

Virginia Tech Board of Visitors Meeting

November 8-9, 2009

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Board of Visitors Information Session

November 8, 2009

2:00 – 4:00 PM

The Inn—Latham Ballrooms D, E, F

- **Update to the University Strategic Plan**
 - Dr. Charles W. Steger, President
 - Dr. Mark G. McNamee, Senior Vice President and Provost
 - Mr. M. Dwight Shelton, Jr., Vice President for Finance and Chief Financial Officer
 - Mr. Earving L. Blythe, Vice President for Information Technology and Chief Information Officer
 - Dr. Sherwood G. Wilson, Vice President for Administrative Services
 - Dr. Raymond D. Smoot, Jr., University Treasurer and Chief Operating Officer and Secretary-Treasurer, Virginia Tech Foundation, Inc.
 - Dr. Elizabeth A. Flanagan, Vice President for Development and University Relations

- **“Grow by Degrees” Program**
 - Mr. Ralph M. Byers, Executive Director of Government Relations
 - Mr. Lawrence G. Hincker, Associate Vice President, University Relations

- **Constituent Reports**
 - Ms. Kristina Hartman, Undergraduate Student Representative to the Board
 - Ms. Rebecca French, Graduate Student Representative to the Board
 - Mr. Tom Tucker, President of Staff Senate
 - Dr. Gary Long, President of Faculty Senate

**Scorecard - University Strategic Plan Goals 2006-2012
Scholarship Domains**

	Measure(s)	Metric Definition and Information Sources	Performance Goal	November 2009 Report		
				Performance	Comment on 3 Year Trend	
Learning	Number of graduating undergraduates who participated in research experiences.	Degrees extract and course files - linked to credit bearing activities.	75% of graduating undergraduates.	2,905 or 55% in the 2008-09 AY	Undergraduate research participation up 34%. Improvements in tracking of for-credit research experiences.	↑
	Minority student enrollment	Fall enrollment profile from IRPA Ethnrl Report (fall student census file)	From Plan - Increase by 50% by 2012.	3,728 Undergraduate 953 Grad/Professional 4,681 Total in Fall 2009	Undergraduate enrollment up 13% from Fall 2007. Graduate/professional minority enrollment up 11%.	↑
	Minority students entering the freshman class.	First time students in fall census files	Increase the acceptances of admissions offers to underrepresented students.	957 in Fall 2009	Minority students entering freshman class up 206 (27%) from 751 in Fall of 2007,	↑
	PhD and EdDs Awarded	Degrees extract	Meet SCHEV 2B Projections	435 in the 2008-09 AY	Three year trend is growth and above targeted levels.	↑
	Graduate enrollment profile - masters, doctoral, and professional	Fall Enrollments in Advanced and Direct to PhD from IRPA Ethnroll Report	Meet SCHEV 2B Projections	4,114 Masters 2,833 Doctoral 365 Professional 7,312 Total in Fall 2009	Masters enrollment up 9% from Fall 2007. Doctoral up 5%.	↑
Discovery	Total research expenses reported to the National Science Foundation	Expenses reported by research division and controller to the National Science Foundation.	From Plan - \$541.3M	\$373.3M in FY 2007-08	NSF reported expenditures up 16% from \$322M in FY2005-06.	↑
	Count and average value of sponsored awards	As reported in Sponsored Programs datawarehouse dashboard	Average 3% growth in number of awards and 5% annual growth in average dollar value of awards	2,384 Awards \$97,425 Avg Value in FY 2008-09	Number of awards up 12% and average value up 2% from 2006-07.	↑
	Faculty arts and humanities awards, fellowships and memberships.	Derived from a list of awards on the AAU website and recipients lists on the websites of awards providers.	13 Awards from AAU List.	6 awards in 2008-09 AY	Awards down by three from 2006-07.	↓
	Number of post-doctoral appointments reported to National Science Foundation	As reported annually to the National Science Foundation	Increase by 78% to 243 positions by 2012	217 Post-Doctoral Appointments	Post-doc counts up 33 (18%) from Fall 2007	↑
Engagement	Annual number of new licenses and start-ups	As reported in the Annual Association of University Technology Managers (AUTM) licensing survey	From SCHEV IPS - Meet projections of 31 licenses annually.	30 Licenses 4 Start-Ups in FY 2008	Licenses up significantly from 10 in 2007. Start-ups increased as well over the three year period.	↑
	Number of graduating undergraduates who have participated in a study abroad experience or foreign language course	Degrees extracts and course files	From Plan - Double the 2005 level in Study Abroad. Level participation in foreign language courses.	1,221 (23%) Foreign Language 781 (15%) Study Abroad 1,606 (31%) Either in 2008-09 AY	Foreign Language study down as a percentage of total graduates. Study Abroad up in both count (205) and as a percentage (25%) of total graduates.	↑
	Undergraduate participation in service learning and experiential programs.	Service learning course list provided by the Service Learning Center with enrollments from course files; experiential programs comes from annual survey by IR and flags in course description data.	A sustained 25% increase over 2005-06 levels.	2,625 Service Learning 5,465 Experiential Learning in 2008-09 AY	Service Learning and experiential learning counts up significantly due to improvements in data collection for this metric.	↑

Scorecard - University Strategic Plan Goals 2006-2012

Foundation Strategies

			University Totals				
Measure	Metric Definition and Information Source(s)	2012 Target Performance	Target FY2009	Actual FY2008	Actual FY2009	Trend	
Organizational Development	Progress of faculty salaries towards 60th percentile of SCHEV peers	SCHEV methodology of computing the percentile rank of the university's Authorized Salary Level as compared with peer institutions	60%	49%	49%	35%	↓
	Percentage of Graduate Health Insurance funded	Percentage of the annual health insurance premium for Graduate Students on assistantships funded under the university's program	90%	85%	80%	83%	↑
	Expenditures with SWaM suppliers	Actual expenditures as measured by percentage of annual goal achieved; this is not a static measure, as expenditures increase, achieving the same percentage increases dollars flowing to SWaM suppliers	85%	85%	125%	122%	↔
	Initiate a significant new automation project annually ¹	The university will initiate a significant automation project annually to promote an efficient administrative culture	6 projects during 2006-12 planning period	1 significant project	1 significant project	4	↑
	Increase in composition of diversity of the faculty and staff	Increase in composition of diversity of faculty and staff based on the gender, racial and ethnic profile	Faculty - Women		37%	37%	↔
			Staff - Women		60%	60%	↔
			Faculty - Minorities		14%	14%	↔
			Staff - Minorities		7%	8%	↔
	Progress towards 1.0 market ratio of average staff salary to market	Overall ratio of staff salaries to identified market benchmarks	100%	100%	94%	93%	↔
	Voluntary turnover rate for staff	Number of voluntary departures as a percentage of total staff employees	7 - 11%	11%	6.8%	4.1%	↓
Campus Infrastructure	Classroom Utilization Rate ²	The utilization rate reflects an overall use of campus "stations" or seats in rooms by the ratio of seats occupied to total seats available.	60%	60%	74%		↑
	Laboratory Utilization Rate ²		75%	75%	64%		↓
	Police Department Average Emergency Response Time	The response time is measured from the time the Communications Officer dispatches the call until the officer arrives on scene	< 3 min	<3 min	2 min	2 min	↔
	Compliance with Best Practices of Virginia Crime Commission	This measures tracks the level of compliance with all applicable Best Practices recommended by the Virginia Crime Commission and mandated by SCHEV	95%	95%	96%	96%	↔
	Percentage of accounts payable processed on time	Percentage of accounts payable that are processed within the timeframe specified by the contract; or if a contract is not in existence, thirty calendar days after the receipt of a proper invoice, or thirty days after the receipt of goods or services, whichever is later.	95%	95%	97%	99%	↑
Resource Development, Management & Allocation	Incremental institutional need based financial aid of \$1,000,000 per year to offset tuition increases	Three year rolling average increase of \$1,000,000 per year allocated to need based student financial aid programs to offset tuition increases from university restricted or unfunded scholarships or other institutional funds	\$1,000,000	\$1,000,000	\$ 1,128,595	\$ 1,028,999	↔
	University debt ratio	The university's actual annual debt service as a percent of its total operating expenses	= or < 7%	= or < 7%	3.14%	3.04%	↔
	Central funding of research computing ³	The university will centrally commit funding for the investment in research computing, enabling expanded computational science based research. The investment will be calculated as a percentage of the annual externally funded research expenditures for the previous year.	2%	2%		3%	↑
	Endowment Market Value	The market value of endowment assets managed by the Virginia Tech Foundation	\$700,000,000	\$ 574,000,000	\$ 527,600,000	\$ 451,740,000	↓
	Annual Fundraising total (cash flow) at face value	Annual Cash flow is the total amount of gifts (cash and non-cash) received for the fiscal year, including irrevocable deferred gifts reported at face value; this amount includes pledge payments, but does not include outstanding pledge balances or bequest expectancies. Number will differ from campaign totals.	\$100,000,000	\$ 87,000,000	\$ 91,107,749	\$ 79,166,493	↓

Notes:

- The university completed the implementation of (1) virtualized computing, (2) the HokieServ Work Order Management System, (3) eCommerce -Receiving and Invoice Automation, and (4) a campus-based digital repository.
- The classroom and laboratory utilization rates are measured biennially
- The recommendation of the University High Performance Computing Committee in 2009 was to increase this investment to 3% by 2012. However, due to the current national financial situation and budget constraints, approximately 50% of the funding for 2009 and 2010 is from one time funding sources. A permanent funding source will need to be identified in order to meet the 3% goal. Target amount was \$3,993,000 and the actual amount was \$6,630,000.

Key:

- Performance is improving annually and meeting targeted expectations
- Performance not meeting the expected target but the ongoing trend shows improvement
- Performance is level but meeting targeted expectations
- Performance is level and not improving where a performance improvement is expected
- Performance is below expected target and there is a moderate or periodic decrease in performance where ongoing improvement was expected
- Performance is below targets and there is a significant, ongoing decline where improvement was expected

**UNDERGRADUATE STUDENT CONSTITUENCY REPORT
TO THE
VIRGINIA TECH BOARD OF VISITORS
November 8, 2009**

Thank you Mr. Rector. Good afternoon Mr. President, members of the board and guests. It is an honor to be with you all again to report on the outstanding undergraduates of this university. Since our last meeting the undergrads have been busy attending classes, creating new programs, attending football games and striving for excellence in all aspects of the university.

