

Virginia Tech Board of Visitors Meeting

March 24-25, 2013

Information Session

Minutes

- A. **Minutes:** Academic Affairs Committee
- B. **Minutes:** Buildings and Grounds Committee
- C. **Resolution:** Approval for Demolition of University Building 270G on the Virginia Tech Campus
- D. **Resolution:** Approval for Demolition of University Building 805 at Middleburg Agricultural Research and Extension Center
- E. **Resolution:** Appointment to the Montgomery Regional Solid Waste Authority
- F. **Resolution:** Appointment to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority
- G. **Minutes:** Finance and Audit Committee
- H. **Resolution:** Approval of the Year-to-Date Financial Performance Report (July 1, 2012 - December 31, 2012)
- I. **Resolution:** Approval of 2013-14 Compensation for Graduate Assistants
- J. **Resolution:** Approval for Upper Quad Planning
- K. **Resolution:** Approval to Authorize a Capital Lease for the Virginia Tech Transportation Institute Expansion
- L. **Resolution:** Approval of the 2014-2020 Capital Outlay Plan
- M. **Minutes:** Research Committee
- N. **Minutes:** Student Affairs and Athletics Committee
- O. **Report:** Research and Development Disclosure
- P. **Report:** Student Government Association
- Q. **Resolutions:** Naming University Facilities
- R. **Resolutions:** Approval of External Awards
- S. **Resolutions:** Approval of Emeritus Requests (5)
- T. **Resolutions:** Approval of Endowed Chairs, Fellowships, and Professorships (8)
- U. **Resolutions:** Faculty Research Leave Requests (74)
- V. **Resolution:** Ratification of the Personnel Changes Report
- W. **Reports:** Constituent Reports



2013-14 Financial Outlook
Board of Visitors
March 24, 2013
M. Dwight Shelton, Jr.
VP for Finance and Chief Financial Officer

University Budget Structure

University Budget

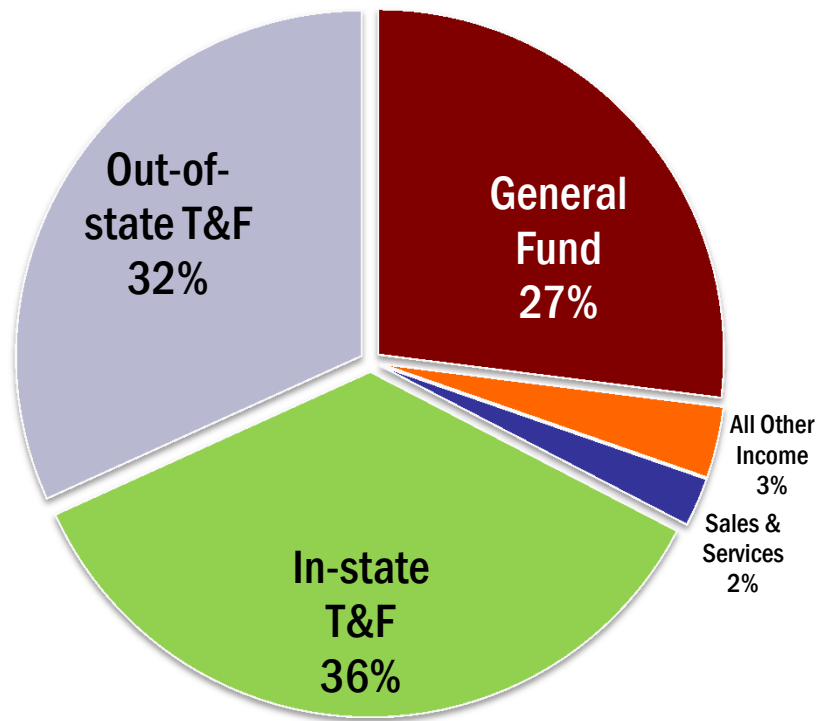
Fiscal Year 2012-13

\$ in millions

Program Category	Total Budget
E&G	
University Division (208)	539.2
Coop Extension/Ag Exp Division (229)	78.0
Total E&G	617.2
Student Financial Aid (state)	18.6
Auxiliary Enterprises	270.5
Sponsored Programs	290.1
All Other Programs	5.8
University Budget	1,202.2

(Source: 2012-13 University
Authorized Budget Document)

University Division Revenue Sources Educational & General Program 2012-13



Components	\$ Millions	%
General Fund	\$145.6	27%
In-state T&F	192.0	36%
Out-of-state T&F	171.3	32%
Sales & Services	12.3	2%
All Other Income	18.0	3%
Total	\$539.2	100%

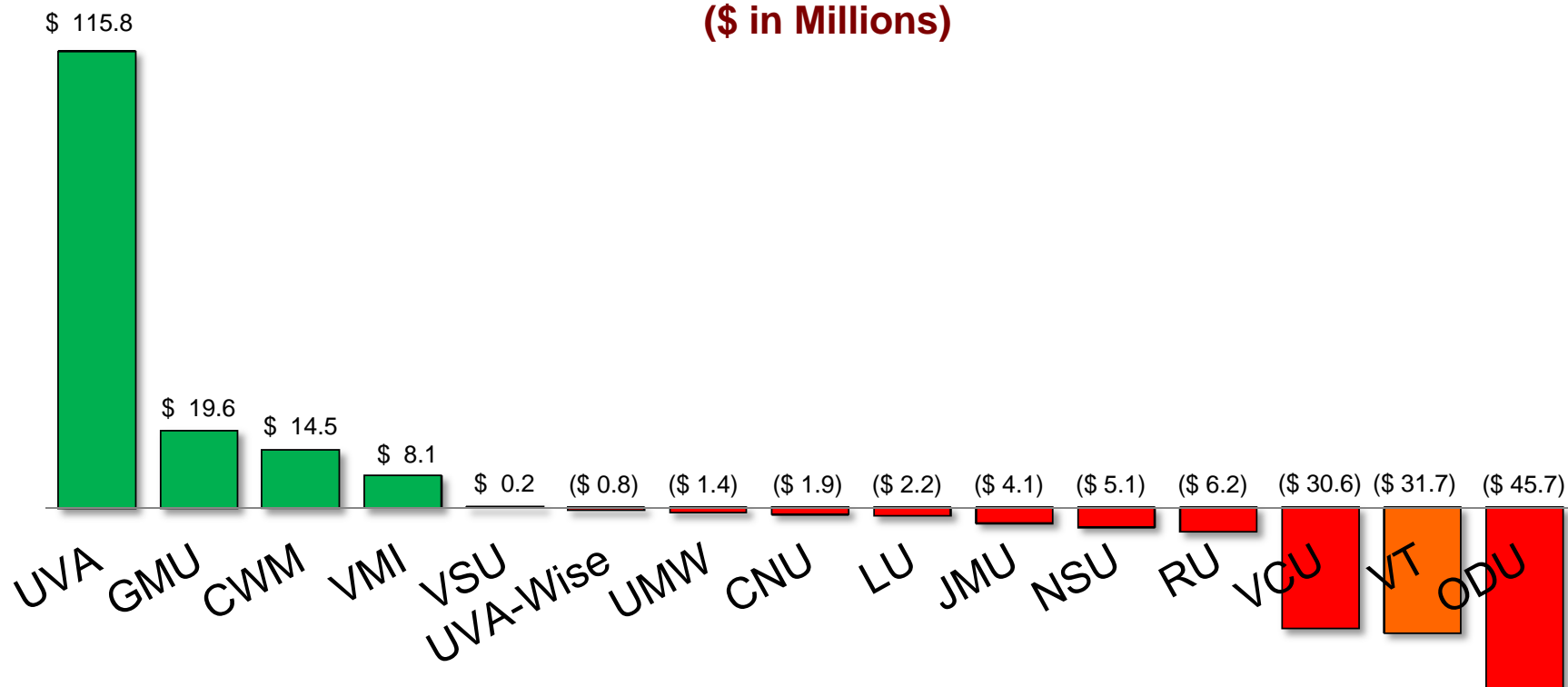
(Source: 2012-13 University
Authorized Budget Document)

Current Environment

Current Environment

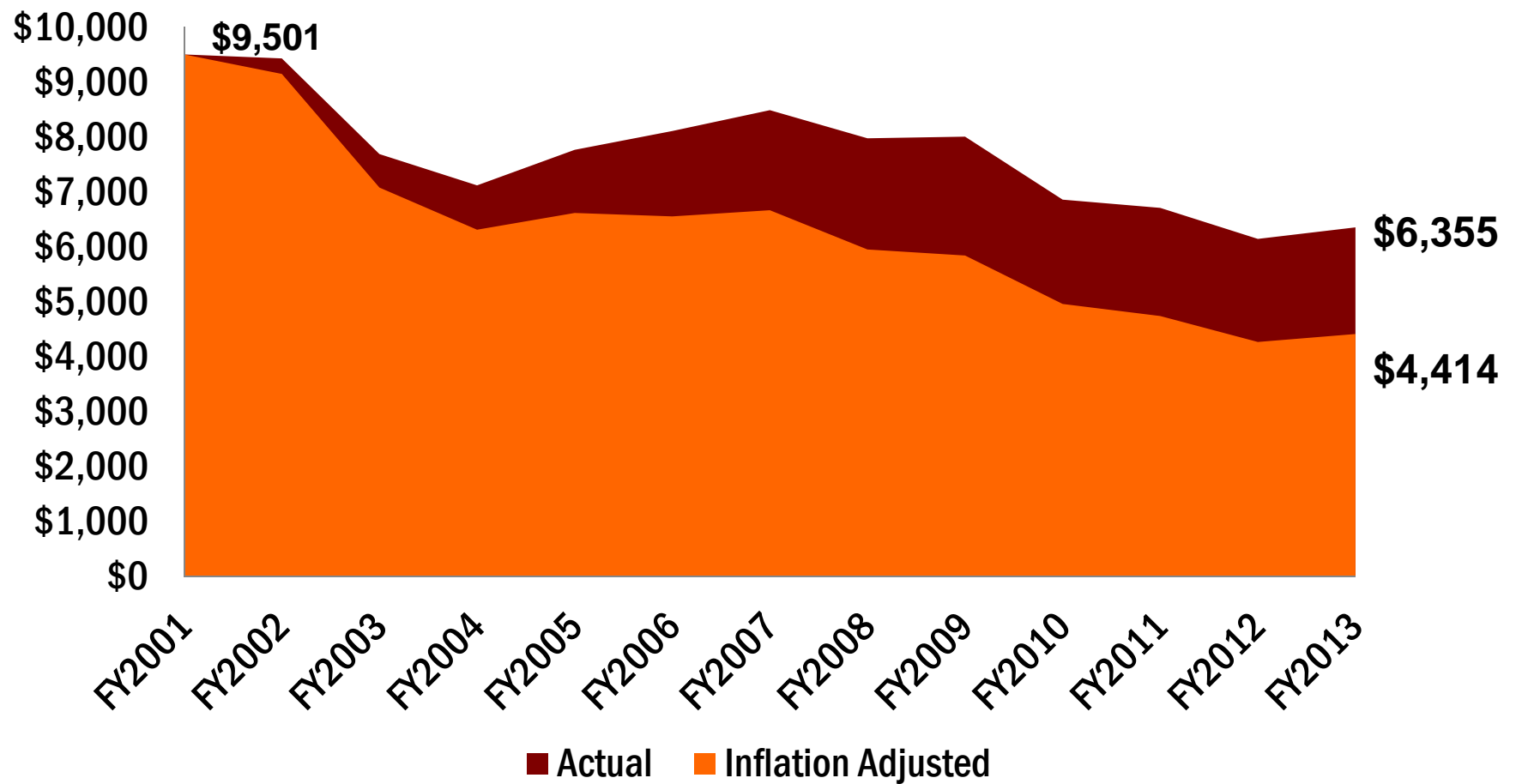
- ❑ \$31.7M base budget adequacy shortfall as of September 2012
- ❑ While the Commonwealth's stated goal is the 60th percentile, Virginia Tech's authorized faculty salary average is at the 25th percentile of our SCHEV peer group.
- ❑ 2,382 additional Virginia undergraduates have enrolled since 2004.
- ❑ Revised Six-year plan envisioned 3.9% across-the-board tuition increases based upon:
 - ❑ Significant increase in General Fund support
 - ❑ Known NGF cost assignments in Summer 2012

System-wide Funding Adequacy As Calculated by SCHEV, Fall 2012 (\$ in Millions)



This is the Commonwealth's recognized shortage of faculty, staff, and resources for operation at Virginia Tech.

General Fund Per Virginia Student at Virginia Tech



2013-14 University Budget Development

Budget Development

- ❑ Based upon BOV and state approved Six-Year Plan
- ❑ Major factors of the 2013-14 budget:
 - ❑ Results of the 2013 General Assembly
 - ❑ \$2.1m additional flexible operating support for E&G budget
 - ❑ Compensation
 - ❑ Health care cost increase up to 18%
 - ❑ Mandatory factors such as safety and security and fixed operating cost increases
 - ❑ Academic initiatives consistent with the Long Range plan
 - ❑ University continues to assess the relative priority of initiatives

2013 General Assembly

- Joint Conference Budget as of February 23rd includes the following support for Virginia Tech in 2013-14:

<u>Designated support outside E&G budget</u>	<u>General Fund (\$ in Millions)</u>
Agency 229 VCE/VAES	\$0.9
Unique Military Activities	0.6
Brain Disorder Research	1.0
Undergraduate Financial Aid	0.8
<i>Subtotal Outside E&G Budget</i>	<i>3.3</i>
<u>E&G Instructional Budget Support</u>	<u>2.1</u>
<i>Subtotal</i>	<i>5.4</i>
<u>Budget Reduction Elimination</u>	<u>0.7</u>
<i>Subtotal</i>	<i>6.1</i>
<u>One-time Equipment Trust Fund Increase</u>	<u>2.0</u>
<i>Total Incremental Direct GF for 2013-14</i>	<i>\$8.1</i>

Incremental E&G State Operating Support for Virginia Tech 2013-14

	General Fund (\$ in millions)
Base Operating Support	\$0.7
New Virginia Undergraduate Growth	0.6
1% Faculty Salary Increase	0.8
<i>New Direct GF for 2013-14 E&G Instructional Budget</i>	<i>2.1</i>
2012 General Assembly 2% Faculty Salary Action	1.9
<i>Total Incremental Direct GF Appropriation, 2013-14</i>	<i>4.0</i>
Estimated 2013-14 Central Fund GF Support	4.0
<i>Total Incremental GF for 2013-14 E&G Operating</i>	<i>\$8.0</i>

Incremental E&G GF Per Resident Student

- ❑ Though VT received new GF support in the 2013 General Assembly session, our total direct incremental support (as quantified by SCHEV) over the biennium still ranked last in the Commonwealth.

Institution	E&G GF/ Resident FTE			E&G GF/FTE Rank		
	2012-13	2013-14	2012-14 Total	2012-13	2013-14	2012-14 Total
UVA's College at Wise	\$ 703	\$ 227	\$ 931	1	5	1
VMI	604	245	849	2	4	2
Old Dominion University	386	347	734	4	1	3
VA State University	430	122	553	3	15	4
James Madison University	318	219	536	6	6	5
University of Virginia	251	272	523	12	2	6
Norfolk State University	362	145	507	5	13	7
College of William & Mary	221	261	482	14	3	8
Christopher Newport University	312	150	463	7	11	9
VA Commonwealth University	297	159	456	8	9	10
Radford University	292	150	442	9	12	11
University of Mary Washington	280	151	431	10	10	12
George Mason University	234	183	417	13	8	13
Longwood University	257	133	390	11	14	14
Virginia Tech	182	190	372	15	7	15

2013-14 E&G Cost Drivers

(\$s in millions)

Compensation

	Total	Fund Split	
		State	University
3% Statewide Action – Faculty	\$8.1	\$2.8	\$5.3
2% Statewide Action – Staff	1.6	0.7	0.9
\$65/Yr Statewide Action - Staff	1.7	0.7	1.0
Total	\$11.4	\$4.1	\$7.3

2013-14 E&G Cost Drivers

(\$s in millions)

Mandatory Cost Drivers

	Total	Fund Split	
		State	University
Health Insurance	\$6.9	\$2.6	\$4.3
Operating – Utilities & Fixed Costs	1.5	0.7	0.8
Operating – O&M	0.7	0.0	0.7
Unfunded Mandates	0.6	0.0	0.6
Total	\$9.7	\$3.3	\$6.4

2013-14 E&G Cost Drivers

(\$s in millions)

Unavoidable Cost Increases

	Total	Fund Split	
		State	University
Enrollment Growth	\$0.9	0.6	0.3
Safety and Security	0.2	0.0	0.2
Contractual Commitments	1.1	0.0	1.1
	\$2.2	\$0.6	\$1.6

2013-14 E&G Cost Drivers

(\$s in millions)

Total Cost Drivers

	Total	Fund Split	
		State	University
Compensation	\$11.4	\$4.1	\$7.3
Mandatory Cost Drivers	9.7	3.3	6.4
Unavoidable Cost Increases	2.2	0.6	1.6
	\$23.3	\$8.0	\$15.3

Prior to initiatives or critical needs identified in 2013-14 budget process.

Reallocations

- ❑ Appropriation Act requires \$2.65M reallocation in 2013-14.
 - ❑ University has targeted this to meet prior commitments.

- ❑ 2013 General Assembly added language authorizing institutions of higher education to reallocate up to 1.5% of E&G General Fund support to address faculty compensation, if prioritized by the institution.
 - ❑ University plans to utilize this allowance to address retention, compression, and other strategic compensation issues, primarily as an element of the faculty merit process.

Efficiency Enhancement

- ❑ Automation and re-engineering of business processes
- ❑ Classroom and equipment upgrades to more effectively utilize existing facilities and enhance learning outcomes
- ❑ Year round utilization of facilities
- ❑ Energy-savings
- ❑ Realignment of vacant positions
- ❑ Reallocation of a portion of E&G resources based on student credit hour and degree production to colleges

Nongeneral Fund Revenue Options

Factors Considered in Establishing Rates

- ☐ State policy
 - ☐ Nonresidents
 - ☐ Fund at least 100% of their average cost of education
 - ☐ Commonwealth capital and equipment debt service assignment
 - ☐ Residents
 - ☐ State intent to fund 67%
- ☐ Costs
 - ☐ Nongeneral fund cost assignments
- ☐ Market
 - ☐ SCHEV Peers
 - ☐ Competitive Peers
 - ☐ Net Price Benchmarking
- ☐ Continued Price sensitivity

Current Tuition & Fees

2012-13

	Undergraduate		Graduate	
	Resident	Nonresident	Resident	Nonresident
Tuition and E&G Fees	\$9,250	\$23,638	\$10,740	\$20,989
State Capital & Equipment Fee	N/A	\$604	N/A	\$604
Comprehensive Fee (Auxiliary)	\$1,673	\$1,673	\$1,673	\$1,673
Total Tuition and Mandatory Fees	\$10,923	\$25,915	\$12,413	\$23,266

- Student cost share
 - Residents charged 58% of the cost of education
 - Nonresidents charged 149% of the cost of education

Potential Tuition & Mandatory Fee Increases

Example Scenarios for 2013-14

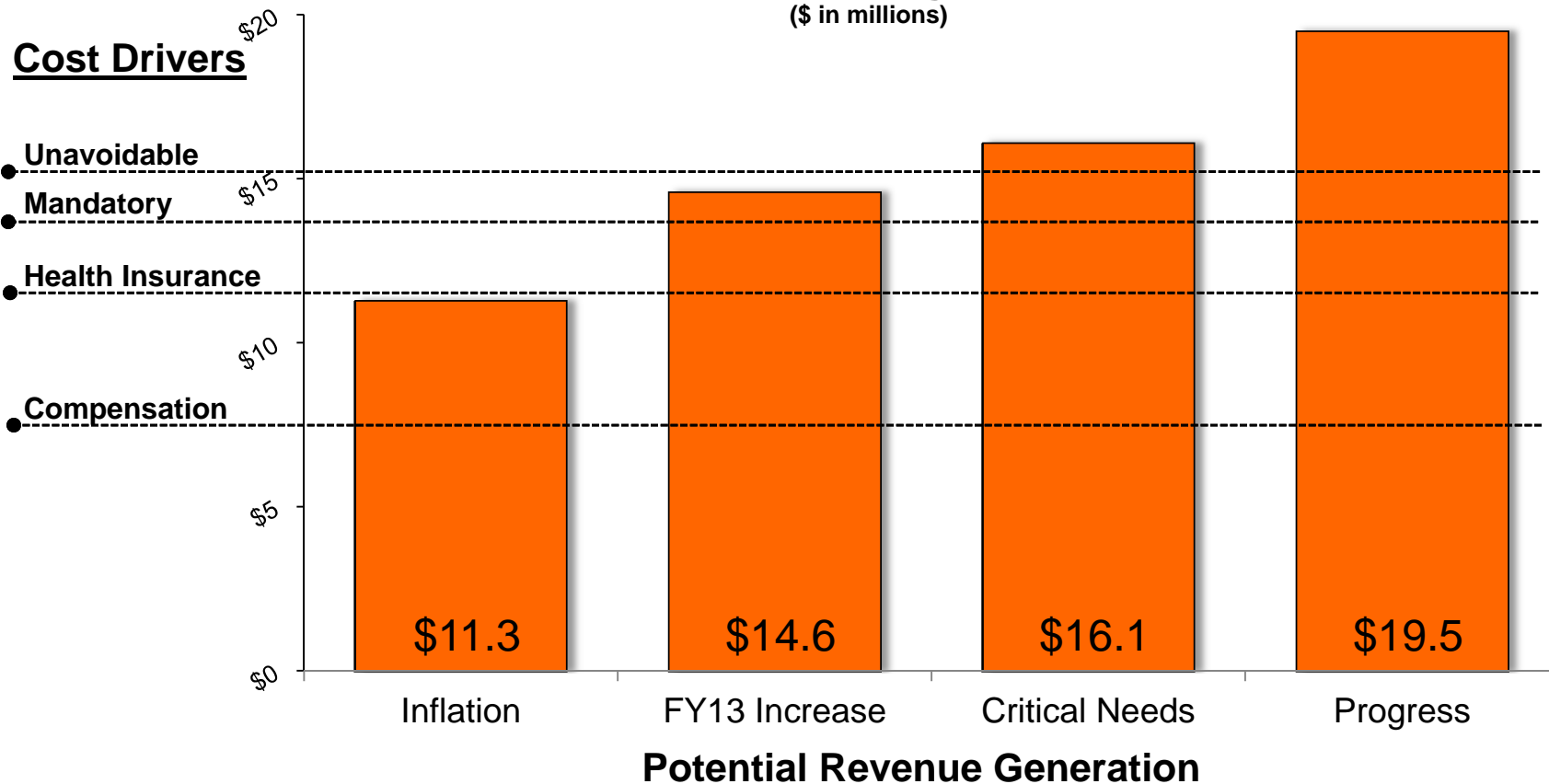
Scenarios	Undergraduate		Graduate		Incremental Tuition Revenue
	Resident	Nonresident	Resident	Nonresident	
Current Rate	\$10,923	\$25,915	\$12,413	\$23,266	
Inflation	1.7% (\$186)	4.9% (\$1,270)	4.9% (\$608)	5.7% (\$1,326)	\$11.3m
FY13 Rate Increase	3.9% (\$426)				\$14.6m
Critical Needs	4.9% (\$535)				\$16.1m
Progress	7.0% (\$764)				\$19.5m

Tuition Coverage of Nongeneral Fund Costs

Example Scenarios for 2013-14

- ❑ Comparison of incremental revenue generated by tuition rate scenarios to the nongeneral fund share of the major cost driver categories.

Tuition Revenue Coverage of Cost Drivers
(\$ in millions)



Current Tuition & Fee Benchmarks

	2012-13		
	VT	Average	VT Rank
In-state Undergraduate			
Public SCHEV Peers	\$10,923	\$11,073	11 out of 24
Virginia Institutions	\$10,923	\$9,847	4 out of 15
UVA	\$10,923	\$12,006	
CWM	\$10,923	\$13,570	
Out-of-state Undergraduate			
Public SCHEV Peers	\$25,915	\$27,576	16 out of 24
Virginia Institutions	\$25,915	\$25,082	5 out of 15
Regional Competitive Peers (a)	\$25,915	\$25,851	

(a) Regional competitive peers: Pennsylvania State, Rutgers University, University of Maryland, Ohio State, University of Pittsburgh, and North Carolina State.

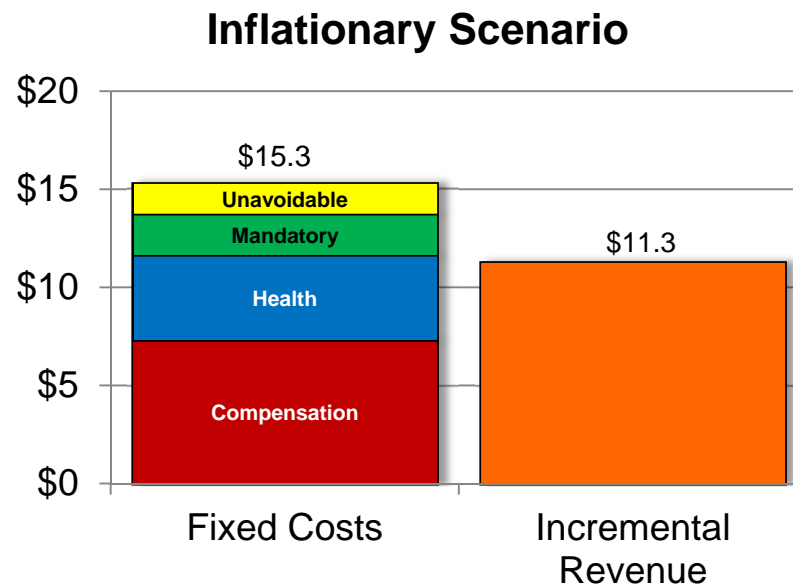
Projected Tuition and Fee Benchmarks for 2013-14

Resident Undergraduate Scenarios	Ranking within Peer Group of 25 (Current/Projected)			
	Undergraduate		Graduate	
	Resident	Nonresident 4.9%	Resident 4.9%	Nonresident 5.7%
	1.7%	11th / 11th	16 th / 15 th	13 th / 13 th
	3.9%	11th / 11th		
	4.9%	11th / 11th		
7.0%	11th / 11th			
			17 th / 16 th	

**SCHEV Peer group projection based on average peer increases during 2012-13.*

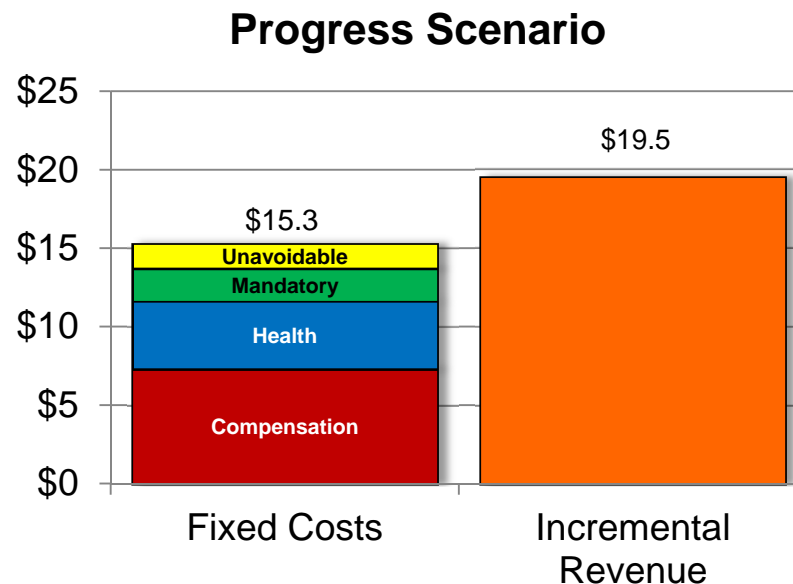
Inflationary Scenario

- ❑ Increase of 1.7% for resident undergraduates
 - ❑ Inability to fund state nongeneral fund cost assignments
 - ❑ No additional progress to academic initiatives in the Long Range plan or the Commonwealth's approved Six-Year plan
 - ❑ Inability to attract and retain high-demand faculty



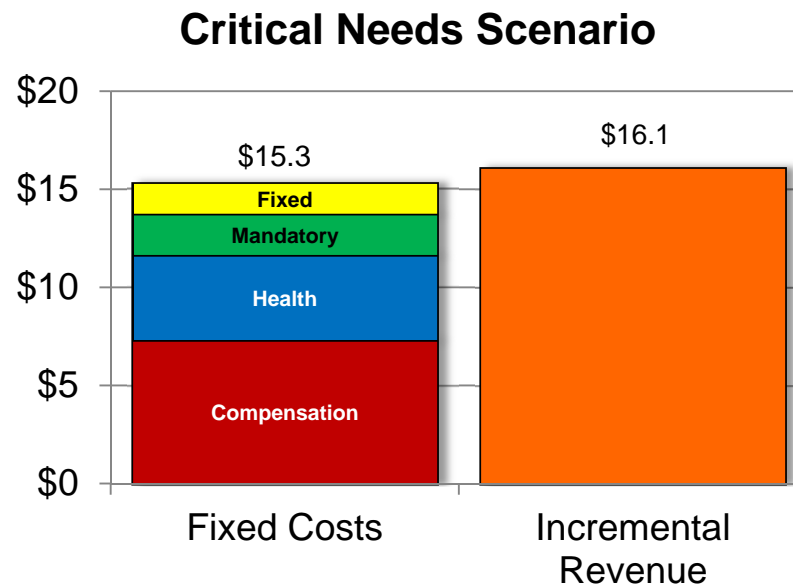
Progress Scenario

- ❑ Increase of 7% for resident undergraduates
 - ❑ Addresses unavoidable cost requirements
 - ❑ Allows more progress towards the university's Long Range plan
 - ❑ While resource needs may lead to such a rate, magnitude of increase may not be sensitive to current economic environment



Critical Needs Scenario

- ❑ Increase of 4.9% for resident undergraduates
 - ❑ Addressed fixed cost assignments from the state
 - ❑ Allows limited progress towards the goals of the Long Range plan
 - ❑ Sensitive to current economic environment

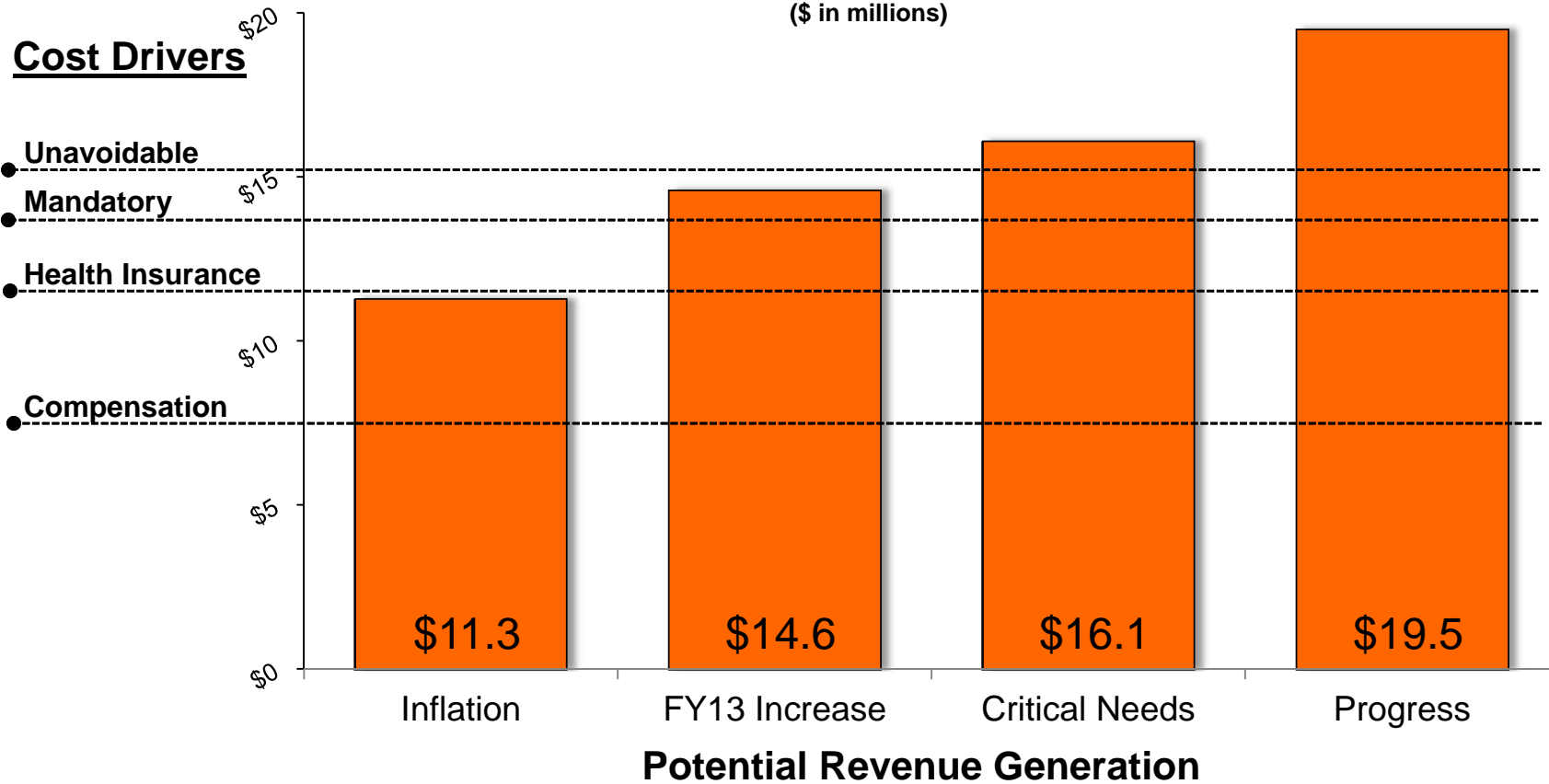


Tuition Coverage of Nongeneral Fund Costs

Example Scenarios for 2013-14

- ❑ Comparison of incremental revenue generated by tuition rate scenarios to the nongeneral fund share of the major cost driver categories.

Tuition Revenue Coverage of Cost Drivers
(\$ in millions)



MINUTES

March 25, 2013

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, March 25, 2013, at 1:15 p.m. in Torgersen Boardroom, Virginia Tech Campus, Blacksburg, Virginia.

Present

Dr. Nancy V. Dye
 Mr. William D. Fairchild, III
 Mr. Cordel Faulk
 Mr. B. Keith Fulton
 Mr. John C. Lee IV
 Mr. George Nolen (Vice Rector)
 Ms. Suzanne Obenshain
 Ms. Deborah Leigh Martin Petrine
 Mr. Michael J. Quillen (Rector)
 Mr. John G. Rocovich, Jr.
 Mr. Paul W. Rogers, Jr.
 Mr. Dennis H. Treacy
 Dr. Sarah Karpanty, Faculty Representative
 Ms. Sue Teel, Staff Representative
 Ms. Robyn T. Jones, Graduate Student Representative
 Mr. Nicholas A. Onopa, Undergraduate Student Representative

Absent

Ms. Michele Duke
 Mr. William B. Holtzman

Also present were the following: Dr. Charles Steger, Mr. Ralph Byers, Dr. Randy Collins, Ms. Shelia Collins, Ms. Wanda Dean, Dr. Karen DePauw, Dr. John Dooley, Chief Wendell Flinchum, Ms. Natalie Hart, Ms. Kay Heidbreder, Mr. Larry Hincker, Ms. Elizabeth Hooper, Ms. Sharon Kurek, Dr. Will Lewis, Ms. Heidi McCoy, Dr. Mark McNamee, Dr. Scott Midkiff, Mr. Mike Mulhare, Dr. Jerry Niles, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Patty Perillo, Dr. Ellen Plummer, Ms. Savita Sharma, Mr. Dwight Shelton, Ms. Sandra Smith, Mr. Jeb Stewart, Dr. Tom Tillar, Dr. Robert Walters, Dr. Sherwood Wilson, Officer Larry Wooddell, Dr. Daniel Wubah, faculty, staff, students, guests, and reporters.

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Rector Quillen asked for a motion to approve the minutes of the November 5, 2012, meeting as distributed. The motion was made by Mr. Rocovich and seconded by Mr. Lee. The minutes were approved.

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REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Rector Quillen called on Ms. Obenshain for a report of the Academic Affairs Committee. (Copy filed with the permanent minutes and marked Attachment A.)

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REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

Rector Quillen called on Mr. Rocovich for a report of the Buildings and Grounds Committee. (Copy filed with the permanent minutes and marked Attachment B.)

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

Resolution to Demolish University Building 270G on the Virginia Tech Campus

That the resolution authorizing the demolition of building number 270G located on the Virginia Tech main campus in Blacksburg be approved. (Copy filed with the permanent minutes and marked Attachment C.)

* * * * *

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

Resolution to Demolish University Building 805 At the Middleburg Agricultural Research and Extension Center

That the resolution authorizing the demolition of the tenant residence building number 805 located at the Middleburg Agricultural Research and Extension Center in Fauquier County be approved. (Copy filed with the permanent minutes and marked Attachment D.)

* * * * *

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

**Resolution for Approval of Appointment to the
Montgomery Regional Solid Waste Authority**

That the resolution recommending Mark S. Helms, Director of Facilities Operations, be appointed as the university's representative to the Montgomery Regional Solid Waste Authority Board of Directors be approved. (Copy filed with the permanent minutes and marked Attachment E.)

* * * * *

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

**Resolution for Approval of Appointment to the Blacksburg-
Virginia Polytechnic Institute Sanitation Authority**

That the resolution recommending Sherwood G. Wilson, Vice President for Administration, be appointed as the university's representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors to serve the remainder of the four-year term formerly held by Michael J. Coleman be approved. The term will expire January 1, 2016. (Copy filed with the permanent minutes and marked Attachment F.)

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REPORT OF THE FINANCE AND AUDIT COMMITTEE

Rector Quillen called on Ms. Petrine for the report of the Finance and Audit Committee. (Copy filed with the permanent minutes and marked Attachment G.)

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

**Resolution for Approval of the Year-to-Date Financial Performance Report
(July 1, 2012 – December 31, 2012)**

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, 2012, through December 31, 2012, and the Capital Outlay report be accepted. (Copy filed with the permanent minutes and marked Attachment H.)

* * * * *

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

**Resolution for Approval of 2013-14 Compensation
for Graduate Assistants**

That the graduate assistant compensation program for 2013-14 be approved. (Copy filed with the permanent minutes and marked Attachment I.)

* * * * *

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

**Resolution for Approval of Capital Project for Planning the
Upper Quad Residential Facilities**

That the resolution authorizing Virginia Tech to design the Upper Quad Residential Facilities project be approved. (Copy filed with the permanent minutes and marked Attachment J.)

* * * * *

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

**Resolution for Approval of Capital Leases for the
Virginia Tech Transportation Institute Expansion**

That the resolution authorizing Virginia Tech to enter into capital leases with the Virginia Tech Foundation for an expansion of the Virginia Tech Transportation Institute 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 by Ms. Petrine and with the endorsement of the Buildings and Grounds Committee, the following resolution was moved by Ms. Petrine, seconded by Mr. Rocovich, and approved unanimously.

**Resolution for Approval of the List of Projects
for the 2014-2020 Capital Outlay Plan**

That the list of potential projects for inclusion in the 2014-2020 Capital Outlay Plan be approved, and that the university be authorized to develop and submit the Plan, in accordance with future guidance from the state and based on the projects in the approved list. (Copy filed with the permanent minutes and marked Attachment L.)

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REPORT OF THE RESEARCH COMMITTEE

Rector Quillen called on Mr. Nolen for the report of the Research Committee. (Copy filed with the permanent minutes and marked Attachment M.)

* * * * *

REPORT OF THE STUDENT AFFAIRS AND ATHLETICS COMMITTEE

Rector Quillen called on Mr. Faulk for the report of the Student Affairs and Athletics Committee. (Copy filed with the permanent minutes and marked Attachment N.)

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PRESIDENT'S REPORT

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 O.)

* * * * *

President Steger called on Dustin Dorph, Student Government Association President, and Ms. Anjelica Smith, Student Government Association Vice President, to make a presentation (Copy filed with the permanent minutes and marked Attachment P.)

President Steger thanked them for the report and congratulated both on all their successful endeavors they have pursued during the past year. They then responded to several questions regarding the annual SGA survey of the student body, which this year was called "Extreme Makeover, Campus Edition." Approximately 12 percent, or 1910, of the undergraduate students participated in this year's survey. The participation rate in SGA elections varies by year. A very highly contested race a few years ago drew 23 percent participation. Last year's un-contested race drew 8 percent, and they are hoping for 16 percent participation this year. Dr. Perillo added that the national average is 10 percent. Voting is conducted through "Gobbler Connect," which is a social website for students. Rector Quillen complimented them on a great job and asked that they share the results of their survey with Ms. O'Rourke, who will then distribute the information to the Board of Visitors. [Note: This has been done. Copy filed with the permanent minutes and also marked Attachment P.]

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President Steger then raised the issue of legislation (HB 1952) passed by the 2013 General Assembly related to the boards of visitors at all state institutions. This new law will add specific topics to be covered during the educational programs for governing boards and requires such programs to be delivered annually by the State Council of Higher Education for Virginia (SCHEV). This bill also requires each board of visitors to adopt bylaws with certain provisions relating to the Freedom of Information and Conflict of Interest Acts, annually meet with the president of the institution to deliver a review of the president's performance, designate its executive committee to organize the working processes of the board and recommend best practices for board governance, develop a code of ethics for the board, recommend to the Governor a list of qualifications and competencies that members of the board should possess, and annually deliver an executive summary of the board's interim activities to the General Assembly and the Governor. Kim O'Rourke sent the Board a memorandum on March 7 about this

outlining that was needed. President Steger said that Virginia Tech already complies with most of the required items. The staff here is ready to assist the board as needed.

Although the legislation charges the executive committees with the tasks noted above, Rector Quillen said his preference is to involve the full board. He then asked Mr. Treacy to head up a small committee with Mr. Faulk to work with Ms. O'Rourke and Ms. Heidbreder to bring recommendations to the board in June. If other members have any questions or comments, Rector Quillen asked that they please contact Mr. Treacy or Mr. Faulk. Mr. Quillen appreciates the work and research already done by the staff as to what peer institutions have done in terms of codes of ethics and competencies of board members.

* * * * *

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 Mr. Rocovich 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 Quillen 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 provision of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Board of Visitors that such closed meeting was conducted in conformity with Virginia law;

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

The motion was seconded by Mr. Lee and passed unanimously.

* * * * *

Upon motion by Mr. Faulk and second by Mr. Rocovich, unanimous approval was given to the resolution to ratify the **Selection of the 2013-2014 Student Representatives to the Board** as considered in Closed Session. Mr. Faulk introduced Erica Wood, 2013-2014 Undergraduate Student Representative to the Board of Visitors, and Nick Warrington, 2012-2013 Graduate Student Representative to the Board of Visitors.

* * * * *

Upon motion by Mr. Rocovich and second by Mr. Lee, unanimous approval was given to the Resolutions to **Name University Facilities (11)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment Q.)

* * * * *

Upon motion by Mr. Nolen and second by Mr. Rocovich, unanimous approval was given to the Resolutions for **Approval of External Awards (2)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment R.)

* * * * *

Upon motion by Ms. Obenshain and second by Mr. Rocovich, unanimous approval was given to the resolutions for approval of **Emeritus status (5)** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment S.)

* * * * *

Upon motion by Ms. Obenshain and second by Mr. Rocovich, unanimous approval was given to the resolutions for approval of **Endowed Chairs, Fellowships, and Professorships (8)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment T.)

* * * * *

Upon motion by Ms. Obenshain and second by Mr. Rocovich, unanimous approval was given to the resolutions for approval of **Faculty Research Leave Requests (74)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment U.)

* * * * *

Upon motion by Ms. Obenshain and second by Mr. Rocovich, unanimous approval was given to the resolution for ratification of the **Personnel Changes Report** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment V.) This item was reviewed by the Finance & Audit and Academic Affairs Committees.

* * * * *

Litigation Report

Not for Approval

* * * * *

Appointment of Nominating Committee for Officers of the Board

Mr. Quillen appointed the Nominating Committee, as follows, to bring to the June Board of Visitors meeting recommendations for the 2013-14 Officers of the Board of Visitors:

Mr. William Fairchild, Chair
Dr. Nancy Dye
Mr. Cordel Faulk

* * * * *

Constituent Reports (No action required.)

- **Undergraduate Student Representative to the Board – Mr. Nicholas Onopa**
- **Graduate Student Representative to the Board – Ms. Robyn Jones**
- **Staff Representative to the Board – Ms. Sue Teel**
- **Faculty Representative to the Board – Dr. Sarah Karpanty**

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

In regard to indirect costs of research, Mr. Nolen asked that Dr. Karpanty work with Mr. Shelton and bring a brief presentation back to the Finance and Audit Committee in June.

* * * * *

Rector Quillen announced that it will be necessary to hold a special meeting of the Board before May 1 because tuition and fees for 2013-14 must be set so that applicants and parents can decide whether to accept offers of admission to Virginia Tech by the May 1 deadline. Secretary of Education Laura Fornash has advised that the Governor has requested to speak with all presidents and board rectors and vice-rectors via phone conference on March 27, and it is assumed that the topic is tuition. Board rectors and university presidents are also scheduled to meet in Richmond on April 22, so the Board of Visitors meeting will be scheduled shortly thereafter.

* * * * *

The date for the next regular meeting is June 2-3, 2013, in Blacksburg, Virginia.

However, a special meeting to set tuition and fees for 2013-14 will be held prior to May 1.

* * * * *

The meeting adjourned at 3:15 p.m.

Michael J. Quillen, Rector

Kim O'Rourke, Secretary

Committee Minutes
ACADEMIC AFFAIRS COMMITTEE

Inn at Virginia Tech and Skelton Conference Center
Drillfield Conference Room
9:00 – 11:30 a.m.

March 25, 2013

Board Members Present:

Robyn Jones (graduate student representative), Suzanne Obenshain (chair), Mike Quillen (rector), Paul Rogers, Dennis Treacy; also in attendance: Sarah Karpanty (faculty representative)

Guests:

Kris Bush, Elsa Camargo, Al Cooper, Alicia Cohen, Randy Collins, Wanda Hankins Dean, Karen DePauw, Jack Finney, Mike Friedlander, Pat Hyer, Mildred Johnson, William Lewis, Alison Matthiessen, Mark McNamee, Jerome Niles, Robin Panneton, Ellen Plummer, Karen Eley Sanders, Judy Taylor, Bob Walters, Tod Whitehurst, Daniel Wubah

OPEN SESSION

1. Welcome.

Suzanne Obenshain welcomed committee members and guests. Prior to the meeting, the committee met over breakfast with faculty members and department heads and discussed mentoring for pre-tenure faculty.

2. Approval of Minutes.

A motion was made and passed unanimously to approve the minutes of the committee's November 5, 2012 meeting.

3. Report of Closed Session Action Items. The committee approved a resolution to move into closed session to consider five emeriti resolutions, eight endowed professorships, 74 research leaves, and to ratify the faculty personnel changes report.

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

- 4. Provost's Update.** Dr. Mark McNamee, senior vice president and provost, updated the committee on the status of executive searches. Dr. Robert Sumichrast has been selected as dean of the Pamplin College of Business. Dr. Gerhardt Schurig will step down, and a search is underway for a new dean of the Virginia Maryland Regional College of Veterinary. The university expects to announce a new vice president of international affairs and outreach within the next few weeks. Dr. Daniel Wubah has accepted the position of provost at Washington and Lee.

Dr. McNamee updated the committee on the manner in which academic deans and vice presidents are working to further implement strategic initiatives identified in *A Plan for A New Horizon*. Within the academic areas of the university, eleven areas of emphasis have been identified and summary plans include anticipated actions and related investments. The summary plan will be finalized within the next few weeks once deans and academic vice presidents have an opportunity to finalize their portions of the plan. The plan is designed to be concise and outline specific plans and actions. The areas of emphasis outlined in the provost's implementation plan will be reviewed regularly and will guide priority setting in annual resource allocation processes.

5. Academic Initiatives and Administration.

a. Curriculum and Degree Development. Dr. Mark McNamee presented information to the committee regarding the processes by which the curriculum is continuously developed. Faculty members and the colleges regularly review the curriculum and discontinue courses, and propose new courses and degrees. The process includes multiple levels of review and opportunities for input from the faculty and administration prior to presentation to the board. The committee received preliminary information about the degrees that are to be presented in future board meetings. One of these is a Ph.D. in Translational Biology, Medicine and Health which is a new degree being led by the Virginia Tech Carilion Research Institute involving all colleges and over 100 faculty members. Some degree actions require approval by the State Council of Higher Education for Virginia (SCHEV) and notification to the Southern Association of Colleges and Schools/Commission on Colleges (SACS-COC).

6. Faculty Affairs.

a. Review of Faculty Promotion and Tenure Processes. Dr. Jack Finney, vice provost for faculty affairs, provided information on the annual process by which faculty members are recommended for promotion and tenure. The faculty member prepares an extensive dossier outlining scholarship and professional contributions. The dossier is then evaluated by department, college and university committees before coming to the board in June of each year for final approval.

b. Faculty Compensation. Dr. Finney provided background information regarding the faculty compensation plan. The plan, governed by the Code of Virginia and approved each June by the board, covers the university's authorized salary average,

promotion raises, annual evaluation and salary adjustments, and equity and retention adjustments.

7. Inclusive Excellence.

a. Update to the Diversity Strategic Planning Process. Dr. William Lewis, vice president for diversity and inclusion, provided information on the status of the diversity strategic plan. The purpose of the diversity strategic plan is to articulate strategies designed to advance an educational environment that prepares students for lives and careers in a diverse and interdependent society. Currently stakeholders are engaged in discussing planning efforts and the board will receive the results of these planning efforts in June in the form of a planning document. The committee discussed the importance of continued assessment and articulating specific strategies to address gaps.

8. Adjournment. There being no further business, the meeting adjourned at 11:15.

Curriculum & Degree Development

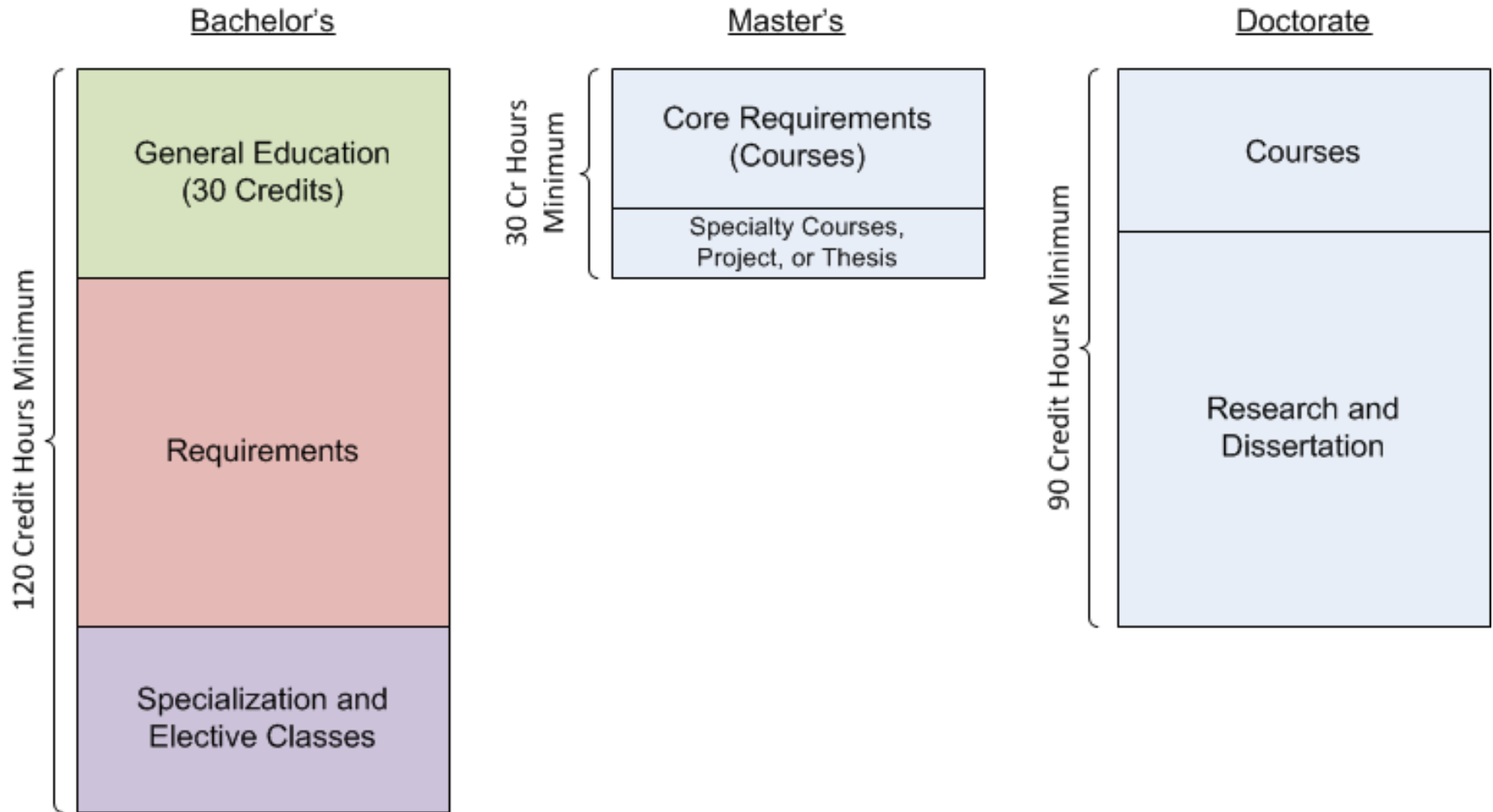
Dr. Mark G. McNamee
Senior Vice President and Provost

Board of Visitors
Academic Affairs Committee
March 25, 2013

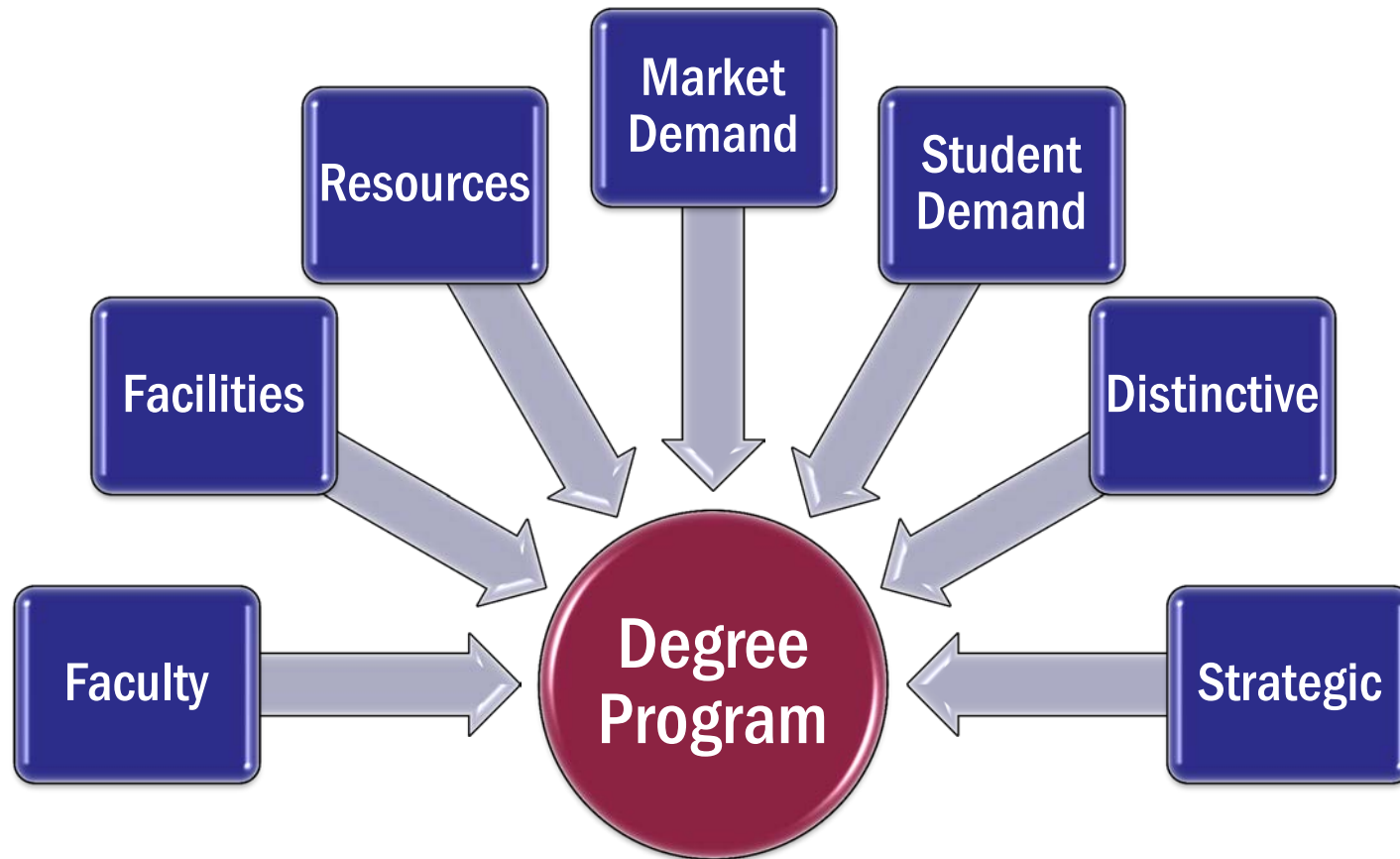
- **Virginia Tech's academic mission is intentionally comprehensive and diverse**
- **Virginia Tech's 8 Colleges and Graduate School offer**
 - **66 undergraduate degrees**
 - **125 graduate and professional degrees**
 - **69 master's**
 - **56 Ph.D. + professional (DVM)**

- **The curriculum is kept fresh and responsive to student needs by discontinuing idle degrees and developing new ones**
- **The faculty and Colleges drive adjustments to the curriculum**
- **Degree development requires internal and external reviews, and approvals**
 - **Department, college and university levels**
 - **Board of Visitors**
 - **State Council of Higher Education for Virginia (SCHEV)**
 - **Substantive changes to Southern Association of Colleges and Schools/Commission on Colleges (SACS/COC)**

Composition of Coursework and Credits

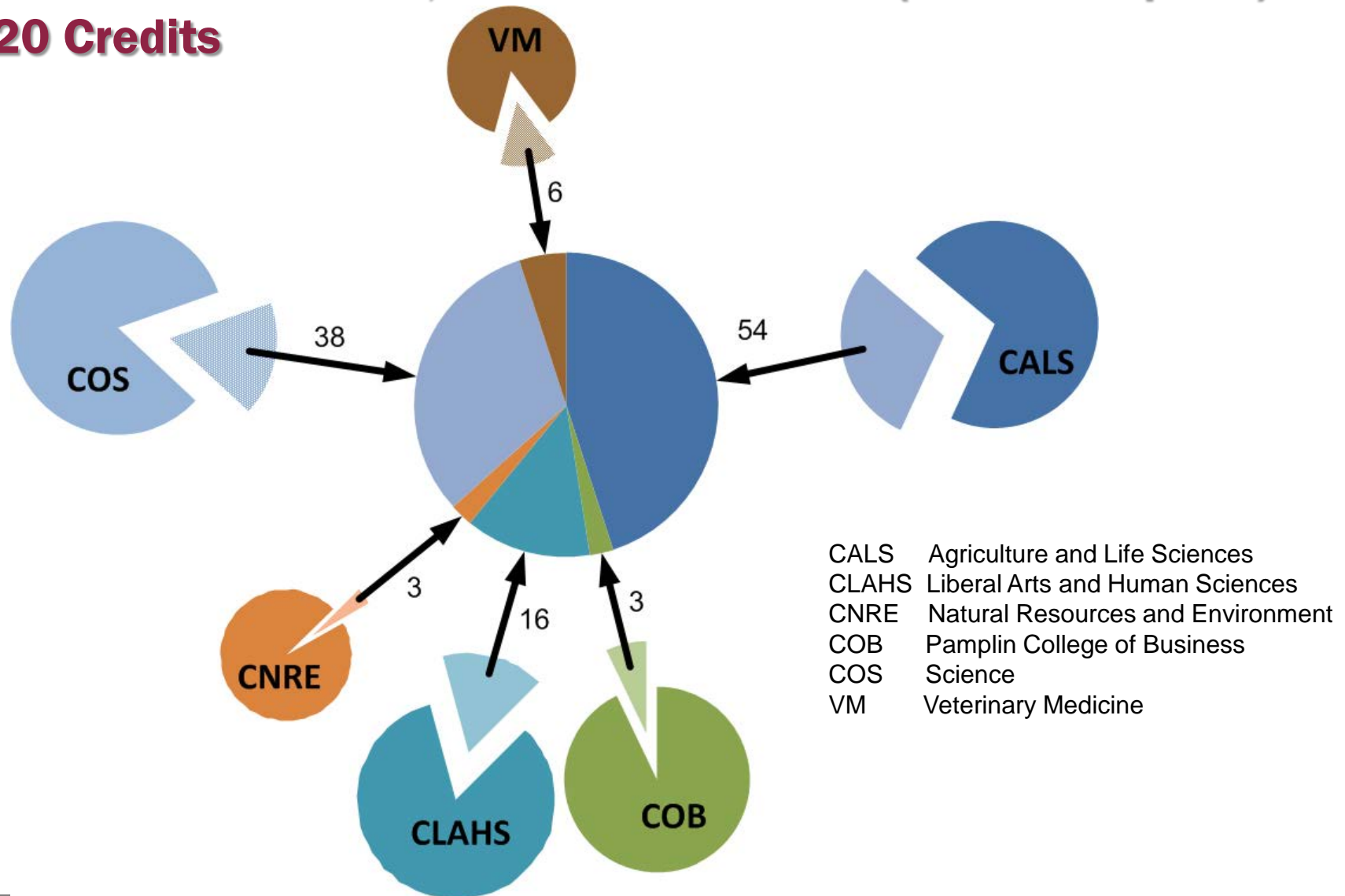


Considerations



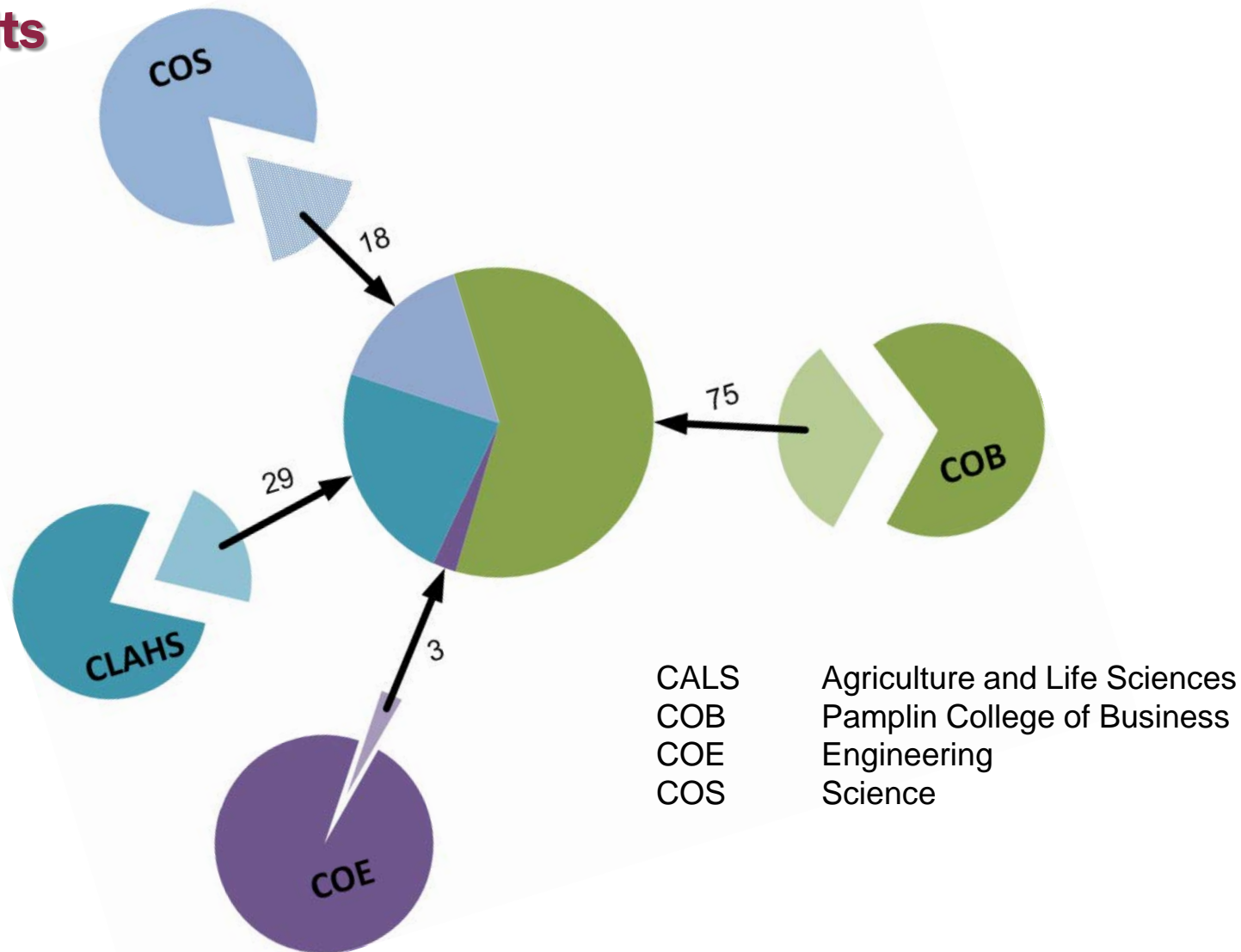
B.S. Human Nutrition, Foods and Exercise (dietetics option)

120 Credits

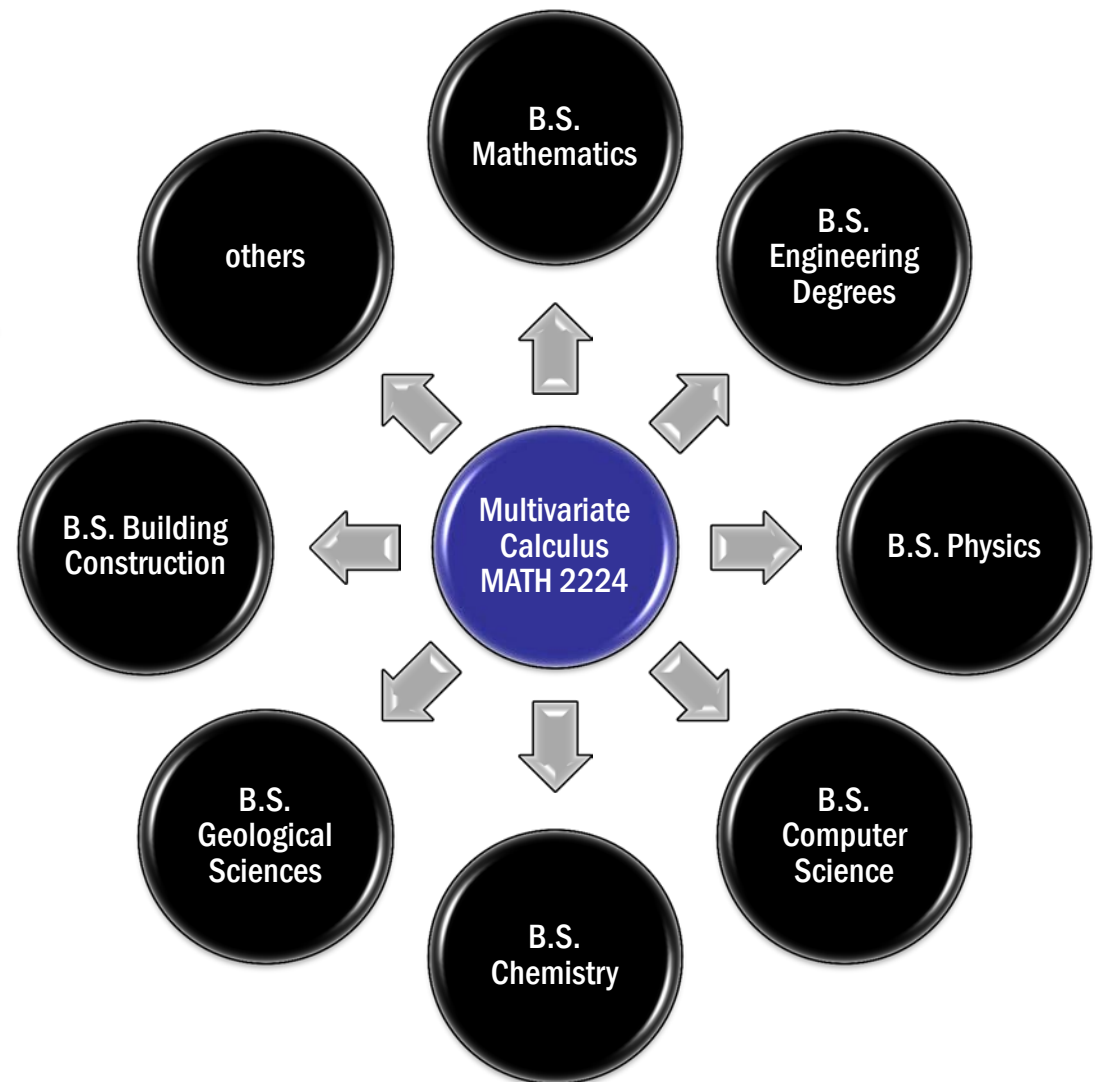




B.S. Accounting (Information Systems Option) 125 Credits



Courses Serve a Variety of Degrees



Name of Action	Degree	Rationale	Target BOV
College of Natural Resources and Environment			
Fish and Wildlife Conservation	BS	Revision	June 2013
Packaging Systems and Design	BS	Revision	June 2013
Sustainable Biomaterials	BS	Revision	June 2013
College of Liberal Arts and Human Sciences			
Interdisciplinary Studies	BA	Discontinuance	June 2013
Higher Education	M.A. Ed.	Revision	June 2013
Higher Education	Ph.D.	Revision	June 2013
Multiple Colleges — Interdisciplinary			
Translational Biology, Medicine and Health	Ph.D.	New	June 2013



Name of Action	Degree	Rationale	Target BOV
College of Science			
Computational Modeling and Data Analytics	BS	Part of Integrated Science Curriculum	Nov. 2013
Microbiology	BS	New	Nov. 2013
Nanoscience	BS	Part of Integrated Science Curriculum	Nov. 2013
Systems Biology	BS	Part of Integrated Science Curriculum	Nov. 2013
Applied Statistics and Data Analysis	MS	New	Nov. 2013
College of Engineering			
Ocean Engineering	Ph.D.	Spinoff	Nov. 2013
Multiple Colleges — Interdisciplinary			
Water: Policy, Planning and Management	BS	New	Nov. 2013

DISCUSSION + QUESTIONS

Steps in the Virginia Tech Degree Approval Process

STEP I. Preapproval (required)	
Institutional Plan for <u>Undergraduate</u> or <u>Graduate</u> Degrees	Academic Affairs Council (in consultation with undergraduate or graduate vice president)
Prepare necessary documents to begin internal review process: 1) draft SCHEV proposal 2) VT degree proposal Both of these documents flow through Steps II through IV below	
STEP II. Initial Curriculum Approval	
Department Curriculum Committee	College Curriculum Committee
STEP III. Campus-wide Evaluation	
15-day academic review (post on HokieCAPS); respond to concerns/comments edited the second from university community	
STEP IV. University Curriculum Approval	
<u>Undergraduate</u> or <u>Graduate</u> Curriculum Committee for review and approval	
Prepare Resolution; Resolution and VT degree proposal move forward as documents for approval in governance; draft SCHEV proposal continues to be developed	
STEP V. Commissions	
Commission on <u>Undergraduate</u> or <u>Graduate</u> Studies and Policies for approval (2 readings); must submit resolution and VT degree proposal	
VT degree proposal is reviewed and the VT degree pre-approval form is signed a second time by either undergraduate <u>OR</u> graduate vice president before moving on to Step VI	
STEP VI. University	
University Council for approval (2 readings); must submit resolution and VT degree proposal	
STEP VII. Board of Visitors	
Board of Visitors for review and approval; must submit resolution and final VT degree proposal	
STEP VIII. External Review and Approval	
State Council of Higher Education for Virginia (SCHEV) for review and approval; submit final SCHEV degree proposal or other SCHEV required paperwork	Southern Association of Colleges and Schools – Commission on Colleges (SACS-COC) for notification or approval (as required)

Virginia Tech
Approved Degrees
Major within College

Major	Associates	Baccalaureate	Master's	Doctoral (includes DVM)
College of Agriculture and Life Sciences¹				
Agribusiness		✓		
Agricultural and Applied Economics			✓	
Agricultural and Extension Education			✓	
Agricultural Sciences		✓		
Agricultural and Life Sciences			✓	
Agricultural Technology	✓			
Applied Economic Management		✓		
Animal and Poultry Sciences		✓	✓	✓
Animal Sciences, Dairy				✓
Biochemistry		✓	✓	✓
Crop and Soil Environmental Sciences		✓	✓	✓
Dairy Science		✓	✓	
Economics, Agriculture and Life Sciences				✓
Entomology			✓	✓
Environmental Horticulture ²		✓		
Environmental Science		✓		
Food Science and Technology		✓	✓	✓
Horticulture			✓	✓
Human Nutrition, Foods, and Exercise		✓	✓	✓
Landscape Contracting ³		✓		
Plant Pathology, Physiology and Weed Science			✓	✓
College of Architecture and Urban Studies				
Architecture		✓	✓	
Architecture and Design Research				✓
Art ⁴		✓		
Building Construction		✓		
Building/Construction Science and Management			✓	
Creative Technologies			✓	
Environmental Design and Planning				✓

¹ Master of Science in Life Sciences and PhD in Life Sciences awarded for majors: Agricultural and Extension Education, Biochemistry, Entomology, Food Science and Technology, & Plant Pathology, Physiology and Weed Science.

