the construction costs for the Jamerson Center Addition, and a \$3.2 million cash drawdown to fund the West Side Expansion final expenses.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Attachment F

Dollars in Thousands

	July 1, 2009 - December 31, 2009			Annual Budget for 2009-10		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls						
Revenues	\$41,540	\$41,109	\$431 (1)	\$75,375	\$75,375	\$0
Expenses	-35,720	-36,282	562 (1)	-67,970	-69,848	-1,878 (8,9,10)
Reserve Drawdown (Deposit)	-5,820	-4,827	-993	-7,405	-5,527	1,878 (8,9,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$4,095	\$4,037	\$58	\$6,131	\$6,131	\$0
Expenses	-2,317	-2,495	178	-5,924	-5,967	-43 (8)
Reserve Drawdown (Deposit)	-1,778	-1,542	-236	-207	-164	43 (8)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$8,307	\$8,306	\$1	\$15,539	\$16,229	\$690 (11)
Expenses	-8,347	-9,713	1,366 (2)	-15,460	-16,871	-1,411 (8,11)
Reserve Drawdown (Deposit)	40	1,407	-1,367	-79	642	721 (8,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services System						
Revenues	\$16,708	\$16,405	\$303 (3)	\$28,070	\$28,046	\$-24 (12)
Expenses	-13,397	-14,191	794 (3)	-26,029	-26,739	-710 (8,9)
Reserve Drawdown (Deposit)	-3,311	-2,214	-1,097	-2,041	-1,307	734 (8,9,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics						
Revenues	\$32,414	\$31,785	\$629 (4)	\$47,425	\$48,638	\$1,213 (13)
Expenses	-27,402	-28,112	710 (4)	-42,282	-58,740	-16,458 (8,9,13)
Reserve Drawdown (Deposit)	-5,012	-3,673	-1,339	-5,143	10,102	15,245 (8,9,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service						
Revenues	\$12,147	\$13,436	\$-1,289 (5)	\$29,199	\$29,199	\$0
Expenses	-12,143	-12,984	841 (5)	-28,396	-28,447	-51 (8,9)
Reserve Drawdown (Deposit)	-4	-452	448	-803	-752	51 (8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$4,572	\$5,161	\$-589 (6)	\$9,350	\$9,350	\$0
Expenses	-4,716	-5,321	605 (6)	-9,279	-9,341	-62 (8,9)
Reserve Drawdown (Deposit)	144	160	-16	-71	-9	62 (8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions						
Revenues	\$3,776	\$3,634	\$142 (7)	\$6,926	\$6,926	\$0
Expenses	-3,597	-3,622	25	-5,948	-6,291	-343 (8,9)
Reserve Drawdown (Deposit)	-179	-12	-167	-978	-635	343 (8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$123,559	\$123,873	\$-314	\$218,015	\$219,894	\$1,879
Expenses	-107,639	-112,720	5,081	-201,288	-222,244	-20,956
Reserve Drawdown (Deposit)	-15,920	-11,153	-4,767	-16,727	2,350	19,077
Net	\$0	\$0	\$0	\$0	\$0	\$0

Educational and General Projects

1. The project total budget reflects the appropriation available for fiscal year 2010, including the amount carried forward from fiscal year 2009. The annual budget reflects the target amount needed to meet or exceed the state's 85 percent biennial performance requirement.
2. Blanket Authorizations allow unforeseen small projects to be authorized administratively with nongeneral funds for expediency. This project includes a \$3.5 million authorization to initiate planning for a Sciences Research and Academic Building and a \$1 million authorization to initiate planning for the Relocation of the Agriculture programs. The annual budget was adjusted up in the second quarter to reflect updated cash outflows for the Relocation of the Agriculture programs study.
3. This project addresses the improvement of campus heating infrastructure needed to accommodate current and future campus buildings. The project will be accomplished in multiple phases with a total cost of \$28.75 million. Phases for the steam distribution upgrades, boiler upgrades, and plant upgrades are complete. The \$6.2 million phase for the life science steam line is underway. The final phase, Prices Fork steam line, is scheduled to start construction in the summer of 2010.
4. This Critical Technologies Research Laboratory building project includes a new 42,000 gross square foot state-of-the-art research facility that will support multidisciplinary research. The project is under construction with a completion date of December 2010. The annual budget has been revised to reflect the expected cash outflows for fiscal year 2009-10.
5. This project is envisioned to construct a 16,300 gross square foot high containment research laboratory facility for the study of infectious diseases. Working drawings are nearly complete. The project's schedule is being adjusted to accommodate a NIH grant submission to support construction costs, with grant notification expected by spring 2010. If an award is received, the designs may require some modification and the construction start moved to late fall 2010.
6. The purpose of this project is to construct a 48,000 gross square foot building along the campus perimeter to house various administrative and academic support functions in a central location. The project is on hold.
7. This project includes a new Visitors and Undergraduate Admissions Center at the Prices Fork entrance to the university near the new Alumni Center. A final GMP contract was reached in January 2010 with occupancy expected spring 2011.
8. This project will construct a 7,500 gross square foot building to provide a central location for the management, storage, and eventual disposal of hazardous materials that are products of the academic program. Construction is underway with an expected completion by August 2010.
9. This project includes construction of an approximately 155,000 square foot medical school and research laboratory building to be built in the Riverside Center in Roanoke on land owned by Carilion. The project is being implemented under a Public-Private Education Facilities and Infrastructure Act ("PPEA") agreement with a target completion date of August 2010. The project is on schedule.
10. This project authorization includes a 92,300 gross square foot scientific laboratory facility to support interdisciplinary instruction and research. The building envisions state-of-the-art undergraduate class laboratories, research laboratories, and graduate student space. The project is on hold pending the outcome of external funding sources. Current planning activities for this project are being conducted under the Blanket Authorization with \$519,096 in expenditures as of December 31, 2009.
11. This project is envisioned to construct a state-of-the-art performance theatre and creative arts laboratory. Preliminary design is underway.
12. This project includes an approximately 60,000 gross square foot facility located in Hampton Roads. The project is being implemented under a Public-Private Education Facilities and Infrastructure Act ("PPEA") agreement with delivery through a design-build process. The design phase is underway.
13. This project encompasses planning of a 63,000 gross square foot facility on the north side of campus to house dining and instructional space. Preliminary designs are nearly complete with a target site package start of May 2010.
14. This project comprises planning of a 50,000 square foot addition to the VBI facility to provide office, meeting, and conference space for VBI faculty, research, and support personnel. Working drawings are complete and construction is pending the outcome of external funding.
15. This project was established for planning a 35,000 gross square foot facility to house the public safety programs of the police department, rescue squad, and emergency management. The original purpose of the planning project was to expedite the project schedule in the event the state funded the university's 2008 General Assembly request. The state did not fund the project; thus, the planning is on hold and the project may be closed at the end of the fiscal year.
16. This project encompasses planning of a multipurpose laboratory building for agricultural research conducted by the Southern Piedmont Agricultural Research and Extension Center (SPAREC). The planning work is complete and a request for the construction phase depends on the college securing sufficient grant and/or private donations to fully fund the project. This planning project may be closed at the end of the fiscal year.
17. This project will plan the first phase of the renovation of Davidson Hall, which is envisioned to raze and fully replace the unrecoverable center and north section of the building. The project is in the working drawings phase.
18. This project will plan a central chiller plant facility in the southwest section of campus as part of a strategy to increase the efficiency of campus cooling systems and to serve new buildings coming on line in the area. Working drawings are underway.
19. This project will plan the construction of a laboratory building to provide expanded, modern research space to meet the needs of animal and plant science research by the Agricultural Experiment Station in the College of Agriculture and Life Sciences. The project is in the preliminary design phase.
20. This project will plan the construction of a classroom and laboratory facility for undergraduate and research programs in the College of Engineering. The project is in the schematic design phase.

2002 General Obligation Bond Program

21. The project is complete and will be closed when final payments for pending equipment purchases are processed.
22. The project is complete and will be closed when final payments are processed, with an expected total cost of \$10,468,000.
23. The project is complete and will be closed when final payments are processed, with an expected total cost of \$16,323,000.
24. The project is complete and will be closed when final payments are processed, with an expected total cost of \$45,990,000.

CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF DECEMBER 31, 2009

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Educational and General Projects									
Maintenance Reserve	10,265	10,511	3,577	16,900	0	0	0	16,900	7,432 (1)
Blanket Authorizations	0	500	17	0	0	4,643	0	4,643	534 (2)
Upgrade Campus Heating Plant	11,000	11,000	2,652	17,250	0	2,750	11,500	31,500	19,469 (3)
Institute for Critical Technology and Applied Science II	13,200	14,500	9,098	17,500	0	0	17,500	35,000	11,558 (4)
Infectious Disease Research Facility	1,180	1,180	153	3,137	0	6,163	0	9,300	605 (5)
Administrative Services Building	0	0	0	0	0	0	12,000	12,000	0 (6)
Visitors and Undergraduate Admissions Center	550	550	296	0	0	3,400	7,100	10,500	926 (7)
Materials Management Facility	2,365	2,365	281	3,500	0	0	0	3,500	663 (8)
VT-Carilion School of Medicine and Research Institute	34,000	34,000	21,901	59,000	0	0	0	59,000	29,170 (9)
Sciences Building Laboratory I	0	0	0	28,758	0	0	16,800	45,558	0 (10)
Performing Arts Center	3,566	3,566	547	0	0	5,000	58,000	63,000	2,235 (11)
Hampton Technology Research & Innovation Center	1,500	1,500	81	12,000	0	0	0	12,000	81 (12)
Planning: Academic and Student Affairs Building	1,720	1,720	835	0	0	0	2,720	2,720	1,721 (13)
Planning: VBI Addition Facility	350	350	339	0	0	0	2,400	2,400	2,342 (14)
Planning: Public Safety Building	0	0	0	0	0	1,600	0	1,600	0 (15)
Planning: Southern Piedmont AREC Laboratory	0	3	4	0	0	375	0	375	356 (16)
Planning: Renovate Davidson Hall	706	706	652	1,506	0	0	0	1,506	1,377 (17)
Planning: Chiller Plant, Phase I	257	257	92	480	0	0	0	480	308 (18)
Planning: Human & Agricultural Biosciences Bldg. I	1,320	1,320	377	2,040	0	0	0	2,040	1,024 (19)
Planning: Signature Engineering Building	2,083	2,083	598	1,350	0	983	0	2,334	762 (20)
TOTAL	84,062	86,111	41,501	163,421	0	24,914	128,020	316,356	80,562
2002 General Obligation Bond Program									
Life Sciences I	1,100	1,100	208	4,987	26,263	0	8,750	40,000	39,062 (21)
Cowgill Hall HVAC and Power	660	660	491	3,825	7,500	0	0	11,325	10,284 (22)
Henderson Hall	3,817	3,817	3,001	7,333	6,542	4,683	0	18,558	15,770 (23)
Inst. for Critical Technology and Applied Science, Ph I	500	500	257	9,994	13,996	6,989	17,000	47,979	45,477 (24)
TOTAL	6,077	6,077	3,957	26,139	54,301	11,672	25,750	117,862	110,593

Auxiliary Enterprises Projects

1. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise Budgeting Process. The revised annual budget reflects the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2010.
2. This authorization includes one active sub-project to complete a parking lot on Chicken Hill, with an estimated remaining cost of \$750,000. This final phase of the Chicken Hill lot is expected to start January 2010 and be operational August 2010. The authorization balance may be used to complete future improvements and repair projects for the parking system.
3. The project is complete and will be closed when final payments have been processed, with an expected total cost of \$57.25 million. The annual budget was adjusted up in the second quarter to reflect final expenses for the project. Legal expenses that had been residing in the project were moved to a permanent location, resulting in the negative year-to-date expense amount. The final project costs will be posted to the project pending an administrative action in the state accounting system, which is expected in the third quarter.
4. The project is complete and will be closed when final payments have been processed.
5. This project includes design and renovation of East and West Ambler Johnston Hall, with full occupancy expected by summer 2011. The total expected costs are \$72.1 million.
6. This project includes 25,000 gross square feet (GSF) of new construction and 2,000 GSF of renovation to address the growing demand for increased student recreational areas. The project is under construction and occupancy is expected by winter 2010, with an expected total cost of \$12.8 million.
7. The purpose of this project is to build a new, 120,000 gross square foot field house to increase the availability of indoor training time for football and other athletic programs. The project is on hold to advance the Addition to the Jamerson Center.
8. The project is complete and will be closed when final payments have been processed, with at total expected cost of \$21.1 million. The annual budget was adjusted down in the first quarter because the project moved faster than expected during the previous fiscal year leaving less for spend out this year.
9. This project envisioned a new residence hall of approximately 250 beds. Cost estimates exceed the project budget, and the project is on hold while the university explores potential alternatives.
10. This repair project addresses moisture penetration and structural problems in the exterior walls of McComas Hall. Work is underway and is being coordinated with the addition to the facility. Completion is expected by summer 2011.
11. This project includes design and construction of a 1,200 space parking structure located on the Prices Fork parking lot. Construction is underway with occupancy expected no later than winter 2010 and an expected total cost of \$26 million.
12. This project envisions construction of a centralized north chiller plant located next to the Prices Fork parking structure. The project is in the schematic design phase.
13. This project is to update the food service areas in Owens Hall and to renovate and expand the kitchen and dining area in West End Market to improve the service of the dining centers. The University received a Guaranteed Maximum Price contract which is under review.
14. The project is complete with occupancy in November 2009, and it will be closed when final payments have been processed.
15. This project includes a 38,853 gross square foot facility adjacent to the Jamerson Center at the south east corner. The facility provides new locker rooms, a training room, and program space serving the Athletics program. Construction is underway with occupancy expected by fall 2010. The expected total cost is \$16.1 million.

Capital Outlay Projects Authorized as of December 31, 2009 (Continued)

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Auxiliary Enterprises Projects									
Maintenance Reserve	5,000	6,300	2,872	0	0	9,828	0	9,828	2,872 (1)
Parking Auxiliary Projects	750	500	0	0	0	0	16,941	16,941	0 (2)
Expand Lane Stadium, West Side	723	3,953	(1,897)	0	0	4,962	54,740	59,702	51,401 (3)
New Residence Hall	5,079	5,079	4,120	0	0	953	30,047	31,000	29,931 (4)
Renovate Ambler Johnston Hall	19,208	19,208	8,015	0	0	0	75,000	75,000	13,857 (5)
Recreational, Counseling, Clinical Space	6,863	6,863	1,333	0	0	0	13,000	13,000	2,080 (6)
Indoor Athletic Training Facility	0	0	0	0	0	0	25,000	25,000	0 (7)
Basketball Practice Facility	4,600	4,520	2,535	0	0	11,700	9,400	21,100	19,115 (8)
New Residence Hall II	0	0	0	0	0	0	27,000	27,000	182 (9)
Repair McComas Hall Exterior Wall Structure	2,013	2,013	1,106	0	0	0	6,000	6,000	3,662 (10)
Parking Structure	15,100	15,100	7,103	0	0	0	30,000	30,000	8,673 (11)
North Chiller Plant	900	900	0	0	0	3,800	0	3,800	0 (12)
Renovate Owens & West End Market Food Courts	2,300	2,300	225	0	0	0	5,000	5,000	381 (13)
Indoor Batting Practice Facility	1,700	1,700	712	0	0	2,300	0	2,300	1,308 (14)
Addition to Jamerson Center	12,600	12,600	4,222	0	0	18,000	0	18,000	4,222 (15)
TOTAL	76,836	81,036	30,347	0	0	51,544	292,128	343,672	137,683
GRAND TOTAL	<u>\$ 166,975</u>	<u>\$ 173,224</u>	<u>\$ 75,805</u>	<u>\$ 189,560</u>	<u>\$ 54,301</u>	<u>\$ 88,130</u>	<u>\$ 445,898</u>	<u>\$ 777,889</u>	<u>\$ 328,837</u>

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, 2009 through December 31, 2009 and the Capital Outlay report be accepted.

March 22, 2010

2010-11 Compensation for Graduate Assistants

FINANCE AND AUDIT COMMITTEE

March 9, 2010

Graduate students who work as graduate assistants while pursuing the master's or doctoral degrees provide a valuable service to the University. Many teach undergraduate classes while others support faculty in scholarly and sponsored research activities. To be competitive in the recruitment and retention of high quality graduate students, it is important for the University to provide compensation packages that are comparable with those offered by peer institutions. The key components of the compensation packages are competitive stipends, tuition assistance, and health insurance.

Graduate Stipends

One of the primary goals of Virginia Tech during the 1980's was to build a graduate stipend schedule that was competitive with those offered by comparable institutions. A stipend table was developed and levels have been adjusted each year. Individual amounts within the table were realigned to eliminate perceived discrepancies, and a new category was added for graduate students working on sponsored research projects. To respond to increasing competition for quality graduate students among peer institutions, the graduate student stipend scale was revised for Fall 2003 and approved by the Board to better position Virginia Tech departments and to reflect the minimum stipend levels authorized by the National Science Foundation. The Fall 2004 stipend scale added ten additional stipend steps, numbered 41-50, to increase the University's competitive position in attracting outstanding Ph.D. students.

Since there is no salary increase for fiscal year 2009-10 or 2010-11 included in the proposed state budget, the University proposes to maintain graduate student stipends at current levels for 2010-11. However, if the official 2010-11 compensation plan changes, the graduate assistantship compensation program for 2010-11 would be revised accordingly.

For 2010-11, the existing 50 step graduate stipend scale will continue to function as 50 pay ranges. This provides flexibility for situations where a defined level of resource that does not exactly match one of the steps is available to support a graduate assistant stipend. The attached schedule displays the range for each step. The actual stipend for a graduate assistantship may be established within the range of a step. The current average monthly stipend for full-time graduate assistants is \$1,713 per month, which falls within step 12. Consistent with prior years, the minimum and maximum stipends for a full assistantship are displayed on the attached table.

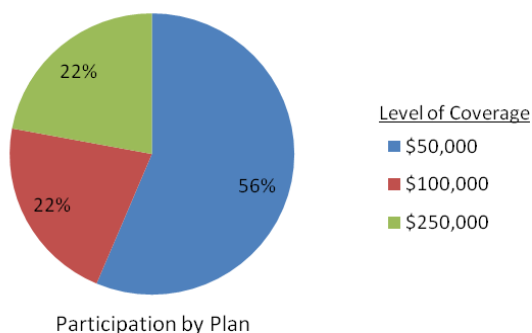
Tuition Assistance

In the 1990's, the University developed a more comprehensive program of tuition scholarships for graduate students. Four sources finance the tuition program: the General Fund appropriation for student financial assistance, a scholarship program in the Educational and General budget, tuition payments in grants and contracts, and private gifts. For 2010-11, the University proposes to continue the tuition remission program for graduate students on assistantship.

Health Insurance

At the March 2001 meeting of the Board of Visitors, a health insurance program for graduate students on assistantship was approved as a part of the graduate student compensation package to enhance the University's competitiveness in recruiting highly qualified graduate students. The program was initially designed to help full-time graduate students receiving a full or partial assistantship, including graduate research assistants, graduate teaching assistants, and graduate assistants, offset a portion of the cost of health insurance premiums. For 2009-10, the Board of Visitors authorized coverage of 82.5 percent* of the annual premium for insurance obtained through the University. The table below displays the proportion of participation in the three levels of coverage available.

Full-time Graduate Assistant Health Insurance
As of December, 2009



For 2010-11, the University proposes to increase its support for the graduate health insurance program to 87.5 percent. In order to qualify, full-time graduate students must have a 50 percent or greater appointment. Graduate students also have the option to decline coverage if they so choose.

In addition to the increase in premium coverage, University management has been working with representatives of the graduate student community with the goal of improving the overall mix and value of benefits provided through the health insurance program. Accordingly, the University is supporting the recommendations of the

graduate student health insurance committee; as a result, the following enhancements will be available in Fall 2010:

- Prescription Coverage: Increase the out-of-pocket maximum for prescription drug coverage from \$1,000 to \$2,000.
- Preventative Care: Include coverage of annual physicals with a \$100 maximum benefit and \$25 copayment.
- Enhanced Benefits: Enhance the coverage of diagnostic services and labs at the University's health center.
- Insurer Review: Conduct a Request for Proposals (RFP) and actively solicit proposals to achieve a decision regarding the insurance provider in advance of fiscal year 2011-12.
- Education/Outreach: Implement additional educational programming to assist graduate students and increase knowledge about the availability of health care programs.

RECOMMENDATION:

That the graduate assistant compensation program be approved.

* In 2009-10, the University provided 82.5% of the \$2,137 annual premium cost of the Basic Plan, which provided a \$300 annual deductible, a \$1,500 out-of-pocket maximum, a \$25 plus 20% co-pay for doctors' visits (\$10 plus 20% with a referral), and a \$50,000 maximum benefit. Students can obtain higher coverage levels, including dental and vision coverage, for an additional cost.

2010-11 Full-Time Graduate Monthly Stipend Compensation
Effective August 10, 2010

Step	2010-11		
	Monthly	9 Month	12 Month
Step 1	1,228 - 1,228	11,052 - 11,052	14,736 - 14,736
Step 2	1,229 - 1,277	11,053 - 11,493	14,737 - 15,324
Step 3	1,278 - 1,324	11,494 - 11,916	15,325 - 15,888
Step 4	1,325 - 1,370	11,917 - 12,330	15,889 - 16,440
Step 5	1,371 - 1,418	12,331 - 12,762	16,441 - 17,016
Step 6	1,419 - 1,466	12,763 - 13,194	17,017 - 17,592
Step 7	1,467 - 1,513	13,195 - 13,617	17,593 - 18,156
Step 8	1,514 - 1,561	13,618 - 14,049	18,157 - 18,732
Step 9	1,562 - 1,608	14,050 - 14,472	18,733 - 19,296
Step 10	1,609 - 1,655	14,473 - 14,895	19,297 - 19,860
Step 11	1,656 - 1,702	14,896 - 15,318	19,861 - 20,424
Step 12	1,703 - 1,748	15,319 - 15,732	20,425 - 20,976
Step 13	1,749 - 1,797	15,733 - 16,173	20,977 - 21,564
Step 14	1,798 - 1,844	16,174 - 16,596	21,565 - 22,128
Step 15	1,845 - 1,891	16,597 - 17,019	22,129 - 22,692
Step 16	1,892 - 1,938	17,020 - 17,442	22,693 - 23,256
Step 17	1,939 - 1,985	17,443 - 17,865	23,257 - 23,820
Step 18	1,986 - 2,034	17,866 - 18,306	23,821 - 24,408
Step 19	2,035 - 2,080	18,307 - 18,720	24,409 - 24,960
Step 20	2,081 - 2,128	18,721 - 19,152	24,961 - 25,536
Step 21	2,129 - 2,175	19,153 - 19,575	25,537 - 26,100
Step 22	2,176 - 2,221	19,576 - 19,989	26,101 - 26,652
Step 23	2,222 - 2,268	19,990 - 20,412	26,653 - 27,216
Step 24	2,269 - 2,317	20,413 - 20,853	27,217 - 27,804
Step 25	2,318 - 2,364	20,854 - 21,276	27,805 - 28,368
Step 26	2,365 - 2,410	21,277 - 21,690	28,369 - 28,920
Step 27	2,411 - 2,460	21,691 - 22,140	28,921 - 29,520
Step 28	2,461 - 2,506	22,141 - 22,554	29,521 - 30,072
Step 29	2,507 - 2,552	22,555 - 22,968	30,073 - 30,624
Step 30	2,553 - 2,601	22,969 - 23,409	30,625 - 31,212
Step 31	2,602 - 2,647	23,410 - 23,823	31,213 - 31,764
Step 32	2,648 - 2,695	23,824 - 24,255	31,765 - 32,340
Step 33	2,696 - 2,742	24,256 - 24,678	32,341 - 32,904
Step 34	2,743 - 2,790	24,679 - 25,110	32,905 - 33,480
Step 35	2,791 - 2,836	25,111 - 25,524	33,481 - 34,032
Step 36	2,837 - 2,884	25,525 - 25,956	34,033 - 34,608
Step 37	2,885 - 2,931	25,957 - 26,379	34,609 - 35,172
Step 38	2,932 - 2,979	26,380 - 26,811	35,173 - 35,748
Step 39	2,980 - 3,027	26,812 - 27,243	35,749 - 36,324
Step 40	3,028 - 3,073	27,244 - 27,657	36,325 - 36,876
Step 41	3,074 - 3,122	27,658 - 28,098	36,877 - 37,464
Step 42	3,123 - 3,168	28,099 - 28,512	37,465 - 38,016
Step 43	3,169 - 3,216	28,513 - 28,944	38,017 - 38,592
Step 44	3,217 - 3,263	28,945 - 29,367	38,593 - 39,156
Step 45	3,264 - 3,310	29,368 - 29,790	39,157 - 39,720
Step 46	3,311 - 3,359	29,791 - 30,231	39,721 - 40,308
Step 47	3,360 - 3,405	30,232 - 30,645	40,309 - 40,860
Step 48	3,406 - 3,452	30,646 - 31,068	40,861 - 41,424
Step 49	3,453 - 3,500	31,069 - 31,500	41,425 - 42,000
Step 50	3,501 - 3,547	31,501 - 31,923	42,001 - 42,564

Revisions to the Policy Governing the Investment of University Funds

FINANCE AND AUDIT COMMITTEE

February 12, 2010

As part of the Restructured Higher Education Act, the University expanded its investment program for non-general fund money effective July 2, 2007, to include all managerial fund resources owned by the University. Professional money management firms, Standish-Mellon and Merganser Capital Management, were hired to manage the University's non-endowed, short-term operating and intermediate-term cash balances.

Authorized investments for the University are set forth in the "Investment of Public Funds Act" of the Code of Virginia in Sections 2.2-4500 through 2.2-4517. Although the Code outlines the types of securities allowed for investment, the University can define many of its risk parameters and has traditionally used the Virginia Department of the Treasury's investment policy as a guide to further define our risk profile. The Department of the Treasury's investment policy has recently been updated to redefine some risk parameters and to further clarify certain types of securities allowed for investment. Accordingly, the University Policy Governing the Investment of University Funds has been updated, as well and is attached.

The following are the substantive changes made to the Policy:

- Security lending is no longer allowed.
- Dollar denominated international bonds now have a five year maturity limit and an "AAA" rating requirement (versus "AA").
- Collateral held for repurchase agreements will now be required to be marked-to-market on a daily basis.
- Tax-exempt municipal securities are now allowed for investment.
- The allowable allocation of corporate bonds (minimum rating of "A") has been reduced from 65 percent to 40 percent, and the allocation of Asset Backed Securities (minimum rating of "AAA") has been increased from 35 percent to 40 percent.
- The combined mortgage backed securities allowed has been reduced from 60 percent to 50 percent.
- The allocation to negotiable certificates of deposit has been reduced from 40 percent to 10 percent.
- The maximum percentage allowed of any single issuer has been reduced from 5 percent to 3 percent (does not apply to U.S. Government, Agency or U.S. Government sponsored securities).

The Policy identifies the University Treasurer, or designee(s), as authorized to invest University funds in the marketable securities as set forth in the Policy. The Policy also identifies allocation guidelines between the Primary Liquidity and Extended Duration allocations, as well as diversification and duration parameters for all the portfolios.

RECOMMENDATION:

That the attached Policy Governing the Investment of University Funds be approved.

March 22, 2010

Policy Governing the Investment of University Funds

General Guidelines

The University Treasurer of Virginia Polytechnic Institute and State University, or designee(s), shall be authorized to invest University funds in the instruments set forth in the Investment of Public Funds Act of the Commonwealth, as summarized below. The primary objectives of the University's investment policy are to provide the highest investment return at defined levels of risk, while providing both safety of principal and sufficient liquidity to meet the daily cash flow needs of the University.

Account Structure

In order to meet the objectives of the University, investments will be divided into two major allocations: a Primary Liquidity allocation and an Extended Duration allocation. The Primary Liquidity allocation is to be the major source for the disbursement requirements and operational needs of the University. Liquidity and safety of principal at the expense of return on investment are the foremost objectives of the Primary Liquidity allocation.

The objective of the Extended Duration allocation is to generate an investment return, over the long-term, higher than the Primary Liquidity allocation. To generate higher investment returns, it is recognized that additional interest rate risk and credit risk, within prudent constraints, must be assumed in the management of the Extended Duration allocation. To help control these risks and to provide for sufficient management flexibility, the Extended Duration allocation may be structured into three sub-portfolios: a Short Duration Portfolio, an Intermediate Duration Portfolio, and a Long Duration Portfolio. However, in seeking higher investment returns, the portfolio managers will be cognizant of the University's objectives of liquidity and safety of principal. Securities lending is prohibited.

Asset Allocation Mix

The Primary Liquidity and Extended Duration target allocations are as follows:

	<u>Target Allocation</u>	<u>Minimum Allocation</u>	<u>Maximum Allocation</u>
Primary Liquidity	75%	70%	85%
Extended Duration	25%	15%	30%

The guidelines for the sub-portfolios of the Extended Duration allocation are as follows:

	<u>Target Allocation</u>	<u>Minimum Allocation</u>	<u>Maximum Allocation</u>
Short Duration Portfolio	20%	20%	100%
Intermediate Duration Portfolio	60%	0%	80%
Long Duration Portfolio	20%	0%	30%

The intent of the Asset Allocation Mix is to increase the overall average maturity and duration of the University's investment portfolios to enhance the returns over the long-term. Deviations from the Asset Allocation Mix may be made by the University Treasurer when economic conditions or liquidity needs warrant, or when it is determined that the aggregate deviation does not constitute a material departure from the spirit of the target allocation and the intent of the University. The target allocations and guidelines shall be reviewed at least annually.

Authorized Investments and Credit Quality

Authorized investments for qualified public entities are set forth in the "Investment of Public Funds Act" of the Code of Virginia in Sections 2.2-4500 through 2.2-4516. A qualified public entity is defined as any state agency or institution having an internal or external public funds manager with professional investment management capabilities. As a qualified public entity, the following securities are authorized for the investment of University funds:

1. Obligations issued or guaranteed by the U.S. Government, an agency thereof, or U.S. Government sponsored enterprises. These securities can be held directly, in the form of repurchase agreements collateralized by such debt securities, or in the form of registered money market or mutual funds provided that the portfolio is limited to such evidences of indebtedness.
2. Dollar denominated bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, the Asian Development Bank or the African Development Bank having a maturity of no longer than five years and a credit rating of at least "AAA" by Standard & Poor's and "Aaa" by Moody's Investors Service.
3. Non-negotiable certificates of deposit and time deposits of Virginia banks and savings institutions federally insured to the maximum extent possible and collateralized under the Virginia Security for Public Deposits Act, Sections 2.2-4400 through 2.2-4411 of the *Code of Virginia* and having a maturity of no longer than five years.
4. Negotiable certificates of deposit, negotiable bank deposit notes, and bankers acceptances of domestic banks and domestic offices of foreign banks with a rating of at least "A-1" by Standard & Poor's and "P-1" by Moody's Investors

Service for maturities of one year or less. For maturities over one year and not exceeding five years, a rating of at least “AA” by Standard & Poor's and “Aa” by Moody's Investors Service is required.

5. Repurchase agreements collateralized by securities that are approved for direct investment as stated herein. The collateral on overnight or open repurchase agreements is required to be at least 100% of the value of the repurchase agreement. Longer-term repurchase agreements are required to have collateralization in excess of 100% and be marked-to-market on a daily basis.
6. Prime quality commercial paper issued by domestic corporations. “Prime quality” shall be as rated by at least two of the following: Standard & Poor's within its rating of “A-1”, Moody's Investors Service within its rating of “P-1”, Fitch Investor's Services within its rating of “F-1”, Duff and Phelps within its rating of “D-1”, or by their respective corporate successors, provided that at the time of any such investment the corporation meets the criteria specified in Section 2.2-4502 of the *Code of Virginia*
7. Corporate notes and bonds having a credit rating of at least “A” or better by two nationally recognized rating agencies, one of which must be either Standard & Poor's or Moody's Investors Service. This includes all levels of the “A” rating.
8. Money market and other open-end investment funds provided that they are registered under the Securities Act of the Commonwealth of Virginia or by the Federal Investment Company Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by qualified public entities within the Commonwealth of Virginia.
9. Taxable and tax-exempt municipal securities of the following provided that at the time of any such investment the municipal security meets the criteria specified in Section 2.2-4501 of the Code of Virginia, including: (i) of any state of the United States (ii) of any county, city, town, district, authority or other public body of the Commonwealth of Virginia, and (iii) of any city, county, town or district situated in any one of the states of the United States provided that they are the direct legal obligations of the city, county, town or district, and the city, county, town or district has power to levy taxes on the taxable real property therein for the payment of such obligations without limitation of rate or amount. The municipal securities should be rated “A” or better by two nationally recognized rating agencies, one of which must be Standard & Poor's or Moody's Investors Service. This includes all levels of the “A” rating.
10. Asset-backed and mortgage-backed securities with a duration of no more than five years and rated no less than “AAA” by at least two nationally recognized rating agencies, one of which must be Standard & Poor's or Moody's Investors Service. Authorized mortgage-backed investments include Commercial Mortgage-Backed Securities (CMBS), Agency and Private Label Mortgage-

Backed Securities (MBS & RMBS) including pass-throughs, Collateralized Mortgage Obligations (CMOs) and Planned Amortization Classes (PACs).

Prohibited Investments

1. Inverse floaters, Credit Default Swaps (CDOs), Collateralized Debt Obligations (CDOs), Collateralized Loan Obligations (CLOs), and Interest Only (IO), Principal Only (PO) and Z-tranche securities.
2. Futures, options, options on futures, margin buying, leveraging and commodities. Forward trades are permitted as long as they are procured during normal “when issued” periods for individual markets and as long as cash is reserved or a security will mature to cover the purchase at the time of settlement.
3. Securities with the ability to defer interest, securities with the ability to convert perpetual maturities, and 144A securities.

In the event a security is downgraded to a level that ceases to meet Policy credit quality guidelines, the external manager will notify the University’s investment staff within one business day of the downgrade. The security must then be sold within 30 days unless the manager’s reasoning to continue to hold the security is approved in writing by the University Treasurer.

Diversification

Each individual portfolio within the primarily liquidity or extended duration allocations will be diversified so that no more than three percent of the value of the respective portfolios will be invested in the securities or individual trusts of any single issuer. The limitation shall not apply to securities of the U.S. Government, an agency thereof, U.S. Government sponsored enterprises, securities fully insured or fully guaranteed by the U.S. Government, or money market funds.

At the time of purchase, the maximum percentage in each eligible security type for the University’s overall Primary Liquidity allocation shall be maintained as follows:

Primary Liquidity

U.S. Treasury and Agency Securities	100%
Non-Negotiable Certificates of Deposit (CDs)	5%
Overnight/Open Treasury/Agency Repurchase Agreements	100%
Overnight/Open non-Treasury/Agency Repurchase Agreements	50%
Term Repurchase Agreements	20%
Bankers Acceptances	40%
Negotiable CDs and/or Negotiable Bank Deposit Notes	20%
Commercial Paper	35%
Corporate Notes	25%
Money Market Funds	35%
Municipal Securities	10%

At the time of purchase, the maximum percentage in each eligible security type for the University's overall Extended Duration allocation shall be maintained as follows:

Extended Duration

U.S. Treasury and Agency Securities	100%
Non-Negotiable Certificates of Deposit	0%
Repurchase Agreements	0%
Bankers Acceptances	0%
Negotiable CDs and/or Negotiable Bank Deposit Notes	20%
Commercial Paper	0%
Corporate Bonds/Notes	40%
International Development Bank Obligations	5%
Municipal Securities	10%
Asset-Backed Securities	40%
Combined Agency MBS, Agency/Private CMOs, CMBS, RMBS, PACs	50%
Agency Mortgage-Backed Securities (MBS)	50%
Agency CMOs (including PACs)	10%
Commercial Mortgage-Backed Securities (CMBS)	10%
Private Label Residential Mortgages (including CMOs & PACs)	5%
Money Market Funds	10%

Duration and Maturity Limitations

The maximum maturity on any negotiable certificate of deposit or negotiable bank deposit note may not exceed five years. For any single asset-backed or mortgage-backed security, the maximum duration may not exceed five years at the time of purchase. In the event the duration subsequently exceeds this limit, the external manager shall notify the University's investment staff who shall determine whether the security should be sold.