This fall students found many new ways to enhance Virginia Tech while also living our motto *Ut Prosim*, That I May Serve. In early October, over 800 volunteers from sororities and fraternities performed community service in Blacksburg between Airport Road and Progress Street for the first annual Greeks Giving Back. The Greek community teamed up with the Town of Blacksburg for this event in an effort to improve the relationship between the town and the Greek community. Also for the first time, Virginia Tech found one of its own students running for Town Council. While he was not elected, his campaign sparked interest among many students concerning the interactions between Virginia Tech and the town.

So far this semester the Student Government Association has made several attempts to gauge overall opinion of undergraduates on various aspects of the university. The Forum was a roundtable discussion involving students both in the corps and civilians, student leaders, faculty members and administrators. The discussions topics ranged from campus climate and diversity to mid-semester academic evaluations to having an on campus 24-hour study facility. They also put on Extreme Makeover: Campus Edition. This was similar in topics examined but surveyed students all over campus for three days, breaking down responses in terms of gender and graduating class.

As you may recall from my last report I stated that environmental sustainability would be a particular focus of the students, the university and myself. While the university is doing a good job in its commitment to sustainability, the students are going above and beyond. This year the Nebraska football game was also the Green Effect Game. Before and after the game 150 volunteers collected recycling totaling 1.78 tons compared to one ton the game before in which no volunteers were present. In addition to walking through parking lots for hours collecting recycling, students are demonstrating their support for a more sustainable Virginia Tech in other ways. Currently, the Student Government Association, in addition to 18 other student organizations, is trying to promote and establish a Green fund. The Green fund is similar to Green Fee students wanted several years ago but this would have an opt-out option

instead of being a mandatory fee. The undergraduates envision the Green fund being used to support projects that would make Virginia Tech a leader in sustainability.

While the students have enjoyed taking sustainability into their own hands, there has been successful collaboration as well. Mid October marked the third annual Sustainability Week. The week was packed full of events demonstrating commitment to sustainability from many different groups and organizations in numerous ways. Some of the events that took place were a speech by Daniel Goleman, author of Ecological Intelligence, Stroubles Creek clean up, tree planting, a tour of the LEED-certified Theater 101 building, and the Campus Sustainability Fair which showcases what various groups and departments are doing to promote sustainability. Also working together are the Office of Sustainability and the Coalition for Campus Sustainability. The Coalition is an umbrella group with representatives from 18 organizations some of which being Student Government, Environmental Coalition and Political Science Club. While the Office of Sustainability does not make decisions based on what the Coalition's opinion is, they often look to them for student input and their perspective to ensure the student voice is being heard and the best decisions are made.

The final point I want to address to you today is in regards to the current economic crisis this university, the state and our country is currently facing. As I have demonstrated in this report and the previous one, this university is full of talented, hardworking undergraduates committed to Virginia Tech. I urge you, the members of the board, as well as other faculty, staff and administrators present, to let the undergraduates show you just how capable we are. I am well aware that the university is need of more money and is constantly looking for ways to save money. While tuition increases seem to inevitable, why not engage our students more. Virginia Tech is known for its engineering and architecture programs yet they are not building machines and designing buildings specifically for Virginia Tech. By enlisting students to help directly with the university the benefit is two-fold. You are giving students real life experience and the satisfaction of seeing the benefits of hard work, all while saving Virginia Tech a great deal of money. I realize that it is not possible to hire students for every job in the university but there are many situations in which we can. Many of you in this room often ask me how we can engage students more. We can engage them by giving them opportunities related to their particular area of study and letting them see firsthand how they can improve the university. It can also create a stronger bond to Virginia Tech during their undergraduate career and long after they graduate. I implore you to take this suggestion into consideration and realize the benefits the university will reap if we invent the future together.

Thank you.

Kristina Hartman, November 8, 2009

**GRADUATE STUDENT CONSTITUENCY REPORT TO THE VIRGINIA TECH
BOARD OF VISITORS
November 8, 2009**

Thank you Mr. Rector. Good afternoon President Steger, distinguished Board members and guests. As alumni and friends celebrated our victories and losses in Lane Stadium this year, they may have noticed big changes to our campus. The Graduate Life Center Plaza was officially opened on October 9th through a joint effort of the classes of 1959 and 2009. The plaza includes a stage, seating area, and a beautiful fountain. Although plans for performances and events are in the pipeline, the daily traffic in the plaza indicates that it has already become a center of student life, uniting the graduate and undergraduate student unions. If you continue to walk past the plaza, towards downtown Blacksburg, you will pass Theatre 101 on your left. The LEED-designed building officially opened last weekend. It's striking façade lights up College Avenue and truly speaks to the joint arts initiative in Virginia Tech and downtown Blacksburg.

A further testament to the growing connection between the university and the town is the election of Planning Governance and Globalization graduate student Krisha Chachra to the Blacksburg town council. Krisha is not alone in her call to service; graduate students across Virginia Tech are involved in all levels of governance, from university commissions and committees to Graduate Student Assembly initiatives, such as healthcare. Over 200 graduate students make up the GSA cabinet and delegate body, representing 70 departments, programs, student organizations, and the National Capital Region. This is the greatest number of students involved in GSA to date.

These statistics signify the desire of graduate students to have a voice in the decisions made at their university. A great example of this is the Health Insurance Review Work Group whose report will be presented at this meeting. The combination of VT administration and students working together produced a focused survey that was able to identify the key points of concern for graduate students. As we move forward with the recommendations of the Work Group I appreciate that the VP of Finance office has asked for students' continued participation in this process. I hope that the success of the health insurance review will encourage the VT administration to seek graduate student involvement in issues like summer enrollment status and student fees.

Student fees are of particular concern to graduate students as the university looks for increases in revenue to make up our budget shortfall. Currently, on the average, graduate assistants spend one full paycheck each semester to cover their student fees, making this a significant cost. Increases in stipends have also failed to keep up with the rise in fees, and therefore fees eat more and more into students' stipends each year. Many students pay these fees with little understanding of what they are paying for and how these rates were set, generating a general feeling of frustration. Giving students a voice in the fees process would increase morale amongst students and build our understanding of the challenges facing the university.

Unfortunately the issue of rising fees pales in comparison to students' apprehension about losing their assistantship funding due to budget cuts. International students are particularly vulnerable to even temporary gaps in funding. They have few funding alternatives as they are eligible for

very few fellowships offered in this country and their visa status bars them from obtaining outside employment or taking out loans. Furthermore, the consequences of losing their student status are considerable as loss of their student visa means having to leave the United States. As the Board works on the Diversity Strategic Plan at the upcoming special meeting in December, I hope that special consideration is given to the valuable role that international students play in maintaining a diverse and productive graduate student body. In preparation for reviewing the Diversity Strategic Plan I will be meeting with graduate students to discuss this challenge as well as others that face our community in building a diverse and inclusive student body.

As graduate students deal with issues such as funding for their graduate education, balancing work, life, and family, and building and maintaining a strong relationship with their advisor, they are under high levels of stress. Coupled with the background of a poor economy affecting many friends and family members, students are feeling the pressures of life heavily upon them. The GLC offers support to students in many ways. The Ombudsperson and the Graduate School work as facilitators and provide guidance to students. The drop-in counseling from the Cook Counseling Center in the GLC is now offered 3 days a week. This service has made counseling available to graduate students who might never have used it before due to privacy concerns with seeing their undergraduate students while at the Cook Counseling Center. Both of these offices have been quite successful at building a support network for students, but we continue to look for ways to reach out to students. One such way is through virtual outreach using social-networking sites like Facebook and Twitter as well as web pages and blogs. Virtual outreach allows information to be brought to the student rather than asking the student to come to an information session or programming at the GLC.

In closing, I would like to thank the Board and VT administration for the many opportunities that they have given me this semester to express graduate student concerns. As we face the budget challenge, I would like to offer the many resources of the graduate student body including our teaching, our scholarship, and our ingenuity to help Virginia Tech maintain its integrity as a first class university.

Thank you.

---Rebecca French, November 8, 2009

**Staff Senate Constituency Report
Virginia Tech Board of Visitors
November 08, 2009
Thomas Tucker, Staff Senate President**

Rector Lawson, members of the Board of Visitors, President Steger, administrators and guests.

Again, it is my privilege to present to you, the activities, initiatives, and concerns of the Virginia Tech Staff and the Staff Senate, and to bring those issues forward for discussion and consideration by the Board.

Promotion of Diversity:

In continuing its promotion of diversity at Virginia Tech, the Staff Senate supported the 5th Annual Multicultural Luncheon, organized by the Office for Equity and Inclusion, held on September 25th. The Staff Senate provided support, both as a funding sponsor and by participation in the event, with several Senators attending the luncheon.

The Staff Senate continues to work with the Office for Equity and Inclusion, to finalize the proposed changes to University Policy 1025, the “Anti-Discrimination and Harassment Prevention Policy”, relating to Gender Identity Issues.

Dr. Virginia Reilly, Director of University ADA Services, will discuss information on Policy 4075, the “Policy for University Accommodations of Persons with Disabilities” at the December Staff Senate meeting.

Community Service:

The Staff Senate provides volunteer service and support to the community through the VT-ENGAGE program. At the September meeting, Staff Senators selected our group community service projects

for the coming year. The senate decided to continue its support of the Blacksburg Interfaith Food Pantry. Additionally senators elected to participate in a program involving writing letters to local soldiers deployed overseas.

John Bush, a staff employee in the Office of the University Architect, was recently elected to serve on the Blacksburg Town Council. John represents the University Motto, "*Ut Prosim*" (That I may Serve), by his willingness to represent his fellow citizens in the role of councilmember.