² Bachelor of Science in Horticulture

³ Bachelor of Science in Horticulture

⁴ Bachelor of Arts and Bachelor of Fine Arts available

Virginia Tech
Approved Degrees
Major within College

	Associates	Baccalaureate	Master's	Doctoral (includes DVM)
Major				
Environmental Policy and Planning		✓		
Industrial Design		✓		
Interior Design		✓		
Landscape Architecture		✓	✓	
Planning, Governance, and Globalization				✓
Public Administration/Public Affairs			✓	✓
Public and International Affairs			✓	
Public and Urban Affairs		✓		
Urban and Regional Planning			✓	
College of Business⁵				
Accounting and Information Systems		✓	✓	✓
Business Administration ⁶			✓	
Business Information Technology		✓		✓
Economics		✓		✓
Finance		✓		✓
Hospitality and Tourism Management		✓	✓	✓
Management		✓		✓
Marketing Management		✓		✓
College of Engineering⁷				
Aerospace Engineering		✓	✓	✓
Biological Systems Engineering		✓	✓	✓
Biomedical Engineering			✓	✓
Chemical Engineering		✓	✓	✓
Civil Engineering		✓	✓	✓
Computer Engineering		✓	✓	✓
Computer Science		✓		
Computer Science and Applications			✓	✓
Construction Engineering and Management		✓		
Electrical Engineering		✓	✓	✓

⁵ All doctoral level degrees awarded as PhD in Business

⁶ Master of Business Administration and Master of Science available

⁷ Master of Science *and* Master of Engineering available in majors: Aerospace, Biological Systems Engineering, Chemical, Civil, Computer, Electrical, Industrial & Systems, Materials Science, Mining, and Systems Engineering.

Virginia Tech
Approved Degrees
Major within College

Major	Associates	Baccalaureate	Master's	Doctoral (includes DVM)
Engineering Education				✓
Engineering Mechanics			✓	✓
Engineering Science And Mechanics		✓		
Environmental Engineering			✓	✓
Environmental Science & Engineering			✓	
Industrial & Systems Engineering		✓	✓	✓
Materials Science and Engineering		✓	✓	✓
Mechanical Engineering		✓	✓	✓
Mining Engineering		✓	✓	
Mining and Minerals Engineering				✓
Ocean Engineering		✓	✓	
Systems Engineering			✓	
Inter College				
Genetics, Bioinformatics and Computational Biology				✓
Information Technology			✓	
Macromolecular Science and Engineering			✓	✓
College of Liberal Arts and Human Sciences				
Apparel, Housing, and Resource Management		✓		
Career and Technical Education			✓	✓
Classical Studies		✓		
Communication		✓	✓	
Counselor Education			✓	✓
Creative Writing			✓	
Curriculum and Instruction				✓
Educational Leadership and Policy Studies			✓	✓
Educational Research and Evaluation			✓	✓
English		✓	✓	
Foreign Languages, Cultures, and Literatures			✓	
French		✓		
German		✓		
History		✓	✓	
Human Development		✓	✓	✓
Humanities, Science, and Environment		✓		

Virginia Tech
Approved Degrees
Major within College

	Associates	Baccalaureate	Master's	Doctoral (includes DVM)
Major				
Interdisciplinary Studies ⁸		✓		
International Studies		✓		
Material Culture and Public Humanities			✓	
Music		✓		
Philosophy		✓	✓	
Political Science		✓	✓	
Religion and Culture		✓		
Rhetoric and Writing				✓
Science and Technology Studies			✓	✓
Social, Political, Ethical, and Cultural Thought				✓
Sociology		✓	✓	✓
Spanish		✓		
Theatre Arts		✓	✓	
College of Science				
Biochemistry		✓		
Biological Sciences		✓	✓	✓
Biomedical Technology Development and Management			✓	
Chemistry ⁹		✓	✓	✓
Economics, Science		✓	✓	✓
Geosciences		✓	✓	✓
Mathematics		✓	✓	✓
Physics ¹⁰		✓	✓	✓
Psychology		✓	✓	✓
Statistics		✓	✓	✓
College of Natural Resources and Environment¹¹				
Environmental Resources Management **		✓		
Fisheries and Wildlife			✓	✓
Fisheries Science **		✓		
Forest Products			✓	✓
Forestry **		✓	✓	✓

⁸ Planned discontinuance (no new admits)

⁹ Bachelor of Arts and Bachelor of Science available

¹⁰ Bachelor of Arts and Bachelor of Science available

¹¹ Master of Forestry and Master of Science available in majors: Forestry and Forest Products

Virginia Tech
Approved Degrees
Major within College

Major	Associates	Baccalaureate	Master's	Doctoral (includes DVM)
Geography		✓	✓	
Geospatial and Environmental Analysis				✓
Meteorology		✓		
Natural Resources			✓	
Natural Resources Conservation **		✓		
Wildlife Science **		✓		
Wood Science and Forest Products **		✓		

***Majors authorized by Bachelor of Science in Forestry and Wildlife seeking realignment and revision for establishment of separate undergraduate degrees. Expected completion during 2014.*

College of Veterinary Medicine				
Biomedical and Veterinary Sciences			✓	✓
Public Health			✓	
Veterinary Medicine				✓

CURRICULUM AND DEGREE DEVELOPMENT AT VIRGINIA TECH

Office of the Senior Vice President and Provost

1. Rationale

Universities are dynamic institutions that generate discoveries, lead innovation, and educate students. Universities create knowledge that continuously evolves and must be reflected in the curricula. Degree and certificate programs serve as primary mechanisms by which Virginia Tech keeps current and breaks new ground in the educational marketplace. The university is preparing students for careers that will last well past 2050. Given the rapidly evolving landscape in higher education, and in the skills needed to succeed in the labor force of the future, it is imperative for universities to review their educational programs regularly, revising existing ones, and developing new degrees and certificates as needed, and discontinuing programs that no longer serve the university missions well. Such an approach is necessary for the efficient use of educational resources that meet the institution's mission. At Virginia Tech, certificates are offered only at the graduate level.

The primary focus of Virginia Tech's degree and certificate programs is to provide students with opportunities to experience diverse and integrated perspectives within their chosen disciplines as well as across areas of study as new, exciting multi-disciplinary synergies arise. The goal is to advance students' intellectual engagement in their majors, prepare them for the changing demands of professional careers, equip them for a lifetime of learning, and lay the foundation for involvement in their communities as responsible citizens and leaders.

The impetus for new degree and certificate programs often arises in response to current and anticipated changes in market demand, the emergence of new disciplines and interdisciplinary programs, or to changes in existing disciplines. Additionally, new programs build the curricular portfolio needed for a progressive institution with Association of American Universities (AAU) aspirations.

Constituent needs, the fit of the degree program within the university's mission, and the availability of faculty, library, space, and other instructional resources are major considerations before initiating the revision or development of a degree or certificate program. In some cases, technical adjustments are necessary to align programs with state regulations. For example, in the College of Natural Resources and Environment, changes to degree programs are being proposed to bring the curriculum into alignment with State Council of Higher Education for Virginia (SCHEV) requirements and to reflect the current curricular emphases of the college. In other cases, new areas of scholarship require new degrees. For example, a new program in nanotechnology reflects the emerging research and development areas within Virginia Tech, nationally, and internationally.

A multitude of factors are involved when programs are being proposed, revised, or discontinued. These include:

- How does the degree program fit into the institutional mission in the context of our strategic plan and reviews of existing or related programs?
- How does the degree program fill an unmet need in terms of current and anticipated student demand on international, national, and/or statewide or regional employment scales?
- Is the new degree program the most efficient way of meeting the needs identified, or are there other alternatives?
- What is the compelling academic rationale for the proposed subject area and does it constitute a coherent, integrated degree curriculum that has value to students?
- Is there a clear demonstration of potential demand in the form of market surveys, employer needs, and demographic trends?
- Is the degree program needed to complement other programs in an instructional area?
- Are there existing faculty members to initiate and sustain the new degree program without compromising the well-being of other degree programs?
- Are new faculty positions needed?
- Do the departments or colleges plan to reassign faculty positions from existing programs or plan to reduce the number of programs?
- What existing courses, laboratories, and other facilities and resources can be utilized to support the program?
- What additional resources are needed to support instruction? For example: materials and support from the libraries, or stipends and support for graduate students? What resources will no longer be needed?

2. Process

As part of the regular academic program review process at Virginia Tech, each department is expected to assess existing degree and certificate programs at the undergraduate and graduate levels on a seven-year cycle. Faculty members initiate the revision of programs, the development of new programs, and the discontinuation of existing programs through their departmental curriculum committees.

Implementation of new degrees or revisions of existing programs do not, in and of themselves, drive cost increases that could require tuition increases. Resource support for the new degree is achieved from a variety of sources, including the repurposing of existing resources from discontinued degrees, programs, and courses; salary savings; existing funds in the department, college or university; and new funds such as those that might be provided through state allocations, tuition or private gifts. Often, many of the courses needed to deliver a new or revised program are already being taught. Proposals for new degree programs must demonstrate the sources of any necessary resources.

For most degree and certificate actions, the most significant resource allocations will be in the form of faculty effort, laboratory or field expertise, and facilities or equipment needed to develop and teach the required courses. As an example, faculty from six colleges at Virginia Tech developed the undergraduate real estate degree program, requiring only the addition of three professors-of-practice to support the full implementation of the degree program.

Revision of existing programs often does not require additional resources. When degree programs are discontinued, the associated faculty members are reassigned to existing or new programs.

3. New Degree Programs

The first step in developing new degree programs is the pre-approval stage. During this stage, a two-page rationale for the degree is submitted to either the Vice President for Graduate Education or the Vice President for Undergraduate Education. After reviewing the submission, the vice president meets with the appropriate faculty members to discuss the proposed degree or certificate program. Once approved by the vice president, the proposed degree is then listed on the Institutional Plan for Undergraduate or the Institutional Plan for Graduate (UG/G) Degrees. The purpose of these institutional plans is to:

- provide an accurate inventory of proposals with timelines and locations;
- provide a format for informing university constituencies of proposals for various degree actions;
- allow for strategic planning for new degrees;
- encourage cross-college and interdisciplinary collaborations;
- allow for annual review by Deans and the Provost in alignment with the institution's strategic plan.

The department and college have up to three years to initiate degree program action once pre-approval is granted. The full proposal includes detailed information about the rationale, implementation plans, and resource needs and support. The Commission on Undergraduate Studies and Policies (CUSP) or the Commission on Graduate Studies and Policies (CGSP) then reviews and votes to approve or disapprove the proposal. The next step is review and approval by the University Council before it is submitted to the Board of Visitors for final internal approval. External bodies such as State Council of Higher Education for Virginia (SCHEV) and Southern Association of Colleges and Schools (SACS) then receive notification of the degree or a request for approval (depending on the nature of the action).

4. Discontinuation of Programs and Realignment of Existing Programs

The discontinuation process begins with the department. With the support of the college, a proposal to discontinue or realign a degree program is forwarded to the appropriate governing commission: either CUSP or CGSP. Upon approval of the

discontinuance, University Council and the Board of Visitors must review and approve the discontinuation. SCHEV and SACS are then notified.

5. Summary of Program Actions

As a dynamic university, existing curricula at Virginia Tech are continually modified and refreshed, which results in existing courses being modified, new courses being added, and old courses being eliminated. Since 2003, Virginia Tech's overall enrollment has grown by 16%, including an increase of more than 3,000 undergraduates and 1,100 graduate students, for a current total of nearly 31,000 students. To serve these students with contemporary and relevant degree program options, nine doctoral, 12 master's, and eight bachelor's degrees have been added to the curriculum along with several graduate certificate programs. Concurrently, four doctoral, five master's, and four bachelor's programs were discontinued. Sometimes, the development of new courses coincides with the hiring of new faculty members, and old courses are eliminated when faculty retire or leave the university. Thus, the addition and deletion of courses, and continuous refreshing of existing curricula, is a natural process associated with the evolution of the university's curricula.



The Promotion and Tenure Process

Jack W. Finney, Vice Provost for Faculty Affairs

Academic Affairs Committee – March 25, 2013

Faculty Ranks

Assistant Professor

- Responsibilities in learning, discovery, and engagement

Associate Professor

- Substantial professional achievements in an appropriate combination of outstanding teaching, creative scholarship, and outreach and professional service

Professor

- National or international recognition and demonstrated excellence in research, scholarship, or creative achievement

Tenure and Continued Appointment

Tenure

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

Continued Appointment

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

Evaluation Process for Promotion and Tenure



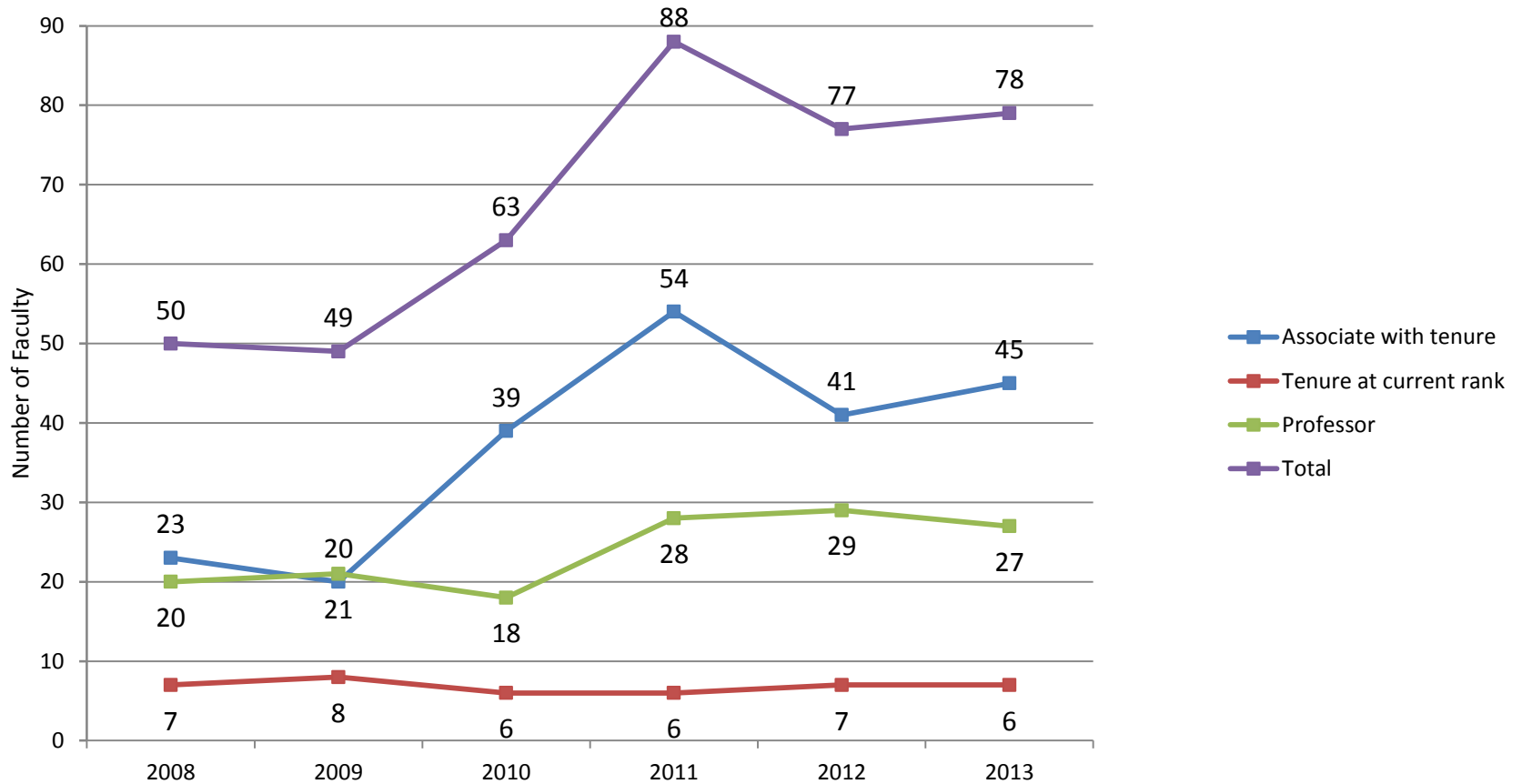
Promotion and Tenure Schedule

April/May	Departments evaluate candidates for promotion
June	External reviewers selected and invited
July/August	Dossiers completed and sent to external reviewers
October	Department committee and Department Head review
November	Dossiers sent to college
Dec/Jan	College committee and Dean review
February	Dossiers sent to university
March/April	University committee and Provost review
April	Provost makes recommendations to President
June	President submits recommendations to BOV BOV approval – faculty notified
September	Reception for promoted faculty

Promotion and Tenure Dossier

- I. Executive Summary
- II. Recommendation Statements
- III. Candidate's Statement
- IV. Teaching and Advising Effectiveness
- V. Research and Creative Activities
- VI. International & Professional Service and
Other Outreach & Extension Activities
- VII. University Service
- VIII. Work Under Review or In Progress
- IX. Other Pertinent Activities

Promotions 2008-2013



Promotion and Tenure Policies and Practices

- Extend the tenure clock policy
- Non-mandatory promotion to associate with tenure
- Mentoring for assistant professors
- Mentoring for associate professors
- Rising expectations and standards
- Workshops on the promotion process
 - P&T committee members and heads
 - Promotion to professor
 - College committees and faculty



Questions?



Faculty Compensation

Jack W. Finney, Vice Provost for Faculty Affairs

Academic Affairs Committee, March 25, 2013

Importance of Faculty Compensation

- To attract the most talented faculty
- To retain and encourage our faculty
- To enhance quality and competitiveness of Virginia Tech
- To advance the university's long range plan

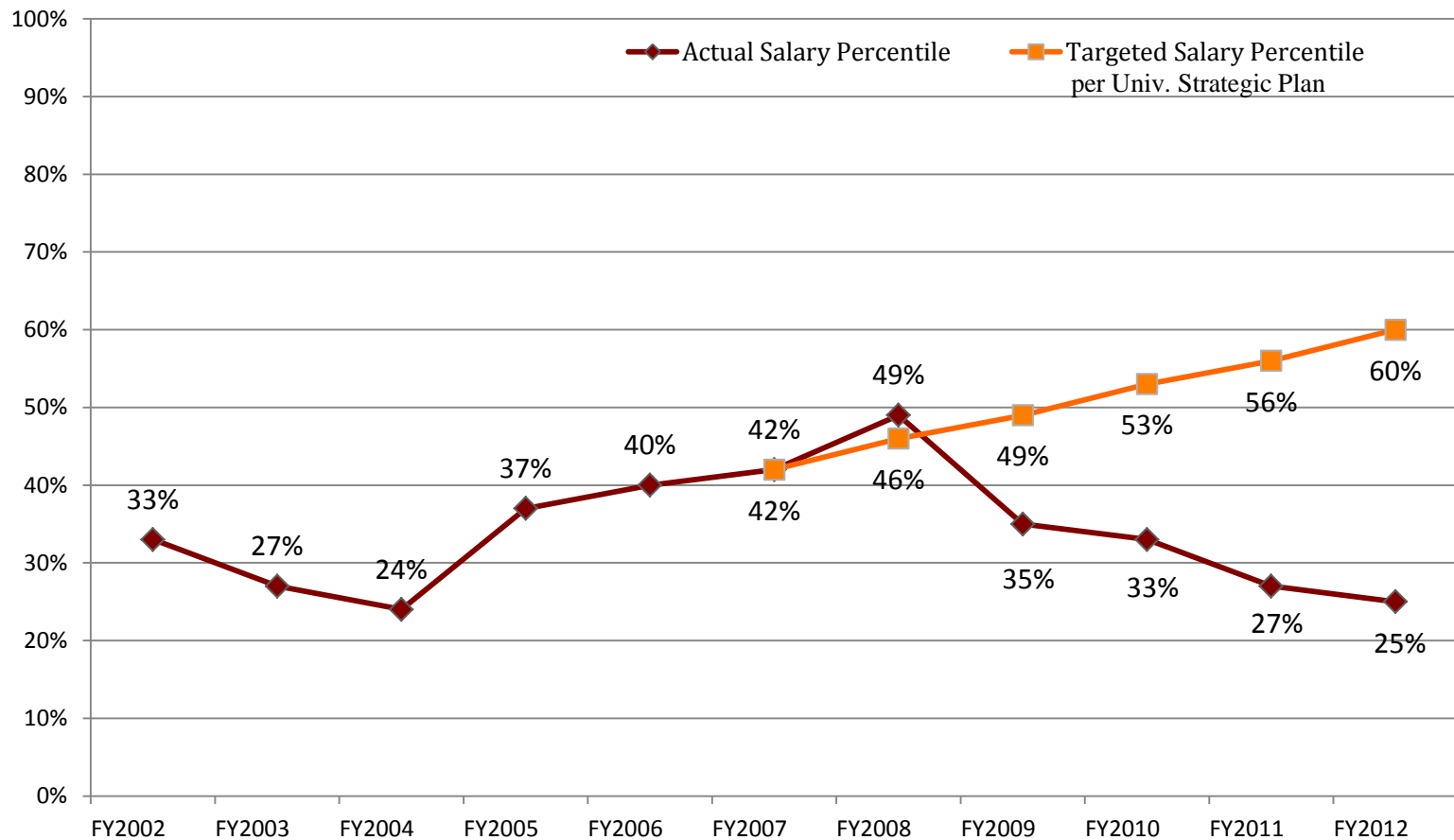
Faculty Compensation Plan

- Approved each June by the Finance and Audit Committee and the full Board of Visitors
- Faculty Compensation Plan covers:
 - Authorized salary average
 - Promotion raises
 - Annual evaluation and salary adjustments
 - Equity and retention adjustments
- Governed by the Code of Virginia
 - §23-128 establishes the Board of Visitors' authority to approve faculty appointments and set salaries for faculty.
 - §23-38 (Higher Education Opportunity Act) and Appropriation Act codify long-standing faculty salary goal of 60th percentile of peers.

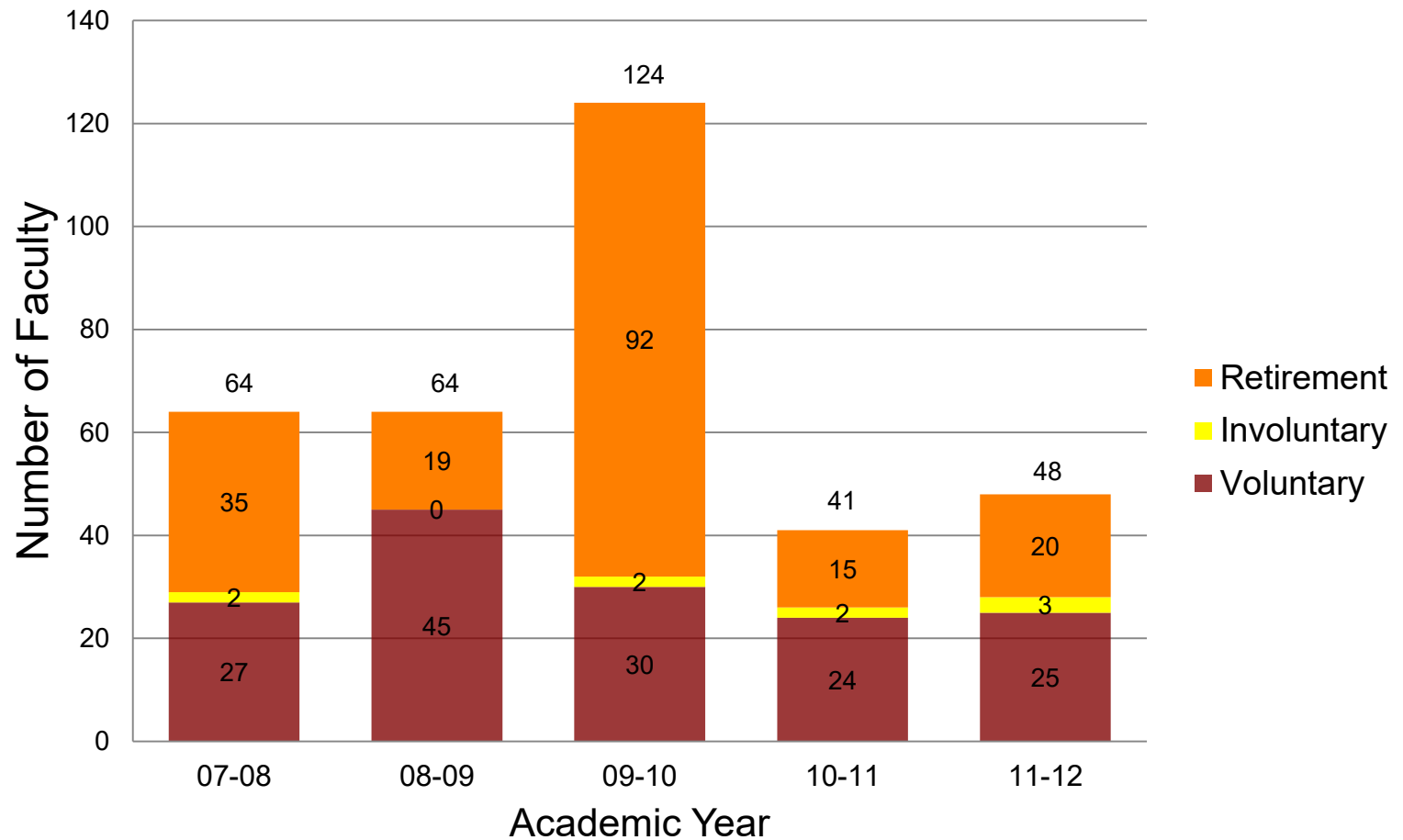
Current State of Faculty Compensation

- Absence of annual merit adjustments for five years
- Drop from the 49th percentile to the 25th percentile
- Faculty departures often due to salary compression/inequity
- Retention and compression actions are necessary
- Retention efforts are not always successful

Progress of Faculty Salaries Toward the 60th Percentile



Faculty Departures



Faculty Retention and Compression Actions During the Past Five Years

- Retention: \$1.13M
- Compression: \$2.11M
- Total: \$3.24M (less than 0.5% annually)

- 184 faculty received retention adjustments
- 486 faculty received compression adjustments

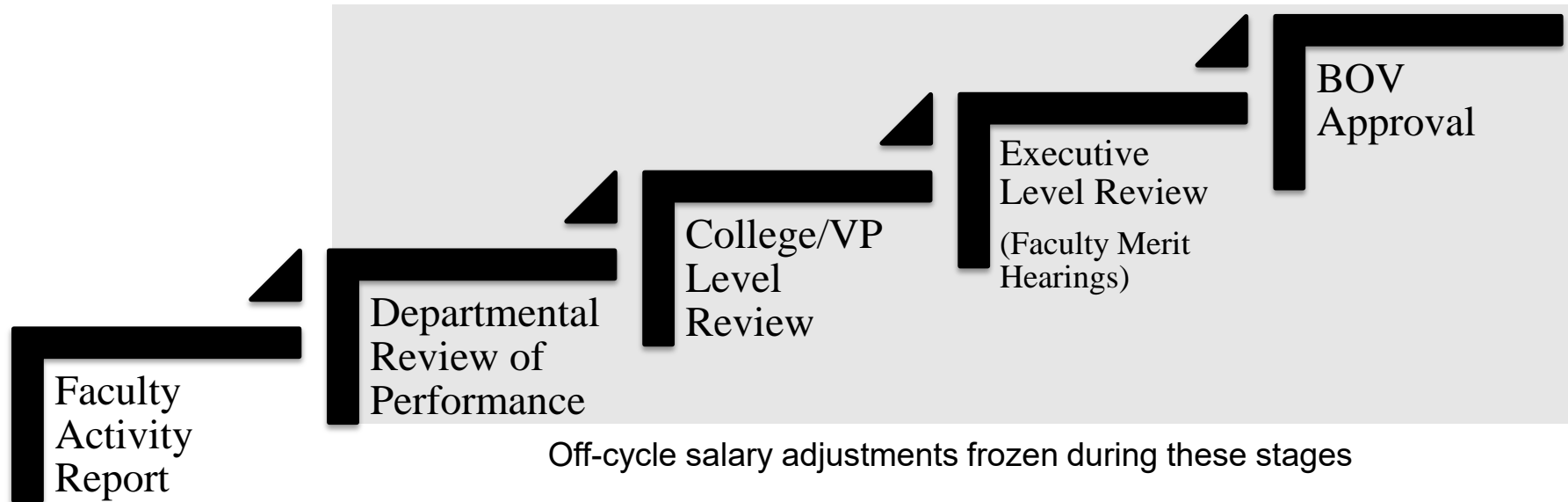
- Average retention: \$6,322 (+college contribution)

- Average compression: \$3,296

Selected Faculty Departures

Faculty Member's College	Successful University	% Salary Increase
Agriculture and Life Sciences	University of Florida	59%
Agriculture and Life Sciences	University of Georgia	32%
Agriculture and Life Sciences	Arizona State University	40%
Architecture and Urban Studies	University of Maryland	37%
Architecture and Urban Studies	University of Nevada Las Vegas	20%
Business	Texas A&M University	19%
Engineering	Purdue University	33%
Engineering	University of Arizona	75%
Liberal Arts and Human Sciences	University of Rochester	54%
Liberal Arts and Human Sciences	Johns Hopkins University	16%
Liberal Arts and Human Sciences	Arizona State University	22%
Science	University of Florida	50%
Science	Chinese University of Hong Kong	45%

Faculty Merit Process



- Automated system (FACSAL) provided to collect and review recommended salary adjustments during the faculty merit process
- During the merit process, off-cycle salary adjustments are limited
 - goal is to bring all actions through the faculty merit process

Summary and Needs

The university's most valuable asset is

- the faculty

Success of Virginia Tech depends on

- rewarding, retaining, and motivating faculty

Successful recruitment depends on competitive

- compensation and start-up packages

Faculty compensation plan needs

- a sustained annual faculty merit process



Questions?



Growing and Sustaining a Diverse & Inclusive Environment:

Diversity Strategic Plan 2013-2018

March 5, 2013

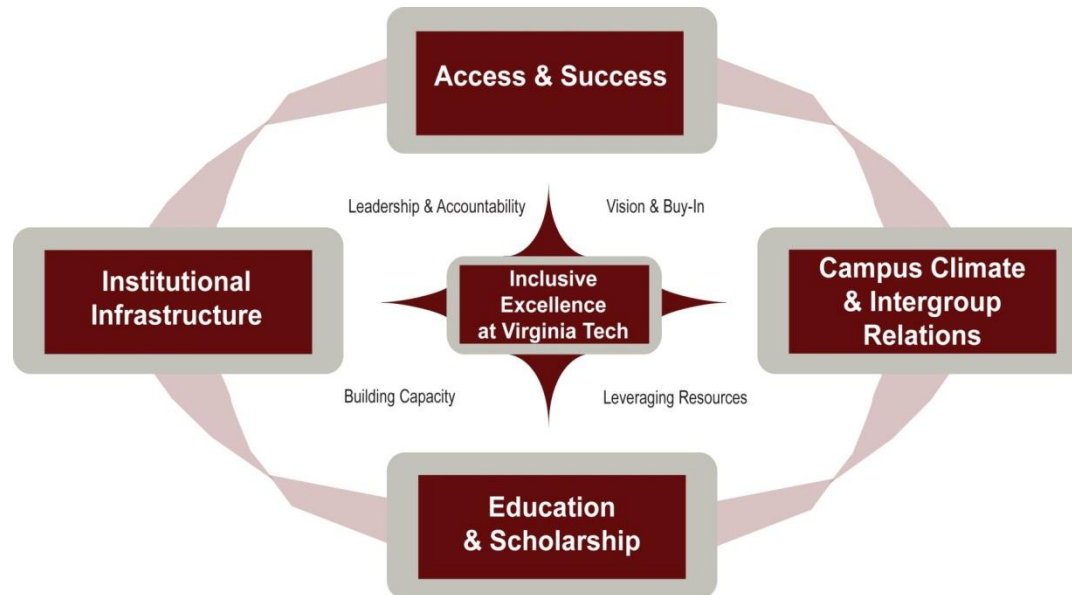


Plan Overview

- Previous diversity strategic plans covered years 2000-2013
- The Diversity Strategic Plan (DSP) serves as a complement to the university long range plan: *A Plan for New Horizon: Envisioning Virginia Tech 2012-2018*
- Provides specific strategies for sustaining a climate where all individuals are respected and able to contribute to an educational environment that prepares students for lives and careers in a diverse and interdependent society

Plan Framework

- Nationally-recognized Inclusive Excellence model provides framework for the plan.





Plan Framework

Inclusive Excellence offers a national definition of diversity and links the definition to evaluation and assessment (Inclusive Excellence Scorecard), which can be easily articulated and understood. Inclusive Excellence has the following features:

- Melds Inclusiveness and Excellence
- Shifts the university away from conceptualizing diversity as a numerical representation (numbers only) of diverse faculty, staff, and students.
- Shifts the responsibility for diversity on the campus to everyone as opposed to one unit or department shouldering the responsibility of diversity.
- Inclusive excellence employs a broad and inclusive definition of diversity that includes disability, gender identity, sexual orientation, race/ethnicity, disability, religion, nationality, age and other important social dimensions that are part of a university community.



Key Definitions: Diversity

- The Inclusive Excellence framework provides a definition for the term **diversity**.

Diversity is used to describe individual differences (e.g., personality, learning styles, and life experiences) and group/social differences (e.g., race/ethnicity, class, gender, sexual orientation, country of origin, and ability as cultural, political, religious, or other affiliations) that can be engaged in the service of learning and working together.



Key Definitions: Inclusion

- The Inclusive Excellence framework also provides a definition for the term **inclusion** .

*The term **inclusion** is used to describe the active, intentional, and ongoing engagement with diversity – in people, in the curriculum, in the co-curriculum, and in communities (intellectual, social, cultural, geographical). Inclusion describes the ways in which individuals might connect to increase one's awareness, content knowledge, cognitive sophistication, and emphatic understanding of the complex ways individuals interact within systems and institutions.*



Key Definitions: Underrepresented

- At Virginia Tech the term **underrepresented** is applied to 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



Planning Process

- Cross Divisional Work Group formed September 2012 - inclusive of over 30 individuals representing academic and administrative areas from across the institution
- Four sub-groups met during the fall and reviewed existing plan and made recommendations to better align the plan with long-range institutional priorities
- Concurrent study of peer institutions conducted in fall of 2012 by Institute for Policy and Governance
- Initial recommendations reviewed by key university stakeholders in February and March 2013 for feedback



Plan Components

- **Access and Success**

- Campus Climate and Intergroup Relations
- Education and Scholarship
- Institutional Infrastructure

- Emphasizes sustaining strategies that have increased the academic success of under-represented students
- Commitment to recruit and retain faculty and staff from diverse backgrounds
- Continued focus on undergraduate recruitment strategies that are responsive to demographics of Virginia.



Plan Components

- Access and Success
- **Campus Climate and Intergroup Relations**
- Education and Scholarship
- Institutional Infrastructure

- Creating and sustaining an organizational environment that respects and values different perspectives and experiences
- Emphasizes regular review of student and employee perceptions of institution
- Promotion of practices and protocols for responding to campus climate concerns



Plan Components

- Access and Success
- Campus Climate and Intergroup Relations
- **Education and Scholarship**
- Institutional Infrastructure

- Emphasizes preparing students for lives and careers in an interdependent global society
- Encouragement of research and scholarship by faculty on topics of human diversity that are relevant to student academic and career interests



Plan Components

- Access and Success
- Campus Climate and Intergroup Relations
- Education and Scholarship
- **Institutional Infrastructure**
 - Emphasizes pursuing external donors and grants to support diversity initiatives
 - Development of effective assessment processes to review outcomes related to the Diversity Strategic Plan
 - Create practices that inform the campus on diversity progress and opportunities for advancement



Plan Implementation

- Office of the Vice President for Diversity and Inclusion will work across all college and administrative units to identify commonalities between unit strategic plans and strategies included in the DSP.
- Initiatives designed to advance goals found in the DSP will be supported through a combination of planning assistance, funding support, education and training support, and assessment guidance.
- Outcomes will be reviewed to determine ongoing needs or best practices that may warrant greater institutional focus.



Plan Assessment

- Office of the Vice President for Diversity and Inclusion will work closely with Institutional Research and Effectiveness, Office of Assessment and Evaluation, Human Resources, Office of the Senior Vice President and Provost, and Division of Student Affairs to track university metrics.
- Trends in student and employee metrics will be noted and compared with peer institutions where appropriate.
- Review of progress on DSP strategies will be shared annually with the Commission on Equal Opportunity and Diversity, college-level diversity committees, university administration, and the Board of Visitors Academic Affairs Committee.



Questions?

Committee Minutes

BUILDINGS AND GROUNDS COMMITTEE

**Tour from The Inn at 7:35 a.m.
Solitude Room, The Inn at Virginia Tech**

March 25, 2013

Board Members Present: Mr. Michael Quillen, Mr. John Rocovich, Mr. William Fairchild

VPI&SU Staff: Dr. Charles W. Steger, Mr. Kevin Bishop, Ms. Vickie Chiocca, Mr. Ian Farrell, Dr. Elizabeth Flanagan, Chief Wendell Flinchum, Mr. Mark Gess, Mr. Larry Hinner, Ms. Leigh LaClair, Ms. Heidi McCoy, Mr. Richard McCoy, Dr. Scott Midkiff, Mr. Michael Mulhare, Ms. Carrie Norman, Ms. Kim O'Rourke, Mr. Chris Rahmes, Ms. Kayla Smith, Mr. Ken Smith, Mr. Jason Soileau, Dr. Lisa Wilkes, Dr. Sherwood Wilson

Guests: Dr. Jeff Kirwan, Ms. Tonia Moxley, Ms. Rebekah Paulson, Ms. Hope Wentzel

Open Session

- 1. Tour of the Quarry:** The tour of the quarry was cancelled due to inclement weather. Instead the Committee had a driving tour of construction on campus, including the Signature Engineering Building, the Sigma Phi Epsilon House, the Chiller Plant, HABBI Building, the Veterinary Medicine Instruction Addition, Davidson Hall, Center for the Arts and the North End Center.
- 2. Opening Remarks and Approval of Minutes of the November 5, 2012 Meeting:** The minutes of the November 5, 2012 meeting were approved.
- 3. Update on the Public Safety Building:** The Committee received an update on the plans for the future Public Safety Building. The renovations planned will occur in phases over a five year period and are dependent upon funds being made available. Rector Quillen expressed his support for the Public Safety Building and emphasized the need for fundraising to identify funding for completion of the much needed renovations.
- 4. Update on the New Jumbotron at Lane Stadium:** The Committee received an update on the plans for the new jumbotron at Lane Stadium. The new jumbotron will replace the existing scoreboard and will be at approximately the same location as the existing scoreboard at the north end of the stadium above the north end zone bleachers. The jumbotron will be 146 feet wide by 61 feet tall, mounted on four supports with the bottom of the jumbotron approximately ten feet above the top row of the north end zone bleachers.

- 5. Update on the Distributed Antenna System Facility:** The Committee received an update on the plans for a Distributed Antenna System (DAS) to enhance and improve cellular telephone coverage and capacity in Lane Stadium. Capacity is a particular problem at and around Lane Stadium on game days and the DAS will support multiple carriers and, thus, improve capacity and coverage for any participating wireless carriers. The DAS structure is planned to be located east of Lane Stadium, inside the stadium's perimeter fence in an existing lawn area between a stadium service drive and the existing wooded area. The site is nearby the stadium and is at a back-of-house service area.
- 6. Update on the 460 Interchange/Airport Runway Extension Projects:** The Committee received an update on the 460 Interchange and Airport Runway Extension Projects. The university is coordinating with the Virginia Department of Transportation (VDOT) on the design and engineering of the relocation of Southgate Drive at the Route 460 intersection. The project includes the construction of a grade separated interchange to replace the existing signalized intersection of Southgate Drive and Route 460. The interchange will be located approximately 2,000 feet east of the existing intersection and will include the relocation of a portion of Southgate Drive west of Duck Pond Drive, and the relocation of a portion of the Huckleberry Trail. The project will be coordinated with the adjacent runway extension project which also includes the relocation of a portion of Tech Center Drive. Preliminary studies have identified the preferred interchange design as a diverging diamond interchange.
- 7. Presentation on the North Campus (B-Lot) Precinct and Multi-Modal Facility:** The Committee approved the precinct plan concept as developed, including the relocated multi-modal facility and the closure of Perry St., after receiving an update and presentation on the North Campus (B-Lot) precinct and Multi-Modal facility. A North Campus precinct study is underway to master plan the future build-out of the precinct. The subject area is bounded by Prices Fork Road, Stanger Street, West Campus Drive and buildings south of Perry Street and includes the B-Lot, Derring Lot and Surge Building sites. The plan will designate locations for approximately eight future buildings serving academic, instructional research and student services. Additionally, the plan will designate the location and configuration of the Multi-Modal Facility and bus transit lanes, including new routing for vehicular, pedestrian and service access.
- 8. Update on the Dairy Barn Relocation Project:** The Committee received an update on the Dairy Barn Relocation Project. The university has received two competing proposals that are being evaluated. A progress report will be presented at the June 2013 meeting.

- * **9. Resolution on Demolition of University Building 270G on the Virginia Tech Campus:** The Committee recommended full board approval of a resolution requesting approval to demolish building 270G on university property. The designated building is a modular building on the Virginia Tech main campus that is generally in poor condition and uneconomical to repair.
- ***10. Resolution on Demolition of University Building 805 at Middleburg Agricultural Research and Extension Center:** The Committee recommended full board approval of a resolution requesting approval to demolish building 805 on university property. The designated building is a residence located at the Middleburg Agricultural Research and Extension Center in Fauquier County. The building is generally in poor condition and uneconomical to repair.
- ***11. Resolution on Appointment to the Montgomery Regional Solid Waste Authority:** The Committee recommended full board approval of a resolution recommending that Mark S. Helms, Director of Facilities Operations, be appointed as the university's representative to the Montgomery Regional Solid Waste Authority for a term retroactive to January 1, 2012 and expiring on June 30, 2014.
- ***12. Resolution on Appointment to the Blacksburg-VPI Sanitation Authority:** The Committee recommended full board approval of a resolution appointing Sherwood G. Wilson, Vice President for Administration, as the university's representative to the Blacksburg-VPI Sanitation Authority for a term retroactive to January 1, 2012 and expiring January 1, 2016.
- 13. Capital Project Status Report:** The Committee received an update on the status of all capital projects, including the Academic Building Renovations, the Fire Alarm Systems and Access and the Campus Fiber Optic Improvements Projects. Most of the projects were discussed during the campus tour.
- 14. Best Practices for Building Envelope Maintenance:** At the October 2012 meeting the Committee requested a report, to be presented at the March 2013 meeting, regarding industry standards for all aspects related to post construction inspection of stone building facades. The Committee was briefed on the progress of this report. A full report will be presented to the Committee in closed session at the June 2013 meeting.

Adjournment

There being no further business, the meeting adjourned at 10:45 a.m.

***Requires full Board approval.**

Update on the New Jumbotron at Lane Stadium

BUILDINGS AND GROUNDS COMMITTEE

March 25, 2013

The university is in the planning stage to design and construct a new jumbotron at Lane Stadium to replace the existing scoreboard. The jumbotron will be located at approximately the same location as the existing scoreboard at the north end of the stadium above the north end zone bleachers.

The jumbotron will be 146 feet wide by 61 feet tall, mounted on four supports with the bottom of the jumbotron approximately ten feet above the top row of the north end zone bleachers. The jumbotron will be formed of composite aluminum panels both front and back, with the front panels formed in a diagonal siding pattern and the rear side in a rectangular panel pattern.

The LED video screen will be 108 feet wide by 48 feet high and will display scores and game statistics, and all forms of replays and graphic media displays. At each end of the screen are audio speakers approximately 17 feet wide by 42 feet tall. The "VT" and "Virginia Tech" letters above the screen will be fabricated of illuminated neon glass. At the rear side the "VT logo" and "Home of the Hokies" lettering will be backlighted with LED lighting. Forming the majority of the back panel are two murals, approximately 32 feet tall by 32 feet wide in trapezoidal shape. The mural will be backlighted for illumination. The selection of mural images will be made in the future.

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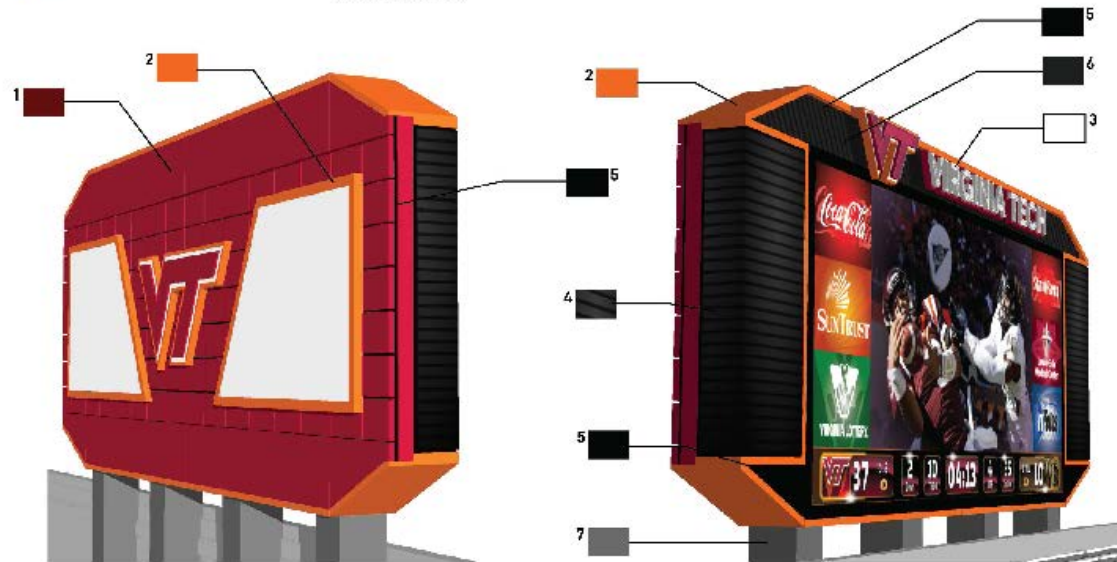
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PRIMARY SCOREBOARD FINISH GUIDE



- | | | | |
|---------------------------------------|--|---|---------------------------------|
| 1 VT CHICAGO MAROON
PMS 208 | 3 WHITE
MATCH 3M 353C-10 | 5 BLACK
PMS BLACK 3C | 7 CONCRETE GREY
120 |
| 2 VT BURNT ORANGE
PMS 133 | 4 SPEAKER MESH
MMT #313
PVC 100% PE 1800.0066 | 6 DARK GREY
PMS COOL GREY 11C | 8 SILVER
PMS 877C |



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Update on the Distributed Antenna System Facility

BUILDINGS AND GROUNDS COMMITTEE

March 25, 2013

The university is in the planning stage to design and construct a Distributed Antenna System (DAS) to enhance and improve cellular telephone coverage and capacity in Lane Stadium. Capacity is a particular problem at and around Lane Stadium on game days. The DAS will support multiple carriers, improving capacity and coverage for all participating wireless carriers.

Information Technology's Network Infrastructure and Services, the Virginia Tech Foundation, Facilities Services and other university representatives have been working with Longent, a major DAS provider, and Verizon Wireless to coordinate the system planning and design.

Update on the 460 Interchange/Airport Runway Extension Projects

BUILDINGS AND GROUNDS COMMITTEE

March 25, 2013

The university is coordinating with the Virginia Department of Transportation (VDOT) on the design and engineering of the relocation of Southgate Drive at the Route 460 intersection. The project includes the construction of a grade separated interchange to replace the existing signalized intersection of Southgate Drive and Route 460. The interchange will be located approximately 2,000 feet east of the existing intersection and will include the relocation of a portion of Southgate Drive west of Duck Pond Drive, and the relocation of a portion of the Huckleberry Trail. The project will be coordinated with the adjacent runway extension project which also includes the relocation of a portion of Tech Center Drive. Preliminary studies have identified the preferred interchange design as a diverging diamond interchange.

460 INTERCHANGE & AIRPORT RUNWAY EXTENSION

UPDATE 2013 MARCH



LOCATION MAP

PROJECT AREA

The map displays the Blacksburg area in southwestern Virginia. Key features include:

- Project Area:** Indicated by a red circle and arrow pointing to the Virginia Tech Montgomery Executive Airport.
- Major Roads:** State Route 655, State Route 685, State Route 723, State Route 785, State Route 1260, State Route 712, State Route 603, State Route 114, and State Route 660.
- Landmarks:** Virginia Tech University, Toms Creek Park, Shenandoah, Downtown Eastside, Mountain View, Grissom - Highland, Farmview - Ramble, Ellett - Jennelle, Spradlin Farm, Crab Creek Rd, Peppers Ferry Rd, Vicker Switch Rd, Wickers Switch Rd, and Den Hill Rd.
- Other Labels:** Northside Park, Woodbine - Wyatt, Main - Patrick Henry, Murphy, Harding Rd, Plank Dr, Amington Rd, Lusters Gate Rd, Low Ln, N Fork Rd, and Den Hill Rd.

LOCATION MAP

PROJECT AREA

The map displays the Blacksburg area in southwestern Virginia. Key features include:

- Airport:** Virginia Tech Montgomery Executive Airport, located south of the city center, circled in red.
- University:** Virginia Tech University, located north of the airport.
- Roads:** Major roads shown include State Route 655, State Route 685, State Route 723, and State Route 712. Local roads like Merrimac Rd, Southgate Dr, and Glade Rd are also labeled.
- Landmarks:** Toms Creek Park, Mountain View, and Grissom - Highland are marked.
- Neighborhoods:** Various neighborhoods are labeled, including Northside Park, Main - Patrick Henry, and Farmview - Ramble.

WHY.....

The only traffic signal on Route 460
between Interstate 81 and Narrows, VA



NARROWS, VA

INTERSTATE 81

WHY.....



**RELIEVE
CONGESTION
AT PEAK TIMES**





WHY.....



**IMPROVE
SAFETY**

**IN 2011 IN
VIRGINIA 20% OF
CRASHES
HAPPENED AT
TRAFFIC SIGNALS**

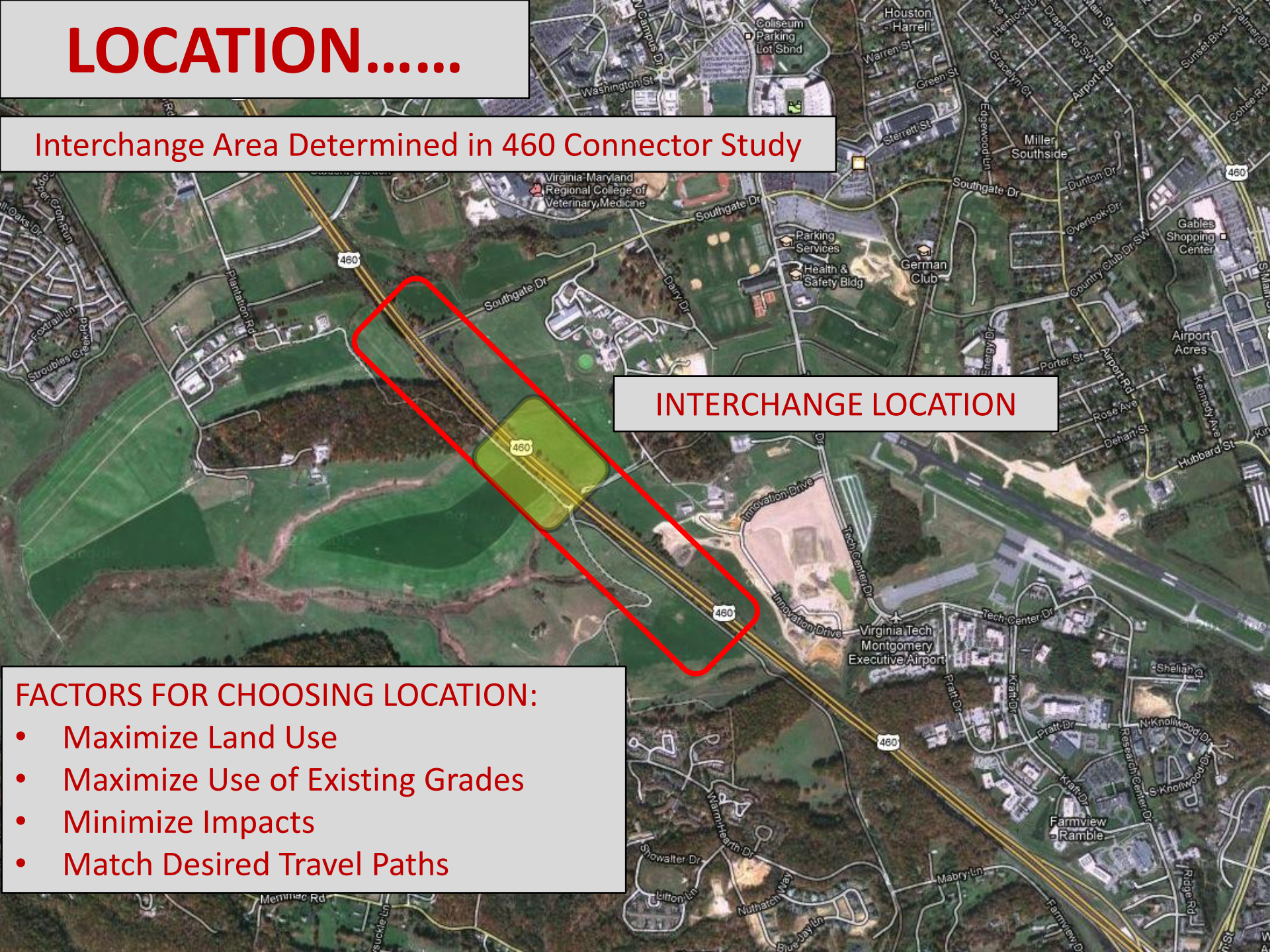
LOCATION.....

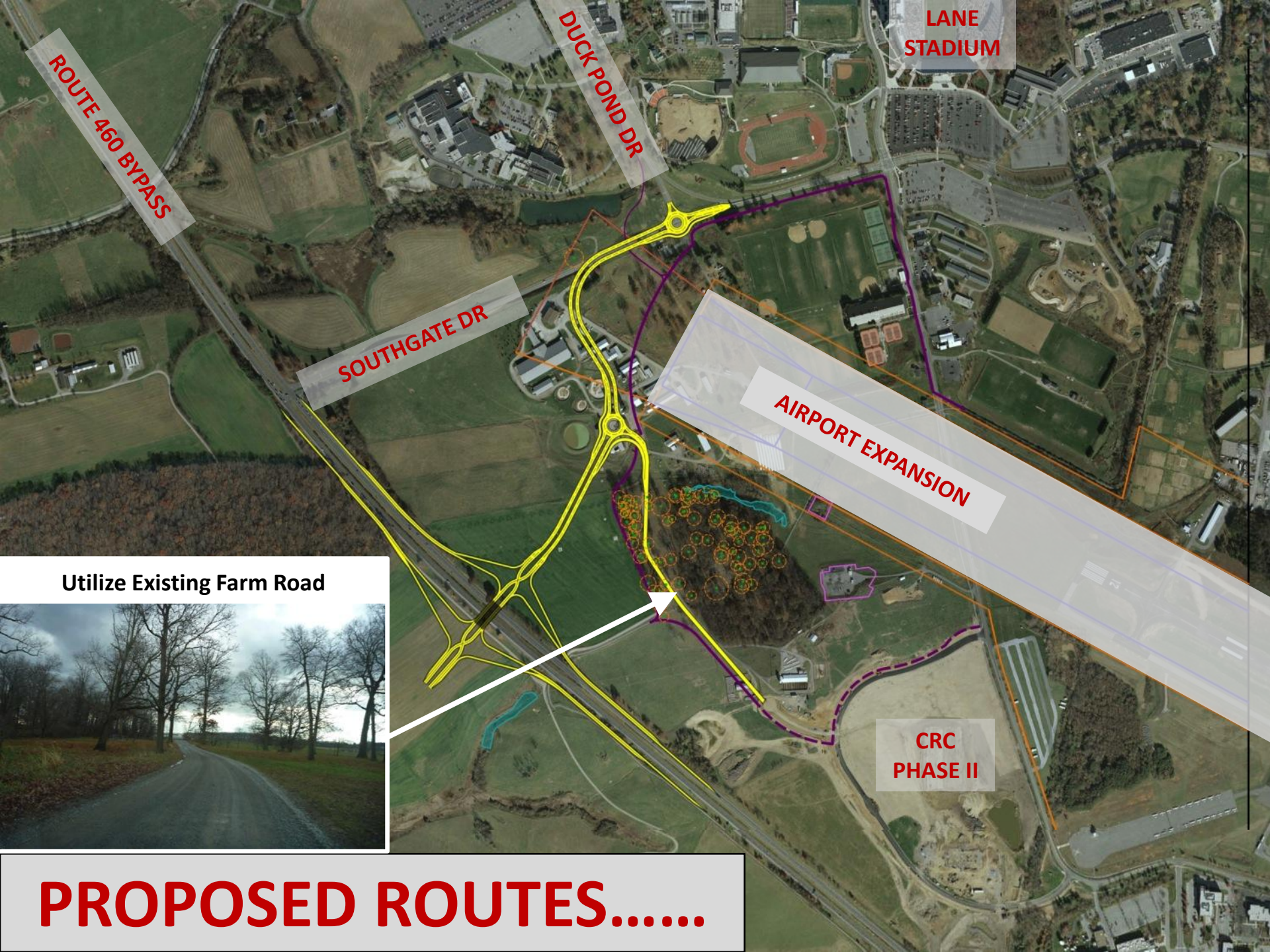
Interchange Area Determined in 460 Connector Study

INTERCHANGE LOCATION

FACTORS FOR CHOOSING LOCATION:

- Maximize Land Use
- Maximize Use of Existing Grades
- Minimize Impacts
- Match Desired Travel Paths





ROUTE 460 BYPASS

DUCK POND DR

LANE STADIUM

SOUTHGATE DR

AIRPORT EXPANSION

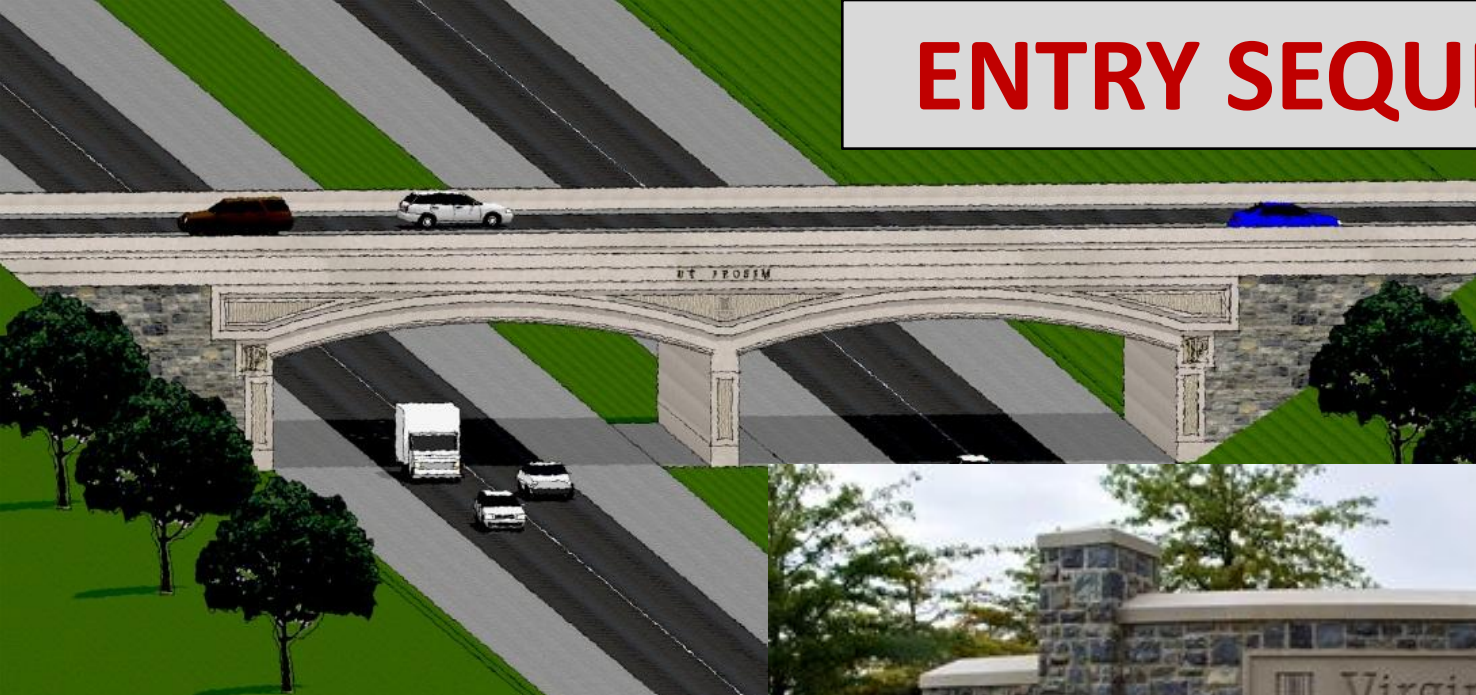
CRC PHASE II

Utilize Existing Farm Road



PROPOSED ROUTES.....

ENTRY SEQUENCE.....



**VIRGINIA TECH
OFFICE OF
UNIVERSITY PLANNING
IS DEFINING THE ENTRY
SEQUENCE FOR VDOT**

NORTHWEST AFTER INTERCHANGE



NORTHWEST AFTER RESEARCH CNTR DR



NORTHEAST INTO CAMPUS

**KEY VIEWS TO
EMPHASIZE**



SCHEDULE

2013

2014

2015

2016

2017

DAIRY
RELOCATION

DESIGN

CONSTRUCTION

INTERCHANGE

DESIGN

CONSTRUCTION

AIRPORT
EXPANSION

DESIGN

CONSTRUCTION

DESIGN INCLUDES PUBLIC HEARINGS AND ADVERTISEMENT

460 INTERCHANGE & AIRPORT RUNWAY EXTENSION

UPDATE 2013 MARCH

THANK YOU

QUESTIONS?