The target duration (in years) for the Primary Liquidity allocation and the sub-portfolios of the Extended Duration allocation are as follows:

	<u>Target</u>	<u>Minimum</u>	<u>Maximum</u>
Primary Liquidity:	.15	.05	.25
Extended Duration:			
Short Duration Portfolio	Per Applicable Benchmark		
Intermediate Duration Portfolio	Per Applicable Benchmark		
Long Duration Portfolio	Per Applicable Benchmark		

Account Benchmarks

Primary Liquidity	ML 91 Day Treasury Bills Index, One Month LIBOR Index or other benchmark(s) that more appropriately reflects the manager(s) style within this particular allocation.
Short Duration Portfolio	ML 1-3 Year Treasury Index, LB 1-3 Year Government Bond Index, ML 1-3 year Gov/Corp Index or other benchmark(s) that more appropriately reflects the manager(s) style within this particular portfolio.
Intermediate Duration Portfolio	Barclays U.S. Treasury Intermediate Index, Barclays U.S. Intermediate Government Index, Barclays U.S. Intermediate Gov/Credit Bond Index or other benchmark(s) that more appropriately reflects the manager(s) style within this particular portfolio.
Long Duration Portfolio	Barclays U.S. Aggregate Treasury Index, Barclays U.S. Aggregate Government Index, Barclays U.S. Aggregate Bond Index, or other benchmark(s) that more appropriately reflects the manager(s) style within this particular portfolio.

Virginia Tech Research Corporation, Inc.

FINANCE AND AUDIT COMMITTEE

February 12, 2010

The University desires to create the Virginia Tech Research Corporation, Inc. as a university related corporation to provide administrative, research, and development services supporting innovative applications of science and technology, and technical assistance to enhance global competitiveness. This corporation will seek and manage research and services contracts for assistance to governmental agencies and corporations. Such contracts will be for research and services which do not lend themselves for administration through the existing research contract process administered by the Office of Sponsored Programs.

The corporation will receive oversight from a board of directors composed of both University and external members. The Vice President for Research will serve as chair of the board and the Chief Operating Officer of the Virginia Tech Foundation will serve as its secretary-treasurer. The corporation's relationship to the University will be governed by an affiliation agreement, which is attached for review and approval by the Board of Visitors. Initial capitalization of the corporation will be requested from the Virginia Tech Foundation, Inc. with the intent to repay such funds over time from the operations of the corporation.

RECOMMENDATION:

That the Board of Visitors authorizes the establishment of the Virginia Tech Research Corporation, Inc. as a university related corporation and approves the affiliation agreement thereof with the University.

March 22, 2010

**AFFILIATION AGREEMENT BETWEEN
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
AND
VIRGINIA TECH RESEARCH CORPORATION, INC.**

THIS AFFILIATION AGREEMENT, dated as of _____, is by and between VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY, a Virginia public corporation (the "UNIVERSITY"), and Virginia Tech Research Corporation, Inc., a Virginia non-stock corporation (the "CORPORATION").

RECITALS

1. The University recognizes the contribution the Corporation will make to the University's missions and goals and, therefore, the University is willing to be affiliated with and provide certain benefits to the Corporation. Such action shall not, however, be construed to mean that the Corporation is part of or controlled by the University; that the University is responsible for the Corporation's contracts or other acts or omissions; or that the University approves of the Corporation's activities.
2. The purpose of this Agreement is to describe the entire relationship between the University and the Corporation, including the University benefits the Corporation may receive and the conditions for their receipt.

Accordingly, the parties agree as follows:

a. Representations

- 1) The Corporation represents that it is a Virginia non-stock corporation in good standing with the Virginia State Corporation Commission. The Corporation will provide the University a copy of its current articles of incorporation, bylaws and all future amendments, a list of all directors, administrators and offices, their addresses and phone numbers, and any changes made to this list.
- 2) The Corporation further represents that the officers and board members of the Corporation were provided a copy of this Agreement and they authorized the person executing this Agreement on behalf of the Corporation to execute this Agreement.

b. Relationship between the Corporation and the University

The University is a Virginia public corporation and the Corporation is not part of that corporation, but rather exists and operates independently, and for the benefit of, the University.

The Corporation is required to distribute to the University or its designee, on a regular basis, any surplus revenues as determined in conjunction with the Chief Financial Officer of the University or any successor thereof.

Annually, prior to consideration by its Board of Directors, the Corporation shall review its annual operating budget, capital budget, long-term program plans, and intended distribution of surplus with the University's designee.

The Corporation agrees that, without the prior written consent of the University President, it will not distribute any assets or proceeds thereof, other than in the ordinary course of business, to any entity or person other than the University or its designee.

The Corporation shall convey to the University upon written request of the Board of Visitors, any interest in real property owned by the Corporation, which real property is and shall be indirectly owned by the University.

The Corporation shall provide a benefits and compensation plan for its employees that as nearly as practicable matches that of the University.

The President of the University shall designate a person to be elected as a director and member of the Executive Committee of the Corporation.

The parties understand and agree that this Agreement is the only source of control the University may have over the Corporation or its activities, except to the extent, if any, the University chooses to exercise control over activities occurring on its property and as provided in the governing documents of the Corporation.

c. Fundraising Activities

The Corporation agrees not to conduct fundraising activities without the prior written consent of the University, provided that the solicitation of research grants and contracts by the Corporation shall not be considered fundraising activities for purposes of this Agreement.

d. The Corporation's Dealings with Third Parties

The Corporation shall not hold itself out as being part of, controlled by, or acting on behalf of the University. The Corporation agrees to take reasonable measures to ensure that third parties understand that it is not part of the corporation which is the University. With respect to advertising, publicity, correspondence, contracts, and other formal means of communication, the Corporation will use its full corporate name to avoid confusion on the part of the third parties.

e. Tax Matters

The Corporation shall prepare and timely file all tax returns and reports, including information returns required to be filed by it under federal, state and local laws. The Corporation will promptly advise the University in the event of any audit of its tax returns or reports by any governmental entity. The Corporation shall not use the University's taxpayer identification number or the University's tax-exempt status in connection with purchases or sales by the Corporation, gifts to the Corporation, interest or other income of the Corporation, or any other activity of the Corporation.

f. Liability Insurance and Defense

The Corporation understands and agrees that the University, the Commonwealth of Virginia, and the employees and agents of either will not be liable for any of the Corporation's contracts, torts, or other acts or omissions, or those by the Corporation's directors, officers, employees or staff, provided that the limitations of liability provided herein shall not apply to faculty and staff of the University acting within the scope of their employment with the University. The Corporation understands and agrees that neither it nor its directors, officers, employees or staff are protected by the University's or the Commonwealth of Virginia's insurance policies or self-insurance plans in connection with the Corporation's activities, and the University and the Commonwealth will not provide any legal defense for the Corporation or any such person in the event of any claim against any of them, provided that the limitations of liability provided herein shall not apply to faculty and staff of the University acting within the scope of their employment with the University.

g. Non-Discrimination

The Corporation agrees to follow the University's Equal Opportunity and Affirmative Action Statement.

h. Charges for Services

The Corporation agrees to reimburse the University upon request for the costs of services provided. To the extent that a rate schedule exists for these services, the Corporation will be charged at the appropriate rate. To the extent there is no rate schedule charge set for a service, the Corporation will be charged a rate to be mutually agreed on by the University and the Corporation based on a cost study to be conducted by the University Controller's Office.

i. Use of Facilities, Resources and Services

The University hereby makes the Corporation eligible to use the University's facilities, resources and services, subject to availability and the policies and procedures of the University applicable to such facilities, resources and services.

j. Audit

The Corporation shall have an annual audit performed by an independent auditor and shall provide copies of its IRS form 990 or 990T, financial statements, management letter, and management response produced in connection with the audit to the President of the University. The Corporation agrees to participate in the university-related corporation internal audit program. All costs of both the annual audit and the internal audit work performed for the Corporation shall be paid by the Corporation. The Corporation will be exempted from the requirement for annual external audit provided that:

- the Corporation has not held any financial assets for the twelve month period preceding the fiscal year ending date,
- the officers of the Corporation certify annually that no financial activities or transactions have occurred or are occurring outside those reflected in the records of the Corporation,
- on an as needed basis, the Corporation agrees to provide as a supplement to its annual financial statements, separate unaudited financial schedules providing information on the activities of the Corporation recorded in its records, and
- the Corporation continues to participate in the university-related corporation internal audit program.

k. Subsidiary Corporations

The provisions of this agreement shall be applicable to any subsidiary corporations and limited liability companies of the Corporation. Approval of the University's Board of Visitors is required for the establishment of University related corporations.

l. Dissolution

If the University, acting at the direction of its Board of Visitors, shall request in writing, the Corporation agrees to timely cease all operations and take all appropriate actions to dissolve the Corporation. In the event of such

dissolution or final liquidation of the Corporation, (a) none of the property of the Corporation or any proceeds thereof shall be distributed to or divided among any of the officers or directors of the Corporation or inure to the benefit of any individual; and (b) after all liabilities and obligations of the Corporation have been paid, satisfied, and discharged, or adequate provision made thereof, all remaining property of the Corporation and the proceeds thereof shall be distributed by the Board of Directors of the Corporation to the University or its designee, provided such designee is an organization or organizations that is (are) qualified under Section 501(c)(3) and 170(c)(2)(B) of the Internal Revenue Code of 1986, as amended.

m. Term and Termination of Agreement

This Agreement shall become effective as of the date written below and shall expire on June 30, 2012, but it will remain in effect past the expiration date unless (i) terminated by the University, with or without cause, at any time by written notice to the Corporation, (ii) terminated by mutual written agreement of the parties, or (iii) replaced by a new agreement.

n. Waiver

Failure of either party to enforce any of the provisions of this Agreement shall not be construed as a waiver of that, or any other, provision or any later breach thereof.

o. Notices

Any notice under this Agreement shall be deemed given when deposited in the mail, postage prepaid, and addressed as follows:

If to the Corporation:

If to the University:

University Treasurer
Virginia Tech
902 Prices Fork Road (0142)
Suite 4000
Blacksburg, Virginia 24061

or to such other person, at such addresses, as either party may designate for itself and so notify the other party in writing.

p. Entire Agreement; Amendments.

This Agreement constitutes the entire agreement between the Corporation and the University concerning the subject matter, and it supersedes all prior written or oral agreements concerning this subject matter. This Agreement may not be amended except by written document executed by both parties.

IN WITNESS THEREOF, the parties have executed this Agreement below:

VIRGINIA TECH RESEARCH
CORPORATION, INC.

VIRGINIA POLYTECHNIC INSTITUTE
AND STATE UNIVERSITY

By: _____
(Authorized Officer)

By: _____
(Authorized Officer)

Title: _____

Title: _____

Date: _____

Date: _____

Capital Project for Phase IV of Oak Lane Community

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

March 4, 2010

The University's Campus Master Plan envisions an expansion of the Special Purpose Housing area of campus. While expansion of the current community has been considered a potential future improvement, a recent proposal from house corporations to partner on the expansion presents an opportunity to advance the project. The partnership involves the University building and financing houses in a manner similar to the first three phases, and the house corporations providing gifts to the Virginia Tech Foundation to be used to cover a portion of the cost of the houses and allow for customized, unique designs.

The overall vision of the expanded community includes a multi-phased development of up to 17 new houses with design elements that reflect the unique character and needs of each organization. The first phase of the development includes sites for five houses. The selected area for development is east of Oak Lane adjacent to the golf course. The first phase of the development includes establishing the necessary site improvements and the construction of at least three and up to five new houses, which will be located along the southern-most end of the proposed development. The remaining phases of the development, envisioned to accommodate another 12 houses, may occur over time based on demand from student housing corporations.

This project request is for authorization for the University to implement Phase IV of Oak Lane Community (five houses and site development) at a cost not to exceed \$23.5 million. Because the housing corporations will customize elements of their particular residence and will provide private support to cover a portion of the costs, a specific cost for each house has not yet been established. To ensure sufficient authorization for the first five houses, the University is requesting a \$23.5 million blanket authorization to cover the costs of Phase IV, which reflects a high estimate of \$4 million per house and a \$3.5 million estimate for site development. Only the amount actually required for five houses and infrastructure will be used; thus, the authorization may not be fully utilized.

As with all self-supporting projects, the University has developed a financing plan to provide assurance regarding the financial feasibility of the project. This plan requires sufficient private support to cover at least 33 percent of the project costs of the houses and debt financing to cover the remaining costs of the houses and site development. The debt will be serviced from residential programs auxiliary revenue. With the scope, cost, and funding plan established, the University is ready to move the project 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 project authorization to move forward with Phase IV of the Oak Lane Community project.

RESOLUTION ON CAPITAL PROJECT FOR OAK LANE COMMUNITY, PHASE IV

WHEREAS, the University's Campus Master Plan envisions a future expansion of the Special Purpose Housing area of campus; and,

WHEREAS, a recent proposal from student house corporations to partner on the expansion presents an opportunity to advance the project sooner than originally envisioned; and,

WHEREAS, the partnership involves the University providing the necessary financing for site development and five houses and the house corporations providing gifts to cover at least 33 percent of the project costs for the houses; and,

WHEREAS, the total project authorization, inclusive of site development and five houses, is \$23.5 million; and,

WHEREAS, the University has developed a funding plan that can successfully support the \$23.5 million of project costs; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the University, the University has the authority to issue bonds, notes or other obligations that do not constitute State tax supported debt; and,

WHEREAS, the Finance and Audit Committee will further review and approve a financing resolution prior to securing permanent financing for the debt component of the project plus amounts needed to fund issuance costs, reserve funds, and other financing expenses; 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 issuances, and overall funding of nongeneral funded major capital outlay projects; and,

WHEREAS, the University may address minor cost variances provided sufficient funds are available to support the full project costs;

NOW, THEREFORE BE IT RESOLVED, that the University be authorized to move forward with Phase IV of the Oak Lane Community project at a total project cost not to exceed \$23.5 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 \$23.5 million total authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to complete the Oak Lane Community, Phase IV project be approved.

March 22, 2010

Oak Lane Community Design Standards

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 1, 2010

- 1. Design Reviews:** For any proposed construction and/or property improvements a formal aesthetic and technical design review and approval process overseen by a Virginia Tech review committee will be required during design and prior to initiating any construction. Sample material boards including all proposed exterior finish materials, building-mounted light fixtures and exterior color schemes will be required as part of the review process. Coordinate with Virginia Tech Facilities for conformance to building codes, technical standards and regulations covering site and building design and construction.
- 2. Residence Design:** Each fraternity/sorority house shall be designed primarily for residential use and the building design shall reflect this function. Specific requirements shall include:
 - Materials must be durable and low long-term maintenance. Materials used on the front of the houses are to be consistently continued on the sides and rear of the structure.
 - Residences are to be two or three story structures. Single story wings may be permitted only for specialty spaces requiring high ceilings (such as commons rooms).
 - Exterior envelopes are to be masonry- brick, quarried or modular cast stone, or a combination. Siding will not be allowed.
 - All windows are to be operable units- double hung, single hung or casement types.
 - Roofs are to be sloping with materials being either high performance asphalt shingles, seamed metal, or simulated or real slate shingles (roofs of 8:12 to 12:12 slopes will be preferred). Dormers are encouraged.
 - Major roof vents (such as kitchen grille exhaust) are to be enclosed in chimney elements.
 - No balconies will be permitted to be constructed above the ground floor level of a residence. Nor shall any roof be accessible directly from an upper floor.
 - Building scale, massing, style and exterior materials which are referential to the core campus architecture will be preferred.

- Please refer to Virginia Tech's Campus Design Guidelines as adopted by the Virginia Tech Board of Visitors, March 22, 2010 for more background on campus architecture and landscape development.

3. Landscape and Site Amenities Design:

- Trees, shrubs and other landscape plantings shall be reviewed by the Virginia Tech Office of the University Architect (OUA). Native, drought resistant plant materials are strongly encouraged. Landscaping within the residence lot boundary shall be undertaken as part of the residence construction contract.
- Architectural fencing will be required to screen dumpster and similar exterior utility/storage functions. Screening must be durable and low maintenance. Wood fencing will not be permitted. Approval of fencing design from the OUA will be required.

4. Site Design:

- Location, placement and orientation of each residence shall generally follow the Oak Lane Expansion Master Plan dated February 1, 2010 and the Oak Lane Expansion Phase I Development - Site Plan dated February 15, 2010.
- Each house shall be sited within the "buildable area" zone designated for each individual lot.
- The main entrance to each house shall face the public street.
- Each house shall be built to the street setback line designated on the site plan.
- Utility services including connections and metering, storm water mediation, paving for vehicular service, and other related service functions shall meet standards and requirement of Virginia Tech Facilities.

5. Sustainability: Residences shall be designed to the equivalent of LEED™ Silver rating. A decision on formal certification will be the determination of the Lessee. Virginia Tech has a strong preference for each house to be heated and cooled utilizing a geothermal system or a similar high-efficiency, low carbon-footprint system. The integration of photovoltaic solar panels and or wind turbines into the site and building design may be proposed by the developer of each house and will be considered in the design review process.

6. Antenna: Individual satellite dishes no greater than 30" in diameter may be erected in specific locations. Satellite dish locations will require approval as part of the design review process.

7. Fuel Sources: Piped natural gas shall be the only combustible fuel source permitted. No other combustible fuel source used for space heating, water heating or cooking shall be provided.

8. Signage: All exterior signage shall match the Virginia Tech standard. Coordinate with Virginia Tech Facilities regarding sign design standards.



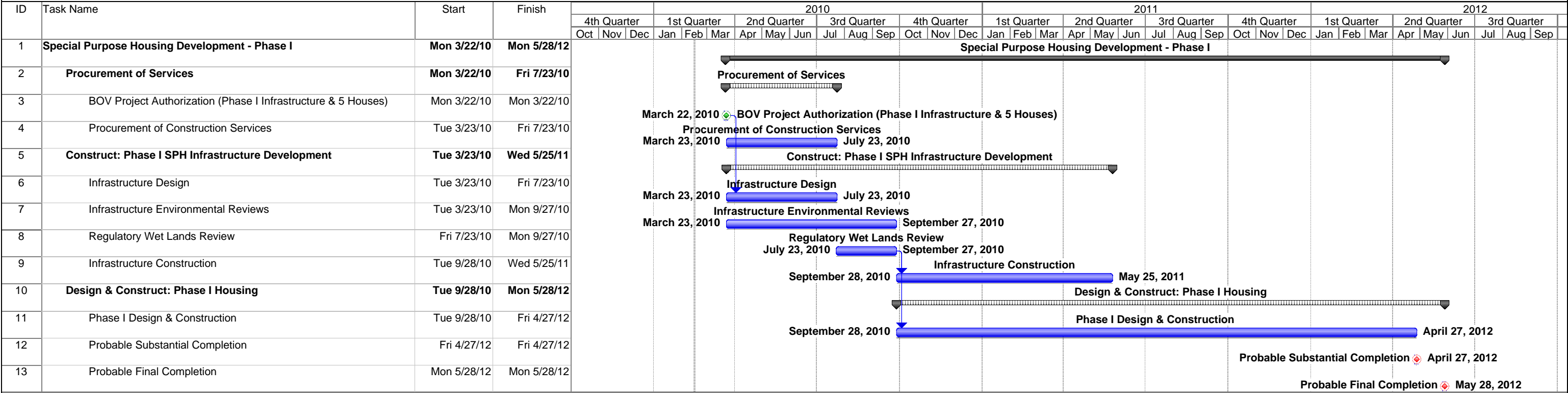
OAK LANE EXPANSION MASTER PLAN

1"=200'

VT-OUA

2-1-10

Virginia Tech Special Purpose Housing Development - Phase I
Probable Construction Timeline
February 11, 2010
Procurement & Construction

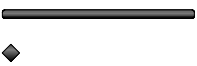


Project: VT SPH Development-PhI
Date: Mon 2/15/10

Task
Split



Progress
Milestone



Summary
Project Summary



External Tasks
External Milestone



Deadline



**Capital Project for Planning the College of Veterinary Medicine
Instruction Addition**

**JOINT FINANCE AND AUDIT COMMITTEE
AND BUILDINGS AND GROUNDS COMMITTEE**

February 12, 2010

The College of Veterinary Medicine enrolls approximately 360 Doctor of Veterinary Medicine (DVM) and 100 graduate students, employs 95 faculty, is a leading biomedical and clinical research center, and provides professional continuing education services for veterinarians practicing throughout Virginia and Maryland.

The existing classroom and office space in the College of Veterinary Medicine, constructed over twenty-five years ago, is no longer capable of meeting the needs and demands of the school's modern clinically-based teaching and learning program. The classrooms and laboratories are not sufficient to accommodate student class offerings, the building does not have adequate conference and seminar rooms available for faculty and students to develop team lesson plans and collaborative projects, and faculty are currently housed in a limited number of 64 square foot open cubicles which are far below the recommended state guideline size. The space condition is a concern to the students and a retention concern for existing faculty. Beyond the existing space constraints, the College is in the initial stage of expanding its enrollments of DVM students beyond the current 360; enrollment may grow to 520 students.

The proposed solution to the space quality and quantity constraints is to move forward with the Veterinary Medicine Instruction Facility, which is a high priority project in the University's capital outlay plan. The envisioned project is an addition that will provide new instructional classroom space, teaching laboratories, and faculty offices. The original funding plan envisioned state support to help with the costs; however, the plan to grow enrollments increases the need to provide new space more quickly than the likely timing of state funds for a project. To advance the project, the College and Finance have worked together on a funding plan using student fee revenue to support a project with nongeneral fund resources. The maximum project budget based on the resources is \$14 million, and the leadership of the College believes an acceptable facility solution may be reached within the budget. The specifics of the funding plan calls for debt that will be serviced by nongeneral fund revenues generated by the College. The actual debt amount may be adjusted downward for any revenues accumulated prior to the issuance of permanent debt.

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, and funding of nongeneral fund capital outlay projects. This request is for a \$1.4 million planning authorization to move forward with the design of the envisioned facility not to exceed a budget of \$14 million. A subsequent request for construction may be requested after preliminary designs are underway.

RESOLUTION ON CAPITAL PROJECT FOR PLANNING THE VETERINARY MEDICINE INSTRUCTION ADDITION

WHEREAS, the College of Veterinary Medicine enrolls approximately 360 Doctor of Veterinary Medicine and 100 graduate students, employs 95 faculty, is a leading biomedical and clinical research center, and provides professional continuing education services for veterinarians practicing throughout the two states; and,

WHEREAS, the existing classroom and office space in the College of Veterinary Medicine, constructed over twenty-five years ago, is no longer capable of meeting the needs and demands of the school's expanding modern clinically-based instruction program; and,

WHEREAS, this project is included in the University's capital plan as a high priority; and,

WHEREAS, the College and Finance have worked together on a funding plan that includes debt to be serviced by nongeneral fund revenues to support a \$14 million project budget; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the University, the University has the authority to issue bonds, notes or other obligations that do not constitute State tax supported debt; and,

WHEREAS, the Finance and Audit Committee will further review and approve a financing resolution prior to securing permanent financing for the debt component of the project plus amounts needed to fund issuance costs, reserve funds, and other financing expenses; 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; and,

WHEREAS, the University may address minor cost variances provided sufficient funds are available to support the full project costs;

NOW THEREFORE BE IT RESOLVED, that the University be authorized to move forward with a \$1.4 million design project for a Veterinary Medicine Instruction Addition project not to exceed budget a of \$14 million total costs 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 \$1.4 million planning authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to design the Veterinary Medicine Instruction Addition be approved.

March 22, 2010

Capital Project for Construction of the Academic and Student Affairs Building

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 12, 2010

This project has been on the University's plan since 2005 and is included in the first biennium as a high priority to provide instructional space, dining services, and student services on the north side of campus. To expedite the project and avoid a year of inflation associated with the normal state budget process, a \$2.72 million planning authorization was approved by the Board of Visitors in June 2007. The Dining Program, Provost Office, and Facilities have worked with the design team to establish the necessary scope for the programs, and the planning phase is nearly complete with an early site package ready for contract in April 2010.

The proposed project is envisioned as a 75,000 gross square foot, three story building, inclusive of enclosed mechanical systems, located among several academic buildings and directly between ICTAS-1 and Randolph Hall. The scope of the project is based on the need to replace about 750 dining seats on the north side of campus in anticipation of renovating Shultz Hall to instructional space from dining and the need to provide six additional large-size general assignment classrooms. The building plan includes one floor of instructional space and student service space, and two floors of dining service space. The two lower floors will be dining services with designated space for the Corps of Cadets, and the third floor will be a combination of instructional space and student support space.

This project will provide undergraduate and graduate students a convenient facility with an array of needed spaces and services. The instructional space will provide needed class and seminar space during the class day, which will double as student activity space, tutorial space, and student group-work space after hours. Several offices that serve students, for example, Services to Students with Disabilities, likely will be housed in the facility where students can gain easy access throughout the class day. The opportunity to share space with student auxiliary services will be an innovation for Virginia Tech as it works to meet student expectations.

The Dining Program, Provost Office, and Finance have worked together to develop a funding plan to support the total project costs of \$45.153 million. The funding plan calls for a debt issuance that will be serviced by revenues from dining services operations and facility use agreements with support operations. The proposed debt is included in the University's debt capacity report presented to the Board in November 2009 and is within the Management Agreement's seven percent threshold and the University's internal five percent debt management threshold.

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, and funding of nongeneral fund capital outlay projects. This request is for an authorization to move forward with the construction of the proposed \$45.153 million Academic and Student Affairs Building.

RESOLUTION ON CONSTRUCTION PROJECT FOR THE ACADEMIC AND STUDENT AFFAIRS BUILDING

WHEREAS, the University developed a program plan to meet student expectations for improved dining services and instructional spaces on the north side of campus with a multi-purpose new construction project; and,

WHEREAS, design of the new facility is nearly complete under a planning authorization approved by the Board in June 2007; and,

WHEREAS, the Dining Program, Provost Office, and Facilities have worked together with the design team to develop a scope that meets the needs of the programs within the total project resources of \$45.153 million; and

WHEREAS, the proposed project is envisioned as a 75,000 gross square foot, three story building including two floors of dining services, and a floor of instructional space with shared student services programming; and

WHEREAS, the Dining Program, Provost Office, and Finance have worked together to develop a 100 percent nongeneral fund resource plan to support the total project costs of \$45.153 million, inclusive of design and construction; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the University, the University has the authority to issue bonds, notes or other obligations that do not constitute State tax supported debt; and,

WHEREAS, the Finance and Audit Committee will further review and approve a financing resolution prior to securing permanent financing for the debt component of the project plus amounts needed to fund issuance costs, reserve funds, and other financing expenses; 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; and,

WHEREAS, the University may address minor cost variances provided sufficient funds are available to support the full project costs;

NOW THEREFORE BE IT RESOLVED, that the University be authorized to move forward with the construction of an approximately 75,000 gross square foot Academic and Student Affairs Building project with a \$45.153 million total costs 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 \$45.153 million, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to construct the Academic and Student Affairs Building be approved.

March 22, 2010

Capital Project for the Fleet Service Motor Pool Renovation and Expansion Project

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 12, 2010

The University's Fleet Services unit has undertaken an improvement of the motor pool building to better serve University customers and employees by bringing the facility up to date. The project includes additional space of about 4,500 gross square feet for two new wash bays and a new office addition with minor renovations to the existing space. The project was initiated in 2007 with a \$100,000 design effort which resulted in an estimated total project scope and cost that was under the definition of a capital project (any undertaking less than 5,000 gross square feet and/or costs less than \$1 million).

In fiscal year 2008, Fleet Services received an internal loan from the University of \$900,000 to complete the project with total costs, including design, not to exceed \$1 million. The construction was competitively bid with a final price that resulted in a total project budget of \$998,896, including design and a two percent contingency. During construction in 2009, the General Contractor encountered several unforeseen site conditions, including the size of existing sanitary lines, the location of existing storm lines, and the location of fuel lines for gas pumps that required unbudgeted changes to the project. The changes involved abandonment of existing lines and rerouting lines to accommodate the new facility, as well as some changes to equipment installations within the building to accommodate the new line locations. The impact of these unforeseen conditions is change orders to the contract that add \$77,104 to the total project costs which result in a revised total cost of \$1.076 million.

The Fleet Services Motor Pool Renovation and Expansion project, as originally initiated, was below the scope and cost thresholds for projects needing capital approval. Upon determining that costs would exceed the original budget and capital cost threshold, the University is requesting Board of Visitors' approval for a \$1.076 million capital project authorization to appropriately administer and closeout the project. The University has developed a funding plan that includes an internal loan serviced by Fleet Services recoveries, to be repaid over ten years, to fully support the project costs.

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 project authorization for the Fleet Services Motor Pool Renovation and Expansion project.

RESOLUTION ON CAPITAL PROJECT FOR THE FLEET SERVICE MOTOR POOL RENOVATION AND EXPANSION

WHEREAS, Fleet Services has undertaken a renovation and expansion of their motor pool building to better serve University customers and employees; and,

WHEREAS, the original total project scope and cost estimate, inclusive of design, construction, and contingencies, were less than 5,000 gross square feet and less than \$1 million; and,

WHEREAS, the original contracts for design and construction, inclusive of contingencies, and all related project administration costs resulted in total project costs of less than \$1 million; and,

WHEREAS, during construction, the General Contractor encountered unforeseen site conditions related to sanitary, storm, and fuel lines that required unbudgeted changes to the project; and,

WHEREAS, the impact of these unforeseen conditions is change orders to the contract that add \$77,104 to the total project costs that result in a revised total cost of \$1.076 million; and

WHEREAS, upon determining that costs would exceed the original budget and capital cost threshold, the University is requesting a Board of Visitors' approval for a \$1.076 million capital project authorization to appropriately administer and closeout the project; and

WHEREAS, the Fleet Services Motor Pool program and Finance have worked together to develop funding plan to fully support the costs with nongeneral fund resources; and,

WHEREAS, the University has developed a funding plan that includes an internal loan serviced by Fleet Services recoveries, to be repaid over ten years; 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 issuances, and overall funding of nongeneral funded major capital outlay projects;

NOW, THEREFORE BE IT RESOLVED, that the University be authorized to establish a \$1.076 million capital project authorization to complete the Fleet Services Motor Pool Renovation and Expansion project.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to complete the Fleet Services Motor Pool Renovation and Expansion project be approved.

March 22, 2010

Committee Minutes

Committee on Research

**Solitude Room
The Inn at Virginia Tech and Skelton Conference Center
4:30p.m-5:30p.m.**

March 21, 2010

Committee Members Present:

Ms. Michele Duke, Chair
Mr. John Lawson, II
Mr. Ben Davenport, Jr.
Mr. George Nolen
Dr. Lori Wagner

Guests:

Dr. Charles Steger, Dr. Mark McNamee, Dr. Robert Walters, Mr. Dwight Shelton, Jr., Mr. Erv Blythe, Dr. James Bohland, Dr. Karen DePauw, Dr. John Dooley, and Dr. Daniel Wubah, Mr. Michael Anzilotti, Mr. Fred Cobb, Ms. Beverley Dalton, Mr. Douglas Fahl, Ms. Rebecca French, Ms. Kristina Hartman, Dr. Calvin Jamison, Sr., Dr. Gary Long, Mr. James Severt, Jr., Mr. Paul Rogers, and Mr. Thomas Tucker. Mr. Gordon Block, Mr. Ralph Byers, Dr. Roderick Hall, Ms. Kay Heidbreder, Dr. Joseph Meredith, Mr. Scott Merrell, Mr. Ken Miller, Ms. Kim O'Rourke, Dr. Raymond Smoot, Jr., Ms. Claire Sanderson, Mr. Kevin Sullivan, Ms. Beth Tranter, Ms. Susan Trulove, and Dr. Lisa Wilkes.

1. **Opening Remarks and Approval of November 8, 2009 Minutes.** Chairman Duke welcomed those in attendance. The minutes were approved as printed.
2. **Remarks from the President.** Dr. Steger deferred comments based on the BOV's tight schedule for the remainder of the afternoon and evening.
3. **Virginia Bioinformatics Institute.** Dr. Skip Garner, the new director of the Virginia Bioinformatics Institute, briefed the committee on the Institute's updated 5-year strategic plan. Key points of the plan were:
 - a. Expand focus in human disease and clinical operations via the new Medical Information & Systems division of VBI and to position itself to be the primary collaborator with the Virginia Tech Carilion School of Medicine and Virginia Tech Carilion Research Institute.

- b. Form nucleus for sustainable and extensible high performance computing environment at Virginia Tech with a life sciences and biomedical theme.
 - c. Expand funding portfolio and impact in VBI's traditional strength areas.
 - d. Increase service to Virginia Tech research community through provision of state-of-the art, low price, and high quality computing services.
 - e. Become exemplar unit of intellectual property generation and subsequent commercialization within the university.
 - f. Increased collaboration with units across the campus educational and research communities.
4. **Motion for Closed Session.** Chairman Duke asked for a motion to adjourn to joint closed session under the Code of Virginia, Section 2.2-37.11. (A)(1) and (6), to discuss possible establishment of a research corporation where no previous announcement had been made; and the discussion of a faculty appointment. The motion was affirmed, seconded and passed unanimously.
5. **Motion to Reconvene in Open Session:** Chairman Duke asked for a motion to reconvene in open session which was affirmed, seconded and passed unanimously.
6. **Motion to Recommend Approval of Affiliation Agreement between Virginia Tech and Virginia Tech Research Corporation.** A motion was made and seconded that the Research Committee of the Board of Visitors recommend approval of an Affiliation Agreement between Virginia Tech and the Virginia Tech Research Corporation, and encourage funding for capitalization of the corporation by the Virginia Tech Foundation. The motion was approved unanimously.

Adjournment.

There being no further business, the meeting adjourned at 5:50 p.m.



The “New” VBI, how it can be leveraged to the advantage of all of Virginia Tech, and a bit about my science as examples of the future.