Leadership and Development:

The Staff Senate will work with Human Resources and the Commission on A/P Faculty Affairs regarding the changes that the A/P Faculty conversion process may have on the Staff Senate and those employees who are converting to A/P Faculty status. The Staff Senate will provide input and support as requested, to address concerns for creating opportunities for A/P Faculty participation in Virginia Tech's shared governance process. The number of staff in a College or Vice-Presidential area determines senate representation. Numbers of senators in staff associations shall be adjusted, as required, based on change in status of employees involved in the conversion.

The Staff Senate is also working with members of University Organizational and Professional Development to identify specific needs and requirements for staff training opportunities.

Communication:

The Staff Senate is a primary conduit for transmitting information to and receiving input from Staff.

The Staff Senate invited President Steger to speak at its November meeting to discuss the "State of the University" and the progress being made towards its Strategic goals and how staff can assist in achieving those goals.

Dr. Gene Deisinger, Assistant Chief of Police & Director of Threat Management Services, is scheduled to speak to the Staff Senate at its December meeting. Dr. Deisinger will discuss the Virginia Tech Treat Assessment Team; the Workplace Violence Prevention Committee; and how staff can be important participants in violence prevention efforts on campus.

Ms. Teresa Craig, Membership Development Director, with the Virginia Governmental Employees Association (VGEA) will join the Staff Senate at the January 2010 meeting to discuss how VGEA supports state employees.

Winter Break Closing Policy - At its September meeting, the Staff Senate passed a motion requesting the Commission on Staff Policies and Affairs (CSPA) to continue its review of the proposed policy changes. CSPA will work with the Commission on A/P Faculty Affairs (CAPFA) and the Commission on Faculty Affairs (CFA) to determine if those groups support a change to the Winter Break Closing Policy. The Commission will determine the level of support for the resolution and if it should be brought forward through the governance process and eventually before this Board for consideration.

Budget Reductions – Budget cuts to the University and the impact caused by those cuts are of major concern to staff. The proposed furlough for state employees is a primary issue. Virginia Tech has several employees, of which, both spouses work for the state. The proposed furlough would create extra hardship on those families by effectively doubling the loss of income for their households. This situation is most likely not unique to Virginia Tech. We understand that the University is pursuing options, which could eliminate, or minimize the impact of, furloughs on Virginia Tech employees. The staff appreciates the efforts of Dr. Steger and the Administration, to protect Virginia Tech employees from these cuts. Another suggested cut that raises concern is the proposed change

to the Virginia Retirement System (VRS). The proposal to require employees to begin paying a percentage into their VRS retirement account would effectively be a pay reduction for state workers. This proposed change would affect both staff and faculty participating in the VRS system. Other options should be explored. Employees have more than borne their fair share to solve the state's budget issues.

Staff Recognition

CSPA continues to discuss options for recognizing employee achievements in years when budgets are tight. The commission is researching non-monetary means to recognize employee achievements.

This concludes my report.

Questions?

Thank you for your attention.

Remarks made during the BOV Meeting
Gary L. Long
President, Faculty Senate of Virginia Tech
November 8, 2009

Thank you Mr. Rector. Good afternoon ladies and gentlemen.

I wish to report to you that the Faculty Senate has been primarily concerned with issues related to the budget. This is not a new concern, but one that reaches back several semesters.

Last spring, Senators were asked to gather information from their departments and colleges on the impact of the forthcoming budget cuts. A distillation of this information showed four key areas of concern. They were:

- Teaching budgets – are lower, yet class size or number cannot be reduced.
- Faculty morale – lowest in several years (budget issues, salary compression).
- Research - loss of staff positions and GTAs could affect research productivity.
- Library – loss of subscriptions to key journals could impact research.

These areas continue to be a concern in Fall '09. However, the impact of ASOs on departments has now been added to our list of concerns.

During the Fall Semester, the Faculty Senate Officers have met with President Steger and Provost McNamee on a monthly basis. Our exchanges of information have been fruitful; the Faculty Senate's concerns have been well received by the administration, and the administration has been able to share information with the Officers on budget reductions and its impact on the university.

As the budget is revealed to us in December, and then most likely reworked in General Assembly in the early part of next year, the full impact of the budget reductions on Tech

will be known. The Faculty Senate believes our working with the budget reductions must involve effective communication between the colleges and the departments.

Non-budget related items that the Faculty Senate has been working on this Fall include Policy 1025 from CEOD. Both the CFA and Senate have spent considerable time with this policy. Our recommendations have been passed on to CEOD.

As reported in our last meeting, the Senate still plans to work on several non-budget related issues this academic year: They will include:

- A review of the Faculty Work Life Survey
- A review of the Faculty Mentoring Initiatives
- Promotion and Tenure issues (as related to current issues affecting faculty).

I again say to you the Faculty Senate stands ready to offer advice and recommendations to our administration on fiscal matters as they relate to our faculty. I will continue to strive to present this Board, with the best of my abilities, the voice of our faculty on these and other matters.

MINUTES

November 9, 2009

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, November 9, 2009, at 1:15 p.m. in Torgersen Boardroom, Virginia Tech Campus, Blacksburg, Virginia.

Present

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

Absent

Ms. Sandra Stiner Lowe

Also present were the following: Dr. Charles Steger, Mr. Erv Blythe, Maj. Gene Deisinger, Dr. Karen DePauw, Dr. John Dooley, Dr. Elizabeth Flanagan, Chief Wendell Flinchum, Ms. Kay Heidbreder, Mr. Larry Hincker, Ms. Sharon Kurek, Ms. Heidi McCoy, Mr. Kevin McDonald, Dr. Mark McNamee, Mr. Michael Mulhare, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Ellen Plummer, Dr. Karen Eley Sanders, Dr. Alan Grant, Ms. Kathy Sanders, Mr. Dwight Shelton, Ms. Sandra Smith, Dr. Raymond Smoot, Dr. Ed Spencer, Mr. Jeb Stewart, Dr. Tom Tillar, Dr. Lisa Wilkes, Ms. Mekeisha Williams, Dr. Sherwood Wilson, Ms. Linda Woodard, Dr. Daniel Wubah, faculty, staff, students, guests, and reporters.

Rector Lawson thanked Mr. Kevin McDonald, Vice President for Equity and Inclusion, for his service. Mr. McDonald has accepted the position of Chief Diversity Officer for Rochester Institute of Technology. Rector Lawson also welcomed Dr. Karen Eley Sanders, current Associate Vice President for Academic Support Services, who will become the interim Vice President for Equity and Inclusion upon Mr. McDonald's departure in January 2010.

Rector Lawson asked for a motion of approval of the minutes of the meeting of August 31, 2009, as distributed. The motion was made by Mr. Nolen and seconded by Dr. Wagner. The minutes were approved.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

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

Dr. Wagner welcomed students from Ellen Plummer's graduate higher education class. They are masters and doctoral students interested in pursuing careers as higher education faculty members and administrators.

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

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

Mr. Smith added that the committee was not impressed with the sawed Hokie Stone sample, which appeared to be more like stamped concrete.

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

Resolution Ratifying the Virginia Tech Safety and Security Committee Structure

That the resolution ratifying the Virginia Tech Safety and Security Committee Structure be approved. (Copy filed with the permanent minutes and marked Attachment C.)

REPORT OF THE FINANCE AND AUDIT COMMITTEE

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

On behalf of the committee, Mr. Nolen recognized Dwight Shelton and Ken Miller for their outstanding performance in regard to the University's financial statements and management letter for the year ended June 30, 2009.

In regard to the report on capital project costs, Mr. Nolen added that the Buildings and Grounds Committee and the Finance and Audit Committee made the decision that although Hokie Stone is more expensive, it is part of the Virginia Tech brand and the committees want to continue with its use. In response to Dr. Jamison's question regarding the additional cost, Mr. Nolen responded it is approximately \$25 per square foot. Virginia Tech is perfectly in line with other universities in regard to the cost of building interiors. This information is in comparison with other 100-year-old buildings.

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

Resolution for Approval of the 2010-2012 Biennial Budget Update

That the Board endorse the areas of emphasis in the 2010-2012 operating submission. (Copy filed with the permanent minutes and marked Attachment E.)

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

Resolution for Approval of the 2010-2011 Master of Business Administration (MBA) Program Fee

That the Virginia Tech Master of Business Administration (MBA) supplemental program fee be approved effective fall 2010. (Copy filed with the permanent minutes and marked Attachment F.)

Mr. Nolen emphasized that this is for the Blacksburg program. Bringing the resolution forward at this time enables advance notice to be provided to applicants.

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

**Resolution for Approval of Year-to-Date Financial Performance Report
(July 1, 2009 – September 30, 2009)**

That the report of income and expenditures for the University Division and the Cooperation Extension/Agricultural Experiment Station Division for the period of July 1, 2009 through September 30, 2009 and the Capital Outlay report be accepted. (Copy filed with the permanent minutes and marked Attachment G.)

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

Resolution for Approval of Pratt Fund Program and Expenditures Report

That the 2008-09 Pratt Funds Activity Statement for the College of Engineering be approved.

That the 2008-09 Pratt Funds Activity Statement for Animal Nutrition be approved.

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

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

**Resolution to Revise the University's
Severance Policy for Eligible Faculty and University Staff**

That the Board of Visitors approves the revision of the University's severance policies for eligible faculty and university staff consistent with the statement and attached policy. (Copy filed with the permanent minutes and marked Attachment I.)

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

**Resolution for Approval of Delegation of Authority for
Athletic Sporting Event Bonus Payments**

That the Board of Visitors delegates authority and responsibility to the President and/or his designee to approve bonus payments for athletic personnel as described in the Athletic Sporting Event Bonus Policy and Procedure Statement. (Copy filed with the permanent minutes and marked Attachment J.)

REPORT OF THE RESEARCH COMMITTEE

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

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

**Resolution for Approval to Amend Policy 6200 on
Research Extended Appointments**

That the proposed changes to Policy 6200 on Research Extended Appointments be approved. (Copy filed with the permanent minutes and marked Attachment L.)