Presentation on the North Campus (B-Lot) Precinct and Multi-Modal Facility

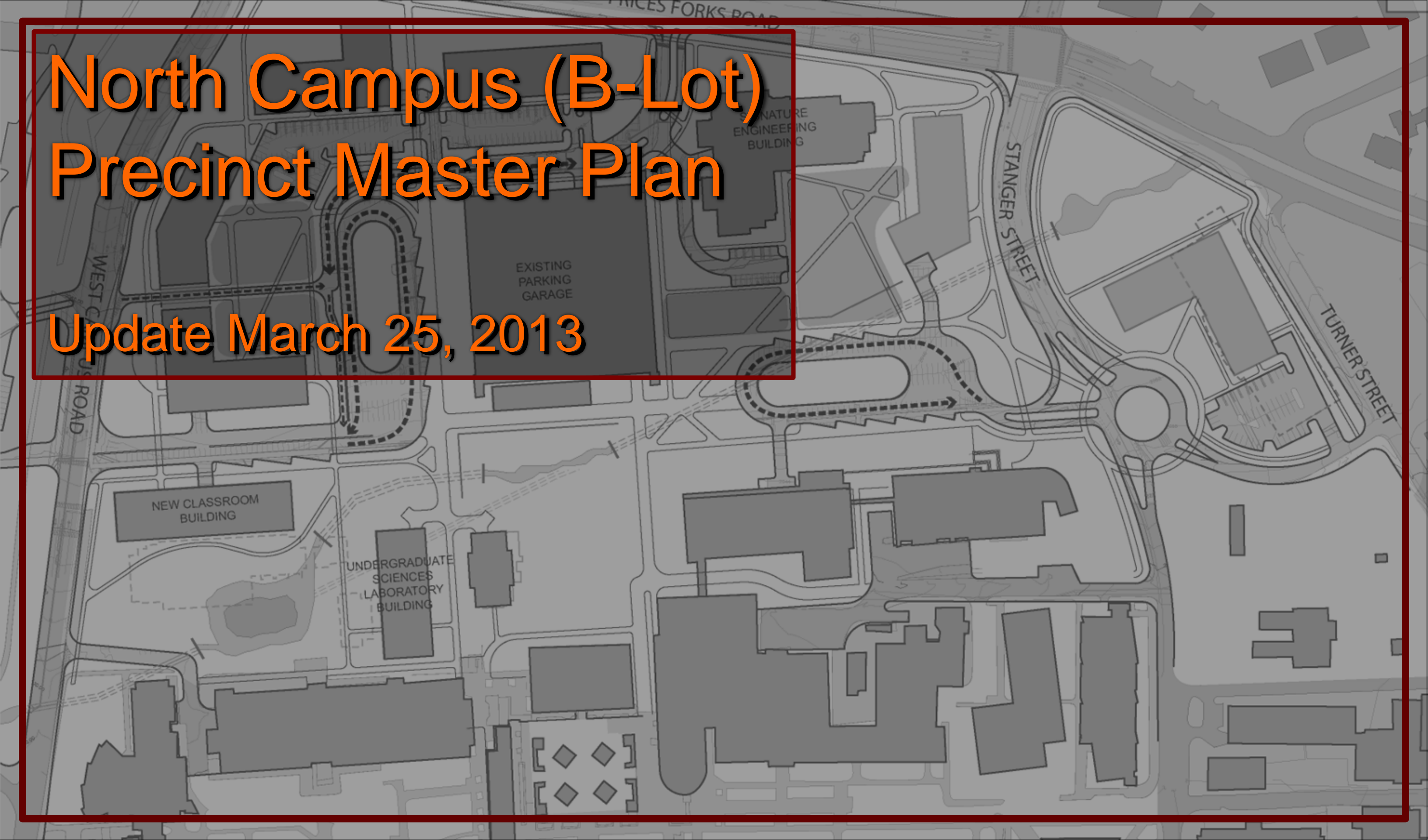
BUILDINGS AND GROUNDS COMMITTEE

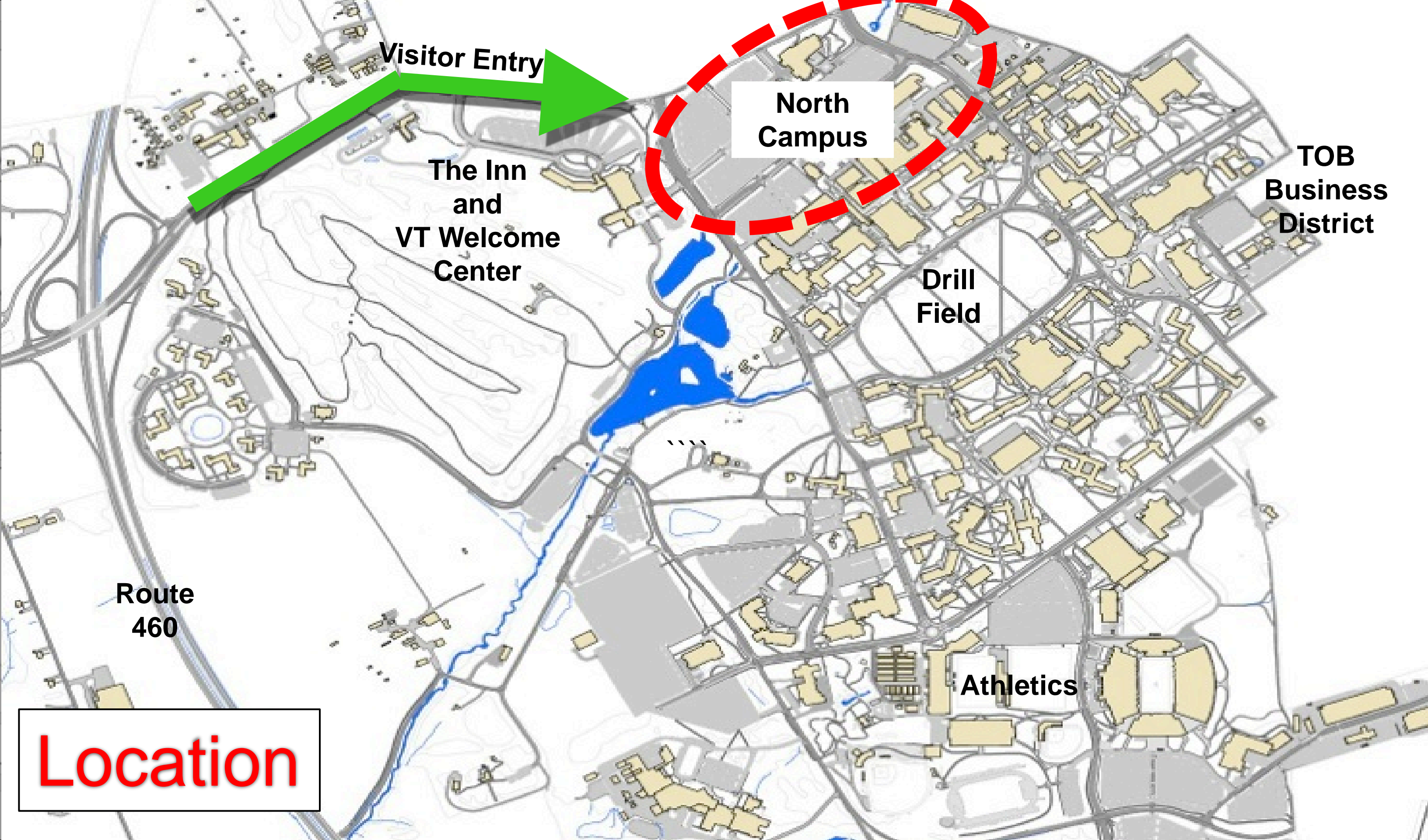
March 25, 2013

A North Campus precinct study is underway to master plan the future build-out of the precinct. The subject area is bounded by Prices Fork Road, Stanger Street, West Campus Drive and buildings south of Perry Street and includes the B-Lot, Derring Lot and Surge Building sites. The plan will designate locations for approximately eight future buildings serving academic, instructional research and student services. Additionally, the plan will designate the location and configuration of the Multi-Modal Facility and bus transit lanes, including new routing for vehicular, pedestrian and service access.

North Campus (B-Lot) Precinct Master Plan

Update March 25, 2013





Visitor Entry

**North
Campus**

**The Inn
and
VT Welcome
Center**

**TOB
Business
District**

**Drill
Field**

**Route
460**

Athletics

Location

In the **spirit of collaboration**, a steering committee representative of a cross section **of campus stakeholders** was appointed to work with the national consultant in the development of the precinct plan, including the following:

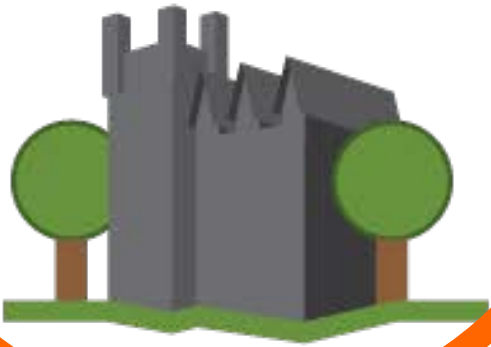
- University Planning (Chair)
- Facility Services
- Provost Office
- College of Engineering
- College of Science
- Student Government
- Faculty
- Architecture and Urban Studies
- Student Affairs
- Traffic and Parking
- Town of Blacksburg

Process



Key Project Goals → Performance Criteria

Campus Edge Identity



Openspace Network



Stormwater Management



Efficient Road Network



Minimize Conflicts



Pedestrian Connections



Creating Arrival



Address Service Access



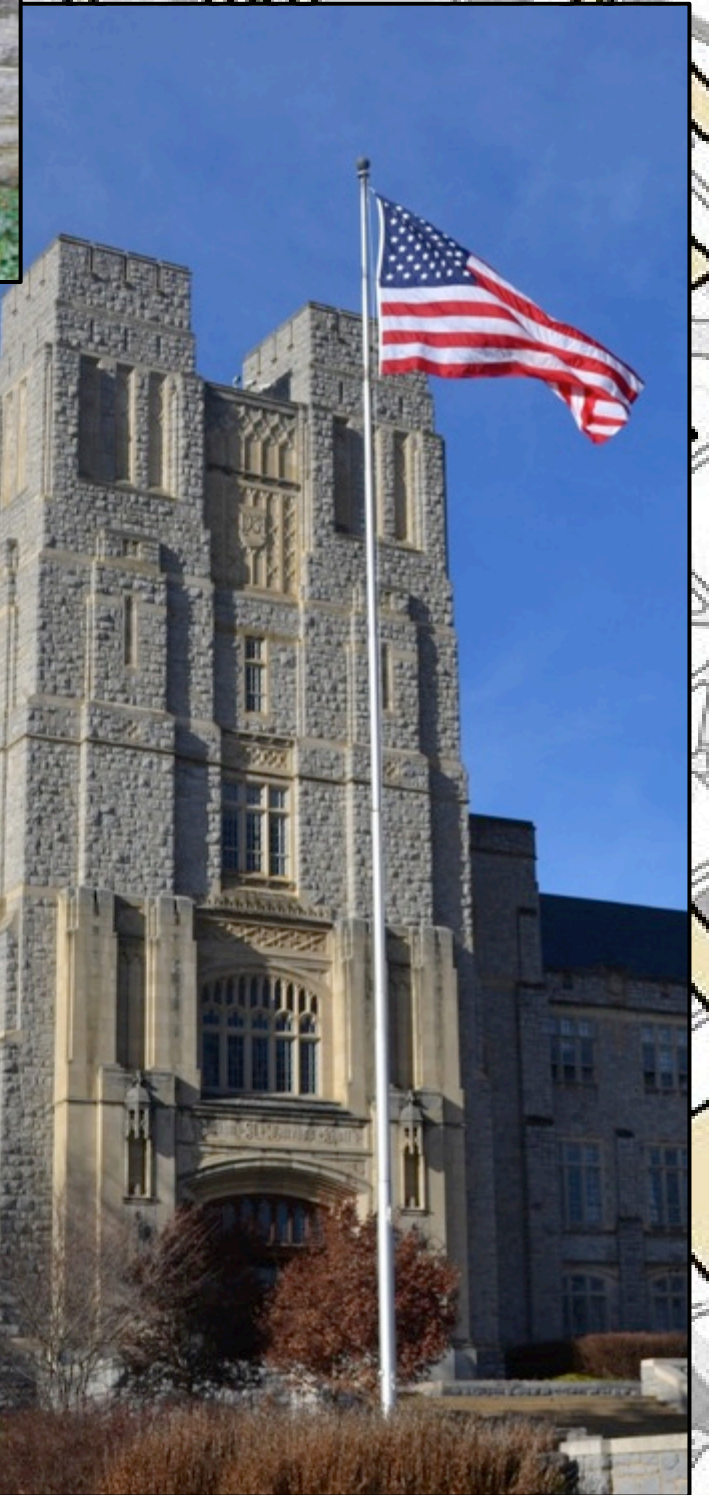
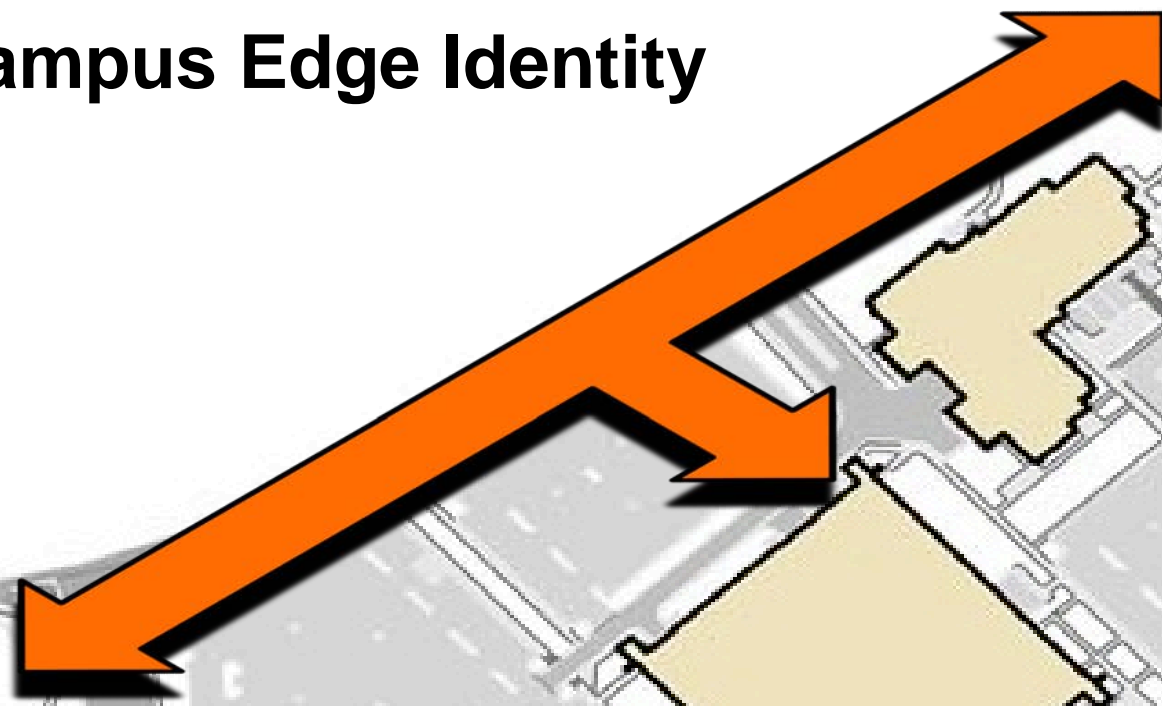
Garage Access



Optimize Buildable Area

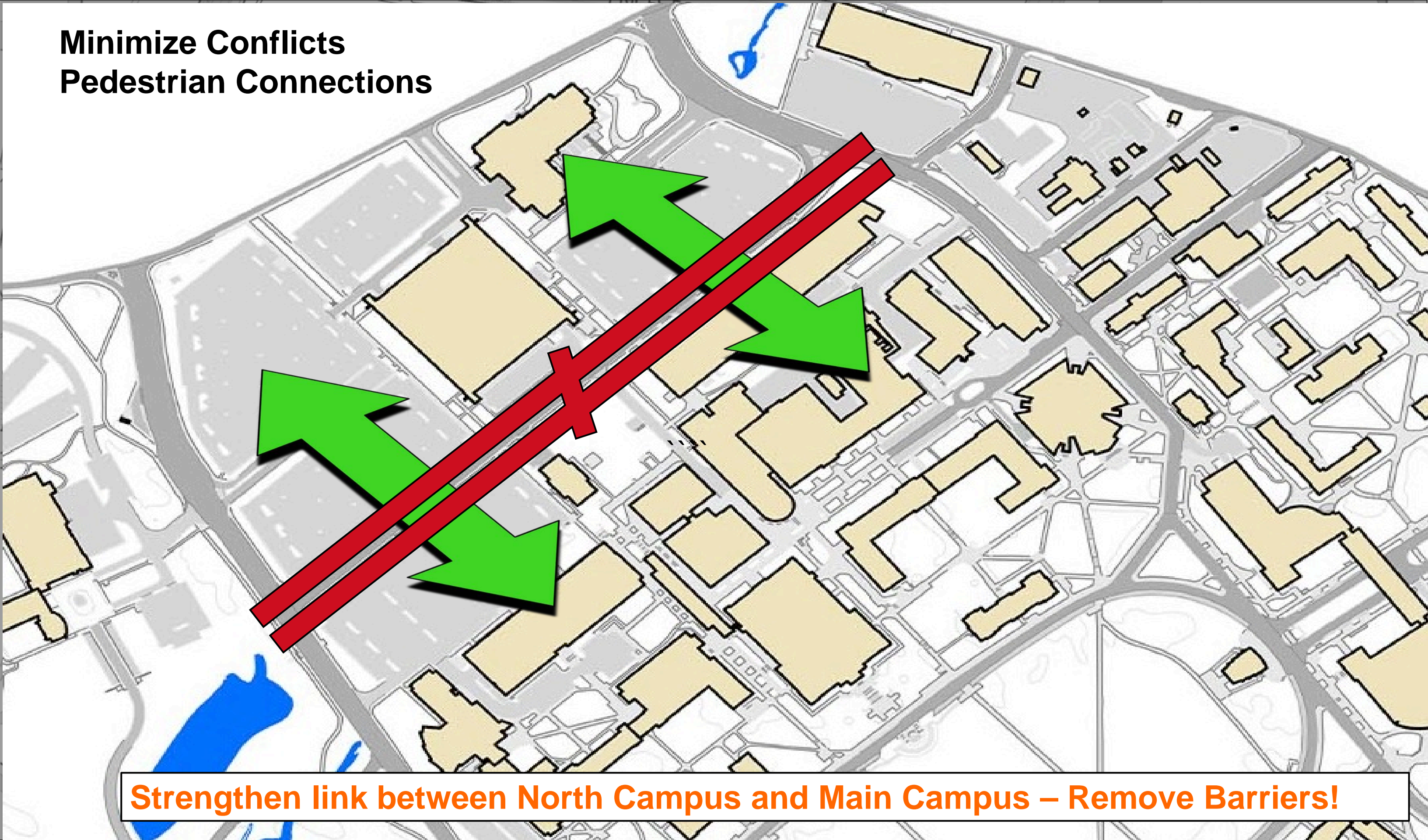


Campus Edge Identity



Reinforce the VT Brand – Sense of Entry

Minimize Conflicts Pedestrian Connections



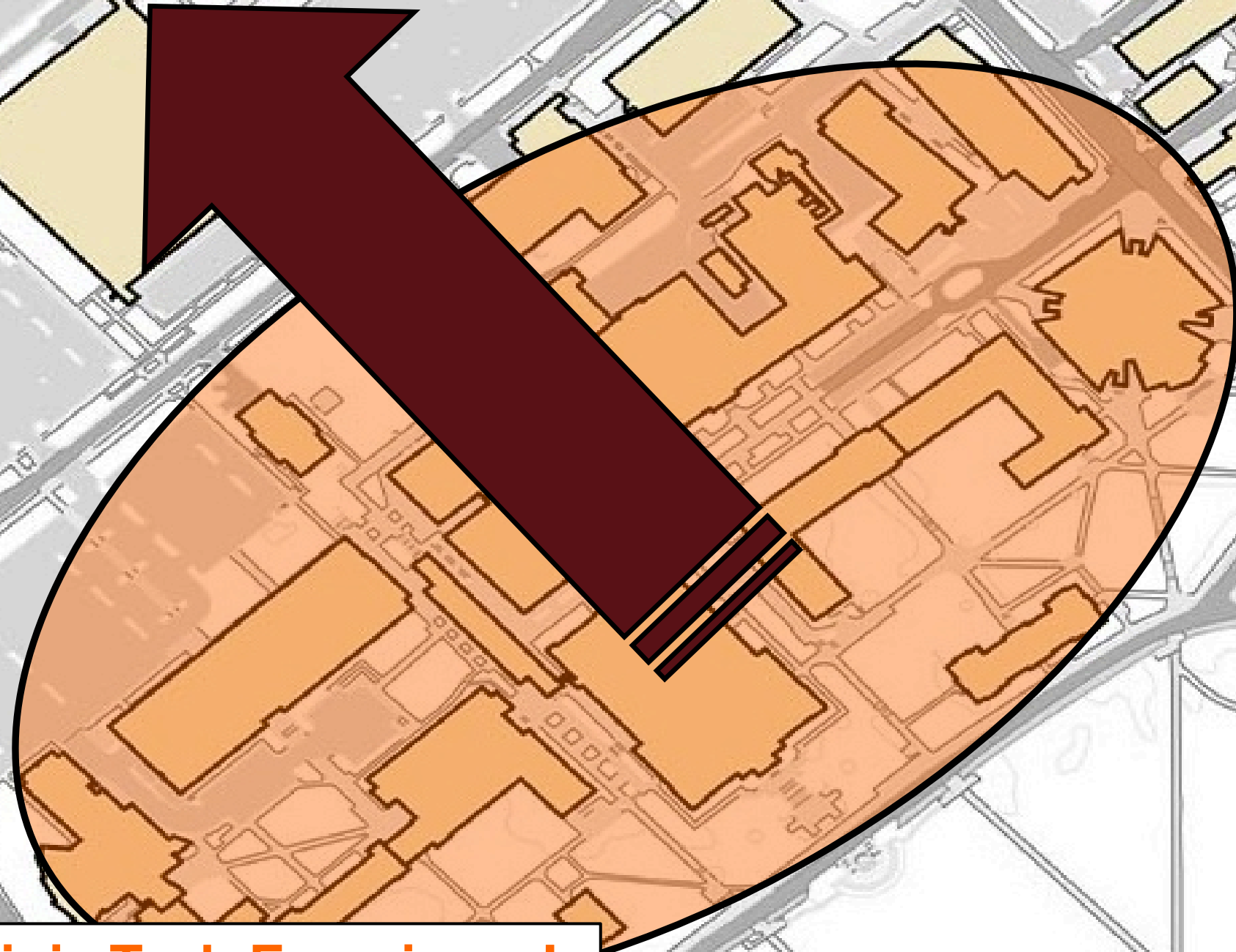
Strengthen link between North Campus and Main Campus – Remove Barriers!





Create Separation between Vehicles and Pedestrians

Optimize Buildable Spaces



Recreate the Virginia Tech Experience!



**Optimize Buildout to
Create Great Spaces**



Optimize Buildout to Create Great Spaces





1917

BLACKSBURG TRANSIT

PROGRESS STREET

5215

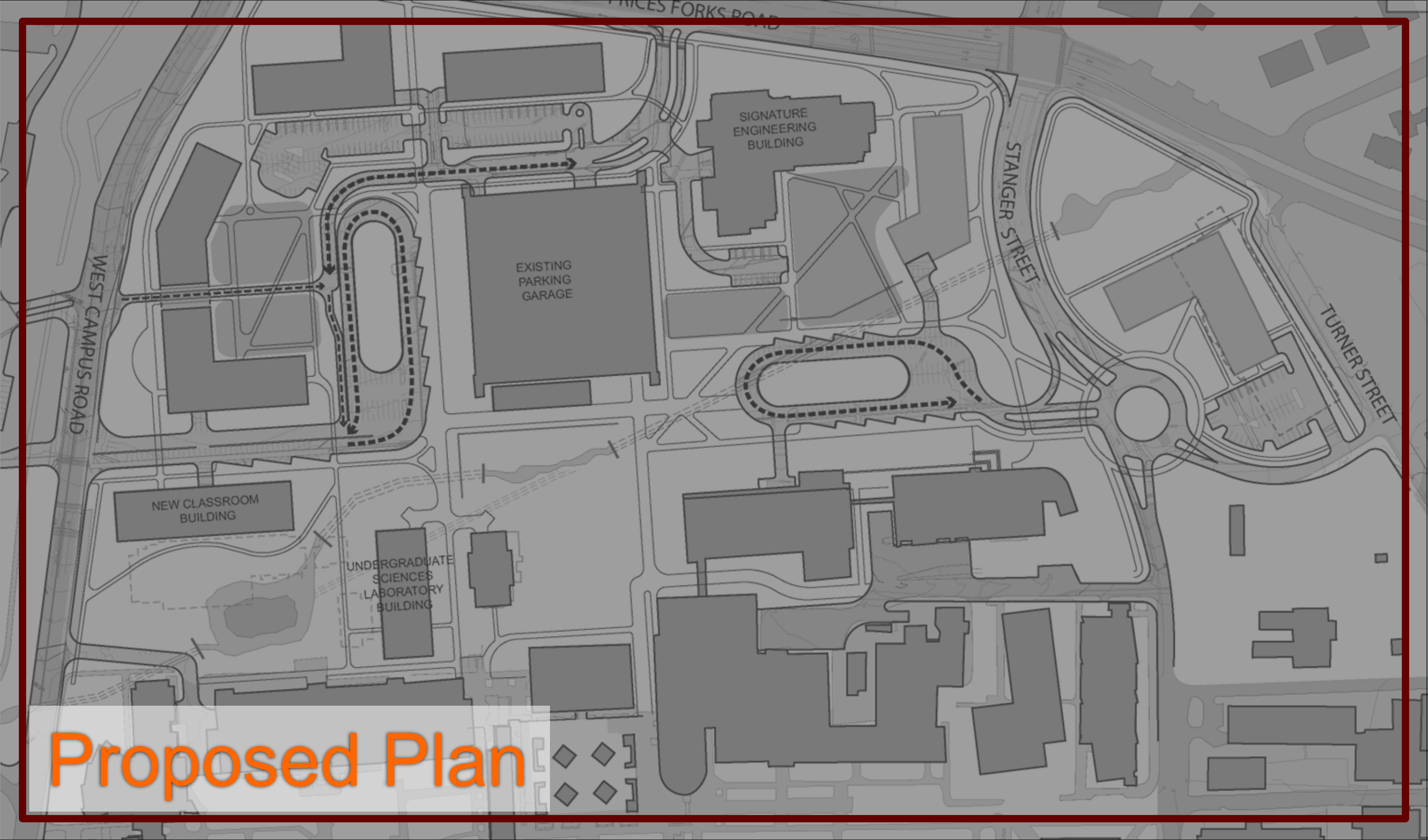
HWDA

CODE LOCAL

now hiring C#, Javascript, Python, PHP, and Linux devs

RACKERYALENT.COM





Proposed Plan

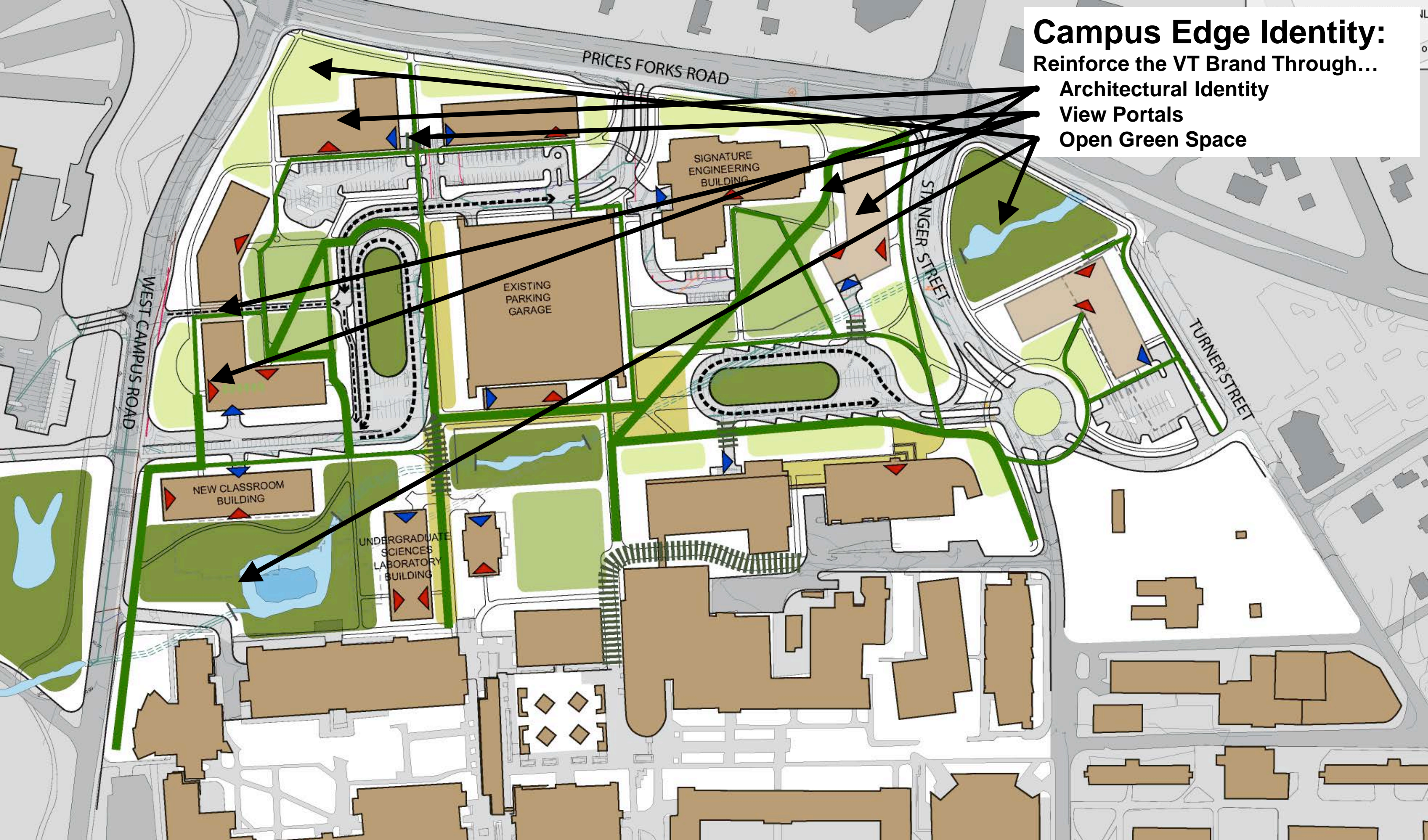
Campus Edge Identity:

Reinforce the VT Brand Through...

Architectural Identity

View Portals

Open Green Space

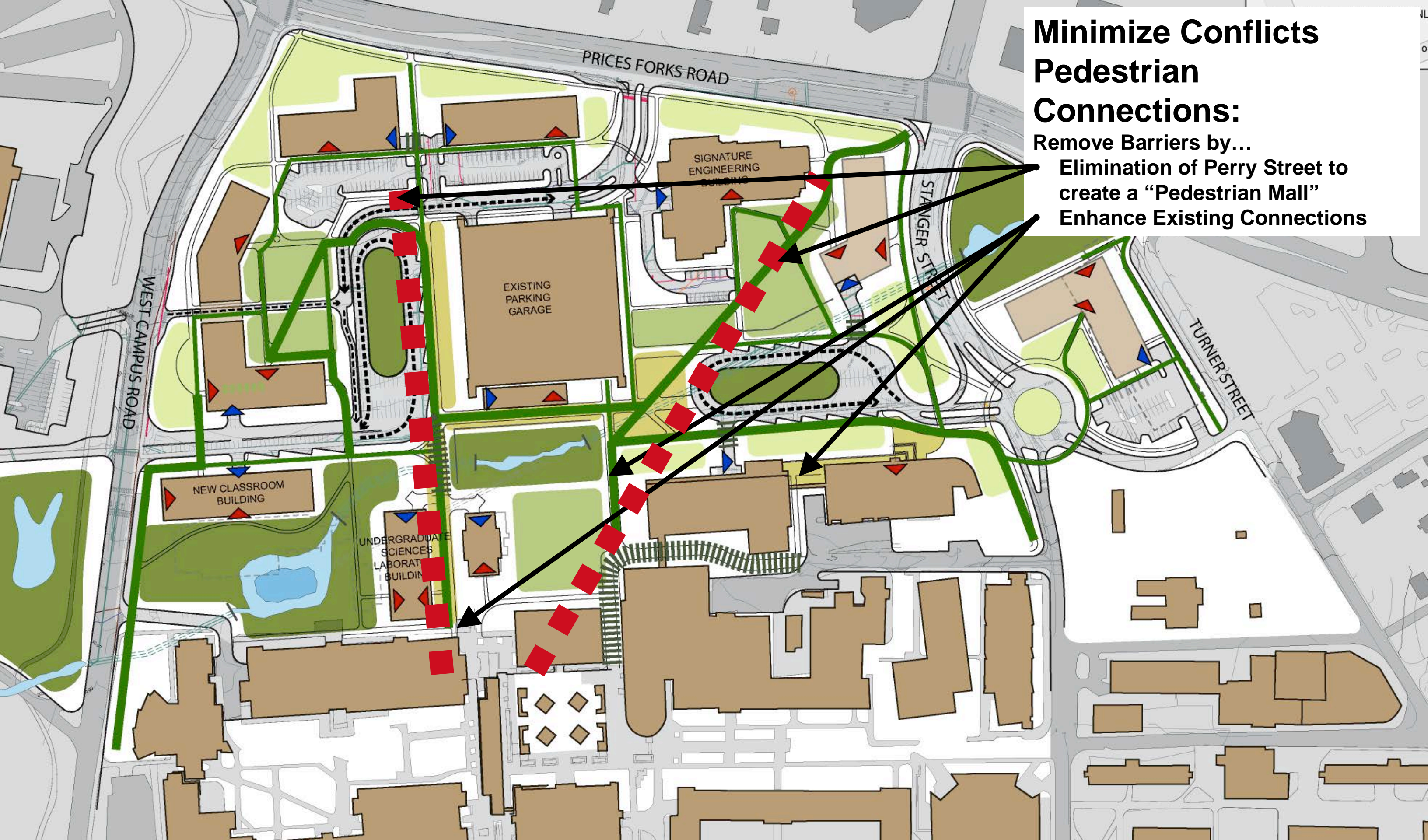


Minimize Conflicts Pedestrian Connections:

Remove Barriers by...

Elimination of Perry Street to
create a "Pedestrian Mall"

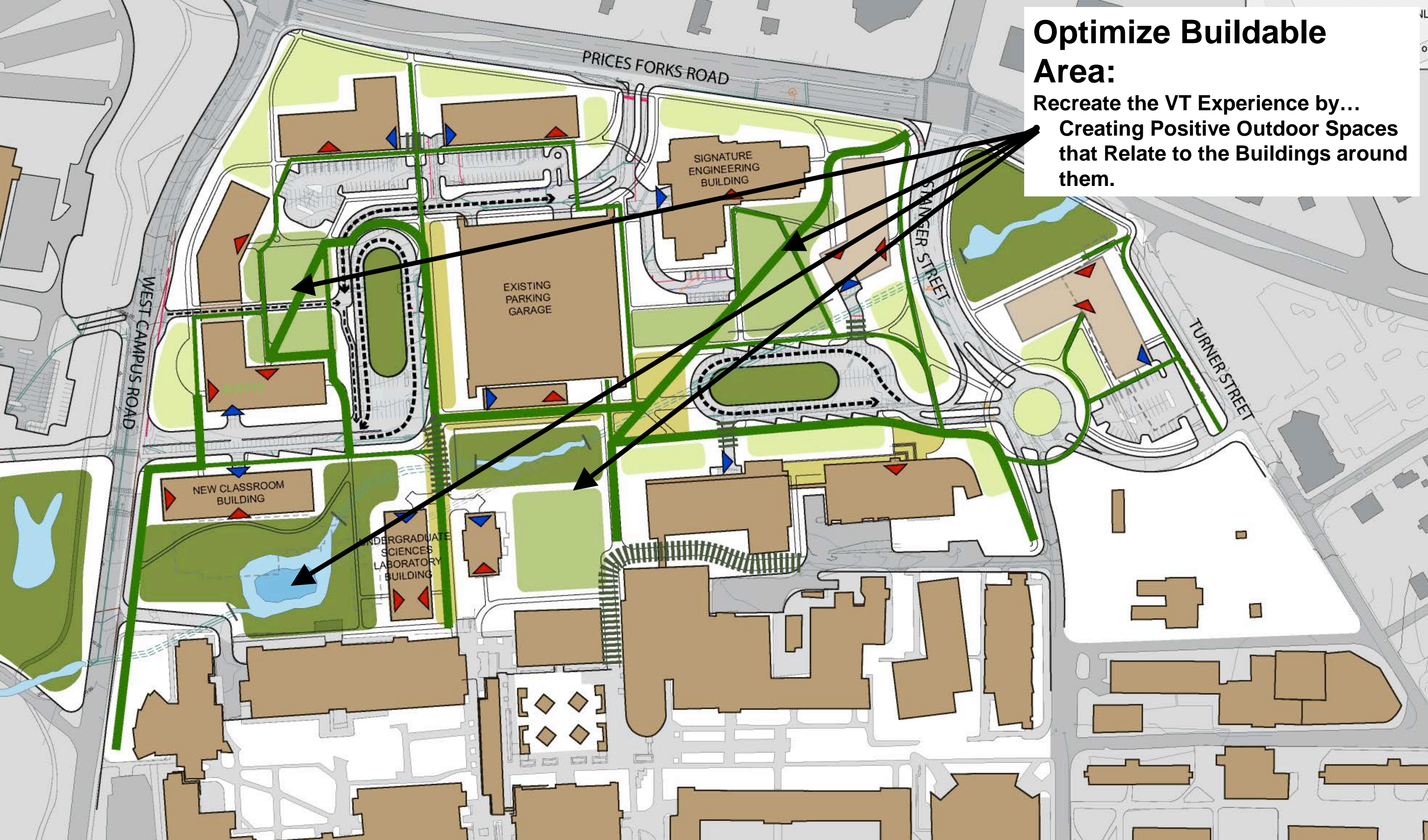
Enhance Existing Connections



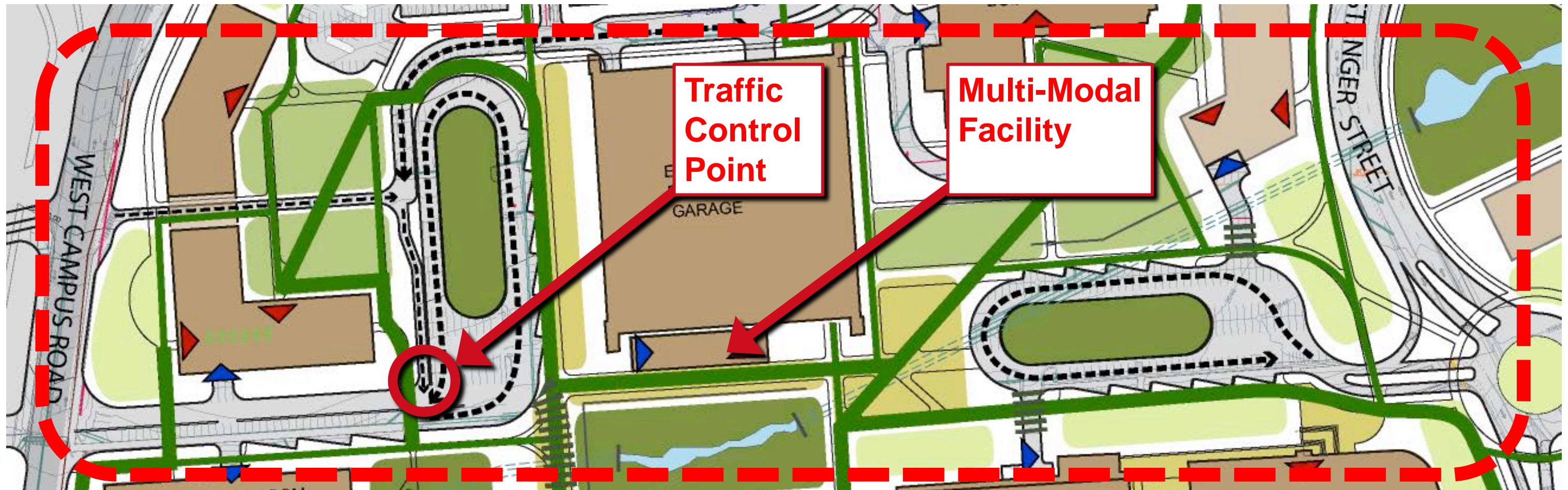
Optimize Buildable Area:

Recreate the VT Experience by...

Creating Positive Outdoor Spaces that Relate to the Buildings around them.



Concept Refinement Discussion – Dual Bus Hub and Multi-Modal Facility



Benefit for Blacksburg Transit - Dual hub maximizes flexibility of operations and route development.

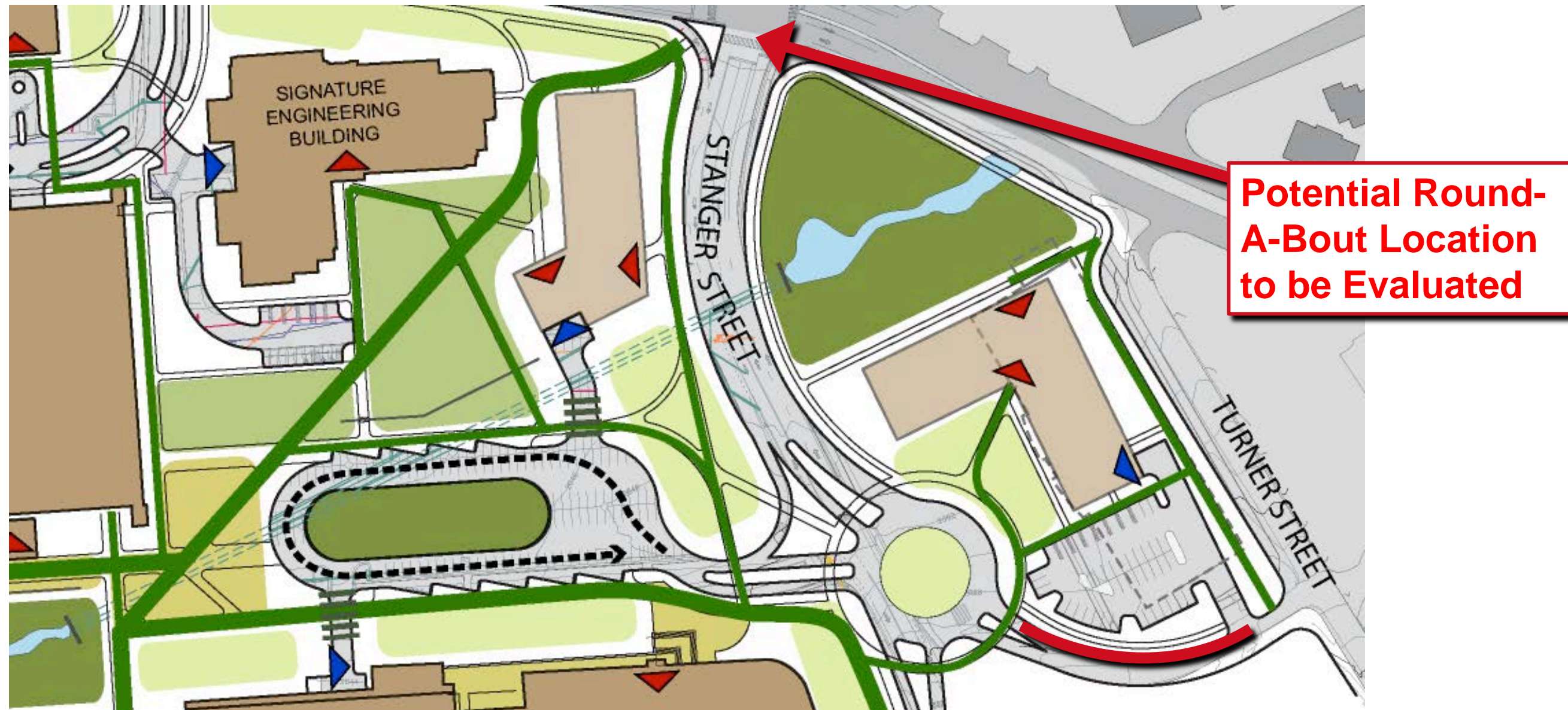
Benefit for Virginia Tech - Dual hub minimizes visual impact on precinct.

Pedestrian Mall – Provides unimpeded access between North Campus and Main Campus for pedestrian flow. Maintains emergency and facility access at pedestrian mall via mountable curbs, gates, etc.

Multi-Modal Facility – To be located south of and adjacent to parking garage. Provides BT office space, and protected area for passengers waiting on buses, as well as amenities for alternative transportation.

Traffic Control Point – Located at the southern exit to West Campus Road. Provides right-of-way to bus traffic

Concept Refinement Discussion - Eastern Hub Intersection



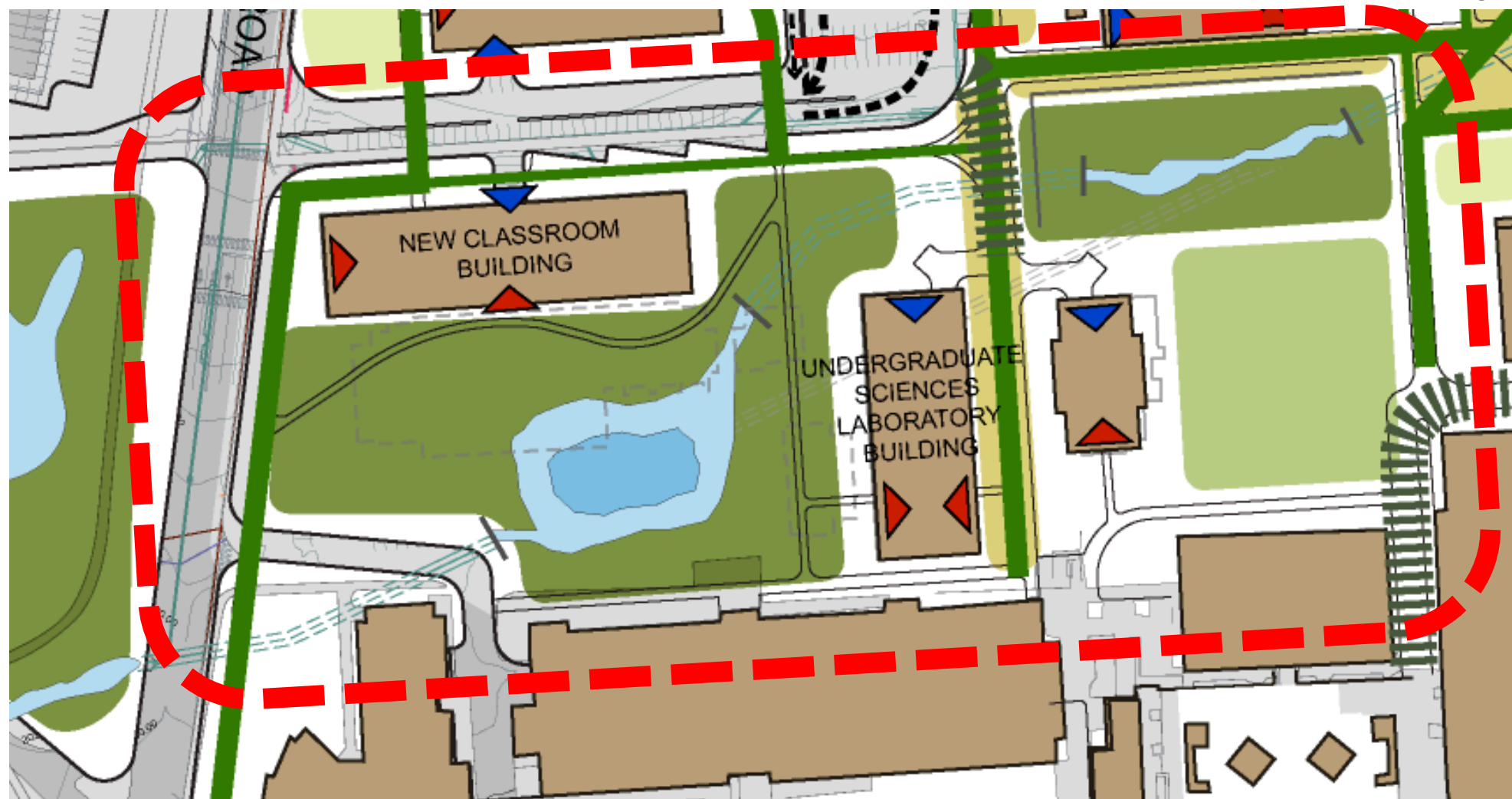
Roundabout

Improved aesthetics and good traffic calming.

Narrower pedestrian crossing distances

***Discussions suggest further investigation of improvements at the Stanger - Prices Forks intersection.**

Concept Refinement Discussion – Stroubles Creek day-lighting & Naturalized Quad

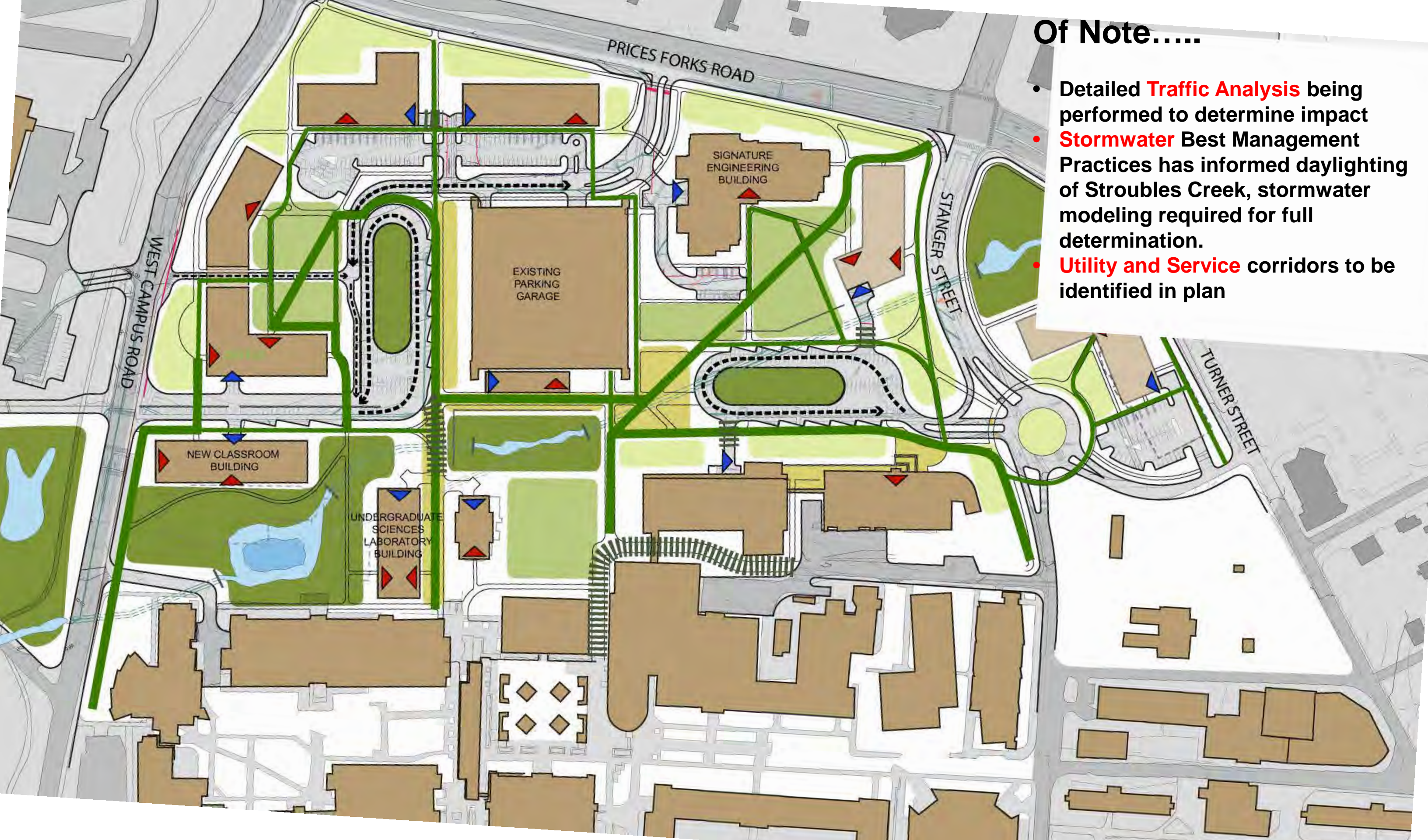


Preliminary recommendations indicate that adaptation of the culvert, in combination with the day-lighting of the stream in select area(s) will provide a **valuable visual resource**, as well as facilitating a new building site north of Derring Hall.

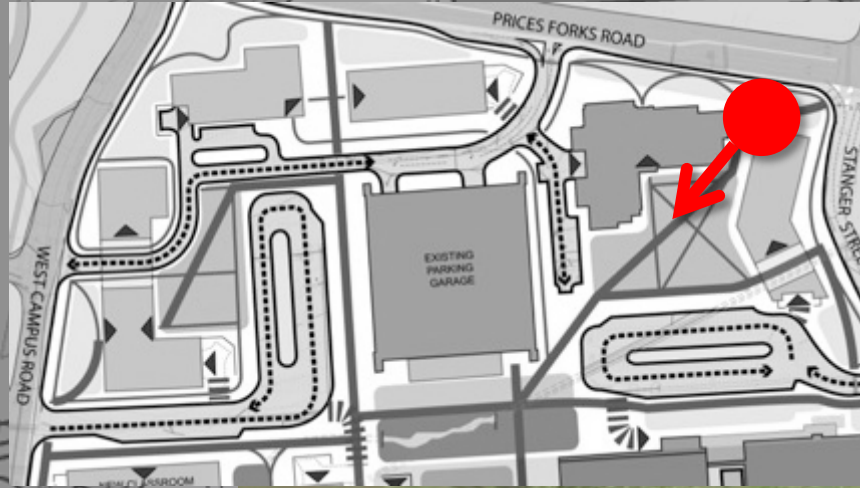
Further investigation of the character and stormwater capacity of these areas is underway as part of the development of the associated stormwater modeling.

Of Note.....

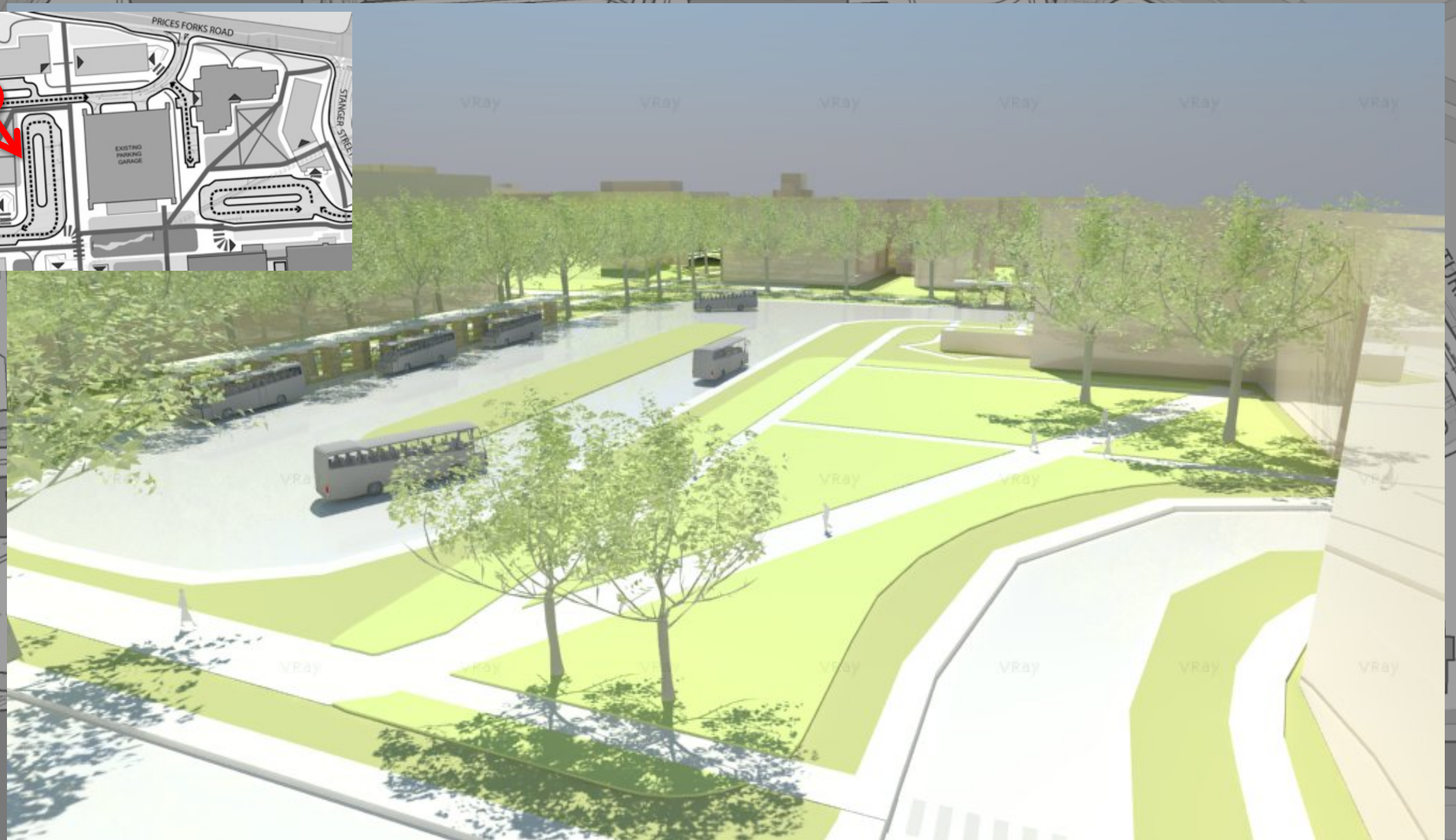
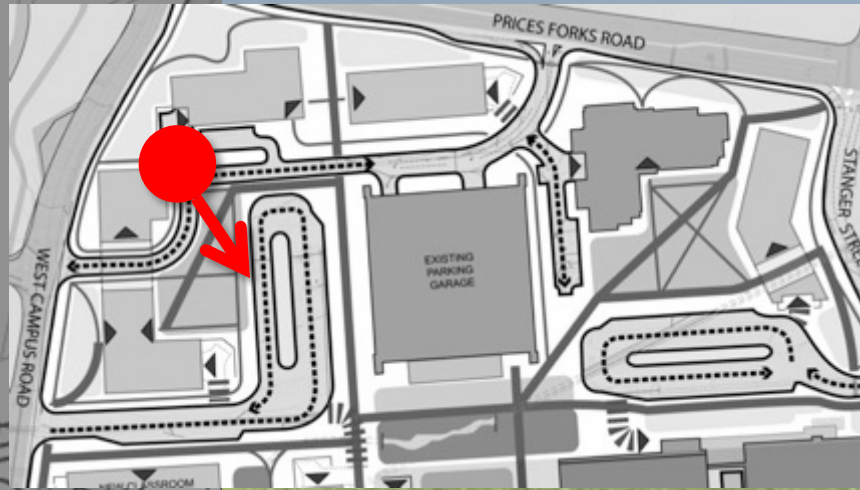
- Detailed **Traffic Analysis** being performed to determine impact
- **Stormwater** Best Management Practices has informed daylighting of Stroubles Creek, stormwater modeling required for full determination.
- **Utility and Service** corridors to be identified in plan



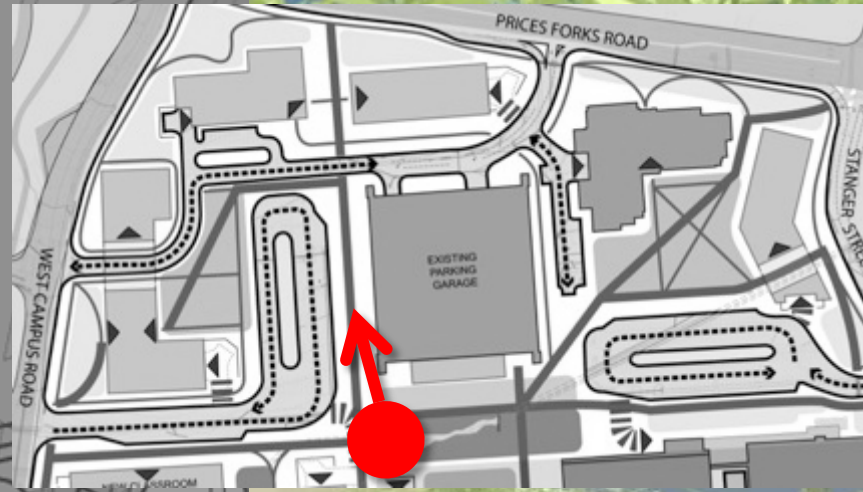
Concept Refinement Visualization



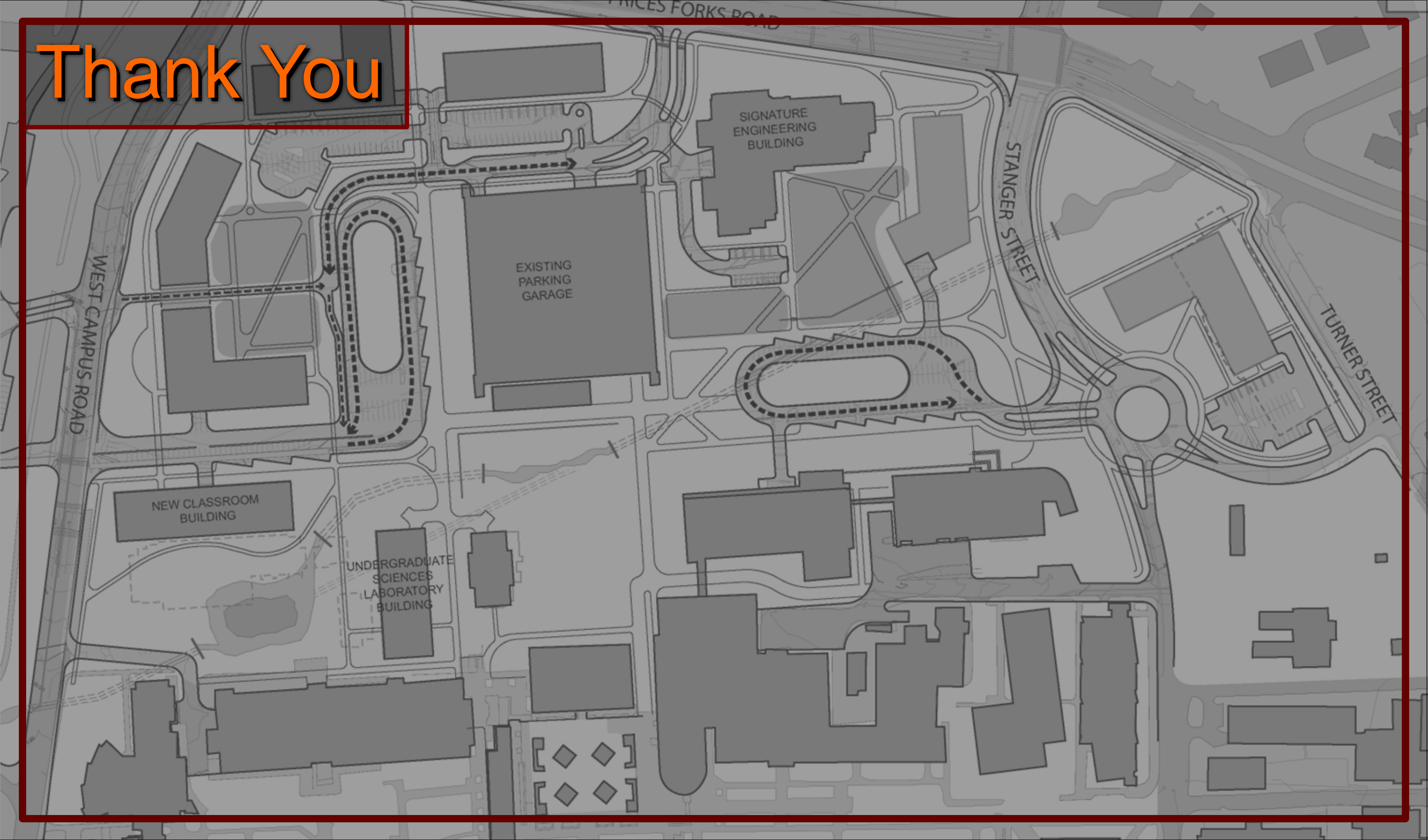
Concept Refinement Visualization



Concept Refinement Visualization



Thank You



BUILDING AND GROUNDS COMMITTEE

March 25, 2013

Capital Project Status Report

Project Name	Project Description	Total Project Cost	Non-General Funds	Project Team	Contract Completion Date	Project Status
DESIGN						
Academic Building Renovations	This project is to renovate three existing campus buildings - Sandy Hall, Performing Arts Building and the front section of Davidson Hall. Collectively, these renovations will increase the functionality of three underutilized building assets, address several deferred maintenance issues, and reduce critical space deficiencies without building additional campus space.	TBD	TBD	TBD	TBD	A/E selection and procurement will begin upon the release of planning money by the Department of Planning & Budget (DPB).
				TBD		
Agriculture Programs Relocation	This project was initiated for planning under a blanket authorization to accommodate the required relocation of the Dairy Program from Southgate Drive to Kentland Farm.	\$1,000,000	\$1,000,000	TBD	TBD	An unsolicited PPEA proposal was received, accepted and public notice posted. One competing proposal was received on January 28, 2013. An Advisory Committee is reviewing each proposal to determine which is most advantageous to the university.
				TBD		
Classroom Building	This project provides for the design and construction of an academic building containing 73,000 SF of state-of-the-art instructional space to accommodate unmet demand for multi-discipline general assignment classrooms and labs. The new academic building will contain approximately 21 flexible lecture and laboratory rooms of various sizes and configurations to accommodate multiple teaching methods. The building will provide approximately 2,500 student stations with wireless capability throughout.	\$2,000,180	\$2,000,180	EYP Architecture & Engineering - Washington D.C.	TBD	Funding has been authorized through preliminary design only. Schematic design is complete and has been submitted for Bureau of Capital Outlay Management (BCOM) cost review. A Construction Manager at Risk has been selected and a contract has been issued for pre-construction services.
				W M Jordan, Inc. - Newport News, VA		
Fire Alarm Systems and Access	This project provides for critical life safety improvements in several educational and general facilities on campus. Fire alarm systems will be installed or expanded in several campus buildings including Randolph Hall, War Memorial Hall, Food Science and Technology, Norris Hall, Newman Library and Lane Hall.	\$980,574	\$0	Multiple A/E Firms	TBD	Funding has been authorized through preliminary design only. Design for the systems for War Memorial Hall and Food Science and Technology buildings is in progress.
				Multiple Contractors		
CONSTRUCTION						
Campus Fiber Optic Improvements Project	This project is for a new fiber-optic backbone and building connections which will increase capacity and diversity to ensure adequate and reliable service to the university.	\$2,000,000	\$2,000,000	Virginia Tech Network Infrastructure & Services	January 1, 2014	Construction is nearing completion. Installation efficiencies and cost savings have allowed expansion of the number of buildings receiving fiber feeder upgrades to increase from 38 to 56 buildings. Equipment purchases are being finalized. Installation and ancillary work is anticipated to be complete in January 2014.
				Virginia Tech Network Infrastructure & Services		

Project Name	Project Description	Total Project Cost	Non-General Funds	Project Team	Contract Completion Date	Project Status
Center for the Arts	This project provides for design and construction of a new 92,000 GSF Performing Arts Center and the renovation of Shultz Hall for a 1,300-seat performance auditorium, a visual arts gallery, creative technologies program and support spaces.	\$100,087,000	\$72,700,448	Snohetta AS – New York, NY with STV Group, Inc. – Douglasville, PA	September 6, 2013	Construction is approximately 75% complete and progressing on schedule. The facility is under roof and dried in with interior finish work ongoing. Installation of the exterior rain screen and concrete panels is ongoing. Interior Hokie Stone installation is nearing completion. Finished floor concrete slabs are being polished in lobby areas. The monumental spiral stair is nearing completion.
				Holder Construction Company – Atlanta, GA		
Chiller Plant I	This project expands the campus chilled water infrastructure and provides for the design and construction of a new 16,655 GSF chiller plan in the south west side of campus to serve the new Human and Agricultural Biosciences Building (HABB1) building and other buildings in the life sciences precinct.	\$20,097,729	\$8,039,092	Burns and Roe Service Corporation – Virginia Beach, VA	June 15, 2013	The steel erection and precast construction are complete. Hokie Stone and window installation is underway. Two 1,500 ton chillers have been delivered and placed in the building. Installation of the two cooling towers is nearly complete. Plumbing connections between the chillers, the pumps and the towers is progressing. The electrical contractor is feeding high voltage permanent power. The roof is approximately 85% complete. The project is on schedule.
				The Whiting-Turner Contracting Co. – Baltimore, MD		
Human and Agricultural Biosciences Building I (HABB1)	This project provides for a new 92,500 GSF advanced agricultural research laboratory facility.	\$53,759,344	\$0	Lord, Aeck & Sargent, Inc. – Atlanta, GA	October 26, 2013	Overall construction is 59% complete. Concrete decks and column construction is 100% complete. Hokie Stone mock-up has been reviewed and approved. Hokie Stone installation is scheduled to begin in March. The project is on schedule.
				Skanska USA Building, Inc. - Durham, NC		
McComas Exterior Wall Structure, Phase III	The project extends the previous work on the McComas Exterior Wall Structure in an effort to alleviate wide spread water infiltration due to failure of the masonry veneer construction, flashing, sealants, mortar joints, and materials.	\$3,100,000	\$3,100,000	Whitlock Dalrymple Poston & Associates- Manassas, VA	August 1, 2013	Seven of twelve designated work areas of the building envelope have been completed. The areas that remain include the backside of McComas adjacent to the soccer field, the backside second level and breezeway, a small piece of original building adjacent to the addition. Construction is progressing as scheduled with completion expected before the start of the Fall Semester pending no unforeseen conditions in the remaining work.
				Carolina Restoration & Waterproofing, Inc. Charlotte, NC		
Phase IV of Oak Lane Community	This project will design and construct Phase IV of the Oak Lane Community for a total project cost of \$23.5 million. Construction of the Sigma Phi Epsilon house and related site improvements is the first in an anticipated multi-phase development of five new Greek houses to be located east of Oak Lane and adjacent to the golf course.	\$23,500,000	\$23,500,000	Thompson + Litton- Radford, VA (Infrastructure Improvements)	January 4, 2013	A Certificate of Use & Occupancy for the Sigma Phi Epsilon house was issued on January 4, 2013 and the house is currently occupied. The associated site work, including storm water management and landscaping improvements, is progressing for completion this Spring 2013.
				DCI/Shires Inc.- Bluefield, WV (Infrastructure Improvements)		

Project Name	Project Description	Total Project Cost	Non-General Funds	Project Team	Contract Completion Date	Project Status
Renovate Davidson Hall	This project provides for the demolition of the deteriorated and outdated center and rear section additions to Davidson Hall. The original building remains and a new replacement addition of 44,845 GSF will be constructed to provide modern laboratory and research space.	\$31,118,739	\$0	Einhorn Yafee Prescott-Washington, DC	January 16, 2014	Overall construction is approximately 50% complete. Structural steel is complete and concrete deck pours are 90% complete. Hokie Stone mock-up is under review with exterior masonry work scheduled to begin in March. Construction is currently on schedule.
				Barton Malow Company-Charlottesville, VA		
Signature Engineering Building	This project provides for a new 154,935 GSF state-of-the-art, technology enhanced flagship building for the College of Engineering to include research, classroom and office space.	\$95,218,249	\$47,609,125	Zimmer Gunsul Frasca Architects LLP-Washington, DC	December 14, 2013	Overall construction is approximately 60% complete. Structural steel and concrete are 98% complete. Construction of the building envelope (masonry, precast panels, metal panels, and Hokie Stone) is underway. Temporary roofing is in place and permanent roofing is 35% complete. Mechanical-Electrical-Plumbing rough-in, wall framing, drywall and interior finishes are ongoing. The project is on schedule.
				Gilbane Building Company-Richmond, VA		
Unified Communications and Network Renewal Project	This project provides for communication infrastructure and equipment enhancements over five years. The scope includes upgrading the Internet Protocol (IP) Network, the cable plant, and equipment rooms in 41 buildings throughout campus to provide for replacement of outdated equipment and upgrade of campus communications systems.	\$16,508,000	\$16,508,000	Multiple A/E Firms	2016	Space allocation, design and construction activities are underway for a building by building phased approach for wiring and equipment upgrades. Construction of data rooms to house equipment in various buildings is anticipated for completion in Fall 2014. Five buildings have been incorporated into the unified communications network.
				Various Contractors		
CLOSE-OUT						
Academic and Student Affairs Building	This 77,500 GSF project provided a new dining facility, academic instruction areas, and other student space within a three-story facility.	\$45,153,000	\$45,153,000	Burt Hill Kosar Rittleman Associates – Washington, D.C.	July 23, 2012	Construction is substantially complete. Punch list items along with remaining furniture and equipment purchases are anticipated to be completed by May 2013.
				Skanska USA Building, Inc. – Durham, NC		
Ambler Johnston Hall - Improve Residence and Dining Halls	This project provided complete renovations to Ambler Johnston Hall (272,000 GSF) including replacement of building systems and addition of air conditioning. The project is envisioned to improve the sense of community by adding corridor day-lighting and an attractive entrance area. The project was completed in multiple phases.	\$75,000,000	\$75,000,000	Clark Nexsen-Charlotte, NC	July 1, 2012	Construction is substantially complete. Punch list items along with remaining furniture and equipment purchases are anticipated to be completed by April 2013.
				Barton Malow Company-Charlottesville, VA		

Project Name	Project Description	Total Project Cost	Non-General Funds	Project Team	Contract Completion Date	Project Status
Campus Heat Plant	This project provided for the design and construction of new heating infrastructure to serve the various areas of campus.	\$31,500,000	\$14,250,000	Affiliated Engineers, Inc.- Chapel Hill, NC (Criteria Consultant)	June 29, 2012	Construction is substantially complete. The erosion and sediment permit will remain open until May 2013 when the disturbed areas are anticipated to be fully restored.
				Mid Atlantic Infrastructure Systems- Winston-Salem, NC		
Infectious Disease Research Facility	This project provided a 15,700 GSF facility to accommodate infectious disease research laboratory space, lab office space and support areas.	\$10,163,000	\$6,163,000	CUH2A Architecture, Engineering, Planning- Bethesda, MD	October 9, 2011	Construction is substantially complete. A laboratory ventilation issue is being investigated. The project is anticipated to close out in June 2013.
				Branch & Associates, Inc.- Roanoke, VA		
Technology Research and Innovation Center	This project provided a 60,000 GSF facility in Hampton, VA for the National Institute of Aerospace. The facility includes designated labs, flexible space labs, offices, and unfinished shell space.	\$11,896,644	\$0	Alpha Corporation- Hampton Roads, VA (Construction Manager)	March 9, 2012	Construction is substantially complete. Construction for second floor tenant up-fit has been added to the project scope. The entire project is anticipated to close out in June 2013.
				Concord Eastridge- Arlington, VA		
Veterinary Medicine Instruction Addition	This project provided for the planning of additional instructional space to provide adequate classrooms to relieve overcrowding of the existing facility. The project provides new classrooms, teaching labs, and faculty spaces.	\$14,000,000	\$14,000,000	HKS, Inc.- Richmond, VA	July 31, 2012	Construction is substantially complete. The punch list is anticipated to be completed in March 2013.
				W.M. Jordan Company- Newport News, VA		
Virginia Tech–Carilion Research Institute (VTCRI) Third Floor Up-fit	This project was to up-fit 26,000 GSF of shelled space on the third floor, including accommodations for wet and dry laboratories, conference space, office space, and a 5,000 cage vivarium with the necessary support spaces and equipment to maintain the cages and animals.	\$15,000,000	\$15,000,000	Kling Stubbins- Philadelphia, PA (Criteria Consultant)	September 19, 2012	Construction is substantially complete. Temperature and humidity control issues are currently being addressed by the contractor. Anticipated project close out is May 2013.
				DPR, Inc.- Glen Allen, VA		
Visitors and Undergraduate Admissions Center	This project provided an 18,155 GSF facility to accommodate the growing needs of visitors to the campus and university admissions office.	\$10,500,000	\$10,500,000	Glavè & Holmes Associates- Richmond, VA	June 16, 2011	Construction is complete. ADA entrance modifications have been requested. Anticipated project close out is April 2013.
				BE&K Building Group- Charlotte, NC		

**RESOLUTION ON DEMOLITION OF UNIVERSITY BUILDING 270G
ON THE VIRGINIA TECH CAMPUS**

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the disposition of any building; and

WHEREAS, a modular structure outfitted for office use, building number 270G, located on the Virginia Tech main campus in Blacksburg, Virginia 24060, is in poor condition and uneconomical to repair; and

WHEREAS, the university will obtain the approvals of the Art and Architecture Review Board and the Department of Historic Resources for the demolition of this building prior to demolition;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approve the demolition of building number 270G, located in Blacksburg, in accordance with the applicable statutes of the Code of Virginia (1950), as amended.