Virginia Bioinformatics Institute
Virginia Tech

VBI's 5 – year Strategic Plan is being developed, for SAB approval by mid-April, major points 1

- Expand VBIs focus areas into human disease and clinical operations via the new Medical Informatics & Systems (MIS) division and this will place VBI in position to be the primary collaborator and one-stop shop for VTCRI and VTSOM, thus accelerating their startup. This will be the hub of other collaborations with, for example Lombardi Cancer Institute at Georgetown, The Ignite Institute, Carilion Clinics, Wake Forest and other first tier institutions.
 - MOU with Ignite
 - CTSA grant application in Oct. with VTSOM and VTCRI (and maybe Wake Forest). Major grant applications with Lombardi, Wake Forest and Jackson State
 - I am trying to learn as much as I can about capabilities and interests across Virginia Tech to identify opportunities for collaboration, for example, I have offered to support part of a statistics faculty.
- VBI will be the nucleus for a sustainable and extensible High Performance Computing environment at Virginia Tech with a life sciences and biomedical core theme (but in its execution will be inclusive of all disciplines). Key will be new computer architectures (hybrid core computers – Convey; perhaps coupled to graphic processors for the ultimate machine) and robust established data and compute servers (IBM, Dell, other) that will facilitate a new class of problem solving: compute intensive applications that demand and will deliver real-time answers to web-based users.
 - Build team of all Virginia Tech Stakeholders, obtain administrative support for effort (getting started now, generating preliminary data, and at grant time, matching funds)
- Expand the funding portfolio and impact in VBI's traditional strength areas; infectious disease databases and simulations and systems biology, especially by anchoring ourselves as the founder and leader in new areas we define, for example, policy informatics.
 - This VBI division is keen to expand collaborations with others at Virginia Tech



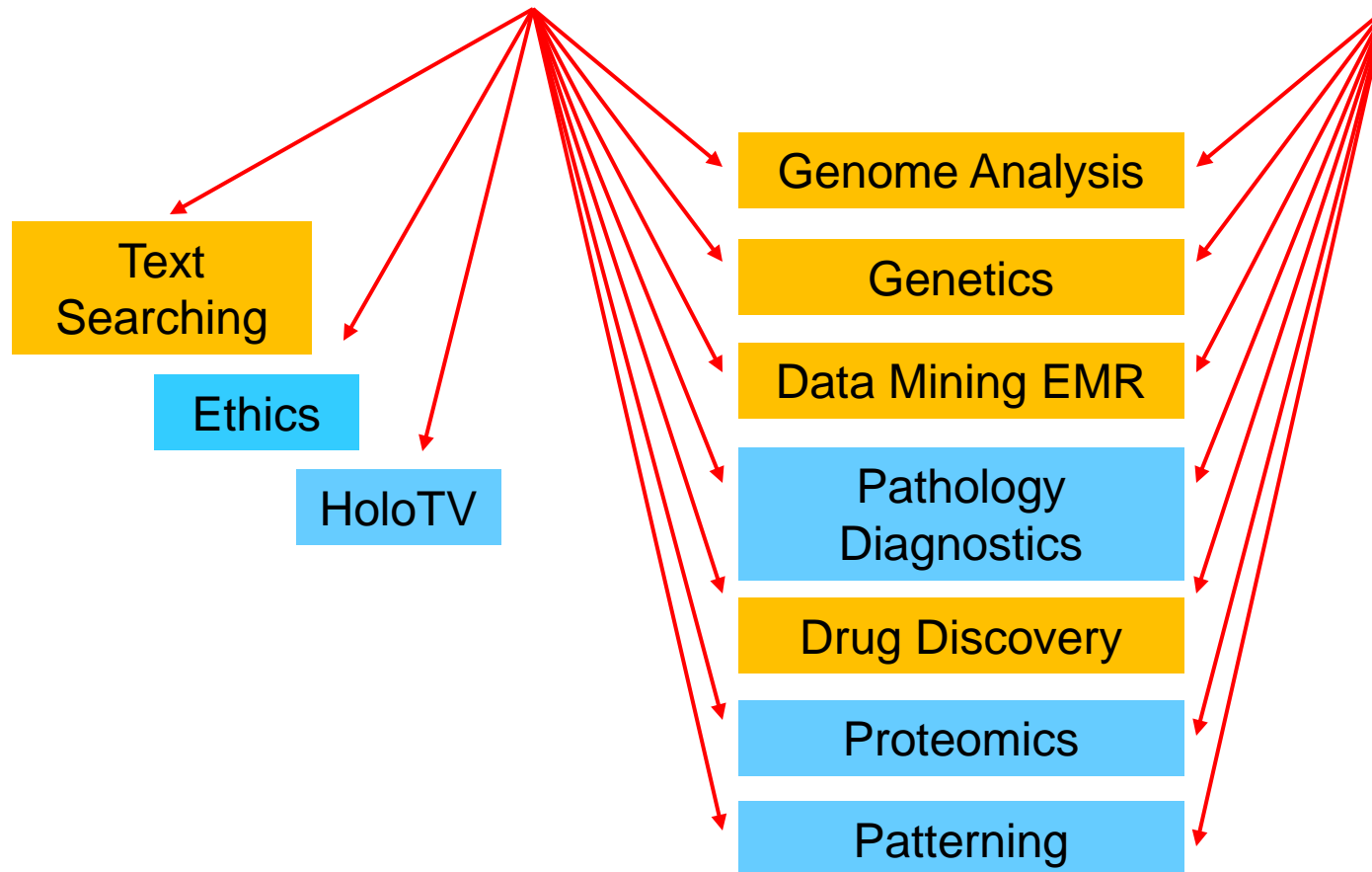
VBI's 5 – year Strategic Plan is being developed, for SAB approval by mid-April, major points 2

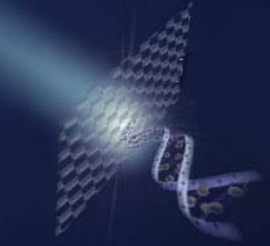
- Increase service to Virginia Tech and beyond by providing the latest state-of-the-art in –omics and computational core functions at the lowest possible price and highest quality, by providing collaborative services that deliver optimized experimental design, data analysis and interpretation and by VBI staff working more interactively with Virginia Tech faculty on new collaborative initiatives.
 - New Illumina “deep sequencing” machine coming on line now with a much lower cost of entry, and enhanced capabilities such as target enrichment in testing
 - Marketing cores externally to attract business to drive down internal Virginia Tech costs
 - Hiring data analysts and interpreters to provide answers, not just data
- VBI will become an exemplar for intellectual property generation, commercialization and entrepreneurship at Virginia Tech by capitalizing on its current research portfolio, partnerships that enable us to tap other funding sources including SBIR/STTR grants and team to form new startups.
 - Lynntech, a top SBIR/STTR winner, established as a partner
 - Setting up “Industrial Affiliates” program
 - Targeting establishing at least 1 non-profit and 2 for-profit companies by end of 2011
- We will ensure that VBI's “brand” reflects its status as the premier bioinformatics entity in the world and be visually recognized as such, which will enable us to contribute to Virginia Tech's continued growth in status. VBI will work with the Virginia Tech Foundation, the development office, the administration and other institutes and departments to leverage VBI and use its resources and personnel to enrich Virginia Tech's image and boost its grant/contract, philanthropic and commercial harvest.
 - Philanthropic drive begun with Virginia Tech Development Office

Innovation Lab Project Areas – basic and clinical research

Hardware/Software/Instrumentation (80%)

Wet Lab Experimentation (30%)





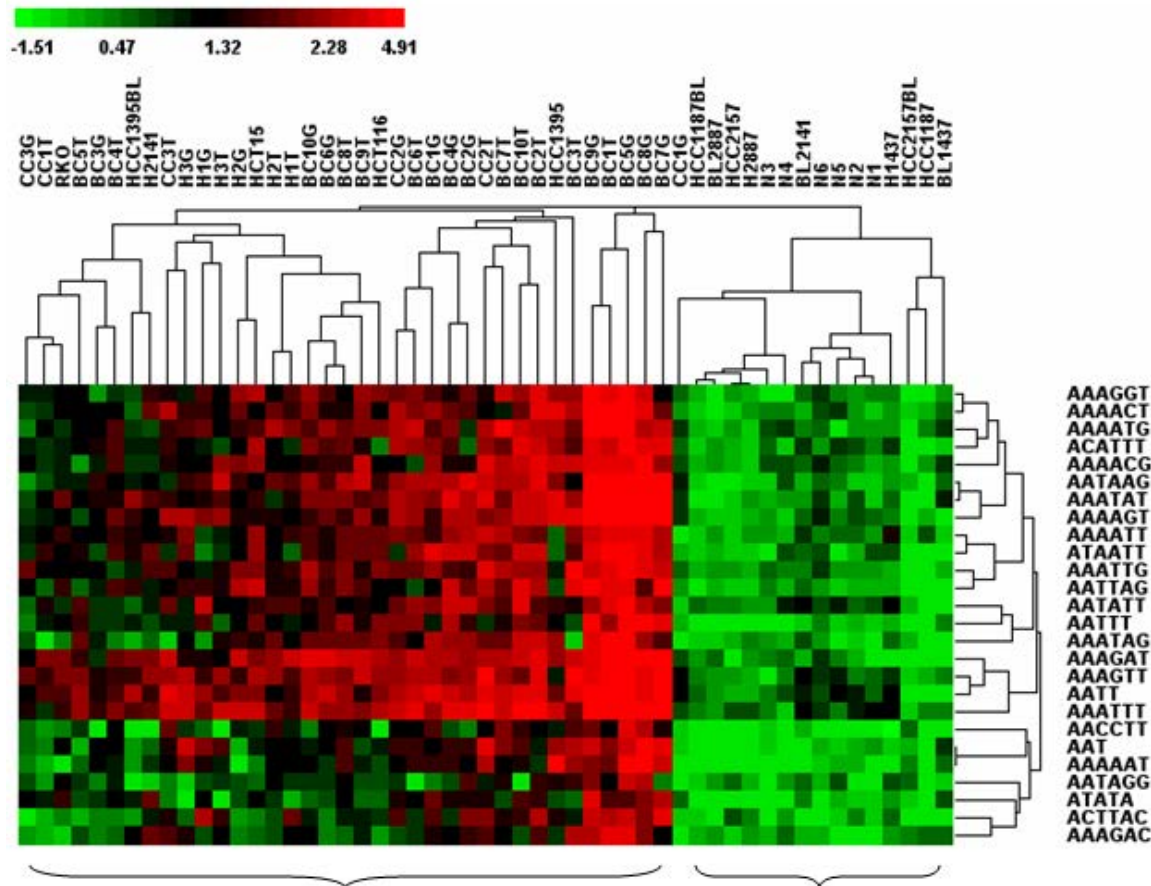
Repetitive DNAs,
microsatellites, that
“junk DNA” is definitely
not junk, and we are
just unlocking its role
in disease, especially
cancer and
neurological diseases?

These are already known to
cause: Machado-Joseph (CAG
repeat), Haw River Syndrome
(CAG), Huntington's Disease
(CAG), some forms of Fragile-
X Syndrome (CGG),
Friedreich's Ataxia (GAA),
Myotonic Dystrophy (CAG), to
name a few.



Cancer (tumor and germline) has a unique Microsatellite signature

- Statistically and reproducibly differential between cancer-free volunteers and breast, colon, or childhood hepatoblastoma patients
- Cancer-free volunteer samples clustered apart from all cancer patient tumors and all but one of the cancer patient germ line samples.
- Can identify people with cancer pre-disposition signature, which can be used for monitoring or lifestyle decisions.



Cancer patient tumors - all
 Cancer patient germ lines - 15 out of 16
 CC and BC cell lines – tumor and blood
 SCLC cell line – tumor only
N volunteers - NONE

N volunteers - all
 Some cell lines
 CC patient germ line
 SCLC cells – blood line only
Patient tumors - NONE



Text Data Mining

Text similarity searching,
hypothesis generation and even
ethics research.



eTBLAST, a free on-line tool has a simple Google-like interface.



eTBLAST 3.0:
a similarity-based search engine

Input your text

Microsatellites are highly mutable, repetitive sequences commonly used as genetic markers, but they have never been genotyped/studied en masse. Using a custom microarray to measure hybridization intensities of every possible repetitive nucleotide motif from 1-mers to 6-mers, we examined 25 genomes. Here we show that global microsatellite content varies predictably by species, as measured by array hybridization signal intensities, and particular motifs are characteristic of one species versus another. For instance, hominid-specific microsatellite motifs were identified despite alignment of the human reference, Celera, and Venter genomic sequences indicating substantial variation (30-50%) among individuals. Differential

Search Database

- ☒ MEDLINE
- ☐ CRISP
- ☐ NASA
- ☐ Medical Cases
- ☐ Pubmed Central (sections)
- ☐ PMC Full Text
- ☐ PMC METHODS
- ☐ PMC INTRODUCTION
- ☐ PMC RESULTS
- ☐ PMC (paragraphs)
- ☐ PMC Medical Cases

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Search

Access the resource at: etblast.org

And search

eTBLAST results are linked to the full abstract and other tools, of value while writing, reviewing or studying



eTBLAST 3.0:
a similarity-based search engine

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Some related tools
and private access
areas for clients

Analyze the results with a post-processor:

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Some post-processors
that analyze the
returned 'hits'

Most Similar Matches in MEDLINE:

Score of self comparison: 796.216

Raw self-similarity
score of query

Relevancy Threshold (Similarity ratio = 0.56). Entries above here have an unusual level of similarity

- | | | |
|---|--|------------------------------|
| 1 | <input type="checkbox"/> Perceptions of plagiarism in the use of other authors' language. | Score: 174.95
Ratio: 0.22 |
| | K Julliard. Family medicine, 1994, Jun, , 26(6): 356-60. PMID: 8050656 | |
| 2 | <input type="checkbox"/> Nobel Prize winners for literature as palliative for scientific English. | Score: 163.06
Ratio: 0.2 |
| | S Sri Kantha. Croatian medical journal, 2003, Feb, , 44(1): 20-3. PMID: 12590423 | |
| 3 | <input type="checkbox"/> Plagiarism. | Score: 143.38
Ratio: 0.18 |
| | JE Skandalakis, P Mirilas. Archives of surgery (Chicago, Ill. : 1960), 2004, Sep, , 139(9): 1022-4. PMID: 15381625 | |
| 4 | <input type="checkbox"/> Editorial independence at medical journals owned by professional associations: a survey of editors. | Score: 132.86
Ratio: 0.17 |
| | RM Davis, M Müllner. Science and engineering ethics, 2002, Oct, , 8(4): 513-28. PMID: 12501720 | |
| 5 | <input type="checkbox"/> Digital plagiarism--the Web giveth and the Web shall taketh. | Score: 130.26
Ratio: 0.16 |
| | JM Barrie, DE Presti. Journal of medical Internet research, , , 2(1): E6. PMID: 11720925 | |

Most similar record

Raw similarity score
between query and
this record

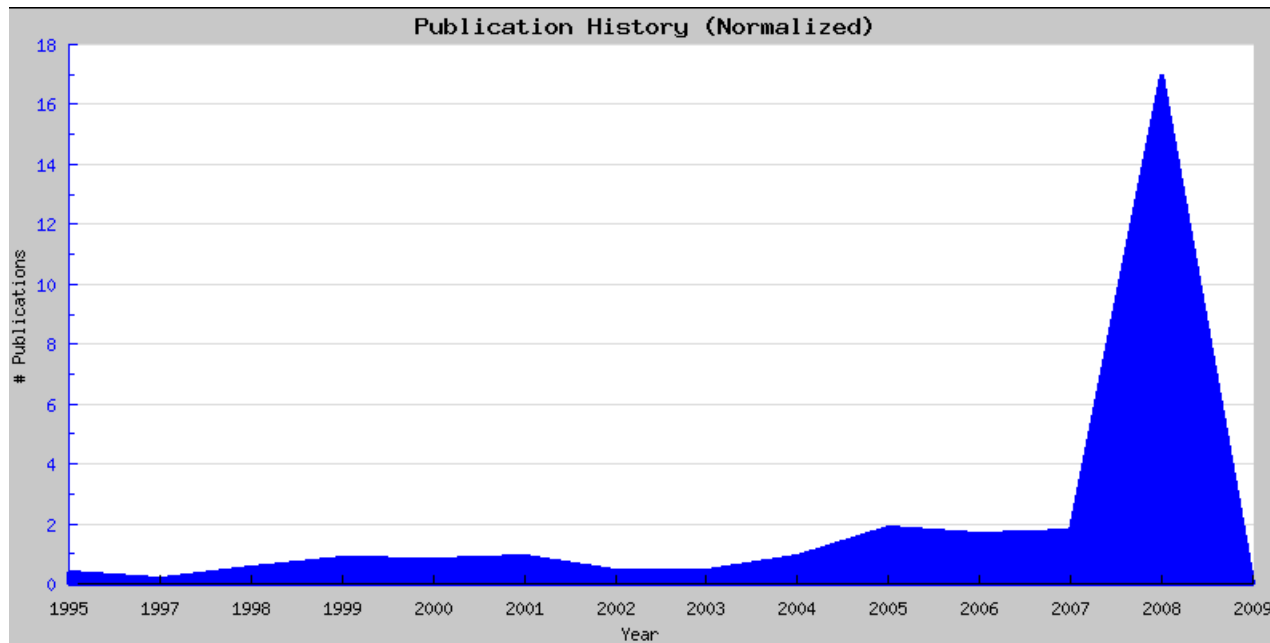
And post processors offer some hypothesis generation capability

The query, a paragraph from a grant we submitted:

For the cell lines, we will use 3 multiplexes (15 colors each). Each will include DAPI and 14 different TM-conjugates (total 42) 1: CK, CD45, HER2, uPAR, ER, PR, Ki67, Notch 1, Bcl2, EpCAM, p53, twist, ALDH1 and EGFR 2: IGF1r, VEGF, CyclinE, Cyclin D, pMAPK, CD133, Cathepsin D, TGF-b, hMam, pAkt, c- Myc, CXCR4, AR and uPA 3: BRCA1, BRCA2, SMADA4, SLP-2, ADAM proteases, X catenin, PEA-3, PTEM, p27, BRM51, MDR, PCD61P, TOPA2A, and BIRC5.

Implicit key words

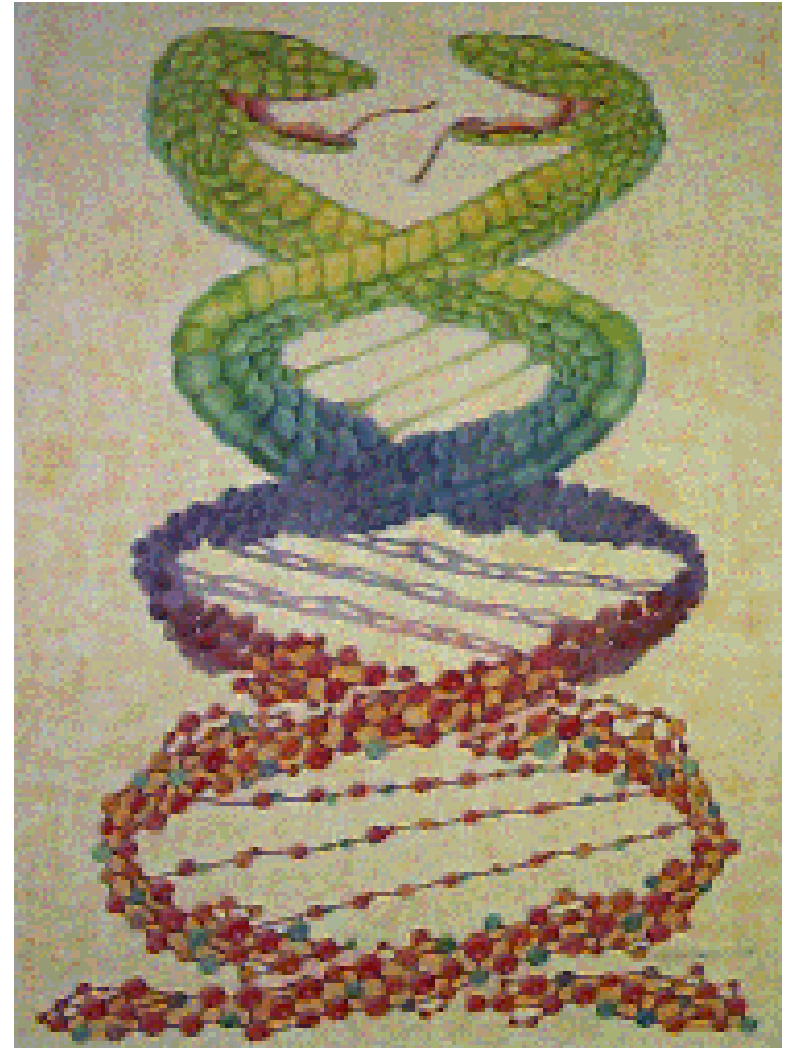
Word	Count
breast:	47
cancer:	47
cells:	45
tumors:	24
proteins:	22
human:	22
tumor:	14
markers:	14
familial:	12
mda-mb-453:	12
cancers:	11
kinase:11d1:	10
epidermal:	10
amplification:	10
sporadic:	10
estrogen:	9
signaling:	9
centrosome:	9
sp:	8
non-brca1/2:	8





We have tried to emulate
the way in which
scientists think and
interact with information
via software.

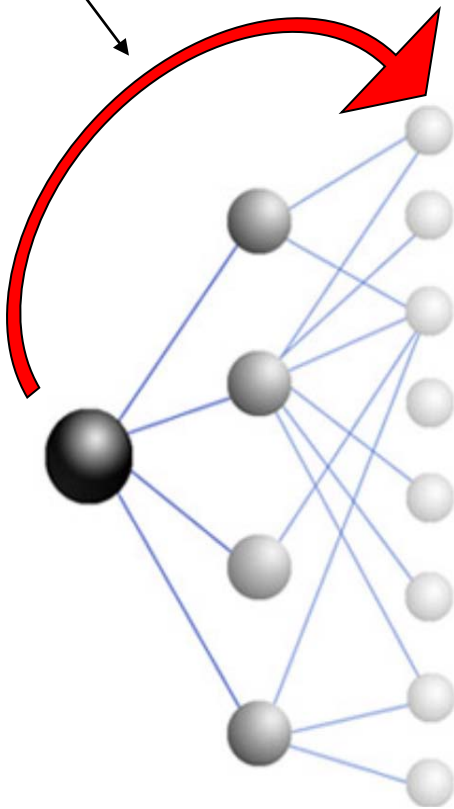
And this has allowed us
to develop a “hypothesis
generation engine”...that
can discover drugs



IRIDESCENT approach: Identify relationships among “Biomedical Objects” and use this to find new uses for existing drugs, and other

Indirect relationships are

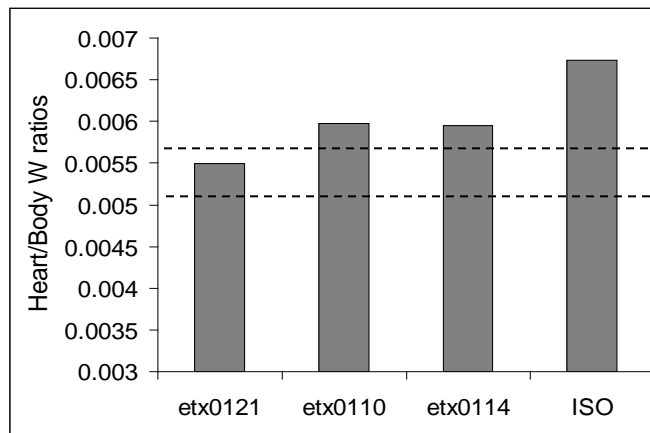
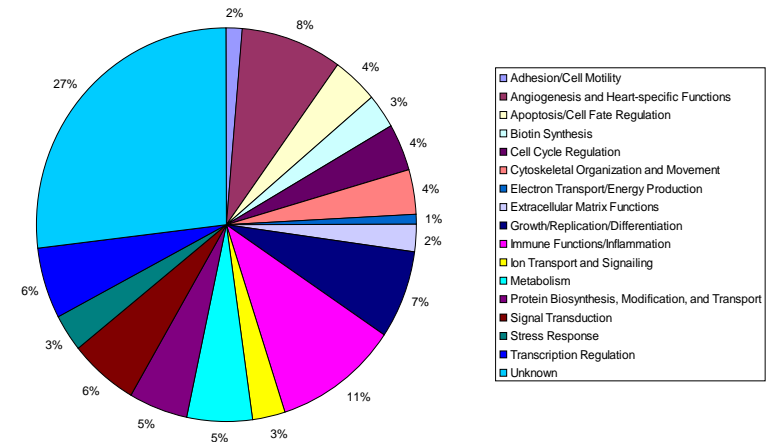
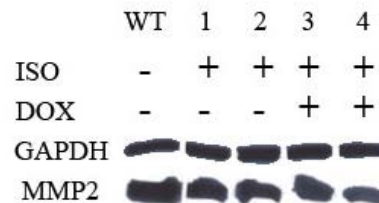
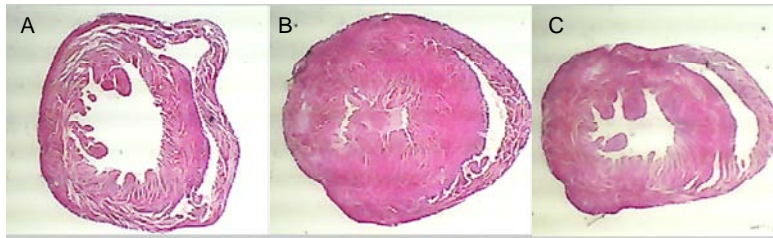
ripe for discovery



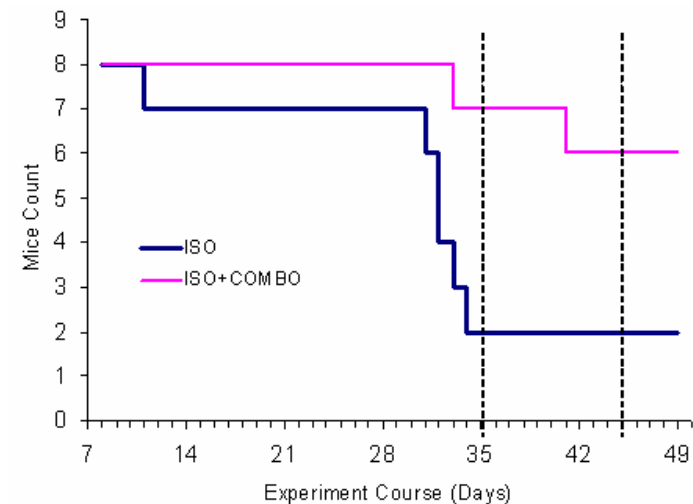
IRIDESCENT – Implicit Relationship Identification by In-Silico Construction

- A query consists of an object or series of objects (genes, drugs, diseases, chemicals, etc.), 2.5 million objects in current database
- Direct and indirect relationships are identified in a pre-computed network of object co-mentioning in the MedLine database, containing over 18,000,000 records
- A relevancy model is used to rank the output, to separate the wheat from the chaff
- Relationships are then inspected, inspiring new interpretations or hypothesis
 - Follow-up laboratory validation

The analysis included survival data, histology, microarrays, qPCR, westerns, etc. after treatments with Doxycycline and Carbamazepine.



Range of a typical, healthy heart.

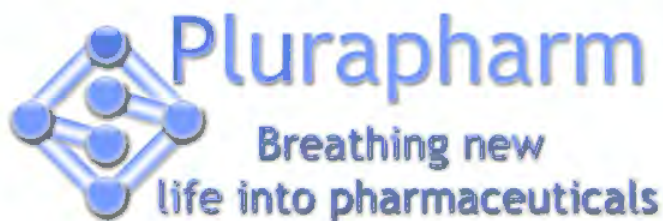




And we have a variety
of other interests,
especially as they
extend into
commercialization and
entrepreneurship

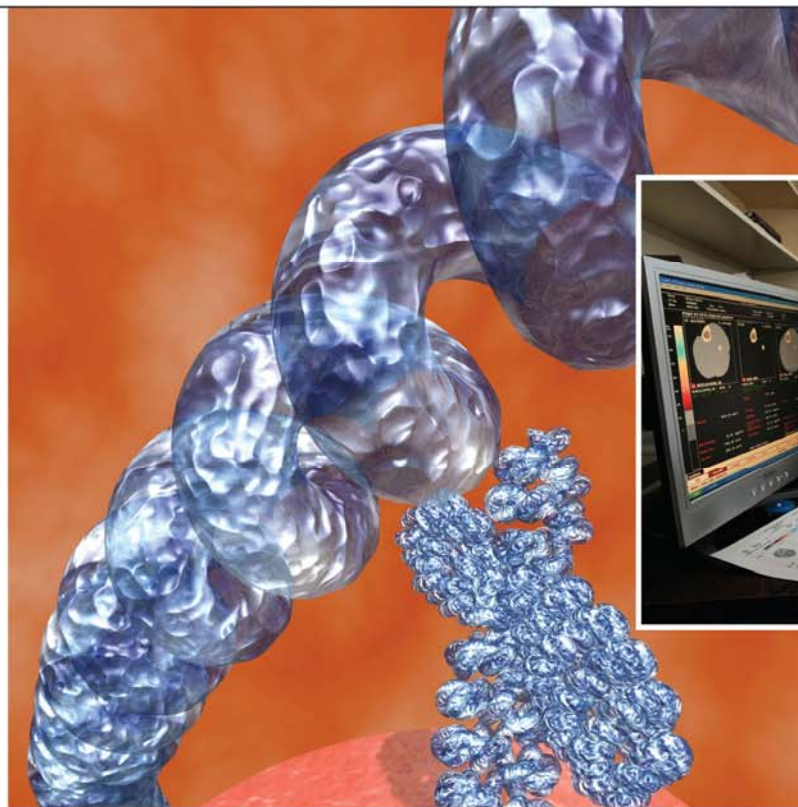
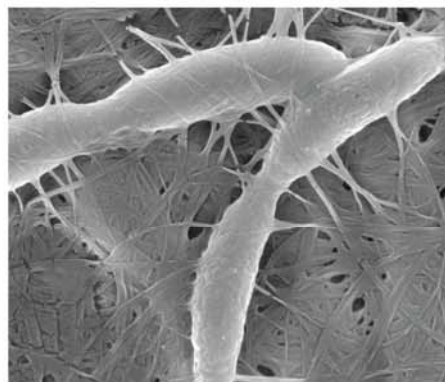


Previous Translational Successes



Office of the Vice President for Research

Robert Walters, Vice President for Research



Virginia Tech Research Corporation **2010**

Overview

- VT Research Funding Overview
 - Current VT Sponsored Research Funding Portfolio
 - Federal R&D Funding Analysis
- Virginia Tech Research Corporation
 - Structure, Focus and Differences
- VTRC Research Thrusts
 - Defense and National Security
 - Health Information Technology
 - Global Connectivity
- Next Steps





VT RESEARCH FUNDING OVERVIEW

Board of Visitors – March 21, 2010

Motivation for VTRC

- Enhance VT's stature as a leading research university through applied R&D and technical assistance.
- Facilitate the growth of VT's research portfolio by enabling research that cannot be effectively conducted within the university.
- Extend the geographic reach and impact of VT's research enterprise.

Goal : Grow the research portfolio of VT

Scholarship Domain: **DISCOVERY**

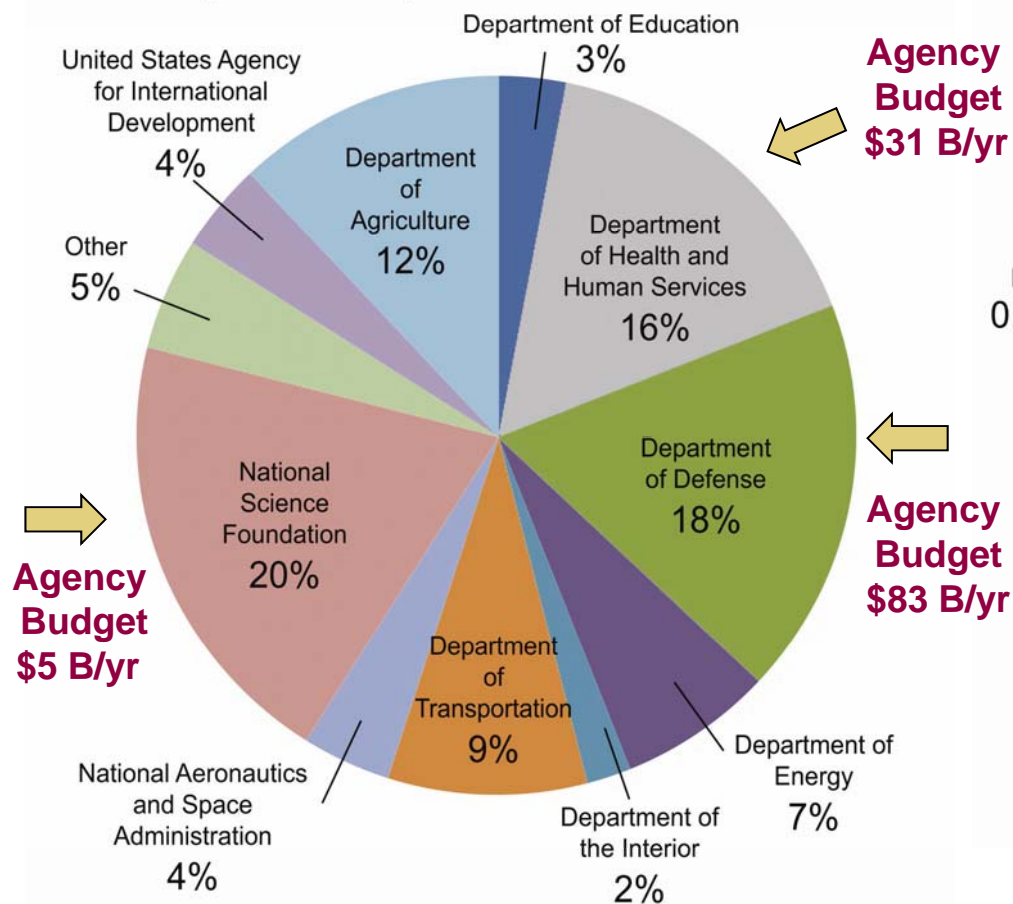
"During this strategic planning period, total research expenditures, as reported to the National Science Foundation, are expected to grow to \$540 million per year."

Annual NSF Research Expenditures

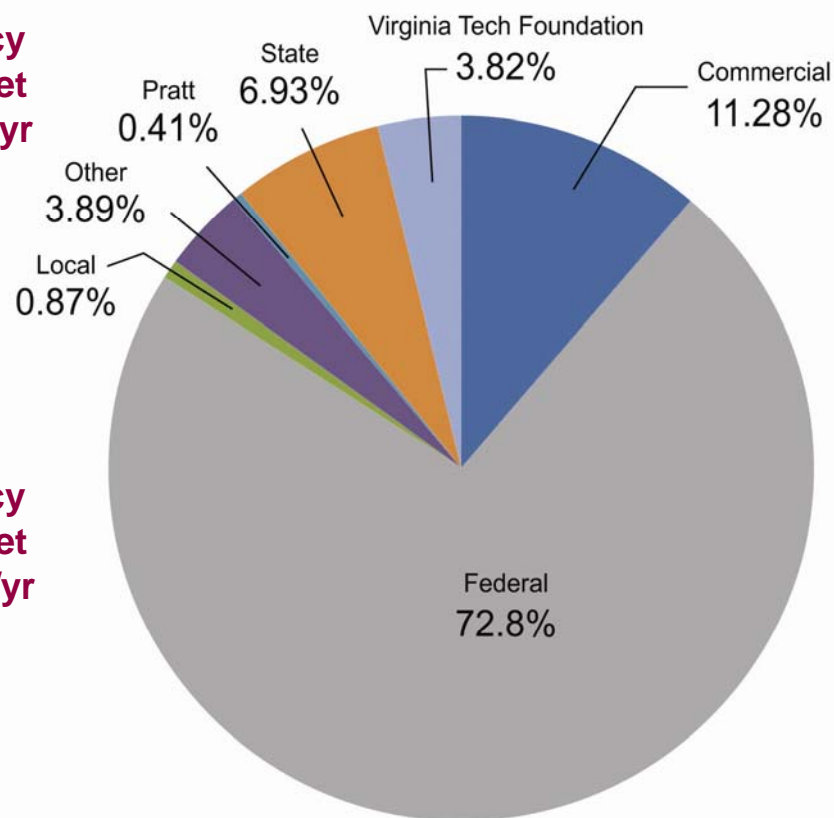


VT Research Portfolio

FY 2009 Sponsored Expenditures from Federal Sources



FY 2009 Sponsored Expenditures from All Sources



Federal R&D Funding Analysis

2009 Federal R&D Funding Analysis	
Grants 17%	Contracts 83%
\$29.6 B	\$122.3 B

2009 VT Sponsored Research Expenditures	
Total	\$211,519,579
Average Award	\$200,973

The vast majority of VT awards are grants.