REPORT OF THE STUDENT AFFAIRS AND ATHLETICS COMMITTEE

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

Mr. Davenport commented on the committee's breakfast meeting with student leaders that morning; dialogue centered on budget problems, large class sizes and lack of opportunity to interact with professors. Referring to reader comments posted to the *Collegiate Times* website, Mr. Davenport acknowledged the right to freedom of speech but denounced mean-spirited comments that had been posted recently, noting that Virginia Tech is a very caring, friendly campus and some of the postings on the web do not reflect this.

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 N.)

As part of the President's report, the following resolution was moved by Ms. Duke, seconded by Mr. Nolen, and approved unanimously.

Resolution Honoring Captain David Seth Mitchell

That the resolution honoring Captain David Seth Mitchell, who was killed while serving his country in Afghanistan, be approved. (Copy filed with the permanent minutes and marked Attachment O.)

President Steger called on Mr. Rogers to give a report regarding 229 funding. Mr. Rogers reported that on October 28, 2009, President Steger, Provost McNamee, Mr. Shelton, Dean of Agriculture, Dean of Natural Resources, and Dean of Veterinary Medicine went to Charlottesville to meet with the Farm Bureau and the Agribusiness Council. Discussion included the budget plight the university is facing, particularly in

Agency 229 that affects agricultural research and extension. Mr. Rogers thanked the university officials for their efforts to partner with the agricultural organizations to lobby for the restoration of at least some of the funding. Earlier in October, Mr. Shelton had led a group from Virginia Tech and Richmond to visit two of the research centers in Southeast Virginia for the purpose of gaining a greater understanding and appreciation of what these centers do and the direct connection they provide from Virginia Tech to the public.

Provost McNamee introduced Dr. Alan Grant, new Dean of the College of Agriculture and Life Sciences.

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.
4. Discussion of grants and contracts for work to be performed by Virginia Tech and discussion of the award of public contracts involving the expenditure of public funds in the health sciences field.

all pursuant to the following subparts of 2.2-3711 (A), Code of Virginia, as amended, .1, .7, .8, .10, and .29

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

Motion to Return to Open Session

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

Mr. Nolen made the following motion:

WHEREAS, the Board of Visitors of Virginia Polytechnic Institute and State University has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

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

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

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

Upon motion by Dr. Wagner and second by Mr. Nolen, unanimous approval was given to the resolutions for approval of **Emeritus Status (5)**, as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment P.)

Upon motion by Dr. Wagner and second by Mr. Smith, unanimous approval was given to the resolutions for approval of **Endowed Professorships and Fellowships (5)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment Q.)

Upon motion by Mr. Severt and second by Mr. Nolen, 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 Mr. Smith and second by Dr. Wagner, unanimous approval was given to the resolutions for approval of **Naming University Facilities (6)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment S.)

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

Upon motion by Dr. Wagner and second by Mr. Smith, unanimous approval was given to the **Resolutions for Approval of Non-Contractual Bonuses for Athletic Events – 2008 NCAA Women's Soccer Tournament, 2009 NCAA Men's Golf Championship, and 2009 NCAA Men's Tennis Tournament** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment U.)

Audit Report

No Action Required

* * * * *

Litigation Report**Not for Approval**

Dr. Jamison extended an invitation to the Board of Visitors members to attend the Black Alumni Reunion Banquet to be held on Saturday evening, March 20, 2010. Official invitations will be sent to the Board members.

* * * * *

The date for the next meeting is March 21-22, 2010, on the Virginia Tech Campus, Blacksburg, Virginia.

* * * * *

The meeting adjourned at 3:50 p.m.

John R. Lawson II, Rector

Kim O'Rourke, Secretary

Committee Minutes

ACADEMIC AFFAIRS COMMITTEE

**Drillfield Room
The Inn at Virginia Tech and Skelton Conference Center
9:00 a.m.
November 9, 2009**

Board Members Present:

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

Board Members Absent:

Ms. Sandra Stiner Lowe

Guests:

Shaimaa Abdallah, Kimberly Carlson, Karen DePauw, John Dooley, Alan Grant, Larry Hincker, Patricia Hyer, Tom Inzana, Michael Kelly, Mary Ann Lewis, Kevin McDonald, Mark McNamee, Ellen Plummer, Dale Robinson, Karen Sanders, Michael Sizemore, Susan Steeves, Teresa Wright, Beville Watford, Tod Whitehurst, Daniel Wubah

CLOSED SESSION:

The committee approved a resolution to move into closed session to consider five appointments to emeritus status, five appointments to endowed professorships and fellowships, and ratification of the personnel changes report.

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

OPEN SESSION:

- 1. Welcome.** Dr. Lori Wagner, committee chair, welcomed committee members and guests. Dr. Wagner thanked Dr. Karen Sanders, associate vice president for academic support services, and Dr. Beville Watford, director for the center for the enhancement of engineering diversity (CEED) for spending time with committee members over breakfast earlier in the morning to share information on successful retention strategies for undergraduate students.

Dr. Karen Sanders shared with the committee that the university has a wide variety of programs to support underrepresented students. When students are engaged in academic support services, students are successful. Dr. Beville Watford noted that there are significant efforts at both the university and college levels. The CEED center supports engineering students from underrepresented groups.

2. **Approval of Minutes.** A motion was made and passed unanimously to approve the August 31, 2009 minutes.
3. **Report of Closed Session Action Items.** Actions taken in the committee's closed session were reported. The resolutions presented to the committee were unanimously approved and will be forwarded to the full Board with recommendation for approval.
4. **Provost's Update.** Dr. Mark McNamee, senior vice president and provost, introduced Dr. Alan Grant, dean of the College of Agriculture and Life Sciences to the committee. Dr. Grant began his appointment on October 1, 2009. Until his appointment at Virginia Tech, Dr. Grant served as head of the Department of Animal Sciences at Purdue University. Dr. Grant has won awards for excellence in teaching and research and led several capital projects designed to improve research capacity. Dr. Grant thanked the committee for the welcome. He has spent his first month meeting colleagues on campus and visiting off-campus sites in the Commonwealth. Dr. Grant is pleased to be part of a university with a strong commitment to academic excellence and to its students, faculty and staff.

As part of the Provost's Update, Dr. Michael Kelly, dean emeritus of the College of Natural Resources, provided an overview of the mid-term review of the university strategic plan. The review process has engaged ten teams of faculty members, department heads, deans, and administrators in three levels of review: (1) assessing progress toward 2012 Profile goals, (2) reviewing trends for metrics on the university scorecard, and (3) closely examining selected goals in the Scholarship Domains and Foundation Strategies outlined in the university's plan. Teams are using 11 questions to guide their assessment efforts. These questions address goal accomplishment, rating of progress towards goals, the need to modify goals, a review of investments and desired impact, action steps and issues needing to be addressed, and future assessment of progress. The process is on schedule with the final report expected in mid-December.

Dr. Mark McNamee asked Dr. Daniel Wubah, vice president and dean for undergraduate education, to update the committee on the SACS reaccreditation process. The SACS off-site review committee met recently and reviewed the materials submitted by Virginia Tech for reaccreditation. The team will communicate to Virginia Tech any areas that might require additional review during the team's on-campus site visit scheduled for March 16-18, 2010. In recognition of Virginia Tech's global presence, the SACS team has requested a visit to Virginia Tech's graduate program in Egypt. Additionally, SACS is reviewing the substantive change

notification concerning the Virginia Tech Carilion School of Medicine. A team will meet with SACS representatives in Atlanta on December 4 to review the medical school proposal.

Dr. Mark McNamee noted the good momentum underway by the Arts Initiative. Executive director Ms. Ruth Waalkes is working on the new center, to break ground in the summer of 2010. In October, the university successfully opened Theatre 101 with a production of a play called Made in Taiwan by Michelle Krusiec. Theatre 101 will be an asset to the university, the town of Blacksburg, and the region.

Dr. Mark McNamee reported that medical school faculty members and administrators are very involved in the process of admitting 42 students for full time study in the fall of 2010. Recruitment for the director of the Virginia Tech Carilion Research Institute is underway. Candidates are meeting with faculty and administrators. The new construction in Roanoke is exciting and will promote economic growth in the region.

5. **Inclusive Excellence.** Dr. McNamee described the time line and goals of the curriculum transformation project. A full report of the faculty work group will be presented at the March 2010 meeting of the Academic Affairs committee.

Dr. McNamee shared with the committee that Kevin McDonald, vice president for equity and inclusion, has accepted a position at Rochester Institute of Technology and will leave in December. Dr. Karen Sanders will serve as interim vice president for equity and inclusion.

6. **Academic Initiatives.**

- a. **Undergraduate Enrollment.** Dr. Daniel Wubah, vice president and dean for undergraduate education, provided the committee with undergraduate enrollment data. The fall 2009 total undergraduate enrollment is 23,558 including 5,001 freshman and 2,637 transfer students. Dr. Wubah also presented data on undergraduate retention rates. In 2008, 90.7% of first-time, full-time freshmen were retained to a second fall term. The committee is interested in additional information about programs to recruit and retain students from underrepresented groups.

- b. **Graduate Enrollment and the National Research Council Doctoral Assessment.** Dr. Karen DePauw, vice president and dean for graduate education, updated the committee on graduate enrollment. There are 6,947 graduate students enrolled in 141 master's and doctoral programs. Graduate student outcomes have surpassed the PhD 2010 Initiative goals established in 2003. The actual enrollment increase is 1,119, surpassing the goal of increasing graduate enrollment by 900. Increasing the number of Ph.D. students who are supported on sponsored projects or receive fellowships is a current focus of attention.

Dr. Karen DePauw further updated the committee on The National Research Council (NRC) assessment of doctoral programs. The NRC is studying the quality and characteristics of doctoral programs in the U.S. and will provide benchmarks designed to encourage continuous improvement. The NRC assessment highlights the importance of doctoral education to enhance the nation's capacity for research.