RECOMMENDATION:

That the above resolution authorizing the demolition of building number 270G, located on the Virginia Tech main campus in Blacksburg, be approved.

March 25, 2013

Building No. 270-G West Elevation



Building No. 270-G North Elevation

Building No. 270-G East Elevation



Building No. 270-G South Elevation

**RESOLUTION ON DEMOLITION OF UNIVERSITY BUILDING 805
AT MIDDLEBURG AGRICULTURAL RESEARCH AND EXTENSION CENTER**

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the disposition of any building; and

WHEREAS, a tenant residence, building number 805, located at the Middleburg Agricultural Research and Extension Center in Fauquier County, Virginia 20117, is in poor condition and uneconomical to repair; and

WHEREAS, approval has been obtained from the Art and Architecture Review Board and the Department of Historic Resources for the demolition of building number 805;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approve the demolition of the tenant residence building number 805, located at the Middleburg Agricultural Research and Extension Center in Fauquier County, in accordance with the applicable statutes of the Code of Virginia (1950), as amended.

RECOMMENDATION:

That the above resolution authorizing the demolition of the tenant residence building number 805, located at the Middleburg Agricultural Research and Extension Center in Fauquier County, be approved.

March 25, 2013

Building No. 805- Middleburg Agricultural Research and Extension Center



Building No. 805- Middleburg Agricultural Research and Extension Center



Building No. 805- Middleburg Agricultural Research and Extension Center



**RESOLUTION ON APPOINTMENT TO THE
MONTGOMERY REGIONAL SOLID WASTE AUTHORITY**

WHEREAS, the Montgomery Regional Solid Waste Authority consists of five directors who are responsible for the management and operation of the Authority. One director is appointed by each of the political subdivisions, and one at-large director is appointed jointly by the Virginia Polytechnic Institute and State University Board of Visitors, Blacksburg and Christiansburg Town Councils, and the Montgomery County Board of Supervisors; and,

WHEREAS, the Board of Visitors approved the appointment of Michael J. Coleman, Associate Vice President for Facilities Services and Chief Facilities Officer as the university's representative to the Authority on June 7, 2010 to serve for a term expiring June 30, 2014; and,

WHEREAS, Michael J. Coleman is no longer serving as Associate Vice President and Chief Facilities Officer; and,

WHEREAS, Virginia Tech desires to appoint the Director of Facilities Operations as the university's representative to serve the remainder of the four year term;

NOW, THEREFORE, BE IT RESOLVED, that Mark S. Helms, Director of Facilities Operations, be named as the university's representative and member on the Montgomery Regional Solid Waste Authority, retroactive to January 1, 2012, for a term expiring June 30, 2014.

RECOMMENDATION:

That the above resolution recommending Mark S. Helms, Director of Facilities Operations, be appointed as the university's representative to the Montgomery Regional Solid Waste Authority Board of Directors be approved.

March 25, 2013

**RESOLUTION ON APPOINTMENT TO THE BLACKSBURG-VIRGINIA
POLYTECHNIC INSTITUTE SANITATION AUTHORITY**

WHEREAS, the Blacksburg-Virginia Polytechnic Institute Sanitation Authority (the Authority) consists of five directors who are responsible for the management and operation of the Authority. One director is appointed by each of the political subdivisions, and the other three directors are appointed jointly by the Virginia Tech Board of Visitors and the Blacksburg Town Council; and,

WHEREAS, it is necessary to appoint and reappoint members of its Board of Directors in connection therewith; and,

WHEREAS, the Board of Visitors approved the appointment of Michael J. Coleman, Associate Vice President and Chief Facilities Officer, as the university's representative to the authority on November 7, 2011 for a term expiring on January 1, 2016; and,

WHEREAS, Michael J. Coleman is no longer serving as Associate Vice President and Chief Facilities Officer; and,

WHEREAS, Virginia Tech desires to appoint the Vice President for Administration to serve the remainder of the four year term;

NOW, THEREFORE, BE IT RESOLVED, that Sherwood G. Wilson, Vice President for Administration, be named as the university's representative and member on the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, retroactive to January 1, 2012, for a term expiring January 1, 2016.

RECOMMENDATION:

That the resolution recommending that Sherwood G. Wilson, Vice President for Administration be appointed as the university's representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors to serve the remainder of the four year term be approved.

March 25, 2013

Committee Minutes

FINANCE AND AUDIT COMMITTEE

Duck Pond Room, The Inn at Virginia Tech

March 25, 2013

Finance Closed Session

Board Members Present: Mr. B. K. Fulton, Mr. George Nolen, Ms. Deborah Petrine, Mr. Michael Quillen

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

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.

The Committee recommended the personnel changes report to the full Board for approval.

Finance Open Session

Board Members Present: Mr. B. K. Fulton, Mr. George Nolen, Ms. Deborah Petrine, Ms. Sue Teel – Staff Representative

VPI & SU Staff: Mr. Bob Broyden, Mr. Allen Campbell, Mr. Brant Cox, Mr. John Cusimano, Ms. Feride Daku, Mr. Brian Daniels, Dr. John Dooley, Mr. Corey Earles, Ms. Natalie Hart, Mr. Tim Hodge, Ms. Elizabeth Hooper, Ms. Sharon Kurek, Dr. Scott Midkiff, Mr. Ken Miller, Ms. Laura Neff-Henderson, Mr. Mark Owczarski, Ms. Lisa Royal, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Mr. Ken Smith, Dr. Charles W. Steger, Mr. Jeb Stewart

Guests: Ms. Akiko Nakamura - GSA

1. Motion to Reconvene in Open Session
2. Approval of Items Discussed in Closed Session: The Committee reviewed and took action on items discussed in closed session.
3. Opening Remarks and Approval of Minutes of the November 5, 2012 Meeting: The Committee reviewed and approved the minutes of the November 5, 2012 meeting.

4. **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, 2012. 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 net assets at June 30, 2012 of \$1.29 billion, an increase of \$112 million or 9.5 percent since fiscal year 2011. The total unrestricted net assets, which is a measure of the financial health of the institution, increased by \$20.3 million or 8.3 percent to \$256.6 million. The university's financial planning efforts have resulted in the university experiencing an overall increase of \$129.4 million or 95 percent in the unrestricted net assets since fiscal year 2009. Total revenues at year end were \$1.19 billion, an increase of \$34.6 million or 3 percent over the previous year. The majority of the growth in operating revenues came from the student tuition and fees and auxiliary enterprises. Total operating expenses at year end were \$1.08 billion, an increase of \$50.8 million or 5 percent over the previous year. The increase is primarily due to increased expenditures on operations and maintenance, and instruction.

5. **Report on the 2013 Legislative Session:** The Committee received a report on the results of the 2013 legislative session, including the Governor's Executive Budget presented on December 17, 2012. The General Assembly session opened on January 9, 2013 and was scheduled to complete its work by February 23, 2013. This report presents the major elements of the Executive Budget and General Assembly actions for the second year of the 2012-14 biennium. The university expects to receive an estimated \$8.07 million in incremental general funds for both the University division (Agency 208) and the Cooperative Extension/Agriculture Experiment Station division (Agency 229). This includes the state share of funding for faculty compensation actions.

6. **Report on 2013-14 Faculty Merit Process:** The Committee received a report on the faculty merit process which provides an overview of the faculty merit process at the university. The university manages the faculty merit process in accordance with long standing policies and procedures. The foundation of these policies is contained in the Code of Virginia, the Appropriation Act, and traditional guidance from the state. In addition to this process, the university's policies provide for an off-cycle adjustment to address critical compensation issues such as faculty retention, market competitiveness, change in responsibilities, etc. The university has a well-established and rigorous faculty merit process that provides for a thorough review of faculty performance with resulting salary increases based on performance. The performance for each faculty member is reviewed by the department head and a salary proposal is proposed for consideration by the appropriate dean or vice president. Finally, the President, Provost, and Vice President for Finance and Chief Financial Officer hold salary hearings with each dean and vice president. These hearings provide a review of the performance of all faculty, and the goal of the entire proposal and review process is to ensure that salary adjustments are based on merit and contributions of the faculty member towards the goals of the university. Rewarding, retaining, and motivating faculty is critical to the success of the institution. After five calendar

years without merit raises the faculty merit process for 2012-13 is currently underway, and faculty salary proposals will be presented to the Board of Visitors for approval in June 2013.

- * 7. Approval of Year-to-Date Financial Performance Report (July 1, 2012 – December 31, 2012): The Committee reviewed the Year-to-Date Financial Performance Report for July 1, 2012 – December 31, 2012. For the second quarter, all programs of the university are on target and routine budget adjustments were made to reflect changes in General Fund revenues and expenditure budgets in academic and administrative areas.

During the second quarter, the Federal revenue budget has been increased by \$2.88 million on a one-time basis to draw previously appropriated federal funds. Routine budget adjustments have been made during the second quarter in several auxiliaries to reflect revenue and expenditure changes. The Intercollegiate Athletics budget was adjusted \$3.7 million to accommodate increased revenue from the Russell Athletic Bowl game, football season tickets, game settlements, parking revenue, conference allocation, NCAA opportunity fund, private fund raising, pouring rights revenue, licensing revenue, and an alignment of stadium fees and ticket sales. The revenue and expense budgets for Electric Service were adjusted by \$3.9 million for the decreased cost of wholesale electricity and reduced customer rates.

For the quarter ending December 31, 2012, \$89.2 million had been expended for Educational and General capital projects, and \$14.6 million in expenditures were incurred for Auxiliary Enterprises capital projects. Capital outlay expenditures for the quarter ending December 31, 2012 totaled \$103.8 million.

The Committee recommended the Year-to-Date Financial Performance Report to the full Board for approval.

- * 8. Approval of 2013-14 Compensation for Graduate Assistants: The Committee reviewed for approval the proposed 2013-14 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. The university proposed advancing the stipend scale for 2013-14 by providing a 3.0 percent increase to be effective August 10, 2013. In addition to the base stipend, the university will continue to provide an academic year supplement of \$300 to help mitigate university assigned costs. For 2013-14, the university proposes to continue the tuition remission program for graduate students on assistantship, including the remission of tuition, mandatory E&G fees excluding the Commonwealth Capital and Equipment fee, and non-executive graduate program fees. The university is currently unclear about the level of health

care benefits that it will be able to provide to the students in future years due to the uncertainties related to the Federal Affordable Care Act. The university proposes to maintain coverage at 90 percent of the premium cost for 2013-14.

The Committee recommended the 2013-14 Compensation for Graduate Assistants to the full Board for approval.

Joint Open Session (with Buildings and Grounds Committee)

Board Members Present: Mr. William Fairchild, Mr. B. K. Fulton, Mr. George Nolen, Ms. Deborah Petrine, Mr. Michael Quillen, Mr. John Rocovich, Ms. Sue Teel – Staff Representative

VPI & SU Staff: Mr. Bob Broyden, Mr. Allen Campbell, Mr. Al Cooper, Mr. Brant Cox, Mr. John Cusimano, Ms. Feride Daku, Mr. Brian Daniels, Dr. John Dooley, Mr. Corey Earles, Ms. Natalie Hart, Mr. Larry Hincker, Mr. Tim Hodge, Ms. Elizabeth Hooper, Ms. Sharon Kurek, Ms. Leigh LaClair, Ms. Heidi McCoy, Dr. Scott Midkiff, Mr. Ken Miller, Ms. Laura Neff-Henderson, Ms. Carrie Norman, Ms. Kim O'Rourke, Mr. Mark Owczarski, Ms. Lisa Royal, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Mr. Ken Smith, Mr. Jason Soileau, Mr. Jeb Stewart, Dr. Sherwood Wilson

Guests: Ms. Tonia Moxley, *Roanoke Times*

- * 1. Approval of Resolution for Upper Quad Planning: The Committees reviewed for approval a resolution to design the Upper Quad Residential Facilities. The four facilities are Rasche Hall, Brodie Hall, Thomas Hall, and Monteith Hall. The primary purpose of these facilities is to house the Corps of Cadets. The facilities have received few improvements since their original construction, do not meet student expectations, and carry significant deferred maintenance backlogs. A design competition is being held to develop design options for the Upper Quad in preparation for the replacement of the four existing Upper Quad residence halls with two new replacement residence halls comprising a total of over 1,000 beds. The repurposing options will include conceptual siting and massing for a new Corps Leadership and Military Science building serving the Corps of Cadets and the Reserve Officers Training Corps (ROTC) programs. The Board of Visitors approved the university's 2012-2018 Capital Plan on June 6, 2011, including a nongeneral fund project to replace the four facilities with two modern residence halls. Each new residence hall is envisioned to be approximately 97,000 gross square feet and house approximately 500 cadets. The university worked conjointly with the residential program to develop a long range financial model to support new debt service on this project and other residential program costs within the university's six-year operating plan. This funding plan calls for the use of debt which will be serviced from Residential Programs auxiliary revenue. The target total project funding is \$90 million, and the funding plan is sufficient to cover this amount. This request is for Board approval of a \$5.85 million planning authorization for the Upper Quad Residential Facilities project.

The Committees recommended the Resolution for planning authorization for the Upper Quad Residential Facilities project to the full Board for approval.

- * 2. Approval of Resolution to Authorize a Capital Lease for the Virginia Tech Transportation Institute Expansion: The Virginia Tech Transportation Institute mission is primarily applied to research, accomplished via a multidisciplinary core of academic faculty housed in cooperating departments, research faculty, and students. The university's vision to expand research and development under the Institute is a key strategic initiative for the future. The Virginia Tech Transportation Institute has grown to fill its current space, and the program is expanding further with new research grants and contracts. The Institute has requested additional space to accommodate this growth and has worked with the Corporate Research Center to design and build a solution. The scope of the expansion includes approximately 24,400 gross square feet of office space and 6,400 gross square feet of warehouse space with an expected total cost of not more than \$5.3 million. The university is requesting authorization to enter into capital leases with the Virginia Tech Foundation for an expansion of the Virginia Tech Transportation Institute. The lease rates will be based on a break-even arrangement with the rates reverting to usual and customary property carrying costs after the facility costs are retired.

The Committees recommended the Resolution on the Capital leases for the Virginia Tech Transportation Institute to the full Board for approval.

- * 3. Approval of the 2014-2020 Capital Outlay Plan: The Committees reviewed for approval the 2014-2020 Capital Outlay Plan. The university prepares an updated Six-Year Capital Outlay Plan every two years as part of the state budget cycle, with the next plan covering 2014-2020 and due for submission to the state in the spring or summer of 2013.

Preliminary work has been done to identify potential projects for inclusion in the 2014-2020 Capital Outlay Plan in anticipation of future guidance and instructions from the state. These projects are consistent with programmatic needs established for the planning period and with the strategic plan of the university, and they position the university with options to respond to guidance from the state.

Since the submission date for the new Plan may occur before the June 2013 Board of Visitors meeting, the university is at this time requesting the review and approval of the list of potential projects for inclusion in the 2014-2020 Capital Outlay Plan. The report provides a list of projects that can be funded through general fund and nongeneral fund sources and includes both renovation and new construction projects. The university will provide an update to the status of the 2014-2020 Plan at the June 2013 Board of Visitors meeting.

The Committees recommended the 2014-2020 Capital Outlay Plan to the full Board for approval.

Audit Closed Session

Board Members Present: Mr. B. K. Fulton, Mr. George Nolen, Ms. Deborah Petrine, Mr. Michael Quillen

VPI & SU Staff: Ms. Wanda Dean, Ms. Kay Heidbreder, Ms. Sharon Kurek, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Dr. Charles W. Steger, Dr. Daniel Wubah

1. Review and Acceptance of University Scholarships and Financial Aid Audit Report: The Committee received an audit report on University Scholarships and Financial Aid. The audit received a rating of unreliable. Audit recommendations were issued to management in the areas of general scholarship utilization, Federal Work Study funds utilization, and over award administration. The report was presented in the closed session due to discussion of specific employee performance.

The Committee accepted the report.

2. Update on Fraud, Waste, and Abuse Cases: The Committee received an update on the outstanding fraud, waste, and abuse cases.
3. Discussion with the Director of Internal Audit: The Director of Internal Audit discussed audits of specific departments and units where individual employees were identified.

Audit Open Session

Board Members Present: Mr. B. K. Fulton, Mr. George Nolen, Ms. Deborah Petrine, Ms. Sue Teel – Staff Representative

VPI & SU Staff: Mr. Bob Broyden, Mr. Allen Campbell, Mr. Brant Cox, Mr. John Cusimano, Ms. Feride Daku, Mr. Brian Daniels, Dr. John Dooley, Mr. Corey Earles, Ms. Natalie Hart, Mr. Tim Hodge, Ms. Elizabeth Hooper, Ms. Sharon Kurek, Dr. Scott Midkiff, Mr. Ken Miller, Ms. Laura Neff-Henderson, Mr. Mark Owczarski, Ms. Lisa Royal, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Mr. Ken Smith, Mr. Jeb Stewart

1. Opening Remarks and Approval of Minutes of the November 5, 2012 Meeting: The Committee reviewed and approved the minutes of the November 5, 2012 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, 2012, 12 audit comments remained outstanding. No audit comments have been issued since then. As of December 31, 2012, the university has addressed two comments, leaving 10 open recommendations in progress. The Committee received a

briefing at the meeting that reviewed the status of the outstanding comments, including the comments that have been addressed since December 31, 2012.

The Committee accepted the report.

3. Review of Internal Audit Department's Status Report as of December 31, 2012: The Committee reviewed the Internal Audit Department's Status Report as of December 31, 2012. Internal Audit has completed 28 percent of its audit plan in accordance with the fiscal year 2012-13 annual audit plan and previously reported modifications.

The Committee accepted the report.

4. Review and Acceptance of the following Internal Audit Reports and Memos Issued:

The Committee reviewed and accepted the following Internal Audit Reports:

- a. Animal and Poultry Sciences: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of Personnel Activity Reports (PARs), health and safety, and personally identifying information (PII).
- b. Fish and Wildlife Conservation: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of Personnel Activity Reports (PARs) and laboratory documentation and safety training.
- c. IT Disaster Recovery: The audit received a rating of significant improvements are needed. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of university policy and procedures for Disaster Recovery Planning (DRP), backup and recovery procedures, and the Division of Information Technology DRP documentation.
- d. Department of Psychology: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the area of Family Educational Rights and Privacy Act (FERPA) training for department personnel.
- e. College of Veterinary Medicine: The audit received a rating of significant improvements are needed. Specific areas where opportunities for further improvements were noted include overtime compensation, leave reporting, P14 appointments, funds handling, information technology, and state vehicle management.

5. Presentation of Auditor of Public Accounts Intercollegiate Athletics Programs Report for Year Ended June 30, 2012: The Committee received a report on the Auditor of Public Accounts' (APA) 2012 Intercollegiate Athletics Review. The APA performed certain agreed-upon procedures to the university's Intercollegiate Athletics Programs for the fiscal year ended June 30, 2012, solely to assist the university in complying with National Collegiate Athletic Association (NCAA) bylaws. The university is responsible for the Intercollegiate Athletics Programs including preparation of the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs. During the APA review, no matters were brought to the APA's attention that would lead them to believe the amounts on the Schedule of Revenues and Expenses should be adjusted. This review does not constitute an audit and therefore no opinion is issued. The Committee requested information on the most recent five-year trend of Athletics revenues and expenses.

The Committee accepted the report.

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., Virginia Tech Intellectual Properties, Inc., and Virginia Tech Applied Research Corporation. Consistent with the Board of Visitors' resolution establishing university-related corporations, each corporation is annually required to provide audited annual financial statements, management letters from external auditors, and management's responses to the university's president. Each corporation is also required to submit an annual certification stating that all procedures outlined in the resolution have been met. All corporations are in full compliance with the Board of Visitors' requirements regarding audits.

The Committee accepted the report.

***Requires full Board approval.**

There being no further business, the meeting adjourned at 11:42 a.m.

Update to Responses to Open Internal Audit Comments

FINANCE AND AUDIT COMMITTEE

December 31, 2012

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 ongoing oversight and monitoring of progress to ensure solutions are implemented without unnecessary delays. Management supports units as necessary when assistance is needed to complete an action plan. As units progress toward completion of an action plan, 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. Management continues to emphasize the prompt completion of action plans.

The report includes outstanding recommendations from Compliance Reviews and Audit Reports. Consistent with the report presented at the November Board meeting, the report of open recommendations includes three attachments. Attachment A summarizes each audit in order of final report date with extended and on-schedule open recommendations. Attachment B details all open high or medium priority recommendations for each audit in order of the original target completion date, and with an explanation for those having revised target dates or revised priority levels. Attachment C charts performance in implementing recommendations on schedule over the last seven years. The 100 percent on-schedule rate for fiscal year 2013 reflects closing 13 of 13 recommendations by the original due date.

The report presented at the November 5, 2012 meeting covered Internal Audit reports reviewed and accepted through September 30, 2012 and included 12 open medium and high priority recommendations. Activity for the quarter ended December 31, 2012 resulted in the following:

Open recommendations as of September 30, 2012	12
Add: Medium & High priority recommendations accepted November 5, 2012	0
Subtract: recommendations addressed since September 30, 2012	2
Remaining open recommendations as of December 31, 2012	<u>10</u>

While this report is prepared as of the end of the quarter, management continues to receive updates from Internal Audit regarding auditee progress on action plans. Through February 26, 2013, Internal Audit has closed three of the 10 outstanding medium and high priority recommendations. Six of the remaining seven open recommendations are progressing as expected and are on track to meet their respective target due dates. Management is working with University Scholarships and Financial Aid to provide assistance with timely completion of the action plan for the Departmental Scholarships Utilization Monitoring recommendation, which may require a date extension pending testing of an accounting system module enhancement.

ATTACHMENT A

Open Recommendations by Priority Level

FINANCE AND AUDIT COMMITTEE

December 31, 2012

Report Date	Audit Name	Audit Number	Total Recommendations						
			ISSUED	COMPLETED	OPEN				
					Extended		On-schedule		Total
					High	Medium	High	Medium	Open
27-Feb-12	University Scholarships and Financial Aid	12-1028	1					1	1
09-May-12	Office of the University Registrar	12-1047	2	1			1		1
16-May-12	Mechanical Engineering	12-1041	2				1	1	2
22-Aug-12	Equine Medical Center	12-1061	7	1			4	2	6
Totals:			12	2	0	0	6	4	10

ATTACHMENT B

Internal Audit Open Recommendations

FINANCE AND AUDIT COMMITTEE

December 31, 2012

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		
09-May-12	1	12-1047	Office of University Registrar	FERPA Training and Monitoring Process	High		15-Jan-13		2	
22-Aug-12	2	12-1061	Equine Medical Center	RxWorks Application Security	High		15-Feb-13		2	
22-Aug-12	3	12-1061	Equine Medical Center	Physical Security of the EMC Facility	Medium		15-Feb-13		2	
27-Feb-12	4	12-1028	University Scholarships and Financial Aid	Departmental Scholarships Utilization Monitoring	Medium		30-Apr-13		1	
16-May-12	5	12-1041	Mechanical Engineering	Labor Redistribution	High		1-May-13		3	
16-May-12	6	12-1041	Mechanical Engineering	Personnel Activity Reports	Medium		1-May-13		3	
22-Aug-12	7	12-1061	Equine Medical Center	Ineffective Operating Procedures	High		1-Sep-13		3	
22-Aug-12	8	12-1061	Equine Medical Center	Perpetual Inventory	High		15-Feb-14		3	
22-Aug-12	9	12-1061	Equine Medical Center	Separate Accounting System	High		15-Feb-14		3	
22-Aug-12	10	12-1061	Equine Medical Center	Past Due Notifications	Medium		15-Feb-14		3	

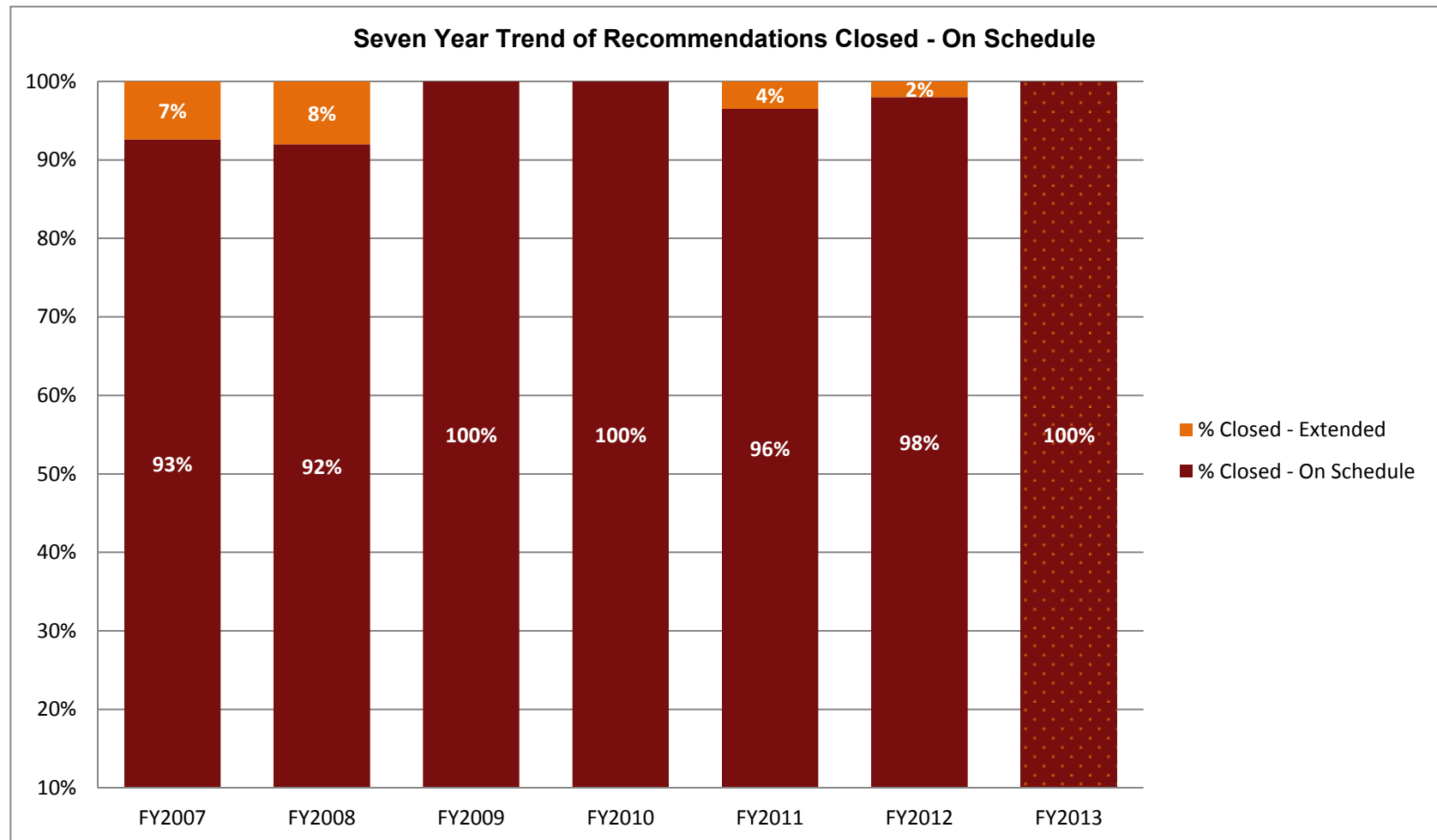
- (1) A revised target date and/or priority level may be established based on Internal Audit's follow up with the unit.
- (2) As of December 31, 2012, management confirmed during follow up discussions with Internal Audit that actions are occurring and the target date will be met. The Internal Audit department will conduct testing after the due date to confirm that the Management Action Plan is implemented in accordance with the recommendations.
- (3) Target date is beyond current calendar quarter. Management has follow up discussions with the auditor to monitor progress, to assist with actions that may be needed to meet target dates, and to assess the feasibility of the target date.

ATTACHMENT C

Management Performance and Trends Regarding Internal Audit Recommendations

FINANCE AND AUDIT COMMITTEE

December 31, 2012



Internal Audit Status Report
FINANCE AND AUDIT COMMITTEE

February 28, 2013

Audit Plan Update

Audits were performed in accordance with the fiscal year 2012-13 annual audit plan at a level consistent with the resources of the Department of Internal Audit. Six audit projects have been completed since the November board meeting. Additionally, an information technology review for the Division of Undergraduate Education has been completed as an advisory service project for management.

The following eight audit projects are underway: Financial Reporting and Cost Accounting, Graduate Education, IT: Outsourced Systems, Office of the University Bursar, Virginia Cooperative Extension, Records Management, Athletics, and College of Engineering. Additionally, a construction contracts review is being conducted as an advisory service project for management. So far in fiscal year 2012-13, Internal Audit has completed 28 percent of its audit plan as depicted in Exhibit 1.

Exhibit 1
FY 2012-13 Completion of Audit Plan

Audits	
Total # of Audits Planned	28
Total # of Supplemental Audits	0
Total # of Carry Forwards	1
Total # of Planned Audits Canceled and/or Deferred	0
Total Audits in Plan as Amended	29
Total Audits Completed	8
Audits - Percentage Complete	28%
Note: Includes Compliance Reviews and Advisory Services	

Review and Acceptance of Internal Audit Reports Issued

FINANCE AND AUDIT COMMITTEE

February 28, 2013

Background

In concurrence with the fiscal year 2012-13 Internal Audit Plan approved by the Finance and Audit Committee at the September 10, 2012 Board of Visitors meeting, the department has completed five risk-based audits and one compliance review 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

Animal and Poultry Sciences	Improvements are recommended
Fish and Wildlife Conservation	Improvements are recommended
IT: Disaster Recovery	Significant improvements are needed
Department of Psychology	Improvements are recommended
College of Veterinary Medicine	Significant improvements are needed

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.

Unreliable – The audit identified numerous significant business risks for which management has not designed or consistently applied controls prior to the audit. Persistent and pervasive control weaknesses have caused or could cause significant errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management must undertake immediate corrective actions to bring the situation under control and avoid (additional) damages to the organization.

RECOMMENDATION:

That the internal audit reports reviewed above be accepted by the Finance and Audit Committee.

**Presentation of Auditor of Public Accounts Intercollegiate Athletics Programs
Report for Year Ended June 30, 2012**

FINANCE AND AUDIT COMMITTEE

January 28, 2013

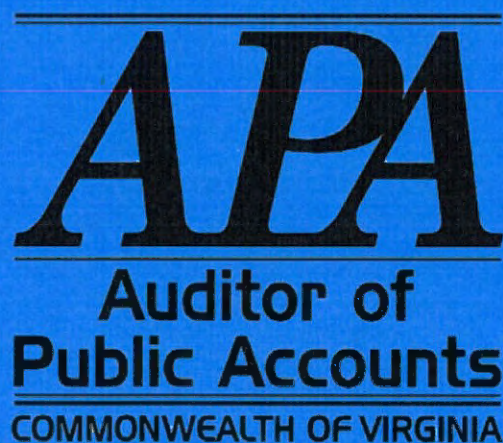
The Auditor of Public Accounts (APA) performed certain agreed-upon procedures to evaluate whether the Schedule of Revenues and Expenses of Intercollegiate Athletics Program of the university is in compliance with National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.16.1, for the year ended June 30, 2012. The APA did not perform an audit of the financial statements of the Intercollegiate Athletics Programs, so no opinion was issued. The APA performed procedures that addressed internal controls, affiliated and outside organizations, schedule of revenues and expenses of intercollegiate athletics programs, and separate procedures for specific revenues and expenses. During the APA review, no matters were brought to the APA's attention that would lead them to believe the amounts on the Schedule of Revenues and Expenses should be adjusted.

The purpose of the Schedule is to present a summary of revenues and expenses of the Intercollegiate Athletics Programs of the university for the year ended June 30, 2012. Total revenues of the Intercollegiate Athletics Programs for the year ended June 30, 2012 were \$70.7 million with the majority of the revenues coming from the football and basketball programs. Expenses for the year were \$67.0 million, and the excess of revenues over expenses were \$3.7 million.

See the attachment for the actual APA report on the Schedule of Revenues and Expense of Intercollegiate Athletics Programs for the year ended June 30, 2012.

**VIRGINIA POLYTECHNIC INSTITUTE
AND STATE UNIVERSITY**

**INTERCOLLEGIATE ATHLETICS PROGRAMS
FOR THE YEAR ENDED
JUNE 30, 2012**



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Commonwealth of Virginia

Auditor of Public Accounts

Martha S. Mavredes, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

December 3, 2012

The Honorable Robert F. McDonnell
Governor of Virginia

The Honorable John M. O'Bannon III
Chairman, Joint Legislative Audit
And Review Commission

Dr. Charles W. Steger
President, Virginia Polytechnic Institute and State University

INDEPENDENT AUDITOR'S REPORT ON APPLICATION OF AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the President of the **Virginia Polytechnic Institute and State University**, solely to assist the University in evaluating whether the accompanying Schedule of Revenues and Expenses of Intercollegiate Athletics Programs of the University is in compliance with National Collegiate Athletic Association (NCAA) Constitution 3.2.4.16, for the year ended June 30, 2012. University management is responsible for the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs and the Schedule's compliance with NCAA requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the University. Consequently, we make no representation regarding sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Agreed-Upon Procedures Related to the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs

The procedures that we performed and our findings are as follows:

Internal Controls

1. We reviewed documentation of accounting systems and operating procedures. We reviewed the relationship of internal control over Intercollegiate Athletics Programs to internal control reviewed in connection with our audits of the University's financial statements. In addition, we identified and reviewed those controls unique to Intercollegiate Athletics Programs, which were not reviewed in connection with our audits of the University's financial statements.
2. Intercollegiate Athletics Department management provided an organizational chart which we reviewed with appropriate personnel. We also made certain inquiries of management regarding control consciousness, the use of internal audit in the department, competence of personnel, and protection of records and equipment.

3. Intercollegiate Athletics Department management provided us with their procedures for gathering information on the nature and extent of affiliated and outside organizational activity for or on behalf of the Intercollegiate Athletics Programs.

Affiliated and Outside Organizations

4. Intercollegiate Athletics Department management identified all intercollegiate athletics-related affiliated and outside organizations and provided us with copies of audited financial statements for each such organization for the reporting period.
5. Intercollegiate Athletics Department management prepared and provided to us a summary of revenues and expenses for or on behalf of the intercollegiate athletics programs by affiliated and outside organizations included in the Schedule.
6. Intercollegiate Athletics Department management provided to us any additional reports regarding internal control matters identified during the audits of affiliated and outside organizations performed by independent public accountants. We were not made aware of any internal control findings.

Schedule of Revenues and Expenses of Intercollegiate Athletics Programs

7. Intercollegiate Athletics Department management provided to us the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs (Schedule) for the year ended June 30, 2012, as prepared by the University and shown in this report. We recalculated the addition of the amounts in the Schedule, traced the amounts on the Schedule to management's worksheets, and agreed the amounts in management's worksheets to the Intercollegiate Athletics Department's accounts in the accounting records. We noted no differences between the amounts in the Intercollegiate Athletics Department's accounts in the accounting records and the amounts on the worksheets. We discussed the nature of work sheet adjustments with management and are satisfied that the adjustments are appropriate.
8. We applied certain analytical review techniques to the revenue and expense amounts reported in the Schedule in order to determine the reasonableness of amounts reported therein. These techniques included trend analyses and review of actual amounts in comparison to budget estimates. We obtained and documented an understanding of significant variations.

Revenues

9. Intercollegiate Athletics Department management provided us with a reconciliation of tickets sold during the reporting period along with complimentary tickets and unsold tickets to the revenue recorded in the Schedule and related attendance figures. We reviewed these reconciliations for selected games and found such reconciliations to be accurate and agreed them to the amounts recorded as ticket revenue for those games.
10. We compared student fees reported in the Schedule to amounts reported in the accounting records and amounts from the university's comprehensive fee allocated to intercollegiate athletics. We found these amounts to be materially in agreement.
11. Intercollegiate Athletics Department management provided us with settlement reports and game guarantee agreements for away games during the reporting period. This amount was deemed to be immaterial for detailed testing.
12. Intercollegiate Athletics Department management provided us with a listing of all contributions of moneys, goods or services received directly by the Intercollegiate Athletics Programs from any affiliated or outside organization, agency or group of individuals that constitutes ten percent or more of all contributions received during the

reporting period. Except for contributions received from the Virginia Tech Foundation, an affiliated organization, we noted no individual contribution which constituted more than ten percent of total contributions received for Intercollegiate Athletics Programs.

13. From the summary of revenues and expenses for or on behalf of the Intercollegiate Athletics Programs by affiliated and outside organizations, we selected individual contribution amounts and agreed each selection to supporting documentation and proper posting in the accounting records. We found all reviewed transactions to be in agreement.
14. We compared amounts reported in the Schedule for direct state or other governmental support, direct institutional support, and indirect facilities and administrative support to appropriations, institutional authorizations, and other supporting documentation. This amount was deemed to be immaterial for detailed testing.
15. Intercollegiate Athletics Department management provided us with a listing and copies of all agreements related to participation in revenues from tournaments, conference distributions, and NCAA distributions. We gained an understanding of the terms of the agreements and agreed selected amounts to proper posting in the accounting records and supporting documentation.
16. Intercollegiate Athletics Department management provided us with a listing and copies of all agreements related to participation in revenues from broadcast, television, radio, and Internet rights. We gained an understanding of the terms of the agreements and agreed selected amounts to proper posting in the accounting records and supporting documentation.
17. Intercollegiate Athletics Department management provided us with a listing and copies of all agreements related to participation in revenues from royalties, advertisements, and sponsorships. We gained an understanding of the terms of the agreements and agreed selected amounts to proper posting in the accounting records and supporting documentation.
18. We obtained and inspected endowment agreements to gain an understanding of the relevant terms and conditions of the agreement. We compared the use and classification of endowment and investment income to the corresponding endowment agreement.

Expenses

19. Intercollegiate Athletics Department management provided us a listing of institutional student aid recipients during the reporting period. We selected individual student-athletes across all sports and agreed amounts from the listing to their award letter. We also ensured that the total aid amount for each sport materially agreed to amounts reported as Financial Aid in the student accounting system.
20. Intercollegiate Athletics Department management provided us with settlement reports and game guarantee agreements for home games during the reporting period. We reviewed these settlement reports and guarantee agreements for selected games and agreed selected amounts to proper posting in the accounting records and supporting documentation.
21. Intercollegiate Athletics Department management provided us with a listing of coaches, support staff, and administrative personnel employed and paid by the University during the reporting period. We selected and tested individuals and compared amounts paid for one pay period or a bonus payment from the payroll accounting system to their contract or other employment agreement document. We found that recorded expenses equaled

amounts paid as salary and bonuses and were in agreement with approved contracts or other documentation.

22. Intercollegiate Athletics Department management provided us with a listing of severance payments made during the reporting period. This amount was deemed to be immaterial for detailed testing.
23. We discussed the Intercollegiate Athletics Department's recruiting expense and team travel policies with Intercollegiate Athletics Department management and documented an understanding of those policies. We compared these policies to existing University and NCAA policies and noted substantial agreement of those policies.
24. Based on disbursements as listed in the accounting records, we selected and tested payments to third parties by the Intercollegiate Athletics Programs. These disbursements were for various activities listed within the Schedule. We compared and agreed the selected operating expenses to adequate supporting documentation. We found all reviewed amounts to be properly approved, in agreement with supporting documentation, and properly recorded in the accounting records.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs or any of the accounts or items referred to above. Accordingly, we do not express such an opinion. Had we performed additional procedures or had we made an audit of any financial statements of the Intercollegiate Athletics Department of Virginia Polytechnic Institute and State University in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to the University. This report relates only to the accounts and items specified above and does not extend to the financial statements of Virginia Polytechnic Institute and State University or its Intercollegiate Athletics Department taken as a whole.

This report is intended solely for the information and use of the President and the University and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

KKH/clj

SCHEDULE

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
SCHEDULE OF REVENUES AND EXPENSES
OF INTERCOLLEGIATE ATHLETICS PROGRAMS
For The Year Ended June 30, 2012

	Football	Men's Basketball	Women's Basketball	Men's Other Sports	Women's Other Sports	Non-Program Specific	Total
Operating revenues:							
Ticket sales	\$ 13,832,551	\$ 2,823,351	\$ 139,707	\$ -	\$ -	\$ -	\$ 16,795,609
Student fees	-	-	-	-	2,147,890	5,199,588	7,347,478
Guarantees	450,000	-	-	500	500	-	451,000
Contributions	8,971,633	817,798	658,934	2,556,361	4,129,948	1,018,517	18,153,191
Compensation and benefits provided by a third party	185,000	-	-	-	-	-	185,000
Direct state or other government support	-	-	-	-	-	645	645
Direct institutional support	-	-	-	-	-	317,084	317,084
NCAA conference distributions including all tournament revenues	9,675,678	6,349,637	25,988	152,378	159,861	1,555,052	17,918,594
Broadcast television, radio and internet rights	3,084,800	822,613	205,653	-	-	-	4,113,066
Program sales, concessions, novelty sales, and parking	1,232,220	80,748	9,398	16,424	10,967	375,989	1,725,746
Royalties, advertisements and sponsorships	636,951	145,835	66,459	112,000	118,500	465,676	1,545,421
Endowment and investment income	572,453	118,588	98,298	472,063	594,557	95,876	1,951,835
Other	8,250	-	-	50,351	50,350	110,138	219,089
Total operating revenues	<u>38,649,536</u>	<u>11,158,570</u>	<u>1,204,437</u>	<u>3,360,077</u>	<u>7,212,573</u>	<u>9,138,565</u>	<u>70,723,758</u>
Operating expenses:							
Athletic student aid	3,220,196	536,480	523,386	2,243,702	3,335,515	417,722	10,277,001
Guarantees	1,325,000	595,126	71,976	15,741	24,246	-	2,032,089
Coaching salaries, benefits, and bonuses	5,535,897	1,836,253	822,293	1,613,399	1,388,947	-	11,196,789
Coaching other compensation and benefits paid by a third-party	185,000	-	-	-	-	-	185,000
Support staff and administrative salaries, benefits and bonuses	1,787,474	228,979	170,986	36,503	101,092	7,104,425	9,429,459
Severance payments	-	87,165	71,244	10,311	8,707	19,962	197,389
Recruiting	342,899	215,225	209,747	186,956	198,075	2,050	1,154,952
Team travel	1,708,234	689,267	443,505	929,666	836,665	-	4,607,337
Equipment, uniforms, and supplies	632,929	46,671	28,102	432,099	371,492	52,254	1,563,547
Game expenses	1,504,629	367,701	166,798	207,486	187,878	477,674	2,912,166
Fund-raising, marketing and promotions	315,837	336,160	109,836	62,908	44,539	446,790	1,316,070
Direct facilities, maintenance and rental	6,379,377	547,953	500,862	1,096,734	1,261,611	7,531,482	17,318,019
Spirit groups	628,727	63,614	9,449	12,227	16,667	93,855	824,539
Indirect facilities and administrative support	191,129	43,666	12,858	159,643	172,206	410,530	990,032
Memberships and dues	2,515	990	980	5,538	3,903	27,131	41,057
Other	1,225,671	284,798	129,848	230,707	217,030	837,304	2,925,358
Total operating expenses	<u>24,985,514</u>	<u>5,880,048</u>	<u>3,271,870</u>	<u>7,243,620</u>	<u>8,168,573</u>	<u>17,421,179</u>	<u>66,970,804</u>
Excess (deficiency) of revenues over (under) expenses	<u>\$ 13,664,022</u>	<u>\$ 5,278,522</u>	<u>\$ (2,067,433)</u>	<u>\$ (3,883,543)</u>	<u>\$ (956,000)</u>	<u>\$ (8,282,614)</u>	<u>\$ 3,752,954</u>

The accompanying Notes to the Schedule of Revenues and Expenses of
Intercollegiate Athletics Programs are an integral part of this Schedule.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
NOTES TO THE SCHEDULE OF REVENUES AND EXPENSES OF
INTERCOLLEGIATE ATHLETIC PROGRAMS
AS OF JUNE 30, 2012

1. BASIS OF PRESENTATION

The accompanying Schedule of Revenues and Expenses of Intercollegiate Athletic Programs has been prepared on the accrual basis of accounting. The purpose of the Schedule is to present a summary of revenues and expenses of the intercollegiate athletic programs of the University for the year ended June 30, 2012. The Schedule includes those intercollegiate athletics revenues and expenses made in behalf of the University's athletics programs by outside organizations not under the accounting control of the University. Because the Schedule presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in fund balances, or cash flows for the year then ended. Revenues and expenses directly identifiable with each category of sport presented are reported accordingly. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Non-Program Specific."

2. AFFILIATED ORGANIZATIONS

The University received \$19,947,086 from the Virginia Tech Foundation, Inc. Approximately \$10,207,474 of these funds were used for grant-in-aid scholarships for student-athletes. These amounts received are included in the accompanying schedule as follows: \$18,153,191 is included in the Contributions line item and \$1,793,895 is included in the Endowment and Investment Income line item.

3. LONG-TERM DEBT

In October 1996, a revenue bond of \$6,250,000 was issued for the Athletic Department. This bond was issued for athletic facility improvements. The majority of this debt was refinanced in May 2004 with a \$4,155,000 revenue bond. This bond has an outstanding balance of \$1,870,000 and will be repaid with general operating revenues through 2016.

In October 2001, a \$26,285,000 note was issued for the Athletic Department. This note was issued for the South End Zone addition to Lane Stadium. Part of the original debt was refinanced in January 2008 with a \$2,860,000 note that will be repaid through 2020 and has an outstanding balance of \$2,825,000. The remaining original debt issuance was refinanced in February 2011 with an \$11,540,000 note that will be repaid through 2027 and has an outstanding balance of \$11,540,000.

In May 2004, a \$52,715,000 revenue bond was issued for the Athletic Department. This bond was issued for the West Side Expansion to Lane Stadium which was substantially completed in 2006. This bond has an outstanding balance of \$36,625,000 and will be repaid with private fund raising and operating revenues through 2029.

In November 2009, an \$8,705,000 note was issued for the Athletic Department. This note was issued for the Hahn Hurst Basketball Practice Center which was substantially complete in 2009. This note has an outstanding balance of \$8,160,000 and will be repaid with private fund raising and operating revenues through 2030.

A summary of future principal and interest commitments for fiscal years subsequent to June 30, 2012 is presented as follows:

Year Ended June 30,	Principal	Interest	Total
2013	\$ 2,870,000	\$2,878,019	\$ 5,748,019
2014	3,005,000	2,740,694	5,745,694
2015	3,155,000	2,589,294	5,744,294
2016	3,300,000	2,430,506	5,730,506
2017	2,935,000	2,264,206	5,199,206
2018-2022	16,935,000	9,023,906	25,958,906
2023-2027	20,915,000	4,583,956	25,498,956
2028-2030	<u>7,905,000</u>	<u>574,431</u>	<u>8,479,431</u>
Total	<u>\$61,020,000</u>	<u>\$27,085,012</u>	<u>\$88,105,012</u>

4. UNIVERSITY ADMINISTRATION FEE

As with all auxiliary enterprises, the University charges the Athletic Department an administrative fee. During the fiscal year, the Department paid \$3,202,204 to the University. This amount is included in Direct Facilities, Maintenance, and Rental, and includes \$83,433 in football, and \$3,118,771 in the non-program specific category.

5. CAPITAL ASSETS

Capital assets consisting of buildings, infrastructure, and equipment are stated at appraised historical cost or actual cost where determinable. Construction in progress (CIP) is capitalized at actual cost as expenses are incurred. The major activity in CIP relates to the completion of the English Field Improvements and renovations to Cassell Coliseum. All gifts of capital assets are recorded at fair market value as of the donation date.

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, ten to 50 years for infrastructure and land improvements, and three to 30 years for fixed and movable equipment.

A summary of changes in capital assets follows for the year ending June 30, 2012 (all dollars in thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Depreciable capital assets:				
Buildings	\$142,053	\$1,502	\$ -	\$143,555
Moveable equipment	4,917	734	136	5,515
Fixed equipment	6,973	536	-	7,509
Infrastructure	<u>16,567</u>	<u>1,564</u>	<u>-</u>	<u>18,131</u>
Total depreciable capital assets, at cost	<u>170,510</u>	<u>4,336</u>	<u>136</u>	<u>174,710</u>
Less accumulated depreciation:				
Building	29,461	3,198	-	32,659
Moveable equipment	3,285	420	130	3,575
Fixed equipment	4,619	252	-	4,871
Infrastructure	<u>12,791</u>	<u>741</u>	<u>-</u>	<u>13,532</u>
Total accumulated depreciation	<u>50,156</u>	<u>4,611</u>	<u>130</u>	<u>54,637</u>
Total depreciable capital assets, net of accumulated depreciation	<u>120,354</u>	<u>(275)</u>	<u>6</u>	<u>120,073</u>
Non-depreciable capital assets				
Construction in progress	<u>139</u>	<u>4,373</u>	<u>3,419</u>	<u>1,093</u>
Total capital assets, net of accumulated depreciation	<u>\$120,493</u>	<u>\$4,098</u>	<u>\$3,425</u>	<u>\$121,166</u>

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
Blacksburg, Virginia

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Report on Audits of University-Related Corporations

FINANCE AND AUDIT COMMITTEE

February 12, 2013

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 as of June 30, 2012, 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	2	✓
VT Intellectual Properties, Inc.	✓	1	1	2	✓
VT Services, Inc.	✓	1	1	2	✓
VT Applied Research Corporation	✓	1	1	2	✓

¹ No management recommendations resulted from the audit.

² 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 of the University's Annual Financial Report

FINANCE AND AUDIT COMMITTEE

January 30, 2013

Fiscal year 2012 represented yet another challenging period to continue the advancement of Virginia Tech. In spite of the current economic environment, the university continues to employ cost containment and income enhancement techniques which have enabled the university to successfully grow the programs of core missions. The university's overall financial position remains strong. Despite the challenges, we had a successful year on several fronts. While continuing to move forward and expand our academic programs, we have managed operations with structurally balanced budgets, and realized growth in unrestricted net assets and capital assets.

Summary of Audit Results

- Unqualified audit opinion
- No material weakness in internal controls
- No instances of noncompliance or other matters required to be reported under Government Auditing Standards
- No written audit recommendations involving internal control

Assets, Liabilities and Net Assets at June 30, 2011 and 2012

(all dollars in millions)

	2012	2011	Change	
			Amount	Percent
Current assets	\$ 388.9	\$ 372.5	\$ 16.4	4.4%
Noncurrent cash and cash equivalents	141.3	116.3	25.0	21.5%
Capital assets, net	1,339.5	1,196.6	142.9	11.9%
Other assets	176.3	158.9	17.4	11.0%
Total assets	2,046.0	1,844.3	201.7	10.9%
Current liabilities	246.1	212.0	34.1	16.1%
Noncurrent liabilities	511.0	455.4	55.6	12.2%
Total liabilities	757.1	667.4	89.7	13.4%
Invested in capital assets, net	867.3	794.6	72.7	9.1%
Restricted	156.0	137.0	19.0	13.9%
Unrestricted	265.6	245.3	20.3	8.3%
Total net assets	\$ 1,288.9	\$ 1,176.9	\$ 112.0	9.5%

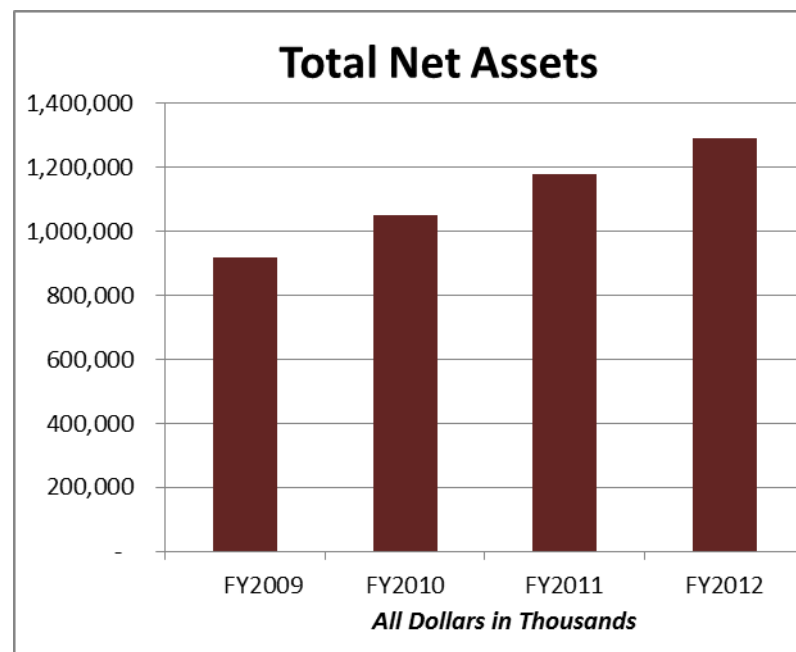
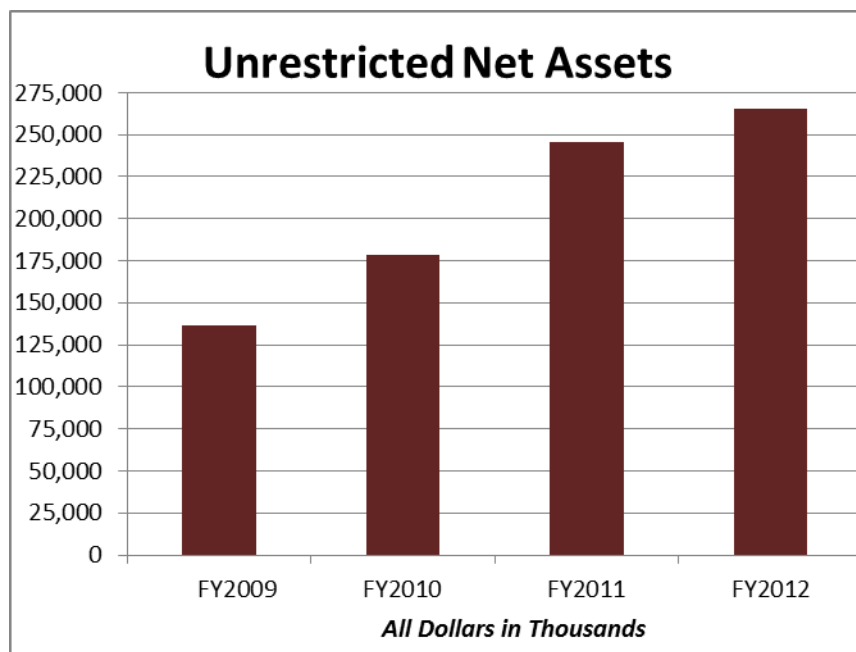
The balance sheet shows positive results for fiscal year 2012 with the key indicators as follows:

- Net Assets increased by \$112.0 million.
- The largest increase (over \$100 million) occurred in Capital Assets.
- Total liabilities grew due to increased accounts payable activity for capital projects and long term debt issuances.

Improvement Trends in Financial Position / Net Assets

(all dollars in thousands)

	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>
Capital Assets, Net of Related Debt	\$669,721	\$734,875	\$794,583	\$867,314
Restricted, Nonexpendable	358	363	364	364
Restricted, Expendable				
Capital projects	7,738	14,074	12,837	20,302
Other	104,980	120,876	123,801	135,315
Unrestricted	136,154	178,471	245,316	265,648
Total Net Assets	\$918,951	\$1,048,659	\$1,176,901	\$1,288,943



Note: There has been a \$129.4 million (95 percent) increase in Unrestricted Net Assets since fiscal year 2009.

Ongoing Investments in Capital Assets

Summary Changes in Capital Assets for Fiscal Year 2012

(all dollars in millions)

	Beginning Balance	Additions	Retirements	Ending Balance
Depreciable capital assets				
Buildings	\$ 1,112.2	\$ 56.3	\$.5	\$ 1,168.0
Moveable equipment	407.8	43.8	21.8	429.8
Software and intangible assets	8.4	.3	.1	8.6
Fixed equipment	102.3	2.9	.9	104.3
Infrastructure	116.4	2.1	0	118.5
Library books	76.1	1.9	1.8	76.2
Total depreciable capital assets, at cost	1,823.2	107.3	25.1	1,905.4
Less accumulated depreciation				
Total accumulated depreciation	818.6	77.2	23.2	872.6
Total depreciable capital assets, net	1,004.6	30.1	1.9	1,032.8
Nondepreciable capital assets				
Land	46.1	.1	0	46.2
Livestock	.6	.2	0	.8
Construction in progress	141.8	171.3	56.9	256.2
Equipment in process	3.2	3.3	3.2	3.3
Software in development	.3	.2	.3	.2
Total nondepreciable capital assets	192.0	175.1	60.4	306.7
Total capital assets, net	\$ 1,196.6	\$ 205.2	\$ 62.3	\$ 1,339.5

Major buildings additions completed & capitalized fiscal year 2012 included: Hampton Technology Research & Innovation Center (\$10.5 million), the Visitors and Undergraduate Admissions Center (\$10.3 million) and the Infectious Disease Research facility (\$7.9 million).

Major Projects contributing to "Construction in Progress" balance include: Ambler Johnston Renovation (67.2 million), Performing Arts (49 million), Academic and Student Affairs (42.6 million), Signature Engineering Building (30.3 million), VTCRI Third Floor Upfit (11.2 million) and Vet Med Instruction Addition (10.5 million).

Summary of Revenues, Expenses, and Changes in Net Assets for Fiscal Year 2012

(all dollars in millions)

	2012	2011	Change	
			Amount	Percent
Operating revenues	\$ 832.4	\$ 780.7	\$ 51.7	6.6%
Operating expenses	1,076.3	1,025.5	50.8	5.0%
Operating loss	(243.9)	(244.8)	0.9	(0.4%)
State appropriations	219.4	238.5	(19.1)	(8.0%)
Other non-operating revenues and expenses	59.9	85.7	(25.8)	(30.1%)
Non-operating income	279.3	324.2	(44.9)	(13.8%)
Income before other revenues & expenses	35.4	79.4	(44.0)	(55.4%)
Other revenues, expenses, gains or losses	76.6	48.9	27.7	56.7%
Increase in net assets	112.0	128.3	(16.3)	(12.7%)
Net assets - beginning of year	1,176.9	1,048.6	128.3	12.2%
Net assets - end of year	\$ 1,288.9	\$ 1,176.9	\$ 112.0	9.5%

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.

Operating revenues increased by 6.6 percent from the prior fiscal year. This growth came primarily from two categories: Student tuition & fees and auxiliary enterprises. Non-operating revenue decreased primarily from reductions in state appropriations and federal ARRA fiscal stabilization funding. The ongoing construction of capital projects funded from the 21st Century bond program (\$17.9 million) and the Central Maintenance Reserve program (\$8.9 million) accounted for the majority of the \$27.7 million increase in the “Other revenues, expenses, gains or losses” category.

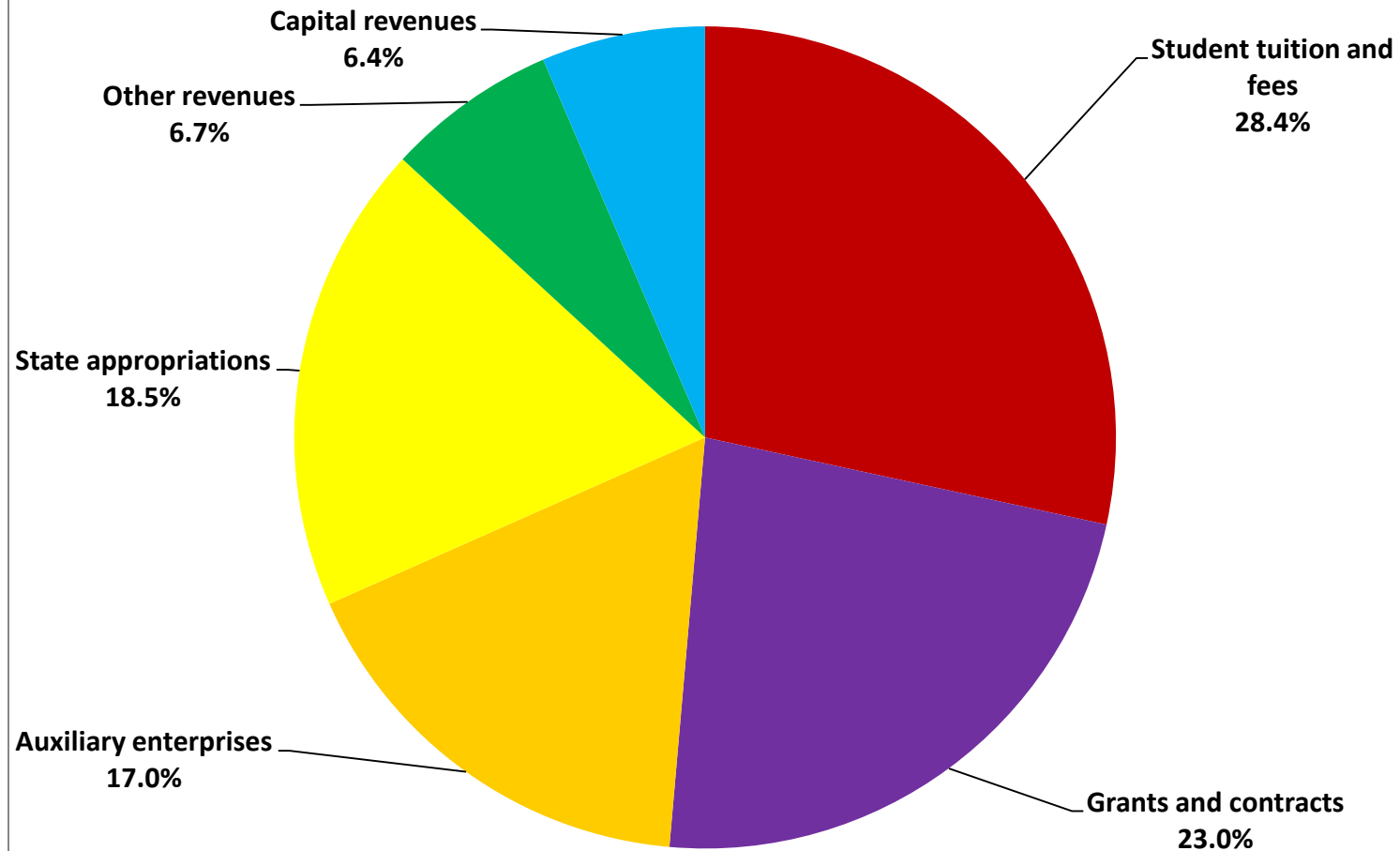
Increase (Decrease) in Revenues for Fiscal Year 2012

(all dollars in millions)

	2012	2011	Change	
			Amount	Percent
Operating revenues				
Student tuition and fees, net	\$ 337.5	\$ 311.4	\$ 26.1	8.4%
Grants and contracts	273.1	263.3	9.8	3.7%
Auxiliary enterprises	201.8	187.2	14.6	7.8%
Other operating revenue	20.0	18.8	1.2	6.4%
Total operating revenues	832.4	780.7	51.7	6.6%
Non-operating activity				
State appropriations	219.4	238.6	(19.2)	(8.0%)
Other non-operating revenues	59.9	85.6	(25.7)	(30.0%)
Total non-operating revenues	279.3	324.2	(44.9)	(13.8%)
Other revenues				
Capital grants and gifts	77.9	50.4	27.5	54.6%
Loss on disposal of capital assets	(1.3)	(1.6)	0.3	(18.8%)
Total capital revenues, gains	76.6	48.8	27.8	57.0%
Total revenues	\$ 1,188.3	\$ 1,153.7	\$ 34.6	3.0%

Most of the decrease in non-operating revenues was related to the decrease in state appropriations (\$19.2 million) and federal fiscal stabilization funding (\$19.0 million). There were smaller decreases on returns on investments (\$9.0 million) which were partially offset by increase in private gifts (\$4.9 million).