- Align **business practices** with agency and commercial funding vehicles
- Align **research growth potential** with VT's core expertise



VTRC STRUCTURE, FOCUS & DIFFERENCES

VTRC Structure

- Virginia Nonstock Corporation
- Exempt from taxation as a 501(c)(3)
- Operated solely in connection with, and for the benefit of, VT
- Oversight by Board of Directors representing VT and industry

VTRC Focus

- Operates for the benefit of VT
- Collaborates closely with the university, but operates independently
- Funded through contract research
- Leverages university technical expertise in selected markets
- Targets government and commercial clients

University Research vs. VTRC

Cultural Differences	
University	VTRC
Basic research	Applied research
Grants	FAR and DFAR-based contracts, time and materials agreements
Academics	Practitioners
PIs	Teams
Research embedded in academic mission	Agility, flexibility, rapid response
Broad research base	Targeted, deeply networked management
Faculty manage projects	Experienced project managers
Limited structural flexibility, long timelines for program growth	Ability to acquire expertise to enable research



VTRC RESEARCH THRUSTS

Defense and National Intelligence

DoD Definitions of Research and Development

- | | |
|-----|---|
| 6.1 | Basic Research:
Systematic study directed toward greater knowledge or understanding of the fundamental aspects of phenomena and/or observable facts without specific applications toward processes or products in mind. |
| 6.2 | Applied Research:
Systematic study to gain knowledge or understanding necessary to determine the means by which a recognized and specific need may be met. |
| 6.3 | Advanced Technology Development:
Includes all efforts that have moved into the development and integration of hardware for field experiments and tests. |



Center for Naval Systems

FY11 Budget Request

6.1	\$1,999 M or 6.2% increase
6.2	\$4,476 M or 11.6% increase
6.3	\$5,359 M or 18.5% increase

Health IT - Projected FY11 Investment

Obama Administration FY11 budget proposal

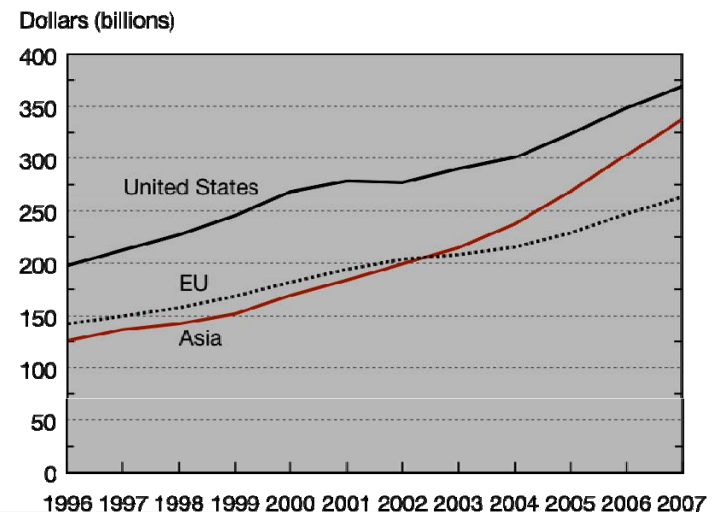
IT adoption and electronic health records	\$78 M (28% increase)
Biodefense (medicines, vaccines, diagnostics)	\$476 M (39% increase)
National Institutes of Health (NIH)	\$32.2 B (3% increase)
Agency for Healthcare Research and Quality (AHRQ)	\$479 M (77% increase)
Patient-centered health research	\$286 M (1,261% increase from \$21 million in FY10)



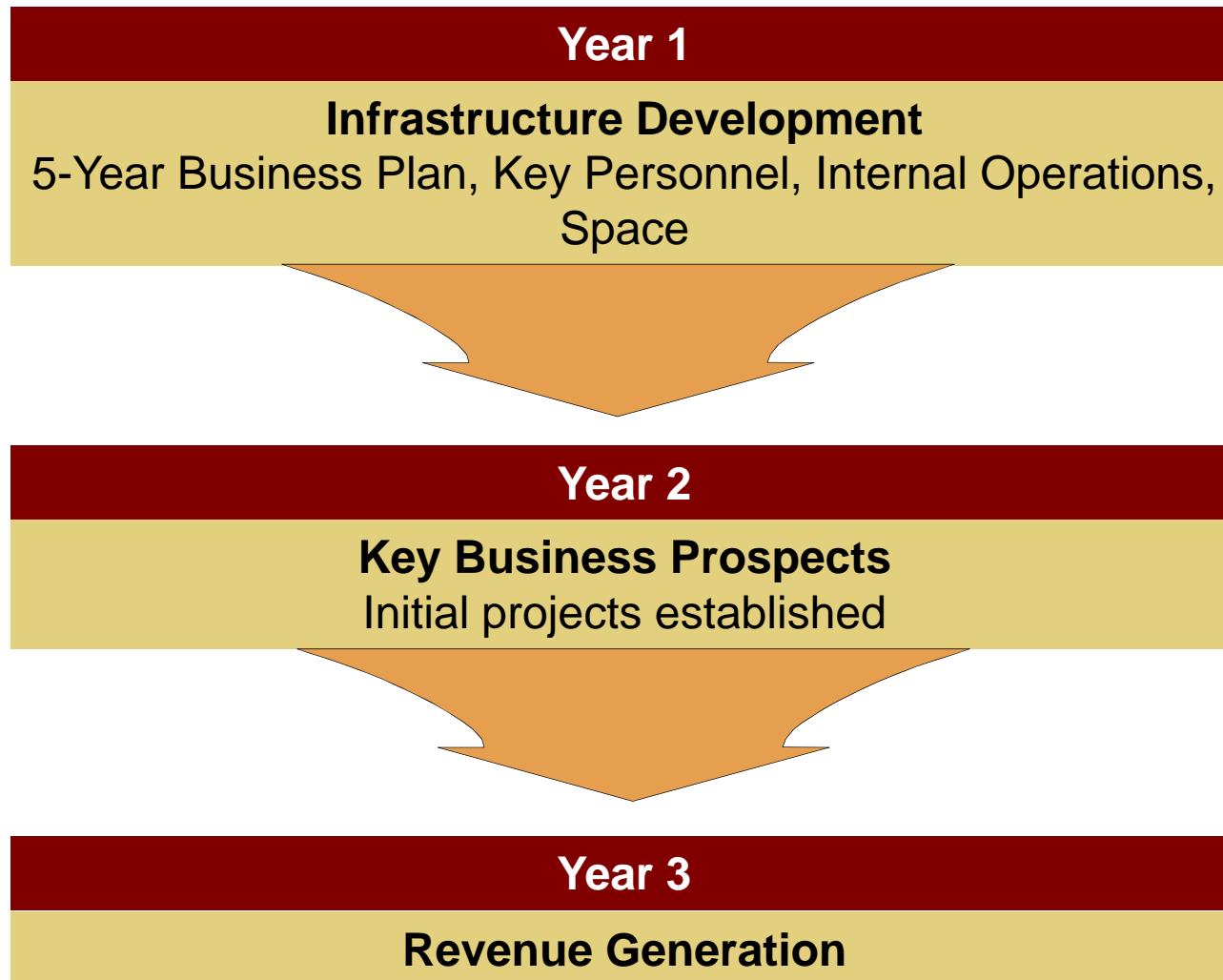
Global Opportunities for VTRC

- U.S. companies with international presence
- International collaborations in targeted markets
- Support services for translational research (prototyping, etc.)
- Targeted opportunities for NGOs (USAID, etc.)
- Impacts on the CRC and VTKW

**Global R&D Expenditures:
US, EU, and Asia**



Timeline – Years 1-3



Next Steps

2010 ACTION PLAN

Affiliation Agreement:

- March 22, 2010

Board of Directors:

- Complete Board of Directors (7-13 members total)

Business Plan: (required for capitalization – VTF)

- Draft 5-year business plan
 - refined pro-forma
 - marketing plan

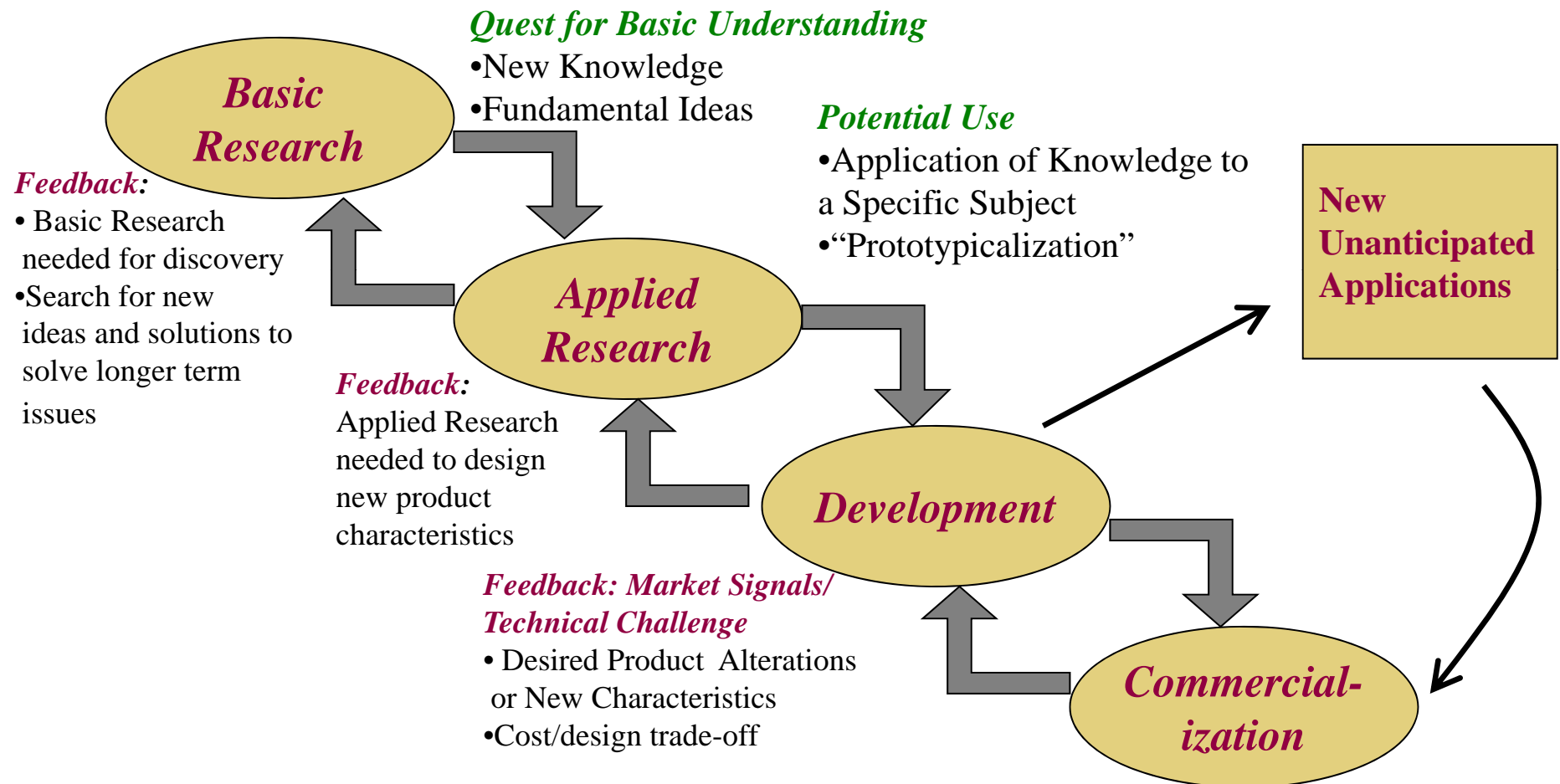
VTRC Leadership:

- Proceed with search for CEO

Identify Key Opportunities:

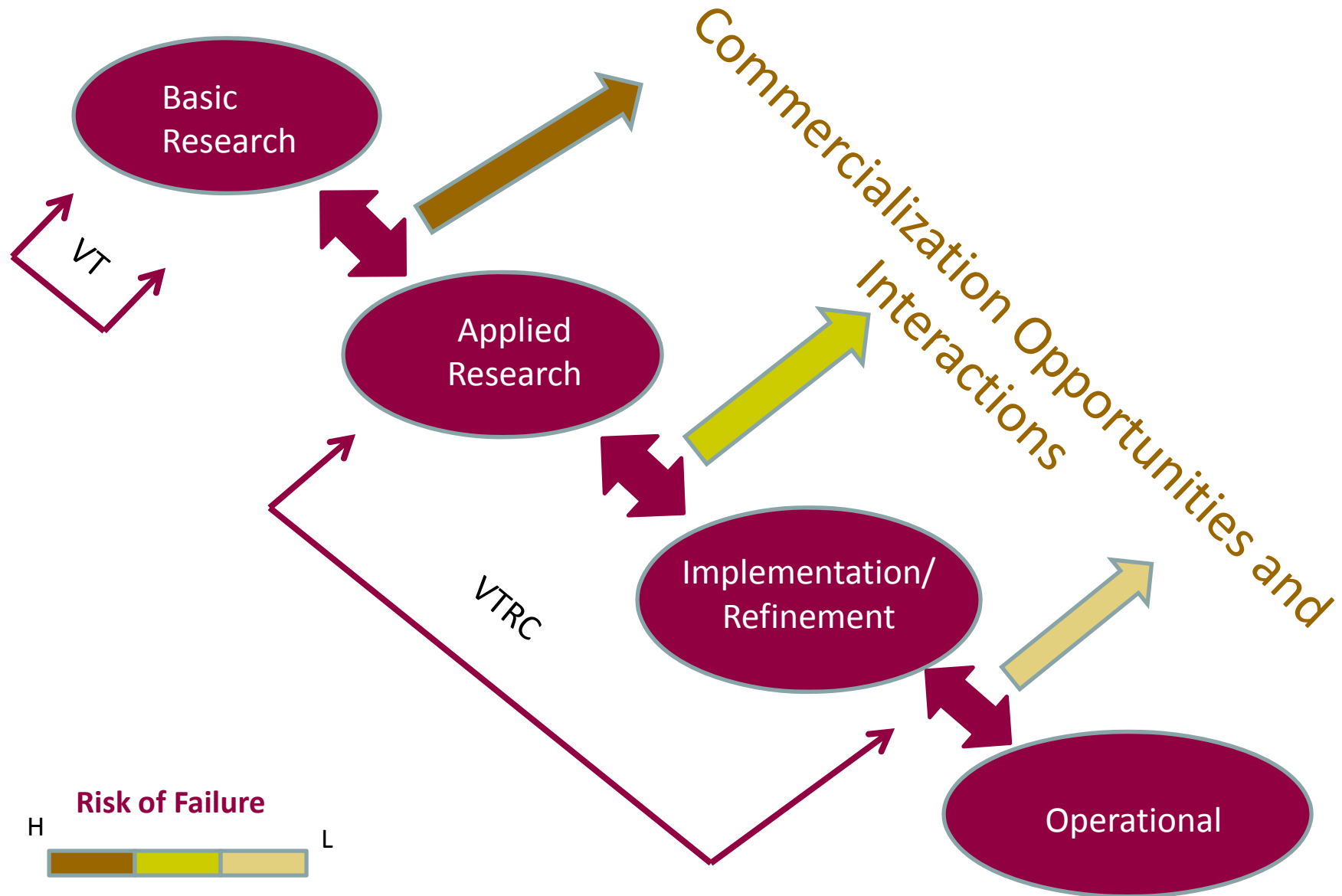
- Target funding areas and agencies.
- Engage researchers collaborators in key areas

VTRC as part of the Innovation Process



Source: Charles W. Wessner, Ph.D.

The Domain of the VT Research Enterprise



Thank you . . .

Questions?

Virginia Tech Research Corporation, Inc.

RESEARCH COMMITTEE AND FINANCE AND AUDIT COMMITTEE

February 12, 2010

The University desires to create the Virginia Tech Research Corporation, Inc. as a university related corporation to provide administrative, research, and development services supporting innovative applications of science and technology, and technical assistance to enhance global competitiveness. This corporation will seek and manage research and services contracts for assistance to governmental agencies and corporations. Such contracts will be for research and services which do not lend themselves for administration through the existing research contract process administered by the Office of Sponsored Programs.

The corporation will receive oversight from a board of directors composed of both University and external members. The Vice President for Research will serve as chair of the board and the Chief Operating Officer of the Virginia Tech Foundation will serve as its secretary-treasurer. The corporation's relationship to the University will be governed by an affiliation agreement, which is attached for review and approval by the Board of Visitors. Initial capitalization of the corporation will be requested from the Virginia Tech Foundation, Inc. with the intent to repay such funds over time from the operations of the corporation.

**AFFILIATION AGREEMENT BETWEEN
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
AND
VIRGINIA TECH RESEARCH CORPORATION, INC.**

THIS AFFILIATION AGREEMENT, dated as of _____, is by and between VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY, a Virginia public corporation (the "UNIVERSITY"), and Virginia Tech Research Corporation, Inc., a Virginia non-stock corporation (the "CORPORATION").

RECITALS

1. The University recognizes the contribution the Corporation will make to the University's missions and goals and, therefore, the University is willing to be affiliated with and provide certain benefits to the Corporation. Such action shall not, however, be construed to mean that the Corporation is part of or controlled by the University; that the University is responsible for the Corporation's contracts or other acts or omissions; or that the University approves of the Corporation's activities.
2. The purpose of this Agreement is to describe the entire relationship between the University and the Corporation, including the University benefits the Corporation may receive and the conditions for their receipt.

Accordingly, the parties agree as follows:

a. Representations

- 1) The Corporation represents that it is a Virginia non-stock corporation in good standing with the Virginia State Corporation Commission. The Corporation will provide the University a copy of its current articles of incorporation, bylaws and all future amendments, a list of all directors, administrators and offices, their addresses and phone numbers, and any changes made to this list.
- 2) The Corporation further represents that the officers and board members of the Corporation were provided a copy of this Agreement and they authorized the person executing this Agreement on behalf of the Corporation to execute this Agreement.

b. Relationship between the Corporation and the University

The University is a Virginia public corporation and the Corporation is not part of that corporation, but rather exists and operates independently, and for the benefit of, the University.

The Corporation is required to distribute to the University or its designee, on a regular basis, any surplus revenues as determined in conjunction with the Chief Financial Officer of the University or any successor thereof.

Annually, prior to consideration by its Board of Directors, the Corporation shall review its annual operating budget, capital budget, long-term program plans, and intended distribution of surplus with the University's designee.

The Corporation agrees that, without the prior written consent of the University President, it will not distribute any assets or proceeds thereof, other than in the ordinary course of business, to any entity or person other than the University or its designee.

The Corporation shall convey to the University upon written request of the Board of Visitors, any interest in real property owned by the Corporation, which real property is and shall be indirectly owned by the University.

The Corporation shall provide a benefits and compensation plan for its employees that as nearly as practicable matches that of the University.

The President of the University shall designate a person to be elected as a director and member of the Executive Committee of the Corporation.

The parties understand and agree that this Agreement is the only source of control the University may have over the Corporation or its activities, except to the extent, if any, the University chooses to exercise control over activities occurring on its property and as provided in the governing documents of the Corporation.

c. Fundraising Activities

The Corporation agrees not to conduct fundraising activities without the prior written consent of the University, provided that the solicitation of research grants and contracts by the Corporation shall not be considered fundraising activities for purposes of this Agreement.

d. The Corporation's Dealings with Third Parties

The Corporation shall not hold itself out as being part of, controlled by, or acting on behalf of the University. The Corporation agrees to take reasonable measures to ensure that third parties understand that it is not part of the corporation which is the University. With respect to advertising, publicity, correspondence, contracts, and other formal means of communication, the Corporation will use its full corporate name to avoid confusion on the part of the third parties.

e. Tax Matters

The Corporation shall prepare and timely file all tax returns and reports, including information returns required to be filed by it under federal, state and local laws. The Corporation will promptly advise the University in the event of any audit of its tax returns or reports by any governmental entity. The Corporation shall not use the University's taxpayer identification number or the University's tax-exempt status in connection with purchases or sales by the Corporation, gifts to the Corporation, interest or other income of the Corporation, or any other activity of the Corporation.

f. Liability Insurance and Defense

The Corporation understands and agrees that the University, the Commonwealth of Virginia, and the employees and agents of either will not be liable for any of the Corporation's contracts, torts, or other acts or omissions, or those by the Corporation's directors, officers, employees or staff, provided that the limitations of liability provided herein shall not apply to faculty and staff of the University acting within the scope of their employment with the University. The Corporation understands and agrees that neither it nor its directors, officers, employees or staff are protected by the University's or the Commonwealth of Virginia's insurance policies or self-insurance plans in connection with the Corporation's activities, and the University and the Commonwealth will not provide any legal defense for the Corporation or any such person in the event of any claim against any of them, provided that the limitations of liability provided herein shall not apply to faculty and staff of the University acting within the scope of their employment with the University.

g. Non-Discrimination

The Corporation agrees to follow the University's Equal Opportunity and Affirmative Action Statement.

h. Charges for Services

The Corporation agrees to reimburse the University upon request for the costs of services provided. To the extent that a rate schedule exists for these services, the Corporation will be charged at the appropriate rate. To the extent there is no rate schedule charge set for a service, the Corporation will be charged a rate to be mutually agreed on by the University and the Corporation based on a cost study to be conducted by the University Controller's Office.

i. Use of Facilities, Resources and Services

The University hereby makes the Corporation eligible to use the University's facilities, resources and services, subject to availability and the policies and procedures of the University applicable to such facilities, resources and services.

j. Audit

The Corporation shall have an annual audit performed by an independent auditor and shall provide copies of its IRS form 990 or 990T, financial statements, management letter, and management response produced in connection with the audit to the President of the University. The Corporation agrees to participate in the university-related corporation internal audit program. All costs of both the annual audit and the internal audit work performed for the Corporation shall be paid by the Corporation. The Corporation will be exempted from the requirement for annual external audit provided that:

- the Corporation has not held any financial assets for the twelve month period preceding the fiscal year ending date,
- the officers of the Corporation certify annually that no financial activities or transactions have occurred or are occurring outside those reflected in the records of the Corporation,
- on an as needed basis, the Corporation agrees to provide as a supplement to its annual financial statements, separate unaudited financial schedules providing information on the activities of the Corporation recorded in its records, and
- the Corporation continues to participate in the university-related corporation internal audit program.

k. Subsidiary Corporations

The provisions of this agreement shall be applicable to any subsidiary corporations and limited liability companies of the Corporation. Approval of the University's Board of Visitors is required for the establishment of University related corporations.

l. Dissolution

If the University, acting at the direction of its Board of Visitors, shall request in writing, the Corporation agrees to timely cease all operations and take all appropriate actions to dissolve the Corporation. In the event of such

dissolution or final liquidation of the Corporation, (a) none of the property of the Corporation or any proceeds thereof shall be distributed to or divided among any of the officers or directors of the Corporation or inure to the benefit of any individual; and (b) after all liabilities and obligations of the Corporation have been paid, satisfied, and discharged, or adequate provision made thereof, all remaining property of the Corporation and the proceeds thereof shall be distributed by the Board of Directors of the Corporation to the University or its designee, provided such designee is an organization or organizations that is (are) qualified under Section 501(c)(3) and 170(c)(2)(B) of the Internal Revenue Code of 1986, as amended.

m. Term and Termination of Agreement

This Agreement shall become effective as of the date written below and shall expire on June 30, 2012, but it will remain in effect past the expiration date unless (i) terminated by the University, with or without cause, at any time by written notice to the Corporation, (ii) terminated by mutual written agreement of the parties, or (iii) replaced by a new agreement.

n. Waiver

Failure of either party to enforce any of the provisions of this Agreement shall not be construed as a waiver of that, or any other, provision or any later breach thereof.

o. Notices

Any notice under this Agreement shall be deemed given when deposited in the mail, postage prepaid, and addressed as follows:

If to the Corporation:

If to the University:

University Treasurer
Virginia Tech
902 Prices Fork Road (0142)
Suite 4000
Blacksburg, Virginia 24061

or to such other person, at such addresses, as either party may designate for itself and so notify the other party in writing.

p. **Entire Agreement; Amendments.**

This Agreement constitutes the entire agreement between the Corporation and the University concerning the subject matter, and it supersedes all prior written or oral agreements concerning this subject matter. This Agreement may not be amended except by written document executed by both parties.

IN WITNESS THEREOF, the parties have executed this Agreement below:

VIRGINIA TECH RESEARCH
CORPORATION, INC.

VIRGINIA POLYTECHNIC INSTITUTE
AND STATE UNIVERSITY

By: _____
(Authorized Officer)

By: _____
(Authorized Officer)

Title: _____

Title: _____

Date: _____

Date: _____

**STUDENT AFFAIRS AND ATHLETICS COMMITTEE
OF THE BOARD OF VISITORS**

**Smithfield Room
The Inn at Virginia Tech and Skeleton Conference Center
9:00 a.m.**

March 22, 2010

PRESENT: Mr. Ben Davenport, Jr., Chair
Ms. Michele Duke
Ms. Kristina Hartman
Dr. Calvin Jamison
Mr. Paul Rogers

GUESTS: Ms. Kim Beisecker, Dr. Cynthia Bonner, Mr. Tom Brown, Mr. Dave Cianelli, Ms. Allison Dunn, Mr. Wendell Flinchum, Mr. Hikmet Gursoy, Ms. Monica Hunter, Ms. Rhonda Rogers, Mr. Rohsaan Settle, Dr. Frank Shushok, Dr. Guy Sims, Dr. Edward Spencer, Ms. Julie Walters-Steele, Mr. Jim Weaver

Open Session

- 1. Tour of Brodie, Monteith, & Squires:** Maj. Gen. Jerry Allen, Commandant of Cadets, Mr. Rick Johnson, Director of Housing and Dining, and Dr. Guy Sims, Assistant Vice President for Student Affairs for Student Affairs, provided a tour for the Student Affairs and Athletics Committee and the Buildings and Grounds Committee of Brodie Hall, Monteith Hall, and Squires Student Center. The focus was on older facilities in need of renovation and/or replacement.
- 2. Opening remarks and approval of November 9, 2009 minutes:** Mr. Ben Davenport, Chair, provided opening remarks and submitted the minutes of the November 9, 2009 Student Affairs and Athletics Committee meeting to the committee for review and approval. Ms. Duke moved that the minutes be approved as electronically submitted, motion was seconded and minutes were approved.
- 3. Athletic Department Quarterly Report:** Mr. Jim Weaver provided a brief overview of the fall and winter Olympic sports results.
Women's Soccer advanced to its first-ever Sweet 16, finishing the year with a program-best 16-8-0 record with their biggest accomplishment being their defeating top-ranked and unbeaten North Carolina for the first time ever. They also tallied five top-25 victories on the year and a fourth-place regular season finish in the ACC.

In Volleyball, the Hokies went 19-12 and 2-11 in the ACC, tying for seventh in the ACC. Chris Riley is doing a fine job getting our Volleyball team back on track.

The Virginia Tech track and field men's squad sent eight athletes to the NCAA Championships and finished 19th overall, finishing third in the ACC Championships.

In Women's Indoor Track and Field, Queen Harrison won the first national Championship ever for Virginia Tech women's track and field and Kristi Castlin made it a one-two finish, as she placed second. The men and women's teams as a whole, finished 3rd in the ACC.

The VT Swimming and Diving squads were both ranked in the top-25 nationally together for the first time in program history. The women ranked 18th and the men 23rd nationally. The women finished fifth at the ACC Championships and the men's team placed fourth.

The wrestling team was ranked the entire season, finishing 14th. The team placed third at the ACC Tournament with seven wrestlers earning All-ACC honors and six qualifying for the NCAA Tournament.

Mr. Weaver then introduced Mr. Dave Cianelli, the Track and Field Coach explaining when they were looking for a new Director of Track and Field, they hired Mr. Cianelli who had a plan when he got here and since his arrival, he has produced the greatest successes that we have had in Track and Field at Virginia Tech in the history of the University. Mr. Chenelli explained that he is most proud of the track and field teams in regard to their academic performance. Track and Field women have a cumulative GPA of 3.31 and the Women's Cross Country team has a 3.20. Men's Track and Field have a cumulative GPA of 2.92 and Men's Cross Country is 3.19. There are about 70 total athletes in this program who are performing at better than a 3.0 performance rate.

Mr. Cianelli also explained that entering the ACC gave Track and Field a huge boost in recruiting.

In response to a question about what the most important thing will be in the future in Athletics, Mr. Weaver responded:

- a. Facility-wise – to build a new field house and make Rector Field House a permanent indoor track facility.
- b. Overall, there is a concern about the future finances of the Athletics Department three years from now and forward, because there are revenue streams that will help them financially over the next three years, but they are getting at the end of their creation of new revenue streams. They will need to have an increase in the Student Athletic fee at some point. Virginia Tech has the lowest Athletic fee in the Commonwealth at \$230.00. Fortunately we have most of our facilities taken care of.

- 4. Resolution for Changes to University Policies for Student Life: Interim Suspension Policy:** Mr. Rohsaan Settle, Associate Director of Student Conduct, explained that current university policy (contained in the Hokie Handbook) gives the university the authority to interimly suspend a student in order to protect persons and/or property. Due to the gravity and time sensitive nature of the interim suspension process, the Office of Student Conduct and the administrators responsible for enacting the process request to modify the current policy to allow for the immediate removal of students who may pose a risk to the safety of self, others, or property. The current policy requires that a hearing be held to determine if an interim suspension should be imposed on the student in question. Due to many logistical elements (incarceration, hospitalization, the inability to contact or locate the student, or failure of the student to contact the hearing officer) the interim suspension hearing may not occur as quickly as desired. This often results in the student in question, who may pose a risk to self, others or property, with an unresolved student status. The current resolution enables the associate vice president for student affairs or his/her designee to make an interim suspension decision based on information that is available at the time. The resolution also allows for any student who has been interimly suspended to request a meeting to demonstrate why his or her continued presence on campus does not constitute a threat to themselves, others or property.

The resolution also removes language regarding medical withdrawals and bans from campus (other than from residential facilities), because they are not part of the interim suspension process. Finally, language was further clarified to direct the determination of interim suspensions and the adjudication of interim suspension reviews solely to the associate vice president for student affairs or his/her designee.

Ms. Duke moved that the changes to University Policies for Student Life: Weapons Policy be approved. The motion was seconded and the policy changes were approved.

- 5. Resolution for Changes to University Policies for Student Life: Weapons Policy:** Mr. Rohsaan Settle, Associate Director of Student Conduct, explained that current university policy (contained in the Hokie Handbook) states that unauthorized storage, possession, and/or use of weapons are prohibited on university property. Since weapons are prohibited in residence halls, ammunition that makes them operational should also be prohibited. University administrators would like to clearly convey to students that since weapons are not allowed in on-campus residential facilities ammunition is also prohibited. The resolution states that the VTPD weapons storage program applies to ammunition as well, to accommodate students who live on campus and who wish to have access to their weapons and/or ammunition.

The resolution also adds stun weapons to the list of prohibited items. Finally, language was clarified to direct the determination of exceptions to the weapons

policy solely to the Vice President for Administrative Services, in consultation with appropriate university offices.

Following discussion that provided clarification about some concerns raised by the committee, Mr. Rogers moved to approve the resolution and the motion was seconded and approved.

6. **Cranwell International Center:** Ms. Kim Beisecker, Director of the Cranwell International Center, explained that the Center remains committed to the University's globalization initiatives and serves as the primary support service for the international community. Recent activities include involvement with the "Hokies Helping Haiti" efforts on our campus. In the fall semester 2009, Virginia Tech enrolled 2,266 international students from 113 countries. The financial impact of the 13,500 international students in Virginia is estimated at \$303 million. These diverse individuals enable intercultural exchange, encourage the development of skills used in the global market, and enhance the experience of our university and community. Various programs, services, and activities throughout the year support the international members of our community. All are invited to the 51st International Street Fair on Saturday, April 10th.
7. **Gobblerfest:** Ms. Julie Walters-Steele, Director of University Unions, explained that Gobblerfest, a program initiated by University Unions and Student Activities, serves as an annual festival to welcome new and returning Virginia Tech students to the Hokie Neighborhood, by providing a dynamic environment which introduces programs and services provided by the university, community businesses, and service organizations. The festival also welcomes Virginia Tech faculty and staff, as well as community members of all ages. The inaugural Gobblerfest was held September 5, 2008 featuring 50 local businesses, more than 100 non-profit and service agencies and more than 200 student organizations. The event attracted more than 12,000 participants. On August 28, 2009, an estimated 18,000 people attended the second Gobblerfest street fair and 3,000 participated in late night activities in Squires Student Center.

The outdoor festival and Late Night activities includes a Student Organization Showcase, VT-Engage Volunteer Fair, Local Business Showcase and the Class-system sponsored a Welcome Back Pep Rally and Kick-off Concert. The footprint takes advantage of the location of Squires Student Center on the edge of campus bordering downtown Blacksburg, allowing a unique connection between the university and the Town of Blacksburg. Multiple stages offer a variety of entertainment including acoustic music, student talent, and community performers. Additional activities include inflatable games, interactive games, and demonstrations. Evening activities are held inside Squires Student Center and include the Class System Pep Rally, Kick-off Concert, Virginia Tech Union entertainment, interactive games, and a midnight pancake breakfast. This event

has quickly grown into a new Hokie tradition, with collaborative partnerships between the town and the university.

- 8. Leadership Development Programs:** Ms. Monica Hunter, Interim Director of Student Activities, reported on the various types of Leadership Programs facilitated by the Department of Student Activities. She highlighted the Leadership Tech program as the signature focal point for the Leadership Development area. Leadership Tech is an educational program of curricular, co-curricular, and service experiences that combine personal and intellectual development and build valuable leadership skills in students. Leadership Tech specifically promotes the values of equity, social justice, self knowledge, personal empowerment, collaboration, citizenship, and service. Participants engage in a diverse range of learning activities and experiences designed to develop greater personal awareness, develop intellectual and ethical judgment, cultivate democratic and global knowledge and engagement, and prepare for successful involvement in a dynamic society.

Adjournment: There being no further business, the meeting adjourned at 11:03 a.m.



Cranwell International Center



March 2010



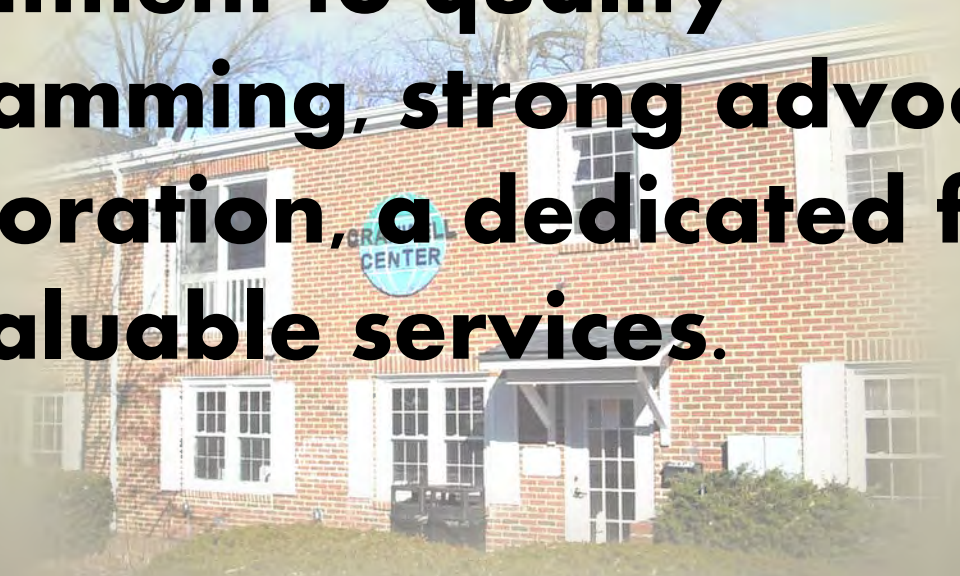
- **The Cranwell International Center is committed to the University's globalization initiatives and serves as the primary support service for the international community....**



- ... The Cranwell International Center promotes intercultural exchange, fosters a welcoming environment, and enhances the experience of all University and community participants...