- c. **Common Book Project 2009 – 2010.** Dr. Mary Ann Lewis, director of first year experiences, informed the committee about this year's implementation of the Common Book Project. Initiated in 1998, the Common Book Project is designed as a shared educational experience for incoming freshmen students and faculty members. The 2009 – 2010 book selection is *Ecological Intelligence: How Knowing the Hidden Impacts of What We Can Buy Can Change Everything* by Daniel Goleman. Books were distributed to 6,000 students and 1,000 faculty members. The author visited campus for the October 11, 2009 kickoff for the Sustainability Week events. Goleman delivered a keynote address and met with groups of students and faculty members. Plans are underway for the selection of the 2010-2011 Common Book and its integration in the First Year Experiences programs.

- 7. **Faculty Affairs.** Dr. Pat Hyer, associate provost for academic administration, provided information about the Faculty Mentoring Initiative. Results of several faculty surveys highlighted the need for greater attention to mentoring. Mentoring networks are designed to advance faculty careers and help with faculty retention, particularly faculty members from underrepresented groups. The Provost's Office and AdvanceVT are funding mentoring micro-grants and department climate mini-grants to assist in the development of faculty mentoring networks across the university.
- 8. **Resolution to Accept Pratt Fund Program and Expenditures Report.** A resolution was made and unanimously passed to accept the report on the Pratt Fund program and expenditures. The Finance and Audit Committee also reviewed this report. Pratt bequest expenditures of \$877,478 for Engineering and \$819,990 for Animal Nutrition were made during 2008-09.

Adjournment. There being no further business, the meeting adjourned at 11:20 a.m.

Dr. Alan L. Grant, Dean of the College of Agriculture and Life Sciences

Dr. Grant began his appointment as dean for the College of Agriculture and Life Sciences on October 1, 2009. Until his appointment at Virginia Tech, Dr. Grant served as head of the Department of Animal Sciences at Purdue University where he was recognized as a University Faculty Scholar. During his tenure at Purdue, Dr. Grant received several teaching awards, including the Teaching for Tomorrow Award, an enrichment program for recognizing and fostering teaching.

He received his Ph.D. and M.S. from Michigan State University in animal science and his B.S. in animal science is from Cornell University.

Dr. Grant has directed several significant capital projects designed to advance research capacity at Purdue University. These projects have included a \$2.3 million swine environmental research building, \$600,000 Ossabaw swine facility, major investments in manure management systems at the Purdue Research and Education Center, and several research laboratory renovations.

Dr. Grant's research agenda is focused on the study of animal growth that leads to strategies for increasing the efficiency of lean meat production and utilization.

Dr. Grant is a strong advocate of regionalization and multi-state activities to support land-grant missions. He provides leadership to the U.S. Pork Center of Excellence and is on the board of a new Midwest Dairy Consortium.



Selective Mid-Term Review 2006-2012 Strategic Plan

**Dr. Michael Kelly
Dean Emeritus**

**Virginia Tech
Academic Affairs Committee
November 9, 2009**



Scope of Review

- Level I** Review of progress toward 2012 Profile goals
- Level II** Review of trends for the tabular metrics on the University Scorecard
- Level III** Closer look at a select set of specific goals extracted from the Scholarship Domains and Foundation Strategies



Scholarship Domains

LEARNING

Undergraduate Education

Libraries

DISCOVERY

Energy and Environment

Health

Arts Initiative

Innovative Technologies and Complex Systems

ENGAGEMENT

Economic Vitality

International Education and Research



Foundation Strategies

DEVELOPMENT OF THE ORGANIZATION

Compensation

Achieve competitive compensation for instructional faculty at 60 percentile of SCHEV peers.

Promote competitive compensation for A/P and research faculty and for staff based on market data and available benchmarks.

Diversity

Foster a diverse, inclusive, and welcoming university community



11 Key Questions

- Goal accomplishment
- Rating of progress
- Modification of goals
- Investments and desired impact
- Action steps and issues needing to be addressed
- Future assessment of progress



Review Team Composition

- Dean (Convener)
- Vice President
- Department Head
- Senior Faculty (3)

Each team is partnered with a consultant



Timeline

- **Initiation of Review Planning** August 25
- **Presentation of Review Concept Document to Academic Council** September 1
- **Finalization of Approach and Appointment of Review Teams** September 21
- **Meetings with Teams to Provide Charge and Initiate Review** October 5-8
- **First Draft of Review Section Due** November 6
- **First Drafts Reviewed by Writing Committee with Final Drafts Due** November 16
- **Assembly of First Draft of Final Report** November 16-23
- **Review of First Draft by University Community** November 24–December 6
- **Final Revision of Report** December 7-14
- **Delivery of Final Report to Provost** December 15



Undergraduate Enrollment

Dr. Daniel A. Wubah
Vice President and Dean
for Undergraduate Education

Virginia Tech Board of Visitors
Academic Affairs Committee
November 9, 2009



University Enrollments

**A comparison of Fall 2009 enrollment with
2006-2012 projections (University Strategic Plan)**

	Fall 2009	2012 Profile	Difference
Overall Total	30,870	29,000	1,870
Ph.D.	2,833	2,600	233
Masters	4,114	3,900	214
Total Undergraduate	23,558	22,500	1,058
Freshmen	5,001	5,000	1
Transfers	2,637	3,000	-363

"Transfers" refers to all enrolled undergraduate students who entered the university as transfer students, not just new transfer students. The in-state/out-of-state breakdown on "Transfers" is 2336 in-state and 301 out-of-state



Fall '09 Total Enrollments: Gender

	Male		Female		Did Not Self-Identify		Total
Undergraduate	13,404	57%	10,147	43%	7	0%	23,558
Graduate	4,086	59%	2,853	41%	8	0%	6,947
First Professional	85	23%	280	77%	0	0%	365
Total	17,575	57%	13,280	43%	15	0%	30,870



Fall '09 Total Enrollments: College

	Undergraduate	Graduate/Professional	Total
CALS	2,146	398	2,544
CAUS	1,498	628	2,126
PCoB	4,041	536	4,577
CoE	5,964	1,976	7,940
Univ. Studies	1,964	977	2,941
CLAHS	3,808	1,526	5,334
CoS	3,639	595	4,234
CVM	0	453	453
CNR	498	223	721
Total	23,558	7,312	30,870

Undergraduate Enrollment: Ethnicity

	White	Unknown	Asian	Black or African American	Hispanic of Any Race	Non- resident Aliens	Two or More Races	American Indian or Alaska Native	Hawaiian Native or Other Pacific Islander	Total
Undergraduate	17,485	1,881	1,826	892	781	464	160	68	1	23,558
Graduate	4,009	196	305	420	170	1,801	26	20	0	6,947
First Professional	233	119	4	2	5	1	0	1	0	365
Total	21,727	2,196	2,135	1,314	956	2,266	186	89	1	30,870



Undergraduate Retention Rates

Cohort Year	Number of First-Time, Full-Time Freshmen	Number Retained to Second Fall Term	Retention Rate
2006	5030	4684	93.1%
2007	5059	4608	91.1%
2008	5397	4896	90.7%



Undergraduate Graduation Rates

Cohort Year	Number in Freshman Cohort	Number Graduating within 6 Years	Graduation Rate
2000	4525	3583	79.2%
2001	4960	3844	77.5%
2002	4663	3660	78.5%
2003	4860	3883	79.9%



Update on Graduate Education: Briefing for BOV AAC

Karen P. DePauw, Ph.D.

Vice President & Dean for Graduate Education

VT Graduate Education at a Glance

- 141 Master's and Doctoral Programs
- 6947 graduate students university-wide
 - 64% in Blacksburg
 - 29% part time/full time students at extended campuses
 - 40% doctoral students
 - 26% international graduate students representing 100+ countries
 - 22% of total university enrollment are graduate students; 16% in Blacksburg

Enrollment Fall 2009

Gender

• Men	58.82%	4,086
• Women	41.07%	2,853
• Not identified	0.12%	8

Race/Ethnicity

• Native American	0.29%	20
• Hispanic	2.45%	170
• Asian/Pacific Islander	4.33%	301
• Black	5.95%	413
• International	25.92%	1,801
• Caucasian	57.28%	4,176
• Two or More Races	0.36%	25
• Not Reported	3.43%	238