Revenue by Source for Fiscal Year 2012



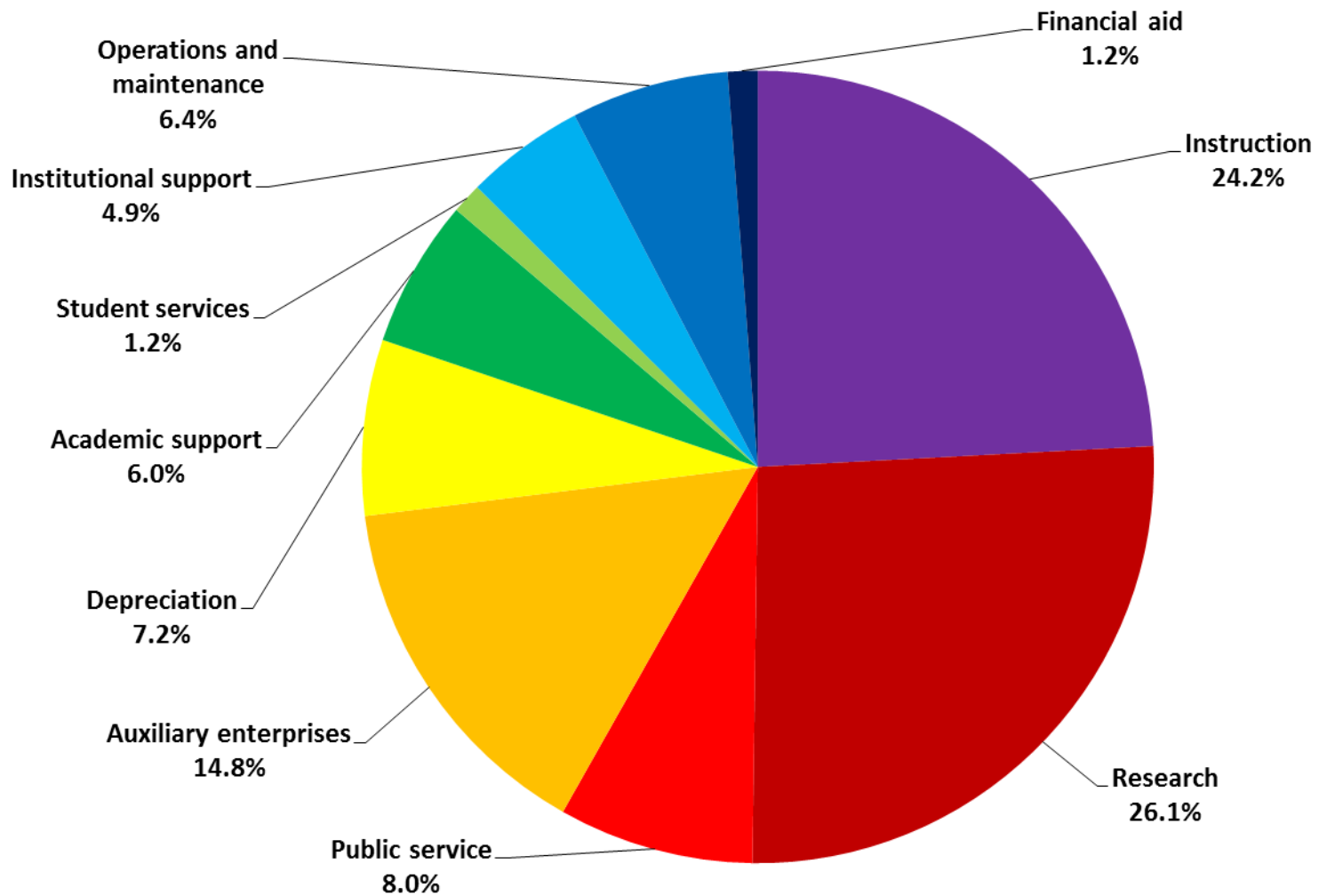
Increase (Decrease) in Operating Expenses for Fiscal Year 2012

(all dollars in millions)

	2012	2011	Change	
			Amount	Percent
Instruction	\$ 260.1	\$ 250.1	\$ 10.0	4.0%
Research	280.4	271.6	8.8	3.2%
Public service	85.8	80.0	5.8	7.3%
Auxiliary enterprises	159.6	162.0	(2.4)	(1.5%)
Depreciation and amortization expense	77.2	66.4	10.8	16.3%
Subtotal	863.1	830.1	33.0	4.0%
<u>Support, maintenance, and other expenses</u>				
Academic support	65.0	61.2	3.8	6.2%
Student services	13.3	13.7	(0.4)	(2.9%)
Institutional support	52.5	51.3	1.2	2.3%
Operations and maintenance	69.3	54.9	14.4	26.2%
Student financial assistance, loan admin. fees and collection costs	13.1	14.3	(1.2)	(8.4%)
Total support, maintenance, and other expenses	213.2	195.4	17.8	9.1%
Total expenses	\$1,076.3	\$1,025.5	\$ 50.8	5.0%

The largest growth in operating expenses was in the operations and maintenance (O&M) category which grew by \$14.4 million or 26.2 percent. The primary reasons for the increase in this category were new operating leases in the Corporate Research Center and Virginia Tech Research Center - Arlington, and additional costs for building repairs and maintenance and employee compensation.

2012 Operating Expenses



Expense by Natural Classification

(all dollars in millions)

	2012	2011	Change	
			Amount	Percent
Compensation and benefits	\$661.5	\$638.2	23.3	3.7%
Contractual services	80.8	81.8	(1.0)	(1.2%)
Supplies and materials	98.9	90.2	8.7	9.7%
Travel	39.2	34.9	4.3	12.3%
Other operating expenses	51.6	49.3	2.3	4.9%
Scholarships and fellowships (1)	32.5	32.3	0.2	0.6%
Sponsored program subcontracts	34.6	32.4	2.2	6.8%
Depreciation and amortization	77.2	66.4	10.8	16.3%
Total operating expenses	\$1,076.3	\$1,025.5	50.8	5.0%

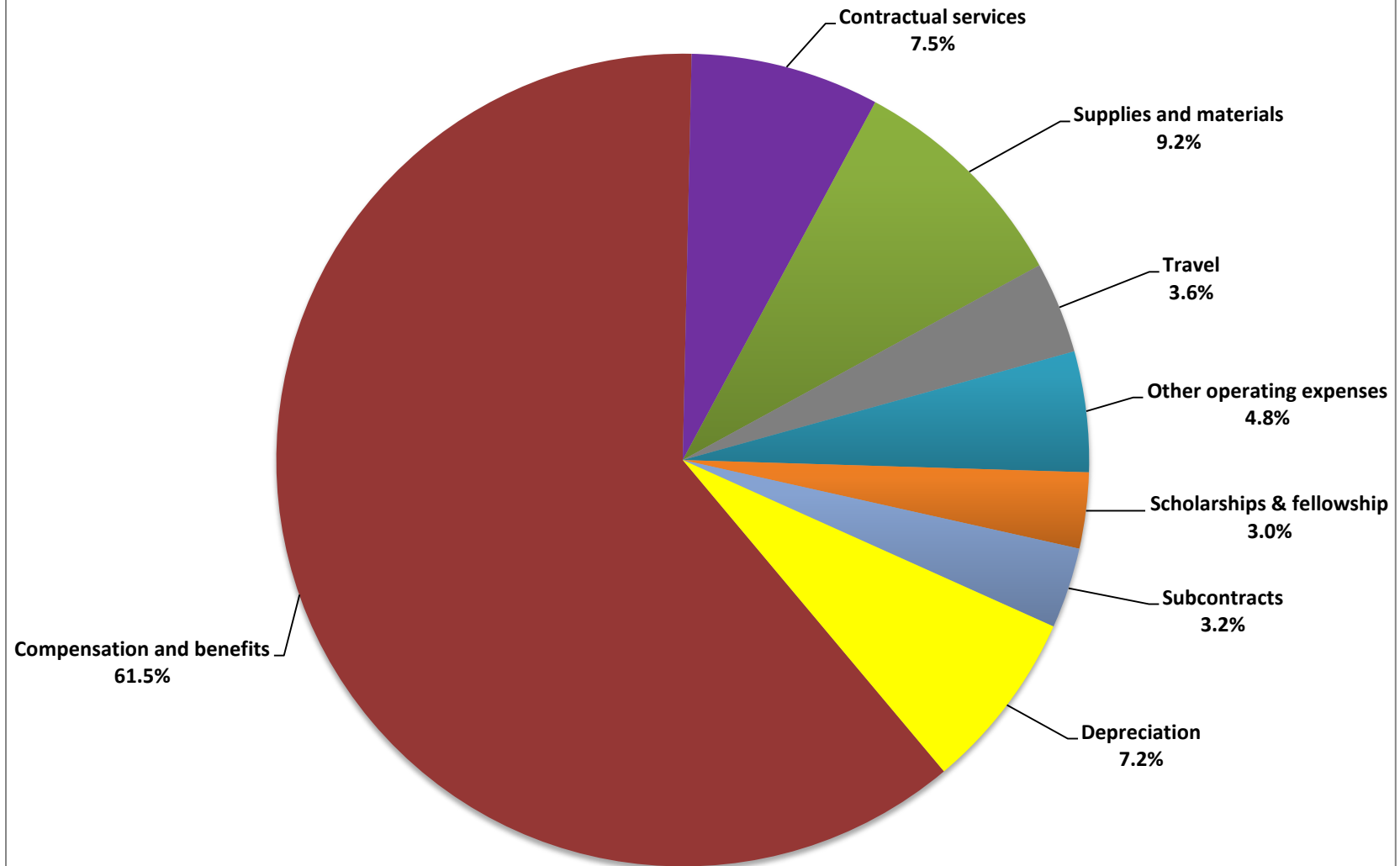
Compensation and benefits, comprises \$661.5 million or 61.5 percent of the university's total operating expenses. This category increased by \$23.3 million (3.7 percent) over the previous year. Generally, changes to expenses in this category come from three sources: increases/reductions in the number of personnel, annual salary increases and the general trends in the costs of fringe benefits. A general salary increase to offset the impact of shifting the VRS 5 percent employee share of retirement costs to the employee was implemented early in fiscal year 2012. Additionally, the in-band adjustment process and growth in personnel contributed to the overall increase in salary expense.

A second category with a significant increase over the prior year was supplies and materials (\$8.7 million). This was attributed primarily to the growth in materials used by the operations and maintenance function (\$5.3 million) to complete maintenance deferred from fiscal year 2011.

The last category with significant growth was depreciation and amortization expense (\$10.8 million) reflecting the additions to capital assets, primarily buildings and moveable equipment.

(1) Under GASB reporting, this number includes only part of the total financial aid provided. The amount above is net of a \$100.6 million allowance required to adjust tuition and fees revenues and financial aid expense for fee waivers, tuition remission and other forms of financial aid where revenues are not received from external parties. Internally funded financial aid has increased as the university has implemented programs to ensure affordability and access. The increase in financial aid was designed to mitigate the impact of increases in tuition and fees as a result of ongoing reductions in state appropriations.

Expenses by Natural Classifications for Fiscal Year 2012



Changes in Long-term Debt Payable Activity
as of June 30, 2012
(all dollars in millions)

	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion
Bonds payable					
Section 9(c) general obligations	\$ 166.2	\$ 21.7	\$ 9.3	\$ 178.6	\$ 8.4
Section 9(d) revenue bonds	63.7		5.4	58.3	5.8
Notes payable	188.8	77.7	27.7	238.8	8.0
Capital lease obligations	25.2	1.2	1.3	25.1	1.4
Installment purchase obligations	0.3		0.2	0.1	0.1
Total Long-term debt payable	\$ 444.2	100.6	43.9	\$ 500.9	\$ 23.7
Current year debt defeasance		(21.0)	(20.8)		
Total additions/retirements, net of current year defeasance		\$ 79.6	\$ 23.1		

The majority of the net increase in noncurrent liabilities resulted from the following major debt issuances (excluding defeasances): Signature Engineering building (\$26.1 million), the Center for the Arts (\$19.4 million), the Ambler Johnston Hall renovation project (\$18.9 million) and the Chiller Plant (\$7.5 million).

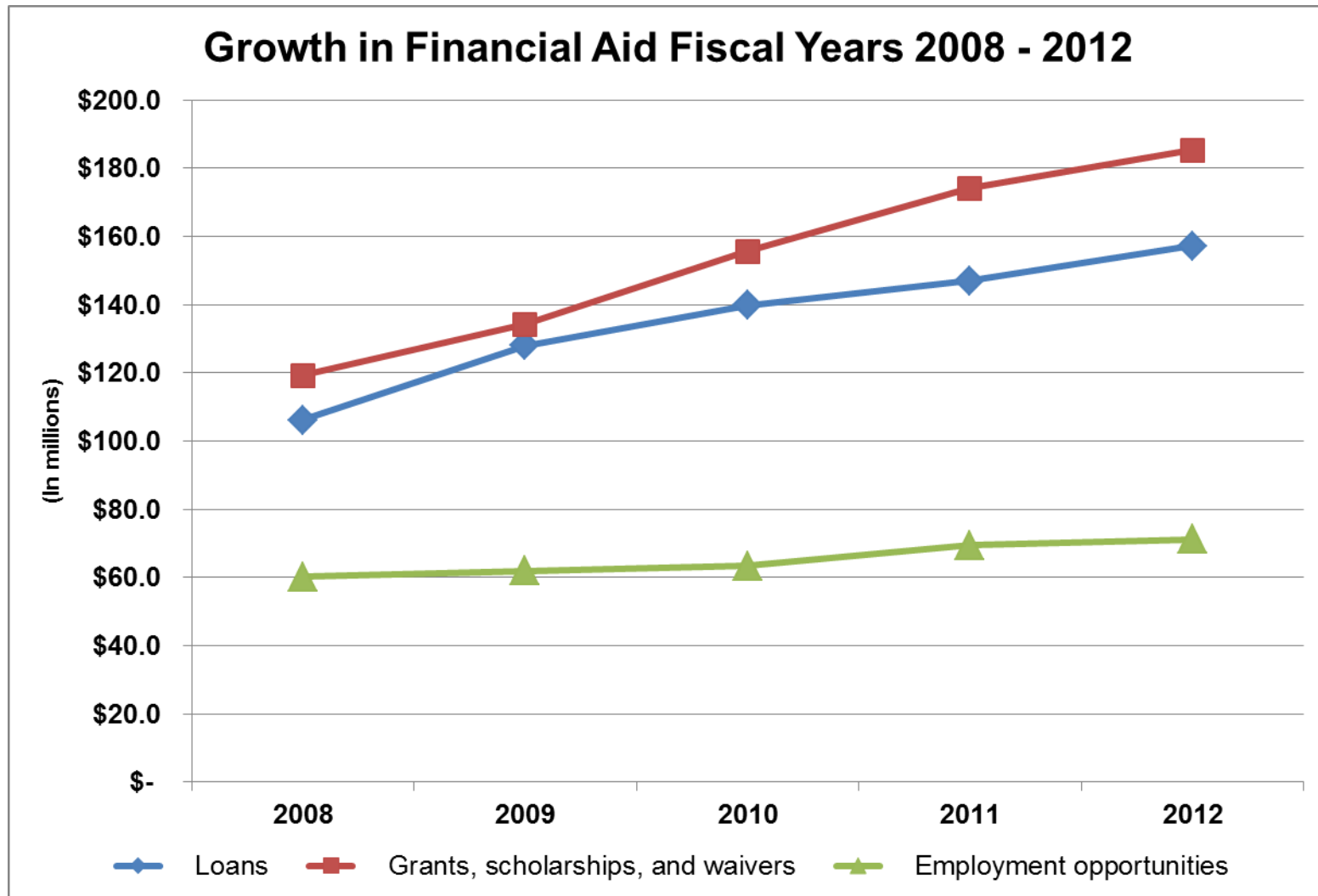
Growth in Externally Sponsored Programs

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Number of Awards	2,263	2,384	2,516	2,400	2,589
Value of Awards <i>(in millions)</i>	\$ 227.6	\$ 232.3	\$ 312.4	\$ 274.0	\$ 294.1
Research Expenditures Reported to NSF	\$ 373.3	\$ 396.7	\$ 398.2	\$ 450.1	\$ 454.4
NSF Rank	46	44	47	41	N/A

Growth in Financial Aid

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
<u>Number of Students</u>					
Loans	11,382	12,085	12,896	13,133	13,081
*Grants, scholarships, and waivers	17,635	18,406	27,134	27,469	19,535
Employment opportunities	8,836	8,734	8,514	9,007	9,331
<u>Total Amount (in millions)</u>					
Loans	\$ 106.1	\$ 128.0	\$ 139.9	\$ 147.0	\$ 157.2
Grants, scholarships, and waivers	119.2	134.2	155.7	174.2	185.4
Employment opportunities	60.2	62.0	63.4	69.5	71.2
Total Financial Aid	\$ 285.5	\$ 324.2	\$ 359.0	\$ 390.7	\$ 413.8

*Grants, scholarships, and waivers for fiscal year 2010 and fiscal year 2011 include undergraduate Virginia residents who received ARRA tuition mitigation grants.



- Virginia Tech Students have lower debt than the national average.
 - 52 percent of the Virginia Tech class of 2011 borrowed an average of \$24,320, while nationally 66 percent of the class of 2011 borrowed an average of \$26,600 in student loans.

Summary Composition of Investments at June 30, 2012

(all dollars in millions)

Description and Credit Rating	Cash Equivalents	Short-Term Investments	Long-Term Investments	Total
	< 90 days	> 90 days <1 year	> 1 year	
U.S. Treasury Securities (N/A)	\$ 35.0		\$ 9.1	\$ 44.1
Debt Securities (A1 to A3)			36.0	36.0
Repurchase Agreements (N/A)	73.3			73.3
Federal Agency Securities (AAA to Aaa)	200.9		30.2	231.1
Snap Funds (AAAm)	73.8			73.8
Investments with VTF (N/A)	1.6		51.2	52.8
Other Investments (AAA to BBB+)	3.0	2.4	25.9	31.3
June 30, 2012 Balance	\$ 387.6	\$ 2.4	\$ 152.4	\$ 542.4
June 30, 2011 Balance	351.6	2.2	134.7	488.5
Change in Investment Balances	\$ 36.0	\$ 0.2	\$ 17.7	\$ 53.9

- SNAP funds are non-arbitrage safe harbor investments for unspent tax exempt bond proceeds.

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 adequately support the growth in debt
- Successful financial planning to maintain a structurally balanced budget for fiscal year 2012 notwithstanding a \$19.0 million reduction in federal ARRA stabilization and \$19.2 million reduction in state appropriations
- Strong student demand – the university continues to have growth in applications and the successive improvements of overall quality of each entering class
- Moderation in tuition rate increases has enabled the university to maintain its competitive advantage over peer institutions. With a total cost (including room and board) of \$17,365 per year for Virginia undergraduates, Virginia Tech ranked 20th out of a group of 24 national public peer institutions in 2011-12.

**2012-14 Appropriation Request
And Review of Executive Budget Amendments and Legislative Session**

FINANCE AND AUDIT COMMITTEE

February 26, 2013

Overview of the Appropriations Process

2012-14 Biennial Budget

In the Spring of 2012, the General Assembly established the 2012-14 biennial budget (Chapter 3, or the “Appropriation Act”). The Appropriation Act summarizes the level of General Fund (GF) support provided by the Commonwealth and the estimated nongeneral fund revenue generated by each agency for fiscal years 2012-13 and 2013-14. Prior to the start of the second fiscal year of the biennial budget, the Governor and the General Assembly have the opportunity to propose and consider amendments to the budget. During the mid-cycle amendment period, adjustments are generally limited to specific critical needs of agencies and institutions. This window provides the university with an opportunity to address critical institutional needs, and also allows the General Assembly to adjust revenue projections and adjust funding as necessary.

In December, the Governor introduces Executive Budget amendments to the biennial budget for the General Assembly to consider. Each chamber of the General Assembly then reviews the proposed amendments, introduces amendments of its own, and passes an amended biennial budget proposal. As the two chambers’ budgets will likely differ from each other, the two budget proposals are taken up by a Conference Committee composed of members of each chamber to produce a compromised budget for final approval by the House and Senate. The Governor is then given 30 days to review the approved General Assembly budget and propose any vetoes for consideration at the reconvened session in April. After final General Assembly approval, the budget becomes a chapter within the current year’s Acts of Assembly, and is thereafter referred to as the Appropriation Act.

Executive Budget Amendments

In early September 2012, the Department of Planning and Budget solicited the submission of agency budget requests, called decision packages. The Secretary of Education then instructed institutions to limit operating funding requests for Executive Budget consideration to those items addressing technical adjustments, life/safety issues, research and economic development opportunities, strengthening existing retention/graduation enhancement programs, and Science, Technology, Engineering, and Math (STEM) educational programs not already addressed in the budget. Further, institutions were informed that requests for central statewide issues such as base adequacy funding would not be necessary. All requests from institutions were expected

to be consistent with the institutions' six-year plan submission and address the goals of the Higher Education Opportunity Act of 2011.

On September 21, 2012, the university submitted budget decision packages supporting the university's recent six-year plan submission to the Department of Planning and Budget for consideration in the development of the Executive Budget amendments for the 2012-14 biennium. The university's budget requests included the following items:

Agency 208 Operating Requests

- Advance Neuroscience and Life Science Research: \$6.75 million GF.
- Increase Virginia Undergraduate Enrollment: \$500,000 GF.
- Enhance STEM-H Programming and Degree Attainment: \$1,159,234 GF.
- Increase Number of Faculty in High-Demand Areas: \$754,139 GF.
- Enhance Creative Technologies Programming and Degree Attainment: \$1,378,705 GF.
- Expand and Enhance Year-Round Academic Opportunities to Accelerate Degree Completion: \$560,828 GF.
- Increase Support for Unique Military Activities: \$626,448 GF.

Agency 208 Capital Request

- Construct Biomedical Research Procedures and Vivarium Space. \$22 million GF and \$22 million nongeneral fund for a total \$44 million project.

Agency 229 Operating Request

- Enhance Basic and Applied Science Integration: \$1,486,411 GF.
- Human & Agricultural Biosciences Building I (HABBI) Operations: \$651,218 GF.

Agency 229 Capital Request

- Kentland Facilities Improvements: \$7.6 million GF.

Governor McDonnell presented the Executive Budget amendments to the 2012-14 biennial budget on Monday, December 17, 2012. The Executive Budget proposals included several items that would impact the university's budget and operating processes, and the results are summarized in Attachment 1.

2013 General Assembly Session

The General Assembly session opened on January 9, 2013 and was scheduled to complete its work by February 23, 2013. Chief among the legislation considered by the General Assembly was the Executive Budget Bill of amendments to the 2012-14 biennial budget. House and Senate members submitted amendments to the Executive Budget Bill on January 11, 2013 for consideration by the respective body's financial committee. In recognition of the positive treatment and progress of higher education in

the Executive Budget proposal, a system-wide strategy to limit amendment requests to institutional-specific critical needs was proposed. The university submitted targeted requests for additional funding in support of:

- Brain Disorder and Health Sciences Research, \$900,000 GF.
- Operations and Maintenance Support for HABBI, \$670,000 GF.
- Capital support for the construction of the research facilities at Kentland Farm, \$7.6 million GF.

The House Appropriations and Senate Finance Committees published their proposed changes to the 2012-14 Executive Budget amendments on February 3, 2013. Those proposals were then taken up by the budget Conference Committee, who offered a compromise budget for the House and Senate approval that passed the General Assembly on February 23, 2013.

The amendments of the Conference Committee budget that impact Virginia Tech are summarized in Attachment 1. Other actions that impact the university or are of interest are summarized in Attachment 2. These attachments include the executive budget as a point of reference.

Legislation with potential impact

As of January 28, 2013, 2,171 pieces of legislation had been filed for consideration by the 2013 General Assembly. The university has followed this legislation, particularly that which may impact the university, and advocated or influenced legislation impacting higher education, when appropriate.

Legislation that impacts higher education included:

- HB2311: Expands the purpose of the State Council of Higher Education for Virginia (SCHEV) to include advocacy of higher education, alters its membership to include at least one former president or chief executive of a Virginia public institution of higher education, adds appointments to the Council of the current President of the Economic Development Partnership and a sitting Virginia school superintendent, and requires presidents of public institutions of higher education in the Commonwealth to present information and comment on issues of common interest at each meeting of the Council.
- HB1952: Clarification of the educational programs required of governing boards and outlines a broad range of required topical programming for Board of Visitor member training. This legislation also summarizes requirements of bylaws and responsibilities of boards.

Legislation was also proposed for a wide range of topics including tuition waivers for faculty dependents, restricting the university's use of tuition and general fund revenue, requiring enrollment ratios by residency, and limits on tuition increases; however, these initiatives were not successful.

Reconvened Session

All legislation passed by the 2013 General Assembly, including the amended 2012-14 Biennial Budget, has been forwarded to the Governor for final approval. The Governor has approximately 30 days to sign the Budget Bill as it is or make changes before the reconvened session on April 3, 2013.

**PROPOSED APPROPRIATIONS OF THE EXECUTIVE BUDGET
AND JOINT CONFERENCE COMMITTEE OF THE GENERAL ASSEMBLY**
as of February 23, 2013 (Conference)
(\$ in thousands)

Operating Budget**General Fund****University Division**

Executive Budget		Conference Budget	
2012-13	2013-14	2012-13	2013-14
	\$ 909		
Degree Growth Incentives			\$ 603
Enrollment Growth	363		690
Base Operating Support			4
Line of Duty Act	4		629
Elimination of Budget Reduction			810
1% Additional Faculty Salary Increase in 2013-14			Central
Staff salary increase based upon length of service			
<i>Subtotal University Division Operating</i>	1,276		2,736

Other Programs

Brain Research	973		1,000
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Financial Aid

Undergraduate Financial Aid	186		819
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Equipment Trust Fund**Unique Military Activities****Cooperative Extension/AES Division (CE/AES)**

HABBI - Operation and Maintenance			414
Elimination of Budget Reduction			210
1% Additional Faculty Salary Increase in 2013-14			306
Staff salary increase based upon length of service			Central
<i>Subtotal CE/AES</i>			930

Total Operating Budget State Support**\$ 3,035****\$ 8,068****Capital Budget****Pre-Planning**

Improve Kentland Research Facilities

*Listed in Funding Pool***Detail Planning**

Academic Building Renovation/Renewal

*Listed in Funding Pool***Construction**

Classroom Building

*Listed in Funding Pool**Listed in Funding Pool*

**2013 General Assembly Budget
2012-14
As of February 23, 2013**

Each column represents the total incremental change to the existing appropriation level in Ch. 3 of the 2012 Acts of Assembly.

	Executive	Conference
Reallocation	Proposed adding 3% to existing 2% target to be used to address the goals of the Higher Education Opportunity Act. <ul style="list-style-type: none"> University Division (208): \$6,631,744 total CE/AES (229): \$1,799,753 total 	No additional reallocation is required above the 2% already in the Appropriation Act. Institutions are allowed to reallocate up to an additional 1.5% to support institutional priorities including faculty compensation and operation and maintenance of new facilities.
Graduate Engineering Telecommunications Project Reporting	New language eliminates the need to submit an annual report on the operating activities of this long-standing program. Language added stating "For supplemental budget requests, the participating institutions and centers jointly shall submit a report of such requests to the State Council of Higher Education for Virginia for review and recommendation to the Governor and General Assembly."	
Nonresident Capital Fee	No change from Appropriation Act.	University NGF assessment increased by \$31,383 to recognize updated enrollment figures.
Interest Earnings and Credit Card Rebate	Funding is continued in full for higher education interest earnings and the credit card rebate.	
Financial Aid Authority	Language is added to allow institutions to use appropriations for the purpose of supporting work study programs. Institutions may also contribute to federal or private student grant aid programs requiring matching funds by the institutions, except for programs requiring work.	
Administrative Savings – Statewide Budget Reduction (Turnover and Vacancy)	No change to Appropriation Act.	Existing across-the-board reduction to higher education of \$5.7 million is eliminated. This action previously included reductions to Agency 208 of \$629,163 GF and to Agency 229 of \$209,909 GF.
Capital Projects	The budget amendments include approximately \$263 million of state debt support for construction of previously authorized preplanning projects, which have an estimated total General Fund value of approximately \$842 million. This construction pool includes the Classroom Building . Obtaining construction funds requires completing criteria established in Chapter 1, 2008. Thus, completing preliminary designs with a DGS approved cost review prior to exhaustion of the \$263 million construction pool is critical.	The Conference Budget includes \$934 million of state debt support for construction and renovation of previously authorized projects which includes the university's Classroom Building . Additionally, the Renovate/Renew Academic Buildings is approved to proceed to planning and the research portion of the Kentland project is approved for pre-planning. Both of these planning authorizations are with nongeneral funds, which would be reimbursed with state debt when the projects go to construction.

		Executive	Conference
Compensation	Faculty and Staff Compensation	No change. 2013-14 2% remains contingent upon 2012-13 revenue performance.	<p>2% base increase for faculty and staff in the Act has been delayed from July 10, 2013 to July 25, 2013.</p> <p>An additional 1% is provided for faculty, moving the total to 3%.</p> <p>A compression adjustment is provided for staff effective July 25, 2013:</p> <ul style="list-style-type: none"> • \$65 per year of service for years 5 through 30 • Institutions of higher education are provided flexibility in how this is applied to university staff as long as the amount, on average, does not exceed what the compression action for classified staff would have cost.
	Health Care	The cost of health insurance is expected to increase in 2013-14, though details are not yet available from state officials. The Executive Budget amendments propose the addition of \$64.4 million General Fund statewide to support the General Fund costs of employer health insurance premium increases.	The cost of health insurance is expected to increase in 2013-14, though details are not yet available from state officials. An early scenario indicated a 10-14% increase in employee costs and an 18% increase in employer costs. The Conference Budget amendments provide an additional \$57.8 million General Fund statewide to support the General Fund costs of employer health insurance premium increases.
	Affordable Care Act	Language included in the Executive Budget amendments adds that any employee who works 30 or more hours per week on average per month is considered to be, for health benefits purposes only, a full-time employee eligible to participate in the health benefits plan for state employees with the standard contribution. This also creates a new policy that wage employees may not work more than 29 hours per week on average per month.	The Conference Budget includes language that clarifies that an employee who works 30 hour per week or more on average over a 12 month period is considered to be, for health benefits purposes only, a full-time employee eligible to participate in the health benefits plan for state employees with a standard contribution. This also creates a new policy that wage employees may not work more than 29 hours per week on average per month.
Higher Education Funding Guidelines		<p>Funding for higher education shall be allocated as follows:</p> <ul style="list-style-type: none"> ○ 30% Base operating costs ○ 10% Financial Aid ○ 16% Degree Incentives ○ 24% Enrollment Growth ○ 20% Initiatives/Research <p>Language calls for working group to present a funding policy for higher education consistent with the goals in the Higher Education Opportunity Act of 2011 by September 2013.</p>	No changes to the Appropriation Act are proposed.

	Executive	Conference
Restructuring / Performance Measures	Language added clarifying that performance measures derived under the authority of the Code of Virginia § 23-38.87:20-21 (the Higher Education Opportunity Act) take precedence over the Financial and Administrative Standards in the Appropriation Act, if in conflict.	<p>New Institutional Performance Standards that were developed in the Fall of 2012 in consultation with institutions were included in the General Assembly's budget. They are outlined below.</p> <ol style="list-style-type: none"> 1. Institution meets at least 95 percent of its State Council-approved biennial projections for in-state undergraduate headcount enrollment. 2. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state associate and bachelor degree awards. 3. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state STEM-H (Science, Technology, Engineering, Mathematics, and Health professions) associate and bachelor degree awards. 4. Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state, upper level -- sophomore level for two-year institutions and junior and senior level for four-year institutions -- program-placed, full-time equivalent students. 5. Maintain or increase the number of in-state associate and bachelor degrees awarded to students from under-represented populations. 6. Maintain or increase the number of in-state two-year transfers to four-year institutions.
Information Technology Autonomy	Language proposed that would allow the Governor and Secretary of Technology to exercise additional oversight of IT projects with individual costs of less than \$1m if the project has high risk or complexity, it is critical to the immediate security or safety of the Commonwealth's citizens, is a component of a large IT program, or the Governor has requested additional oversight of the project.	Additional clarification ensures that institutions governed under a Management Agreement are not affected by the new language in the Executive Budget. No impact to institutional autonomy over IT procurement is included in the Conference Budget.
Skelton 4-H Center	No change to Appropriation Act.	The Department of Environmental Quality is provided with \$85,000 GF in 2013-14 to help with the costs of a new wastewater treatment facility at the W.E. Skelton 4-H Conference Center at Smith Mountain Lake.

2013-14 Faculty Merit Process

FINANCE AND AUDIT COMMITTEE

February 13, 2013

The Finance and Audit Committee has expressed interest in better understanding the process for managing faculty compensation. In response, this report provides an overview of the faculty merit process at the university.

Faculty are critical to the success of institutions of higher education. Virginia Tech seeks to develop and administer compensation programs that help the university attract, retain, and motivate our faculty. The faculty merit process provides a framework that is designed to enhance the quality and competitiveness of the institution and advance its long range plan while balancing constrained support and ever-increasing competition for talent.

Faculty Merit Process Policy Background

The university manages the faculty merit process in accordance with long standing policies and procedures. The foundation of these policies is contained in the Code of Virginia, the Appropriation Act, and traditional guidance from the state.

The Appropriation Act provides the Commonwealth's intent to fund compensation programs at state agencies during a given biennium. Section §23-128 of the Code of Virginia establishes the Board of Visitors' authority to approve faculty appointments and set salaries for faculty. The faculty compensation plan is the primary vehicle through which the Board reviews and approves the faculty compensation structure. Within the faculty compensation plan, faculty salary adjustments are comprised of two primary categories; adjustments for promotion and tenure, and faculty merit adjustments (based on performance).

In addition to this process, the university's policies provide for an off-cycle adjustment process to address critical compensation issues such as faculty retention, market competitiveness, change in responsibilities, etc. A comprehensive report on the trends in salary expenditures was shared with the Finance and Audit Committee during the November 2012 meeting.

The university continues to use the parameters provided in the "Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education" document from the Secretary of Education to develop the annual faculty compensation plan. This document defines the criteria for types of faculty (teaching and research and administrative and professional faculty), provides guidance on the authorized salary, and affirms the board's role in the faculty compensation process. As defined in the Consolidated Salary Authorization document, the university's compensation process should be designed to award differential salary increases to faculty based on performance and other circumstances such as promotions, tenure, and changes in responsibility.

Section §23-128 (The Higher Education Opportunity Act) and the Appropriation Act codified the long standing state goal of reaching the 60th percentile of our peers in terms of faculty salaries. Factors that influence the faculty merit process include broader national market data which considers the nature of the institution, the composition of academic programs, and the composition of the faculty. Other factors include competition, qualifications, and rank, etc. These can be unique to each discipline within a college. The decentralized environment at Virginia Tech is designed to provide a flexible environment that allows campus leaders of these unique programs to undertake the faculty merit process within a policy framework and within a system of checks and balances that ensures reasonableness and justification for such actions.

The compensation plan for staff is administered separately by the university in accordance with the university's Management Agreement, as well as guidance from the state Department of Human Resource Management.

Faculty Merit Process

The faculty merit process covers all types of faculty positions at the university. Faculty positions are classified as teaching and research faculty, research faculty, and administrative and professional faculty depending upon the instructional, research, administrative/management, or professional responsibilities of the position.

The university has a well-established and rigorous faculty merit process that provides for a thorough review of faculty performance at the department head and senior management level and ensures that salary adjustments are based on merit and the contributions of the faculty member towards the goals of the university. The Faculty Handbook, which establishes employment policies and procedures for all categories of faculty, requires an annual evaluation of each faculty member's performance.

All non-temporary faculty are required to prepare a faculty activity report at the end of each academic year (or other appropriate 12-month period) detailing their instructional activities, creative scholarship, outreach and service contributions, and other professional activities and recognitions during the year. For teaching and research faculty, a faculty activity report could include information on items such as courses taught, course development, extension activities, grant applications and awards, advising of graduate students, patents, publications, or evidence of commercialization of discoveries, among many others. For administrative faculty, items could include activities in support of their specific job goals as they relate to the broader mission of the university. These reports are a key component in providing performance evaluations, awarding merit adjustments, and promotion, tenure, and post-tenure reviews.

The faculty activity reports form the basis for faculty evaluations conducted by department heads, either independently or in consultation with departmental personnel committees. The department heads share the faculty evaluations for each faculty member with the dean and vice presidents to assess performance based on the assignments of each faculty

member and the expectations of their positions. After an overall evaluation of the faculty member's activities by the department and the college, each faculty member will receive formal feedback on their faculty activity report. This annual evaluation occurs independent of the faculty merit process.

During the years in which the university conducts the faculty merit process, the evaluation of activities, as reported on the faculty activity report, is the key consideration in the faculty merit recommendations. Based on that evaluation, department heads, either independently or in consultation with departmental personnel committees, will propose an individualized faculty merit recommendation. Recommendations that fall outside a predetermined range require a written explanation. This explanation is important for documentation and to help guide conversations in the faculty salary review meetings with deans and vice presidents, as well as in the faculty salary hearings with the President, the Senior Vice President and Provost, and the Vice President for Finance and Chief Financial Officer.

The faculty merit process also provides an avenue for the department heads to make special adjustment recommendations for faculty members to address market competitiveness, alignment, increased responsibility, and retention situations. These special adjustments require appropriate justification, and are reviewed at all levels of the process along with the merit-based salary recommendations. Special adjustments are generally expected to affect only a small subset of faculty and are typically funded from within the college and vice president's resources.

To ensure a comprehensive salary adjustment program, off-cycle salary adjustments are generally prohibited during the faculty merit process. The goal is to bring all actions through the faculty merit process. Additionally, new hires who have not been with the university long enough to complete a faculty activity report are not eligible for the merit process.

Each dean or vice president performs an initial review of the salary adjustment recommendations for all faculty in their respective areas to ensure that merit recommendations are reasonable across the college or vice presidential area and any anomalies are appropriately justified. Deans and vice presidents may revise the recommendations as needed to balance recommendations or address critical issues.

At the university level, the deans and vice presidents have a formal salary hearing with the President, the Senior Vice President and Provost, and the Vice President for Finance and Chief Financial Officer. These hearings provide an opportunity for the deans and vice presidents to highlight above and below average merit recommendations, and any other compensation action. During these hearings faculty merit recommendations are reviewed from a broader university policy level. The merit recommendations may still be modified at this stage, or further information on specific recommendations may be requested. Merit recommendations approved by the President, the Senior Vice President and Provost, and the Vice President for Finance and Chief Financial Officer are presented to the Finance and Audit Committee for review and approval.

In general, the university strives for a single merit process effective date for all faculty. Faculty members are not to be informed of their recommended adjustments until approved by the Board of Visitors and finalized (e.g. in the case of contingent state support).

Current Environment

Due to recent economic challenges, the state has not provided funding for a salary increase and the university has not instituted the annual faculty merit process during the past five calendar years. The state last planned for a 2.5 percent increase in November 2008. Statewide budget reductions (in October 2008) delayed and subsequently resulted in the cancellation of that process. The 2012 Virginia Appropriation Act provides the state share of a 2 percent salary action effective July 10, 2013, contingent upon no downward revision of 2012-13 state revenues as certified by the State Comptroller by July 5, 2013. Given the importance of faculty salaries, the time elapsed since the last merit process, and the movement of the overall market, the university envisions providing a match up to a fixed dollar amount to areas that reallocate funds to supplement the state program. A portion of the match will be funded by the additional 1 percent expected to be approved by the 2013 General Assembly. New faculty hired on or after June 1, 2012 are not eligible for a merit increase in the current faculty merit process.

Because the compensation process is contingent on state support during the current faculty merit process, final salary amounts may not be confirmed until July 6th after certification of state revenues by the State Comptroller. If the state ultimately cannot support the process, the university may have to scale back recommended merit increases.

Summary

Faculty are the university's most valuable asset. Rewarding, retaining, and motivating faculty is critical to the success of the institution. After five calendar years without merit raises, the university is pleased to return to the traditional annual faculty merit process in fiscal year 2013-14. The university has a well-established compensation philosophy that drives a compensation system which recognizes performance and accounts for market factors and employee qualifications. Due to the lack of an annual merit process in recent years, the university has had to address critical compensation issues through differential salary actions. However, with the return to an annual merit adjustment process, the reliance on off-cycle adjustments to address issues of retention and market competition should be greatly reduced. While there will always be a need for off-cycle compensation adjustments, the university hopes to return to a systematic review of compensation management through the annual merit process for faculty.

An annual faculty merit review process provides numerous benefits; comprehensive consideration of compensation, proactive consideration of the market, and a positive environment that encourages and rewards performance in support of the university mission.

Financial Performance Report - Operating and Capital

FINANCE AND AUDIT COMMITTEE

July 1, 2012 to December 31, 2012

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 coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to December 2012-13 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

Attachment H

1. Tuition and Fee revenues are exceeding historical projections due to a slightly higher than anticipated fall enrollment.
2. All Other Income is higher than projected due to increased milk and cattle sales and in Veterinary Medicine Clinic sales revenue due to higher customer volume.
3. Academic Program expenditures are ahead of historical projections due to operating expenditures occurring earlier than historical trends, specifically related to the Rolls Royce public-private partnership initiative, and equipment purchases. Support Program expenditures exceed projections due to timing in library purchases and investments in energy savings projects.
4. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down this state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal Cooperative Extension revenues were less than projected budgets due to the timing of receipt of federal drawdowns.
5. Academic Program expenditures are ahead of historical projections due to the timing of operating expenditures.
6. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
7. 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 is slightly lower than expected, and sponsored research expenditures are ahead of the second quarter budget for 2012-13.
8. Revenues were below projections due to lower than budgeted interest earnings.
9. Expenses were below projections due to timing of Surplus Property activity.
10. The General Fund revenue budget has been increased by \$31,381 for VIVA libraries distribution costs and decreased by \$43,368 for the actual state central fund distribution due to an unexpected reduction of \$629,163 and additional state support beyond initial estimates for previous fringe benefit rate changes. The corresponding expenditure budgets have been adjusted accordingly.
11. The annual budget for Tuition and Fees has been decreased by \$530,828 for the finalization of the budgets for tuition, E&G fees and unfunded scholarships. The corresponding expenditure budgets have been adjusted accordingly.
12. The All Other Income revenue budget for the University Division has been increased by \$10,000 for Continuing Education and COTA programs. The corresponding expenditure budgets have been adjusted accordingly.
13. The General Fund revenue budget has been decreased by \$244,294 for the actual state central fund distribution due to an unexpected reduction of \$209,909 and state support below initial estimates for fringe benefit costs. The corresponding expenditure budgets have been adjusted accordingly.
14. The federal revenue budget has been increased \$2,877,000 on a one-time basis to draw previously appropriated federal funds.
15. Sponsored Programs revenues were reduced \$400,000 based on a revised forecast of course activity within the Institute for Distance & Distributed Learning enterprise fund. The corresponding expenditure budget was adjusted accordingly.
16. The projected year-end revenue and expense budgets for Student Financial Assistance were increased by \$26,000 for the VA Military Survivors & Dependents Program, by \$267,668 for the Commonwealth Scholarship Assistance Program, by \$48,500 for the 2-Year College Transfer Grant and by \$1,879 for the carryover of unexpended balances as of June 30, 2012.
17. The projected annual budgets were adjusted \$90,602 to finalize the Alumni Affairs budget, \$83,000 for increased Surplus Property activity, \$11,465 for Local Fund budget adjustment, and \$230,391 for outstanding 2011-12 commitments that were initiated but not completed before June 30, 2012.

OPERATING BUDGET
2012-13

Dollars in Thousands

	July 1, 2012 to December 31, 2012			Annual Budget for 2012-13		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
General Fund	\$82,735	\$82,735	\$0	\$145,562	\$145,550	\$-12 (10)
Tuition and Fees	207,672	206,885	787 (1)	363,869	363,338	-531 (11)
All Other Income	19,022	18,576	446 (2)	30,318	30,328	10 (12)
Total Revenues	\$309,429	\$308,196	\$1,233	\$539,749	\$539,216	\$-533
<u>Expenses</u>						
Academic Programs	\$-175,997	\$-174,730	\$-1,267 (3)	\$-345,542	\$-345,666	\$-124
Support Programs	-91,607	-89,705	-1,902 (3)	-194,207	-193,550	657
Total Expenses	\$-267,604	\$-264,435	\$-3,169	\$-539,749	\$-539,216	\$533 (10,11,12)
NET	\$41,825	\$43,761	\$-1,936	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
General Fund	\$34,961	\$34,961	\$0	\$62,931	\$62,687	\$-244 (13)
Federal Appropriation	9,035	9,389	-354 (4)	14,325	17,202	2,877 (14)
All Other Income	578	384	194	709	709	0
Total Revenues	\$44,574	\$44,734	\$-160	\$77,965	\$80,598	\$2,633
<u>Expenses</u>						
Academic Programs	\$-39,761	\$-38,352	\$-1,409 (5)	\$-73,097	\$-75,730	\$-2,633
Support Programs	-1,810	-2,280	470	-4,868	-4,868	0
Total Expenses	\$-41,571	\$-40,632	\$-939	\$-77,965	\$-80,598	\$-2,633 (13,14)
NET	\$3,003	\$4,102	\$-1,099	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$152,928	\$153,029	\$-101 (6)	\$273,480	\$274,952	\$1,472 (6)
Expenses	-136,215	-138,835	2,620 (6)	-268,539	-280,168	-11,629 (6)
Reserve Drawdown (Deposit)	-16,713	-14,194	-2,519 (6)	-4,941	5,216	10,157 (6)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$139,920	\$141,440	\$-1,520 (7)	\$290,550	\$290,150	\$-400 (15)
Expenses	-165,030	-154,940	-10,090 (7)	-290,550	-290,150	400 (15)
Reserve Drawdown (Deposit)	25,110	13,500	11,610 (7)	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
General Fund	\$9,477	\$9,478	\$-1	\$18,619	\$18,961	\$342 (16)
Expenses	-9,062	-9,290	228	-18,619	-18,963	-344 (16)
Reserve Drawdown	0	0	0	0	2	2
NET	\$415	\$188	\$227	\$0	\$0	\$0
All Other Programs *						
Revenue	\$2,356	\$2,819	\$-463 (8)	\$5,671	\$5,856	\$185 (17)
Expenses	-2,761	-3,167	406 (9)	-5,671	-6,086	-415 (17)
Reserve Drawdown (Deposit)	405	348	57	0	230	230 (17)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$658,684	\$659,696	\$-1,012	\$1,206,034	\$1,209,733	\$3,699
Expenses	-622,243	-611,299	-10,944	-1,201,093	-1,215,181	-14,088
Reserve Drawdown (Deposit)	8,802	-346	9,148	-4,941	5,448	10,389
NET	\$45,243	\$48,051	\$-2,808	\$0	\$0	\$0

* All Other Programs include federal work study, alumni affairs, surplus property, and unique military activities.

1. Expenses in Residence and Dining Halls are lower than projected due to timing of operating expenses associated with the new Lavery Hall dining facility and one-time project expenses in the Residence Halls.
2. Revenues and expenses in Parking and Transportation Services are lower than projected due to lower than forecasted Fleet Services business volume.
3. Expenditures for the University Services System are lower than projected due to timing of operating expenses and one-time campus projects.
4. Revenues for Other Enterprise Functions are higher than projected due to higher than projected Orientation participation and Printing Services business volume.
5. The projected annual revenue and expense budgets were increased for projected pouring rights revenue in the Dining halls, Lavery Hall facility operations, one-time facility projects in the Residence and Dining Halls, and a Student Life Coordinator at the Center for European Studies and Architecture.
6. The projected annual expense budget for Auxiliary Enterprises was adjusted for \$10.4 million in outstanding 2011-12 commitments and projects that were initiated but not completed before June 30, 2012. This amount includes \$1.3 million to fund project costs for the Telecommunication Fiber Optic project, \$2.3 million in residential projects, \$1.8 million in athletics projects, and \$2.4 million for dining projects. The remainder is spread across the other auxiliary programs.
7. The projected annual expense budgets for Parking and Transportation Services were adjusted for planned transportation equipment maintenance.
8. The projected annual revenue and expense budgets for Telecommunications Services were increased for on-campus project activity.
9. The projected annual revenue and expense budgets for University Services were increased for a new Career Services event planner position funded by career fair revenue.
10. The projected annual revenue budget for Intercollegiate Athletics was adjusted \$3.7 million to accommodate increased revenue from the Russell Athletic Bowl game, football season tickets, game settlements, parking revenue, conference allocation, NCAA opportunity fund, private fund raising, pouring rights revenue, licensing revenue, and an alignment of stadium fees and tickets sales. These increases were partially offset by decreased revenue from men's basketball ticket sales and concession sales. Annual expense and reserve draw budgets were adjusted \$3.3 million to accommodate increased expenses for personnel actions, operating adjustments, sport related projects, and the Russell Athletic Bowl.
11. The projected annual revenue, expense, and reserve budgets for Electric Services were adjusted \$3.9 million to accommodate the decreased cost of wholesale electricity, reduced customer rates, and planned reserve restoration.
12. The projected annual revenue, expense, and reserve budgets for the Inn at Virginia Tech & Skelton Conference Center were adjusted to accommodate additional conference activity and the purchase of hotel equipment.
13. The projected annual revenue, expense, and reserve budgets for Other Enterprise Functions were adjusted for the final outcome of the Pouring Rights contract renewal, Licensing and Trademark royalty revenue sharing, for increased Tailor Shop self-generated revenue and equipment expenses, and for increased Printing Services equipment expenses.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Dollars in Thousands

	July 1, 2012 to December 31, 2012			Annual Budget for 2012-13		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls						
Revenues	\$52,941	\$53,042	\$-101	\$98,775	\$98,955	\$180 (5)
Expenses	-47,855	-48,802	947 (1)	-97,098	-101,231	-4,133 (5,6)
Reserve Drawdown (Deposit)	-5,086	-4,240	-846 (1)	-1,677	2,276	3,953 (5,6)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$6,958	\$7,179	\$-221 (2)	\$11,776	\$11,776	\$0
Expenses	-5,290	-5,729	439 (2)	-12,389	-12,672	-283 (6,7)
Reserve Drawdown (Deposit)	-1,668	-1,450	-218 (2)	613	896	283 (6,7)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$9,515	\$9,547	\$-32	\$18,293	\$19,410	\$1,117 (8)
Expenses	-9,161	-9,198	37	-18,231	-21,099	-2,868 (6,8)
Reserve Drawdown (Deposit)	-354	-349	-5	-62	1,689	1,751 (6,8)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services System						
Revenues	\$20,962	\$21,003	\$-41	\$35,248	\$35,268	\$20 (9)
Expenses	-19,378	-20,155	777 (3)	-35,506	-36,030	-524 (6,9)
Reserve Drawdown (Deposit)	-1,584	-848	-736 (3)	258	762	504 (6)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics						
Revenues	\$34,914	\$35,038	\$-124	\$50,179	\$53,875	\$3,696 (10)
Expenses	-29,001	-29,165	164	-48,087	-53,977	-5,890 (6,10)
Reserve Drawdown (Deposit)	-5,913	-5,873	-40	-2,092	102	2,194 (6,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service						
Revenues	\$15,822	\$15,872	\$-50	\$38,493	\$34,604	\$-3,889 (11)
Expenses	-17,856	-17,923	67	-37,880	-34,370	3,510 (6,11)
Reserve Drawdown (Deposit)	2,034	2,051	-17	-613	-234	379 (6,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$4,911	\$4,882	\$29	\$10,302	\$10,322	\$20 (12)
Expenses	-5,820	-5,869	49	-9,895	-10,178	-283 (6,12)
Reserve Drawdown (Deposit)	909	987	-78	-407	-144	263 (6,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions						
Revenues	\$6,905	\$6,466	\$439 (4)	\$10,414	\$10,742	\$328 (13)
Expenses	-1,854	-1,994	140	-9,453	-10,611	-1,158 (6,13)
Reserve Drawdown (Deposit)	-5,051	-4,472	-579 (4)	-961	-131	830 (6,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$152,928	\$153,029	\$-101	\$273,480	\$274,952	\$1,472
Expenses	-136,215	-138,835	2,620	-268,539	-280,168	-11,629
Reserve Drawdown (Deposit)	-16,713	-14,194	-2,519	-4,941	5,216	10,157
Net	\$0	\$0	\$0	\$0	\$0	\$0

CAPITAL OUTLAY BUDGET

Educational and General Projects

1. The current year and total project budget amounts reflect the balance of maintenance reserve appropriation carried forward from fiscal year 2012 and the state's fiscal year 2013 allocation of \$5.649 million of Maintenance Reserve funds.
2. This project will support progress on fire alarm systems and accessibility improvements for several E&G buildings including Randolph Hall, War Memorial Hall, Food Science and Technology Building, Norris Hall, Newman Library, and Lane Hall. The design for War Memorial Hall and Food Science and Technology buildings is underway.
3. This is a subproject of an E&G Blanket Authorization, which allows unforeseen small projects to be authorized administratively with nongeneral funds for expediency. This subproject includes a \$1 million authorization to initiate planning for the Relocation of Agriculture programs.
4. This project will plan the construction of a 73,000 gross square foot classroom building to meet the university's instructional classroom and laboratory needs. Schematic design is complete and has been submitted to the Bureau of Capital Outlay for a cost review.
5. This project is for a central chiller plant facility in the southwest section of campus. Construction is underway with substantial completion expected in June 2013.
6. This project is for a 92,500 gross square foot building to provide modern laboratory space to meet the needs of animal and plant science research. Construction is underway with substantial completion expected in October 2013.
7. This project includes construction of a state-of-the-art performance theatre, creative technologies laboratory, and creative performance laboratory. The project is under construction with a substantial completion date of September 2013.
8. This project razes and replaces the unrecoverable center and north section of the building. Construction is underway with substantial completion expected in January 2014.
9. This project is for a 154,900 gross square foot classroom and laboratory facility for undergraduate and research programs in the College of Engineering. Construction is underway with substantial completion expected in December 2013.
10. The project is complete and has been occupied since August 2012. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2012 were processed in fiscal year 2013.
11. The project is complete and has been occupied since March 2012 with the exception of some second floor tenant upfits. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2012 were processed in fiscal year 2013.
12. The project is complete and has been occupied since November 2011. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The total expected costs are \$9,430,000. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2012 were processed in fiscal year 2013.
13. The project was completed in June 2012. It may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The total expected costs are \$28,750,000.
14. The project is complete and has been occupied since August 2012. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2012 were processed in fiscal year 2013.
15. The project is complete and has been occupied since July 2011. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2012 were processed in fiscal year 2013.
16. The project is complete and has been occupied since September 2012. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The annual budget was adjusted in the first quarter because expenses planned for fiscal year 2013 were processed in fiscal year 2012.
17. 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. These needs are being accommodated in the

CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF DECEMBER 31, 2012

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									
<u>Educational and General Maintenance Reserve</u>									
Maintenance Reserve	5,649	7,778	1,993	7,778	0	0	0	7,778	1,993 (1)
<u>Design Phase</u>									
Address Fire Alarm Systems and Access	550	550	0	5,501	0	0	0	5,501	0 (2)
Blanket: Planning Agriculture Programs Relocation	522	522	3	0	0	1,000	0	1,000	481 (3)
Planning: Classroom Building	1,282	1,282	322	0	0	2,000	0	2,000	322 (4)
<u>Construction Phase</u>									
Chiller Plant, Phase I	12,666	12,666	9,448	12,059	0	400	7,639	20,098	12,734 (5)
Human & Agricultural Biosciences Building I	23,625	23,625	12,503	53,759	0	0	0	53,759	21,260 (6)
Performing Arts Center	30,000	30,000	24,599	27,387	0	32,565	40,135	100,087	67,984 (7)
Renovate Davidson Hall, Phase I	12,000	12,000	6,160	31,119	0	0	0	31,119	11,044 (8)
Signature Engineering Building	36,000	36,000	18,826	47,609	0	18,650	28,959	95,218	42,809 (9)
<u>Close-Out</u>									
Academic and Student Affairs Building	6,362	7,882	5,116	0	0	0	45,153	45,153	42,387 (10)
Hampton Technology Research & Innovation Center	348	1,033	359	11,897	0	0	0	11,897	11,222 (11)
Infectious Disease Research Facility	0	564	445	4,000	0	6,163	0	10,163	9,311 (12)
Upgrade Campus Heating Plant	0	1,956	1,324	17,250	0	2,750	11,500	31,500	28,118 (13)
Veterinary Medicine Instruction Addition	3,132	5,164	3,140	0	0	3,200	10,800	14,000	11,976 (14)
Visitors and Undergraduate Admissions Center	300	423	198	0	0	3,400	7,100	10,500	10,275 (15)
VT-Carilion Research Inst. Third Floor Upfits	8,000	5,911	4,762	0	0	15,000	0	15,000	13,852 (16)
<u>On Hold and Not Funded</u>									
Administrative Services Building	0	0	0	0	0	0	12,000	12,000	0 (17)
Blanket: Planning Science Building Laboratory I	0	0	0	0	0	3,500	0	3,500	547 (18)
Planning: Academic Building Renewal	0	0	0	0	0	0	0	0	0 (19)
Sciences Building Laboratory I	0	0	0	0	0	0	0	0	0 (20)
TOTAL	140,436	147,356	89,199	218,358	0	88,629	163,286	470,273	286,314

CAPITAL OUTLAY BUDGET (Continued)

Turner Street Building underway in partnership with the Virginia Tech Foundation. This project authorization may be closed pending the completion and occupancy of the Turner Street Building.

18. This is a subproject of a Blanket Authorization, which allows 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 Laboratory Building that is on hold, supplemental funding may be considered pending a program plan and financial plan.
19. This project will plan the renovation of three academic buildings located in the core of main campus bordering the Drillfield: Davidson Hall-Front Section, Sandy Hall, and the Liberal Arts Building. This project is expected to begin planning work in summer 2013.
20. This project is included in a state bond program and is envisioned to provide a 92,300 gross square foot scientific laboratory facility to support interdisciplinary instruction and research. The project is on hold pending the outcome of external funding sources. The university may request state funding be restored to this project as external funding becomes available. In the interim, planning activities for this project are being conducted under a Blanket Authorization with \$546,780 in expenditures as of December 31, 2012.

Auxiliary Enterprises Projects

1. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget reflects the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2013. The outstanding balance is committed to a five-year forward looking maintenance plan to ensure sufficient resources are available for major maintenance repairs. The auxiliary maintenance reserve program covers 93 assets with a total replacement value of \$1 billion.
2. This project includes installation of a new fiber-optic core on campus to update the communication system. The total expected costs are \$2 million and this project is anticipated to be complete in early winter 2014. The annual budget was adjusted in the first quarter to reflect revised expected cash outflows for fiscal year 2013.
3. The project is complete and the house is occupied. Potential cost overruns are approximately \$280,000 on the infrastructure component and may necessitate an authorization increase. The annual budget was adjusted in the first quarter to reflect revised expected cash outflows for fiscal year 2013.
4. This project includes the third and final phase of addressing moisture penetration and structural problems in the exterior walls of McComas Hall. The project costs are \$3.1 million and this project is anticipated to be complete fall 2013.
5. This project includes improvements to four complementary communication infrastructure components. The four components include a unified communications system, upgrading the Internet Protocol (IP) Network, upgrading the cable plant, and upgrading equipment rooms in various facilities. The total expected costs are \$16.508 million and this project is anticipated to be complete in spring 2016.
6. The project is complete with the East phase occupied by students in August of 2011 and the West phase occupied by students in August of 2012. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The expected total cost is \$72.1 million.
7. The project is complete and has been serving students in the newly expanded seating area of the West End Market since December 2011. The project may be closed and financial accounts terminated when completion of the authorized scope has been verified by the Chief Facilities Officer. The expected total cost is \$6.9 million.
8. The purpose of this project is to build a new field house to increase the availability of indoor training time for the football program and other athletic programs. In addition, Rector Field House may be renovated to increase its functionality for indoor athletic events. Design is on hold pending resolution of a site location.
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 alternatives. Funding for the project may be considered pending a program plan and financial plan.
10. The purpose of this unfunded parking blanket authorization balance is to complete future improvements and repair projects for the parking system as specific needs are identified and as funding becomes available.
11. This is the remaining authorization of the \$23.5 million Oak Lane Community, Phase IV project. The remaining Oak Lane Community expansion, houses two through five and their necessary site improvements, may be constructed as organizations come forward with plans and commitments for their one-third funding requirement per house.

Capital Outlay Projects Authorized as of December 31, 2012 (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									
<u>Auxiliary Maintenance Reserve</u>									
Maintenance Reserve	6,600	6,600	3,214	0	0	14,573	0	14,573	3,214 (1)
<u>Design Phase</u>									
<u>Construction Phase</u>									
Campus Fiber Optic Improvement	294	754	318	0	0	2,000	0	2,000	1,072 (2)
Phase IV of Oak Lane Community (House 1)	1,097	3,029	3,004	0	0	4,663	0	4,663	4,250 (3)
Repair McComas Hall Exterior Wall Structure, Ph III	2,100	2,100	1,210	0	0	3,100	0	3,100	1,950 (4)
Unified Communications & Network Renewal	6,810	6,810	759	0	0	4,500	12,008	16,508	5,485 (5)
<u>Close-Out</u>									
Renovate Ambler Johnston Hall	8,931	8,931	5,911	0	0	0	75,000	75,000	66,840 (6)
West End Market Renovation & Expansion	0	161	159	0	0	7,310	0	7,310	6,896 (7)
<u>On Hold and Not Funded</u>									
Indoor Athletic Training Facility	0	0	0	0	0	500	24,500	25,000	7 (8)
New Residence Hall II	0	0	0	0	0	0	27,000	27,000	182 (9)
Parking Blanket Authorizations Balance	0	0	0	0	0	0	16,547	16,547	0 (10)
Phase IV of Oak Lane Community (Houses 2 - 5)	0	0	0	0	0	0	18,837	18,837	0 (11)
TOTAL	25,832	28,385	14,576	0	0	36,646	173,892	210,539	89,894
GRAND TOTAL	<u>\$ 166,268</u>	<u>\$ 175,741</u>	<u>\$ 103,774</u>	<u>\$ 218,358</u>	<u>\$ 0</u>	<u>\$ 125,275</u>	<u>\$ 337,178</u>	<u>\$ 680,811</u>	<u>\$ 376,209</u>

RECOMMENDATION:

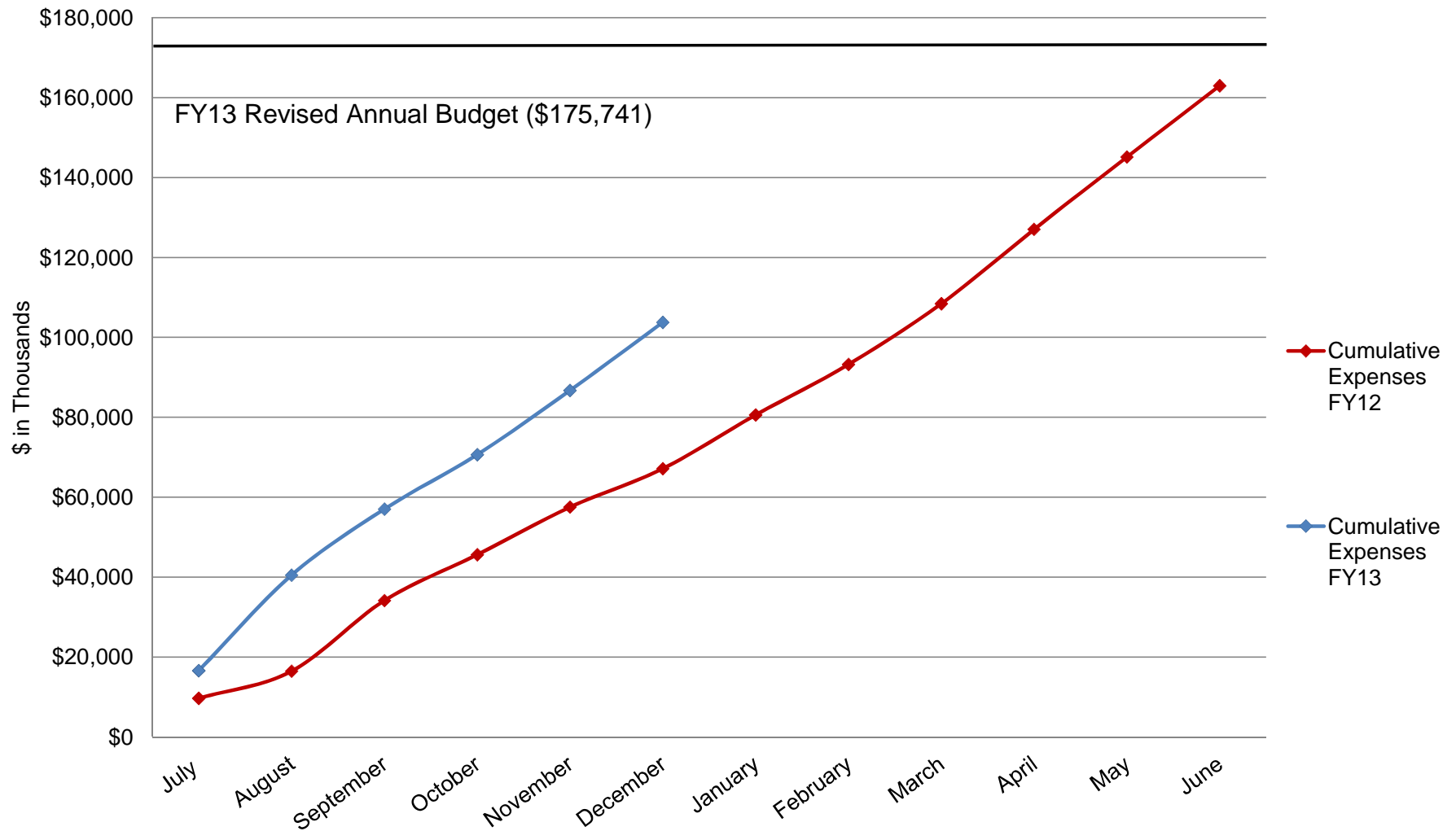
That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2012 through December 31, 2012 and the Capital Outlay report be accepted.

March 25, 2013

CAPITAL PROGRAM ANNUAL PERFORMANCE

Cumulative Monthly Expenses

Fiscal Year 2012 and Second Quarter Fiscal Year 2013



2013-14 Compensation for Graduate Assistants

FINANCE AND AUDIT COMMITTEE

February 26, 2013

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 of Visitors 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 10 additional stipend steps, numbered 41-50, to increase the university's competitive position in attracting outstanding Ph.D. students. In 2004-05, the graduate stipend scale was enhanced to function as 50 pay ranges to provide flexibility for situations where a defined level of resource does not exactly match one of the steps, so that the actual stipend may be established within the range of a step. In 2011-12, an academic year fixed dollar supplement was added to the graduate stipend scale to help offset university assigned costs such as the health fee. As a result, the graduate assistant stipend is currently comprised of two components: 1) a base stipend and 2) a fixed supplement. For administrative efficiency and processing, the two components are combined into the traditional stipend scale. As of January 2013, the current average monthly stipend for full-time graduate assistants is \$1,788 per month, which falls within step 12 of the 2012-13 scale.

The university proposes advancing the stipend scale for 2013-14 by providing a base stipend increase of 3 percent effective August 10, 2013. In addition to the base stipend, the university will continue to provide an academic year supplement of \$300 to help mitigate the university's assigned costs. Consistent with prior years, the proposed minimum and maximum stipends for a full assistantship are displayed on the attached table.

Tuition Assistance

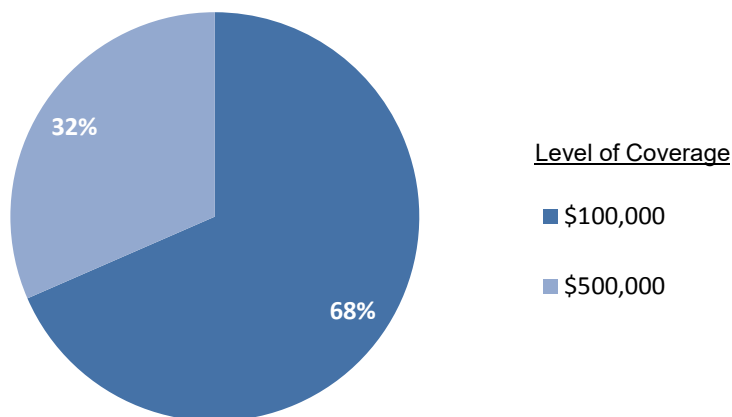
In the 1990's, the university developed a more comprehensive program of tuition scholarships for graduate students. Four sources finance the tuition program: the General Fund appropriation for graduate student financial assistance, a scholarship program in the Educational and General budget, tuition payments planned in the budgets of grants and contracts, and private funds. For 2013-14, the university proposes to continue the tuition remission program for graduate students on assistantship, including the remission of tuition, mandatory E&G fees (excluding the Commonwealth Capital and Equipment Fee), and non-executive graduate program fees.

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 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. In 2009-10 university management worked with representatives of the graduate student community to review and improve the overall mix and value of benefits provided through the health insurance program; these enhancements were approved by the Board and included in the program for 2010-11. In 2011-12, the university reached the goal of supporting 90 percent of the graduate health insurance program, and proposes to maintain that level of support in 2013-14.

The university offers two levels of health insurance coverage: a \$100,000 and a \$500,000 annual benefit plan. The table below displays the proportion of participation in the two levels of coverage available.