- **We support the university's focus on teaching and learning, research and discovery, and outreach and engagement through our commitment to quality programming, strong advocacy, collaboration, a dedicated facility, and valuable services.**



HAITI





7 students from Haiti
Dozens of faculty, staff,
and students with a
strong connection



**SOLELY SWING WILL BE
SPONSORING SECOND
CHANCE VALENTINE'S
DANCE**

Panel discussion
on Haiti and the
road to recovery

MARDI GRAS FOR HAITI BALL



The Division of Student
Affairs will be hosting a
simple meal of Cajun red
beans and rice with water




President Jimmy Carter

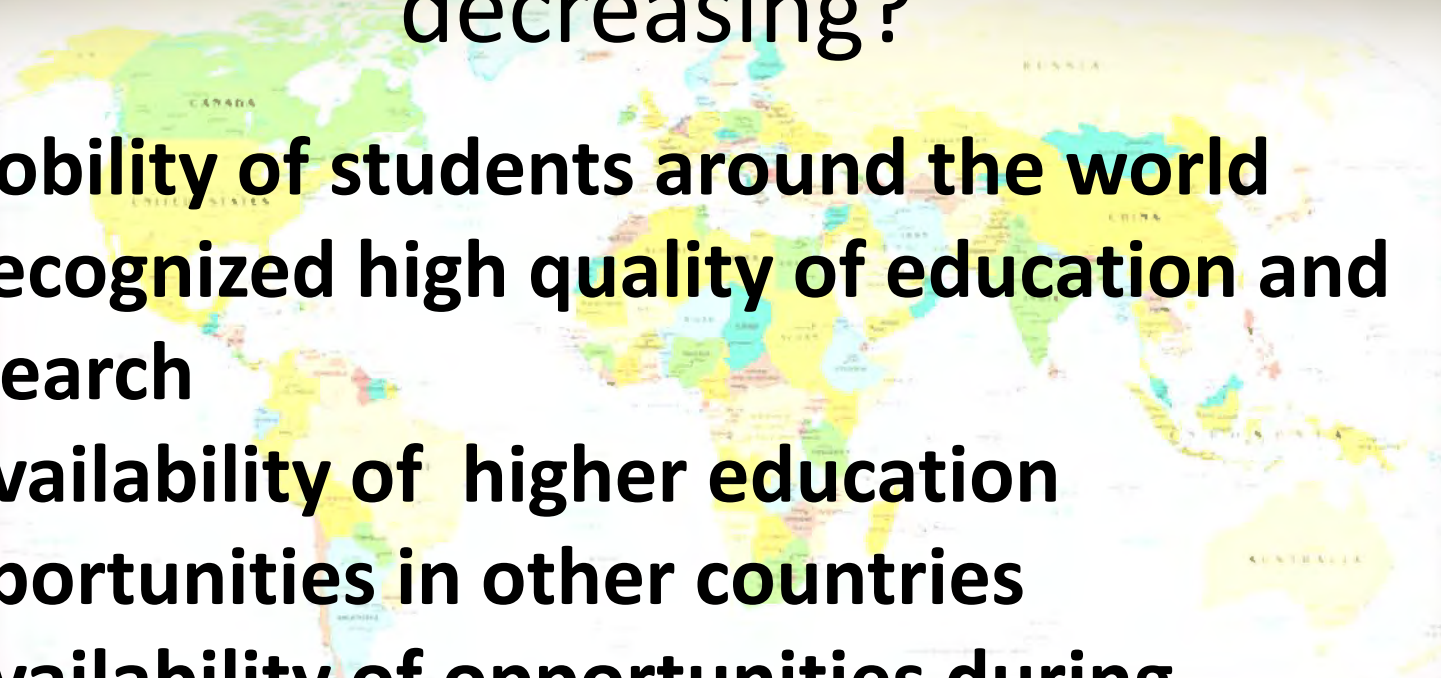
- “ Only by knowing and understanding each other’s experiences can we find common ground on which we can examine and resolve our differences... As the world becomes more and more interdependent, such mutual understanding becomes increasingly vital.”

1980's

Why do we attract international students to the US?

- 
- **Mobility of students around the world**
 - **Recognized high quality of education and research**
 - **Lack of availability of higher education opportunities in other countries**
 - **Availability of opportunities during education and after graduation**

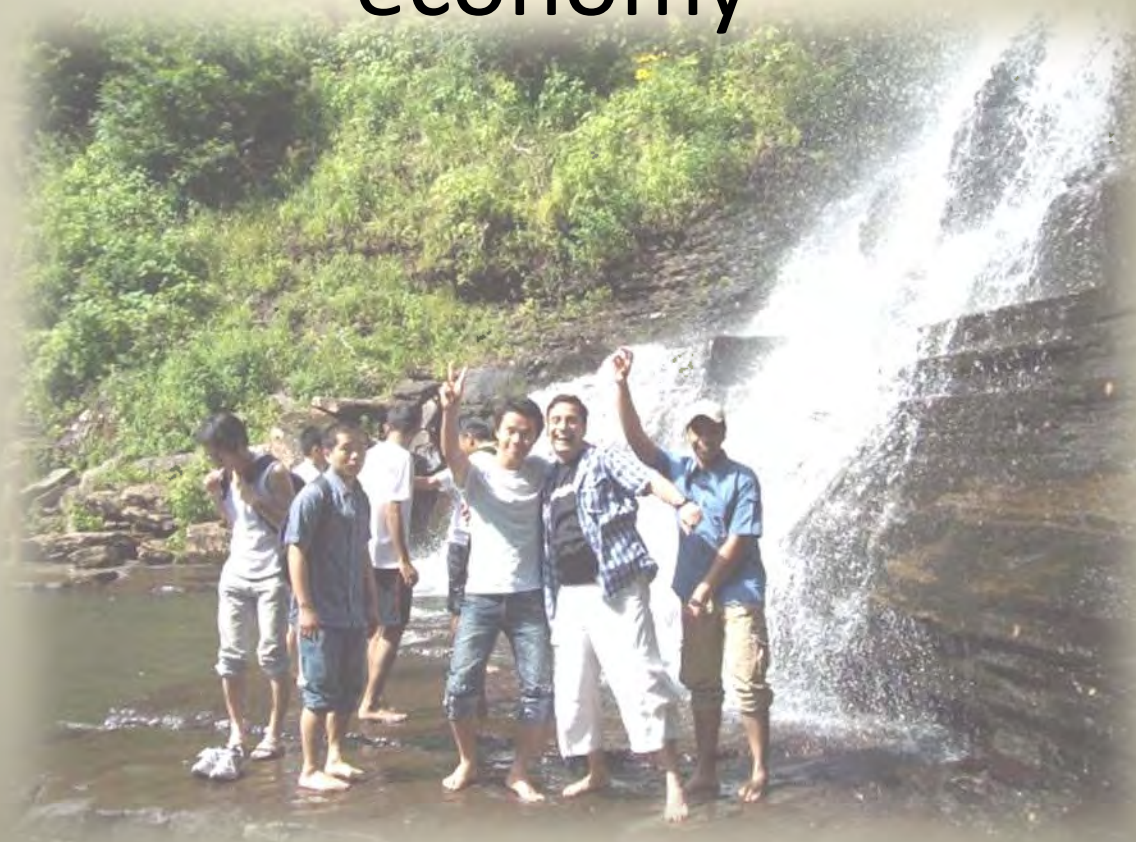
Why is the percentage of international students studying in the US decreasing?

- 
- **Mobility of students around the world**
 - **Recognized high quality of education and research**
 - **Availability of higher education opportunities in other countries**
 - **Availability of opportunities during education and after graduation**

What is the impact of international students?

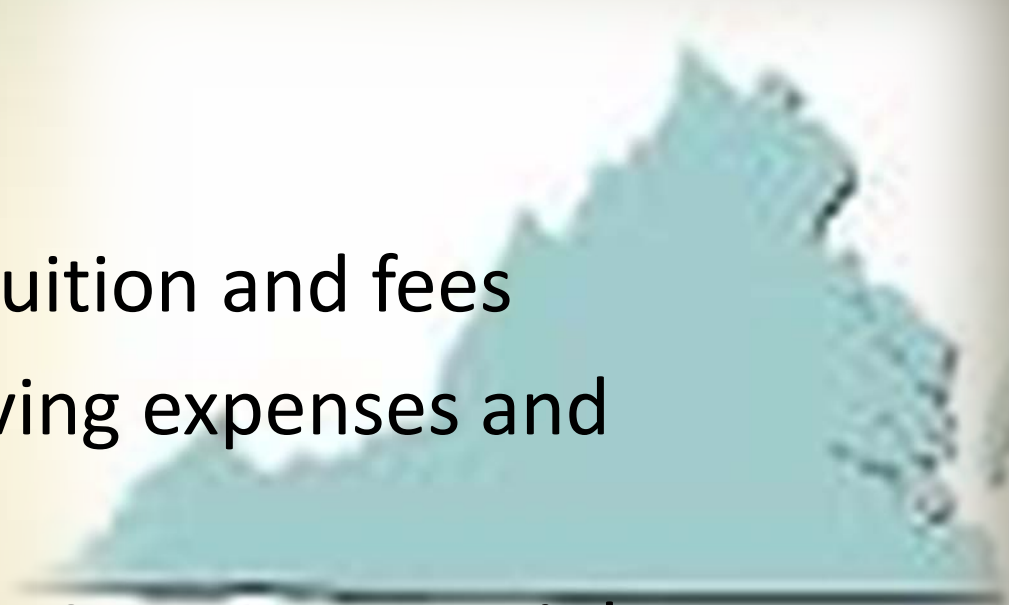
- **Familiarize American students with the world beyond the US and skills in interacting with people from other cultures**
- **International research and scholarship contribute to our ranking and reputation**
- **To be competitive domestically, VT must be competitive internationally.**

The 13,576 international students
attending school in Virginia
contributing \$303 million to the
economy



Virginia

- 13,576 students
- \$232.3 million in tuition and fees
- \$200 million for living expenses and dependents
- (\$129.5 million in US support- mainly campus-based)
- Total of \$303 million



International Students at VT



- **Fall 2009**
- **2,266 total**
- **7.4%**
- **113 Countries**

**Welcome
to the
International
Center**

ORIENTATION



1st stop for new international students

- Meet basic needs (food, housing, transportation, etc.)
- Provide a safe & welcoming environment to facilitate transition to U.S. and VT.



What is it like to arrive at VT and to complete all the necessary tasks?



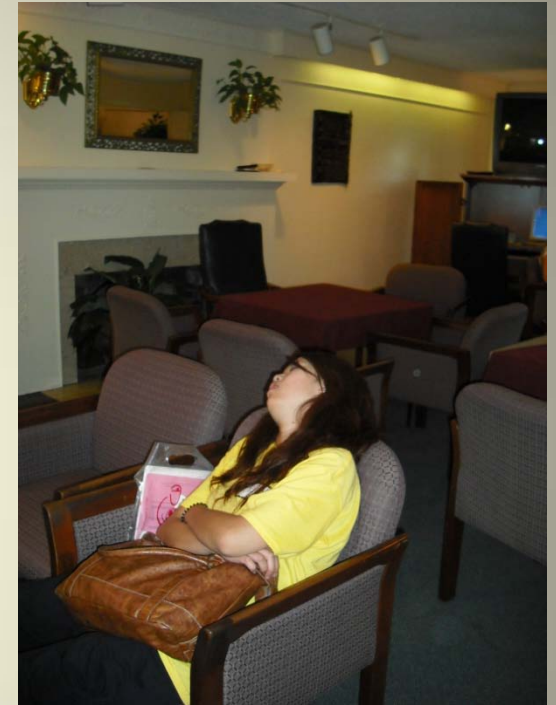
Please complete this form:

- I need you to finish it in 1 minute
- Please write from right to left
- Please use the Moslem calendar which begins July 16, 622 A.D.



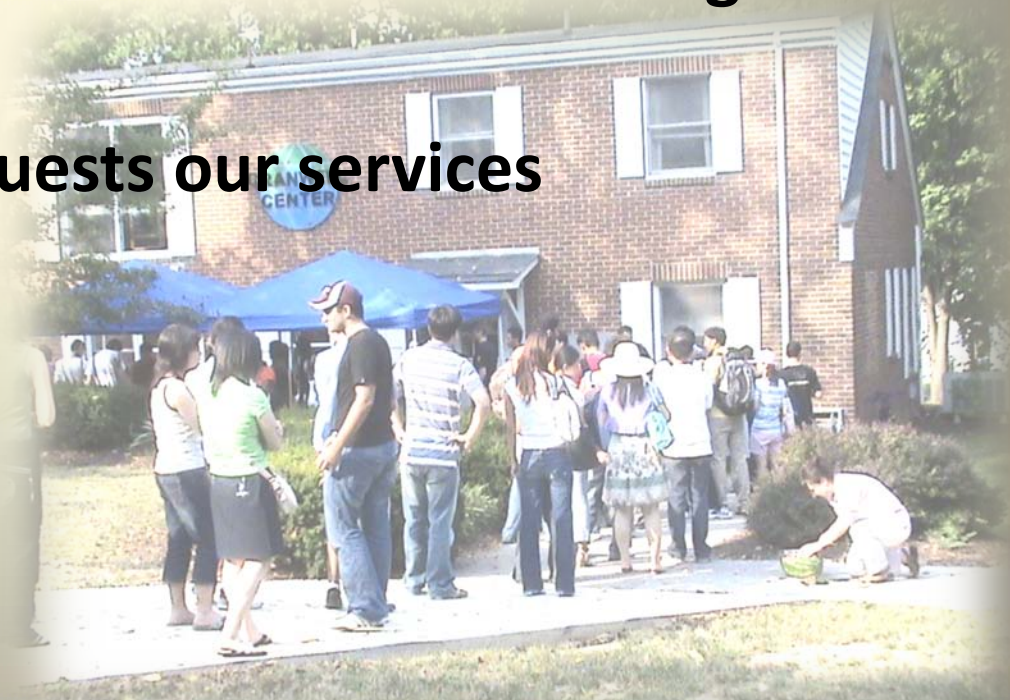
How would you feel?

- Intimidated
- Overwhelmed
- Fatigued
- Physically Sick
- Homesickness



Which students do we help?

- All non-immigrant visa holders
- All students with F or J student visas
- All American citizens living overseas
- US students who have families for whom English is a Second Language
- Any student who requests our services



To Whom do we provide services?

- International students and their families
- International researchers and scholars and their families
- International interns
- Members of community who interface with the internationals
- Students planning to travel abroad
- Individuals who have a desire for an intercultural experience
- Dept/agencies working with internationals





Immigration



- Responsible for the F and J immigration for undergraduate students and interns
- Assist with immigration issues (not F and J) for all students and employees
- Advocate for all students and employees on a wide range of immigration issues
- Interface with a variety of agencies under the Dept of Homeland Security

We assist with:

- Legal issues
- Honor and Judicial issues
- Issues within the community
- Medical/insurance issues
- Family issues

Counseling and Advising

- Students resistant to using the Counseling Center
- Assist with the advice of the Counseling Center, Woman's Center...
- Alcohol
- Affect of global events on our students (event in the US, war, natural disaster...)



IMPORTANT RELATIONSHIPS

- Department of Motor Vehicles
- Department of Homeland Security
- Social Security Administration
- IRS



Friendship Program

- Offer students the opportunity to get to know members of our community
 - Pot luck dinners
 - Dinners in a home
 - Outings



English Conversation Classes

- Volunteers from our community meet weekly with a small group of internationals to practice conversational English and to better understand the local culture





International Partners

- Students in a particular class are matched with international students for an exchange of knowledge and friendship

First Year Experience Class

- 3 credit hours
- Fall semester
- Involve many departments across campus
- Structure the first semester to not only become familiar with services on campus and in the community but also develop a level of comfort in using these services
- Assist in the transition between different educational systems and expectations

ISIC Card

- Available to students and teachers who plan to travel abroad
- \$22 includes many discounts, travel insurance, emergency insurance, etc



Cranwell Intl Center Staff

**Emergency Cell Phone
24 hrs/ 365 days/year**







Invite you to the 51st International Street Fair on April 10th



Dance of Nations in Nov





1







*A New
Hokie Tradition*



Welcome to the Hokie Neighborhood





Building the Hokie Community





The inaugural Gobblerfest was held September 5, 2008 featuring 50 local businesses, more than 100 non-profit and service agencies and more than 200 student organizations. The event attracted more than 12,000 participants.

On August 28, 2009, an estimated 18,000 people attended the second Gobblerfest street fair and 3,000 participated in late night activities in Squires Student Center.

From start to finish Gobblerfest 2009, drew an enthusiastic response, from those who attended, to those who participated as sponsors, to the many people who provided the support an event this magnitude requires.



More Than 200 Student Organizations



Performance Groups The Bluegrass Music Club



The Belly Dancing Club



Social Fraternities and Sororities

Alpha Kappa Alpha



Special Interest Groups

The Fencing Club



Cultural Awareness Organizations

The Japanese Cultural Association



Adventure and Sports Clubs

The Cave Club

Student Organizations participate in Gobblerfest to provide information about their organizations and encourage students to get involved.





More than 20 University Departments

The Office of Sustainability





Virginia Tech Language and Cultural Institute

The Center for Peace Studies and Violence Prevention





More than 70 Local Businesses



Some selling food and
wares . . .

. . . others offering free items
and information.





More than 70 Local Non-Profit Organizations





The U.S. Forest service
provided information on
outdoor activities . . .

...and the Floyd County
Humane Society brought
along a few friends.



VT Engage coordinated the
involvement of Local Non-profits to
provide information about services
and to recruit student and
community volunteers.





Entertainment

The Acoustic Stage sponsored by College Alcohol Abuse Prevention Center on the GLC Lawn





Entertainment

Improvational Performances by the
Virginia Tech Department of Theater and Cinema
on the steps of Theater 101





Entertainment

Free Games and Activities sponsored by the Student Budget Board





Entertainment

Students and community members alike enjoyed playing giant tether ball, bungee trampoline, and eight other interactive attractions.





Silent Auction

The silent auction benefits a new Community Initiatives Fund, a joint endeavor of University Unions and the Town of Blacksburg





Late Night in Squires

Pep Rally, Concert, Comedian, Dance Party,
Acoustic Music, Make Your Own Novelty Items





Late Night in Squires

Coaches Seth Greenberg and Beth Dunkenberger served pancakes at a Midnight Breakfast





Late Night in Squires

Late Night activities were coordinated by Student Activities with help from other campus partners





Behind the scenes

Gobblerfest was initiated by University Unions and Student Activities, but quickly became a collaborative event





Behind the scenes

In addition to UUSA staff, more than 75 volunteers helped make Gobblerfest 2009 a success.





Organizers of Gobblerfest received the 2008-09
Zenobia Lawrence Hikes Campus Community
Award presented by Student Affairs





Gobblerfest is . . .

Learning about the Hokie Community





Gobblerfest is . . .

Making New Friends





Gobblerfest is . . .

Becoming active in the community





Gobblerfest is . . .

Discovering opportunities on
campus and community





Gobblerfest is . . .

Meeting your Hokie neighbors





Gobblerfest is . . .

Exploring what the campus
and town has to offer





Gobblerfest is . . .

Sharing information and
encouraging engagement in
campus activities



Spending time with friends





Gobblerfest is . . .

Building a strong community





Gobblerfest is . . .

Fun, alcohol-free activities





Gobblerfest is . . .

Filled with Hokie Spirit





Gobblerfest has become a wonderful way to welcome new and returning members of the Virginia Tech and Blacksburg community to the Hokie neighborhood in a fun and festive atmosphere.



The Tradition Continues

August 27, 2010





Welcome to the Hokie Neighborhood

Julie Walters-Steele, Director of University Unions
540.231.3853 • jws@vt.edu



Student Leadership Development at Virginia Tech

Monica Hunter

Interim Director, Student Activities



Leadership Programs offered by Student Activities supports the university mission by:

- supporting the tenants of *Ut Prosim*
- bridging academic coursework with real life experiences
- expanding personal growth and opportunity
- advancing social and community development



Leadership Programs

- Primary Responsibilities
 - Advise Student Government Association
 - Manage the Leadership Tech certificate program
 - Coordinate SPLASH – Leadership Seminar Series
 - Coordinate Campus awards – Who's Who process, University Student Leadership Awards, and Undergraduate Man & Woman of the Year
 - Coordinate VT participation in ACC Student Leadership Symposium



Student Government Association

- Staff members work closely with and advise leadership of 3 branches

Executive, Legislative, Judicial

- Create and implement a leadership development plan for SGA members on 5 competencies

Assessment & Evaluation, Collaboration & Team Management, Multiculturalism, Effective Communication, and Meaningful Interpersonal Relationships



Leadership Tech Program

- Only leadership program on campus open to all undergraduate students
- Currently consists of three year-long programs
 - *Exploring Leadership* – open to freshmen
 - *Expanding Leadership* – open to sophomores
 - *Engaging Leadership* – open to juniors or seniors



Exploring Leadership

- Goal to develop self leadership skills
- Program statistics
 - Sixth year of the program
 - 144 participants – over 650 to date
 - 28 facilitators for 14 small discussion groups
 - All facilitators must have at least junior status



Expanding Leadership

- Goal to develop interpersonal leadership skills
- Program statistics
 - First year of the program
 - 83 participants
 - 18 facilitators for 7 thematic groups
 - Leadership Development, Health & Wellness, Multiculturalism, and Community & Sustainability
 - All facilitators must have at least senior status



Engaging Leadership

- Goal to develop group leadership skills and citizenship
- Program statistics
 - First year of revised program – fourth year overall
 - 45 participants – over 300 to date
 - 12 facilitators for 6 small groups
 - Small groups formed around concentration areas
 - Multiculturalism, Global Issues, Social Justice, Environmental Sustainability, Community Vitality, and Health & Wellness
 - All facilitators must have graduate status



Speakers on Leadership and Skills in an Hour (SPLASH)

- One hour interactive workshops regarding key leadership competencies
- Open to entire campus
- Presented by university professionals
- Participants who attend 12+ sessions earn LSS Certificate presented at USLAs



Campus Awards

- Who's Who Among American Colleges and Universities
 - 90 students applied, 84 students forwarded to national office
- Undergraduate Man & Woman of the Year
 - 6 of men applied
 - 17 of women applied
- University Student Leadership Awards
 - 13 award categories
 - Done since 1991



Collaborative Efforts

- Residential Leadership Community (RLC)
- Summer Leadership Employment Program (SLEP)
- ACC Leadership Symposium
- Stepping Into Leadership Conference
- Monterrey Tec Exchange



Questions?



RESOLUTION FOR CHANGES TO UNIVERSITY POLICIES FOR STUDENT LIFE: INTERIM SUSPENSION POLICY

WHEREAS, the University Student Conduct System is an educational tool with two main objectives: to hold students accountable for unacceptable behavior, and to Modify those behaviors deemed unacceptable by the university, and

WHEREAS, the University Student Conduct System strives to address unacceptable behavior in a manner that informs students and guides them toward a greater sense of personal responsibility, and more mature and ethical standards, and

WHEREAS, current university policy (contained in the Hokie Handbook) gives the university the authority to interimly suspend a student in order to protect persons and/or property, and

WHEREAS, the university is modifying current policy to allow for the immediate removal of students who may pose a risk to the safety of self, others, or property, and

WHEREAS, the amendment to this policy allows the student the choice to request an immediate review of the interim suspension decision, and

WHEREAS, language regarding medical withdrawal and ban from campus (other than from residential facilities) is removed because they are not part of the interim suspension process, and

WHEREAS, language was clarified to direct the determination of interim suspensions and the adjudication of interim suspension reviews solely to the associate vice president for student affairs or his/her designee,

NOW, THEREFORE, BE IT RESOLVED, that Policy # 8300 Interim Suspension Policy be changed to the text as follows:

The university retains the authority to impose an interim (immediate) suspension if such action is necessary to preserve the safety of persons or property. In this instance, the students will be afforded an interim suspension hearing and the opportunity to show why their continued presence on campus does not constitute a threat to themselves, others, or property. The interim suspension hearing is separate from a formal student conduct hearing. A formal student conduct hearing will be provided as soon as possible. Students may be interimly suspended from the university or selected campus facilities with proper notice. The following steps explain the procedure for imposing an interim suspension:

1. When a situation, as defined above, occurs, the responding university official contacts the associate vice president for student affairs or his/her designee to assess the situation. If the situation is sufficiently serious, the associate vice president for student affairs or his/her designee will determine if an interim suspension is appropriate.
2. The student will be sent an interim suspension letter immediately which states that the student is either suspended from the university and/or banned from all or selected campus residential facilities until a formal student conduct hearing can be convened. The chief of police will be contacted to determine if a ban from campus is needed. Upon receipt of the interim suspension, if the student is on campus or in university facilities, the student will be escorted out of the facility and/or off campus by a Virginia Tech Police Officer.
3. The student can immediately request an interim suspension review to be conducted by the associate vice president for student affairs or his/her designee. The interim suspension letter will contain instructions on how to request a review. Those present at the meeting may include the responding university official and other witnesses as deemed appropriate by the associate vice president for student affairs. During the review, the student will be given an opportunity to demonstrate why his or her continued presence on campus does not constitute a threat to themselves, others or property. As part of the review, the student may be required to submit to an immediate medical/psychological evaluation. The evaluation will be coordinated by the director of the Cook Counseling Center or his/her designee.
4. The decision of the interim suspension review will be final. There will be no appeal. If the student does not request a review, the interim suspension and/or ban from campus residential facilities will remain in effect until the formal student conduct hearing is convened.
5. Interim suspension information will be shared with the Office of Student Conduct. That office will schedule, as soon as possible, a formal student conduct hearing to determine the final consequences of the initiating inappropriate behavior.

RECOMMENDATION:

That the above resolution for changes to University Policies for Student Life: Interim Suspension Policy be approved.

March 22, 2010

RESOLUTION FOR CHANGES TO UNIVERSITY POLICIES FOR STUDENT LIFE: WEAPONS POLICY

WHEREAS, the University Student Conduct System is an educational tool with two main objectives: to hold students accountable for unacceptable behavior, and to modify those behaviors deemed unacceptable by the university, and

WHEREAS, the University Student Conduct System strives to address unacceptable behavior in a manner that informs students and guides them toward a greater sense of personal responsibility, and more mature and ethical standards, and

WHEREAS, current policy (contained in the Hokie Handbook) already states that unauthorized storage, possession, and/or use of weapons is prohibited on university property, and

WHEREAS, the University is committed to policies and procedures that address campus safety and security, and

WHEREAS, the University would like to convey to students that since weapons are not allowed in on campus residential facilities that ammunition should also be prohibited,

NOW, THEREFORE, BE IT RESOLVED, that Policy # 8300, Student Code of Conduct–Weapons be amended as follows:

Student Code of Conduct – Weapons

Unauthorized possession, storage, or control of firearms, weapons, on university property, including storing weapons in vehicles on campus as well as in the residence halls. Furthermore, ammunition can not be stored in any residence halls on campus (other than BBs and paint balls). (Note: organizational weapons of the Virginia Tech Corps of Cadets, approved by the commandant, are not prohibited by this policy.)

Weapons

Firearms are defined as any gun, rifle, pistol, or handgun designed to fire any projectile including but not limited to bullets, BBs, pellets, or shots, (including paint balls) regardless of the propellant used. Ammunition is defined as any material intended for use in a firearm, capable of being projected by a weapon and/or makes the weapon operational. Other weapons are defined as any instrument of combat or any object not designed as an instrument of combat but carried for the purpose of inflicting or threatening bodily injury. Examples include but are not limited to knives with fixed blades or pocket knives with blades longer than 4 inches, razors, metal knuckles, blackjacks, hatchets, bows and arrows, nun chukkas, foils, stun weapons, or any explosive or incendiary device. Possession of realistic replicas of weapons on campus is prohibited. Stun weapons is defined as any device that emits a momentary or pulsed output, which is electrical, audible, optical or electromagnetic in nature and which is designed to temporarily incapacitate a person. Students who store weapons in

residence hall rooms, who brandish weapons, or who use a weapon in a reckless manner may face disciplinary action, which may include suspension or dismissal from the university. Students who store ammunition in the residence halls will face disciplinary action. Exceptions to possessing weapons may be made in the case of university functions or activities and for educational exhibitions or displays. Exceptions must be approved by the Vice President for Administrative Services, in consultation with appropriate university offices. This policy does not prohibit the possession of firearms by persons, such as law enforcement officers, who are authorized by law to do so in the performance of their duties. A weapons storage program is available. The storage program applies to the weapon and ammunition. Ammunition that will not be stored includes Paintballs, BBs, Air Soft projectiles, Nerf gun projectiles, and CO2 Cartridges. Interested persons should contact the Virginia Tech Police (Sterrett Facilities Complex, 231-6411.)

RECOMMENDATION:

That the above resolution for changes to University Policies for Student Life: Weapons Policy be approved.

March 22, 2010

RESEARCH AND DEVELOPMENT DISCLOSURE REPORT								
October 19, 2009 through February 16, 2010								
Reason for Conflict	External Entity	Owner	Principal Investigator	Co - P.I.'s	College	Period of Performance	Award Amount	Project Description
Faculty Owned Business	Transecurity, LLC	Andrew Petersen	Richard Hanowski	Myra Blanco	VTTI	11-11-09 thru 5-11-10	\$600,291	Transecurity will provide 250 on-board
Faculty Owned Business	Transecurity, LLC	Thomas Dingus						behavior monitoring systems for commerical
Faculty Owned Business	Transecurity, LLC	Michael Mollenhaur				if extended	up to \$1.5M additional	motor vehicles. Transecurity will collect
								analyze data for one year. Transecurity will
								provide 2 datasets--one to coach drivers
								and one to provide continuous data
								collection and analysis.
Faculty Owned Business	Passive Sensors Unlimited	Dwight Viehland	Dwight Viehland		ESM	TBD	\$184,150 1st yr	VT received an award from the Air Force
		(Wife is owner)		Shashank Priya	Ctr for Intelligent		\$1M over entire	Research Lab for \$1.2M for first funding
					Materials		funding period	increment. Maximum award amount can be
								up to \$7.6M entire project. Subcontract to
								Passive Sensors to research passive,
								field sensors and arrays for detection and
								imaging of hidden threats in urban
								environments.
Faculty Owned Business	Passive Sensors Unlimited	Dwight Viehland	Dwight Viehland		ESM	1 Year	\$ 150,000.00	VT has received an award from SAIC for
		(Wife is owner)		Shashank Priya	Ctr for Intelligent			\$288,868. Subcontract to Passive Sensors
					Materials			to research highly sensitive, room
								temperature magnetic field sensors.
Faculty Owned Business	NBE Technologies, LLC	Guo-Quan Lu	Khai Ngo		CPES	TBD	\$ 25,000.00	NBE Technologies, LLC has submitted a
								proposal to the US Dept. of Energy under
								their SBIR Phase 1 Program. If awarded to
								NBE, they seek to subcontract to VT. VT
								will test and analyze dynamic operations of
								power modules.
Student Owned Business	Sylvanova Inc.	Robert A. Haupt	Scott Rennecker		Wood Science &	TBD	\$ 44,946.00	Sylvanova Inc. will subcontract to VT to
					Forest Products			study the synergistic effects of a two
								component adhesive system under ambient
								temperatures.
Faculty Owned Business	Prime Research	Anbo Wang	William Davis		Center for Wireless	TBD	\$ 14,955.00	VT will provide measurement of frequency
								selective surfaces and analysisd of results
								from materials provided by Prime Research.
Faculty Owned business	Prime Research	Anbo Wang	William Davis		Center for Wireless	TBD	\$ 189,555.00	VT will develop a wireless sensor capable of
								operating at ultrahigh temperatures in
								corrosive environments.
Faculty Owned Business	Prime Research	Anbo Wang	Dong Ha		Electrical Engr.	TBD	\$ 23,323.00	VT 's research tasks will include developing
				Dan Inman	Ctr for Intelligent			a new design requirement for a radio with
					Materials			high temperature components.

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Charles Bostian faithfully served Virginia Tech for 40 years, beginning in 1969, as a faculty member in the Bradley Department of Electrical and Computer Engineering; and

WHEREAS, he held the Clayton Ayre Professorship in Electrical and Computer Engineering for six years, and most recently held an Alumni Distinguished Professorship, from 2003 until retirement; and

WHEREAS, he was committed to excellence in teaching and advising as recognized by a number of awards, which include ten College of Engineering Teaching Excellence Awards, the William E. Wine Award for Excellence in Teaching, four Eta Kappa Nu Honor Society outstanding teacher awards, the Virginia Tech Outstanding Dissertation Advisor Award, and membership in the Virginia Tech Academy of Teaching Excellence; and

WHEREAS, he made extraordinary contributions to the instructional program by teaching more than 5,400 students, advising and counseling numerous undergraduate and graduate students, serving as the graduate advisor for 61 masters degree students and 16 doctoral students, and influencing the lives and careers of many alumni through his dedication to excellence in the undergraduate program; and

WHEREAS, he made significant contributions to the field of radio communications, which ranged from pioneering work on satellite communications to cognitive and software defined radio, authored or co-authored 47 journal and magazine articles and approximately 150 conference papers and presentations, and contributed to the *Wiley Encyclopedia of Electrical and Electronics Engineering* and the book *Cognitive Radio Technology*; and

WHEREAS, he obtained over \$11.7 million in research funding and his sponsors included the National Science Foundation, the National Institute of Justice, NASA, and the Defense Advanced Research Projects Agency; and

WHEREAS, he served the profession with leadership roles as chair of the Institute of Electrical and Electronics Engineers-USA Engineering Research and Development Policy Committee, as IEEE Congressional Fellow on the staff of U.S. Representative Don Ritter, as a member of the IEEE-USA Congressional Fellow Committee, as associate editor for *Propagation, IEEE Transactions on Antennas and Propagation*, as an elected Fellow of IEEE, and as an elected Fellow of the Radio Club of America; and

WHEREAS, he provided exemplary service to the university by serving nearly continuously on departmental, college, or university appointment committees or promotion and tenure committees, as the department's director of research, and as associate department head for one year;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Charles Bostian for his service to the university with the title Alumni Distinguished Professor Emeritus of Electrical and Computer Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. Charles Bostian for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Roger Ehrich faithfully served Virginia Tech for 33 years, beginning in 1976, first as a faculty member in the College of Arts and Sciences and then in the College of Engineering; and

WHEREAS, as a computer science faculty member, he taught with dedication a wide range of courses from freshman to advanced graduate level courses; and

WHEREAS, he advised and counseled numerous undergraduate and graduate students in the computer science degree program, served as the graduate advisor for six doctoral students, and served on many masters and doctoral thesis committees; and

WHEREAS, he was instrumental in securing the department's first time-shared computers and in implementing the university's first interdepartmental computer network; and

WHEREAS, he served the university in several leadership positions, including that of director of the Computer Science Computation Laboratory, director of the Spatial Data Analysis Laboratory, director of the Institute of Information Technology at Virginia's Center for Innovative Technology, and acting director of the Center for Human-Computer Interaction; and

WHEREAS, he also provided leadership in university governance by serving in the Faculty Senate and on the Building and Classroom Renovation committees; and

WHEREAS, he was a pioneer in human-computer interaction research, which resulted in the establishment of the university's nationally-recognized program; and

WHEREAS, he authored over 60 publications, including the book *Human-Computer Dialogue Design*, and made significant contributions to research on digital picture processing and image analysis; and

WHEREAS, he served the profession in a number of national technical societies and was associate editor of *Computer Vision, Graphics, and Image Processing*;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Roger Ehrich for his service to the university with the title Professor Emeritus of Computer Science.

RECOMMENDATION:

That the above resolution recommending Dr. Roger Ehrich for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Edward Green faithfully served Virginia Tech for 32 years, beginning in 1977, as a faculty member in the Department of Mathematics; and

WHEREAS, he authored over 100 articles and authored or edited four books as part of a research program that was consistently supported by the National Science Foundation and the National Security Agency; and

WHEREAS, he delivered invited plenary lectures and lecture series in Brazil, Canada, China, England, Italy, Mexico, Norway, and the United States, as well as numerous colloquia and lectures in these and other countries; and

WHEREAS, he served the profession at national and international levels as an 18-year member of the program committee for International Conferences in the Representation Theory of Algebras and as a ten-year member of the editorial board of *Communications in Algebra*; and

WHEREAS, he served the university community as an active leader of the algebra research group, an enthusiastic seminar leader, and the developer of new courses and new curricula; and

WHEREAS, he taught courses at every level of the undergraduate and graduate curricula and supervised 11 doctoral dissertations;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Edward Green for his service to the university with the title Professor Emeritus of Mathematics.

RECOMMENDATION:

That the above resolution recommending Dr. Edward Green for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Mr. Dixon Hanna faithfully served Virginia Tech for 37 years, beginning in 1972, first as a faculty member in the College of Architecture and Urban Studies and finally as associate provost for academic planning, resources, and space; and

WHEREAS, during his tenure in the College of Architecture and Urban Studies, he held various roles including assistant and associate dean for administration and executive director for finance and administration in the Public Service Division; and

WHEREAS, he served as interim vice provost for outreach and economic development, oversaw the university's Continuing Education Program, Public Services, and the Office of International Research and Development, and provided leadership to the university's initiatives in economic development; and

WHEREAS, as associate provost, he drew on his architectural background to carry out his responsibility for the oversight of academic space; and

WHEREAS, he was an effective advocate for classroom renovations and made important contributions to the development of the campus master plan and multiple high-profile building projects; and

WHEREAS, he played a significant role in the development of the university strategic plan and the long-term financial plan to support identified institutional priorities; and

WHEREAS, he was a collaborative problem-solver, valued for his straightforward and constructive approach to difficult issues and his respect for varying perspectives brought to the table by many stakeholders; and

WHEREAS, he provided trusted and wise advice to the provost and the university community at large, and always embodied the university's motto of service, *Ut Prosim*;

THEREFORE, be it resolved that the Board of Visitors recognizes Mr. Dixon Hanna for his service to the university with the title Associate Provost Emeritus of Academic Planning, Resources, and Space.