Change in International Applications/Offers

Fall 2008 to Fall 2009

- Applications +12%
- Admissions +7%

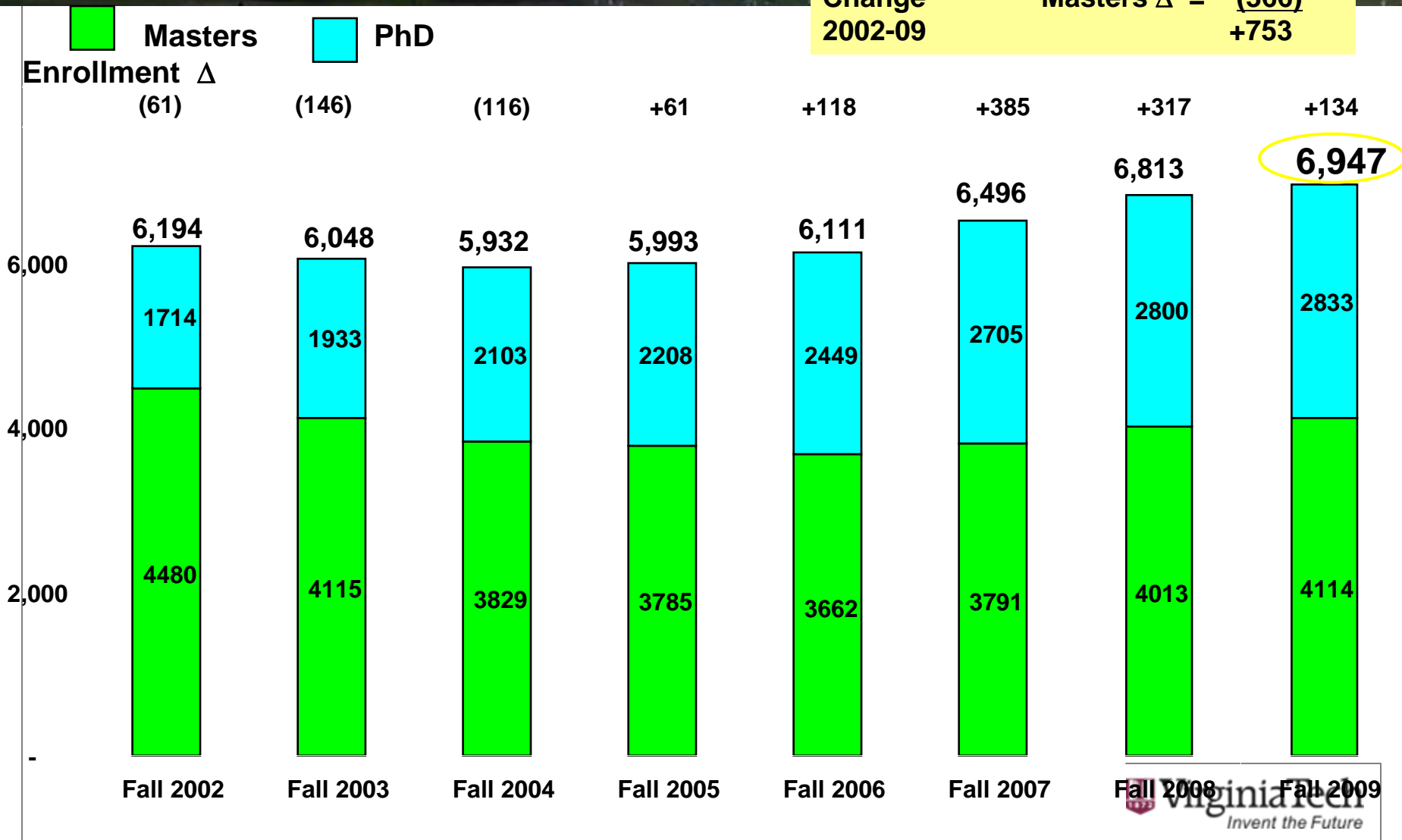


Country of Origin	<u>Apps</u>	<u>Admits</u>
• China	+ 31%	+ 7%
• India	+ 4%	- 27 %
• Korea	+ 19%	- 15%
• Middle East	+ 37%	- 4 %
Field of Study		
• Arts & Humanities	+ 8%	no D
• Business	+ 59%	- 1%
• Education	+ 11%	- 6%
• Engineering	+ 19%	- 12%
• Life Sciences	+ 5%	- 4%
• Physical Sciences	+ 5%	- 10%
• Social Sciences & Psychology	+ 40%	- 6%
• Other Fields (new)	+ 103%	90%
(Architecture & Design, City & Regional Planning, Landscape Arch.)		

Graduate Enrollment Fall 2002 through Fall 2009

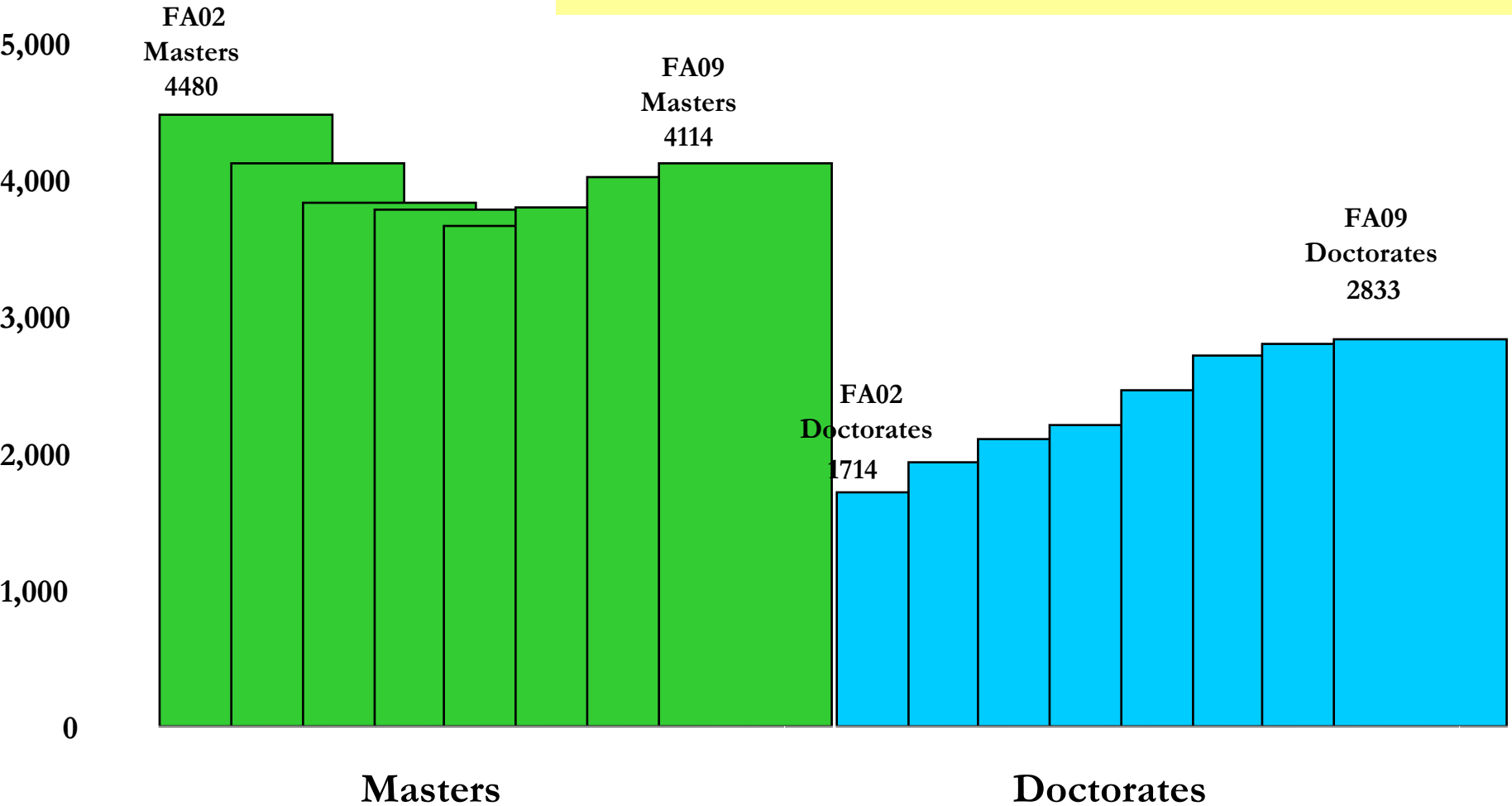
Enrollment
Change
2002-09

PhD Δ = +1,119
Masters Δ = (366)
+753



Enrollment
Change
2002-09

PhD D = +1,119
Masters D = (366)
+753



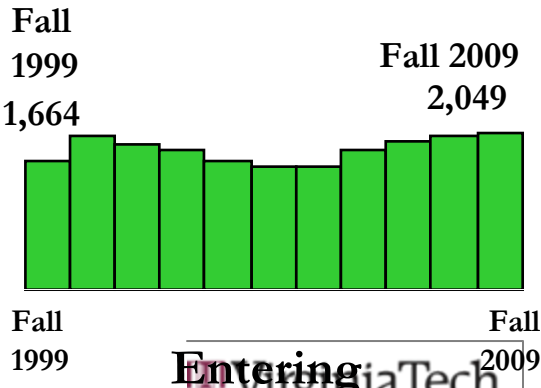
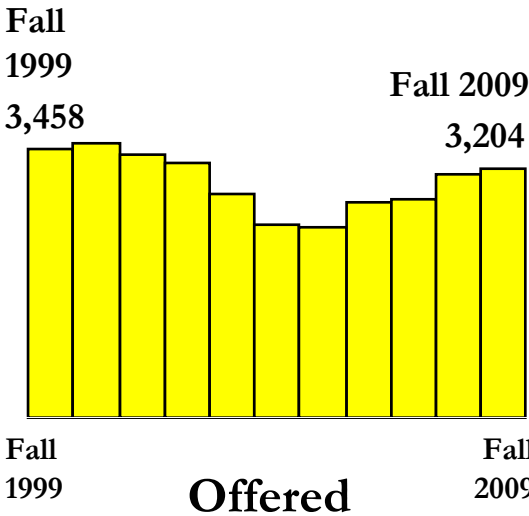
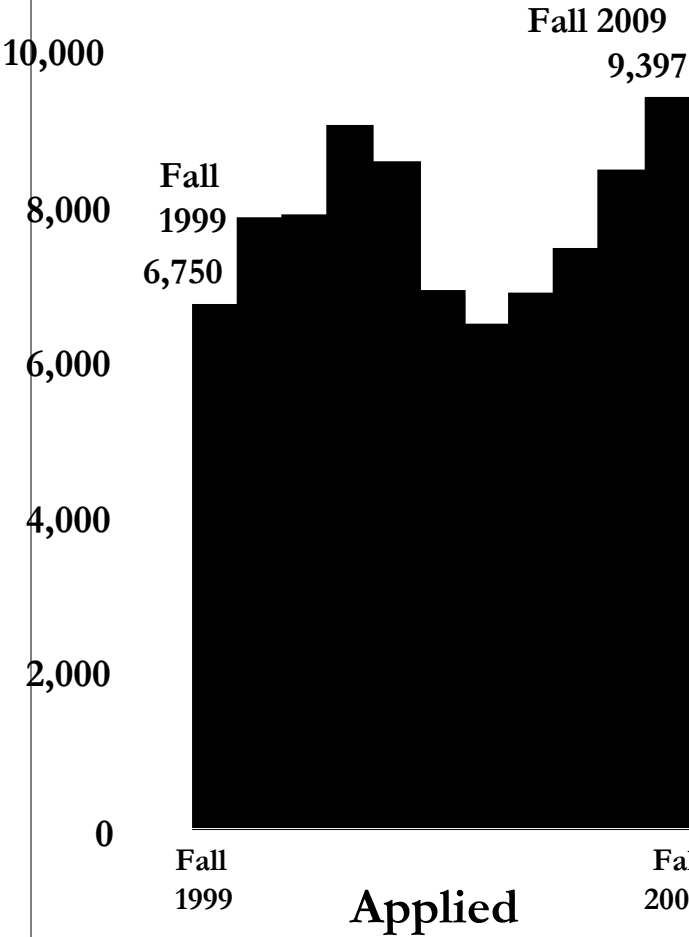