**Full-time Graduate Assistant Health Insurance
As of January, 2013**



Participation by Plan

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 2012-13, the university provided 90 percent of the \$1,881 annual premium cost of the Basic Plan, which provided a \$300 annual deductible, a \$1,500 out-of-pocket maximum, a \$25 co-pay for doctors' visits (\$10 with a Schiffert Health Center referral), and a \$100,000 maximum benefit. Students can obtain higher coverage levels and optional dental benefits for an additional cost. To transition towards the Federal Affordable Care Act, the university will move to a single level of coverage (\$500,000) in fiscal year 2014. The university intends to continue coverage at 90 percent of the premium cost for the upcoming year.

RECOMMENDATION:

That the graduate assistant compensation program for 2013-14 be approved.

2013-14 Full-Time Graduate Monthly Stipend Compensation
Effective August 10, 2013

2013-14

Step	Components		Total Stipend		
	Monthly Base	AY Supplement	Monthly	9 Month	12 Month
Step 1	\$ 1,290 - \$ 1,290	\$300	\$ 1,323 - \$ 1,323	\$ 11,907 - \$ 11,907	\$ 15,876 - \$ 15,876
Step 2	1,291 - 1,342	\$300	1,324 - 1,375	11,916 - 12,375	15,888 - 16,500
Step 3	1,343 - 1,391	\$300	1,376 - 1,424	12,384 - 12,816	16,512 - 17,088
Step 4	1,392 - 1,440	\$300	1,425 - 1,473	12,825 - 13,257	17,100 - 17,676
Step 5	1,441 - 1,489	\$300	1,474 - 1,522	13,266 - 13,698	17,688 - 18,264
Step 6	1,490 - 1,541	\$300	1,523 - 1,574	13,707 - 14,166	18,276 - 18,888
Step 7	1,542 - 1,589	\$300	1,575 - 1,622	14,175 - 14,598	18,900 - 19,464
Step 8	1,590 - 1,641	\$300	1,623 - 1,674	14,607 - 15,066	19,476 - 20,088
Step 9	1,642 - 1,689	\$300	1,675 - 1,722	15,075 - 15,498	20,100 - 20,664
Step 10	1,690 - 1,740	\$300	1,723 - 1,773	15,507 - 15,957	20,676 - 21,276
Step 11	1,741 - 1,788	\$300	1,774 - 1,821	15,966 - 16,389	21,288 - 21,852
Step 12	1,789 - 1,836	\$300	1,822 - 1,869	16,398 - 16,821	21,864 - 22,428
Step 13	1,838 - 1,888	\$300	1,871 - 1,921	16,839 - 17,289	22,452 - 23,052
Step 14	1,889 - 1,937	\$300	1,922 - 1,970	17,298 - 17,730	23,064 - 23,640
Step 15	1,938 - 1,987	\$300	1,971 - 2,020	17,739 - 18,180	23,652 - 24,240
Step 16	1,988 - 2,036	\$300	2,021 - 2,069	18,189 - 18,621	24,252 - 24,828
Step 17	2,037 - 2,086	\$300	2,070 - 2,119	18,630 - 19,071	24,840 - 25,428
Step 18	2,087 - 2,137	\$300	2,120 - 2,170	19,080 - 19,530	25,440 - 26,040
Step 19	2,138 - 2,186	\$300	2,171 - 2,219	19,539 - 19,971	26,052 - 26,628
Step 20	2,187 - 2,235	\$300	2,220 - 2,268	19,980 - 20,412	26,640 - 27,216
Step 21	2,237 - 2,286	\$300	2,270 - 2,319	20,430 - 20,871	27,240 - 27,828
Step 22	2,287 - 2,333	\$300	2,320 - 2,366	20,880 - 21,294	27,840 - 28,392
Step 23	2,334 - 2,383	\$300	2,367 - 2,416	21,303 - 21,744	28,404 - 28,992
Step 24	2,384 - 2,434	\$300	2,417 - 2,467	21,753 - 22,203	29,004 - 29,604
Step 25	2,435 - 2,484	\$300	2,468 - 2,517	22,212 - 22,653	29,616 - 30,204
Step 26	2,485 - 2,532	\$300	2,518 - 2,565	22,662 - 23,085	30,216 - 30,780
Step 27	2,533 - 2,585	\$300	2,566 - 2,618	23,094 - 23,562	30,792 - 31,416
Step 28	2,586 - 2,633	\$300	2,619 - 2,666	23,571 - 23,994	31,428 - 31,992
Step 29	2,634 - 2,682	\$300	2,667 - 2,715	24,003 - 24,435	32,004 - 32,580
Step 30	2,683 - 2,733	\$300	2,716 - 2,766	24,444 - 24,894	32,592 - 33,192
Step 31	2,734 - 2,781	\$300	2,767 - 2,814	24,903 - 25,326	33,204 - 33,768
Step 32	2,782 - 2,831	\$300	2,815 - 2,864	25,335 - 25,776	33,780 - 34,368
Step 33	2,833 - 2,881	\$300	2,866 - 2,914	25,794 - 26,226	34,392 - 34,968
Step 34	2,882 - 2,931	\$300	2,915 - 2,964	26,235 - 26,676	34,980 - 35,568
Step 35	2,932 - 2,980	\$300	2,965 - 3,013	26,685 - 27,117	35,580 - 36,156
Step 36	2,981 - 3,030	\$300	3,014 - 3,063	27,126 - 27,567	36,168 - 36,756
Step 37	3,031 - 3,080	\$300	3,064 - 3,113	27,576 - 28,017	36,768 - 37,356
Step 38	3,081 - 3,130	\$300	3,114 - 3,163	28,026 - 28,467	37,368 - 37,956
Step 39	3,131 - 3,181	\$300	3,164 - 3,214	28,476 - 28,926	37,968 - 38,568
Step 40	3,182 - 3,229	\$300	3,215 - 3,262	28,935 - 29,358	38,580 - 39,144
Step 41	3,230 - 3,281	\$300	3,263 - 3,314	29,367 - 29,826	39,156 - 39,768
Step 42	3,282 - 3,329	\$300	3,315 - 3,362	29,835 - 30,258	39,780 - 40,344
Step 43	3,330 - 3,378	\$300	3,363 - 3,411	30,267 - 30,699	40,356 - 40,932
Step 44	3,379 - 3,429	\$300	3,412 - 3,462	30,708 - 31,158	40,944 - 41,544
Step 45	3,430 - 3,477	\$300	3,463 - 3,510	31,167 - 31,590	41,556 - 42,120
Step 46	3,478 - 3,530	\$300	3,511 - 3,563	31,599 - 32,067	42,132 - 42,756
Step 47	3,531 - 3,577	\$300	3,564 - 3,610	32,076 - 32,490	42,768 - 43,320
Step 48	3,578 - 3,628	\$300	3,611 - 3,661	32,499 - 32,949	43,332 - 43,932
Step 49	3,629 - 3,677	\$300	3,662 - 3,710	32,958 - 33,390	43,944 - 44,520
Step 50	3,678 - 3,727	\$300	3,711 - 3,760	33,399 - 33,840	44,532 - 45,120

Capital Project for Planning the Upper Quad Residential Facilities

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 12, 2013

The four Upper Quad residential facilities are Rasche Hall, Brodie Hall, Thomas Hall, and Monteith Hall. These four halls were constructed between 1894 and 1949 and combine to provide approximately 201,000 gross square feet and housing for approximately 1,000 students. The primary purpose of these facilities is to house the Corps of Cadets. The facilities have received few improvements since their original construction, do not meet student expectations, and carry significant deferred maintenance backlogs.

The Board of Visitors approved the university's 2012-2018 Capital Plan on June 6, 2011, including a nongeneral fund project to replace the four facilities listed above with two modern residence halls. The two new residence halls will replace the existing inventory and each building is envisioned to be approximately 97,000 gross square feet. The proposed implementation strategy for the project is a three phase approach. The first phase involves razing, and replacing Rasche with a modern five story residence hall. The second phase involves razing and replacing Brodie with a modern five story residence hall. The final phase involves razing Monteith and Thomas. At the end of the project, the two new residential facilities will replace the existing bed inventory with modern space. To ensure continuity of the Upper Quad, the design for the Upper Quad Residential Facilities project will include a master plan of the precinct with conceptual drawings of an envisioned Corps Leadership and Military Science Building.

As with all self-supporting projects, the university has developed a financing plan to support the project. The university worked conjointly with the residential program to develop a long range financial model to support new debt service on this project and other residential program costs within the university's six-year operating plan. This funding plan calls for the use of debt which may be serviced from Residential Programs auxiliary revenue. The target total project funding is \$90 million, and the plan is sufficient to cover this amount. Any cash designated for the project accumulated prior to the issuance of permanent debt may be used directly for project costs and to lower the total debt issuance.

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 \$5.85 million planning authorization for the Upper Quad Residential Facilities project. A subsequent request for construction funding may be submitted after designs are underway and a firm scope and cost are determined.

RESOLUTION ON CAPITAL PROJECT FOR PLANNING THE UPPER QUAD RESIDENTIAL FACILITIES

WHEREAS, Rasche Hall, Brodie Hall, Thomas Hall, and Monteith Hall have received few improvements since their original construction, do not meet student expectations, and carry significant deferred maintenance backlogs; and,

WHEREAS, the proposed solution is a project to raze the existing four residence halls and replace the bed inventory with two new, modern residence halls; and,

WHEREAS, design will include a master plan of the precinct with conceptual drawings of an envisioned Corps Leadership and Military Science Building; and,

WHEREAS, the university has developed a 100 percent nongeneral fund resource plan for the project, including this \$5.85 million for planning work; 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 \$5.85 million planning authorization for the Upper Quad Residential Facilities project 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 \$5.85 million planning authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to design the Upper Quad Residential Facilities project be approved.

March 25, 2013

**Capital Project for Capital Lease of the Virginia Tech Transportation
Institute Expansion**

**JOINT BUILDINGS AND GROUNDS COMMITTEE
AND FINANCE AND AUDIT COMMITTEE**

February 12, 2013

The Virginia Tech Transportation Institute (Institute) is one of seven university level research institutes at Virginia Tech. The Institute was established in August 1988 in response to the U.S. Department of Transportation's University Transportation Centers Program, and in cooperation with the Virginia Department of Transportation. The Institute's mission is primarily applied to research, accomplished via a multidisciplinary core of academic faculty housed in cooperating departments, research faculty, and students. The Institute is currently housed in a 52,000 square foot office and laboratory complex.

The Institute is a critical research engine for the university with over 130 research projects, a \$125 million total research portfolio, and \$30 million of annual research expenditures. The university's vision to expand research and development under the Institute is a key strategic initiative for the future. The Institute has grown to fill its current space and the program is expanding further with new research grants and contracts. The Institute requested additional space at their existing site near the Smart Road to accommodate this growth and has worked with the Corporate Research Center (CRC) to design and build a solution. The scope of the expansion includes approximately 24,400 gross square feet of office space and 6,400 gross square feet of warehouse space with an expected total cost of not more than \$5.3 million.

The plan to acquire the space includes entering a long-term lease for the office space and a long-term lease for the warehouse space. The Institute's stakeholders group has reviewed the project, its costs, and has committed to funding its costs over time. The nature of this arrangement is expected to meet the Generally Accepted Accounting Principles (GAAP) capital lease definition; thus, a capital authorization is needed for the university to enter into the leases.

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 issuances, and overall funding of nongeneral fund capital outlay projects, including capital leases. This request is for an authorization to move forward with capital leases for the additions to the Virginia Tech Transportation Institute.

RESOLUTION TO AUTHORIZE A CAPITAL LEASE FOR THE VIRGINIA TECH TRANSPORTATION INSTITUTE EXPANSION

WHEREAS, the university's vision to expand research and development under the Virginia Tech Transportation Institute (Institute) is a key strategic initiative for the future of the institution; and,

WHEREAS, the Institute has grown to fill its current space and is in the process of expanding further with new research grants and contracts; and,

WHEREAS, the Institute requires approximately 30,800 additional square feet in both the office and warehouse to accommodate current and projected research operations; and,

WHEREAS, the facility solution is for the Corporate Research Center (CRC) to build additions at the Institute's existing site and for the university to lease the spaces; and,

WHEREAS, the lease rates will be based on a break-even arrangement with the rates reverting to usual and customary property carrying costs after the facility costs are retired; and,

WHEREAS, the anticipated lease arrangements are expected to meet the Generally Accepted Accounting Principles (GAAP) capital lease definition; and,

WHEREAS, the university has developed a funding plan that includes nongeneral fund resources sufficient to support the leases; 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 capital outlay projects, including capital leases;

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward on transactions with the Virginia Tech Foundation for capital leases for the expansion of the Virginia Tech Transportation Institute.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to enter into capital leases with the Virginia Tech Foundation for an expansion of the Virginia Tech Transportation Institute be approved.

March 25, 2013

List of Projects for the 2014-2020 Capital Outlay Plan

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 15, 2013

The university prepares an updated Six-Year Capital Outlay Plan (Plan) every two years as part of the state budget cycle. The Plan is a critical component of positioning the university for state support of major Educational and General capital projects. The next plan will be the 2014-2020 Plan. Traditionally, the submission of the upcoming capital plan to the state occurs in the spring and summer of the year before the new biennium begins. Based on that timetable, the 2014-2020 Plan will be due in the spring or summer of 2013. At this time, the state has not yet provided guidance for the development of the Plan.

In order to be prepared for the submission of the 2014-2020 Plan, the university began work during summer 2012 on the identification and evaluation of potential projects for inclusion in the Plan. Based on this preliminary work, and in anticipation of future guidance and instructions from the state, the university has developed a list of potential projects for inclusion in the 2014-2020 Plan (Attachment A). The list was developed in conjunction with deans and vice presidents and then reviewed and approved by executive management.

The list of unfunded capital projects from the 2012-2018 Plan served as the starting point for the identification of projects for the 2014-2020 Plan. New projects for high priority initiatives or infrastructure were then added to the list of potential projects, and project cost estimates were developed and updated. These projects are consistent with the programmatic needs established for the planning period and with the strategic plan of the university, and position the university with options to respond to guidance from the state.

The list of projects includes a mix of renovations and construction of new space. Renovations are an important strategy for advancing the facility support of the university's programs. As the campus matures, buildings slowly become outdated and develop substantial deferred maintenance requirements which combine to make a building an unproductive asset. Renewing these assets is an effective way to support programs, make productive use of core real estate, and remove the liability of deferred maintenance without adding the operations and maintenance of new space.

Projects with nongeneral fund support, including portions of some gift campaigns, may use external debt to finance a portion of the project. Each potential debt financing undergoes a financial feasibility assessment to ensure resources are sufficient to cover the full debt service term without unnecessary financial risk to unit operations. The positioning of debt is further analyzed to ensure the university does not exceed the parameters of the university debt

policy or debt management practices, which sets a maximum limit of a five percent ratio of total annual debt service to total operating expenses. This practice provides an important check to ensure the institution's debt obligations do not become a point of inflexibility in reaching the operational goals of the institution.

Traditionally, the state has required the review and approval of the updated Plan by the Board of Visitors prior to their submission. Since the submission date to the state for the new Plan may occur before the June 2013 Board of Visitors meeting, the university is seeking, at this time, the review and approval of the list of potential projects for inclusion in the 2014-2020 Plan. When guidance and instructions are received from the state, the university will prepare a final 2014-2020 Plan based upon the projects included in the list of potential projects. Because such guidance is not yet available, the projects are grouped by those requesting General Fund support and those requesting 100 percent nongeneral fund support and then by type sorted in alphabetical order. The university will provide an update to the status of the 2014-2020 Plan at the June Board of Visitors meeting. This update will include the final 2014-2020 Plan, which will provide the prioritized arrangement of projects by biennium for the six-year period.

The costs shown on Attachment A reflect current (February 2013) prices escalated to the mid-point of construction for first biennium timing. When the final arrangement of projects in biennium and priority is complete, the costs of projects placed in the second and third biennia will be escalated accordingly.

Under restructuring authority, the Board of Visitors has the authority to approve and implement projects funded 100 percent by nongeneral funds. Projects eligible for implementation under restructuring may be identified on Attachment A under the section titled Projects Requesting 100 Percent Nongeneral Fund Support. The university may bring resolutions to the Board to initiate these projects independent of the state budget process.

RECOMMENDATION:

That the list of potential projects for inclusion in the 2014-2020 Capital Outlay Plan is approved, and that the university is authorized to develop and submit the Plan, in accordance with future guidance from the state and based on the projects in the approved list.

March 25, 2013

Attachment A

List of Projects for Inclusion in the 2014-2020 Capital Outlay Plan

JOINT FINANCE AND AUDIT COMMITTEE
AND BUILDINGS AND GROUNDS COMMITTEE

February 15, 2013

	Budget by Revenue Source in Millions (Projected to Construction Mid Point ~ 2017)		
	General Funds	Nongeneral Funds	Total
<u>PROJECTS REQUESTING GENERAL FUND SUPPORT</u>			
<u>University Division</u>			
Bishop-Favrao Hall Expansion	\$32.8	\$5.0	\$37.8
Burruss Hall Infrastructure Renewal	75.2	-	75.2
Comparative Medicine Research	6.6	6.6	13.2
Corps Leadership and Military Science Building	37.0	5.0	42.0
Data Center	17.5	17.5	35.0
Derring Hall Renovation, Phase I	55.8	-	55.8
Electrical and Computer Engineering Building	41.8	10.5	52.3
Falls Church Facility Expansion	7.5	-	7.5
Health and Safety Improvements	15.0	-	15.0
Holden Hall Renovation and Expansion	68.0	7.6	75.6
Hutcheson /Smyth Halls Renovation	53.1	-	53.1
Institute for Critical Technology and Applied Science, Phase III	13.3	13.3	26.6
International Affairs Building	10.9	-	10.9
Kentland Facilities Improvements, Phase II: Historic Renovations	7.1	-	7.1
Lane Hall Rehabilitation	10.5	-	10.5
Library Expansion	3.5	-	3.5
Library Renovations	89.3	-	89.3
Library Storage Addition	6.4	-	6.4
Manufacturing Prototype and Demonstration Facility	11.6	3.9	15.5
New College of Business Building	90.4	-	90.4
New Natural Resources Building	62.1	11.0	73.1
Norris Hall Renovation	35.3	-	35.3
Pamplin Hall Renovation	34.7	-	34.7
Patton Hall Renovation	20.1	6.7	26.8
Price Hall Renovation	29.1	-	29.1
Randolph Hall Renovation and Expansion	155.5	17.3	172.8
Renovate Hillcrest Hall	14.9	-	14.9
Replace Center for Molecular Medicine and Infectious Disease	10.7	10.7	21.4
Replace Femoyer Hall	28.5	-	28.5

Attachment A

Budget by Revenue Source in Millions (Projected to Construction Mid Point ~ 2017)			
	General Funds	Nongeneral Funds	Total
Replace Food Science and Technology Building	36.0	6.3	42.3
Robeson Hall Renovation and Expansion	48.6	12.2	60.8
Southgate Renovation	10.3	-	10.3
Squires Conversion to Academics	114.6	-	114.6
Sterrett Facility Renovation	9.9	-	9.9
Sustainable Materials Building	37.5	12.5	50.0
Translational Research and Medicine Laboratory	36.6	18.4	55.0
Undergraduate Science Laboratory Building	66.0	-	66.0
VBI Data Center Expansion	-	6.6	6.6
VTCRI Health Sciences Offices and Research Laboratory	4.8	4.8	9.6
VTCRI Vivarium and Research Addition	22.0	22.0	44.0
VTI Research Building IV	4.3	4.3	8.6
Wallace Hall Renovation	4.9	-	4.9
Total	1,439.7	202.2	1,641.9
<u>Cooperative Extension/Agricultural Experiment Station Division</u>			
Animal Production and Livestock Facilities	8.3	-	8.3
Human and Agricultural Biosciences Building, Phase II	80.9	-	80.9
Kentland Facilities Improvements, Phase I: Dairy Program	7.6	15.0	22.6
Middleburg Equine Arena	-	2.5	2.5
Total	96.8	17.5	114.3
<u>Campus Infrastructure Projects</u>			
Campus Road Package, Phase I	41.9	-	41.9
Campus Road Package, Phase II	15.4	-	15.4
Central Chiller Plant, Phase II	39.0	5.3	44.3
Maintenance Reserve (2014-2016)	15.0	-	15.0
Maintenance Reserve (2016-2018)	17.0	-	17.0
Maintenance Reserve (2018-2020)	19.0	-	19.0
Power Plant/Substation	30.5	20.3	50.8
Total	177.8	25.6	203.4
TOTAL PROJECTS REQUESTING GENERAL FUND SUPPORT	1,714.3	245.3	1,959.6

Attachment A

**Budget by Revenue Source in Millions
(Projected to Construction Mid Point ~ 2017)**

	<u>General Funds</u>	<u>Nongeneral Funds</u>	<u>Total</u>
<u>PROJECTS REQUESTING 100 PERCENT NONGENERAL FUND SUPPORT</u>			
<u>Instruction, Research, and Outreach</u>			
Academic Music Building	-	16.7	16.7
Olivio Ferrari Pavilion	-	5.3	5.3
Virginia Bioinformatics Institute, Phase III (construction)	-	40.6	40.6
Total	-	62.6	62.6
 <u>Auxiliary Enterprise Projects</u>			
Airport "Hokie Bird" Hangar	-	4.9	4.9
Baseball Press Box and Restrooms Improvements	-	3.0	3.0
G. Burke Johnston Renovation	-	10.2	10.2
Graduate Student Center Housing	-	5.4	5.4
Health Center Improvements	-	2.5	2.5
Inn at Virginia Tech, Phase II	-	22.2	22.2
New Recreation Facilities	-	48.1	48.1
New Student Center	-	124.1	124.1
Owens Hall Renovation	-	10.6	10.6
Pritchard Hall Renovation	-	107.0	107.0
Rector Field House Renovation	-	5.6	5.6
South Recreation Field Replacement	-	4.6	4.6
Tennis Stadium Renovation	-	3.2	3.2
Upper Quad Residential Facilities	-	90.0	90.0
War Memorial Hall Renovation of Recreation Spaces	-	62.6	62.6
Total	-	504.0	504.0
 TOTAL PROJECTS REQUESTING 100 PERCENT NONGENERAL FUND SUPPORT			
	-	566.6	566.6
 TOTAL OF PROPOSED 2014-2020 CAPITAL OUTLAY PLAN			
	\$ 1,714.3	\$ 811.9	\$ 2,526.2

Committee Minutes

Committee on Research

**Solitude Room
The Inn at Virginia Tech and Skelton Conference Center
4:15-5:45 p.m.**

March 24, 2013

Committee Members Present:

Mr. George Nolen, Chair
Mr. Michael J. Quillen
Mr. John G. Rocovich, Jr.
Mr. Paul W. Rogers
Mr. Dennis H. Treacy

Guests:

Dr. Charles Steger, Dr. Mark McNamee, Dr. Robert Walters, Mr. Dwight Shelton Jr., Dr. Nancy V. Dye, Mr. William D. Fairchild III, Mr. Cordel L. Faulk, Mr. B. Keith Fulton,, Mr. John C. Lee, IV, Ms. Deborah Petrine, Ms. Suzanne Obenshain, Dr. Daniel Wubah, Dr. Scott Mldkiff, Dr. Mike Friedlander, Dr. David Kingston, Dr. Randy Collins, Ms. Natalie Hart, Ms. Sharon Kurek, Dr. Ellen Plummer, Mr. Neil Sedlak, Ms. Kay Heidbreder, Mr. Ralph Byers, Ms. Elizabeth Hooper, Mr. John Pastor, Ms. Kim O'Rourke, and Ms. Beth Tranter.

1. **Opening Remarks and Approval of September 9, 2012 Minutes.** Mr. Nolen welcomed those in attendance. The minutes were unanimously approved.
2. **Remarks from the President.** Dr. Steger welcomed those in attendance.
3. **Remarks from the Vice President for Research.** Dr. Walters made noted that he has established an Innovation Ecosystem Review Committee, the findings of which will be reported at a future meeting of the Research Committee.
4. **The Virginia Tech Center for Drug Discovery (Research Initiatives).** Dr. Kingston, a University Distinguished Professor and director of the newly-established Virginia Tech Center for Drug Discovery (VTCDD), presented a research overview of the Center, which engages faculty from four Virginia Tech colleges and three research institutes.
5. **Virginia Tech Carilion Research Institute (Research Initiatives).** Dr. Friedlander provided an update on the Virginia Tech Carilion Research Institute (VTCRI). VTCRI growth continues to surge since its opening in September 2010.

Twenty-one faculty team leaders who currently hold more than \$31 million in active research grants have been recruited, and more than 135 staff, including research associates, fellows, software engineers, graduate students, and technicians, are working to solve health challenges.

Adjournment.

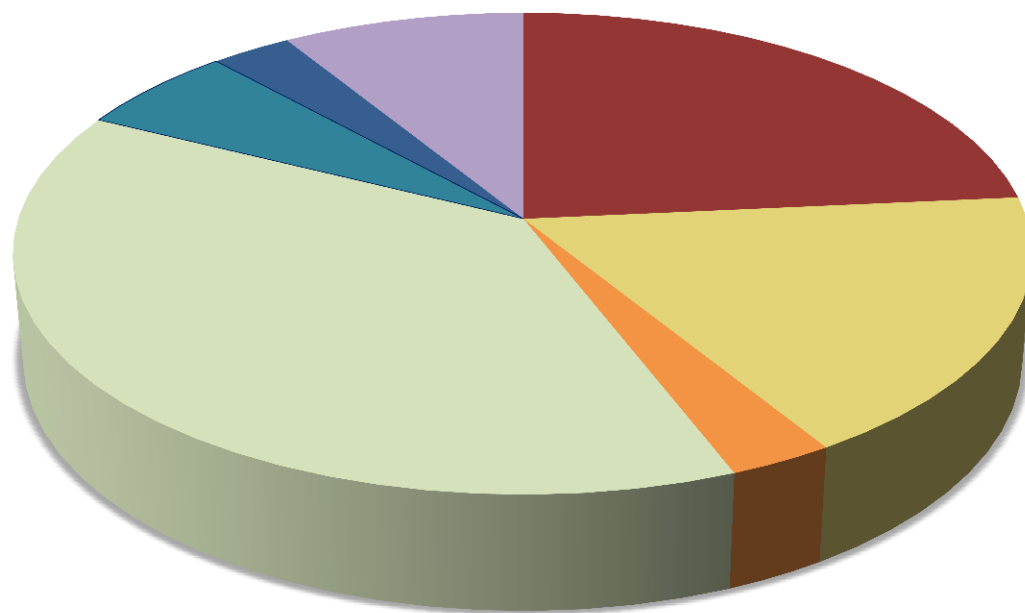
There being no further business, the meeting adjourned at 5:45 p.m.

Outline

- About the Virginia Tech Center for Drug Discovery
- The unique opportunity for Virginia Tech in Drug Discovery
- Current research projects at the VTCDD

About the Virginia Tech Center for Drug Discovery

**A collaborative Center of
34 faculty members**



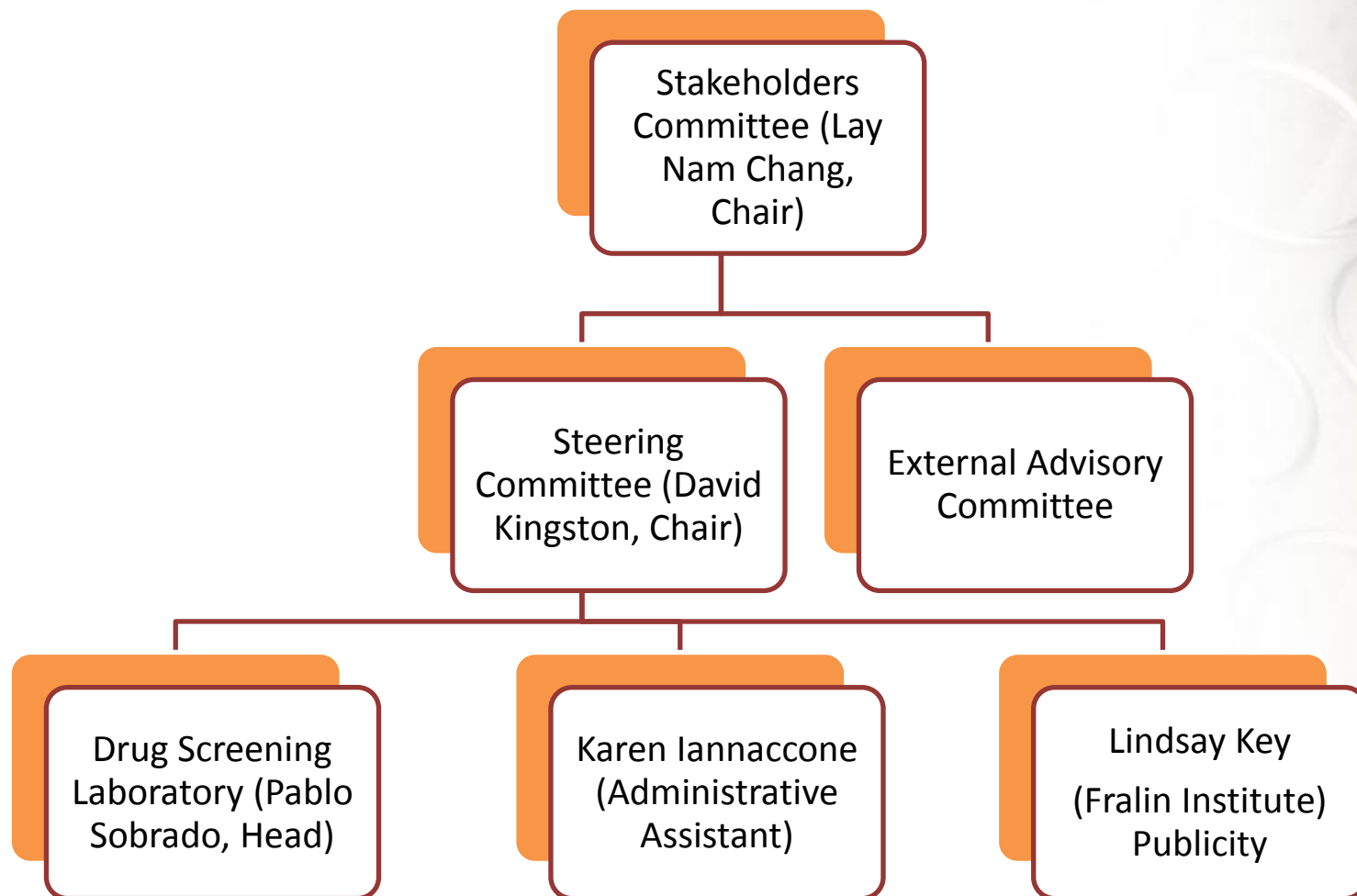
- Agriculture and Life Sciences (8)
- Engineering (6)
- Natural Resources & Environment (1)
- Science (13)
- VBI (2)
- VNR CVM (1)
- VTCRI (3)

**Combined funded research grants of VTCDD faculty members
total over \$30,000,000 (not all in drug discovery)**



A sample of VTCDD members

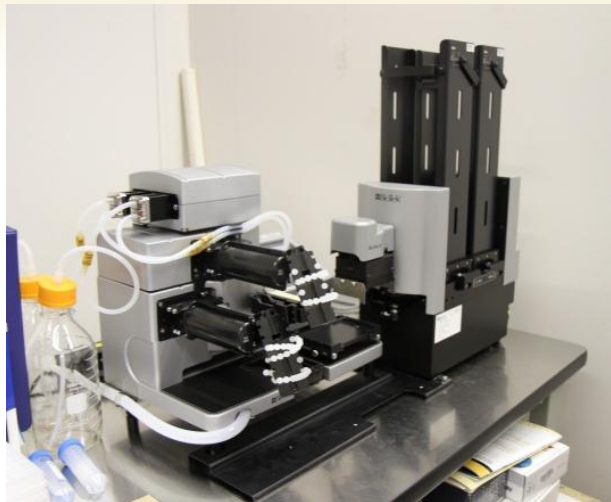
About the Virginia Tech Center for Drug Discovery



The VTCDD and the Virginia Tech Drug Discovery Screening Laboratory (VTDDSL)

- Drug discovery is greatly assisted by the availability of a high-throughput screening facility
- This enables chemists who have prepared hundreds to tens of thousands of compounds to test them for bioactivity against a variety of disease models
- It also enables biologists with new assays to test their assays against purchased chemical libraries or against libraries of compounds from in-house research
- Purchase of the equipment for the VTDDSL was made possible by funds from the Colleges of Science and of Agriculture and Life Sciences

The Virginia Tech Drug Discovery Screening Laboratory (VTDDSL)



Biotek Multiflo MicroPlate Dispenser

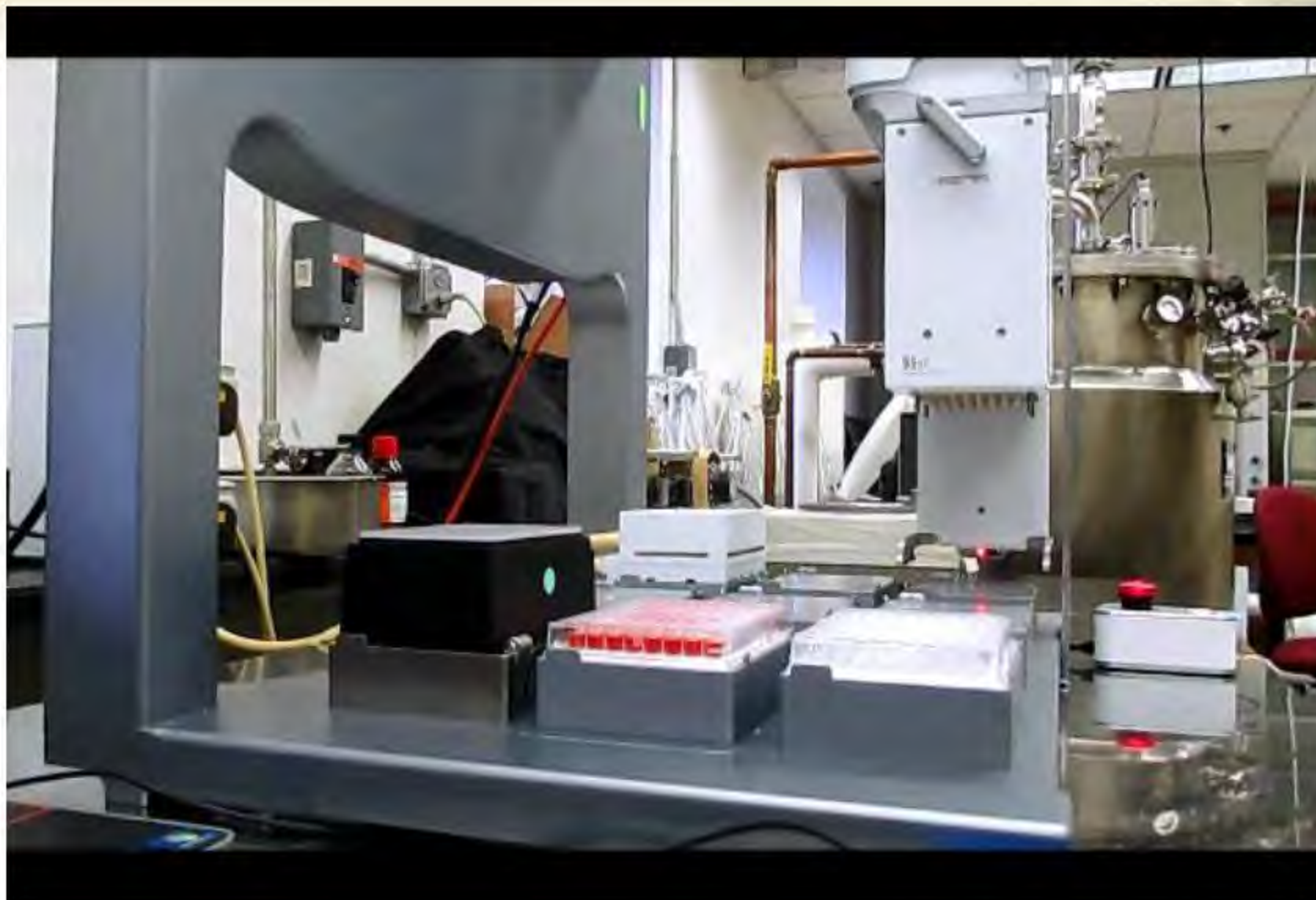


**Molecular Devices Spectramax M5
Multi-Mode Plate Reader**



Agilent Bravo Liquid-Handling Platform

The Virginia Tech Drug Discovery Screening Laboratory (VTDDSL)



About the Virginia Tech Center for Drug Discovery: The goals of the VTCDD

- Provide a visible presence for Virginia Tech in the drug discovery and drug delivery areas
- Facilitate and promote high impact collaborative research.
- Attract support from industry, foundations, and private donors.
- Provide basic drug screening services to aid the Virginia Tech research community in drug discovery.

About the Virginia Tech Center for Drug Discovery: The goals of the VTCDD

- Provide targeted assistance to new collaborative initiatives in drug discovery and delivery.
- Facilitate and strengthen submission of major multi-PI funding applications to federal sponsors, private foundations, the State, and industrial firms or consortia.
- Attract high-quality graduate students in drug discovery and delivery research to Virginia Tech.
- Strengthen graduate and undergraduate active learning in drug discovery, development, and delivery research.

The unique opportunity for Virginia Tech in Drug Discovery

The unique opportunity for Virginia Tech in Drug Discovery

The pharmaceutical industry is facing serious challenges:

- Pharmaceutical companies had less than half the number of new drugs approved in 2011 as compared to 1996.
- The industry will lose patent protection on \$75 billion in branded drugs through 2015
- It also faces pressure for additional cost savings from governmental and societal organizations.
- As one result the industry is increasingly looking for ways to spread out the risks of R&D by partnering with academia, government laboratories and biotech companies.

The unique opportunity for Virginia Tech in Drug Discovery

- This provides an opportunity for Virginia Tech to make a difference.
- Drug discovery and development could also be a major economic force in Southwest Virginia and throughout the Commonwealth

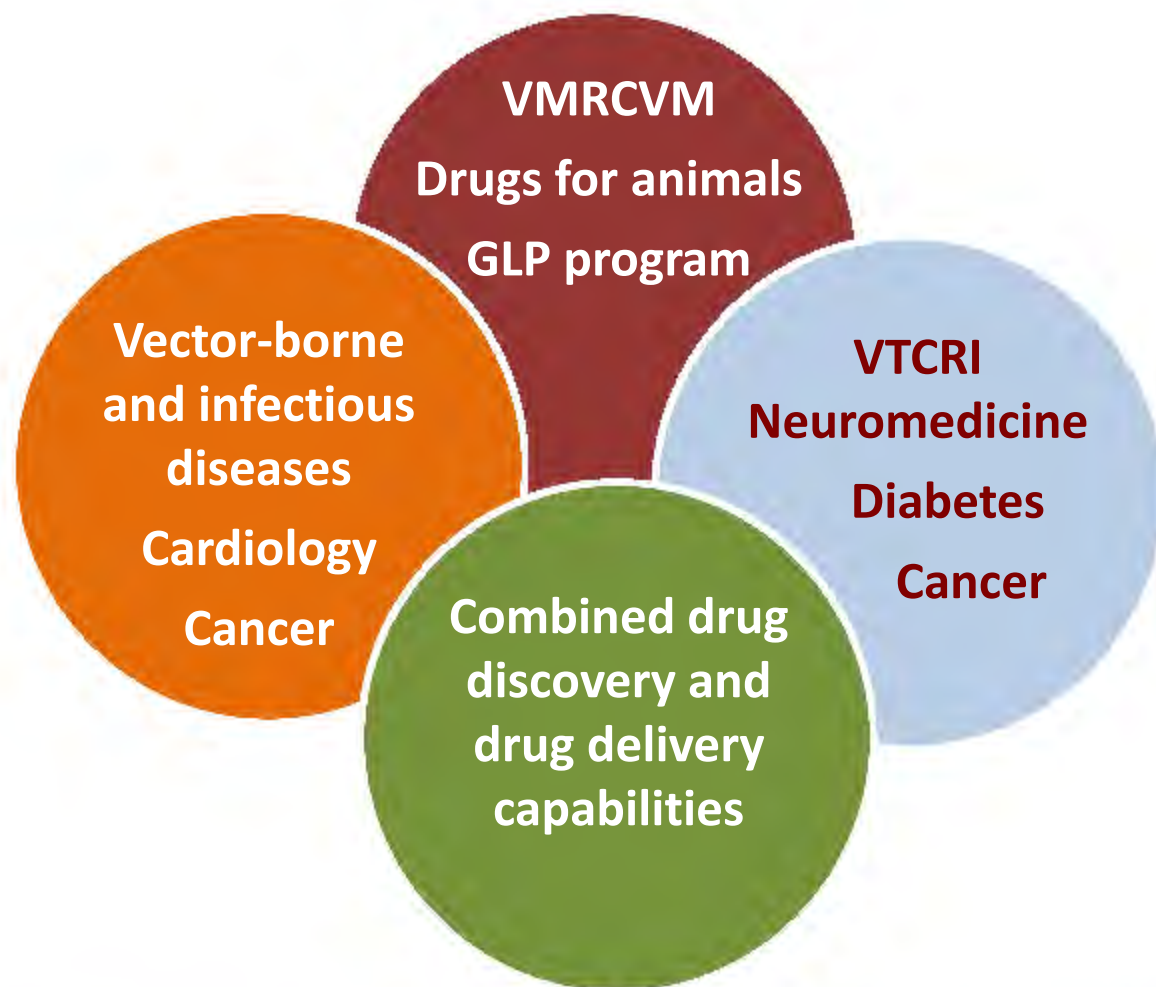
“Despite the staggering unemployment rate facing our country and the downsizing of various industries as technology replaces human workers, *the biotech industry continues to escape the economy’s bad luck and continues to grow*. In fact, it’s pretty easy to see that it’s going to play a big part in carrying our economy forward, and perhaps even generating some momentum.”

— Kelsey Kaustinen
Drug Discovery News
April 13, 2011

The unique opportunity for Virginia Tech in Drug Discovery

- NIH remains the largest U.S. Government source of research funds. Virginia Tech has an opportunity to increase NIH funding.
- With the establishment of VTCRI, the expansion of VMRCVM, and VCOM, Virginia Tech now has a critical mass of researchers in the biomedical area.
- Synergistic collaborations among these researchers will enable them to increase their productivity and impact.

The unique opportunity for Virginia Tech in Drug Discovery

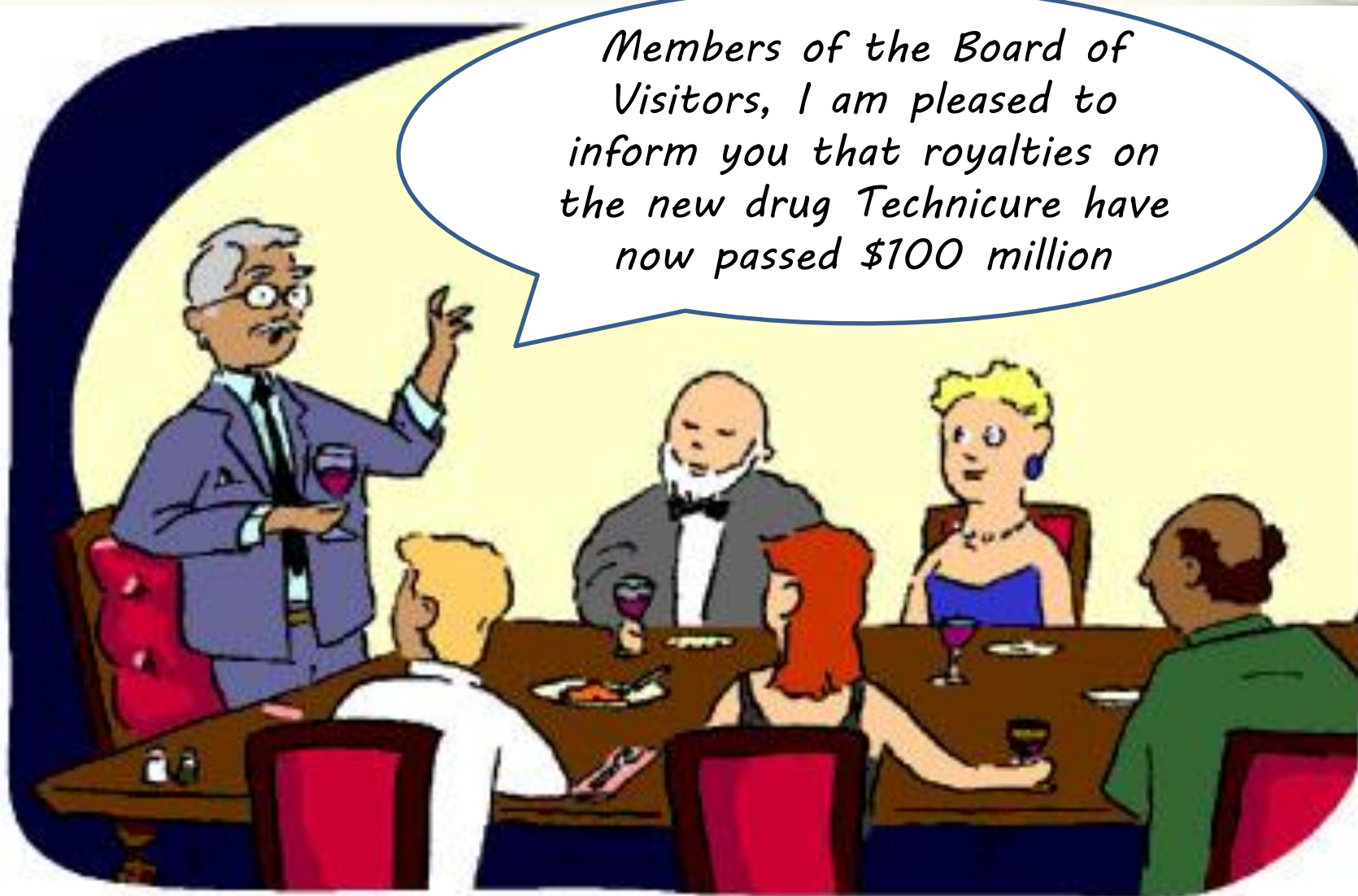


The unique opportunity for Virginia Tech in Drug Discovery

- Enable partnering with big pharma and local biotech companies to develop new drugs.
- Develop Virginia Tech as a center of future NIH sponsored centers for vector-borne disease and neurological disease drug discovery.
- Facilitate technology transfer for new drug developing, reaping royalties for Virginia Tech through licensing.

A word of caution: drug discovery may look easy....

Members of the Board of Visitors, I am pleased to inform you that royalties on the new drug Technicure have now passed \$100 million



... but in reality it is a slow and difficult task



Hey Todd, did I say we needed *amp* plates?
Sorry, I meant *kanamycin* plates...

The unique opportunity for Virginia Tech in Drug Discovery

Examples of previous Virginia Tech successes:

TECHLAB®, Inc.: Toxins and Antibodies of *C. difficile*

- TECHLAB®, Inc. was founded in 1989 by scientists from the Virginia Tech Anaerobe Lab led by Tracy Wilkins.
- It develops, manufactures, and distributes intestinal diagnostics in the various areas, including antibiotic associated diarrhea caused by *Clostridium difficile*.
- VTIP has received significant royalty income from patents related to *C. difficile*.

The unique opportunity for Virginia Tech in Drug Discovery

Examples of previous Virginia Tech successes:

- ELELYSO™(taliglucerase alfa) is a plant cell-based recombinant enzyme therapy for Gaucher disease.
- Protalix produces taliglucerase alfa for Pfizer, and has licensed IP relating to its production from VTIP.
- The IP was disclosed in 1997 by Carole Cramer, a former Virginia Tech professor in Plant Pathology, Physiology, and Weed Science.



Carole Cramer

Tracy Wilkins

The unique opportunity for Virginia Tech in Drug Discovery

- A vaccine against Porcine Circovirus Infection was developed by researchers in the Virginia-Maryland College of Veterinary Medicine.
- Patented by Virginia Tech Intellectual Properties Inc. (VTIP) and marketed by a spinoff of Pfizer's Animal Health division.



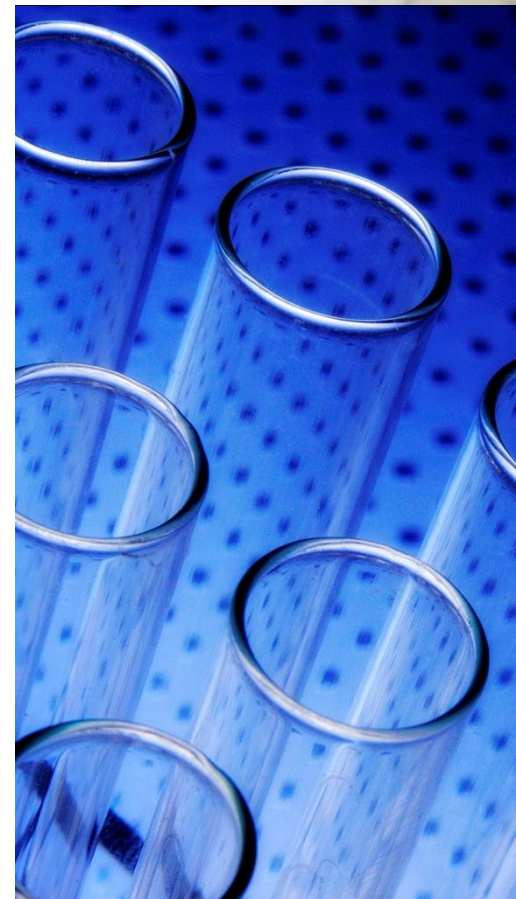
When you start with high
standards, you finish ahead.



Current Activities and Selected Research Projects at the VTCDD

What is going on in VTCDD?

- Annual workshop where VTCDD members give 10-minute updates on their research. This “speed dating” is designed to help members make connections with colleagues with complementary research interests
- Seminar program to bring in speakers in the broad drug discovery area
- Organization and support of the Virginia Tech Drug Discovery Screening Laboratory
- Proposed seed grant program to encourage collaborations between VTCDD members and also between VTCDD and VCOM faculty..



What is going on in VTCDD?

Paul Carlier (Chemistry)

- New pharmacotherapy is needed for serotonin-selective reuptake inhibitor-refractory depression.
- Dr. Carlier has identified a class of molecules that offer this inhibition profile.
- Virginia Tech and the Mayo Clinic are now in the process of securing the IP rights for these compounds.



What is going on in VTCDD?

Richard Gandour (Chemistry)

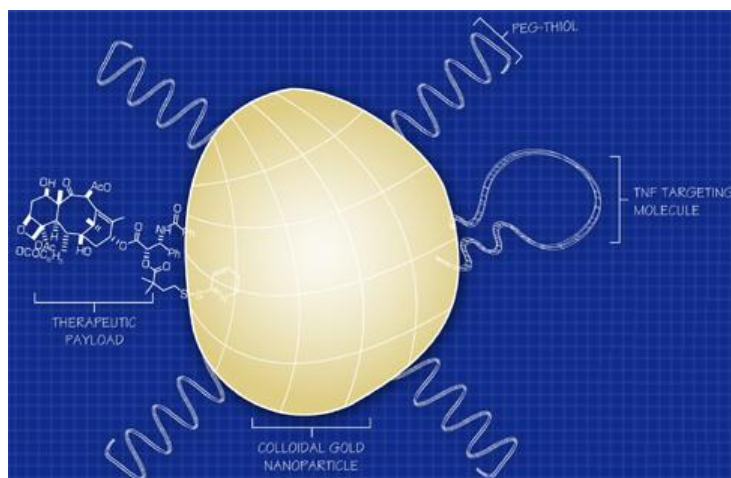
- Dr. Gandour is working with AthenaES, a small biotech company in Maryland, on dendritic amphiphiles
- He hopes to turn this into a Blacksburg-based business that will make the active agent(s).



What is going on in VTCDD?

David Kingston (Chemistry)

- Improved drug delivery is crucial to improving cancer chemotherapy.
- Dr. Kingston is working with CytImmune Inc., to develop a nanoparticle-targeted delivery method for paclitaxel (Taxol)
- Virginia Tech and CytImmune own the IP; CytImmune is seeking funding to advance to clinical trials.



Simultaneously attacks solid tumors using extracellular (TNF) and intracellular (Paclitaxel) mechanisms

What is going on in VTCDD?

Webster Santos (Chemistry)

- Sphingosine-1-Phosphate (S1P) disregulation has implications in oncology, inflammation & fibrosis
- Virginia Tech and UVA have developed a small molecule inhibitor.
- A key compound has been licensed to SphynKx Therapeutics, LLC. Compounds are being prepared for IND status; the synthetic chemistry is planned for the CRC and animal work at UVA



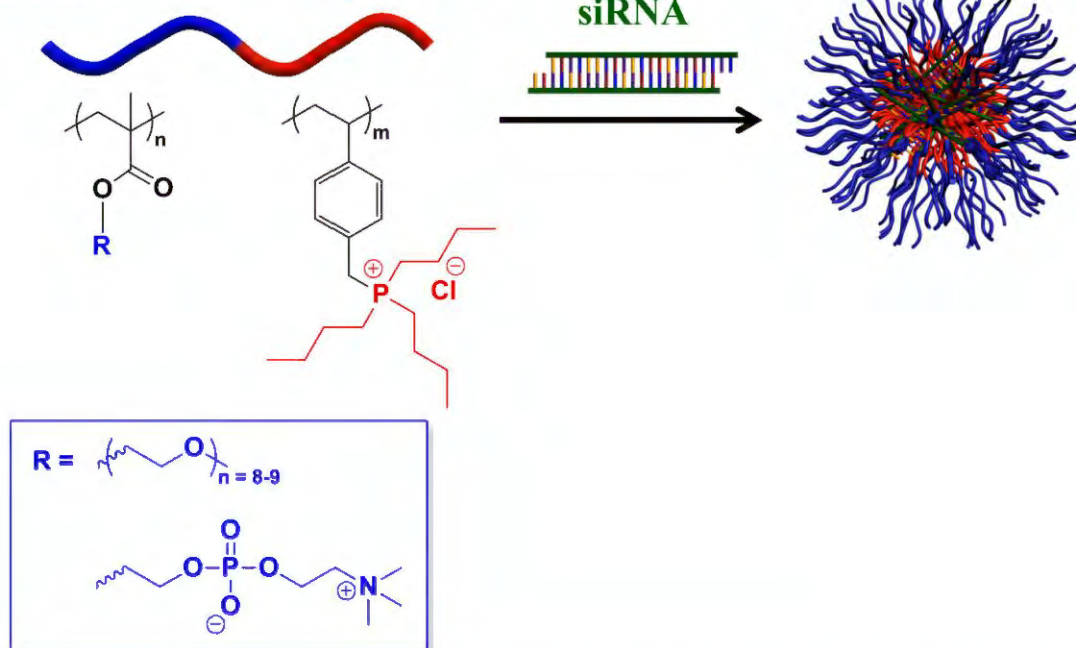
What is going on in VTCDD?

Tim Long (Chemistry)

Nanoparticle Therapeutics for Cancer and Eye Disease

Collaboration between Techulon, Inc., and Dr. Timothy E. Long's group in the Virginia Tech Chemistry Department.

Stabilization Complexation



Novel macromolecular design of nucleic acid delivery vehicles for systemic injection or intravitreal injection of nucleic acid therapeutics.

The first in vivo studies have been carried out.

What is going on in VTCDD?

A potential blood thinner that unmasks cancer cells

- VTCDD members Daniel Capelluto and Carla Finkielstein (Biol. Sci.), Rafael Davalos, (Biomed. Eng.) and Pavlos Vlachos (Mech. Eng.) collaborated on this project.
- They created a microfluidic device to explore the therapeutic role of the protein Disabled-2, which prevents blood from clotting.
- The scientists designed small molecules modeled after Disabled-2 that may have the potential to be developed into a safer blood thinner or a cancer treatment.



Future Prospects for Drug Discovery at Virginia Tech

What of the future?

- Submission of an application for a Center of Excellence in Natural Antiinflammatory Agents (Josep Bassaganya-Riera, PI). Planned for late 2013.
- Submission of a Chemistry/Biology Interface Training Grant (a major NIH grant program to support graduate students in interdisciplinary training). Planned for 2014 or 2015.
- Increasing collaborations with VCOM and VTCRI through targeted seed grants and strategic investments

Thank you

Virginia Tech Carilion Research Institute

March 24, 2013

**Mike Friedlander
Executive Director
Virginia Tech Carilion Research Institute**

VTCRI Mission

make major scientific advances in human health

**discover and develop innovative preventions,
diagnostics, treatments and cures for human disease**

Emerging Academic Medical Center in Roanoke



VTCRI



Brain

(autism, Alzheimer's disease,
traumatic brain injury,
psychiatric disorders,
cerebral palsy, epilepsy,
Parkinson's disease,
addiction and
substance abuse)

Cancer

(tumor genetics, brain tumors,
breast cancer,
individualized therapeutics
and diagnostics,
theranostics)

4 Research Themes

Heart

(cardiac developmental disorders
cardiac repair and regeneration,
arrhythmias,
sudden cardiac death)

Infection

(vaccine development,
childhood infections,
inflammation, emerging
infections
immunology)

First 2 years

- Opened September, 2010
- 21 faculty team leaders recruited (2 in process) with 40 active extramural research grants (annual = \$11M; remaining portfolio = \$31M);

74 grants “in review” @ \$14M annual, \$86M total portfolio;
- Over 135 staff (research associates, postdoctoral fellows; software engineers, graduate students, technicians and administrators);
- Interdisciplinary research teams (biologists, mathematicians, engineers, computer scientists, behavioral/education scientists, economists);
- Development of start up companies by several faculty.



**Warren
Bickel**

Arkansas Health
Science*



**Pearl
Chiu**

Baylor College
of Medicine*



**Stephanie
DeLuca**

UAB



Alan Diehl
*U Penn**

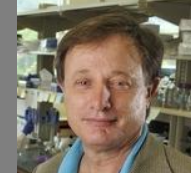


Harry Dorn
Virginia Tech



**Michael
Friedlander**

Baylor College
of Medicine*



**Rob
Gourdie**

MUSC*



Michael Fox
ViCU*



Debbie Kelly

Harvard



**Brooks
King-Casas**

Baylor College
of Medicine*



**Stephen
LaConte**

Baylor
College
of Medicine*



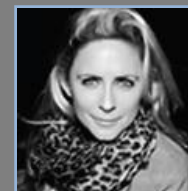
**Sarah
McDonald**

NIH - NIAIDS



**Read
Montague**

Baylor College
of Medicine*



**Rosalyn
Moran**

University
College
London



**Alexei
Morozov**

NIH
NIMH*



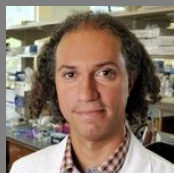
**Konark
Mukherjee**

Brandeis



**Ken
Oestreich**

U. Washington



**Steve
Poelzing**

University of Utah
Medical School*



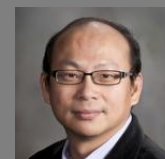
Craig Ramey

Georgetown*



Sharon Ramey

Georgetown*



Zhi Sheng

University of
Massachusetts
Medical School



Jamie Tyler

Arizona State
University*



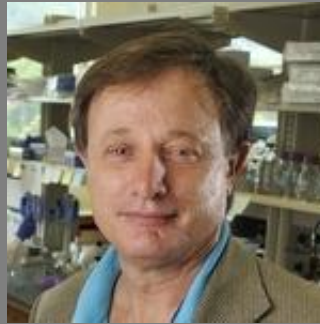
Greg Valdez

Harvard

A few 2012 highlights



VTCRI's Debbie Kelly
patents new brain cancer
screen technology



VTCRI's Rob Gourdie
named Commonwealth
Eminent Scholar in
Regenerative Medicine
Research



VTCRI's Sharon and Craig Ramey
children's health behavior
and development; Star City reads



VTCRI's Read Montague – TedGlobal;
launches Roanoke brain study; appointed to
Macarthur foundation neuroscience and the
law initiative: selected to NIH panel
on Accelerating Therapeutic Development
for Nervous System Disorders towards First-
in-Human Trials



VTCRI's Jamie Tyler
receives McKnight Foundation
Technological Innovations
in Neuroscience Award



VTCRI's Warren Bickel
receives APA
award for outstanding
research in addiction;
appointed to national
scientific advisory panel
on tobacco products

Current VTCRI Carilion Research Collaborations

- Emergency Medicine
- Medicine (cardiology and infectious disease)
- OT/PT (JCHS)
- Pediatrics
- Psychiatry
- Surgery (plastic surgery and neurosurgery)

Current Roanoke Blacksburg Research Collaborations

- Biological Sciences (COS)
- Biomedical Engineering and Sciences (COE)
- Biostatistics
- Chemistry (COS)
- Economics (COS)
- Electrical and Computer Engineering (COE)
- HNFE (CALS)
- Pathobiology (COVM)
- Physics (COS)
- Psychology (COS)
- Fralin
- ICAT
- VBI

Current VTCRI collaborations with other Institutions

(n=75; 27 states, 17 countries, 6 continents)

- Baylor College of Medicine, Houston, TX
- Boston University School of Medicine, Boston, MA
- Brown University Medical School, Providence, RI
- Cal Tech, Los Angeles, CA
- Cape Coast School of Medical Sciences, Ghana
- Cardiff University, Wales, UK
- Center for the Developing Child, New Orleans, LA
- Child Mind Institute, New York, NY
- Children's National Medical Center, Washington, DC
- Chinese Academy of Sciences, Guangzhou Institute of Public Health, Guangzhou, China
- City College of New York, NY
- Columbia University Medical School, New York, NY
- Developing Families Center, Washington, DC
- Drexel University, Philadelphia, PA
- Emory and Henry College, Emory, VA
- ETH, Zurich, Switzerland
- Federal University of Minas Gerais, Brazil
- Harvard University, Boston, MA
- Healthy Families, Baltimore, MD
- Hong Kong University of Science and Technology, Hong Kong
- **Howard Hughes Medical Institute, Ashburn, VA**
- Imperial College, London, UK
- IRL, Wellington, New Zealand
- Johns Hopkins University Medical Center, Baltimore, MD
- Kyoto University, Kyoto, Japan
- Linköping University, Sweden
- Michael E DeBakey VA Medical Center, Houston, TX
- MIT, Boston, MA
- MUSC, Charleston, SC
- Nanyang Technological University, Singapore
- National Institute of Aging, Bethesda, MD
- National Institute of Mental Health, Bethesda, MD
- National Institute of Standards and Technology, Charleston, SC
- New York University, New York, NY
- Ohio State University Medical School, Columbus, OH
- Penn State University Medical Center, Hershey, PA
- Purdue University, Indianapolis, IN
- **Radford University, Radford, VA**
- **Salem VA Medical Center, Salem, VA**
- SUNY at Buffalo Medical Center, NY
- Texas A&M University Medical Center, College Station, TX
- University College, London, UK
- University of Alabama at Birmingham Medical School, AL
- University of Alabama at Birmingham, AL
- University of Bristol, UK
- University of California, Davis, CA
- University of California, Berkeley, CA
- University of Central Florida, Orlando, FL
- University of Chicago Medical School, Chicago, IL
- University of Copenhagen, Denmark
- University of Georgia, Athens, GA
- University of Ghent, Belgium
- University of Hawaii at Hilo, HI
- University of Houston, TX
- University of Illinois, Urbana-Champaign, IL
- University of Indiana Medical Center, Indianapolis, IN
- University of Louisiana, Lafayette, LA
- University of Louisville Medical Center, Louisville, KY
- University of Massachusetts Medical School, Worcester, MA
- University of Michigan Medical Center, Ann Arbor, MI
- University of Minnesota Medical School, Minneapolis, MN
- University of Missouri Research Reactor Center Columbia, MO
- University of Modena, Italy
- University of North Carolina, Chapel Hill, NC
- University of Oslo Medical School, Oslo, Norway
- University of Oulu, Finland
- University of Utah Medical Center, Salt Lake City, UT
- University of Virginia Medical School, Charlottesville, VA
- University of Wisconsin Medical Center, Madison, WI
- University of Zurich, Switzerland
- Vanderbilt University School of Medicine, Nashville, TN
- Virginia College of Osteopathic Medicine, Blacksburg, VA
- Virginia Commonwealth University, Richmond, VA
- Wake Forest University School of Medicine, Winston-Salem, NC
- Washington Hospital Center MedStar Research Institute, Washington, DC
- Yonsei University Medical College, Seoul, South Korea

Key focus area in brain research

“...disorders of the central nervous system, when taken as a whole, account for more hospitalizations, more long term care and more chronic suffering than all other disorders combined.”