RECOMMENDATION:

That the above resolution recommending Mr. Dixon Hanna for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. James Holub faithfully served Virginia Tech for 39 years, beginning in 1969, as a faculty member in the Department of Mathematics; and

WHEREAS, he authored over 60 articles in the field of functional analysis, with particularly influential contributions to frame theory; and

WHEREAS, he assumed leadership roles in service to the university community, including two terms as department graduate program chair, many years as chair of the department teaching committee, and service as primary author of the department's governance document; and

WHEREAS, he was a respected teacher at all levels of the curriculum and an advisor to numerous undergraduate and graduate students; and

WHEREAS, he was active in curriculum development, with a leading role in the development of the summer program in Northern Virginia and the development of a course designed for chemical engineering students;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. James Holub for his service to the university with the title Professor Emeritus of Mathematics.

RECOMMENDATION:

That the above resolution recommending Dr. James Holub for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Owen Hughes faithfully served Virginia Tech for 21 years, beginning in 1988, as a faculty member in the Department of Aerospace and Ocean Engineering; and

WHEREAS, he was a dedicated teacher of a wide range of courses from undergraduate to advanced graduate level; and

WHEREAS, he advised and counseled numerous undergraduate and graduate students in the ocean engineering degree program; and

WHEREAS, he guided six students to the successful completion of their doctoral degrees in Aerospace Engineering and eight students to the successful completion of their masters degrees in Ocean Engineering; and

WHEREAS, he authored over 60 technical articles and three monographs, made significant contributions in research on ocean structures engineering, and received one U.S. patent in the course of this work; and

WHEREAS, he established a new method of designing ship structures, which was described in his textbook *Ship Structural Design*, published by the Society of Naval Architects and Marine Engineers, verified through extensive testing, adopted by Lloyd's Register of Shipping, and implemented in the leading ship design software program MAESTRO;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Owen Hughes for his service to the university with the title Professor Emeritus of Aerospace and Ocean Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. Owen Hughes for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. J. Michael Kelly faithfully served Virginia Tech for over five years, beginning in 2004, as dean of the College of Natural Resources; and

WHEREAS, he helped position Virginia Tech as a leader in research and teaching of natural resources and environmental sciences; and during his tenure as dean, the college's numbers of new students doubled, programs expanded to reflect Virginia Tech's strategic plan, and external research dollars increased by more than 60 percent; and

WHEREAS, he hosted the highly successful North American Forest Soils Conference on its 50th anniversary and was Virginia Tech's lead dean in hosting the 18th Annual Conference of the Society of Environmental Journalists; and

WHEREAS, he worked with Virginia Tech colleagues to establish preferred-partner agreements with the College of Forest Sciences, Universidad Austral de Chile and the College of Forest and Environmental Sciences, Kangwon National University, Korea to encourage a wide spectrum of opportunities including education abroad, internships, practical training, distance learning, cooperative education; exchanges for research, training, and teaching; collaborative research projects, workshops, and conferences; and exchange of institutional professionals and information; and

WHEREAS, as a Fellow of the Soil Science Society of America and a Certified Professional Soil Scientist, he authored and co-authored for professional journals more than 100 articles on forest soils, tree nutrition, and air pollution impacts; and served on the editorial board of *Forest Ecology and Management* and as associate editor of *Forest Science* and the *Soil Science Society of America Journal*; and was listed in *Who's Who in Science and Engineering*, *Who's Who in America*, and *Men and Women of Science*; and

WHEREAS, he and his wife, Candi, established an endowed scholarship in the College of Natural Resources to support student education and travel abroad;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. J. Michael Kelly for his service to the university with the title Dean Emeritus of the College of Natural Resources.

RECOMMENDATION:

That the above resolution recommending Dr. J. Michael Kelly for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Jeffrey Kirwan faithfully served Virginia Tech for 31 years, beginning in 1978, as a faculty member in the College of Agriculture and Life Sciences and the College of Natural Resources; and

WHEREAS, for 20 years he led a comprehensive youth development program for the citizens of Albemarle and Loudoun counties, inspiring program volunteers who later served on boards of supervisors, the governorship, and other positions of public service; and

WHEREAS, he led a natural resources and environmental education program that annually reached 30,000 youth who planted trees and took other positive steps to care for the environment; and

WHEREAS, he pioneered the use of information technology to involve citizens of all ages in the care and appreciation of trees—trees that are remarkable for their age, size, historic, and community significance; and

WHEREAS, he pioneered the incorporation of service learning into classes taught in both the College of Natural Resources and in the American Indian Studies Program;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Jeffrey Kirwan for his service to the university with the title Professor Emeritus of Forestry.

RECOMMENDATION:

That the above resolution recommending Dr. Jeffrey Kirwan for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. George Simmons, Jr. faithfully served Virginia Tech for 39 years, beginning in 1971, as a faculty member in the Department of Biological Sciences; and

WHEREAS, he taught courses at the freshman, senior, and graduate levels, and provided extensive academic advising to undergraduate students as director of the department's undergraduate advising center, which, under his leadership, received the Exemplary Department Award for Academic Advising; and

WHEREAS, he made many contributions to graduate studies at Virginia Tech, serving as supervisor for 11 masters degree students and four doctoral students; and

WHEREAS, his advising and teaching excellence was recognized with three advising awards, seven teaching awards, four outstanding faculty awards, and the distinction of an Alumni Distinguished Professorship; and

WHEREAS, his active research in the field of aquatic biology resulted in extramural funding from the National Science Foundation, Virginia Electric Power, National Oceanic and Atmospheric Administration, the U.S. Army Corps of Engineers, and numerous other sources; and

WHEREAS, he authored or co-authored two books, 25 review papers, book chapters, symposium papers, and 67 peer-reviewed journal articles; and

WHEREAS, he authored five popular articles and taught courses for citizens of the commonwealth at the Eastern Shore and at Mountain Lake Biological Station;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. George Simmons, Jr. for his service to the university with the title Alumni Distinguished Professor Emeritus of Biological Sciences.

RECOMMENDATION:

That the above resolution recommending Dr. George Simmons, Jr. for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Michael Vorster faithfully served Virginia Tech for 23 years, beginning in 1986, as a faculty member in the Charles E. Via, Jr. Department of Civil and Environmental Engineering; and

WHEREAS, he was a dedicated teacher of construction engineering and management courses from sophomore to advanced graduate level; and

WHEREAS, he introduced thousands of students to the principles and techniques for heavy construction equipment management, contract administration, and claims resolution; and

WHEREAS, he advised and counseled numerous undergraduate and graduate students in the Vecellio Construction Engineering and Management Program; and

WHEREAS, he served as the graduate advisor for 67 masters students and six doctoral students; and

WHEREAS, he received the State Council of Higher Education for Virginia Outstanding Faculty Award; and

WHEREAS, he received the Virginia Tech Alumni Award for Teaching Excellence, the College of Engineering Certificate of Teaching Excellence, the Department of Civil and Environmental Engineering Alumni Teaching Excellence Award, the American Society of Civil Engineers Student Chapter Award for Excellence in Civil Engineering Education, and membership into the Virginia Tech Academy of Teaching Excellence; and

WHEREAS, he authored over 50 publications, and made significant contributions in research on construction equipment economics, construction engineering, and construction management; and

WHEREAS, he received the Construction Industry Institute's Outstanding Researcher Award, the American Society of Civil Engineers' Thomas Fitch Rowland Prize, and recognition from the Center for Public Resources Institute for Dispute Resolution; and

WHEREAS, he ably served the College of Engineering, its faculty, and students as associate dean for research; and

WHEREAS, he made significant contributions in outreach by enhancing the competencies of Disadvantaged Business Enterprises through the Construction Mentor Program, and received the College of Engineering's Award for Excellence in Service and special commendation from the Virginia Department of Transportation; and

WHEREAS, he was inducted into the National Academy of Construction;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Michael Vorster for his service to the university with the title David H. Burrows Professor Emeritus of Construction Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. Michael Vorster for emeritus status be approved.

March 22, 2010

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Royce K. P. Zia faithfully served Virginia Tech for 34 years, beginning in 1976, first as a faculty member in the College of Arts and Sciences and then in the College of Science; and

WHEREAS, as chair of the Department of Physics from 2004 to 2006, he successfully guided the department through a period of growth and significant faculty hiring; and

WHEREAS, as director of the Department of Physics off-campus programs, he led two successful physics graduate programs at the Naval Surface Warfare Center in Dahlgren and at the Northern Virginia Center; and

WHEREAS, as a member of the faculty in the Department of Physics, he contributed significantly to the understanding of physics through a lifetime of highly original and internationally recognized scholarly research, which resulted in nearly 200 articles in professional journals, reviews and book chapters, as well as one book; and

WHEREAS, he served the scientific community as a long-time member of the editorial boards of several prestigious journals and as a reviewer for numerous American and international journals and funding agencies; and

WHEREAS, he taught a wide variety of undergraduate and graduate courses with great enthusiasm for physics and its wider implications, and received excellent student feedback; and

WHEREAS, he advised numerous students on doctoral and masters dissertations and helped them develop successful careers in both academic and industrial settings; and

WHEREAS, he recruited and mentored several junior faculty and specifically supported the advancement of female physicists; and

WHEREAS, he provided many years of distinguished contributions to the department, the college, and the university, through dedicated service on numerous committees;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Royce K. P. Zia for his service to the university with the title Professor Emeritus of Physics.

RECOMMENDATION:

That the above resolution recommending Dr. Royce K. P. Zia for emeritus status be approved.

March 22, 2010

ENDOWED FELLOWSHIP
The Kevin P. Granata Faculty Fellow

The Kevin P. Granata Faculty Fellowship was established in the Department of Engineering Science and Mechanics (ESM) in memory and honor of Dr. Kevin P. Granata, a tenured professor in the department, who died during the tragic shooting at Virginia Tech on April 16, 2007. He was also a member of the School of Biomedical Engineering and Sciences (SBES), which is a joint venture between Wake Forest University's School of Medicine and Virginia Tech. He was known as a world-class researcher and mentor to his students. The fellowship recipient must be a tenured faculty member in Engineering Science and Mechanics. The appointment is for a five-year period.

Dean Richard Benson has nominated Dr. J. W. "Wally" Grant as the Kevin P. Granata Faculty Fellow based on the recommendations of the department head, the ESM Honorifics Committee, and the College of Engineering's Honorifics Committee.

Dr. Grant has faithfully and honorably served on the ESM faculty for almost thirty years. He has taught an astonishing breadth of undergraduate and graduate courses in the department and in SBES. He twice received a Certificate of Teaching Excellence from the College of Engineering and has also received the Frank J. Maher Award for Excellence in Engineering Education.

In addition to his teaching abilities, Dr. Grant is also a superior researcher. He has obtained several million dollars worth of biomechanics funding from the National Institutes of Health and has mentored numerous students using those funds.

Dr. Grant's efforts to develop an instructional, research, and outreach program in biomedical engineering at Virginia Tech deserve particular notice. Dr. Grant was one of three key individuals who worked to establish SBES and obtain approval from SCHEV for the university to grant graduate degrees in biomedical engineering.

From 2003 to 2005, Dr. Grant served as the SBES assistant director. In 2005, he was appointed as director. Under Dr. Grant's stewardship in 2008, SBES had seven primary faculty members, graduated ten doctoral students and another ten masters students. The SBES research awards for that year alone grew to \$6.5M. During his tenure, the school became a department at Virginia Tech and he was appointed as its department head. After the formation of the new department and until 2009, he served as the director of SBES.

RECOMMENDATION:

That J. W. "Wally" Grant be appointed the as the Kevin P. Granata Faculty Fellow, effective April 10, 2010, with a salary supplement as provided by the endowment and the eminent scholar match program, if available.

March 22, 2010

ENDOWED PROFESSORSHIP
The Anne Hunter Professorship of Veterinary Medicine

The Anne Hunter Professorship of Veterinary Medicine was established to support small animal medicine and research programs—with an emphasis on feline research—in the Virginia-Maryland Regional College of Veterinary Medicine (VMRCVM).

Dean Gerhard Schurig has nominated Dr. David Panciera as the first Anne Hunter Professor of Veterinary Medicine. The nomination is made with the concurrence of the department head of Small Animal Clinical Sciences, and with the unanimous recommendation of the college Executive Board. This original appointment is for five years, and is renewable.

Dr. Panciera joined the VMRCVM in 1998. As professor of Small Animal Internal Medicine, his duties include teaching, research, and clinical service. He is a diplomate of the American College of Veterinary Internal Medicine and is the recipient of numerous awards. He was nominated for the W. E. Wine Award in 2005 and 2006. In 2009, the Office of the Vice President for Research selected Dr. Panciera as Virginia Tech Scholar of the Week.

Dr. Panciera is a fundamental force behind much of the research that takes place in the Department of Small Animal Clinical Science. His area of research is endocrinology, and he is a renowned expert in diseases of the thyroid gland. Colleagues across the country and in Europe respect his work. Dr. Panciera leads the department in feline research and developed the radioiodine program at VMRCVM for the treatment of hyperthyroid cats.

Dr. Panciera remains active in teaching, research, and service, and his scholarly activity includes seven book chapters and 10 peer-reviewed articles. In the areas of feline research alone, he has seven projects, has conducted 15 continuing education courses for other veterinarians, and made five presentations at international conferences. He has been principal investigator or co-principal investigator on over \$530,000 in research funding.

Dr. Panciera has contributed significantly to development of the VMRCVM and continues to provide leadership through his exemplary accomplishments and contributions.

RECOMMENDATION:

That Dr. David Panciera be appointed the Anne Hunter Professor of Veterinary Medicine, effective July 1, 2010, with a salary supplement as provided by the endowment and the eminent scholar match program, if available.

March 22, 2010

ENDOWED PROFESSORSHIP
The William E. Jamerson Professorship of Building Construction

The William E. Jamerson Professorship of Building Construction was established by the generous gift of Mr. Jamerson, with the specification that this honor be awarded to a professor in the Department of Building Construction, College of Architecture and Urban Studies.

Dean A. Jack Davis has nominated Dr. Walid Thabet for this endowed position, with the concurrence of the College of Architecture and Urban Studies' Promotion and Tenure Committee.

Dr. Walid Thabet joined the Department of Building Construction in 1997. Since that time, he has served as an administrator, teacher, and researcher. In 2007, Dr. Thabet was appointed department head—a position he continues to hold. He is a talented teacher who is deeply committed to the teaching mission of the university and is highly respected by peers, alumni, and students. Dr. Thabet won the Department of Building Construction's Exemplary Faculty Award in 2001, 2002, 2006, and 2007.

As an active researcher, Dr. Thabet has been the principal or co-principal investigator on grants from such notable organizations as the National Institute of Health and Safety, Bentley Systems, Inc., Primavera Systems, Associated Builders and Contractors, and National Electrical Contractors Association. His research has contributed significantly to the advancement of information technology in the construction industry. He has authored or co-authored numerous articles dealing with various aspects of information technology and virtual reality in the construction industry.

Prior to entering the academic world, Dr. Thabet participated in various phases of construction as a project engineer and senior engineer.

RECOMMENDATION:

That Dr. Walid Thabet be appointed the William E. Jamerson Professor of Building Construction, effective April 10, 2010, with a salary supplement as provided by the endowment and the eminent scholar match program, if available.

March 22, 2010

ENDOWED PROFESSORSHIP
The Dr. and Mrs. Dorsey Taylor Mahin Professorship

The Dr. and Mrs. Dorsey Taylor Mahin Professorship was established in 1996 to “honor the donor’s veterinarian, Dr. Gregory Troy” and to recognize and reward a senior faculty member who demonstrates exemplary professionalism, clinical excellence, and noteworthy compassion for both animals and owners at the Virginia-Maryland Regional College of Veterinary Medicine at Virginia Tech (VMRCVM).

Dean Gerhardt Schurig has nominated Dr. Gregory Troy to continue as the Dr. and Mrs. Dorsey Taylor Mahin Professor. The nomination is made with the concurrence of the department head of Small Animal Clinical Sciences. The appointment is for five years, and is renewable.

Dr. Troy joined the VMRCVM in 1987 as director of the Veterinary Teaching Hospital and professor of Internal Medicine. He served as hospital director until 1993. Since then he has held a number of administrative positions, including section chief of Small Animal Medicine, interim hospital director, and department head of Small Animal Clinical Sciences.

As a professor of Small Animal Internal Medicine, Dr. Troy’s duties include teaching, research, and clinical service. He is a diplomate of the American College of Veterinary Internal Medicine and is the recipient of numerous teaching and service awards. In 1997 and 1998, he received the Dr. and Mrs. Dorsey Mahin Clinical Proficiency Award, and in 1995, the E. E. Thompson Professorial Award. Dr. Troy is an accomplished educator. Students recognize and appreciate his expertise and effectiveness in teaching the practice of clinical medicine. He has received the Teacher of the Year Award from the classes of 1999, 2000, 2002, 2003, 2004, 2007, and 2009. Dr. Troy’s scholarly activity includes over 61 scientific articles, 12 book chapters, 40 abstracts, and 45 presentations at conferences and symposia. Dr. Troy’s research has significantly contributed to the understanding of naturally occurring diseases in dogs and cats. As principal or co-principal investigator, he has successfully garnered research support of more than \$250,000.

Over the years, Dr. Troy has contributed significantly to the development of the VMRCVM. He continues to provide leadership through his exemplary accomplishments and contributions.

RECOMMENDATION:

That Dr. Gregory Troy be continued as the Dr. and Mrs. Dorsey Taylor Mahin Professor, effective July 1, 2010, with a salary supplement as provided by the endowment and the eminent scholar match program, if available.

March 22, 2010

ENDOWED PROFESSORSHIP
The Adelaide C. Riggs Chair in Equine Medicine

The Adelaide C. Riggs Chair in Equine Medicine was established through the Adelaide C. Riggs Charitable Trust. The Trust funds one endowed chair at the Marion duPont Scott Equine Medical Center of the Virginia-Maryland Regional College of Veterinary Medicine. Mrs. Riggs' interest was in equine medical research and instruction, with particular interest in the medical problems of performance horses.

Dean Gerhardt Schurig has nominated Dr. Martin Furr to continue as the Adelaide C. Riggs Chair in Equine Medicine. The nomination is made with the concurrence of the department head of Large Animal Clinical Sciences and the director of the Marion duPont Scott Equine Medical Center (EMC). The appointment is for five years, and is renewable.

Dr. Furr joined the EMC in 1991 as assistant professor and was granted tenure and promotion to associate professor in 1995. He achieved diplomate status in the American College of Veterinary Internal Medicine (ACVIM) in 1991. While still engaged in clinical service and teaching activities at the EMC, he completed his doctoral degree in immunology through the University of Maryland. Dr. Furr was promoted to professor in 2007 and is currently responsible for clinical service and instruction in the medicine section, as well as didactic instruction and research. He is now assistant head of the Department of Large Animal Clinical Sciences and medical director at the EMC.

Over the past 16 years, Dr. Furr has successfully garnered research support of more than \$837,000 in funding as principal investigator on 23 projects. He has published over 94 scientific articles, papers, and abstracts, written six book chapters, and edited a textbook on equine neurology. Dr. Furr has presented 45 invited lectures or seminars. In 1997, his research resulted in the development of a new drug for Equine Protozoal Myelitis, which currently has an international market.

Dr. Furr has been active in professional and graduate student instruction. He has supervised and trained 11 ACVIM diplomate candidates, and served as major professor for seven masters thesis candidates. For 11 years, Dr. Furr has been the EMC coordinator for fourth-year veterinary student rotations and has been an active lecturer in third-year veterinary student courses on the Blacksburg campus.

RECOMMENDATION:

That Dr. Martin Furr be continued as the Adelaide C. Riggs Chair in Equine Medicine, effective July 1, 2010, with a salary supplement as provided by the endowment and the eminent scholar match program, if available.

March 22, 2010

ENDOWED PROFESSORSHIP
The C. R. Roberts Professorship in Clinical Veterinary Medicine

The C. R. Roberts Professorship in Clinical Veterinary Medicine was established to recognize the pioneering career of Dr. C. R. Roberts and to provide opportunities for other pioneering efforts in clinical veterinary medicine at the Virginia-Maryland Regional College of Veterinary Medicine (VMRCVM).

Dean Gerhardt Schurig has nominated Dr. Michael Leib to continue as the C. R. Roberts Professor of Clinical Veterinary Medicine. The nomination is made with the concurrence of the department head of Small Animal Clinical Sciences. The appointment is for five years, and is renewable.

Dr. Leib joined the VMRCVM in 1983. As professor of Small Animal Internal Medicine, his duties include teaching, research, and clinical service. He is a diplomate of the American College of Veterinary Internal Medicine, and is the recipient of numerous awards. Dr. Leib received the Norden Distinguished Teacher Award in 1987, and was the college's first Wine Award recipient in 1991. Because the department recognizes Dr. Leib as one of its best teachers, he has chaired the departmental committee on peer review of faculty teaching for the past several years.

Dr. Leib is an internationally respected gastroenterologist whose skills in endoscopy are widely recognized by his peers. Many residency programs send their internal medicine residents to train with Dr. Leib at his annual endoscopy short course. His clinical excellence was recognized in 2001 with the Dorsey Taylor Mahin Award for Clinical Excellence.

Dr. Leib's scholarly activity includes over 33 books or book chapters and over 81 peer-reviewed articles. His research focuses on gastrointestinal disease, and he has made significant contributions to the understanding of disease syndromes.

Dr. Leib is routinely invited to speak at major veterinary meetings across the country. Last year, he was invited to speak at 16 major veterinary meeting venues. Such speaking engagements are not out of the ordinary, but are quite typical. He also frequently consults with major pharmaceutical and pet food companies.

RECOMMENDATION:

That Dr. Michael Leib be continued as the C. R. Roberts Professor of Clinical Veterinary Medicine, effective July 1, 2010, with a salary supplement as provided by the endowment and the eminent scholar match program, if available.

March 22, 2010

ENDOWED PROFESSORSHIP
The Gloria D. Smith Professorship of Africana Studies

The Gloria D. Smith Professorship of Africana Studies was established in 1995 with funds provided by the Athletic Association. The professorship was named in honor and memory of Gloria D. Smith, a counselor and advocate of minority students on campus. The professorship is awarded to an outstanding faculty member who contributes significantly to the growth and development of minority students, student athletes, and their scholarly pursuits. The honoree must teach in the Africana Studies Program within the Department of Sociology, but may be nominated from any college at Virginia Tech. The honoree also oversees the Gloria D. Smith Speaker Series and makes at least one university-wide presentation during his or her tenure. The appointment is for a two-year period, and is renewable.

In accordance with these guidelines, the Executive Committee of Africana Studies has nominated Professor Fred D'Aguir to continue as the Gloria D. Smith Professor of Africana Studies. The nomination is enthusiastically endorsed by Dr. Biko Agozino, director of Africana Studies, Dr. John Ryan, department head of Sociology, the College of Liberal Arts and Human Sciences Awards Committee, and Dean Sue Ott Rowlands.

Dr. D'Aguir is one of the most well known of contemporary English writers of African descent. He is a novelist, playwright, poet, and essayist whose work was shortlisted for the prestigious T. S. Elliott Prize for poetry in 2009. His publications include critically acclaimed works such as *An English Sampler: Selected and New Poems*, *Dear Future*, *A Jamaican Airman Foresees His Death*, and *Feeding the Ghosts*. His work has been produced for television, film, and radio, and has been translated into many languages. A writer of international renown, Dr. D'Aguir was recruited to Virginia Tech from the University of Miami. He has since become an invaluable member of the Virginia Tech community. Dr. D'Aguir teaches an Africana Studies course on Politics in African and Caribbean Literature. He chairs the Diversity Committee and co-chairs the Creative Writing Committee and the Creative Writing Graduate Faculty group. During his time at Virginia Tech, Dr. D'Aguir has made his mark as a mentor to minority and majority faculty members. He currently serves as a member of the mentorship committee for a junior faculty member in Africana Studies.

RECOMMENDATION:

That Dr. Fred D'Aguir be continued as the Gloria D. Smith Professor of Africana Studies, effective August 10, 2010, with an annual stipend for travel, library acquisitions, and other activities provided by the endowment.

March 22, 2010

FACULTY LEAVES, 2010 – 2011

Virginia Tech's program of professional development for tenured faculty members provides two kinds of opportunities: study-research leaves at one-half salary for up to one year and one-semester research assignments at full salary.

The following faculty members are requesting study-research leave for the purpose and period of time specified:

Denis Gracanin, Associate Professor, Computer Science, for AY 2010 – 2011, to conduct collaborative research on a prototype system for the automated generation of software code with Dr. Michael Hinchey at the University of Limerick, Ireland.

Dong Ha, Professor, Electrical and Computer Engineering, for AY 2010 – 2011, to research structural health monitoring (SHM) systems, and to develop strategies for establishing a nationally-recognized SHM research center.

Jeffrey Mann, Associate Professor, English, for spring 2011 and fall 2011, to complete writing a novel set during the American Civil War and entitled *Purgatory*, to begin researching and writing the sequel to *Purgatory*, and to complete writing a collection of poetry, tentatively titled *Johnny Reb*.

Stephen Prisley, Associate Professor, Forest Resources and Environmental Conservation, AY 2010 – 2011, to initiate a research program in spatial uncertainty analysis with a federal sponsor agency.

Doris Zallen, Professor, Science and Technology in Society, for AY 2010 – 2011, to explore the origin of clinical genetics in the United Kingdom and to document the history of the *Choices and Challenges* forum—a campus and community collaboration that, for more than two decades, has made unique contributions to the field of bioethics.

The following faculty members are requesting research assignments for fall 2010:

Jeffrey Arthur, Associate Professor, Management, to research statistical techniques for analyzing multi-level process models that describe variables measuring a firm's human resource practices, employee perceptions of those practices, and associated employee attitudes and behaviors.

Thomas Burbey, Associate Professor, Geosciences, to conduct collaborative research with colleagues at the University of Rennes, France on a complex faulted and metamorphic-rock system in Ploemeur, France.

Robert Bush, Professor, Wood Science and Forest Products, to research the new field of packaging science, to develop packaging program courses, and to develop a degree program proposal for a B.S. in Packaging Science.

Elizabeth Creamer, Professor, Educational Leadership and Policy Studies, to extend a current line of research and to initiate a new line of research about mixing qualitative and quantitative data in mixed methods research.

Fred D'Aguir, Professor, English, to research and write a historical novel entitled *Naming the Dead*, which is about Guyana from its Pre-Columbian days to the contemporary tragedy of Jonestown.

Thomas Fox, Professor, Forest Resources and Environmental Conservation, to assist in developing a new forestry and natural resources doctoral program at the Pontificia Universidad Católica de Chile in Santiago, Chile, and to develop and teach their graduate-level forest soils course as part of the Fulbright Scholar program.

LuAnn Gaskill, Professor, Apparel, Housing, and Resource Management, to research the Alpaca textile and fiber industry in Virginia and to expand the international content of the Small Business Apparel Retail Development course by including information about global small businesses in the textile and apparel industry.

Saul Halfon, Associate Professor, Science and Technology in Society, to research the relationship between culture, politics, and food technologies that result in “food politics” and conflicting food production systems.

Bob Hicok, Associate Professor, English, to write a book of poems entitled *House of Days*, to work on a collaborative book of poems and paintings, to assist in translating his poems into German for a selected volume of his poetry.

Janine Hiller, Professor, Finance, Insurance, and Business Law, to research the protection of privacy in the electronic environment; the relationship between privacy, security, and regulation; and the relationship of property ownership in electronic communications to civil rights and corporate social responsibility.

Scott Johnson, Associate Professor, Human Development, to help develop the country's first accredited marriage and family therapy program at a historically black university—Florida A&M, and to research the latest trends in marriage and family therapy.

Ronald Kemnitzer, Professor, School of Architecture + Design, to write a book defining a more user-friendly methodology of design that offers a broader view of environments, products, and services available to a variety of well-defined and traditional groups.

C. Patrick Koelling, Associate Professor, Industrial and Systems Engineering, to define the area of financial systems engineering and to design a curriculum in financial systems engineering.

D. Scott McCrickard, Associate Professor, Computer Science, to research human-computer interaction from a functional and aesthetic design perspective.

Mark Paul, Associate Professor, Mechanical Engineering, to develop computational algorithms that address a number of open challenges in computational science and engineering.

John Randolph, Professor, School of Public and International Affairs, to write a textbook on community energy and climate action planning.

Subhash Sarin, Professor, Industrial and Systems Engineering, to write a book on the modeling and analysis of semiconductor manufacturing.

Steven Sheetz, Associate Professor, Accounting and Information Systems, to develop a theoretical model of the adoption of standards and to define the reference information model that supports the implementation of standards.

Surot Thangjitham, Associate Professor, Engineering Science and Mechanics, to conduct collaborative research on the effects of surface stress on the dynamic response characteristics of micro/nano-cantilevers for biological, chemical, and medical sensor applications with colleagues at King Mongkut's University of Technology Thonburi, Mahidol University, and Thailand National Nanotechnology Center.

Michael von Spakovsky, Professor, Mechanical Engineering, to conduct collaborative research on the development and application of quantum thermodynamics with colleagues at the Politecnico di Torino in Turin, Italy and at the University of Brescia in Brescia, Italy.

David Widder, Professor, Music, to study the practices of major custom clarinet mouthpiece designers and makers to reconcile acoustical principles with empirical design for improved pitch level and tonal color in performance.

The following faculty members are requesting research assignments for spring 2011:

Ing-Ray Chen, Professor, Computer Science, to conduct collaborative research on security management of military tactical networks with colleagues at the Office of Naval Research and the Army Research Laboratory in Washington, D.C., and to gain core competence in security management of wireless mobile networks at the National Chen Kung University in Taiwan.

Jessie Chen-Yu, Associate Professor, Apparel, Housing, and Resource Management, to summarize the results of research on factors that influence consumer satisfaction or dissatisfaction with apparel products and apparel shopping.

Thomas Cousins, Professor, Civil and Environmental Engineering, to investigate critical issues related to the long-term instrumentation of bridges.

David Cox, Professor, Chemical Engineering, to conduct collaborative research on metal oxide surface chemistry with colleagues in the Chemical Sciences Division at Oak Ridge National Laboratory.

David Crane, Professor, Art and Art History, to alter clay bodies, glazes, and firing kilns used in current high temperature technology and to research low and middle temperature range ceramics that will reduce fossil fuel consumption and carbon from fuel combustion.

Kay Edge, Associate Professor, School of Architecture + Design, to research and write a book entitled *The Architect as Public Intellectual*, which will examine the notion that architects must learn both theory and practice in order to reach positions of authority.

Alan Esker, Associate Professor, Chemistry, to conduct collaborative research in surface chemistry and colloidal science at the Max-Planck Institute for Colloids and Interfaces in Potsdam, Germany.

Elizabeth Grabau, Professor, Plant Pathology, Physiology, and Weed Science, to gain expertise in genomics approaches to identification of resistance genes, utilize new candidate genes in rice to improve disease resistance in legumes, and investigate a genomics approach to durable disease resistance to plant pathogens in rice.

Khidir Hilu, Professor, Biological Sciences, to complete the final draft of a book on plants and civilization, and to study recent advances in bioinformatics models that are critical to analyzing gene evolution, gene function, and biodiversity.

Tabitha James, Associate Professor, Business Information Technology, to research relaxation approaches for the quadratic assignment problem.

Ilja Luciak, Professor, Political Science, to write a book on the politics of Axel Wenner-Gren while in residence at the Wenner-Gren Center in Stockholm, Sweden. The project will be supported by grants from the Wenner-Gren Foundation for Anthropological Research in New York and the Wenner-Gren Foundation in Stockholm.

Jung-Min Park, Associate Professor, Electrical and Computer Engineering, to investigate fundamental and large-scale research challenges in ensuring cognitive radio technology security.

Vance Pittman, Associate Professor, School of Architecture + Design, to develop a book proposal and draft chapters on the nature of the wall as an element of architecture.

Timothy Pratt, Professor, Electrical and Computer Engineering, to complete the third edition of a satellite communications textbook, to research satellite communications

developments in Europe, Australia, and New Zealand, and to expand the Electrical and Computer Engineering education abroad program with selected universities in Australia and New Zealand.

Binoy Ravindran, Associate Professor, Electrical and Computer Engineering, to conduct collaborative research on advanced, adaptive real-time resource management algorithms with colleagues at the U.S. Naval Surface Warfare Center Dahlgren Division, and to continue research on distributed transactional memory-based distributed multiprocessor synchronization funded by the National Science Foundation.

Barbara Ellen Smith, Professor, Sociology, to conduct research regarding the political and social climate for immigrants in the southern United States. The fieldwork will be conducted in Morristown, Tennessee, where disagreements over immigration have been particularly visible and acute.

Gerard Toal, Professor, School of Public and International Affairs, to complete a study of Russian geopolitics in the Caucasus, to write results of a study comparing the North Caucasus and Bosnia-Herzegovina civil war outcomes, to research the dynamics of Eurasian states, and to revise a textbook entitled *The Geopolitics Reader*.

Mitzi Vernon, Professor, School of Architecture + Design, to research and write the second book in a children's book series—*Field Stories*—that invites young readers to see, hear, and touch fields that are ordinarily beyond their perception.

Edward Weisband, Professor, Political Science, to research and to write about political bereavement, forgiveness, memory, and remembrance as political processes relevant to transitional justice and political reconciliation in the aftermath of mass atrocity.

Richard Weyers, Professor, Civil and Environmental Engineering, to study the concrete bridge deck maintenance and rehabilitation methods currently used in Virginia, and to assess and improve the current maintenance decision-making process.

Joseph Wheeler, Associate Professor, School of Architecture + Design, to organize a Virginia Tech Exposition on Housing of the Future and to write a manuscript that documents the Virginia Tech design build projects, including the past three VT Solar Decathlon entries.

Eric Wong, Professor, Animal and Poultry Science, to study molecular genetics techniques in the zebrafish system and establish a research program in developmental biology that utilizes the zebrafish system, which is an ideal organism for the study of vertebrate development due to its transparent embryo and rapid rate of development.

Craig Woolsey, Associate Professor, Aerospace and Ocean Engineering, to research the latest developments in geometric control theory and how these developments might be adapted to the problem of controlling underactuated vehicles in currents.

Diane Zahm, Associate Professor, School of Public and International Affairs, to shift away from current research on crime prevention and initiate a new long-term research agenda concerning rural communities adjacent to urban areas.

RECOMMENDATION:

That the above study-research leaves and research assignments be approved as requested.

March 22, 2010

RESOLUTION FOR EDUCATIONAL LEAVE

An educational leave with partial pay for the period May 2010 – December 2010 is requested for Michael Martin, Director, Southwest District Office, Virginia Cooperative Extension. The leave period will be used to complete required coursework and launch dissertation research for his doctorate in Agricultural and Extension Education at Virginia Tech.

RECOMMENDATION:

That the above educational leave be approved as requested.

March 22, 2010

RESOLUTION ON NAMING THE CENTER FOR NATIONAL SECURITY AND TECHNOLOGY FOR TED AND KARYN HUME

WHEREAS, Thomas G. "Ted" Hume graduated from Virginia Tech in 1974 with a Bachelor of Science degree in Electrical Engineering; and

WHEREAS, Ted Hume has had a successful and respected career in the Intelligence Community and has committed his time and talent to develop expanded opportunities for students in the field of security education and intelligence research; and

WHEREAS, Ted Hume has provided this support in recognition of his wife, Karyn, and their family for the sacrifices they have made and the support they have provided throughout his career in service to the United States, without which, he could not have achieved the success he has achieved; and

WHEREAS, Ted and Karyn Hume will be recognized as members of the Ut Prosim Society for their outstanding philanthropy to the university to establish and support the Ted and Karyn Hume Center for National Security and Technology; and

WHEREAS, Ted and Karyn Hume have made outstanding contributions and commitments to the College of Engineering, and have established operating and endowed funds in support of the Center; and

WHEREAS, Ted and Karyn Hume have been, and continue to be, valued members of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the generosity of Ted and Karyn Hume, and in recognition of their support of the College of Engineering, the Ted and Karyn Hume Center for National Security and Technology in the College of Engineering will be created.

RECOMMENDATION:

That the above resolution naming the Ted and Karyn Hume Center for National Security and Technology be approved.