Graduate Admissions Fall 1999-Fall 2009

Applied

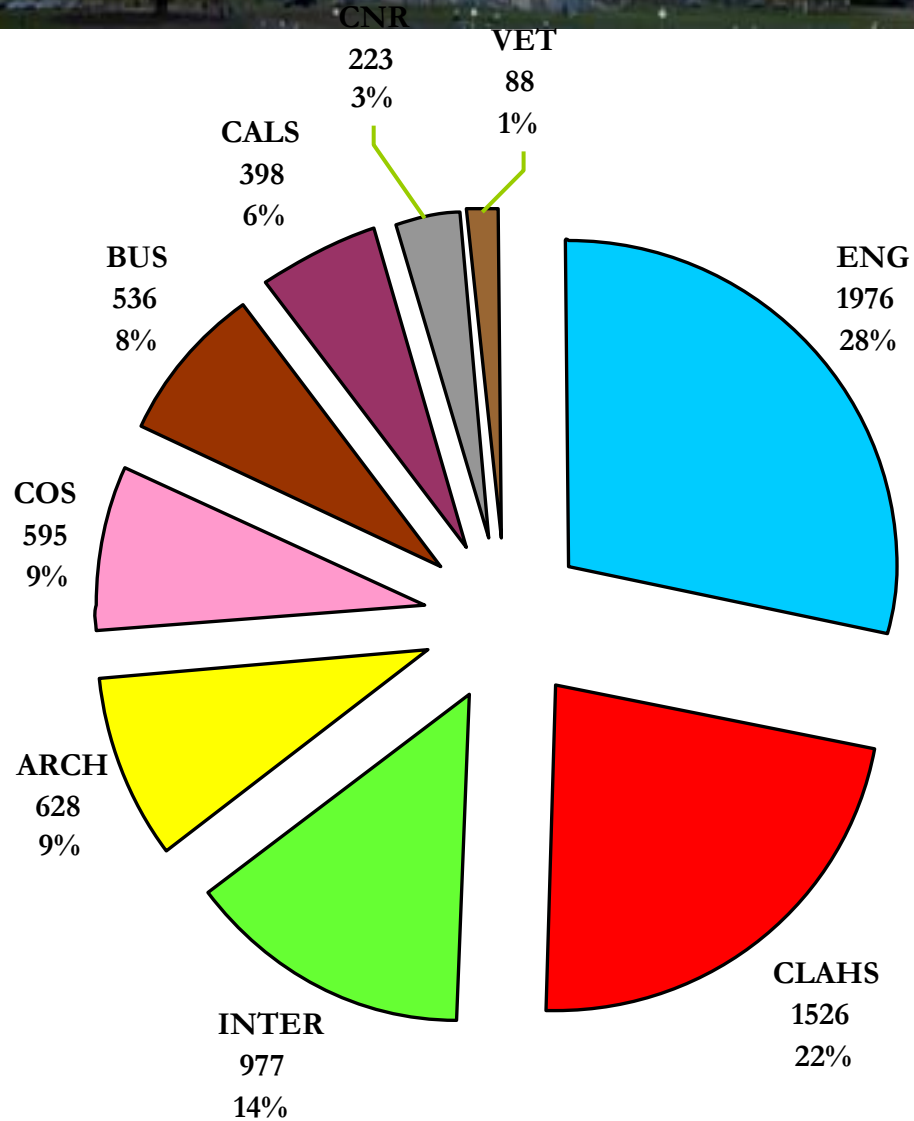
Offered

Entering



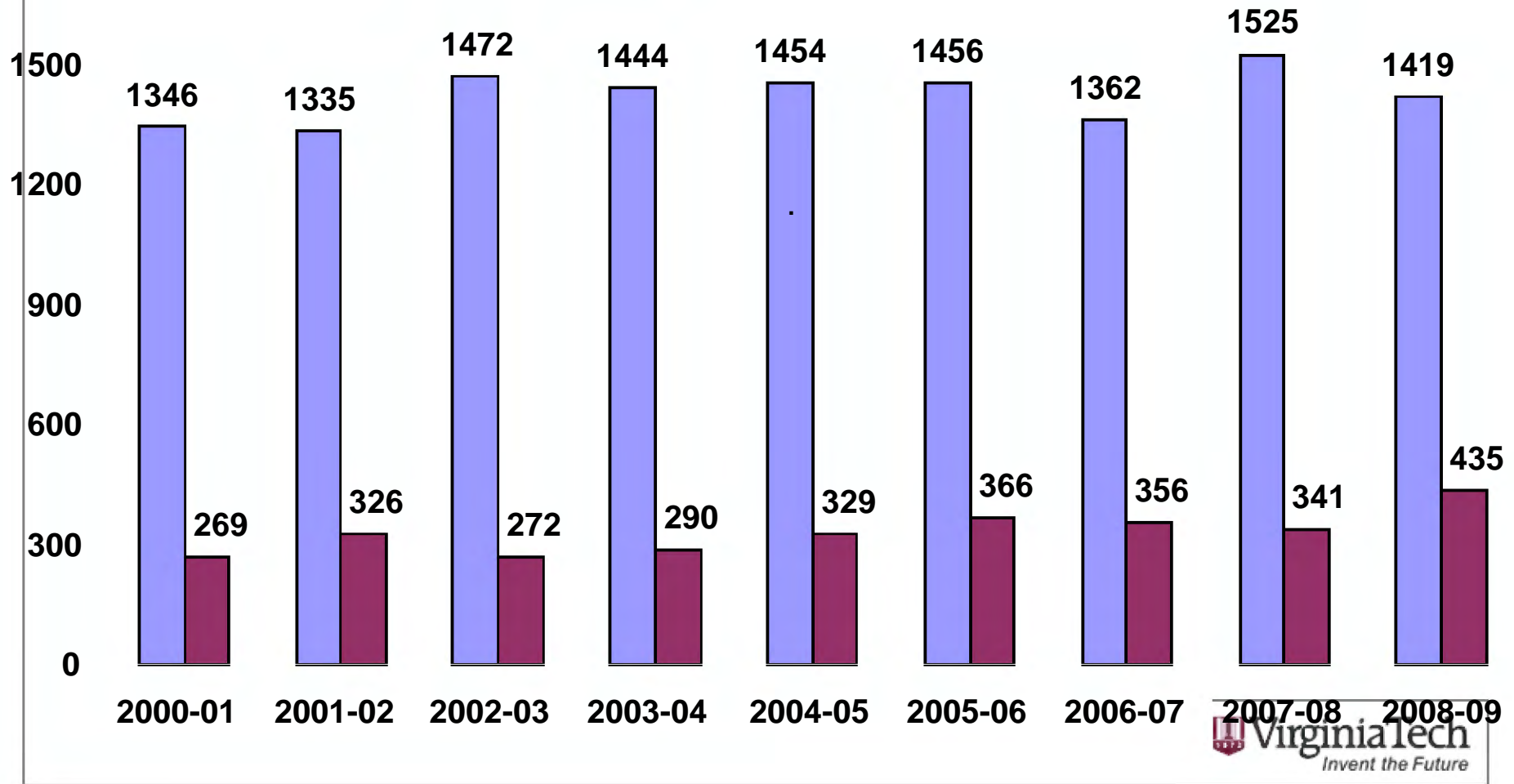


FALL 2009 VT Graduate Enrollments



Masters & Doctorate Degrees Conferred

From 2000-01 to 2008-09



University Strategic Plan

Scholarship Domain: Learning

- Align with NRC quality benchmarks
- Achieve transformative graduate education
- Enhance graduate & professional degree value through national & international partnerships & collaborative degrees
- 2012 profile:

		<u>FA09</u>
• PhD	2600 40%	2,833 41%
• Master's	<u>3900</u> 60%	<u>4,114</u> 59%
	6500	6,947

PhD2010 Initiative goals – Progress and Success

- Increase to 20% graduate students/Blacksburg enrollment
16% Blacksburg, 22.5% overall
- Increase Ph.D. enrollment by 900 **1,119**
- Increase to 40% doctoral students/total graduate enrollment **40.8%**
- Increase Ph.D. production – 350 Ph.D.s/year
435

Next Steps

- Increase PhD students supported on sponsored programs - GRAs
- Increase number of fellowships for PhD students
- Stabilize enrollment at Master's level (new degrees, opportunities)
- Increase total graduate enrollment and percentage of graduate enrollment/total enrollment
- Increase diversity of graduate student population

National Research Council (NRC)

Assessment of Doctoral Programs

- A study of the quality and characteristics of doctoral programs in the U.S.
- Third in a series of efforts to help universities improve the quality of their doctoral programs through:
 - Benchmarking
 - Providing potential students with accessible, readily available information on doctoral programs nationwide
- Enhancing the nation's overall research capacity

NRC Assessment—What's New?

- In addition to the previously gathered data of size, university resources, program faculty productivity, and student characteristics, this assessment includes data relating to:
 - Ph.D. student financing
 - Teaching
 - Other aspects of student resources
 - Doctoral programs in over 60 areas of study
- Previous studies included ranking of programs; this study utilizes new approaches to ratings and rankings.

Methodology used to Assess Research Doctorate Programs

- Three components to the NRC Assessment:
- Data for more than 5,000 programs
- Ranges of rankings for programs within each discipline based on twenty program characteristics
- Ranges of rankings based separately on three dimensions of educational quality

NRC Assessment- Why Is It Important?