Cowan, M.W. and Kandel, E.R.

	annual new cases	Economic cost - \$/year (direct medical + indirect)
all cancers	1.6 million	\$240 billion
heart disease	6.4 million	\$175 billion
brain disorders	8.2 million	\$995 billion

Active VTCRI Brain Research Programs

addiction

Alzheimer's disease

amyotrophic lateral sclerosis

autism spectrum disorder

borderline personality disorder

brain cancer

cerebral palsy

dementia

depression

epilepsy

medical decision-making

mental retardation

Parkinson's disease

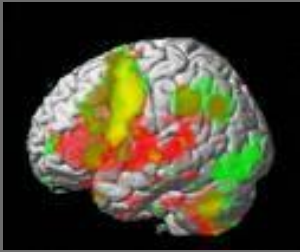
post traumatic stress disorder (PTSD)

traumatic brain injury (TBI)

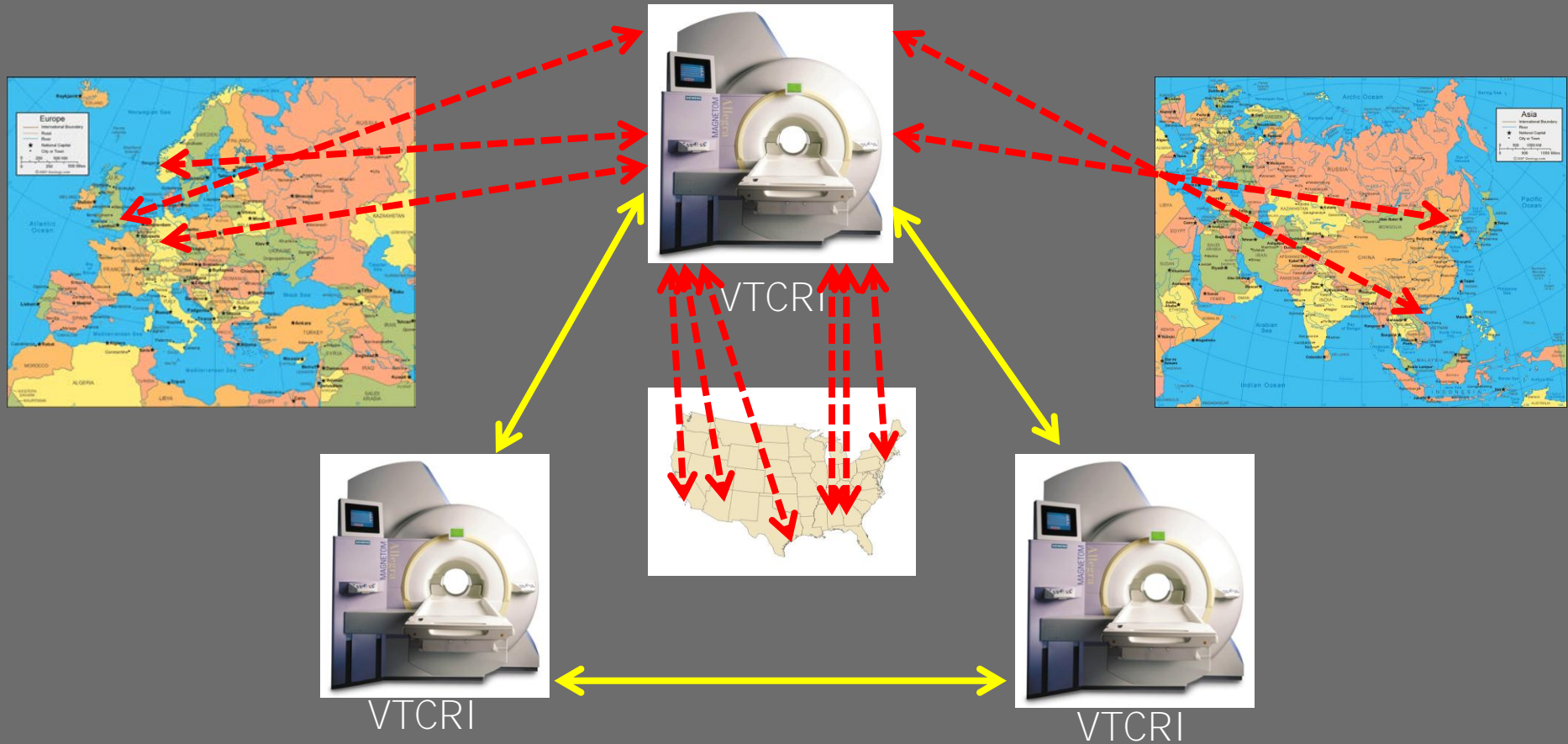
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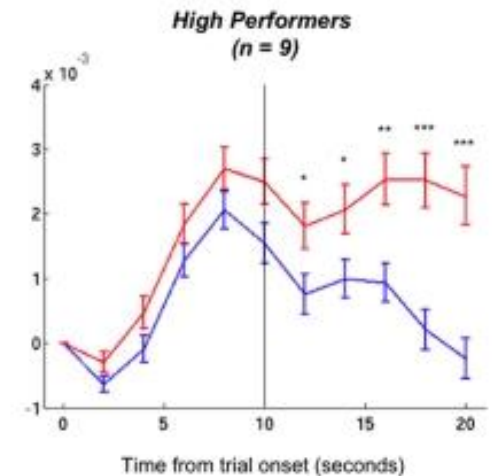
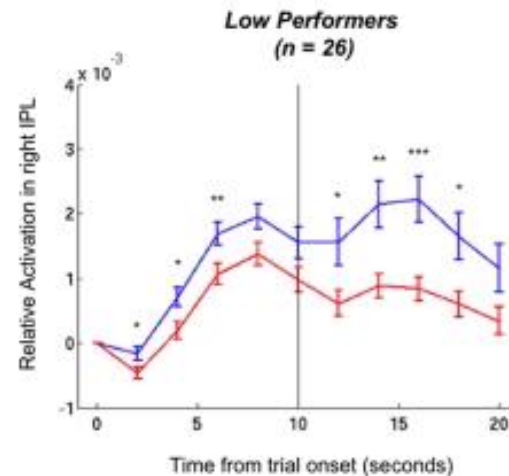
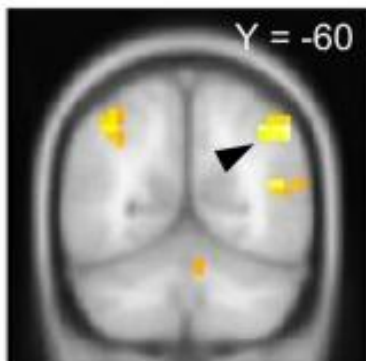
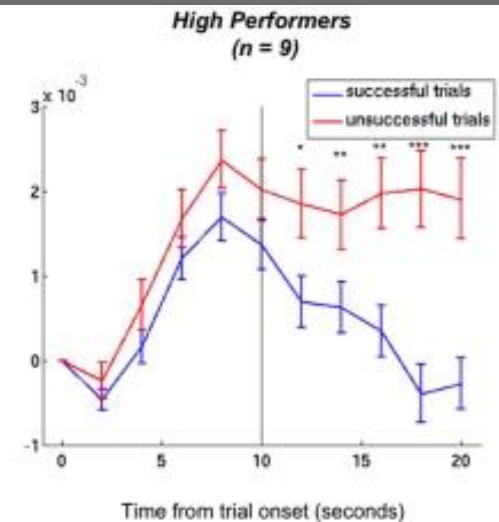
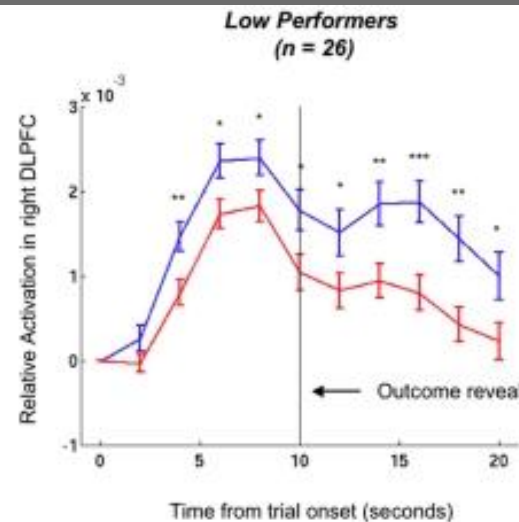
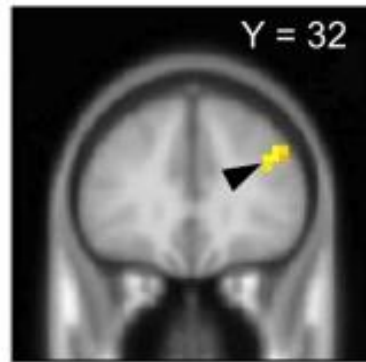
Autism and neuropsychiatric disorders

Roanoke based world wide interactive human functional
brain imaging network



Read Montague
VTCRI and VT Physics

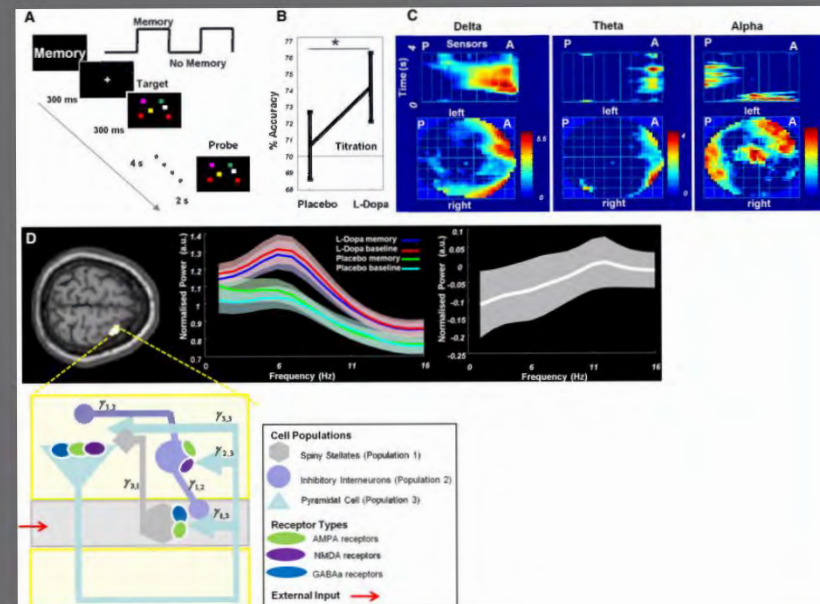
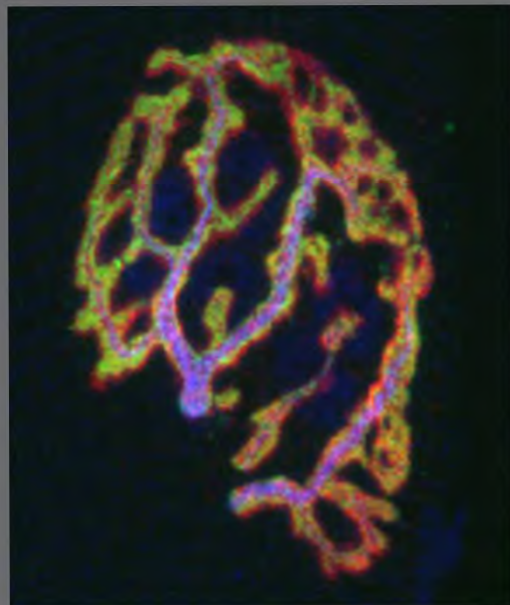
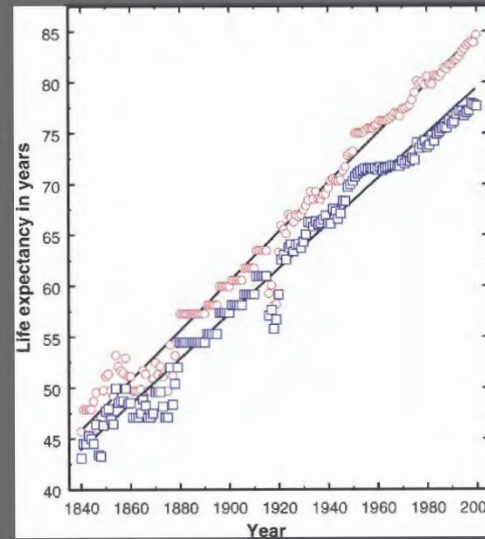
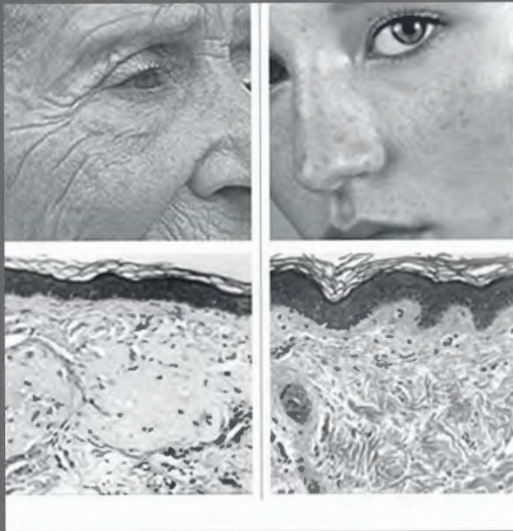




VTCRI research on types of physician decision-making behaviors

Downar, Bhatt and Montague

Disorders of aging – detection and repair

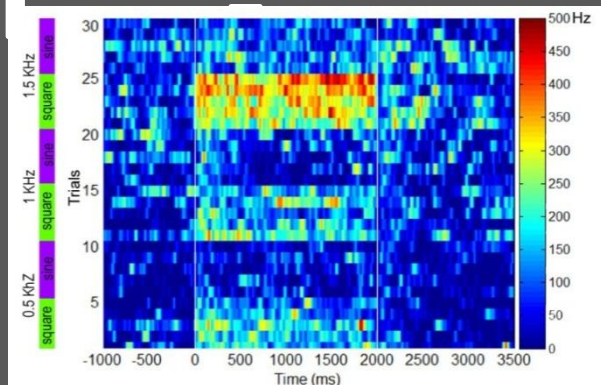
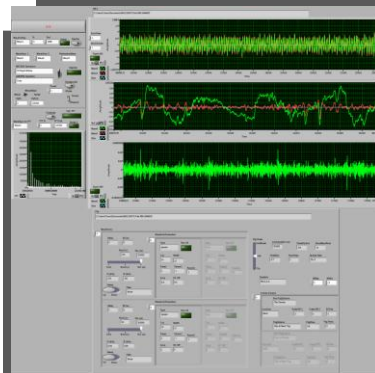
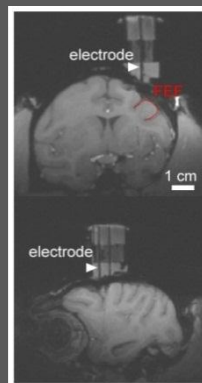
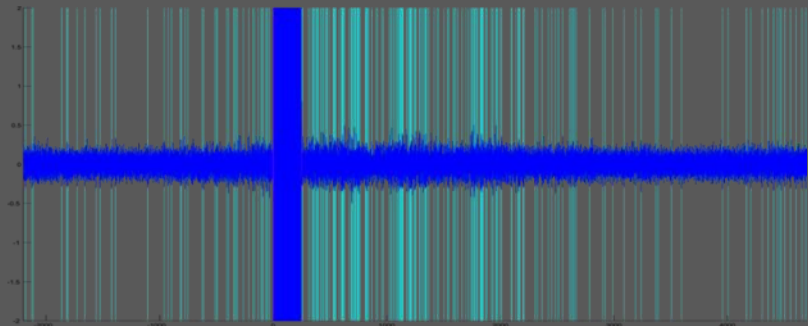


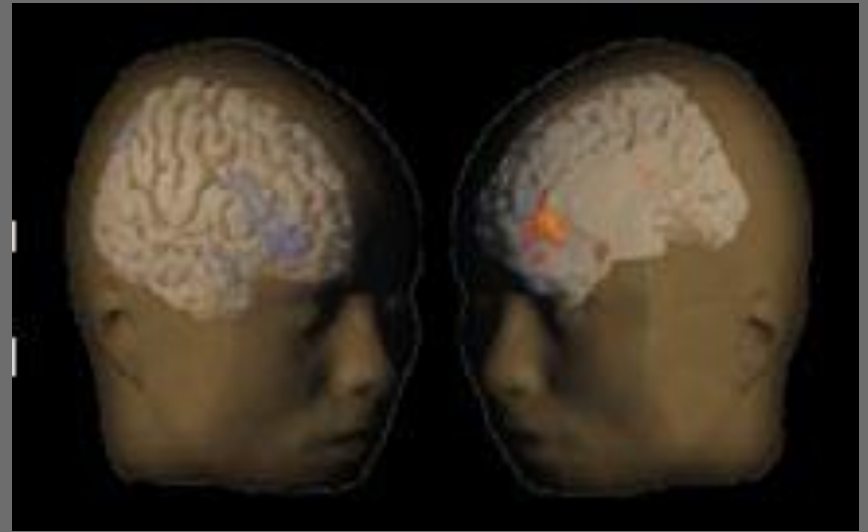
Greg Valdez
VTCRI and VT Biology

Rosalyn Moran
VTCRI and VT ECE

**Focused low intensity ultrasound
non-invasive therapeutic neuromodulation for treating
seizures, Parkinson's, depression, OCD, pain:**

new company in Roanoke – Neurotrek





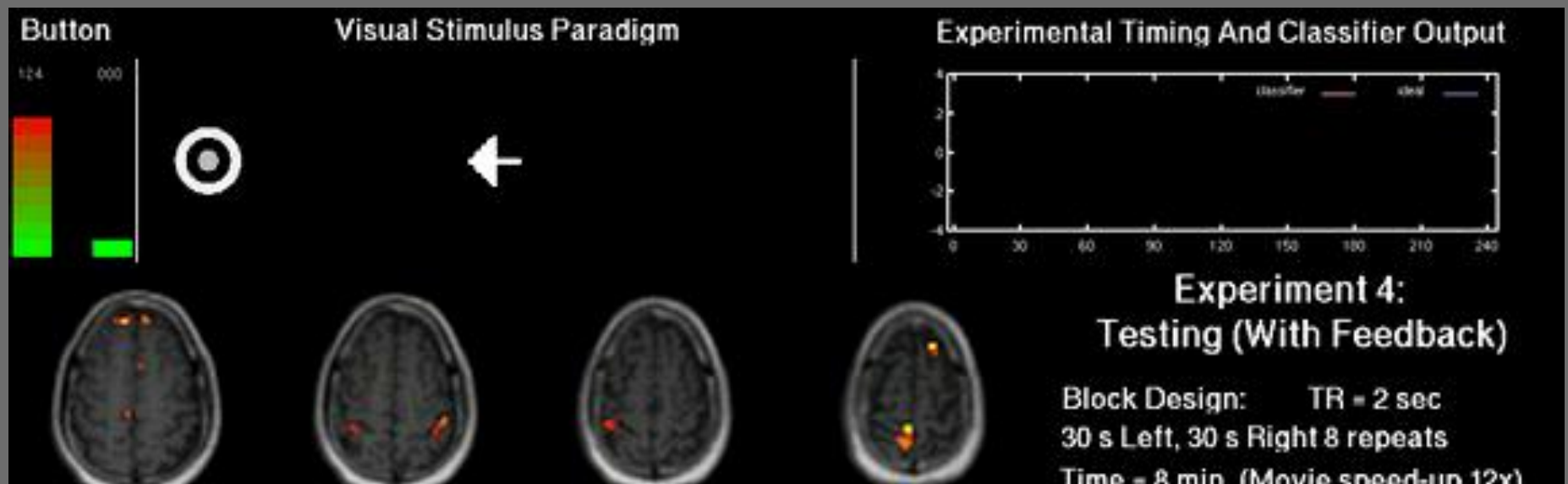
“How brains value and discount the future”

**Warren Bickel
VTCRI and
VT Psychology**

Training healthy decision-making and developing
treatments for addictive behaviors

Scaling up – world wide addiction quit registry

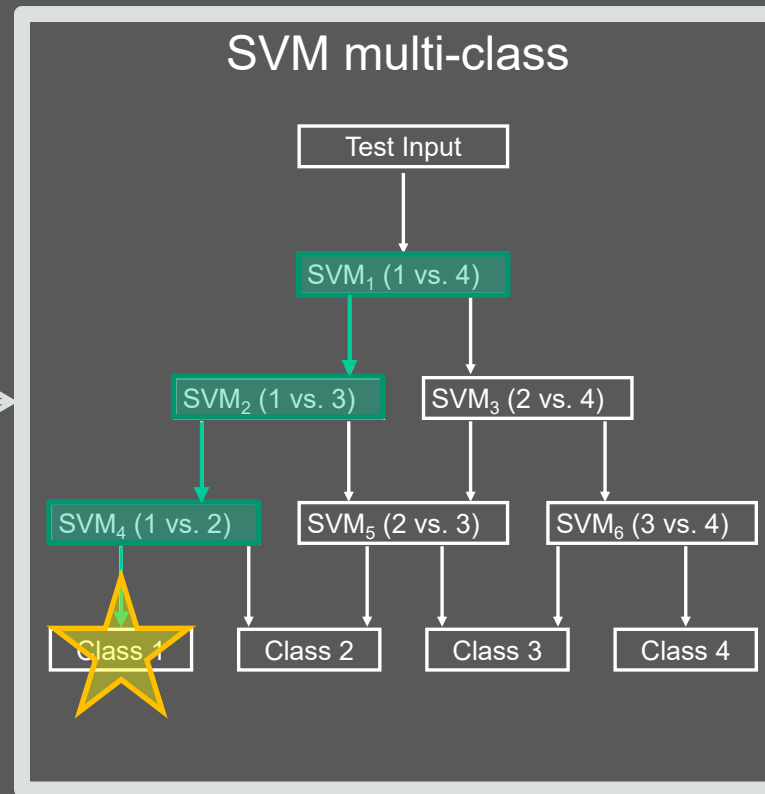
Real time fMRI neurorehabilitation for addiction, TBI, stroke, PTSD



Stephen
LaConte
VTCRI
and VT SBES

Real time imaging and speech rehabilitation

Stephen LaConte
VTCRI
and VT SBES



1

Functional brain reorganization in cerebral palsy – NIH funded research clinic opens at VTCRI

Sharon
Ramey
VTCRI
and VT Psychology



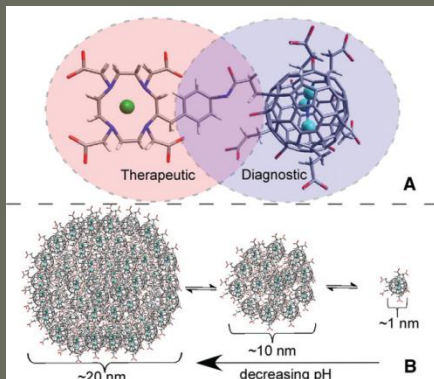
Stephanie
DeLuca
VTCRI
and VT Psychology

Video – News story on Dr. DeLuca's Pediatric Neuromotor Rehabilitation for children with CP

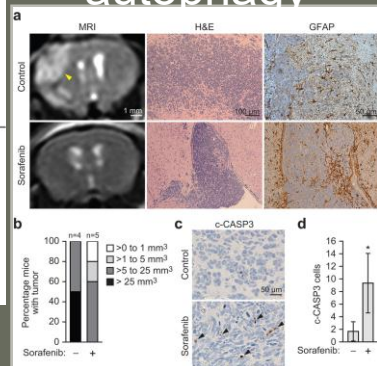


The_little_fighter.flv

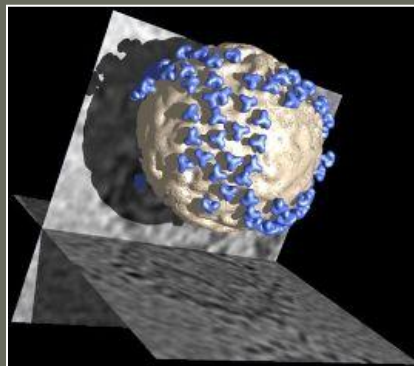
theranostics



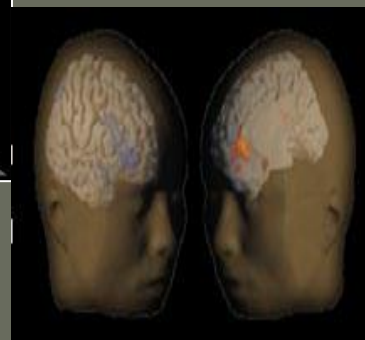
targeted
autophagy



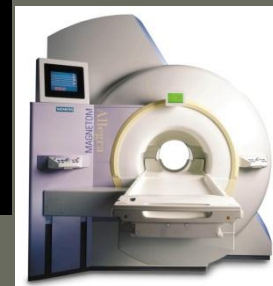
targeting
breast cancer



training the
brain for
healthy
behaviors



stopping
nicotine
addiction



Harry
Dorn
VT Chemistry



Zhi
Sheng
VT Vet Med



Debbie
Kelly
VT Biology



Warren
Bickel
VT Psychology



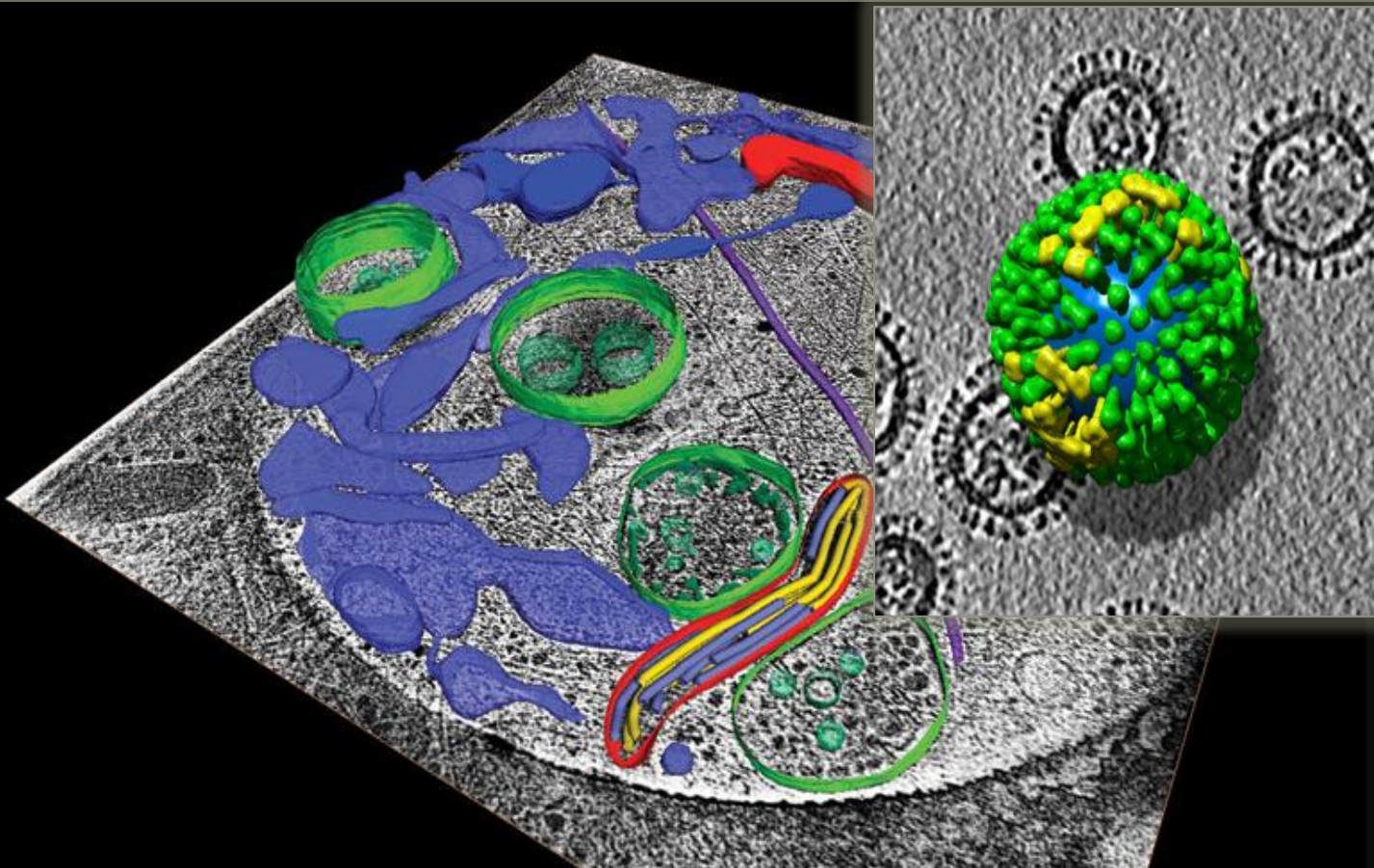
Pearl
Chiu
VT Psychology

**Cancer Research
at VTCRI**

Cryo-EM – imaging cells to molecules - applications to breast cancer and malignant brain tumors

Debbie Kelly
VTCRI and VT Biology

new microfluidic device patents

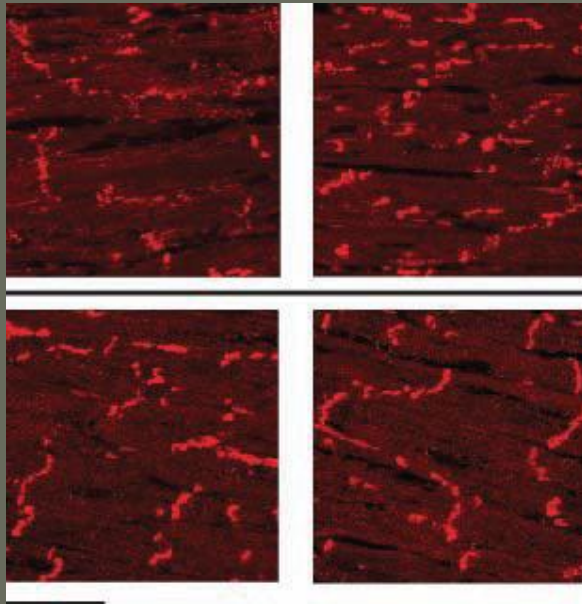


Cardiovascular Research at VTCRI

Preventing sudden cardiac death



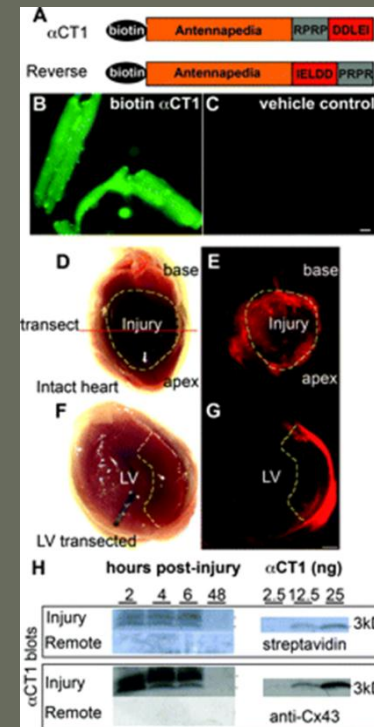
Steve Poelzing
VTCRI
and VT SBES

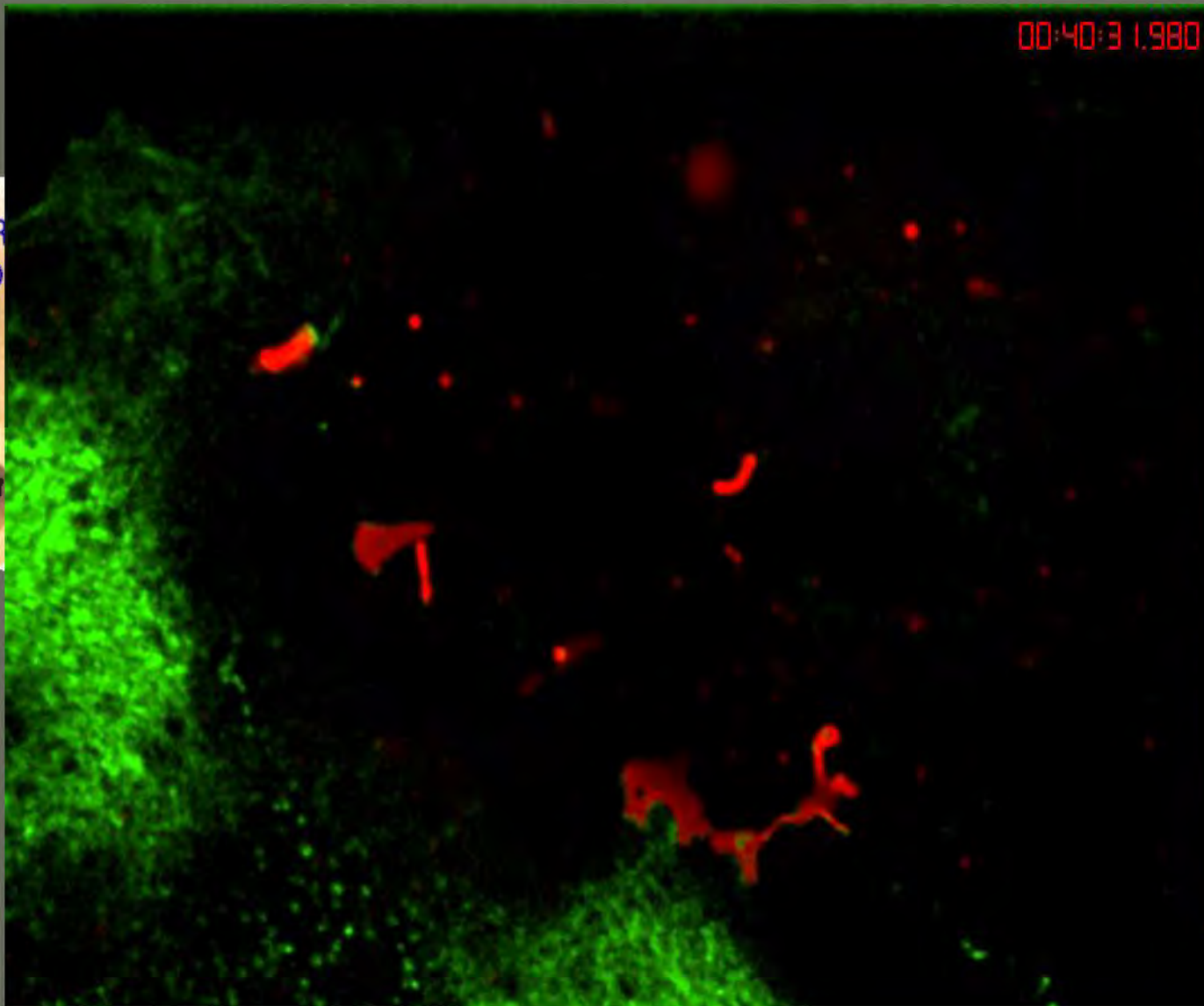


Regeneration and repair of the damaged heart



Rob Gourdie
VTCRI and
VT SBES





Green = ZO-1-CFP

Red = Connexin43-CFP

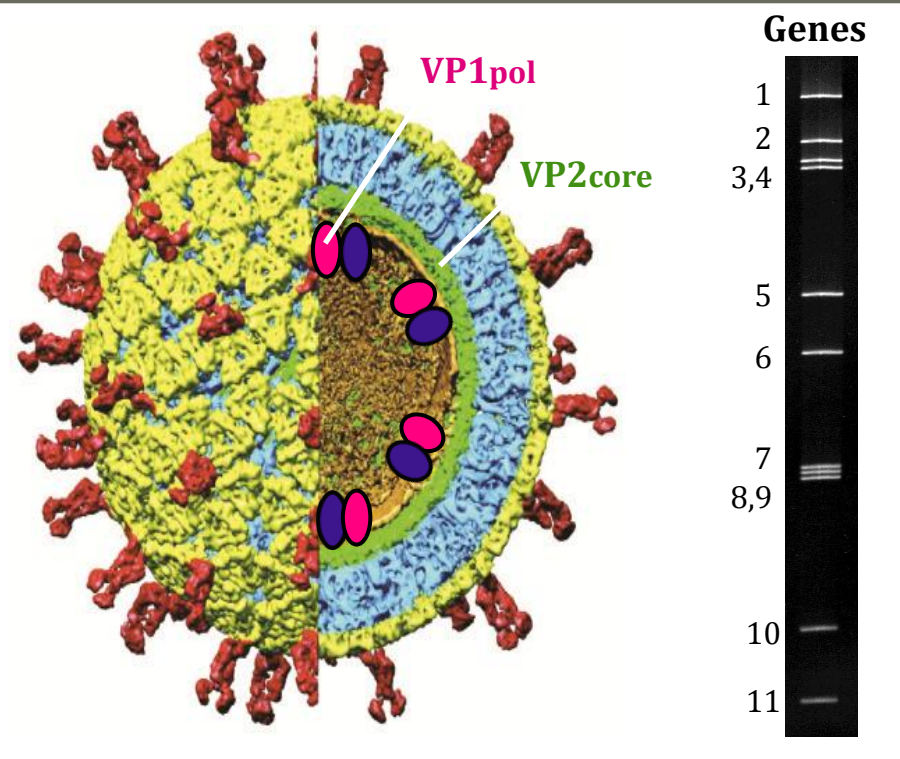
Rotavirus: Deadly Childhood Pathogen

Sarah McDonald

Global Causes of Death in
Children 1-59 Months of Age

Rank	Cause of Death	
#1	Diarrhea Rotavirus	1.25 .450
#2	Pneumonia	1.18
#3	Other infectious diseases	.753
#4	Malaria	.732
#5	Other non-infectious diseases	.228
#6	AIDS	.201
#7	Pertussis	.195
#8	Meningitis	.164
#9	Measles	.118
#10	Congenital abnormalities	.104

Rotavirus Architecture and
Segmented Genome Organization



Proposed Graduate Program in Translational Biology, Medicine, & Health

Students from Biological Sciences, Biochemistry,
Chemistry, Computer Science, Economics,
Engineering, Mathematics, Physics, Psychology,
Social Sciences, etc.



Gateway Introductory Course:
Experimental design & analysis, from molecules to
systems to patients to populations to policy

Select a track



"Brain & Cognitive
Sciences"

**Fundamentals
of** Brain &
Cognitive
Sciences



Advanced
Electives &
Research



"Development,
Aging, &
Regeneration
Sciences"

**Fundamentals
of**
Development,
Aging, &
Regeneration
Sciences



Advanced
Electives &
Research



"Contagions, Infection,
& Immunity"

**Fundamentals
of**
Contagions,
Infection, &
Immunity



Advanced
Electives &
Research



"Health
Implementation
Science"

Fundamentals of
Health
Implementation
Science



Advanced
Electives &
Research



"Metabolic &
Cardiovascular
Sciences"

**Fundamentals
of**
Metabolic &
Cardiovascular
Sciences



Advanced
Electives &
Research



"Cancer"

**Fundamentals
of**
Cancer



Advanced
Electives &
Research

OUTREACH

- Science Museum Kids Summer Camp
- Community Brain School
- Distinguished Scholars Public Lecture Series
- Roanoke Brain Study
- Visiting Medical Scholars
- Brain Awareness Week



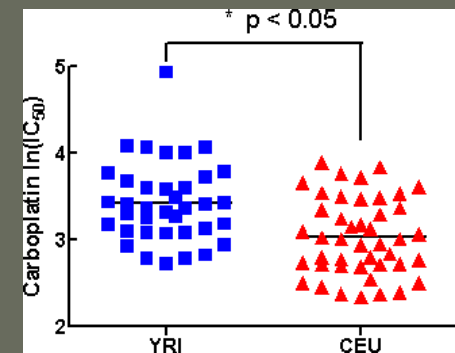


“Personalized Cancer Medicine: Are we there yet?”

Mary Eileen Dolan, Ph.D.
Professor of Medicine
University of Chicago



Population differences



Sensitivity to drugs

2012-2013
Distinguished Scholars Series



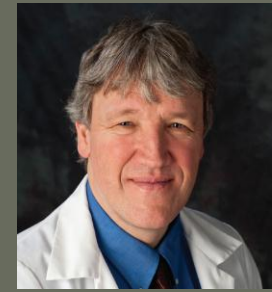
Eric Sorscher, M.D.
Professor of Medicine
Director, Cystic
Fibrosis Center,
UAB School of
Medicine



Eileen Dolan, PhD
Professor of Medicine
Co-Director, Clinical
and Experimental
Therapeutics Program
Comprehensive Cancer Center
University of Chicago



Glenn I Fishman, M.D.
Professor of Medicine; Director, Music & Neuroimaging Lab
Director Division of Cardiology
Departments of Medicine
NYU



Gottfried Schlaug, MD, PhD
Director, Music & Neuroimaging Lab
Director, Stroke Recovery Lab
Chief, Division of
Cerebrovascular Disorders
Beth Israel Deaconess Medical Center
Harvard Medical School
Boston, Massachusetts

Medical Scholars Series



William Gahl, M.D., Ph.D.
Clinical Director, NHGRI
Head, NIH Intramural Program
of Rare Diseases
Director, NIH Undiagnosed
Disease Program



Jeffrey Noebels, MD, PhD
Professor of Neurology
Cullen Trust Chair
Director, Developmental
Neurogenetics Lab
Baylor College of Medicine



William A. Mitch, MD
Gordon Cain
Nephrology Chair
Director, Division
of Nephrology
Baylor College
of Medicine



Rachelle S. Doody, M.D., Ph.D.
Effie Marie Cain Chair
and Director, Alzheimer's Disease
and Memory Disorders Center
Professor of Neurology
Baylor College of Medicine

Committee Minutes

STUDENT AFFAIRS AND ATHLETICS COMMITTEE OF THE BOARD OF VISITORS

**Smithfield Room
The Inn at Virginia Tech and Skelton Conference Center
8:30 a.m.**

March 25, 2013

Board Members Present:

Mr. Cordel Faulk, Committee Chair
Dr. Nancy Dye
Mr. John C. Lee, IV
Mr. Nick Onopa

Guests:

Dr. Patricia Perillo, Mr. Tom Brown, Dr. Donna Ratcliffe, Dr. Cynthia Bonner, Ms. Angela Simmons, Dr. Steve Clarke, Dr. Christopher Flynn, Dr. Eleanor Finger, Dr. Kanitta Charoensiri, Dr. Richard Ferraro, Dr. Susan Angle, Mr. Jason Paljug, Ms. Iona Parks, Mr. Magnus Wilson, Mr. Jim Weaver, Mr. Chris Helms, Mr. Dave Cianelli, Dr. Guy Sims, Dr. Frank Shushok, Ms. Penny White, Ms. Sandy Broughton, Mr. Bryan Mitchell, Mr. Ted Faulkner, Ms. Heather Evans, Ms. Allison Knox, Dr. Elizabeth Flanagan, Dr. Charles Steger, Ms. Martha Glass, Mr. Michael Quillen, Ms. Kim O'Rourke, Ms. Frances Keene

Open Session

- 1. Opening Remarks and Approval of November 5, 2012 Minutes.** Mr. Cordel Faulk, Chair, provided opening remarks and submitted the minutes of the November 5, 2012, Student Affairs and Athletics Committee meeting to the committee for review and acceptance. The minutes were accepted as written.
- 2. Athletics Department Report.** Mr. Jim Weaver and Mr. Chris Helms introduced Mr. Dave Cianelli, who has provided leadership for 12 years as Director of Track. Mr. Cianelli has recently been acknowledged with his 8th Coach of The Year Award. He gave an overview of Virginia Tech's six men's and women's indoor and outdoor track, field and cross country teams. Since 2007, Virginia Tech has won 8 ACC team championships (four men's and four women's teams) and 13 individual student athlete national championships. Named student athletes have enjoyed top level accomplishments over recent years.

Mr. Weaver noted that since we joined the ACC in 2004, Virginia Tech has won 16 national championships including football, softball, wrestling and golf. The next desired facility is a new field house to allow for wintertime practices for baseball, softball, and women's lacrosse, among other activities.

3. **New Women's Golf Program.** Preparations have been in the works for over three years to position the Athletic Department to successfully introduce a Women's Golf Program with the addition of the River Course and renovations of facilities for lockers. Plans are in place to hire a coach in July 2013 who will recruit during the 2013-2014 academic year to start competing in the Fall of 2014.
4. **Supporting Students in Need.** Dr. Patricia Perillo, Vice President for Student Affairs, provided an overview of the integrative student advocacy services for students in need that are offered by the Division of Student Affairs. Following her remarks, Dr. Christopher Flynn, Director of Cook Counseling Center, Dr. Kanitta Charoensiri, Director of Schiffert Health Center, Dr. Susan Angle, Director of Services for Students with Disabilities, Dr. Steven Clarke, Director of the Campus Alcohol Abuse Prevention Center, and Mr. Tom Brown, Dean of Students, provided additional detailed information related to their departments. They each described their departments' staffing, key programs and services, student usage data for 2011-2012, critical needs of students they serve, and their responses to these critical needs. In addition, Mr. Tom Brown, provided an overview of Care Team and Dr. Richard Ferraro, Assistant Vice President for Student Affairs, concluded the presentation with a summary of the challenges related to serving students in need as well as the honors and successes these departments have achieved.
5. **Case Study/Model Care Team Meeting.** Mr. Tom Brown and other members of Care Team modeled a team meeting for the committee. The team discussed several case studies that involved issues typically addressed by Care Team, and provided an inside look at representative deliberations and follow-up planning.
6. **Student Panel.** Dr. Donna Ratcliffe, Director of Career Services, introduced a panel of three students who discussed their experiences with advocacy services provided by the Division of Student Affairs. They described the difficult situations with which they were dealing, the advocacy services that were provided to them, and the impacts that these interventions had on their lives.
7. **BOV Undergraduate and Graduate Representatives.** BOV Executive and Student Affairs and Athletics Committees met in closed session. On March 24 at 10:00 am, Mr. John Rocovich moved for a Closed Session. It was seconded by Mr. John Lee and all affirmed. Three undergraduate students and two graduate students were interviewed; one student from each category was selected to become 2013-14 BOV representatives. Mr. John Rocovich moved to end the

Closed Session at 12:00 pm. Seconded by Dr. Nancy Dye and Mr. Cordel Faulk.
All affirmed.

8. Adjournment.

There being no further business, the meeting was adjourned at 11:48 a.m.



Supporting Students in Need

Student Affairs and Athletics Committee Meeting

March 25, 2013



Integrative Student Advocacy

- Cook Counseling Center (CCC)
- Schiffert Health Center (SHC)
- Services for Students With Disabilities (SSD)
- Campus Alcohol Abuse Prevention Center (CAAPC)
- Dean of Students Office (DOS)



COOK COUNSELING CENTER

Staffing:

- Counselors: 17 Full-time, 1 Part-Time
- Psychiatry: 3 Full-time, 1 Part-time
- Classified Staff: 6 Full-time (includes nursing LPN's)

Key Programs and Services:

- Accredited by the International Association of Counseling Services
- Training Program in Professional Psychology Accredited by the American Psychological Association



CCC Usage Data for 2011-2012

- 2,930 students scheduled an appointment
- 756 of whom were evaluated/treated for medication
- 19,599 student appointments; 85% individual, 15% group/couples counseling
- 500 students per week in individual appointments



Critical Needs of Students (CCC)

Suicidality

- Suicidal Ideation: 15.3% of students seen at CCC are experiencing suicidal ideation
- Current/Past Ideation: 28.7% are or have had experiences with suicidal ideation
- Suicide Attempts: 5% of students seen at CCC have attempted suicide
- Hospitalization: 6% of students seen at CCC have been hospitalized in the past

Trauma

- Traumatic Events in Past: 21.8% of students seen at CCC report trauma in the past
- Unwanted Sexual Experiences: 9.7% reports unwanted sexual encounters
- Family Abuse: 17% of students report a history of emotional and/or physical abuse

Academic Distress

- 43.4% of students seen at CCC are experiencing academic distress
- Academic Relief: 180 students per year take a leave for psychological reasons
- Disability: 10% of students seen at CCC have a documented disability



Response to Critical Needs (CCC)

- **Immediate Access**

- Crisis Intervention – Emergency availability 24 /7, 365 days per year
- Triage/Initial appointments scheduled at student's earliest convenience
- 5% of appointments are emergency or Urgent appointments

- **Evaluation of Dangerousness to Self or Others**

- Hospitalization: 120 students per year are evaluated by ACCESS for hospitalization, 60-75 were hospitalized last year
- Threat Assessment Team: The majority of students reviewed by threat assessment are followed in the CCC

- **Case Management**

- Case Manager: Attended 63 temporary detention hearings in Roanoke, Radford, Marion
- Case manager followed-up with 130 students after hospitalization or mandated assessments



Schiffert Health Center

Staffing:

- Physicians – 7; 1 Orthopedic Specialist
- Nurse Practitioners – 4
- Physician Assistants – 3
- Nursing – 10 RN, 8 LPN

Key Programs and Services:

- Primary Care, Women's Clinic
- Certified Wound Care
- Allergy & Immunization, Travel
- TB Clinic
- Pharmacy, Radiology, Lab
- Health Education Programs



SHC Usage Data for 2011-2012

- Clinic Visits: 15,000 students; 44,000 appointments
- Dietitian Visits: 400
- Laboratory Tests Performed: 12,000
- Pharmacy Prescriptions Filled: 40,000
- Radiology Exams: 2,000
- Wound Care Visits: 2,000
- Health Education/Wellness Group Presentations: 61
 - 5,500 students attended at least one presentation



Critical Needs of Students (SHC)

- Acute/chronic medical illness, physical injury, women's health issues
- Wound care
- Immunization compliance
- Corp of Cadets clearances
- Medical clearances
- Academic relief



Response to Critical Needs (SHC)

- Highly qualified medical and nursing staff
- Providers certified in wound care
- Multidisciplinary teams
- Health education staff develop programs based on needs assessment



Services for Students With Disabilities (SSD)

Staffing:

- 10 full-time and one 1500/hr. wage position (5 Administrative Professional Staff)

Key Programs and Services:

- Review documentation to determine eligibility of services (University/online/distance learners/study abroad)
- Intake Process
- Temporary disabilities
- Academic Relief
- Asperger's Social Interaction group
- Educational outreach to students, university and community
- Alternative text and training in assistive technologies
- Sign Language and C-Print Captioning
- Academic Coaching
- Support of grants and research
- Provision of special housing and dining accommodations
- Removal of both academic and physical barriers
- Collaboration with external agencies



SSD Usage Data for 2011-2012

1,071 students were seen for a total of 4,415 appointments

• General Consults	348
• Intakes	103
• Documentation Follow-Up	253
• Accommodations Orientation	215
• Academic Coaching	961
• Alternate Text Consults	44
• Documentation Reports Processed	535
• Tests Administered	1,338
• Volunteer Note-takers	357 for 8,400 hours
• Interpreting	673 hours
• Special Requests	82 hours
• C-Print Captioning	1,205 hours



Critical Needs of Students (SSD)

- Establishing the need for accommodations
- Disability discrimination
- Academic relief
- Removal of academic and physical barriers
- Access to assistive technology
- Self-Advocacy assistance (roommates, faculty, conduct referrals)
- Academic coaching
- Care Team referrals
- Appropriate referrals to internal and/or external resources



Response to Critical Student Needs (SSD)

- SSD's tri-part mission
- Collaboration among key partners
- Adhering to legal mandates
- Participation on Care Team
- Academic coaching, mediation, counseling, self advocating
- Case management



CAMPUS ALCOHOL ABUSE PREVENTION CENTER (CAAPC)

Staffing:

- 3 full-time staff
- 2 part-time staff
- 3 interns

Key Programs and Services:

- Classes and Interventions for Student Conduct Referrals
- Party Positive: Harm-Reduction Prevention Program
- IMPACT: Peer Leadership Program



Usage Data for 2011-2012 (CAAPC)

- 592 individual counseling appointments with 185 students
- 109 90-minute group meetings serving 313 students
- 45 2-hour group appointments serving 329 students
- 53 hours of training with 14 Peer Educators



Critical Needs of Students (CAAPC)

- Nationally, 40% of all first-year student dropouts are for alcohol-related reasons
- High-risk consumption negatively impacts academic achievement
- Provide a safe and healthy social and community environment
- ~10% of drinkers are at-risk for developing chemical dependence
- Save lives



Response to Critical Needs (CAAPC)

- Create a low-risk social environment for low-risk and non-drinkers
- Educate drinkers on how to reduce use, abuse, and related harms
- Intervene on students who come through the student conduct system with tiered approach
- Identify and refer students who are dependent on alcohol or other drugs



DEAN OF STUDENTS OFFICE (DOS)

Staff:

- 6 full-time A/P faculty
- 100 years of experience (*Not entry level*)

Resources:

- Database is our tool
- Partnerships across campus
- Case management model

Key Programs and Services:

- One-on-one time with students
- Visits to hospitalized students, student conduct advising, emergency grants
- Absence verification, initiate academic assistance
- Coordinate university response to student death
- After-hours on-call team



2011-2012 Usage Data (DOS)

- Advocates for 1,832 students (*over 1,147 to date in 2012-2013*)
 - Steady increase over last 5 years
(400 students in 2006-2007)
 - 10% on Care Team
 - 10% on Threat Assessment Team
 - 13% overlap these two teams



Critical Needs of Students (DOS)

- Range of emotions
- Heart warming, heart breaking, heart wrenching
- Family death/family crises/family illness
- Financial challenges
- Personal challenges
- Roommate conflicts – on and off campus
- Physical health/mental health
- Classroom behavior
- College adjustment issues



Response to Critical Needs (DOS)

- Charged with “connecting the dots”
- Student in distress must know someone cares
- “To make this large place feel small”
- Safe space
- Students who may be “falling through the cracks”
- Partnerships across campus



Care Team

Goal: to create a unified action plan for students with more complex circumstances

- Facilitated by Dean of Students staff
- Where and how participating departments intersect
- Case management group
- Team which meets weekly
- 9 departments, 11 members



Challenges Presented

- 1) Large-scale need
- 2) Complexity of need
- 3) Multiple constituents with need to know
- 4) Complicated legal & regulatory environment
- 5) Economic paradox

Challenges Met

- 1) Carefully managed growth
- 2) Enhanced & integrated expertise
- 3) More varied & sophisticated communications
- 4) Fuller knowledge & care in practice & procedure
- 5) Economic value



Honors and Successes

DEPT	HONORS	SUCCESSES
SHC	<ul style="list-style-type: none"> • AAHC accreditation for 7th consecutive time • Gold Standard Healthcare Award (AMA & ACHA) 	<ul style="list-style-type: none"> • 92+% student satisfaction rate • Addition of orthopedic services
CCC	<ul style="list-style-type: none"> • IACS accreditation • APA accreditation • Awards for excellence by ACA & UCCD 	<ul style="list-style-type: none"> • Pioneering work in case management, threat assessment, legislative input & aid to schools in distress
CAAPC	<ul style="list-style-type: none"> • NASPA Award for Programming Excellence 	<ul style="list-style-type: none"> • Decline in at-risk drinkers: 60% to 52% • Decline in high-risk drinkers: 47% to 37%
SSD	<ul style="list-style-type: none"> • Community recognition for very innovative work with Aspergers 	<ul style="list-style-type: none"> • Obtained 8,400 hours of volunteer notetaking services • State-of-the-art, on-line testing process • Extraordinary work with a blind STEM student
DOS	<ul style="list-style-type: none"> • Nationally recognized case management practices • Convened first national Case Management Roundtable 	<ul style="list-style-type: none"> • Strong Care Team model • Dedicated, cohesive advocacy team

RESEARCH AND DEVELOPMENT DISCLOSURE REPORT
October 20, 2012 through February 22, 2013

Reason for Conflict	External Entity	Owner	Principal Investigator	Co - P.I.'s	College	Period of Performance	Award Amount	Project Description
Faculty Owned Business	Neurotrek, Inc.	William J. Tyler	William J. Tyler	Michael Friedlander Sherri Cook	VTCRI	9-1-12 thru 12-31-13	\$151,360	Blanket Order for task orders valued up to \$200,000 involving the modulation of sensorimotor brain activity using pulsed ultrasound.
Faculty Owned Business	Power Fingerprinting	Jeffrey Reed	Krzysztof Kepa		VBI	TBD	\$5,945	This three month project is to design and implement a generic digital design and a second modified version of design that can be triggered by an external signal.
Faculty Owned Business	Prime Photonics	Anbo Wang Gary Pickrell	Shashank Priya		Electrical &Computer Engineering	TBD	\$195,000	Prime Photonics is funding a task to VT under a STTR Phase II research project. The statement of work involves synthesizing and characterizing a magnetoelectric structure.



Student Government Association: Year in Review

March 25th, 2013

Dustin Dorph, President

Anjelica Smith, Vice President

Organization and Introspection

- Office reorganization
- NACA conference in Denver
- Historical research and alumni connections

Goal-setting and Strategic Planning

- 2012-2013 Goals:
 - To unify and strengthen the student voice by being an effective governing body
 - To be highly visible and accessible to all undergraduates
 - To be regarded as supportive of, and attuned to, student interest and opinion

Student Outreach

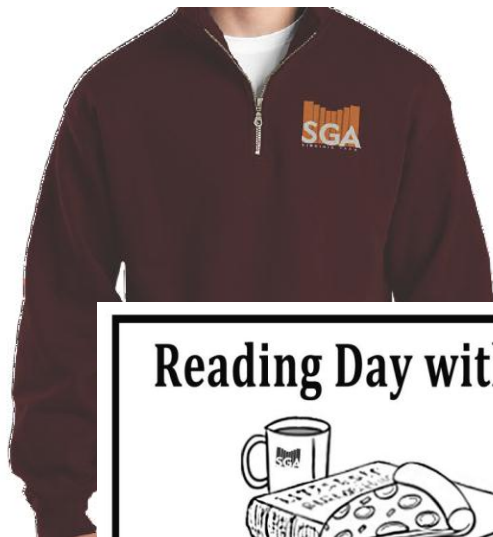
- Record number of FLEX (Freshman Leadership Experience) applicants
- Hokie Effect football spirit program
- Extreme Makeover: Campus Edition
- Bicycle light giveaway
- Project Green Challenge
- Voter registration drives
- Presidential debate viewing parties
- Campus Candidate Forum (in partnership with the VTU)
- Hokies on Fire basketball spirit program
- Reading Day with SGA

Community Outreach

- Renewed relationship with the GSA
- 30 Days of Blacksburg
- Downtown Blacksburg Haunted Halloween
- Hokie Day
- ACC Federal Lobbying
- Community Picnic

Marketing and Communication

- Website redesign
- Weekly *VT News: Student Edition* article
- Email communication to student body through University Relations
- Expanded online and social media presence
 - Facebook
 - Twitter
 - Blogger
 - Pinterest
 - YouTube
- Branding through merchandise



Reading Day with SGA



Study Lounge In Squires Commonwealth Ballroom
From December 12th-14th, 9am-10pm

Tables, Chairs, Outlets, and **FREE Food**
Sponsored by the Student Government Association

Food and Refreshments Provided By:

Pizza Hut, Dec. 12
Panera Bread, Dec. 13
Jimmy John's, Dec. 14

Chips and Snacks Provided by
Moe's and Campus Cookies



Extreme Makeover Data

- Part 1 – On-campus
 - Bus hour extensions on nights/weekends (48%) and less overcrowding of buses (31%)
 - Students Centers having late night food options (46%) and additional 24-hour study spaces (32%)
- Part 2 – Online
 - Squires Student Center is conveniently located (79%)
 - Students would prefer to live in a living-learning community over a traditional residential-life experience (42%) and no basis to judge (23%)

Legislation Topics

- Water bottle refill stations
- Flashing crosswalk lights
- Blue light expansion
- Dining receipt policy revision
- West Ambler-Johnston doors
- Evergreen tree expansion
- Electrical outlet expansion

What's next?

- Continue to address identity issues within the university governance structure
- Expand upon existing programming and services
- Develop more stable sources of funding
- Improve connectivity to students and the campus community

Questions?

- Contact us:
 - Dustin Dorph – dustind@vt.edu
 - Anjelica Smith – anjelica@vt.edu



RESOLUTION ON NAMING BUILDING I OF THE INSTITUTE FOR CRITICAL TECHNOLOGY AND APPLIED SCIENCE (ICTAS I) FOR HUGH AND ETHEL KELLY

WHEREAS, the late Hugh P. Kelly graduated from Virginia Tech in 1937 with a Bachelor of Science degree in Engineering and in 1938 with a Master's Degree in Engineering; and

WHEREAS, Hugh Kelly, with the support of his wife, the late Ethel Kelly, had a successful and respected career in telecommunications; and

WHEREAS, Hugh Kelly during the 1960s worked on Telstar, the communications satellite that performed the first live transmission between the U.S. and Europe, in a specialized role with the design and construction of the horn antenna that, in conjunction with Telstar, provided a perfect picture of an event at the time it was occurring; and

WHEREAS, during his career at AT&T's Bell Labs, Hugh Kelly conducted research communications work during World War II and was in charge of developing the Trans-Atlantic Cable, being credited with saving the company millions of dollars by finishing the project well ahead of schedule; and

WHEREAS, Hugh Kelly was on the cutting edge of research for his time; and

WHEREAS, Ethel Kelly was recognized as a member of the President's Circle for her outstanding philanthropy establishing the Hugh P. and Ethel C. Kelly Professorship in the College of Engineering; and

WHEREAS, Ethel Kelly provided considerable support as directed by her estate to create an appropriate memorial for her and her family, specifically in memory of her late husband, Hugh;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Hugh P. and Ethel C. Kelly, and in recognition of acknowledged benefits to the university and as a fitting tribute to Hugh Kelly and his achievements, the ICTAS Building I Facility will be known as the Hugh and Ethel Kelly Hall.

RECOMMENDATION:

That the above resolution naming the Hugh and Ethel Kelly Hall be approved.

March 25, 2013

**RESOLUTION ON NAMING THE SUSTAINABLE ENERGY LABORATORY FOR
DR. EDWARD G. TIEDEMANN, JR. '75**

WHEREAS, Dr. Edward G. Tiedemann, Jr. graduated from Virginia Tech in 1975 with a Bachelor of Science degree in Electrical Engineering; and

WHEREAS, Dr. Tiedemann has had a successful and respected career in engineering; and

WHEREAS, Ed Tiedemann has had an extensive volunteer career with the university to include service as a member of the Virginia Tech Electrical and Computer Engineering Advisory Board, the College of Engineering's Committee of 100, and the College of Engineering Advisory Board; and

WHEREAS, Ed Tiedemann has been recognized as a member of the President's Circle of the Ut Prosim Society for his outstanding philanthropy to the university to include considerable support to the Institute for Critical Technology and Applied Science (ICTAS) and the College of Engineering; and

WHEREAS, Ed Tiedemann has been, and continues to be, a valued member of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Ed Tiedemann, and in recognition of past and future benefits to the university, the Sustainable Energy Lab/ICTAS 420, will be known as the Dr. Edward G. Tiedemann Jr. '75 Advanced Technologies Laboratory.

RECOMMENDATION:

That the above resolution naming the Dr. Edward G. Tiedemann Jr. '75 Advanced Technologies Laboratory be approved.

March 25, 2013

**RESOLUTION ON NAMING THE ENGINEERING EDUCATION DEPARTMENT HEAD
OFFICE IN THE SIGNATURE ENGINEERING BUILDING
FOR KENNETH D. SMALLING**

WHEREAS, Richard Justin Smalling graduated from Virginia Tech in 1985 with a Bachelor of Science degree in Chemical Engineering; and

WHEREAS, Rich and Anne Smalling have made a special gift in honor of Kenneth D. Smalling, Rich's father, who made it possible for Rich to attend Virginia Tech; and

WHEREAS, Kenneth Smalling overcame adversity to become the first of his family to attend college, graduating from the University of Delaware with a degree in Electrical Engineering and enjoying a successful career with the Long Island Lighting Company for over 40 years, while simultaneously raising six sons and working tirelessly to help them all achieve better lives and opportunities than he had; and

WHEREAS, Rich and Anne Smalling are members of the Legacy Society and will be recognized as members of the Caldwell Society for their philanthropy to the university; and

WHEREAS, Rich and Anne Smalling have been, and continue to be, valued members of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the generosity of Rich and Anne Smalling, and in recognition of their support of the College of Engineering, the Department Head of the Engineering Education Department in the Signature Engineering Building will reside in the office to be named in honor of Kenneth D. Smalling.

RECOMMENDATION:

That the above resolution naming the Kenneth D. Smalling Engineering Education Department Head Office in the Signature Engineering Building be approved.

March 25, 2013

**RESOLUTION ON NAMING THE OLYMPIC SPORTS COMPLEX IN CASSELL
COLISEUM IN HONOR OF W. A. AND MAE STREET**

WHEREAS, Nicolas D. and Fay Street, H. A. Street, Gaynell S. Fowler, and Russell Street donated \$1,600,000 to honor their parents; and

WHEREAS, the Street Family donation went to build the new weight room and to renovate the Olympic Sports locker rooms; and

WHEREAS, Nicolas D. Street and Fay Street have been recognized as members of the President's Circle of the Ut Prosim Society of Virginia Tech; and

WHEREAS, H. A. Street is a member of the Ut Prosim Society of Virginia Tech; and

WHEREAS, Gaynell Fowler is a member of the Ut Prosim Society of Virginia Tech; and

WHEREAS, the members of the Street Family have given to many causes on the Virginia Tech campus and wish to honor their parents, W. A. and Mae Street, for the significant and special impact both have had in the lives of their children;

NOW, THEREFORE, BE IT RESOLVED, that the Olympic Sports Complex in Cassell Coliseum be named The W. A. and Mae Street Olympic Sports Complex.

RECOMMENDATION:

That the above resolution naming the W. A. and Mae Street Olympic Sports Complex be approved.

March 25, 2013

RESOLUTION ON NAMING THE VIRGINIA TECH FOOTBALL PRACTICE FIELDS FOR STEVE JOHNSON

WHEREAS, Steve Johnson was a varsity letterman in the sport of football from 1983-1987; and

WHEREAS, Steve Johnson was an outstanding tight end at Virginia Tech, amassing 84 catches for 1058 yards and 8 touchdowns during his collegiate career; and

WHEREAS, due to his athletic success, and upon his graduation from Virginia Tech in 1988, Steve Johnson played professionally for the Dallas Cowboys and the New England Patriots in the National Football League(NFL); and

WHEREAS, Steve Johnson is a Hokie Benefactor to the Virginia Tech Athletic Fund with lifetime athletic giving of over \$168,000; and

WHEREAS, Steve Johnson gave generously to the Merryman Athletic Center capital project where the Speed & Agility Room now bears his name; and

WHEREAS, Steve Johnson is a Benefactor in the university's Ut Prosim Society; and

WHEREAS, Steve Johnson has not only supported the Virginia Tech Athletic Fund through monetary contributions but has also been a major sponsor of radio and television shows to Virginia Tech Athletics and Virginia Tech football; and

WHEREAS, Steve Johnson made a leadership pledge to Athletics of \$1,000,000 to the Field House Campaign;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Steve Johnson for his generosity towards Virginia Tech and the Department of Athletics, that the Football Practice Fields located between Lane Stadium and Cassell Coliseum be named the Steve Johnson Practice Fields.

RECOMMENDATION:

That the above resolution naming the Steve Johnson Practice Fields be approved.

March 25, 2013

**RESOLUTION ON NAMING THE TERRACE IN THE FOOTBALL LOCKER ROOM
FACILITY FOR KELLY WOOLWINE**

WHEREAS, Kelly Woolwine is a 1990 Marketing Management graduate from Virginia Tech's Pamplin College of Business; and

WHEREAS, Kelly Woolwine has been a generous donor to the Virginia Tech Athletic Fund and is recognized as an Orange & Maroon Benefactor with lifetime athletic giving of over \$330,000; and

WHEREAS, Kelly Woolwine has funded the Richard E. "Dickie" Woolwine, Jr. & Charlotte Jordan Woolwine Scholarship, a university-wide scholarship, with a gift of \$100,000 in memory of his late parents; and

WHEREAS, Kelly Woolwine is a Distinguished Benefactor in the university's Ut Prosim Society; and

WHEREAS, Kelly Woolwine made a leadership gift of \$250,000 to the Football Locker Room capital project and the Coaches Locker Room now bears his name; and

WHEREAS, Kelly Woolwine has pledged \$300,000 to Athletics for the Field House Campaign;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Kelly Woolwine for his generosity towards Virginia Tech and the Department of Athletics, that the Terrace in the Football Locker Room facility be named The Kelly Woolwine Terrace.

RECOMMENDATION:

That the above resolution naming The Kelly Woolwine Terrace in the Football Locker Room Facility be approved.

March 25, 2013

**RESOLUTION ON NAMING THE ACADEMIC CLASSROOM IN THE STUDENT
ATHLETE ACADEMIC SUPPORT SERVICES DEPARTMENT FOR
EDWARD H. DICKINSON '42**

WHEREAS, the late Edward H. Dickinson graduated from Virginia Tech in 1942 with a Bachelor of Science degree in Mechanical Engineering; and

WHEREAS, Ed Dickinson, supported by his wife Nehyba Dickinson, had a successful and respected career in real estate/property management; and

WHEREAS, Ed and Nehyba Dickinson have been recognized as members of the Ut Prosim Society for their outstanding philanthropy to the university including contributions to Virginia Tech Athletics, the Chapel Memorial Fund, and the Alumni Annual Fund; and

WHEREAS, Nehyba Dickinson pledged \$100,000 to support Virginia Tech Athletics and to honor her late husband; and

WHEREAS, Ed Dickinson was a valued member of the university community, and Nehyba Dickinson, has been, and continues to be, a valued member of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Nehyba and the late Ed Dickinson, and in recognition of past and future benefits to the university, the Academic Classroom in the Student Athlete Academic Support Services Department of Virginia Polytechnic Institute and State University, will be known as the **Edward H. Dickinson '42 Academic Classroom**.

RECOMMENDATION:

That the above resolution naming the Edward H. Dickinson '42 Academic Classroom be approved.

March 25, 2013

**RESOLUTION ON NAMING A STUDENT ROOM IN THE SIGMA PHI EPSILON
FRATERNITY HOUSE IN HONOR OF ZOLA KENNEDY**

WHEREAS, Paul E. Kennedy Jr. graduated from Virginia Tech in 1976 with a Bachelor of Science degree in English; and

WHEREAS, Paul Kennedy has built a successful career in sports casting; and

WHEREAS, Paul Kennedy has been fully engaged and committed to the successful completion of the Sigma Phi Epsilon house; and

WHEREAS, Paul Kennedy has made generous contributions to the Sigma Phi Epsilon House at Oak Lane; and

WHEREAS, Paul Kennedy has been, and continues to be, a valued member of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Paul Kennedy, his desire to honor his mother, and in recognition of past and future benefits to the university, a Student Room in the Sigma Phi Epsilon fraternity house will be known as the Student Room in Honor of Zola Kennedy.

RECOMMENDATION:

That the above resolution naming the Student Room in Honor of Zola Kennedy be approved.

March 25, 2013

**RESOLUTION ON NAMING A STUDENT ROOM IN THE SIGMA PHI EPSILON
FRATERNITY HOUSE FOR VICKI H. '87 AND SAMUEL L. LIONBERGER III '87**

WHEREAS, Samuel L. Lionberger III graduated from Virginia Tech in 1987 with a Bachelor of Science degree in Finance; and Vicki Hicks Lionberger graduated from Virginia Tech in 1987 with a Bachelor of Science degree in Secondary Education; and

WHEREAS, Sam Lionberger has had a successful and respected career in the construction industry; and

WHEREAS, Sam and Vicki Lionberger have been fully engaged and committed to the successful completion of the Sigma Phi Epsilon house, and Sam has been actively involved as the contractor for the construction of the new house; and

WHEREAS, Sam and Vicki Lionberger have made generous contributions to Virginia Tech Athletics and the Sigma Phi Epsilon House at Oak Lane; and

WHEREAS, Sam and Vicki Lionberger 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 Sam and Vicki Lionberger, and in recognition of past and future benefits to the university, the Vicki H. '87 and Samuel L. Lionberger III '87 Student Room in the Sigma Phi Epsilon house will be known as the Vicki H. '87 and Samuel L. Lionberger III '87 Student Room.

RECOMMENDATION:

That the above resolution naming the Vicki H. '87 and Samuel L. Lionberger III '87 Student Room be approved.

March 25, 2013

**RESOLUTION ON NAMING A STUDENT ROOM IN THE SIGMA PHI EPSILON
FACILITY FOR DEBRA L. '92 AND C. ALLEN WILKERSON '91**

WHEREAS, C. Allen Wilkerson graduated from Virginia Tech in 1991 with a Bachelor of Science degree in Urban Affairs; and Debra L. Wilkerson graduated from Virginia Tech in 1992 with a Bachelor of Science degree in Human Nutrition and Foods; and

WHEREAS, Allen Wilkerson, supported by his wife, Debi, has had a successful and respected career in medical sales; and

WHEREAS, Debi and Allen Wilkerson have been recognized as members of the Caldwell Society for their outstanding philanthropy to the university including contributions to Virginia Tech Athletics and establishing the Allen and Debi Wilkerson Athletic Scholarship; and

WHEREAS, Debi and Allen Wilkerson have provided considerable support to the Sigma Phi Epsilon Facility at Oak Lane; and

WHEREAS, Debi and Allen Wilkerson 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 Debi and Allen Wilkerson, and in recognition of past and future benefits to the university, a Student Room in the Sigma Phi Epsilon house, will be known as the Debra L. '92 and C. Allen Wilkerson '91 Student Room.

RECOMMENDATION:

That the above resolution naming the Debra L. '92 and C. Allen Wilkerson '91 Student Room be approved.