March 22, 2010

RESOLUTION ON NAMING THE KROEHLING ADVANCED MATERIALS FOUNDRY

WHEREAS, John H. Kroehling graduated from Virginia Tech in 1948 with a Bachelor of Science degree in Ceramic Engineering; and

WHEREAS, John Kroehling continued a volunteer career to the university to include service on the Advisory Board of the Department of Materials Science and Engineering; and

WHEREAS, John and his wife, Joan Kroehling, have been recognized as members of the Ut Prosim Society for their outstanding philanthropy to the university to include considerable support to the Department of Statistics, Department of Materials Science and Engineering, and to athletic programs; and

WHEREAS, John and Joan Kroehling have made outstanding contributions to the College of Engineering and College of Science, have provided funds for scholarships in the Department of Statistics, and Department of Materials Science and Engineering; and

WHEREAS, John and Joan Kroehling have contributed significantly and specifically to the development of the Virginia Tech Foundry Institute for Research and Education (VT-FIRE); and

WHEREAS, John and Joan Kroehling have been, and continue to be, valued members of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of John and Joan Kroehling, and in recognition of their support of the Virginia Tech Foundry Institute for Research and Education in the College of Engineering, the new building on Plantation Road will be known as The Kroehling Advanced Materials Foundry.

RECOMMENDATION:

That the above resolution naming The Kroehling Advanced Materials Foundry be approved.

March 22, 2010

RESOLUTION ON NAMING A CLASSROOM AT THE REYNOLDS HOMESTEAD CONTINUING EDUCATION CENTER

WHEREAS, Mr. Nathaniel Chatham “Nat” Terry earned a graduate degree at Virginia Tech in 1946; and

WHEREAS, Mr. Nathaniel Terry of Critz, VA a former Patrick County educator and community leader, died on March 20, 2002, having served with distinction in the Virginia Cooperative Extension Program as an agricultural extension agent in Nelson, Fluvanna, Buckingham, and Henry Counties from 1935 until 1942; and

WHEREAS, Mr. Terry and his wife Nannie Ruth Cooper Terry moved to the community of Critz, VA to begin what would be a 33-year career both as agriculture teacher and school principal at Hardin Reynolds Memorial School; and

WHEREAS, Mr. Terry led the school’s Future Farmer’s of America (FFA) Chapter to numerous state honors and was well known for encouraging his students to attend college, often providing transportation; and

WHEREAS, during his years of teaching, Mr. Terry was president of both the Patrick County Education Association and the Dan River Teacher’s Association and was always a strong advocate for higher salaries for teachers in the underserved areas of Virginia; and

WHEREAS, in addition to his teaching career, Mr. Terry developed and managed a 600-acre farm in Critz, which was known for its observance for conservation practices and state of the art market hog operation, and was the operator of his family business, B.H. Cooper Farm and Mill, which opened for business in 1871 and was in continuous operation until 1992; and

WHEREAS, Mr. Terry served the Commonwealth on the Virginia Pork Commission and was a respected citizen, farmer, educator, and businessman, leaving a lasting legacy of service to his community, the Commonwealth of Virginia, and his nation; and

WHEREAS, Mr. Terry strived to live his life with the creed to always work hard, give back to the community, and try and make a difference, as reflected in the lives of his three daughters of whom he was immensely proud;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Mr. Nathaniel Chatham “Nat” Terry for his exemplary leadership and service to Patrick County and the Commonwealth of Virginia, a classroom at the Reynolds Homestead Continuing Education Center in Critz, Virginia be named the Nathaniel Terry Classroom.

RECOMMENDATION:

That the above resolution naming the Nathaniel Terry classroom be approved.

March 22, 2010

RESOLUTION ON NAMING THE BASKETBALL PRACTICE CENTER FOR THE HAHN AND HURST FAMILY

WHEREAS, Dr. T. Marshall Hahn, Jr. is one of the most transformational figures in the history of Virginia Tech; and

WHEREAS, Dr. T. Marshall Hahn, Jr. championed the course of Virginia Tech, leaving an indelible imprint and bold vision, which solidified the foundation for the bright future of the university; and

WHEREAS, Dr. T. Marshall Hahn, Jr. has been a leader, scholar, consultant, volunteer, philanthropist and university loyalist who has remained close to Virginia Tech since his retirement; and

WHEREAS, Dr. T. Marshall Hahn, Jr. played a key role in the fund raising for and the construction of Lane Stadium and Cassell Coliseum, while he, along with his wife, the late Mrs. Peggy Lee Hahn, have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs, providing generous and significant contributions in support of athletic facilities and being recognized as charter members of the President's Circle of the Ut Prosim Society for their philanthropy university-wide; and

WHEREAS, the late Mr. Leigh Gifford Hurst ('72) and Mrs. Anne Hahn Hurst ('80), have made generous contributions in support of athletic facilities and have been recognized as members of the Ut Prosim Society at the Benefactor level; and

WHEREAS, Master Marshall Hahn Hurst, son of Anne and Leigh Hurst, and grandson of Marshall and Peggy Hahn, has made a generous contribution in support of athletic facilities and has been recognized as a benefactor of the Ut Prosim Society in his own right, as well as holding the distinction of being the youngest person ever inducted into this prestigious donor recognition society;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to the Hahn and Hurst Family for their steadfast support, in acknowledgement of and special gratitude to Dr. T. Marshall Hahn, Jr. for his generosity towards Virginia Tech Athletics and his early visionary leadership in shaping the athletic facility complex as it is known today, and in specific recognition of Anne Hahn Hurst and Marshall Hahn Hurst for their unwavering philanthropic and personal participation of the athletic program, that the new Basketball Practice Facility located on Washington Street be henceforth known as The Hahn Hurst Basketball Practice Center.

RECOMMENDATION:

That the above resolution naming the Hahn Hurst Basketball Practice Center be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL HEAD COACH'S
OFFICE IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
THE BLACKSBURG HOKIE CLUB**

WHEREAS, the members of the Blacksburg Hokie Club have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, the members of the Blacksburg Hokie Club have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, the Blacksburg Hokie Club is an Orange & Maroon Benefactor of the Virginia Tech Athletic Fund; and

WHEREAS, the Blacksburg Hokie Club has contributed over \$388,000 on behalf of the Department of Athletics; and

WHEREAS, the Blacksburg Hokie Club has given \$100,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to the Blacksburg Hokie Club for their generosity towards Virginia Tech and the Department of Athletics, one Women's Basketball Head Coach's Office will be known henceforth as The Blacksburg Hokie Club Women's Basketball Head Coach's Office.

RECOMMENDATION:

That the above resolution naming the Blacksburg Hokie Club Women's Basketball Head Coach's Office be approved.

March 22, 2010

**RESOLUTION ON NAMING THE MEN'S BASKETBALL HEAD COACH'S OFFICE IN
THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
WILLIS AND MARY BLACKWOOD**

WHEREAS, Willis and Mary Blackwood have been a generous donors to Virginia Tech Athletics; and

WHEREAS, Willis and Mary Blackwood are Orange & Maroon Benefactors to the Virginia Tech Athletic Fund; and

WHEREAS, Willis Blackwood is a member of Intercollegiate Athletics' campaign committee for The Campaign for Virginia Tech: Invent the Future; and

WHEREAS, Willis and Mary Blackwood have pledged over \$500,000 to Intercollegiate Athletics during the Campaign for Virginia Tech: Invent the Future; and

WHEREAS, Willis and Mary Blackwood have given \$250,000 to Virginia Tech Athletics designated to the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Willis and Mary Blackwood for their generosity towards Virginia Tech and the Department of Athletics, that the head coach's office for men's basketball be named The Blackwood Room.

RECOMMENDATION:

That the above resolution naming the Blackwood Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE WOMEN'S BASKETBALL EXECUTIVE OFFICES
AND SUITE IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
FAY STREET**

WHEREAS, Fay H. Street is a loyal member of the Hokie Club; and

WHEREAS, Fay H. Street is a member of the President's Circle of the Ut Prosim Society at Virginia Tech; and

WHEREAS, Fay H. Street is a major donor to athletics and many other areas of Virginia Tech;

NOW, THEREFORE, BE IT RESOLVED, that the Executive Offices and Suite for Women's Basketball be named The Fay Street Women's Basketball Executive Offices and Suite.

RECOMMENDATION:

That the above resolution naming the Fay Street Women's Basketball Executive Offices and Suite be approved.

March 22, 2010

RESOLUTION ON NAMING THE MEN'S BASKETBALL EXECUTIVE OFFICES AND SUITE IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR NICK STREET

WHEREAS, Nicholas D. Street is a loyal member of the Hokie Club; and

WHEREAS, Nicholas D. Street is a member of the President's Circle of the Ut Prosim Society at Virginia Tech; and

WHEREAS, Nicholas D. Street is a major donor to athletics and many other areas of Virginia Tech;

NOW, THEREFORE, BE IT RESOLVED, that the Executive Offices and Suite for Men's Basketball be named The Nick Street Men's Basketball Executive Offices and Suite.

RECOMMENDATION:

That the above resolution naming the Nick Street Men's Basketball Executive Offices and Suite be approved.

March 22, 2010

**RESOLUTION ON NAMING THE EXAMINATION ROOM IN THE BASKETBALL
PRACTICE FACILITY FOR MIKE AUBREY AND KELLI KNIGHT**

WHEREAS, Mike Aubrey and Kelli Knight are proud alumni of Virginia Polytechnic Institute & State University, classes of 1996 and 1992, respectively; and

WHEREAS, Mike Aubrey and Kelli Knight have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Mike Aubrey and Kelli Knight have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Mike Aubrey and Kelli Knight are Hokie Century Champions; and

WHEREAS, Mike Aubrey and Kelli Knight pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility and men's basketball program;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Mike Aubrey and Kelli Knight for their generosity towards Virginia Tech and the Department of Athletics, the Examination Room will be known henceforth as The Mike Aubrey and Kelli Knight Examination Room.

RECOMMENDATION:

That the above resolution naming the Mike Aubrey and Kelli Knight Examination Room be approved.

March 22, 2010

RESOLUTION ON NAMING ONE TRAINING AREA EXAMINATION ROOM IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR THE JONES FAMILY

WHEREAS, Mark and Vanessa Jones have been a generous donors to Virginia Tech Athletics; and

WHEREAS, Mark and Vanessa Jones are Hokie Century Champion level donors to the Virginia Tech Athletic Fund; and

WHEREAS, Mark and Vanessa Jones have become season ticket holders and enthusiastic supporters of the Virginia Tech's men's basketball program; and

WHEREAS, Mark and Vanessa Jones have pledged \$75,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Mark, Vanessa, and sons Connor and Colton Jones, for their generosity towards Virginia Tech and the Department of Athletics, that an examination room in the training room area be named The Jones Room.

RECOMMENDATION:

That the above resolution naming the Jones Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE MULTIPURPOSE ROOM IN THE BASKETBALL
PRACTICE COMPLEX FACILITY FOR
R.T. & BRENDA AVERY AND DENNIS & SUSAN DUNCAN**

WHEREAS, R. T. Avery, III is a proud alumnus of Virginia Polytechnic Institute & State University, Class of 1971; and

WHEREAS, R. T. and Brenda Avery have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, R. T. and Brenda Avery have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, R. T. and Brenda Avery are Ut Prosim Society Distinguished Benefactors and Silver Hokie Benefactors; and

WHEREAS, R. T. and Brenda Avery gifted \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

WHEREAS, Dennis Duncan is a proud alumnus of Virginia Polytechnic Institute & State University, Class of 1975; and

WHEREAS, Dennis and Susan Duncan have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Dennis and Susan Duncan have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Dennis and Susan Duncan are Ut Prosim Society Senior Benefactors and Orange & Maroon Hokie Benefactors; and

WHEREAS, Dennis and Susan Duncan pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to R. T. and Brenda Avery and Dennis and Susan Duncan for their joint commitment and long-standing generosity towards Virginia Tech and the Department of Athletics, the Multipurpose Room be known henceforth as The Avery and Duncan Multipurpose Room.

RECOMMENDATION:

That the above resolution naming the Avery and Duncan Multipurpose Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE EQUIPMENT ROOM OFFICE IN THE
BASKETBALL PRACTICE COMPLEX FACILITY FOR MARK JOURNELL**

WHEREAS, Mark Journell is a proud alumnus of Virginia Polytechnic Institute & State University, Class of 1977; and

WHEREAS, Mark Journell was a manager for the Men's Basketball program as an undergraduate; and

WHEREAS, Mark Journell has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, Mark Journell has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, Mark Journell is a Hokie Century Champion; and

WHEREAS, Mark Journell pledged \$65,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Mark Journell for his generosity towards Virginia Tech and the Department of Athletics, the Equipment Room Office be known henceforth as The Journell Room.

RECOMMENDATION:

That the above resolution naming the Journell Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE STRENGTH & CONDITIONING EQUIPMENT ROOM
IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
CRAIG AND BELINDA STEVENS**

WHEREAS, Craig Stevens is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1983; and

WHEREAS, Craig and Belinda Stevens have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Craig and Belinda Stevens have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Craig and Belinda Stevens are Ut Prosim Society Benefactors and Hokie Benefactors; and

WHEREAS, Craig and Belinda Stevens gifted \$32,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Craig and Belinda Stevens for their generosity towards Virginia Tech and the Department of Athletics, the Strength & Conditioning Equipment Room be known henceforth as The Craig and Belinda Stevens Strength & Conditioning Equipment Room.

RECOMMENDATION:

That the above resolution naming the Craig and Belinda Stevens Strength & Conditioning Equipment Room be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE EQUIPMENT STORAGE ROOM IN THE
BASKETBALL PRACTICE COMPLEX FACILITY FOR
BENJAMIN AND KRISTY HILL**

WHEREAS, Benjamin B. and Kristy Hill have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Benjamin B. and Kristy Hill have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Benjamin B. and Kristy Hill are Hokie Benefactors of the Virginia Tech Athletic Fund; and

WHEREAS, Benjamin B. and Kristy Hill have contributed over \$104,000 on behalf of the Department of Athletics; and

WHEREAS, Benjamin B. and Kristy Hill have pledged \$35,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Benjamin B. and Kristy Hill for their generosity towards Virginia Tech and the Department of Athletics, one Equipment Storage Room will be known henceforth as The Ben and Kristy Hill Equipment Storage Room.

RECOMMENDATION:

That the above resolution naming the Ben and Kristy Hill Equipment Storage Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE MEN'S LOCKER ROOM IN THE BASKETBALL
PRACTICE FACILITY FOR THE JACK LESTER FAMILY**

WHEREAS, Edsel H. "Jack" Lester has been a loyal Hokie Club member for over forty years; and

WHEREAS, Edsel H. "Jack" Lester is a member of the President's Circle of the Ut Prosim Society at Virginia Tech; and

WHEREAS, Edsel H. "Jack" Lester has given to all the athletics facilities through the years; and

WHEREAS, Paige G. Lester is a Hokie Benefactor; and

WHEREAS, Kimberlee W. Lester is a Hokie Benefactor; and

WHEREAS, William H. Lester is a Golden Century Champion Hokie;

NOW, THEREFORE, BE IT RESOLVED, that the men's locker room of the new basketball practice facility shall be named The Jack Lester Family Men's Locker Room.

RECOMMENDATION:

That the above resolution naming the Jack Lester Family Men's Locker Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE MEN'S BASKETBALL HEAD COACH'S CUSTOM
LOCKER IN THE MEN'S BASKETBALL PRACTICE COMPLEX FACILITY FOR
JIMMY AND ALLISON TURK**

WHEREAS, Jimmy and Allison Turk have been generous donors to Virginia Tech Athletics; and

WHEREAS, Jimmy and Allison Turk are Hokie Benefactor level donors to the Virginia Tech Athletic Fund; and

WHEREAS, Jimmy and Allison Turk have been a long-time season ticket holders and enthusiastic supporter of Virginia Tech's men's basketball program; and

WHEREAS, Jimmy Turk is a part of the Hackin' Hokies and has contributed major funds to the Hackin' Hokies Grill at the Pete Dye River Course at Virginia Tech's new clubhouse; and

WHEREAS, Jimmy and Allison Turk have pledged \$25,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Jimmy and Allison Turk for their generosity towards Virginia Tech and the Department of Athletics, that the head coach's locker in the men's basketball coaches' locker room be named The Turk Locker.

RECOMMENDATION:

That the above resolution naming the Turk Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
GEORGE AND SAUNDERS COMPO**

WHEREAS, George L. and Saunders F. Compo have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, George L. and Saunders F. Compo have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, George L. and Saunders F. Compo are Hokie Century Champions of the Virginia Tech Athletic Fund, and

WHEREAS, George L. and Saunders F. Compo have contributed over \$79,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and pledged \$50,000 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to George L. and Saunders F. Compo for their generosity towards Virginia Tech and the Department of Athletics, that one men's basketball coach's custom wooden locker be known henceforth as The George and Saunders Compo Locker.

RECOMMENDATION:

That the above resolution naming the George and Saunders Compo Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
CAROLYN AND TIM BELL**

WHEREAS, Carolyn and Tim Bell have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Carolyn and Tim Bell have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Carolyn and Tim Bell are Golden Hokie Champions of the Virginia Tech Athletic Fund, and

WHEREAS, Carolyn and Tim Bell have contributed over \$35,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and have pledged \$50,000 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Carolyn and Tim Bell for their generosity towards Virginia Tech and the Department of Athletics, that one men's basketball coach's custom wooden locker be known henceforth as The Carolyn and Tim Bell Locker.

RECOMMENDATION:

That the above resolution naming the Carolyn and Tim Bell Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
JAMES D. REYNOLDS**

WHEREAS, James D. Reynolds has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, James D. Reynolds has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, James D. Reynolds is a Platinum member of the Virginia Tech Athletic Fund, and

WHEREAS, James D. Reynolds has contributed over \$41,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics; and pledged \$25,000 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to James D. Reynolds for his generosity towards Virginia Tech and the Department of Athletics, that one men's basketball coach's custom wooden locker be known henceforth as The James Reynolds, DDS Locker.

RECOMMENDATION:

That the above resolution naming the James Reynolds, DDS Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL COACH'S CUSTOM WOODEN
LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
WINDLEY AND JANE DUNBAR**

WHEREAS, Windley and Jane Dunbar have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Windley and Jane Dunbar have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Windley and Jane Dunbar are Hokie Century Champions; and

WHEREAS, Windley and Jane Dunbar pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Windley and Jane Dunbar for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball coach's custom wooden locker be known henceforth as the Dunbar Locker.

RECOMMENDATION:

That the above resolution naming the Dunbar Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
WILLIAM STINSON**

WHEREAS, William S. Stinson has been a generous donor to Virginia Tech Athletics;
and

WHEREAS, William S. Stinson is a Hokie Benefactor level donor to the Virginia Tech
Athletic Fund; and

WHEREAS, William S. Stinson has been a long-time season ticket holder and
enthusiastic supporter of Virginia Tech's men's basketball program; and

WHEREAS, William S. Stinson is a part of the Hackin' Hokies and has contributed
major funds to the Hackin' Hokies Grill at the Pete Dye River Course at Virginia Tech's
new clubhouse; and

WHEREAS, William S. Stinson has pledged \$50,000 to Virginia Tech Athletics and the
new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to William S. Stinson for
his generosity towards Virginia Tech and the Department of Athletics, that a locker in
the men's basketball coach's area be named The Stinson Locker.

RECOMMENDATION:

That the above resolution naming the Stinson Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S STAFF CUSTOM WOODEN LOCKER
IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
DENNIE AND SHERRIE DENISON**

WHEREAS, Dennie P. and Sherrie B. Denison are Golden Champion level athletic donors; and

WHEREAS, Dennie P. and Sherrie B. Denison are season ticket holders for football and men's basketball; and

WHEREAS, Dennie P. and Sherrie B. Denison gave a generous gift of \$50,000 in support of the new Basketball Practice Facility;

NOW, THEREFORE, BE IT RESOLVED, that in recognition and appreciation for their support for Intercollegiate Athletics and the Basketball Practice Facility, a locker in the Men's Staff Locker Room be named The Denison Locker.

RECOMMENDATION:

That the above resolution naming the Denison Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL COACHING
STAFF CUSTOM WOODEN LOCKER IN THE BASKETBALL
PRACTICE COMPLEX FACILITY
FOR GEORGE AND LAURA PRICE**

WHEREAS, George Price is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1970; and

WHEREAS, George and Laura Price have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, George and Laura Price have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, George and Laura Price are Golden Hokie Champions; and

WHEREAS, George and Laura Price pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to George and Laura Price for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball coaching staff custom wooden locker be known henceforth as The George and Laura Price Locker.

RECOMMENDATION:

That the above resolution naming the George and Laura Price Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S COACHING STAFF CUSTOM WOODEN
LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
KENNETH PUGH**

WHEREAS, Kenneth M. Pugh is a Century Champion level donor to Intercollegiate Athletics; and

WHEREAS, Kenneth M. Pugh is a season ticket holder for football and men's basketball; and

WHEREAS, Kenneth M. Pugh is a 1977 graduate of Virginia Tech; and

WHEREAS, Kenneth M. Pugh has made a (\$50,000) generous gift for the construction of the new Basketball Practice Facility;

NOW, THEREFORE, BE IT RESOLVED, that in recognition of his generous support for Virginia Tech Athletics and the Basketball Practice Facility, that a locker in the Men's Coaching Staff Locker Room be named The Ken Pugh Locker.

RECOMMENDATION:

That the above resolution naming the Ken Pugh Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S
CUSTOM WOODEN LOCKER IN THE BASKETBALL
PRACTICE COMPLEX FACILITY IN HONOR OF VINCE MALINAY**

WHEREAS, Jerome and Leigh Anne Malinay have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Jerome and Leigh Anne Malinay have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Jerome and Leigh Anne Malinay are Hokie Century Champions; and

WHEREAS, Jerome and Leigh Anne Malinay pledged \$70,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

WHEREAS, Jerome and Leigh Anne Malinay would like to remember Jerome's brother, Vince, by naming one men's basketball player's custom wooden locker in his memory;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Jerome and Leigh Anne Malinay for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball player's custom wooden locker be known henceforth as The Malinay Locker.

RECOMMENDATION:

That the above resolution naming the Malinay Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
DENNIS AND DEBORAH MCDONALD**

WHEREAS, Dennis and Deborah McDonald are proud alumni of Virginia Polytechnic Institute & State University, classes of 1976 and 1977, respectively; and

WHEREAS, Dennis and Deborah McDonald have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Dennis and Deborah McDonald have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Dennis and Deborah McDonald are Ut Prosim Society Benefactors and Hokie Benefactors; and

WHEREAS, Dennis and Deborah McDonald pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Dennis and Deborah McDonald for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball player's custom wooden locker be known henceforth as The Dennis and Deborah McDonald Locker.

RECOMMENDATION:

That the above resolution naming the Dennis and Deborah McDonald Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
DANIEL AND RENEE JARRETT**

WHEREAS, Daniel and Renee Jarrett have been generous donors to Virginia Tech Athletics; and

WHEREAS, Daniel and Renee Jarrett are Hokie Benefactor level donor to the Virginia Tech Athletic Fund; and

WHEREAS, Daniel and Renee Jarrett have been long-time season ticket holders and enthusiastic supporters of Virginia Tech's men's basketball program; and

WHEREAS, Daniel and Renee Jarrett have recently pledged \$100,000 to the new football locker room facility in their children's names; and

WHEREAS, Daniel and Renee Jarrett have pledged \$70,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Daniel and Renee Jarrett for their generosity towards Virginia Tech and the Department of Athletics, that a locker in men's basketball be named The Jarrett Locker.

RECOMMENDATION:

That the above resolution naming the Jarrett Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
MICHAEL B. JACOBS, JR.**

WHEREAS, Michael B. Jacobs, Jr. has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, Michael B. Jacobs, Jr. has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, Michael B. Jacobs, Jr. is a Hokie Century Champion of the Virginia Tech Athletic Fund; and

WHEREAS, Michael B. Jacobs, Jr. has contributed over \$93,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and pledged \$32,300 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Michael B. Jacobs, Jr. for his generosity towards Virginia Tech and the Department of Athletics, that one men's basketball player's custom wooden locker be known henceforth as The Michael B. Jacobs, Jr. Locker.

RECOMMENDATION:

That the above resolution naming the Michael B. Jacobs, Jr. Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
JACK AND AIDAN DARNELL**

WHEREAS, Scott Darnell is a proud alumnus of Virginia Polytechnic Institute & State University, Class of 1993; and

WHEREAS, Scott and Krista Darnell have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Scott and Krista Darnell have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Scott and Krista Darnell are Ut Prosim Society Benefactors and Hokie Benefactors; and

WHEREAS, Scott and Krista Darnell pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

WHEREAS, Scott and Krista Darnell would like to honor their sons, Jack and Aidan, by naming one men's basketball player's custom wooden locker in their honor;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Scott and Krista Darnell for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball player's custom wooden locker be known henceforth as the Jack and Aidan Darnell Locker.

RECOMMENDATION:

That the above resolution naming the Jack and Aidan Darnell Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
DAVID AND SHARON COLE**

WHEREAS, David and Sharon Cole have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, David and Sharon Cole have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, David and Sharon Cole are Golden Hokie Champions; and

WHEREAS, David and Sharon Cole pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to David and Sharon Cole for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball player's custom wooden locker will be known henceforth as the Cole Locker.

RECOMMENDATION:

That the above resolution naming the Cole Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S
CUSTOM WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX
FACILITY IN HONOR OF BRAXTON AND WYATT CLARKE**

WHEREAS, Shannon and Steve Clarke are proud alumni of Virginia Polytechnic Institute & State University, classes of 1997 and 1994, respectively; and

WHEREAS, Shannon and Steve Clarke have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Shannon and Steve Clarke have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Shannon and Steve Clarke are Golden Hokie Champions; and

WHEREAS, Shannon and Steve Clarke pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

WHEREAS, Shannon and Steve Clarke would like to honor their sons, Braxton and Wyatt, by naming one men's basketball player's custom wooden locker in their honor;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Shannon and Steve Clarke for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball player's custom wooden locker will be known henceforth as the Braxton and Wyatt Clarke Locker.

RECOMMENDATION:

That the above resolution naming the Braxton and Wyatt Clarke Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
ZACH AND DARA TUCKER**

WHEREAS, Zach and Dara Tucker are both proud alumni of Virginia Polytechnic Institute & State University, classes of 2000 and 1998, respectively; and

WHEREAS, Zach and Dara Tucker have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Zach and Dara Tucker have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Zach and Dara Tucker are Golden Hokie Champions; and

WHEREAS, Zach and Dara Tucker pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Zach and Dara Tucker for their generosity towards Virginia Tech and the Department of Athletics, one men's basketball player's custom wooden locker be known henceforth as The Tucker Locker.

RECOMMENDATION:

That the above resolution naming the Tucker Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
M. WAYNE GOFF**

WHEREAS, M. Wayne Goff has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, M. Wayne Goff has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, M. Wayne Goff is a Hokie Century Champion of the Virginia Tech Athletic Fund; and

WHEREAS, M. Wayne Goff has contributed over \$82,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and pledged \$50,000 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to M. Wayne Goff for his generosity towards Virginia Tech and the Department of Athletics, that one men's basketball player's custom wooden locker be known henceforth as The M. Wayne Goff Locker.

RECOMMENDATION:

That the above resolution naming the M. Wayne Goff Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING A MEN'S BASKETBALL PLAYER'S LOCKER FOR
CHARLEY AND SALLY AYERS**

WHEREAS, Charles E. and Sarah M. Ayers are loyal Hokie Club members and are Hokie Benefactor level donors to athletics; and

WHEREAS, Charles E. and Sarah M. Ayers are members of the Ut Prosim Society at Virginia Tech; and

WHEREAS, Charles E. and Sarah M. Ayers are season ticket holders for football and men's basketball; and

WHEREAS, Charles E. and Sarah M. Ayers gave a generous gift for the construction of the new Basketball Practice Facility;

NOW, THEREFORE, BE IT RESOLVED, that a locker in the Men's Locker Room of the new Basketball Practice Facility shall be named The Charley and Sally Ayers Locker.

RECOMMENDATION:

That the above resolution naming the Charley and Sally Ayers Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING THE MEN'S BASKETBALL GROOMING STATION IN
THE BASKETBALL PRACTICE COMPLEX FACILITY GIVEN BY SCOTT PRINCE**

WHEREAS, Scott Prince has been a generous donor to Virginia Tech Athletics; and

WHEREAS, Scott Prince is Hokie Benefactor level donor to the Virginia Tech Athletic Fund; and

WHEREAS, Scott Prince has been a long-time season ticket holder and enthusiastic supporter of Virginia Tech's men's basketball program; and

WHEREAS, Scott Prince is a part of the Hackin' Hokies and has contributed major funds to the Hackin' Hokies Grill at the Pete Dye River Course at Virginia Tech's new clubhouse; and

WHEREAS, Scott Prince has pledged \$50,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that to honor his friend and neighbor, Allison Turk, for her dedication and generosity towards Virginia Tech and the Department of Athletics, that the grooming station in the men's locker room be named The Turk Room.

RECOMMENDATION:

That the above resolution naming the Turk Room be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL ASSISTANT COACH'S
OFFICE IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
R. LEE AND PATRICIA A. TALBOT**

WHEREAS, R. Lee and Patricia A. Talbot are enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, R. Lee and Patricia A. Talbot have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, R. Lee and Patricia A. Talbot are a Hokie Benefactor of the Virginia Tech Athletic Fund; and

WHEREAS, R. Lee and Patricia A. Talbot have contributed over \$118,000 on behalf of the Department of Athletics; and

WHEREAS, R. Lee and Patricia A. Talbot have given \$100,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to R. Lee and Patricia A. Talbot for their generosity towards Virginia Tech and the Department of Athletics, one Women's Basketball Assistant Coach's Office be known henceforth as The Lee and Patti Talbot Women's Basketball Assistant Coach's Office.

RECOMMENDATION:

That the above resolution naming the Lee and Patti Talbot Women's Basketball Assistant Coach's Office be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL ASSISTANT COACH'S
OFFICE IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
THE MCCULLOUGH FAMILY**

WHEREAS, Andy McCullough is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1992; and

WHEREAS, Andy and Erika McCullough have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Andy and Erika McCullough have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Andy and Erika McCullough are Hokie Century Champions; and

WHEREAS, Andy and Erika McCullough pledged \$105,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Andy and Erika McCullough for their generosity towards Virginia Tech and the Department of Athletics, one Women's Basketball Assistant Coach's Office be known henceforth as The Andy and Erika McCullough & Family Women's Basketball Assistant Coach's Office.

RECOMMENDATION:

That the above resolution naming the Andy and Erika McCullough & Family Women's Basketball Assistant Coach's Office be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL ASSISTANT COACH'S
OFFICE IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
JAMES AND ELEONORE STEVENS**

WHEREAS, James Stevens is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1952; and

WHEREAS, James and Eleonore Stevens have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, James and Eleonore Stevens have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, James and Eleonore Stevens are members of the Ut Prosim Society President's Circle and Bronze Hokie Benefactors; and

WHEREAS, James and Eleonore Stevens gifted \$25,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to James and Eleonore Stevens for their commitment and long-standing major gift generosity towards Virginia Tech and the Department of Athletics, one Women's Basketball Assistant Coach's Office be known henceforth as The James and Eleonore Stevens Women's Basketball Assistant Coach's Office.

RECOMMENDATION:

That the above resolution naming the James and Eleonore Stevens Women's Basketball Assistant Coach's Office be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL ASSISTANT COACH'S
OFFICE IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
SONNY AND LOU MERRYMAN**

WHEREAS, Mr. Floyd W. Merryman, Jr. (Sonny) and Mrs. Lou Merryman have been generous donors to Virginia Tech Athletics; and

WHEREAS, Sonny and Lou Merryman are Silver Benefactor level donors to the Virginia Tech Athletic Fund; and

WHEREAS, Sonny and Lou Merryman have been long-time season ticket holders and enthusiastic supporters of Virginia Tech's basketball programs; and

WHEREAS, the Merryman family gave the leadership gift to help fund the Merryman Athletic Center; and

WHEREAS, Sonny and Lou Merryman have given \$100,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Sonny and Lou Merryman for their generosity towards Virginia Tech and the Department of Athletics, that an assistant coach's office in women's basketball be named The Merryman Room.

RECOMMENDATION:

That the above resolution naming the Merryman Room be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL COACHES' LOCKER
ROOM IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
MICHAEL AND VICKI EGGLESTON**

WHEREAS, Michael S. and Vicki B. Eggleston have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Michael S. and Vicki B. Eggleston have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Michael S. and Vicki B. Eggleston are Hokie Century Champions of the Virginia Tech Athletic Fund; and

WHEREAS, Michael S. and Vicki B. Eggleston have contributed over \$75,000 on behalf of the Department of Athletics; and

WHEREAS, Michael S. and Vicki B. Eggleston have pledged \$25,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Michael S. and Vicki B. Eggleston for their generosity towards Virginia Tech and the Department of Athletics, one Women's Basketball Coach's Locker Room be known henceforth as The Mike and Vicki Eggleston Women's Basketball Coaches' Locker Room.

RECOMMENDATION:

That the above resolution naming the Mike and Vicki Eggleston Women's Basketball Coaches' Locker Room be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
JOSEPH AND TRACYE ZIGLAR**

WHEREAS, Joseph and Tracye Ziglar have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Joseph and Tracye Ziglar have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Joseph and Tracye Ziglar are Golden Hokie Champions; and

WHEREAS, Joseph and Tracye Ziglar pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Joseph and Tracye Ziglar for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball coach's custom wooden locker be known henceforth as The Ziglar Locker.

RECOMMENDATION:

That the above resolution naming the Ziglar Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
RANDY AND CINDY WALKER**

WHEREAS, Randy and Cindy Walker are proud alumni of Virginia Polytechnic Institute & State University, class of 1974; and

WHEREAS, Randy and Cindy Walker have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Randy and Cindy Walker have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Randy and Cindy Walker are Golden Hokie Champions; and

WHEREAS, Randy and Cindy Walker pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Randy and Cindy Walker for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball coach's custom wooden locker be known henceforth as The Walker Locker.

RECOMMENDATION:

That the above resolution naming the Walker Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
TOM AND MARTHA HODNETT**

WHEREAS, Tom and Martha Hodnett have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Tom and Martha Hodnett have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Tom and Martha Hodnett are Golden Hokie Champions of the Virginia Tech Athletic Fund, and

WHEREAS, Tom and Martha Hodnett have contributed over \$63,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics; and pledged \$50,000 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Tom and Martha Hodnett for their generosity towards Virginia Tech and the Department of Athletics, that one women's basketball coach's custom wooden locker be known henceforth as The Tom and Martha Hodnett Locker.

RECOMMENDATION:

That the above resolution naming the Tom and Martha Hodnett Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL COACH'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
GARY AND MARSHA RAKES**

WHEREAS, Gary and Marsha Rakes have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Gary and Marsha Rakes have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Gary and Marsha Rakes are Golden Hokie Champions; and

WHEREAS, Gary and Marsha Rakes pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Gary and Marsha Rakes for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball coach's custom wooden locker be known henceforth as the Rakes Locker.

RECOMMENDATION:

That the above resolution naming the Rakes Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL COACHING STAFF
CUSTOM WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX
FACILITY FOR ED AND KATHY DUNNAVANT**

WHEREAS, Ed Dunnavant is a proud alumnus of Virginia Polytechnic Institute & State University, Class of 1968; and

WHEREAS, Ed and Kathy Dunnavant have been an enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Ed and Kathy Dunnavant have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Ed and Kathy Dunnavant are Golden Hokie Champions; and

WHEREAS, Ed and Kathy Dunnavant have gifted \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Ed and Kathy Dunnavant for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball coaching staff custom wooden locker will be known henceforth as the Ed and Kathy Dunnavant Locker.

RECOMMENDATION:

That the above resolution naming the Ed and Kathy Dunnavant Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL COACHING
STAFF CUSTOM WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX
FACILITY FOR W. ROBERT JEBSON, JR.**

WHEREAS, W. Robert Jebson, Jr. is a proud alumnus of Virginia Polytechnic Institute & State University, Class of 1955; and

WHEREAS, W. Robert Jebson, Jr. has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, W. Robert Jebson, Jr. has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, W. Robert Jebson, Jr. is a Ut Prosim Society Benefactor and Hokie Century Champion; and

WHEREAS, W. Robert Jebson, Jr. pledged \$67,500 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to W. Robert Jebson, Jr. for his generosity towards Virginia Tech and the Department of Athletics, one women's basketball coaching staff custom wooden locker be known henceforth as The W. Robert Jebson, Jr. Locker.

RECOMMENDATION:

That the above resolution naming the W. Robert Jebson, Jr. Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL
COACHING STAFF CUSTOM WOODEN LOCKER
IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
JIM WRIGHT**

WHEREAS, Jim Wright is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1981; and

WHEREAS, Jim Wright has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, Jim Wright has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, Jim Wright is a Golden Hokie Champion; and

WHEREAS, Jim Wright gifted \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Jim Wright for his generosity towards Virginia Tech and the Department of Athletics, one women's basketball coaching staff custom wooden locker be known henceforth as The Jim Wright Locker.

RECOMMENDATION:

That the above resolution naming the Jim Wright Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
IRV AND EILEEN VAUGHAN**

WHEREAS, Irv and Eileen Vaughan are both proud alumni of Virginia Polytechnic Institute & State University, class of 1972; and

WHEREAS, Irv and Eileen Vaughan have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Irv and Eileen Vaughan have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Irv and Eileen Vaughan are Golden Hokie Champions; and

WHEREAS, Irv and Eileen Vaughan pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Irv and Eileen Vaughan for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball player's custom wooden locker be known henceforth as The Vaughan Locker.

RECOMMENDATION:

That the above resolution naming the Vaughan Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY IN
HONOR OF MATISSE AND SEYCHELLE SINGH**

WHEREAS, Sonu and Jennifer Singh have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Sonu and Jennifer Singh have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Sonu and Jennifer Singh are Golden Hokie Champions; and

WHEREAS, Sonu and Jennifer Singh pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

WHEREAS, Sonu and Jennifer Singh would like to honor their daughters, Matisse and Seychelle Singh, by naming one women's basketball player's custom wooden locker in their honor;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Sonu and Jennifer Singh for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball player's custom wooden locker be known henceforth as The Matisse and Seychelle Singh Locker.

RECOMMENDATION:

That the above resolution naming the Matisse and Seychelle Singh Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
CARL AND KAY WRIGHT**

WHEREAS, Carl and Kay Wright have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Carl and Kay Wright have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Carl and Kay Wright are Golden Hokie Champions; and

WHEREAS, Carl and Kay Wright pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Carl and Kay Wright for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball player's custom wooden locker be known henceforth as The Wright Locker.

RECOMMENDATION:

That the above resolution naming the Wright Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S
CUSTOM WOODEN LOCKER IN THE BASKETBALL
PRACTICE COMPLEX FACILITY FOR REGINALD AND JENNIFER WEST**

WHEREAS, Reginald H. and Jennifer C. West have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Reginald H. and Jennifer C. West have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Reginald H. and Jennifer C. West are Golden Hokie Champions of the Virginia Tech Athletic Fund, and

WHEREAS, Reginald H. and Jennifer C. West have contributed over \$33,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics; and pledged \$25,000 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Reginald H. and Jennifer C. West for their generosity towards Virginia Tech and the Department of Athletics, that one women's basketball player's custom wooden locker be known henceforth as The Reggie and Jennifer West Locker.

RECOMMENDATION:

That the above resolution naming the Reggie and Jennifer West Locker be approved.

March 22, 2010

RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR GEORGE AND BARBARA SCHEULEN

WHEREAS, George Scheulen is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1970; and

WHEREAS, George and Barbara Scheulen have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, George and Barbara Scheulen have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, George and Barbara Scheulen are Golden Hokie Champions; and

WHEREAS, George and Barbara Scheulen pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to George and Barbara Scheulen for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball player's custom wooden locker be known henceforth as The George and Barbara Scheulen Locker.

RECOMMENDATION:

That the above resolution naming the George and Barbara Scheulen Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
THE PENINSULA HOKIE CLUB**

WHEREAS, the Peninsula Hokie Club has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, the Peninsula Hokie Club has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, the Peninsula Hokie Club are Hokie Century Champions of the Virginia Tech Athletic Fund, and

WHEREAS, the Peninsula Hokie Club has contributed over \$91,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and pledged \$36,000 to the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to the Peninsula Hokie Club for their generosity towards Virginia Tech and the Department of Athletics, that one women's basketball player's custom wooden locker be known henceforth as The Peninsula Hokie Club Locker.

RECOMMENDATION:

That the above resolution naming the Peninsula Hokie Club Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
DONALD AND ROBIN HILLMAN**

WHEREAS, Donald J. and Robin E. Hillman have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Donald J. and Robin E. Hillman have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Donald J. and Robin E. Hillman are Golden Hokie Champions of the Virginia Tech Athletic Fund, and

WHEREAS, Donald J. and Robin E. Hillman have contributed over \$60,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and have pledged \$50,000 to the basketball practice complex facility; and

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Donald J. and Robin E. Hillman for their generosity towards Virginia Tech and the Department of Athletics, that one women's basketball player's custom wooden locker be known henceforth as The Don and Robin Hillman Locker.

RECOMMENDATION:

That the above resolution naming the Don and Robin Hillman Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
THE FAUQUIER HOKIE CLUB**

WHEREAS, the members of Fauquier Hokie Club have been enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, the Fauquier Hokie Club has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, the Fauquier Hokie Club are Golden Hokie Champions; and

WHEREAS, the Fauquier Hokie Club pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to the Fauquier Hokie Club for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball player's custom wooden locker be known henceforth as The Fauquier Hokie Club Locker.

RECOMMENDATION:

That the above resolution naming the Fauquier Hokie Club Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY IN
HONOR OF REAGAN, HANNAH, ABIGAIL, AND KATE FOLEY**

WHEREAS, JP and Dawn Foley have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, JP and Dawn Foley have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, JP and Dawn Foley are Golden Hokie Champions; and

WHEREAS, JP and Dawn Foley pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the basketball practice complex facility; and

WHEREAS, JP and Dawn Foley would like to honor their daughters, Reagan, Hannah, Abigail and Kate Foley, by naming one women's basketball player's custom wooden locker in their honor;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to JP and Dawn Foley for their generosity towards Virginia Tech and the Department of Athletics, one women's basketball player's custom wooden locker will be known henceforth as the Reagan, Hannah, Abigail and Kate Foley Locker.

RECOMMENDATION:

That the above resolution naming the Reagan, Hannah, Abigail and Kate Foley Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL CUSTOM WOODEN
LOCKER IN THE BASKETBALL PRACTICE FACILITY FOR
WILLIAM AND JUDY FOSTER**

WHEREAS, William G. and Judy Foster have been generous donors to Virginia Tech Athletics; and

WHEREAS, William G. and Judy Foster are Hokie Benefactor level donors to the Virginia Tech Athletic Fund; and

WHEREAS, William G. and Judy Foster have been a long-time season ticket holders and enthusiastic supporters of Virginia Tech's basketball programs; and

WHEREAS, William G. Foster is a former member of the Virginia Tech Board of Visitors an member of the William Preston Society; and

WHEREAS, William G. and Judy Foster have pledged \$30,000 to Virginia Tech Athletics and the new basketball practice facility; and

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to William G. and Judy Foster for their generosity towards Virginia Tech and the Department of Athletics, that a women's basketball locker be named The William G. and Judy Foster Locker.

RECOMMENDATION:

That the above resolution naming the William G. and Judy Foster Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE CUSTOM WOODEN LOCKER IN WOMEN'S
BASKETBALL IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
JOSEPH MORRISSETTE**

WHEREAS, Joseph F. Morrisette has been a generous donor to Virginia Tech Athletics; and

WHEREAS, Joseph F. Morrisette is a Hokie Century Champion level donor to the Virginia Tech Athletic Fund; and

WHEREAS, Joseph F. Morrisette was a former member of Virginia Tech's Board of Visitors and a member of the William Preston Society; and

WHEREAS, Joseph F. Morrisette is season ticket holder in football and basketball and an enthusiastic supporter of our basketball programs; and

WHEREAS, Joseph F. Morrisette has pledged \$30,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Joseph F. Morrisette, class of 1964, for his generosity towards Virginia Tech and the Department of Athletics, that a locker in women's basketball be named The Morrisette Locker.

RECOMMENDATION:

That the above resolution naming the Morrisette Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING ONE CUSTOM WOODEN LOCKER IN WOMEN'S
BASKETBALL IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
ROBERT AND ELIZABETH QUICKE**

WHEREAS, Robert and Elizabeth Quicke have been a generous donors to Virginia Tech Athletics; and

WHEREAS, Robert and Elizabeth Quicke are Golden Champion level donors to the Virginia Tech Athletic Fund; and

WHEREAS, Robert and Elizabeth Quicke are season ticket holders in football and enthusiastic supporters of our basketball programs; and

WHEREAS, Robert and Elizabeth Quicke have pledged \$50,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Robert and Elizabeth Quicke, for their generosity towards Virginia Tech and the Department of Athletics, that a locker in women's basketball be named The Quicke Locker.

RECOMMENDATION:

That the above resolution naming the Quicke Locker be approved.

March 22, 2010

**RESOLUTION ON NAMING THE WOMEN'S BASKETBALL GROOMING STATION
IN THE BASKETBALL PRACTICE COMPLEX FACILITY
IN HONOR OF CARLEY AND LEAH GRAVES**

WHEREAS, Brian Graves and his mother, Ina Mae Graves, have been generous donors to Virginia Tech Athletics; and

WHEREAS, Brian Graves is a Golden Champion level donor to the Virginia Tech Athletic Fund; and

WHEREAS, Brian, Ina Mae, Carley and Leah Graves have been long-time season ticket holders and enthusiastic supporters of Virginia Tech's women's basketball program; and

WHEREAS, the Graves' company, Clinton's Transfer & Storage, has been a long-time Golden Hokie supporter; and

WHEREAS, Brian and his mother, Ina Mae Graves, have pledged \$50,000 to Virginia Tech Athletics and the new basketball practice facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Brian and Ina Mae Graves for their generosity towards Virginia Tech and the Department of Athletics, and in honor of Brian's daughters and Ina Mae's granddaughters, Carley and Leah Graves, that the grooming station in the women's basketball locker room be henceforth known as The Graves Room.

RECOMMENDATION:

That the above resolution naming the Graves Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE WOMEN'S VOLLEYBALL LOCKER ROOM FOR
R. W. AND SHARON THOMPSON**

WHEREAS, Ronald W. and Sharon Thompson have been generous donors to Virginia Tech athletics; and

WHEREAS, Ronald W. and Sharon Thompson are Orange & Maroon Hokie Benefactor level athletic donors and members of the Ut Prosim Society; and

WHEREAS, Ronald W. Thompson has established the Ronald and Sandy Thompson Scholarship; and

WHEREAS, Ronald W. Thompson gave a generous gift to name the press box in the Virginia Tech Soccer Complex in memory of Sandra Thompson; and

WHEREAS, Ronald W. Thompson gave a generous gift to name the playing field in the Virginia Tech Soccer Complex in memory of Sandra Thompson; and

WHEREAS, Ronald W. and Sharon Thompson have been season ticket holders for football, men's and women's basketball; and

WHEREAS, Ronald W. and Sharon Thompson have made the lead gift to fund the renovation of the locker room for women's volleyball;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Ronald W. and Sharon Thompson for their generosity towards Virginia Tech and the Department of Athletics, that the newly renovated locker room for women's volleyball will be named The R. W. and Sharon Thompson Locker Room.

RECOMMENDATION:

That the above resolution naming the R. W. and Sharon Thompson Locker Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE WRESTLING ASSISTANT COACH'S OFFICE
IN THE FOOTBALL LOCKER ROOM/WRESTLING PRACTICE FACILITY FOR
JIM AND LYNN DALY**

WHEREAS, Jim and Lynn Daly have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Jim and Lynn Daly have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Jim and Lynn Daly are Golden Hokie Champions; and

WHEREAS, Jim and Lynn Daly pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the Football Locker Room/Wrestling Practice Facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Jim and Lynn Daly for their generosity towards Virginia Tech and the Department of Athletics, a Wrestling Assistant Coach's Office in the Wrestling practice facility be known henceforth as The Daly Room.

RECOMMENDATION:

That the above resolution naming the Daly Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE WRESTLING EDIT/FILM ROOM
IN THE WRESTLING PRACTICE COMPLEX FACILITY FOR
THE NORTHERN VIRGINIA HOKIE CLUB**

WHEREAS, the Northern Virginia Hokie Club has been an enthusiastic and loyal supporter of Virginia Tech and its athletic programs; and

WHEREAS, the Northern Virginia Hokie Club has been a faithful member of the Virginia Tech Athletic Fund; and

WHEREAS, the Northern Virginia Hokie Club are Golden Hokie Champions; and

WHEREAS, the Northern Virginia Hokie Club pledged \$50,000 to the Campaign for Virginia Tech: Invent the Future on behalf of the Department of Athletics and the wrestling practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to the Northern Virginia Hokie Club for their generosity towards Virginia Tech and the Department of Athletics, the wrestling practice facility edit/film room be known henceforth as The Northern Virginia Hokie Club Wrestling Practice Facility Edit / Film Room.

RECOMMENDATION:

That the above resolution naming the Northern Virginia Hokie Club Wrestling Practice Facility Edit / Film Room be approved.

March 22, 2010

**RESOLUTION ON NAMING THE THIRD FLOOR CARDIO AREA IN THE
WRESTLING PRACTICE FACILITY FOR PAUL AND SHARON WOHLLEBEN**

WHEREAS, Paul and Sharon Wohleben have been generous donors to Virginia Tech Athletics; and

WHEREAS, Paul and Sharon Wohleben are Hokie Century Champion level donors to the Virginia Tech Athletic Fund; and

WHEREAS, Paul and Sharon Wohleben have pledged \$122,000 the Campaign for Virginia Tech: Invent the Future benefitting both the Pamplin College of Business and Intercollegiate Athletics; and

WHEREAS, Paul and Sharon Wohleben have pledged \$72,000 to Virginia Tech Athletics and the new football locker room, players lounge and wrestling facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Paul and Sharon Wohleben, for their generosity towards Virginia Tech and the Department of Athletics, that the cardio area in the third floor wrestling room be named The Wohleben Area.

RECOMMENDATION:

That the above resolution naming the Wohleben Area be approved.

March 22, 2010

**RESOLUTION ON NAMING THE REFERENCE LIBRARY IN THE QUILLEN
STUDENT ATHLETE ACADEMIC SERVICES CENTER FOR STEVEN REESE**

WHEREAS, Steven Reese '75, was a loyal Virginia Tech graduate; and

WHEREAS, Steven Reese was an avid Hokie football fan; and

WHEREAS, Steven Reese was a strong supporter of Virginia Tech's College of Engineering; and

WHEREAS, Steven Reese has provided a significant bequest provision in his last will and testament supporting the College of Engineering and Intercollegiate Athletics; and

WHEREAS, \$100,000 of this bequest provision will benefit Intercollegiate Athletics;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Steven Reese for his generosity towards Virginia Tech and the Department of Athletics, that the reference library in Lane Stadium's Quillen Student-Athlete Academic Center be named The Steven Reese Reference Library.

RECOMMENDATION:

That the above resolution naming the Steven Reese Reference Library be approved.

March 22, 2010

Faculty Personnel Changes Report

FINANCE AND AUDIT COMMITTEE

Quarter ending December 31, 2009

The Faculty Personnel Changes Report includes new appointments and adjustments in salaries for the general faculty, including teaching and research faculty in the colleges, and for administrative and professional faculty that support the University including the library, extension, academic support, athletics, and administration. The report is organized by senior management area (college or vice presidential area).

Since the last Board meeting, the University has made the following faculty personnel appointments and salary adjustments:

Teaching and Research Faculty	
New Appointments with Tenure or Continued Appointment	2
New Appointments to Tenure-Track or Continued Appointment	3
New Appointments to Non-Tenure Track	0
 Adjustments in Salary	 8
 Administrative and Professional Faculty	
New Appointments	0
 Adjustments in Salary	 11
Adjustments in Salary - Contractual Arrangement	0

RECOMMENDATION:

That the Board ratify the Faculty Personnel Changes Report.

March 22, 2010

FACULTY PERSONNEL CHANGES
March 22, 2010

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION		
					EFF DATE	% APPT	ANNUAL RATE

Agriculture & Life Sciences

Smith, Hyrum	Assistant Professor	Agriculture & Applied Economics	Regular	9	25-Dec-09	100	\$ 80,000
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Engineering

Bayandor, Javid	Associate Professor	Mechanical Engineering	Regular	9	10-Oct-09	100	\$ 90,000
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Lu, Chang	Associate Professor - Tenured	Chemical Engineering	Regular	9	25-Dec-09	100	\$ 89,500
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Yao, Danfeng	Assistant Professor	Computer Science	Regular	9	25-Dec-09	100	\$ 90,201
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Vice President for Research

Friedlander, Michael J.	Executive Director and Professor - Tenured	Virginia Tech Carilion Research Institute and Biological Sciences	Regular	12	1-Jun-10	100	\$ 350,000
			Regular	12	1-Jul-10	100	\$ 70,000
			Regular	12	1-Jul-11	100	\$ 35,000

TEACHING AND RESEARCH FACULTY***ADJUSTMENTS***

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION		
					EFF DATE	% APPT	ANNUAL RATE
<u>Agriculture & Life Sciences</u>							
Fell, Richard	Professor	Entomology	Regular	12	1-Nov-09	100	\$ 103,540
Kok, Loke	Professor	Entomology	Regular	12	25-Dec-09	100	\$ 175,000
Mostaghimi, Saied	Professor	CALS Research	Regular	12	1-Dec-09	100	\$ 214,153
Wolfe, Mary	Professor	Biological Systems Engineering	Regular	12	1-Dec-09	100	\$ 145,300
<u>Architecture & Urban Studies</u>							
Dawkins, Casey	Associate Professor	Metropolitan Institute	Regular	9	10-Nov-09	100	\$ 100,622
<u>Engineering</u>							
Bradford, Libby	Lecturer	Computer Science	Regular	12	25-Oct-09	100	\$ 40,986
<u>Liberal Arts & Human Sciences</u>							
Luke, Timothy	Professor	Political Science	Regular	12	20-Nov-09	100	\$ 222,626
<u>Vice President & Dean for Graduate Education</u>							
Perez-Quinonez, Manuel	Associate Professor	Graduate School / Computer Science	Regular	12	10-Aug-09	100	\$ 93,208

ADMINISTRATIVE AND PROFESSIONAL***ADJUSTMENTS***

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION		
					EFF DATE	% APPT	ANNUAL RATE
<u>Architecture & Urban Studies</u>							
Simpson, Maritza	Director, Finance & Administration	Dean's Office	Regular	12	10-Dec-09	100	\$ 76,000
<u>Business</u>							
Clevenger, Jennifer	Director of Advising	Pamplin Undergraduate Programs Office	Regular	12	16-Nov-09	100	\$ 52,315
<u>Vice President for Administrative Services</u>							
King, Angela	Director of Benefits	Human Resources	Regular	12	25-Dec-09	100	\$ 91,300
Wehner, Kirk	Executive Director of Total Compensation	Human Resources	Regular	12	10-Dec-09	100	\$ 96,400
<u>Vice President for Alumni Relations</u>							
Lally, Catherine	Assistant to the Vice President	Alumni Relations	Regular	12	1-Dec-09	100	\$ 42,420
<u>Vice President for Equity & Inclusion</u>							
Sanders, Karen	Associate Vice President for Academic Support Services & Interim Vice President for Equity & Inclusion	Equity & Inclusion	Regular	12	25-Dec-09	100	\$ 130,000
<u>Vice President for Research</u>							
Rudd, John	Acting Assistant Vice President and Director, Sponsored Programs Administration	Sponsored Programs	Regular	12	25-Dec-09	100	\$ 135,000
<u>Vice President for Student Affairs</u>							
Hunter, Monica	Director of Student Activities	University Unions & Student Activities	Regular	12	16-Nov-09	100	\$ 67,145
<u>Vice President & Dean for Graduate Education</u>							
Beane, Dannette	Assistant Director of Graduate Recruiting & Diversity Initiatives	Graduate School	Regular	12	10-Nov-09	100	\$ 52,500
<u>Vice President & Dean for Undergraduate Education</u>							
Brown, Kimberly	Interim Director of Center for Academic Enrichment & Excellence and Director of University Studies/UAAC	University Studies / University Academic Advancement Center	Regular	12	25-Dec-09	100	\$ 91,500
Johnson, Mildred	Director, Undergraduate Admissions	Undergraduate Admissions	Regular	12	1-Jul-09	100	\$ 98,000

RESOLUTION FOR EXCLUSION OF CERTAIN OFFICERS/DIRECTORS

WHEREAS, current Department of Defense (DoD) policy requires institutions of higher education principal officers (such as President, Legal Counsel, Senior Compliance Officer, Senior Contracts Officer, Facility Security Officer), and those occupying similar positions meet the personnel security clearance requirements established for the level of the contractor's facility security clearance; and

WHEREAS, said DoD policy permits the exclusion from the personnel clearance requirements of certain members of the Key Management Personnel List and other officers, provided that this action is recorded in the corporate minutes or similar type official organization records.

NOW THEREFORE BE IT DECLARED that the President and the said principal officers at the present time do possess, or shall be processed for, the required security clearance; and

NOW, THEREFORE, BE IT RESOLVED, that in the future, when any individual enters upon any duties as President, or as a replacement for one of the principal management offices of this corporation described herein, such individual shall immediately make application for the required security clearance; and

BE IT RESOLVED FURTHER that the following member of the Key Management Personnel List shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of the corporation, and does not occupy a position that would enable him to affect adversely corporate policies or practices in the performance of classified contracts for the DoD or other User Agencies of the National Industrial Security Program.

John Clinton Rudd Acting Assistant Vice President Office of Sponsored Programs

Mr. Rudd is excluded temporarily pending his obtaining a personnel clearance. This resolution is rescinded when Mr. Rudd meets the personnel security requirements established herein

RECOMMENDATION:

That this resolution be adopted.

March 21, 2010

Remarks to the Board of Visitors
Kristina Hartman, Undergraduate Representative to the Board of Visitors
March 2010

Thank you, Mr. Rector. Good Afternoon Members of the Board, President Steger and guests. It is an honor to be before you once again on behalf of the undergraduate student population. It has been almost four months since I last reported to you and the undergraduates have been very busy attending classes, embodying Ut Prosim and finding ways to "Invent the Future".

The start the spring semester began with students leading efforts to help Haiti after the disastrous earthquake. Students rallied under the name of Hokies United as they have in the past for circumstances like 9/11, Hurricane Katrina, the Tsunami, and April 16th. Hokies United is not a set group of students but the name is used when Hokies want to come together to respond to local, national, or international tragedies. Often branding themselves as Hokies Helping Haiti, they have raised over \$45,000 and fundraising efforts still persist. Continuing with their commitment to service, in early February I had the privilege of attending Hokie Day with roughly 60 fellow undergraduates. Hokie Day is annual event organized by the Student Government Association and is a day when students, in conjunction with the Alumni Association, go to Richmond and lobby for Virginia Tech. While our efforts were successful on some accounts, it was a wonderful experience and a great opportunity to interact with both alumni and delegates.

While much hard work is being done purely for service, there have been many issues, three in particular, that students have been working diligently to resolve. First, students have constantly shown that Virginia Tech needs a study facility open 24 hours a day, 7 days a week. Currently, no such study facility exists. However, students are now hoping to make Torgersen Hall available to students 24/7. There have been many other buildings and situations suggested but Torgersen seems to be the best fit for student needs. Student Government Association is in the process of determining the logistics and is hoping to have a pilot program set up for the fall. Second, many efforts are being made to establish a Green Fee or a Green Fund for students. The fee would be very minimal, around 10 dollars, and would support programs and initiatives to make Virginia Tech a leader in sustainability. Unlike most of our fees that purely cover costs, this fee could be used as an investment. While there is still much be worked out, it appears that a solution is in our near future. Third is the issue of the Collegiate Times' online commenting system and the hateful dialogue it breeds. Although I wish I could share encouraging progress, the CT has essentially cut-off communication with students on this issue. However, student organizations are sending a message in other ways, some by pulling all funding for advertisements. Although I would hate to see Virginia Tech lose its only student newspaper, as is it a major source of campus information for many students, many undergraduates, myself included, will continue to make an effort to work with the Collegiate Times on this issue.

In addition to the current issues that face students, there are also items that students feel strongly about, even if they will not be here to witness the change. While the

economic situation is indeed difficult there are three potential future university projects my constituency has been very vocal about. The first is a new academic building. I know this has been brought up several times over the past two days but it cannot be said enough. It is true that the new Student Affairs building will help alleviate the classroom space shortage; it will not however, solve the problem. Not having adequate classroom space is not only forcing many students to sit on the floor in their senior seminar but also forcing many students to not graduate on time. Second, undergraduates would like to see Squires Student Center renovated. This morning the Student Affairs and Athletics Committee, along with the Building and Grounds Committee toured Squires. I'm sure that those who went on the tour as well as those that have occasionally been to Squires realize its importance to undergraduate students as well as its poor condition. For as much as this building is needed and utilized by students, it is still a multi-use building with administrative offices, classrooms, and businesses. Many of our peer institutions have buildings dedicated purely to students, supplying them with spaces to hold meetings, hang out with friends and also study. Although to some this may seem odd to make a priority, we often forget that when students decide to come here they are making Virginia Tech their home and we need to be conscious of both their professional and personal needs. The third long term issue is in regards to parking garages. There is currently a parking garage being built in the Perry Street commuter lot. Although this garage will help with the parking issue we currently have, undergraduates do not want to see our campus to become full of them. Undergraduates would much rather see money that would go to parking garages go toward the Blacksburg Transit or to improving other methods of alternative transportation. I know that many of these things are in the distant future but I hope as the time approaches to make the decisions you will consider what my constituency has said as well as future undergraduates.

Lastly, I would like to introduce next year's Undergraduate Representative to the Board of Visitors, Mr. Shane McCarty. Shane is a junior studying Marketing and Psychology and is currently the Vice President of Student Body. I first met Shane when he was Freshman as we both volunteered to help organize the Big Event. Since then we have served in SGA together and on the Commission on Student Affairs. In the time that I've known him, Shane has proven to be a leader, an innovator, a listener and one who embodies Ut Prosim. His passion for service comes not from necessity but because he believes so strongly in it. I have no doubt that Shane will serve both the Undergraduate constituency and this Board well as next year's undergraduate representative. Congratulations Shane.

Thank you Mr. Rector. Good afternoon members of the Board, President Steger, and distinguished guests.

Friday afternoon I attended a rally organized by the LGBTA in the GLC Plaza in support of the Principles of Community in response to a letter from Attorney General Cuccinelli advising that “sexual orientation,” “gender identity,” and “gender expression” be removed from anti-discrimination policies at Virginia’s colleges and universities. At that rally it was announced that the Graduate Student Assembly had unanimously passed a statement that rejected discrimination and upheld Virginia Tech’s anti-discrimination policies. The Faculty Senate and SGA had passed similar statements this week as well. The immediate and passionate response from the Virginia Tech community has never made me more proud to be a Hokie.

Although I was impressed by the response from Virginia Tech’s students on these issues, I think that we can do better. The Diversity Strategic Plan will help Virginia Tech move past a reactionary response to diversity crises toward developing a conscience for our connectedness with these issues on a daily basis. Not only will this improve our campus climate today, but fostering this level of awareness will give Virginia Tech’s students a competitive edge in a globalized and pluralistic society. As citizens of the world, we must be inclusive in our thinking if we are to continue to be leaders in the 21st century.

Graduate students are the most diverse portion of the Virginia Tech community. We include nationalities from across the globe, minorities and underrepresented students, students who are married, have families, distance learners, part-time students, and professional and academic degree seeking students. With such a broad-based constituency graduate students are particularly sensitive to issues of campus climate. In order to recruit and retain the best students we must demonstrate a commitment to improving our cultural sensitivity and appreciation. We must provide housing, dining, and child care services that address the needs of this student body. And we must provide opportunities for diverse scholarship through programs like Transformative Graduate Education. The Graduate School made great improvements in this area with offering a Diversity course this past fall and hosting lunches with the Dean for underrepresented groups. The diversity of the Graduate School should be seen as a benefit to the entire Virginia Tech community. Not only does having a diverse graduate student body enrich the quality of our scholarship, but it adds value to the experience of being at VT. For instance, the Board would like to put a greater emphasis on education abroad, but a student can visit at least two dozen countries just by walking down the halls of the GLC and chatting with the students there.

Today the members of the Academic Affairs Committee met with students who have completed Global Perspectives through the Transformative Graduate Education program. As a result of this program these students are more confident student leaders, they cross international boundaries in their research and even teach abroad as two students did in Kuwait last summer, and they feel prepared to take on the challenges of academia. Encouraging students to take these courses and changing the attitude of faculty and colleges to recognize the value of these programs will bolster the quality and retention of our graduate students.

Graduate students recognize and desire a greater emphasis on interdisciplinary education. At a recent Lunch with the President, graduate students shared that the research problems they are

addressing do not fit into any one discipline and often cut across multiple fields. They shared their good experiences with initiatives like ICTAS, but also touched on the challenges of engaging in interdisciplinary research. One common theme was the fulfillment of departmental requirements, especially unnecessary coursework and a need for greater access to professors outside of their home departments. Graduate students meet these needs already, in many cases without the proper infrastructure in place. They would welcome the opportunity to share their experiences and ideas for designing a graduate curriculum based around problems rather than disciplinary silos.

I would like to announce Graduate Education Week taking place this week at the GLC, featuring the 26th Annual Graduate Research Symposium on Wednesday March 24th. This year the symposium expanded beyond posters and oral presentations to include video and performance pieces to better highlight the breadth of work being done by over 250 participating graduate students.

I hope that you can join us as we celebrate the many accomplishments and unique contributions of graduate students at Virginia Tech. I would also like to thank Dr. Wagner, Mr. Nolen, and Mr. Cobb for joining us for the graduate appreciation lunch today.

Finally, I am proud to say that our next Graduate Student Representative to the Board of Visitors will be an international student. His name is Deepu George. He is in the department of Human Development in the College of Liberal Arts and Human Sciences. In addition to pursuing his Ph.D. in Family Therapy he is one of six scholars representing Virginia Tech in the Global Dialogue for Responsibility, a filmmaker, and he is spearheading a community arts project called Connections, which promotes community engagement and interdisciplinary efforts. Please welcome Deepu and on behalf of the Board I thank you for your interest in this position.

Thank you.

--- Rebecca A. French, March 22, 2010

**Staff Senate Constituency Report
Virginia Tech Board of Visitors
March 21, 2010
Thomas Tucker, Staff Senate President**

Rector Lawson, members of the Board of Visitors, President Steger, administrators and guests. Thank you again for the opportunity to present, the activities, initiatives, and concerns of the Virginia Tech Staff and the Staff Senate, and to bring those items forward for discussion by the Board.

Promotion of Diversity:

In support of diversity at Virginia Tech, the Staff Senate invited Dr. Virginia Reilly, Director of University ADA Services, to its December meeting for discussion of proposed changes to Policy 4075, the “Policy for University Accommodations of Persons with Disabilities”.. At that meeting, the Staff Senate unanimously passed a motion of support for the proposed changes to Policy 4075.

The Staff Senate also continues to support the proposed changes to University Policy 1025, the “Anti-Discrimination and Harassment Prevention Policy”, relating to Gender Identity Issues.

Community Service:

The Staff Senators provided volunteer service and support to the community through the VT-ENGAGE program. During the holidays, senators continued support for the Blacksburg Interfaith Food Pantry. In response to a specific request from the Food Pantry in February, in just over a week period, senators collected and delivered approximately 550 canned food items to the pantry. At the most recent meeting, student members spoke to staff senators

promoting the Big Event 2010. Several Staff senators indicated plans to participate in this volunteer community service project scheduled for April.

Communication:

The Staff Senate is a primary conduit for transmitting information to and receiving input from Staff.

At the December meeting, Dr. Gene Deisinger, Director of Threat Management Services, discussed the Virginia Tech Threat Assessment Team and the Workplace Violence Prevention Committee. Dr. Deisinger also explained how staff can participate in violence prevention efforts on campus.

Ms. Teresa Craig, Membership Development Director, with the Virginia Governmental Employees Association (VGEA) addressed the Staff Senate at the January 2010 meeting. Ms. Craig discussed the history of the VGEA organization, its membership and legislative agenda, which supports state employees. VGEA also provided methods for employees to communicate with their respective legislators. These communication paths allowed state employees to express their support for the various budget proposals considered by the General Assembly.

Budget Reductions – The staff appreciates the efforts of the University Administration, and others who worked through the legislative process to minimize the impact of budget reductions on employees. In general, staff support of budget passed by the Legislature. However, the one-day furlough for state employees is still a cause for concern. The University may have the option to avoid furloughing employees. If however, the furlough cannot be avoided, some staff

have suggested the university consider having 2 hours of furlough time per pay period for 4 periods.

Winter Break Closing Policy – The Commission on Staff Policies and Affairs (CSPA) has continued to discuss changes to the Winter Break Closing Policy. The proposed changes were submitted to University Council for First Reading on March 1, 2010.

Scholarship support – The Staff Senate continues to promote the Employees' Spouse and Dependent Scholarship Fund and the Presidential Dependent Scholarship Endowment. These two funds provide scholarship opportunities for spouses and dependents of employees should they choose to attend Virginia Tech. Staff members have participated in promotional efforts supporting these scholarships.

Questions?

Thank you for your attention.

Remarks made during the BOV Meeting
Gary L. Long
President, Faculty Senate of Virginia Tech
March 21, 2010

Thank you Mr. Rector. Good afternoon ladies and gentlemen.

The Faculty Senate has been hard at work this year on issues of governance and issues related to the budget reductions. The Faculty Senate Officers have met with President Steger and Provost McNamee on a monthly basis. Our exchanges of information have been fruitful; faculty concerns have been well received by the administration, and the administration has been able to share with the Officers information on budget reductions and its impact on the university.

In terms of governance, we have been working with Commissions and the Administration on the following issues:

- Winter Closing – The Faculty Senate supports the language in the current document on the issue of winter closing. We appreciate the latitude given to faculty members that wish to work during this period.
- Policy 4075 – University Accommodations of Persons with Disabilities. The Faculty Senate fully supports this policy.
- Policy 6200 – Research Extended Appointments. The Faculty Senate has given much consideration to Policy 6200, approved by this Board in November 2009. Our concern stems from the definition of “reasonable effort” (which greatly constrains the work a faculty member may undertake while on research funding) and the proposed mechanisms to shift salary funding from summer months to AY (which attempt to alleviate such constraints). Both the Faculty Senate and the Officers have had frank and open discussions with the Office of the Vice President of Research on this matter.

The Senate understands the Policy is undergoing revisions. Information released from the Yale/Duke settlement has been helpful to the administration in framing the practices the policy should entail. The Faculty Senate is providing input to the Commission of Faculty Affairs on these issues.

- Policy 1025, CEOD Resolution for the Revision to Anti-Discrimination and Harassment Prevention Policy. The Faculty Senate has discussed the proposed revisions and endorsed the findings of CFA on this matter.

With this issue having thought to be properly addressed, the recent letter from Attorney General Cuccinelli stirred the Faculty Senate. While the CEOD revision is not going forward to the Board at this time, the Faculty Senate passed a motion reaffirming the University’s “Principles of Community” in our March meeting. The Senators have a firm understanding of the document that this Board has signed and hence, unanimously passed the motion of reaffirmation.

In terms of budget matters, the Senators have expressed concern forthcoming loss of faculty, as a result of budget reductions. We anticipate losing 70 faculty through the ASO program.

While faculty turnover occurs every year, the impact of the ASO reductions, coupled with several years of austere hiring, will lower the number of our faculty that serve as educators, advisors and research directors. The numbers of classes that must be taught, students that must be advised, and students directed in the laboratories have not fallen.

The Faculty Senate considers this shortage of faculty positions to be a high priority issue. The Faculty Senate Officers understand that the Provost's office is working on a plan to bolster faculty ranks in areas that face large reductions. We endorse this plan, as it addresses the current shift in the academic demographics, with the metrics consisting of teaching demand and research needs.

We understand this shortage will not be solved quickly. It will require coordination between colleges and departments. And, this coordination requires transparency and communication. Dialogue is essential in this time of budgetary crisis; the success, or lack thereof, will set the tone for how colleges and departments rebound and rebuild from this austere period.

In closing, let me say to you that the Faculty has not shrunk from the task given them. We have worked hard in our teaching, research, advising, and outreach efforts. We understand the limitations the budget reductions have imposed on the university. Let me assure you that the Faculty will not waiver in their commitment to excellence in teaching, research and outreach in this upcoming biennium.