March 25, 2013

**RESOLUTION ON HONORING 2013 WILLIAM H. RUFFNER MEDAL RECIPIENT
MICHELE "SHELLEY" L. DUKE**

WHEREAS, Virginia Tech is very proud to recognize among its most esteemed friends, Mrs. Michele L. Duke, a native Californian who has been a loyal and enthusiastic volunteer and supporter of the university since her introduction to the university more than two decades ago through the Equine Medical Center in Leesburg, VA; and

WHEREAS, Mrs. Duke has consistently enhanced the influence of Virginia Tech, especially in the National Capital Region, demonstrating a deep commitment to the public service mission of the Commonwealth of Virginia and the university through tremendous levels of service, generosity, and volunteer leadership, investing significant time, energy, and resources to create opportunities to advance the university's mission by enthusiastically promoting excellence among students, faculty, staff, alumni, and friends served by the university; and

WHEREAS, Shelley Duke has developed steadfast faith and unparalleled love for Virginia Tech, immersing herself in the life of the university through leadership on the Equine Medical Center (EMC) Council and numerous additional volunteer opportunities, including service to the Virginia Tech Foundation Board of Directors and its Development Committee, the Marion duPont Scott Middleburg Agricultural & Research Extension Center Council, the Olivio Ferrari Foundation Board of Directors, the National Campaign Steering Committee, and the Women in Leadership and Philanthropy Council; and

WHEREAS, Mrs. Duke was named an honorary member of the Virginia Tech Alumni Association in 2005 in recognition of her loyalty, love, service, and support to the university, a noteworthy distinction reserved for only the most committed Hokies at Heart and shared by less than 15 members of our vast alumni base of more than 215,000; and

WHEREAS, Shelley Duke was appointed by Governor Mark Warner to serve on the Virginia Tech Board of Visitors in 2005, being reappointed for a second term, and serving on the Academic Affairs Committee, Research Committee, Nominating Committee, By-Laws Committee, and Executive Committee during her tenure, rising through the ranks to become elected by her peers as the first female Vice Rector of the Board; and

WHEREAS, Shelley Duke and her husband, Philip J. Duke, are inspirational examples of how a meaningful life is achieved not only through personal success, but in service to others, while also continuously providing philanthropic support across the breadth of the university through operational support to several program areas and the creation of a named endowed chair at the Equine Medical Center, inspiring a culture of philanthropy; and

WHEREAS, the extraordinary generosity of Mrs. Duke has allowed her and her husband, Phil, to be recognized as members of the Legacy Society, which prepares for the future of Virginia Tech, as well as the Ut Prosim Society, the university's most prestigious donor recognition society;

NOW, THEREFORE, BE IT RESOLVED, that in recognition of Mrs. Duke's many years of leadership and notable service to the university and to her community, the Board of Visitors of Virginia Polytechnic Institute and State University confers upon Michele "Shelley" L. Duke its highest award, the 2013 William H. Ruffner Medal.

RECOMMENDATION:

That the resolution conferring the 2013 William H. Ruffner Medal to Mrs. Michele "Shelley" L. Duke be approved.

March 25, 2013

**RESOLUTION ON HONORING 2013 UNIVERSITY DISTINGUISHED ACHIEVEMENT AWARD
RECIPIENT DR. TRACY D. WILKINS**

WHEREAS, Dr. Tracy D. Wilkins is an internationally recognized expert in microbiology, who served with distinction as a member of the Virginia Tech faculty as director of the Anaerobe Lab, and later, the Fralin Biotechnology Center, established in 1995 to promote research, education, and outreach related to the life sciences at Virginia Tech; and

WHEREAS, Dr. Wilkins's natural curiosity of life sciences led him to be co-founder of TECHLAB, Inc., a maker of tests for intestinal diseases, housed in the Virginia Tech Corporate Research Center; and

WHEREAS, Dr. Wilkins is a visionary leader who demonstrates outstanding foresight, knowledge, and resolve through his leadership and work at TransPharm, which focused on the production of human proteins in the milk of transgenic animals; and

WHEREAS, Dr. Wilkins has a long, distinguished, and exemplary career that is a testament to his personal drive and skills as a leader and researcher, with a remarkable ability to convey his unique understanding of complex issues related to the life sciences, while also being insistent that Blacksburg, Virginia remain the primary location at the heart of his research and business enterprise; and

WHEREAS, Dr. Wilkins has made significant contributions to the world at-large, in addition to Virginia Tech and the Commonwealth, lending his expertise and talent from helping launch the Virginia Bioinformatics Institute, to using the fields of biotechnology, pharmaceuticals, and agriculture to help fight human disease, while also creating employment and mentoring opportunities for graduate students, and developing advanced exposure to learning opportunities for high school and community college students through the Biotech-in-a-Box program which continues to motivate, encourage, and inspire those with a desire to learn; and

WHEREAS, Dr. Wilkins personifies the university's motto, *Ut Prosim*, selflessly serving his country, his community, and the world through his research, volunteer leadership, and philanthropy, being recognized as a member of the Ut Prosim Society, the university's most prestigious donor recognition society, and further exemplifying his entrepreneurial spirit, being inducted into the inaugural class of the Virginia Tech Faculty Entrepreneur Hall of Fame;

NOW, THEREFORE, BE IT RESOLVED that, with great pride and in recognition of his accomplishments as an innovative researcher, and his commitment to making the world a better place in ways that bring honor to his profession and to the university, the Board of Visitors of Virginia Polytechnic Institute and State University confers the University Distinguished Achievement Award for 2013 to Dr. Tracy D. Wilkins.

RECOMMENDATION:

That the resolution conferring the 2013 University Distinguished Achievement Award to Dr. Tracy D. Wilkins be approved.

March 25, 2013

Summary
Emeriti Faculty Resolutions (5)
March 25, 2013

College of Engineering

William Davis	Professor Emeritus of Electrical and Computer Engineering
John Novak	Professor Emeritus of Civil and Environmental Engineering
Hanif Sherali	University Distinguished Professor Emeritus of Industrial and Systems Engineering

College of Liberal Arts and Sciences

Christine Kiebuszinska	Professor Emerita of English
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Pamplin College of Business

Noreen Klein	Associate Professor Emerita of Marketing
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RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. William A. Davis faithfully served Virginia Tech for 34 years in the College of Engineering, beginning in 1978; and

WHEREAS, as a member of the faculty in the Bradley Department of Electrical and Computer Engineering (ECE), and its predecessor, the Department of Electrical Engineering, he was a dedicated teacher of a wide range of courses from the sophomore to the advanced graduate levels; and

WHEREAS, he advised and counseled numerous undergraduate and graduate students during his long career in the ECE Department, and served as the graduate advisor for twenty-four master's degree students, fifteen Ph.D. students, and nine non-thesis graduate students; and he currently has two master's students and one Ph.D. student in process; and

WHEREAS, he has made significant contributions to research in the areas of antennas, electromagnetic fields, microwave and nonlinear measurements, communications circuits, radio engineering, and wireless applications; and he authored or co-authored many technical journal and conference publications; and he has secured external research funding of in excess of \$3,000,000; and

WHEREAS, he has authored forty-five journal articles, sixty-three conference papers based on the full paper, eleven conference papers based on the abstract, and four book chapters. He has published in prestigious archival literature such as *IEEE Transactions on Antennas and Propagation*, *IEEE Antennas and Propagation Magazine*, *Radio Science*, and *IET: Microwaves, Antennas, and Propagation*. The prestigious conference proceedings in which he has published are the following: IEEE APS/URSI International Symposia, USNC-URSI National Radio Meeting, and URSI International General Assembly and Scientific Symposium. He was awarded two U.S. patents and has delivered seventeen meeting talks; and

WHEREAS, he is a Senior Member of the Institute of Electronics and Electrical Engineers (IEEE), in which he has been very active, and is the current chair of Commission A (Metrology) of the International Union of Radio Science (URSI);

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. William A. Davis for his service to the university with the title of Professor Emeritus of Electrical and Computer Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. William A. Davis for emeritus status be approved.

March 25, 2013

RESOLUTION FOR EMERITUS STATUS

WHEREAS, beginning in 1981 and continuing for 31 years, Dr. John T. Novak faithfully served Virginia Tech as a faculty member in the Department of Civil and Environmental Engineering; and

WHEREAS, throughout his 43-year career (including 12 years on the faculty at the University of Missouri) he taught literally thousands of civil engineering students in all areas of environmental engineering and also advised over 190 graduate students through their M.S. and Ph.D. research work, including numerous Ph.D. graduates who have held university faculty positions; and

WHEREAS, his research efforts (totaling near \$17 million dollars in external funding) and scholarly works have contributed greatly to improvements in all aspects of biological wastewater treatment, the characterization and disposal of waste residuals from treatment processes, and in various forms of solid and hazardous waste management; and

WHEREAS, his research and scholarly excellence has been acknowledged by the receipt of numerous major professional awards, including the Simon Freeze Award from the American Society of Civil Engineers, the Frederick G. Pohland Award from the Association of Environmental Engineering Scientists and Professors, and the Ralph Fuhrman Medal from the Water Environment Federation; and

WHEREAS, he truly exemplified the *Ut Prosim* spirit of Virginia Tech through his many years of dedicated service at all levels within the university and its governance structure, coupled with a high level of national professional service involvement, and also including many years of volunteer service in local government;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. John T. Novak for his distinguished service to the university with the title Nick Prillaman Professor Emeritus of Civil and Environmental Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. John T. Novak for emeritus status be approved.

March 25, 2013

RESOLUTION FOR EMERITUS STATUS

WHEREAS, beginning in 1979 and continuing for 33 years, Dr. Hanif Sherali faithfully served Virginia Tech as a faculty member in the Department of Industrial and Systems Engineering in the College of Engineering; and

WHEREAS, he made significant contributions to the field of operations research by publishing more than 300 refereed journal articles in the most prestigious journals in his field and by serving as principal investigator on numerous grants from prestigious national funding sources; and

WHEREAS, his theoretical work leading to the novel Reformulation-Linearization Technique (RLT) provides a unifying, comprehensive method for solving a host of production, location/allocation/distribution, and design problems that have eluded solution for up to four decades in some cases; and

WHEREAS, his applied research has led to significant improvements to the quality of life for people all over the world in the form of improved air traffic control and improved management of rail resources leading to savings of literally billions of dollars annually for the U.S. railroad industry; and

WHEREAS, his service to scholarly journals includes serving on the editorial boards of eight top-tier journals in his field and refereeing more than one thousand journal articles; and

WHEREAS, he taught with distinction a wide variety of undergraduate and graduate courses at Virginia Tech and advised numerous graduate students that are very well placed in both academia and industry; and

WHEREAS, his achievements have brought honor to Virginia Tech through his many awards and honors including his election into the National Academy of Engineering, his designation as Fellow of both the Institute of Industrial Engineers (IIE) and the Institute for Operations Research and the Management Sciences (INFORMS), and his winning of the prestigious INFORMS Lanchester Prize and the IIE David F. Baker Distinguished Research Award; and

WHEREAS, he provided many years of distinguished contributions to the department, college, and university through dedicated service on numerous committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Hanif Sherali for his distinguished service to the university with the title University Distinguished Professor Emeritus of Industrial and Systems Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. Hanif Sherali for emeritus status be approved.

March 25, 2013

RESOLUTION FOR EMERITA STATUS

WHEREAS, beginning in 1986 and continuing for twenty-six and one-half years, Dr. Christine Kiebuszinska has faithfully served Virginia Tech as a faculty member in the Department of English in the College of Liberal Arts and Human Sciences; and

WHEREAS, with dedication, she has taught and lectured in undergraduate and graduate courses; and

WHEREAS, she has authored a book and over 50 refereed journal articles, book chapters, encyclopedia articles, and reviews; and

WHEREAS, she has ably served her professional community through her memberships in the Modern Language Association, the American Comparative Literature Association, the International Comparative Literature Association, the American Theatre in Higher Education Association, the German Studies Association, the International Brecht Society, Goethe Society, and Kafka Society; and

WHEREAS, she has provided many years of distinguished contributions to the department, the college, and the university through dedicated service on commissions and committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognize Dr. Christine Kiebuszinska for her distinguished service to the university with the title of Professor Emerita of English.

RECOMMENDATION:

That the above resolution recommending Dr. Christine Kiebuszinska for emerita status be approved.

March 25, 2013

RESOLUTION FOR EMERITA STATUS

WHEREAS, beginning in 1983 and continuing for 30 years, Dr. Noreen M. Klein faithfully served Virginia Tech as a faculty member in the Department of Marketing in the Pamplin College of Business; and

WHEREAS, she was a dedicated teacher of courses at the undergraduate and graduate levels in marketing management, marketing research, and consumer behavior, receiving multiple college teaching awards; and

WHEREAS, she advised and counseled numerous undergraduate and graduate students during her career and served on numerous master's and doctoral committees in Marketing and other Virginia Tech departments; and

WHEREAS, she made significant contributions in research, particularly in the area of consumer information processing and decision making, authoring some 20 academic publications and monographs; and

WHEREAS, she provided numerous services to the profession serving as a member of editorial boards and as a reviewer for premier marketing journals, serving on the program committees and chairing tracks for major academic marketing conferences; and

WHEREAS, she served the University as a member of over 30 departmental, college, and university committees and commissions; and

WHEREAS, her career has exemplified the foundations of the land-grant university – a belief in people, their hopes, and their aspirations; she sought to nurture intellect and spirit, enlighten decision-making, inspire positive change, and improve the quality of life for all with a fervent passion that education, including discovery and engagement, is basic in stimulating individual initiative, self-determination, and leadership;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Noreen M. Klein for her service to the university with the title of Associate Professor Emerita of Marketing.

RECOMMENDATION:

That the above resolution recommending Dr. Noreen M. Klein for emerita status be approved.

March 25, 2013

Summary

Endowed Chairs, Fellowships, Professorships (8)

March 25, 2013

Pamplin College of Business

Ralph Badinelli	Ralph Medinger Lenz Professorship in Business
France Bélanger	Pamplin Professorship of Accounting and Information Systems
Robert Brown	Curling Professorship in Accounting and Information Systems
John Brozovsky	Wayne E. Leininger Faculty Fellowship
Deborah Cook	Verizon Professorship in Business Information Technology
Janine Hiller	Richard E. Sorenson Professorship in Finance
James Jenkins	Curling Faculty Fellowship in Accounting and Information Systems
Christopher Zobel	Pamplin Professorship in Business Information Technology

ENDOWED PROFESSORSHIP

Ralph Medinger Lenz Professorship in Business

The Ralph Medinger Lenz Professorship was established in 1986 through the generous gift of Ferguson Enterprises in honor of Ralph Medinger Lenz, Virginia Tech Class of 1931. Dean Richard Sorensen has nominated Dr. Ralph D. Badinelli for appointment as the Ralph Medinger Lenz Professor in Business, in concurrence with the recommendations of the Honorifics Committees of the Department of Business Information Technology and the Pamplin College of Business.

Dr. Ralph Badinelli has demonstrated outstanding achievement as an educator and leader through his strong research program, and teaching and mentorship of graduate and undergraduate students. He received his Ph.D. from Purdue University and is a member of various honor societies, including Phi Beta Kappa, Sigma Pi Sigma and Phi Kappa Phi. In his twenty eight-year career at Virginia Tech he has served on 35 graduate committees throughout the university, and has taught 15 different courses in the Department of Business Information Technology. He is a recipient of the Pamplin College of Business Certificate of Teaching Excellence.

Dr. Badinelli's outstanding research record includes publications in some of the leading refereed journals in the fields of management science and operations management. He has been a research innovator in the recently emerging domain of service science, and his work in this field has led to international and interdisciplinary collaborations, including his chairing of the INFORMS Service Science Section, membership on the international management team of the Service Research and Innovation Institute, and membership on the Board of Directors of the International Society of Service Innovation Professionals. His research in service science has led to invitations as a plenary speaker at international conferences.

Dr. Badinelli's scholarly accomplishments embody the ideals of work and dedication to learning that were demonstrated during the life and business career of Ralph Medinger Lenz.

RECOMMENDATION:

That Dr. Ralph D. Badinelli be appointed to the Ralph Medinger Lenz Professorship in Business, effective August 10, 2013, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

ENDOWED PROFESSORSHIP

The R. B. Pamplin Professorship of Accounting and Information Systems

The R. B. Pamplin Professorship of Accounting and Information Systems was established by the generous gift of Mr. R. B. Pamplin, Sr., and Dr. R. B. Pamplin, Jr., with the specification that this honor be awarded to a professor in the Department of Accounting and Information Systems in the Pamplin College of Business. Dr. Reza Barkhi, head of the Department of Accounting and Information Systems, has nominated Dr. France Bélanger, with the recommendation of the Pamplin College of Business Honorifics Committee, to serve as the R. B. Pamplin Professor of Accounting and Information Systems.

Dr. France Bélanger, Professor of Accounting and Information Systems, joined the faculty in 1997 upon receiving her Ph.D. from the University of South Florida. She was promoted to the rank of associate professor in 2002 and to the rank of professor in 2008.

Professor Bélanger has published 42 refereed journal publications, three books, six book chapters, 54 refereed conference proceedings, and 11 abstracts. Several of her papers and conference proceedings have been singled out for special recognitions, for example: a paper in the *American Business Law Journal* was recipient of the 2008 Hoeber Excellence in Research Award, and other papers have been designated as the "Best Paper Award." Dr. Bélanger has been involved in eight different externally funded research projects with two of them being NSF grants. She has served on numerous panels and has made numerous presentations to academic and non-academic groups. In 2006, Dr. Bélanger received an appointment as the Fulbright Distinguished Chair in Management Information Systems at the Technical University of Lisbon and in the summer of 2009 had an appointment as the Visiting Erskine Fellow at the University of Canterbury. In addition, Dr. Bélanger has served as dissertation chair for seven Ph.D. students and is currently supervising one other Ph.D. student. Dr. Bélanger consistently receives very high teaching evaluations.

RECOMMENDATION:

That Dr. France Bélanger be appointed to the R. B. Pamplin Professorship of Accounting and Information Systems, effective August 10, 2013, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

ENDOWED PROFESSORSHIP

Curling Professorship in Accounting and Information Systems

The Curling Professorship was established by the generous gift of Mr. Doug C. Curling in 2008. Dr. Reza Barkhi, head of the Department of Accounting and Information Systems, has nominated Dr. Robert M. Brown, with the recommendation of the Accounting and Information Systems Honorifics Committee, to serve as the Curling Professor in the Department of Accounting and Information Systems.

Dr. Robert M. Brown, Professor of Accounting and Information Systems, joined the faculty in 1977 upon receiving his Ph.D. from Georgia State University. He was promoted to the rank of associate professor in 1982 and to the rank of professor in 1990. He served as department head from 2003-2011. During his tenure at Virginia Tech, Professor Brown has taught numerous courses in financial accounting, managerial accounting, and information systems at both the graduate and undergraduate levels.

Professor Brown has published over 35 papers in leading academic and practitioner journals. He has made numerous presentations at professional meetings. His primary area of research is financial market reaction to financial information. He is recognized as a leading scholar in this area and is frequently called upon to review papers and make presentations.

Professor Brown's excellent record of publications resulted in his recognition as the R. B. Pamplin Professor, and he received an additional chaired professorship in the department. He is a valued member of the department and has developed excellent relationships with the department's alumni over the years. Dr. Brown continues to contribute significantly in many capacities such as serving on numerous committees in the department, supervising dissertations, and linking to external constituencies and alumni. Professor Brown is the faculty advisor to the student organization, Beta Alpha Psi, which was recognized as the best student organization on campus last year. Students love him as a professor and mentor. This admiration is evident in the way in which alumni who are top business leaders continue to interact with him and value his mentoring.

RECOMMENDATION:

That Dr. Robert M. Brown be appointed to the Curling Professorship in Accounting and Information Systems, effective August 10, 2013, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

ENDOWED FACULTY FELLOWSHIP

Wayne E. Leininger Faculty Fellowship in Accounting and Information Systems

The Wayne E. Leininger Faculty Fellowship in Accounting and Information Systems was established by alumni and friends of Wayne E. Leininger. Dr. Wayne E. Leininger served as a valued faculty member of Accounting and Information Systems from 1971 until his retirement in 2003. More than 20 years of his service were spent as department head. Under Professor Leininger's leadership, the department became one of the first, if not the first, accounting department to develop an Accounting Information Systems option. The department is still recognized as a leader in this area. While department head, Professor Leininger was instrumental in positioning the Department of Accounting and Information Systems to become one of the premier recruiting schools for the large international accounting firms. Dr. Reza Barkhi, head of the Department of Accounting and Information Systems, has nominated Dr. John A. Brozovsky with the recommendations of the Departmental Honorifics Committee to serve as the Wayne E. Leininger Faculty Fellow of Accounting and Information Systems.

Dr. Brozovsky has published 25 refereed journal articles, more than a dozen other articles, one book and two book chapters. He has made more than 30 presentations. Notably, Professor Brozovsky has recently made numerous presentations on International Financial Reporting Standards (IFRS) at meetings sponsored by organizations such as the American Accounting Association, the Port Authorities of North America, Illinois CPA Society, the Georgia Society of CPAs and others. In the department's last AACSB visit, the peer review team specifically recognized the department's leadership in preparing its students to live in a changing financial reporting environment. Dr. Brozovsky's contributions in this area are significant. Dr. Brozovsky has served as a reader on 14 dissertation committees and has chaired four others. He is the primary advisor to over 400 undergraduate junior and senior ACIS majors as well as over 90 master's students. Since Dr. Brozovsky assumed this responsibility, student evaluations of advising have improved substantially.

RECOMMENDATION:

That Dr. John A. Brozovsky be appointed to the Wayne E. Leininger Senior Faculty Fellowship, effective August 10, 2013, for a period of three years, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

ENDOWED PROFESSORSHIP

Verizon Professorship in Business Information Technology

The Verizon Professorship in Business Information Technology (formerly Management Science) was established in 1982 to recognize the close relationship between Verizon and the Pamplin College of Business. Dean Richard Sorensen has nominated Dr. Deborah F. Cook for appointment as the Verizon Professor of Business Information Technology, in concurrence with the recommendations of the Honorifics Committees of the Department of Business Information Technology and the Pamplin College of Business.

Dr. Deborah Cook is an outstanding teacher and researcher. She received the Ph.D. from Texas A&M University. In her 25-year career at Virginia Tech she has served on 23 graduate committees throughout the university, and has taught seven different courses in the Department of Business Information Technology. She is a recipient of the Pamplin College of Business Certificate of Teaching Excellence Award and the university's Alumni Award for Excellence in Teaching.

Dr. Cook has an outstanding record of scholarly research involving the development and implementation of techniques to facilitate process improvement within businesses and manufacturing settings. Her body of research contributions includes over 40 publications in some of the leading refereed journals in the fields of management science, operations management and information technology, her research has garnered her an international reputation of excellence. She is Editor-in-Chief of *Production and Inventory and Management* (the journal of the American Production and Inventory Control Society), and has served as an Associate Editor for *Engineering Applications of Artificial Intelligence*.

Dr. Cook's research and teaching achievements reflect the commitment to higher education embodied in the strong relationship between Verizon and the Pamplin College of Business.

RECOMMENDATION:

That Dr. Deborah F. Cook be appointed to the Verizon Professorship in Business Information Technology, effective August 10, 2013, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

ENDOWED PROFESSORSHIP

Richard E. Sorensen Professorship in Finance

The Richard E. Sorensen Professorship in Finance was created in 2005 through a gift to the Virginia Tech Foundation from SunTrust Banks Inc.

Dean Richard E. Sorensen and the Pamplin College of Business Honorifics Committee have nominated Janine Hiller to the Richard E. Sorensen Professorship in Finance.

Since joining Virginia Tech in 1981, Professor Hiller's level of scholarly leadership and production has been outstanding in terms of its breadth, significance, and quantity. In addition to her many contributions to books, she is the sole author of the first edition, and co-author of the second edition of *Internet Law and Policy*. She has published 36 journal articles—six early in her career and as an assistant professor, 11 as an associate professor, and 19 since being promoted to full professor. She has published five times in the *American Business Law Journal*, the journal of the premier academic organization in business law. In addition to serving as Editor in Chief of the *Journal of Legal Studies in Education*, Professor Hiller has served as the Conference Chair and President of the Academy of Legal Studies in Business, which is the premier academic organization in business law and sponsoring organization for *American Business Law Journal*.

RECOMMENDATION:

That Janine S. Hiller be appointed to the Richard E. Sorensen Professorship in Finance, effective August 10, 2013, with a salary supplement provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

ENDOWED FACULTY FELLOWSHIP

Curling Faculty Fellowship in Accounting and Information Systems

The Curling Faculty Fellowship in Accounting and Information Systems was established by the generous gift of Mr. Doug C. Curling in 2008. Dr. Reza Barkhi, head of the Department of Accounting and Information Systems, has nominated Dr. James G. Jenkins, with the concurrence of the Accounting and Information Systems Honorifics Committee, to serve as the Curling Faculty Fellow of Accounting and Information Systems.

Dr. Jenkins has published 25 refereed journal articles, 11 non-refereed publications, and one textbook, and has made eight conference presentations. In addition, Dr. Jenkins has been on the committees of five Ph.D. students, two of which he chaired or is chairing. Dr. Jenkins is very active with the auditing profession. He is Leader of the AAA Auditing Section's PCAOB Task Force on Auditor Independence and a member of the AAA Auditing Section's PCAOB Task Force on Quality Control Standards. Dr. Jenkins is excellent in the classroom, and will be involved this coming year with training for one of the "Big Four" accounting firms.

RECOMMENDATION:

That Dr. James G. Jenkins be appointed to the Curling Faculty Fellowship, effective August 10, 2013, for a period of three years, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

ENDOWED PROFESSORSHIP

R.B. Pamplin Professorship in Business Information Technology

The R.B. Pamplin Professorship in Business Information Technology (formerly Management Science) was established in 1994 in support of excellence in education through the generous gifts of R.B. Pamplin, Sr., Virginia Tech Class of 1933, and Dr. R.B. Pamplin, Jr., Virginia Tech Class of 1964. Dean Richard Sorensen has nominated Dr. Christopher W. Zobel for appointment as the R.B. Pamplin Professor of Business Information Technology, in concurrence with the recommendations of the Honorifics Committees of the Department of Business Information Technology and the Pamplin College of Business.

Dr. Christopher Zobel is an outstanding educator and researcher. He received his Ph.D. from the University of Virginia and is a member of Phi Beta Kappa, Tau Beta Pi, and Phi Eta Sigma honor societies. In his 15-year career at Virginia Tech, he has served on 22 graduate committees and has taught ten different courses in the Department of Business Information Technology. One of the most outstanding teachers in the College of Business, he has been a recipient of the Pamplin College of Business Certificate of Teaching Excellence Award on three occasions, the MBA Outstanding Faculty Award, and the university's Alumni Award for Excellence in Teaching.

Dr. Zobel's outstanding research includes publications in leading refereed journals in the fields of management science and information technology. He has been a research innovator in the application of information technology and the development of computer-based decision support systems to solve problems in the newly emerging and very globally important fields of disaster operations management and environmentally focused decision-making, which has resulted in his international reputation in these newly emerging research areas. His research, as well as his active involvement with various programs and conferences of the International Association for Information Systems for Crisis Response and Management (ISCRAM), has led to international recognition.

Dr. Zobel's scholarly achievements and dedication to teaching reflect the commitment to higher education embodied in the generous support of R.B. Pamplin, Sr., and R.B. Pamplin, Jr., to the Pamplin College of Business and Virginia Tech.

RECOMMENDATION:

That Dr. Christopher W. Zobel be appointed to the R.B. Pamplin Professorship in Business Information Technology, effective August 10, 2013, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

March 25, 2013

FACULTY RESEARCH LEAVES 2013 – 2014

Virginia Tech provides tenured faculty, and faculty on continued appointment, with opportunities that include paid leave for intensive study or research that advances the individual's profession and contributions to the university.

The following faculty members are requesting study-research leave (one-half salary for up to one year) for the purpose and period of time specified:

Beattie, Christopher, Professor, Department of Mathematics, College of Science, academic year 2013-2014: to conduct research on the performance and efficiency of scalable computational strategies used in the resolving of mathematical inverse problems. Max Plank Institute (Germany).

Cao, Yang, Associate Professor, Department of Computer Science, College of Engineering, academic year 2013-2014: to conduct research on the development of multiscale modeling and simulation methods for systems that are motivated by biological systems, as well as general reaction-diffusion systems.

DaSilva, Luiz, Professor, Department of Electrical and Computer Engineering, College of Engineering, academic year 2013-2014: to lead a research group to design a new architecture for wireless networks. Trinity College (Ireland), University of Brasilia (Brazil).

Day, Martin, Professor, Department of Mathematics, College of Science, academic year 2013-2014: to conduct research in the application of large deviation analysis in the context of the stochastic processes of chemical reaction networks.

Hagedorn, George, Professor, Department of Mathematics, College of Science, spring 2014: to conduct research on molecular quantum mechanics. Universite Joseph Fourier (France), Eidgenössische Technische Hochschule (Switzerland).

Hult, Karen, Professor, Department of Political Science, College of Liberal Arts and Human Sciences, academic year 2013-2014: to further study politics and governance themes for a book manuscript *Structuring and Governance in Public Organizations*.

Lindner, Douglas, Associate Professor, Department of Electrical and Computer Engineering, College of Engineering, academic year 2013-2014: to conduct research and develop a new format for instructional textbooks that takes into account student usage of electronic media.

Little, John, Professor, Department of Civil and Environmental Engineering, College of Engineering, spring 2014-fall 2014: to complete the development of reference materials for formaldehyde emissions testing. Fraunhofer WKI Institute for Wood Research (Germany).

Metz, Nancy, Professor, Department of English, College of Liberal Arts and Human Sciences, spring 2014-fall 2014: to work on *The Companion to Pickwick Papers*, a book-length volume of historical annotations to Charles Dickens's first novel.

Munsell, John, Associate Professor, Department of Forest Resources and Environmental Conservation, College of Natural Resources and Environment, academic year 2014-2015: to conduct research on agroforestry adoption in Cameroon and agroforestry incentives in Western Europe. (Germany, Cameroon).

Patterson, Cameron, Associate Professor, Department of Electrical and Computer Engineering, College of Engineering, spring 2014-fall 2014: to conduct research in secure computer information systems.

Peters, Joel, Professor, School of Public and International Affairs, College of Architecture and Urban Studies, academic year 2013-2014: to conduct research and collect material on the history and development of Israeli foreign policy. Ben Gurion University (Israel).

Rahmandad, Hazhir, Associate Professor, Department of Industrial and Systems Engineering, College of Engineering, spring 2014: to conduct research in the engineering of management systems, specifically the management of health care systems.

Stern, Marc, Associate Professor, Department of Forest Resources and Environmental Conservation, College of Natural Resources and Environment, spring 2014: to complete a book in *Environmental Communications* using research conducted on over 400 conservation action projects. University of Queensland (Australia), Centro Agronómico Tropical de Investigación y Enseñanza (Costa Rica).

The following faculty members are requesting research assignments (full salary for one semester) for the purpose and period of time specified:

Allen, Barbara, Associate Professor, Department of Science and Technology in Society, College of Liberal Arts and Human Sciences, fall 2013: to conduct international comparative research on the role of citizen participation in policy-relevant science in environmentally-stressed communities. IMÉRA/L'Institut Méditerranéen de Recherches Avancées (France).

Axsom, Danny, Associate Professor, Department of Psychology, College of Science, fall 2013: to conduct preliminary research on the current focus of trauma and resilience and to teach a class on creating sustainable social change. (Switzerland, sub-Saharan Africa).

Belden, Lisa, Associate Professor, Department of Biological Sciences, College of Science, fall 2013: to acquire expertise in the use of R programming language for advanced data analysis that is becoming the standard for data analysis and modeling in environmental science. Universidad Tecnológica Indoamérica, and Universidad San Francisco de Quito (Ecuador).

Bugh, Glenn R., Associate Professor, Department of History, College of Liberal Arts and Human Sciences, fall 2013: to conduct research on an unpublished collection of dispatches by 16th century Venetian Andrea Gritti and to publish a text, translation, and historical commentary of the dispatches. Hellenic Institute for Byzantine and Post-Byzantine Studies (Italy).

Bukvic, Ivica Ico, Associate Professor, Department of Music, College of Liberal Arts and Human Sciences, fall 2013: to conduct research in areas of algorithmic music composition to develop an interactive music system that dynamically adapts to human biofeedback.

Bunch-Lyons, Beverly, Associate Professor, Department of History, College of Liberal Arts and Human Sciences, fall 2013: to examine the creation and operation of African American funeral homes, and the degrees of success attained by entrepreneurial African American business owners in three Southern states.

Burton, John, Professor, Department of Learning Sciences and Technologies, College of Liberal Arts and Human Sciences, fall 2013: to research the current theories and research methodologies in learning sciences.

Butt, Ali R., Associate Professor, Department of Computer Science, College of Engineering, fall 2013: to conduct research at data centers to test the efficacy of software tools for data management and to understand the challenges faced in the designing of next-generation cloud systems. Queen's University, and IBM Research Center (Ireland).

Casali, John, Chaired Professor, Department of Industrial and Systems Engineering, College of Engineering, fall 2013: to evaluate hearing protector effectiveness, to develop standardized protocols for evaluations, and to develop the next generation of military hearing enhancement-protection devices.

Du, Pang, Associate Professor, Department of Statistics, College of Science, fall 2013: to conduct research and participate in workgroups engaged in the development of methodological, theoretical, and computational treatment of mathematical and statistical models.

Ekrich, Roger, Professor, Department of History, College of Liberal Arts and Human Sciences, fall 2013: to write chapters for a book that explore the mutiny aboard the British frigate Hermione in 1797 and the impact of this event on American political culture during the early years of the Republic.

Ellingson, Steven, Associate Professor, Department of Electrical and Computer Engineering, College of Engineering, fall 2013: to research the results of the implementation of real-time interference mitigation for radio astronomy.

Ellis, Kimberly, Associate Professor, Department of Industrial and Systems Engineering, College of Engineering, fall 2013: to conduct research on collaborative freight transportation, submit research findings for publication, and to increase industry involvement in the Center for Excellence in Logistics and Distribution.

Emmons, Paul, Associate Professor, School of Architecture + Design, College of Architecture and Urban Studies, fall 2013: to complete a book manuscript *The Mirror of Design: Embodied Imagination in Architectural Drawing Practices*, the focus of which is the changes, over time, of architectural drawing practices including the use of computers as critical design tools. Newcastle University (England).

Gabriele, Matthew, Associate Professor, Department of Religion and Culture, College of Liberal Arts and Human Sciences, fall 2013: to complete a book, *Prophecy, Apocalypse, and the Intellectual Transformation of the Medieval West*, on the intellectual transformation of people during the 9th-12th centuries.

Gardner, Thomas, Alumni Distinguished Professor, Department of English, College of Liberal Arts and Human Sciences, spring 2014: to complete a book in the field of contemporary poetry, called *Lyric Theology*, about contemporary forms of theological thinking in the arts.

Hanigan, Mark, Professor, Department of Dairy Science, College of Agriculture and Life Sciences, spring 2014: to research models that predict amino acid requirements while minimizing nutrient waste and release of greenhouse gases from animal facilities. AgResearch (New Zealand), Serbian National Research Project (Serbia)

Hession, W. Cully, Professor, Biological Systems Engineering, College of Agriculture and Life Sciences and College of Engineering, fall 2013: to create an interactive archive of recently discovered materials that document the development of agriculture, landscape change, and watershed hydrology in Virginia.

Jelesko, John, Associate Professor, Department of Plant Pathology, Physiology, and Weed Science, College of Agriculture and Life Sciences, fall 2013: to receive training in the discipline of computational protein structural biology, specifically protein homology modeling, molecular dynamic simulations, and ligand docking.

Jenkins, James, Professor, Accounting and Information Systems, Pamplin College of Business, fall 2013: to study the global context and regulation of auditor independence in the auditing profession. University of Muenster (Germany).

Jensen, Laura, Associate Professor, School of Public and International Affairs, College of Architecture and Urban Studies, fall 2013: to conduct research for a book tracing the historical, political and intellectual origins of outsourcing in the U.S. government resulting in the privatized “contract state” of today.

Jensen, Roderick, Professor, Department of Biological Sciences, College of Science, fall 2013: to continue research on lung cancer diagnosis and identifying genetic markers for diabetes using next-generation genomic and transcriptomic sequencing technologies.

Jones, James, Professor, School of Architecture + Design, College of Architecture and Urban Studies, spring 2014: to study how the sensory (light, wind, sound) and psychological aspects of spaces can be manipulated to improve building and space design.

Jones, Kathleen, Associate Professor, Department of History, College of Liberal Arts and Human Sciences, fall 2013: to complete research and write the final chapter of a book, *Dying Young: A History of Youth Suicide, 1870s to the Present*, that explores the cultural meanings of youth suicide in the United States from the late 19th to the 21st century.

Justice, Greg, Associate Professor, Department of Theatre and Cinema, College of Liberal Arts and Human Sciences, fall 2013: to teach as an invited faculty member with the Semester at Sea global education program and to investigate the development of theatre and performance culture of European, African, South American and Caribbean countries.

Kaestle, Christine, Associate Professor, Department of Human Development, College of Liberal Arts and Human Sciences, fall 2013: to execute a comparative survey of longitudinal data on adolescent health in Australia with data on health risk behaviors from the National Longitudinal Study of Adolescent Health. Deakin University (Australia).

Klagge, James, Professor, Department of Philosophy, College of Liberal Arts and Human Sciences, fall 2013: to continue research, writing and teaching on the work of 20th Century philosopher Ludwig Wittgenstein.

Kline, David Earl, Professor, Department of Sustainable Biomaterials, College of Natural Resources and Environment, spring 2014: to further develop joint research in the area of production optimization and factory automation for wood products manufacturing. Galway-Mayo Institute of Technology (Ireland).

Knowlton, Katharine, Professor, Department of Dairy Science, College of Agriculture and Life Sciences, fall 2013: to conduct research on the deliberative democracy methodology of using an internet platform to organize forums to discuss issues related to sustainability of animal agriculture, management on farms, and policy for the industry. University of British Columbia (Canada).

Koch, Bettina, Associate Professor, Department of Political Science, College of Liberal Arts and Human Sciences, fall 2013: to complete a book manuscript, *Patterns Legitimizing Political Violence in Trans-cultural Perspectives: Islamic and Christian Traditions and Legacies*, that examines religious justification of political violence across centuries and religious traditions.

Lavin, Chad, Associate Professor, Department of Political Science, College of Liberal Arts and Human Sciences, fall 2013: to conduct research and write a book, *Political Ethics*, that examines political theory and the complexities of individual commitment and collective social problems.

Lepczyk, Billie, Professor, Department of Theatre and Cinema, College of Liberal Arts and Human Sciences, fall 2013: to conduct research on Balanchine's dance movement and neo-classic style using the Laban movement analysis technique.

Madsen, Louis, Associate Professor, Department of Chemistry, College of Science, fall 2013: to conduct research to further understand the range of organic materials for sustainability and alternative energy, specifically on rechargeable zinc-air battery electrolytes. Deakin University (Australia).

Markham, Steven, Professor, Department of Management, Pamplin College of Business, spring 2014: to conduct research on the evolution of organizational forms and their concomitant leadership styles and the impact of leadership styles with "ancient" roots on modern organizations.

Mesmer, Heidi, Associate Professor, Department of Teaching and Learning, College of Liberal Arts and Human Sciences, fall 2013: to conduct research in the area of literacy, specifically to study the impact of different texts on reading behaviors and how to support struggling readers in grades K-12.

McCollum, Eric, Professor, Department of Human Development, College of Liberal Arts and Human Sciences, spring 2014: to conduct research on classical Buddhist psychology and its impact on mental health issues and clinical practice with distressed couples.

Moore, Ignacio, Associate Professor, Department of Biological Sciences, College of Science, fall 2013: to conduct research on the reproductive biology of by following a single population of tropical birds. Universidad de San Francisco (Ecuador).

Parkes, Kelly, Associate Professor, Department of Teaching and Learning, College of Liberal Arts and Human Sciences, fall 2013: to complete research reliable and valid measures of student learning and growth in K-12 music classes.

Patil, Mayuresh, Associate Professor, Department of Aerospace and Ocean Engineering, College of Engineering, spring 2014: to conduct research on the working of the university administration, the current resources available, and the future strategies related to technology enabled/enhanced learning, graduate education and international academic programs, in preparation for educational grants to the National Science Foundation.

Patton, Lydia, Associate Professor, Department of Philosophy, College of Liberal Arts and Human Sciences, spring 2014: to complete a series of papers, *Reliability in Science*, and to complete a monograph, *Kantian Reality*, which explore the philosophy of science.

Powell, Katrina, Associate Professor, Department of English, College of Liberal Arts and Human Sciences, fall 2013: to complete a book, *Rhetorics of Displacement: Constructions of Identity in Forced Relocations*, that explores perspectives on immigration and resettlement law and public policy.

Puri, Ishwar, Professor, Department of Engineering Science and Mechanics, College of Engineering, spring 2014: to research fundamental molecular investigations of nanodevices, bioinspired design, and biomedicine applications, and to engage colleagues in ISynergistic experimental measurements. University of Leeds (England).

Rakha, Hesham, Professor, Department of Civil and Environmental Engineering, College of Engineering, fall 2013: to complete a textbook outlining the use of intelligent vehicle systems to reduce vehicle fuel consumption levels.

Renneckar, Scott, Associate Professor, Department of Sustainable Biomaterials, College of Natural Resources and Environment, fall 2013: to research the concepts and methods in biomass reconstruction and fraction related to catalytic conversion of bio-based polymers and advanced analytical characterization.

Resler, Lynn, Associate Professor, Department of Geography, College of Natural Resources and Environment, spring 2014: to conduct research on and complete a book manuscript that integrates a human and physical geography approach to mountain environments.

Mahajan, Roop, Professor, Institute for Critical Technology and Applied Science, College of Engineering, spring 2014: to conduct research to define and develop a new direction for the institute in global outreach to developing communities. The World Economic Forum (Switzerland), Institute for Graduate Studies and Engineering Education (Germany), Apeejay Styta University (India).

Rojiani, Kamal, Associate Professor, Department of Civil and Environmental Engineering, College of Engineering, fall 2013: to complete a textbook on C++ Programming, and a textbook on numerical methods for engineers using an object oriented programming approach.

Ross, Shane, Associate Professor, Department of Engineering Science and Mechanics, College of Engineering, fall 2013: to conduct further research on the applications of dynamical systems and identification of new systems in fluid mechanics. University of Paderborn (Germany).

Russell, Roberto, Professor, Department of Business Information Technology, Pamplin College of Business, spring 2014: to conduct research in the area of humanitarian aid and logistics in response to natural disasters. Cardiff University (Wales).

Reichard, Georg, Associate Professor, Department of Building Construction, College of Architecture and Urban Studies, spring 2014: to study the next generation of tools and methods needed by decision-makers in the building performance and energy management domain.

Satterwhite, Emily, Associate Professor, Department of Religion and Culture, College of Liberal Arts and Human Sciences, fall 2013: to write chapters for a book that examines the history and popularity of films that depict Appalachian culture and stereotypes.

Schmale, David, Associate Professor, Department of Plant Pathology, Physiology, and Weed Science, College of Agriculture and Life Sciences, spring 2014: to conduct research of the biological meteorology of fungi in the genus *Fusarium* to evaluate its contributions to mesoscale atmospheric processes. French National Institute of Agriculture (France).

Schmitthenner, Peter, Associate Professor, Department of Religion and Culture, College of Liberal Arts and Human Sciences, spring 2014: to complete a book, *Arthur Cotton (1803-1899): Hydraulic Engineering and Cultural Construction in South India*, that examines the cultural impact of public works on indigenous communities.

Schoenholtz, Stephen, Professor, Department of Forest Resources and Environmental Conservation, College of Natural Resources and Environment, spring 2014: to conduct research and complete manuscripts on forest land use effects on water and soil in forest management regions. New Zealand Forest Research Institute (New Zealand), Universidad Austral de Chile (Chile).

Shoemaker, Donald, Professor, Department of Sociology, College of Liberal Arts and Human Sciences, spring 2014: to teach and conduct research on crime and deviance, delinquency, and gang violence in the Metro Manila area of the Philippines. The University of the Philippines Dilman campus (Philippines).

Wang, Anbo, Professor, Department of Electrical and Computer Engineering, College of Engineering, spring 2014: to conduct field tests of sensor technologies at industrial sites and to focus on new sponsored research in the area of photonics technology.

Welbaum, Gregory, Professor, Department of Horticulture, College of Agriculture and Life Sciences, fall 2013: to write a book, *Vegetable Seed Production*, and to continue research on the water relations of mucus producing seed species.

Whitney, Brad, Associate Professor, School of Architecture + Design, College of Architecture and Urban Studies, fall 2013: to compose and to present works that explore interior design representation methods such as perspective, plan, and section, to further understand the nature of interior work and living spaces.

Zanotti, Laura, Associate Professor, Department of Political Science, College of Liberal Arts and Human Sciences, spring 2014: to conduct research for a book, *Ontologies, Epistemologies and Political Agency in a Global World*, that theorizes how assumptions influence conceptualizations of political agency in an interconnected global world. European University Institute (Italy).

Zink-Sharp, Audrey, Professor, Department of Sustainable Biomaterials, College of Natural Resources and Environment, spring 2014: to develop a textbook for university-level courses in the macro- and microscopic structure and properties of the most commonly-utilized structural sustainable biomaterials.

RECOMMENDATION:

That the above study-research and research assignment leaves be approved as requested.

March 25, 2013

Faculty Personnel Changes Report

ACADEMIC AFFAIRS COMMITTEE AND FINANCE AND AUDIT COMMITTEE

Quarter ending December 31, 2012

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-Track	20
New Appointments to Non-Tenure Track	0
Adjustments in Salary	8
Administrative and Professional Faculty	
New Appointments	7
Adjustments in Salary	29
One-time payments	1
One-time payments for Post-Season Sports Events	8
Special Research Faculty	
Adjustments in Salary	2

RECOMMENDATION:

That the Board ratify the Faculty Personnel Changes Report.

March 25, 2013

FACULTY PERSONNEL CHANGES

March 25, 2013

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Agriculture & Life Sciences</u>								
O'Rourke, Megan	Assistant Professor	Horticulture	Reg	9	10-Aug-13	100	\$	75,000
<u>Business</u>								
Beyer, Brooke	Assistant Professor	Accounting and Information Systems	Reg	9	10-Aug-13	100	\$	170,000
Johnson, Eugene	Assistant Professor	Accounting and Information Systems	Reg	9	10-Aug-13	100	\$	170,000
Stein, Sarah	Assistant Professor	Accounting and Information Systems	Reg	9	10-Aug-13	100	\$	170,000
Ward, Anna	Assistant Professor	Management	Reg	9	10-Aug-13	100	\$	132,000
Wolfe, Michael	Assistant Professor	Accounting and Information Systems	Reg	9	10-Aug-13	100	\$	170,000
Zimmerman, Ryan	Associate Professor	Management	Reg	9	10-Aug-13	100	\$	160,000
<u>Engineering</u>								
Batra, Dhruv	Assistant Professor	Electrical & Computer Engineering	Reg	9	10-Jan-13	100	\$	90,000
Parikh, Devi	Assistant Professor	Electrical & Computer Engineering	Reg	9	10-Jan-13	100	\$	90,000
Parker, Robert	Professor - Tenured	Mechanical Engineering	Reg	12	25-Dec-12	100	\$	230,000
Xiao, Heng	Assistant Professor	Aerospace and Ocean Engineering	Reg	9	25-Dec-12	100	\$	82,000
<u>Liberal Arts and Human Sciences</u>								
Logan, Nneka	Assistant Professor	Communication	Reg	9	10-Aug-13	100	\$	58,000
Mullen, Carol	Professor - Tenured	School of Education	Reg	12	1-Jul-13	100	\$	162,500
Scerri, Andrew	Assistant Professor	Political Science	Reg	9	10-Aug-13	100	\$	58,000
<u>Natural Resources</u>								
Thomas, Robert	Assistant Professor	Forest Resources and Environmental Conservation	Reg	9	10-Aug-13	100	\$	70,000
<u>Science</u>								
Carey, Cayelan	Assistant Professor	Biological Sciences	Reg	9	10-Aug-13	100	\$	70,000
Chung, Julianne	Assistant Professor	Mathematics	Reg	9	25-Dec-12	100	\$	72,000
Glatt-Holtz, Nathan	Assistant Professor	Mathematics	Reg	9	10-Aug-13	100	\$	73,500
Sewall, Kendra	Assistant Professor	Biological Sciences	Reg	9	10-Jan-13	100	\$	70,000

continued

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME

Veterinary Medicine

Caswell, Clayton	Assistant Professor	Biomedical Sciences & Pathobiology	Reg	12	2-Jan-13	100	\$	112,000
Nanthakumar, Nadarajah	Associate Professor	Biomedical Sciences & Pathobiology	Reg	12	11-Feb-13	100	\$	120,333

Vice President for Research

Moran, Rosalyn	Assistant Professor	Virginia Tech Carilion Research Institute	Reg	12	1-Nov-12	100	\$	110,000
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TEACHING AND RESEARCH FACULTY

ADJUSTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Agriculture & Life Sciences</u>								
Boys, Kathryn	Assistant Professor	Agriculture & Applied Economics	Reg	9	25-Dec-12	100	\$	92,000
Mykerezi, Pavli	Instructor	Agriculture Technology	Reg	12	10-Dec-12	100	\$	90,000
<u>Architecture & Urban Studies</u>								
Beliveau, Yvan	Professor	College of Architecture & Urban Studies	Reg	10	25-Sep-12	100	\$	170,099
<u>Engineering</u>								
Lattimer, Kara	Instructor	Civil and Environmental Engineering	Reg	12	25-Dec-12	100	\$	55,000
Madigan, Michael	Associate Professor	Engineering Science and Mechanics	Reg	9	25-Dec-12	100	\$	107,000
<u>Science</u>								
Dove, Patricia	Professor	Geosciences	Reg	9	25-Dec-12	100	\$	200,000
Johnson, Neil	Advanced Instructor	Geosciences	Reg	9	25-Dec-12	100	\$	57,900
Prakash, Bodicheria	Assistant Professor	Computer Science	Reg	9	25-Dec-12	100	\$	88,500

ADMINISTRATIVE AND PROFESSIONAL FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME

Business

Sumichrast, Robert	Dean, Pamplin College of Business - Pamplin College of Business Tenured		Reg	12	1-Jul-13	100	\$	430,000
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President

Grimes, Jeffrey	Assistant Football Coach	Athletics	Reg	12	25-Jan-13	100	\$	150,000
Loeffler, Scot	Offensive Coordinator	Athletics	Reg	12	25-Jan-13	100	\$	150,000
McClanahan, Marvin	Associate University Legal Counsel	University Legal Counsel	Reg	12	21-Nov-12	100	\$	107,000
Moorehead, Aaron	Assistant Football Coach	Athletics	Reg	12	25-Jan-13	100	\$	150,000
Sayer, Martin	Assistant Coach, Women's Tennis	Athletics	Reg	12	21-Dec-12	100	\$	35,000

Vice President for Administrative Services

Chambers, Yohna	Assistant Vice President for Human Resources	Human Resources	Reg	12	1-Dec-12	100	\$	135,000
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ADMINISTRATIVE AND PROFESSIONAL FACULTY

ADJUSTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION				
					EFF DATE	% APPT	ANNUAL RATE		
							BASE	ONE-TIME	
<u>Agriculture & Life Sciences</u>									
Pottorff, Stephen	Associate Extension Agent	Carroll County Cooperative Extension	Reg	12	25-Oct-12	100	\$	46,000	
<u>Business</u>									
Hunnings, Wanda Kay	Associate Dean for Administration	Pamplin College of Business	Reg	12	25-Oct-12	100	\$	110,000	
Skripak, Stephen	Associate Dean for Graduate Programs	Pamplin College of Business	Reg	12	25-Oct-12	100	\$	126,620	
<u>Engineering</u>									
Rubio, Allison	Coordinator of Alumni and External Relations	Civil & Environmental Engineering	Reg	12	10-Nov-12	100	\$	50,000	
<u>President</u>									
Adair, Charles	Head Women's Soccer Coach	Athletics	Reg	12	25-Nov-12	100	\$	100,000	
					25-Nov-12	100		\$	2,000
					14-Dec-12	100		\$	5,000
Cianelli, David	Director, Track, Field and Cross Country Programs	Athletics	Reg	12	25-Nov-12	100		\$	6,000
Foster, Charles	Assistant Track & Field Coach	Athletics	Reg	12	25-Nov-12	100		\$	3,000
Jack, Gregory	Associate Head Coach, Track & Field	Athletics	Reg	12	25-Nov-12	100		\$	3,000
Kopp, Andrew	Assistant Women's Soccer Coach	Athletics	Reg	12	25-Nov-12	100		\$	1,000
Lycan, Erin	Assistant Women's Soccer Coach	Athletics	Reg	12	25-Nov-12	100		\$	1,000
Thomas, Benjamin	Cross Country & Distance Coach	Athletics	Reg	12	25-Nov-12	100		\$	3,000
Vidt, Stacey	Assistant Coach, Cross Country & Distance	Athletics	Reg	12	25-Nov-12	100		\$	3,000

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY***ADJUSTMENTS***

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Science</u>								
Long, Gary	Associate Dean for Curriculum and Instruction	College of Science, Deans Office	Reg	12	10-Dec-12	100	\$	105,000
Morgan, John	Assistant Dean for Graduate Studies & Strategic Initiatives	Dean of Science	Reg	12	25-Dec-12	100	\$	160,735
<u>Senior Vice President & Provost</u>								
Waalkes, Ruth	Executive Director, Center for the Arts & Associate Provost for the Arts	Center for the Arts	Reg	12	25-Dec-12	100	\$	175,000
<u>Vice President for Administrative Services</u>								
Leftwich, Sara	Manager, Dual Career & Special Projects	Human Resources	Reg	12	10-Dec-12	100	\$	60,000
Moore, Karisa	Director of Equity Initiatives	Human Resources	Reg	12	25-Sep-12	100	\$	73,030
Nelson-Williams, Deborah	Director, Facilities Services Finance	Facilities Services	Reg	12	1-Nov-12	100	\$	100,000
Williams, Jeremy	Safety Engineer	Environmental Health and Safety	Reg	12	10-Nov-12	100	\$	51,000
<u>Vice President for Development & University Relations</u>								
Corvin, Timothy	Sr Associate Vice President for Development and Principal Gifts	University Development	Reg	12	25-Nov-12	100	\$	253,575
Hayes, Angela	Chief of Staff	Vice President for Development & University Relations	Reg	12	10-Dec-12	100	\$	95,000
Sanders, Jocelyn	Director of Development for the College of Architecture and Urban Studies	University Development	Reg	12	10-Oct-12	100	\$	87,094

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY***ADJUSTMENTS***

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Vice President for Finance and CFO</u>								
Broyden, Robert	Assistant Vice President for Capital Assets and Financial Management	Capital Assets and Financial Management	Reg	12	10-Jul-12	100	\$	149,940
Campbell, Allen	Director, Finance Information Technology	Finance Information Technology	Reg	12	10-Jul-12	100	\$	110,303
Hodge, Timothy	Assistant Vice President for Budget and Financial Planning	Budget and Financial Planning	Reg	12	10-Jul-12	100	\$	178,443
Kaloupek, William	Director of Materials Management	Purchasing	Reg	12	10-Jul-12	100	\$	135,762
Kurek, Sharon	Director, Internal Audit	Internal Audit	Reg	12	10-Jul-12	100	\$	155,188
Miller, Kenneth	Assistant Vice President of Finance and Controller	University Controller	Reg	12	10-Jul-12	100	\$	194,917
Sharma, Savita	Chief of Staff, Vice President for Finance	Vice President for Finance	Reg	12	10-Jul-12	100	\$	93,840
<u>Vice President for Information Technology</u>								
Durrani, Hashim	Technical Lead	Integration and Portal Services	Reg	12	10-Dec-12	100	\$	70,000
Kensler, Jonathan	Web Application Developer	Learning Technologies	Reg	12	25-Sep-12	100	\$	55,000
Midkiff, Scott	Vice President for Information Technology and Chief Information Officer	Vice President for Information Technology	Reg	12	1-Oct-12	100	\$	280,000
Tilley, Richard	Senior Security Architect	Information Technology Security	Reg	12	4-Dec-12	100	\$	85,000
<u>Vice President for Student Affairs</u>								
Baker, Suzanne	Assistant Director	Cranwell International Center	Reg	12	10-Oct-12	100	\$	48,580
Fritsch, Laurie	Co-Assistant Director for Health Education	Schiffert Health Center	Reg	10	25-Nov-12	100	\$	35,794
					25-Nov-12	100	\$	40,000
Manz, Lyndsy	Assistant Director	Cranwell International Center	Reg	12	10-Oct-12	100	\$	48,580

SPECIAL RESEARCH FACULTY

ADJUSTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME

Vice President for Outreach & International Affairs

Christie, Maria Elisa	Program Director, Women and Gender in International Development	Office of International Research, Education & Development	Reg	12	25-Dec-12	100	\$	78,000
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Vice President for Research

Shin, Jae	Sr. Research Associate	Virginia Tech Carilion Research Institute	Reg	12	25-Oct-12	100	\$	125,000
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**Nicholas A. Onopa – Undergraduate Student Representative
Constituency Report to the Board of Visitors
March 2013**

Rector Quillen, President Steger, distinguished members of the board, administration, and guests, thank you all for being here today. It is again my honor to report to you on behalf of the undergraduate students at Virginia Tech.

I would like to begin by offering our condolences to the community of Newtown, Connecticut and Sandy Hook Elementary School whose tragedy brought back painful reminders of our campus nearly six years ago that will forever shape the decisions we make. Sadly, we also grieve the loss of three of our own, Sami, Sarah, and Bryan. They are missed by all as students, friends, sons, daughters, brothers, sisters, and Hokies.

Once again, our community came together to send cards and banners, held candle light vigils, and we continue to send our thoughts and prayers to the families, friends, loved ones, and all those grieving for the loss of so many innocent lives.

Throughout these trials, the student community remains strong in maintaining traditions, celebrating culture, and inventing the future. Last night marked the 103 anniversary of Ring Dance for the Class of 2014: Themed, Night at the Chateau: A Toast to Tradition and Relay for Life, which will take place on April 19th, has already raised over Two Hundred Thousand Dollars for the American Cancer Society.

Respective student organizations held and are planning events for Black History Month, Woman's History Month, Jewish Cultural Month, and Asian Pacific-American Month to name a few. And on April 6th The Cranwell International Center and Council for International Student Organizations will hold the International Street Fair on College Avenue hoping to draw over 15,000 participants as it does annually.

To *Invent the Future*, many students are directly engaging in making Virginia Tech a better place to learn. Students are participating in the second floor renovations of Newman Library to better serve students' needs for group study and team projects, one of the greatest advantages over free or low-cost online courses. The Student Government Association held a forum on Academic Advising, bringing together students and advisors from every college to discuss ways to improve the advising process. While, we recognize several outstanding advisors exist, we must continue our efforts to ensure every student receives high-quality advising that they deserve.

SGA also coordinated Hokie Day, where over Two Hundred Students and Alumni lobbied in Richmond on behalf Virginia Tech. *(If Erica is selected I'll introduce her here but, if not, I'll save that for the end.)*

Two trends we must recognize are the changing environment of higher education and the growing diversity of our university and world community. Information is everywhere

and we must encourage a learning environment that teaches us more than a textbook or computer screen. In an increasingly diverse student population, comes increasingly diverse individual needs. From a student overcoming his dependence on alcohol after his father passed away, to a woman removing herself from an emotionally abusive ex-boyfriend who continued to harass her through text messages, or a student, under the pressure of getting accepted to graduate school from his parents, turns to prescription drugs to help study for exams. These thousands of individuals are who we must always keep in mind to create a safe, diverse, and inclusive learning environment with integrity.

We cherish (*not sure it's the word I want to use*) all Hokies, no matter race, disability, national origin, sexual orientation, political or religious affiliation and their contribution to the mission of Virginia Tech. We commit ourselves to *Ut Prosim* and the service of anyone and all those in need. As students, we will not support any individual or organization that discriminates for any of these reasons as we are collectively committed to the Virginia Tech Principles of Community.

Finally, I would like to congratulate Erica Wood on her selection as the 2013-2014 Undergraduate Representative to the Board. I look forward to working with her the next few months and will further introduce Erica at the June meeting.

Thank you all for your time, attention, and dedication to Virginia Tech

**Graduate Student Representative Constituency Report to
the Virginia Tech Board of Visitors**

Robyn Jones, Graduate Student Representative

March 25, 2013

Good afternoon Rector Quillen, President Steger, distinguished members of the Board and guests. Thank you for allowing me the opportunity to speak on behalf of graduate students this afternoon.

When I was appointed Graduate Student Representative, I chose two areas of focus; graduate student morale and childcare. I am pleased to provide updates in both areas, today.

The key to measuring the level of morale of graduate students is to first understand their needs; this can be determined simply by raising the questions, and soliciting feedback. The second and most important key is listening. The true pulse of graduate students morale can be accessed and assessed by the graduate students themselves. Through the collaborative efforts of the Graduate School, Division of Student Affairs, and the Office of Diversity and Inclusion, we created a survey to gather graduate students feedback regarding their perceptions of Virginia Tech's graduate student climate.

The survey which closed last Friday, covered a broad range of topics - campus support; diversity; campus safety; student advising; academics; financial support;

and veteran services. This assessment is three fold: first, the Climate Survey; followed by, Focus Groups - based on the trends of the survey data; and last, sharing the results with the appropriate stakeholders - to ensure that we are all doing our part to close the loop. It would be my pleasure, to have an opportunity, to share a synopsis of the assessment with you in June.

Discussions are also ongoing in the area of childcare. Since our last meeting a committee was formed consisting of individuals from administration, faculty and graduate students. With the permission of President Steger, we worked diligently at disseminating a survey to the entire Blacksburg campus. Results of the survey, will enable us to better meet the current and future needs, of not only graduate students, but the Virginia Tech community. We will begin to review and discuss the results as a committee tomorrow. This data - we are sure will help us better understand the needs of our community - and how graduate students can best be included in possible solutions. I am confident that the committee will continue to move forward and I am looking forward to updating you on our next steps.

Last month Vice President of Finance, Dwight Shelton and I met to discuss the concerns of Vet Med students regarding mounting fees; a concern I spoke of in my first report. Mr. Shelton was kind enough to walk through each area of concern with me, explaining in detail the rationale, and future plans related to fees associated with Vet Med students. Mr. Shelton, a seasoned veteran, made no promises that fees could or would be lower, anytime soon. However, we did find that a few concerns may have fairly simple solutions.

I reported this information to the representatives of the Vet Med College, and while they remain hopeful of lower fees, they certainly did appreciate the transparency offered. The students expressed their sincere thanks to you, Mr. Shelton, for your time and attention to this matter, and look forward to our update.

This week, I encourage you to join the Graduate School in celebrating Graduate Education Week 2013! A celebration of graduate students, graduate advisors, and graduate and research faculty and staff for their contributions to graduate education at Virginia Tech. The festivities started today with a Graduate Student Appreciation lunch hosted by the Graduate School as well as the Citizen Scholar Recognition Ceremony this evening; a variety of other academic, social and informational events, will take place throughout the week. If you have time, please take a moment to visit the Graduate Life Center, to view the art, photo and writing exhibits - a traditional activity of Graduate Education Week. A special thank you to Dean DePauw and the Graduate School for the continued support demonstrated by your efforts to recognize graduate students as valued members of this community.

Finally, I am pleased to congratulate Nick Warrington for his appointment as the Graduate Student Representative to the Board of Visitors for the 2013-2014 academic year. Nick I look forward to helping you through your transition, and to formally introducing you at the June meeting.

Thank you.

Staff Senate Constituency Report
Virginia Tech Board of Visitors
March 24-25, 2013
Presented by Sue Teel, Staff Senate President

Rector Quillen, members of the Board of Visitors, President Steger, administrators, and guests: Thank you for this opportunity to speak with you about Virginia Tech's staff. It is truly an honor and privilege to bring this information to you today.

The staff members at the University continue to be active in all realms of the shared governance system. One project initiated by the Commission on Staff Policies and Affairs is an effort to centralize a database of awards that are available for staff. The group found that there are many awards that go unclaimed each year simply because we are not aware of them, and many of them have a monetary award attached. CSPA is working diligently to develop a system where awards are compiled on one website, reflecting deadlines and nomination information.

Another event we are excited to be a part of is the 20th Anniversary celebration of Staff Appreciation Day. Several staff members are serving on the Staff Appreciation Day Committee to assist with the planning to make this an event to be remembered. We are thankful that, even in these tough budgetary times, the administration recognizes the importance of this event for staff morale and has preserved this one day of celebration. And because this is a staff only event, faculty are asked to volunteer that day to assist as drivers for campus tours, serve as tour escorts, or assist with food service, giving staff the chance to interact with faculty outside the office environment. This event is coordinated through the combined efforts of the President's Office and the Department of Human Resources, and we are pleased to be an important part of this process each year.

Prior to Staff Appreciation Day will be the James D. McComas Staff Leadership Seminar. This seminar seems to grow each and every year. It was developed to foster leadership training to staff senators, staff senator alternates, and officers in the staff associations across campus. Since its initiation it has grown to include all staff across the campus. This

year's theme is "Theory Into Practice: Driving Innovative Leadership." The seminar is organized through one of the standing committees within the Staff Senate and I am beginning to think that there might be a little competition each year for the committee to make their event bigger and better than committees from prior years.

Staff members truly appreciate the recognition and understanding of university administrators. It would be very easy for any area that supports staff events to cut those programs. We understand times are tough and budgets are tight, but by continuing to fund these events and the awards that are presented at them, it sends a message to staff that they are valued.

I also want to thank you for listening to our concerns. At the last Board of Visitors meeting I asked that you begin to include staff in the mass of critical resources. At the January Staff Senate meeting Dr. McNamee assured the staff that administration understands that faculty and student numbers cannot keep increasing without an increase in staff positions. Knowing that you are listening to our concerns and implementing plans to respond to those concerns goes a very long way in keeping up staff morale.

I am honored to have been elected by my peers to represent them on this Board. And, I'm pleased to report back to our senators with results that show the representation is more than a symbol at this University, and that the Board and the administration listen and value our efforts. We appreciate your service to Virginia Tech and thank you for the opportunity to have a voice within the university governance structure.

Respectfully,
Sue Teel
President, Staff Senate

Faculty Senate Constituency Report
March 25th, 2013
Sarah M. Karpanty, Faculty Senate President

Thank you Rector Quillen, President Steger, the entire Board, and guests:

First, I want to thank you as it is clear that you and our legislature have listened and responded to our concerns about stagnant salaries. We appreciate what we hear to be a strong support from you and our administration for the restoration of the merit-based compensation process this year and into the future. We understand that you have difficult decisions to make in the coming months about tuition increases and the costs and benefits of these investments in compensation and our long range plan. I assure you that you have a strong faculty, but I want to emphasize one last time before you formally vote on tuition rates that this restoration of the merit-process is truly needed to energize faculty towards the implementation of the long range plan.

Since we last met in November, the faculty has engaged on topics of importance, namely indirect costs on sponsored research, growth of the graduate program, and undergraduate education initiatives as per the long range plan. I want to speak briefly on our concerns and opportunities on each of these topics

First, the faculty are very concerned about our high indirect costs relative to peer institutions and specifically that these high indirect costs are impacting our competitiveness in securing funds, our abilities to complete our research activities given that high indirect rates limit our direct costs, and our ability to support growth in graduate student numbers. In a recent meeting, we appreciated the insight of VP Walters and his team on the reasons behind our comparatively high indirect rates. One of the take-home points from the debriefing is that our strategic investment in growth of our research endeavors, and the necessary infrastructure to support that expansion has driven these rising rates. We also understand that we should expect these indirect rates to fall in coming years as the new institutes and associated research faculty begin to garner significant extramural funding and essentially pay-back into the system. The T&R faculty appreciate the value in these strategic initiatives, but we also ask that our administration and Board be vigilant that these rates do indeed begin to fall to be in line with our peers.

I bring up this topic of indirect rates as it directly impacts our strategic objective to grow our graduate program by 1000 students in the next 6 years. A major driver, though not the only driver, of this growth is surely expected to be increased grant and contract funds to support graduate students. These grants and contracts are written by our faculty, who are concerned about our competitiveness in indirect costs rates. Given the realities of high indirect rates and the challenges associated with federal budget sequestration, the faculty urge the board to recognize that this growth in graduate students cannot fall solely on the backs of existing faculty. We believe that to support these new students, we will need investment in new faculty and in new stipends and tuition waivers for graduate students. Thus, we know your job on tuition increases grows tougher by the day. The graduate students are the brains and backbone of our research endeavors, and our research endeavors are a major component of our university mission. We support this objective to grow our graduate programs, and we appreciate your consideration of the need for new resources to do so.

I want to make one more point related to the initiative to grow our graduate programs, in line with Robyn's remarks. This point is really a hidden challenge. We can no longer deny that the demographics of our graduate students have changed. Many of these students are returning to school from prior civilian and military careers. They bring with them their significant others and children. I admit, this has even been hard for me to accept as back in the day when I went to graduate school, everyone was straight out of undergrad with no strings attached. I currently have two Ph.D. students with spouses who are also graduate students, and who each have children. While I pay them a competitive stipend and cover their tuition on my contracts, I cannot pay them enough to afford full-time daycare. I have come to the realization that if I want them to be successful, which I do, I must allow them to have extremely flexible schedules to juggle classes, research and childcare. Not all faculty have 'seen the light' per say, and we are losing great future leaders because of it. Thus, we must support strategic endeavors underway to create creative child care options for our graduate students. We need to do this if we are to grow our graduate program and attract and retain the best students. This too, unfortunately, will likely not be free.

Lastly, while I have focused these remarks on our research and graduate education endeavors, please know that the faculty are excited and ready to engage in substantive revisions to our general education curriculum and to the other undergraduate-focused initiatives in our long range plan. We have not lost sight of our core mission of undergraduate education and we must invest in these programs to continue to produce the high-quality undergraduates that we expect from Virginia Tech.

Thank you for your time and please know that I am always available to discuss these ideas with each of you.