- Bureau of Labor Statistics estimates that 1/6 of the fastest growing occupations for 2006–2016 require a master's or doctoral degree.
- Speaks to the importance of doctoral education
- Highlights graduate education community's efforts at continuous improvement
- Comes at a time of increased scrutiny of higher ed.
- Serves as a benchmark for future assessments

NRC definition of graduate program

Must satisfy 3 of the following:

- Enrolls students in doctoral study
- Designates its own faculty
- Develops its own curriculum
- Recommends students for graduate degrees

**To be included, a program must have produced at least 5
PhD between Fall 2001 & Spring '06**

Timelines & Progress

Fall 2006

- Questionnaires finalized
- Programs submitted
- Faculty list submitted

Spring 2007

- Request for faculty to answer questionnaires
- Student questionnaires to be students (14 total from physics & chemical engineering)
- Institutional Questionnaire due April 16
- Rating begins

2006 ASSESSMENT OF DOCTORATE RESEARCH PROGRAMS

Program Survey

Total Number of Participating Programs	5398
Average Institutional Completion Rate	87.4 %

The Faculty Survey

Total Number of Faculty Surveys	108312
Average Institutional Completion Rate	72.0 %

Virginia Tech

40 programs, 975 faculty, 70.5% response rate

Virginia Tech Programs

Aerospace Engineering
Animal Sciences, Dairy
Animal and Poultry Sciences
Biochemistry
Biological Sciences -
Biological Systems
Engineering
Biomedical Engineering
(Ineligible)
Biomedical and Veterinary
Sciences
Chemical Engineering
Chemistry

Civil Engineering
Computer Engineering
Computer Science and
Applications
Crop and Soil Environmental
Sciences
Economics, Agriculture and
Life Sciences
Electrical Engineering
Engineering Mechanics
Entomology
Fisheries and Wildlife
Food Science and Technology



Forest Products

Forestry

**Genetics, Bioinformatics, and
Computational Biology**

Geosciences

Horticulture

Human Development

**Human Nutrition, Foods and
Exercise**

Industrial and Systems Engineering

**Macromolecular Science and
Engineering**

Materials Science and Engineering

Mathematics

Mechanical Engineering

Mining Engineering

Physics

**Plant Pathology, Physiology and
Weed Science**

Psychology

**Public Administration/Public
Affairs**

Science and Technology Studies

Sociology

Statistics

The Twenty Key Variables

- Publications
- Citations (exc. Humanities)
- Percent faculty with grants
- Awards per faculty
- Percent 1st Yr. Full Support
- Percent 1st Yr. National Fellowship
- Percent Completing in 6 yrs. or less (8 yrs. for humanities)
- Median Time to degree
- Students with Academic Plans
- Collects Outcomes data
- Percent Faculty Minority
- Percent Faculty Female
- Percent Students Minority Percent Students Female
- Percent Students International
- Percent Interdisciplinary
- Average GRE-Q
- Number of PhDs 2002-2006
- Student Workspace
- Student Health Insurance
- Student Activities

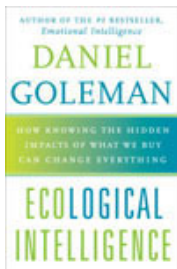
Release of Report

- Date not yet specified – December '09
- 72 hour pre-release data to universities
- Release date
 - Access to all the ranges of rankings for all the programs
 - All the data provided by all the programs will be available on the Web
 - Report on the web about doctoral education, not about rankings

Standardized Program Values and Range of Combined Coefficients						
Institution Name: xxx						
Program Name: yyy						
Description	Variable	Program Value*	Program Value Standardize	Combined Coefficients**		
				Minus 1 SD		Plus 1 SD
Publications per Allocated Faculty	V1	1.074	2.180	0.118	to	0.132
Cites per Publication	V2	1.171	-0.234	0.276	to	0.307
Percent of Faculty with Grants	V3	25.50%	-0.583	0.084	to	0.091
Percent Faculty Interdisciplinary	V4	5.90%	-0.641	n.s.#		n.s.#
Percent Non-Asian Minority Faculty	V5	7.70%	0.547	n.s.#		n.s.#
Percent Female Faculty	V6	12.50%	-0.440	n.s.#		n.s.#
Awards per allocated faculty	V7	0	-0.546	0.043	to	0.060
Average GRE-Q	V8	746	-0.165	0.092	to	0.096
Percent 1st yr. students w/ full support	V9	100.00%	0.980	0.036	to	0.056
Percent 1st yr students with portable fellowships+ inst. support	V10	0.00%	-0.544	0.021	to	0.033
Percent Non-Asian Minority Students	V11	10.00%	0.069	n.s.#		n.s.#
Percent Female Students	V12	44.40%	0.678	-0.038	to	-0.030
Percent International Students	V13	53.30%	-0.509	n.s.#		n.s.#
Average PhDs 2002 to 2006	V14	5.4	-0.355	0.120	to	0.144
Percent Completing within 6 years	V15	27.60%	-0.638	n.s.#		n.s.#
Time to Degree Full and Part Time	V16	5.67	0.232	-0.028	to	-0.017
Percent students in Academic Positions	V17	11.10%	-1.405	0.049	to	0.065
Student Work Space	V18	1	1	n.s.#		n.s.#
Health Insurance	V19	1	1	n.s.#		n.s.#
Number of student activities offered	V20	17	0.439	0.026	to	0.037



Common Book Project 2009 – 2010



The Common Book Project at Virginia Tech was established in 1998 as a means of enriching the first-year experience and creating a sense of community for undergraduate students. Each academic year since the first full-scale distribution in 2000, incoming students have been given a book to engage them through the lens of shared reading and to provoke conversation among students and their professors. While it has not heretofore been fully implemented, it is intended to be a shared educational experience to encourage a sense of community through critical thinking, discussion and action.

Our goal is to integrate the concept of the “Common Book” into the intellectual fabric of the university.

- In the spring of 2009 a committee of faculty and students under the leadership of then Associate Provost Ron Daniel, selected Ecological Intelligence: How Knowing the Hidden Impacts of What We Buy Can Change Everything by Daniel Goleman as the 2009-2010 Common Book. Goleman challenges the hype of sustainability with a call to informed action. He is the author of the international best sellers Emotional Intelligence, Working with Emotional Intelligence, and Social Intelligence.
- Approximately 6,000 incoming freshman and transfer students who attended orientation were given a copy of the book. Additionally, approximately 1,000 books have been distributed to faculty and staff.
- Daniel Goleman visited campus on October 11-12, 2009. He gave a keynote address in Burruss Hall Auditorium on Sunday evening October 11. More than 300 students, faculty, staff and community members attended. He also met with members of the Common Book Committee, several students, university leaders and town officials while he was here. He was a special guest at the kickoff ceremony for Sustainability Week (October 11 – 17, 2009) coordinated by the Office of Sustainability (www.facilities.vt.edu/sustainability/).
- Three faculty development workshops are being held. They are designed and presented in conjunction with the Center for Instructional Design and Educational Research (CIDER).
- Recently a survey was sent to faculty who received copies of the Common Book. Data are not yet available but will be summarized and shared with the Common Book Committee.
- The Common Book will be a required component of the QEP First Year Experience Programs.
- The Common Book Committee is continuing to meet this year to continue planning activities for the Common Book Project this year and to make recommendations for next year.
- A Common Book website (www.commonbook.vt.edu) has been developed and is being populated with appropriate information.

Mary Ann Lewis, Director
First Year Experiences



Faculty Mentoring Initiative

Dr. Patricia Hyer

Associate Provost for Academic Administration

Co-Principal Investigator, *AdvanceVT*

Virginia Tech Board of Visitors

Academic Affairs Committee

November 9, 2009

COACHE Survey of Pre-Tenure Faculty Members, Fall 2006

	Important and <i>effective</i>	Important but <i>ineffective</i>
Informal Mentoring	55%	14%
Formal Mentoring	31%	38%

2008 AdvanceVT Survey Results for Mentoring Across Colleges

	College								Overall VT
	CNR	COE	CALS	CAUS	CVM	CLAHS	PCOB	COS	
2005	I have received effective mentoring in my department.								
	2.76	2.43	2.80	2.37	2.07	2.50	2.08	2.53	2.50
2008									
	2.47	2.49	2.73	2.25	2.13	2.53	2.08	2.67	2.51

4-point scale where 1=strongly disagree, 2=somewhat disagree, 3=somewhat agree, and 4=strongly agree. For the purpose of interpreting results, higher values are better. Mean responses above 3.0 can be interpreted as falling on the positive side of the response categories ("somewhat agree" or "strongly agree"). Mean responses below 2.5 can be interpreted as falling on the negative side of the response categories (between "somewhat disagree" and "somewhat agree").

Survey Comments

“A strong mentoring program is needed. Some departments pay lip service to this, and others have a formal program.”

“Mentoring in [my] department is not organized enough to understand the need for different types of mentoring and mentoring teams for women and minorities.”

“The dominant failings in my department are lack of timely feedback regarding tenure and promotion reviews and lack of effective mentoring.”

Mentoring as a Strategy to Improve Retention?

- About 40% of assistant professors hired between 1997 and 2003 whose tenure review date was 2009 or earlier have left the university.
- About 21% of those who left have departure reason codes for non-reappointment or tenure denial; others were personal reasons, better job, left the area, etc.
- For all assistant professors hired between 1997 and 2007 (about 637), the departure rate is about 25%. 289 have not come up for tenure yet.
- The rate of departure is higher for women and black faculty than for male, white, Asian, and Hispanic faculty.

Mentoring Initiatives to Date

- Hosted panel discussions at annual January Advancing Diversity conference and two peer mentoring programs
- Highlighted mentoring in Compendium of Successful Practices
- Featured mentoring results in dissemination of survey findings
- Held focused conversations for associate professors, spring 2009
- Commissioned benchmark study of policies and practices at 6 other research universities
- Surveyed VT departments about mentoring policies and practices
- Set up Scholar site with resource material

Introduction of the Mutual Mentoring Model or Mentoring Networks

Hosted 3 sessions with consultant
Sept 2009

Mary Deane Sorcinelli, Associate Provost for Faculty Development, University of Massachusetts, Amherst



Traditional Mentoring

Traditionally, mentoring in academia has taken the form of a one-on-one, hierarchical relationship in which a senior faculty member takes a junior faculty member “under his/her wing.”

Senior Faculty



Early Career & Under-Represented Faculty

Mentoring Networks

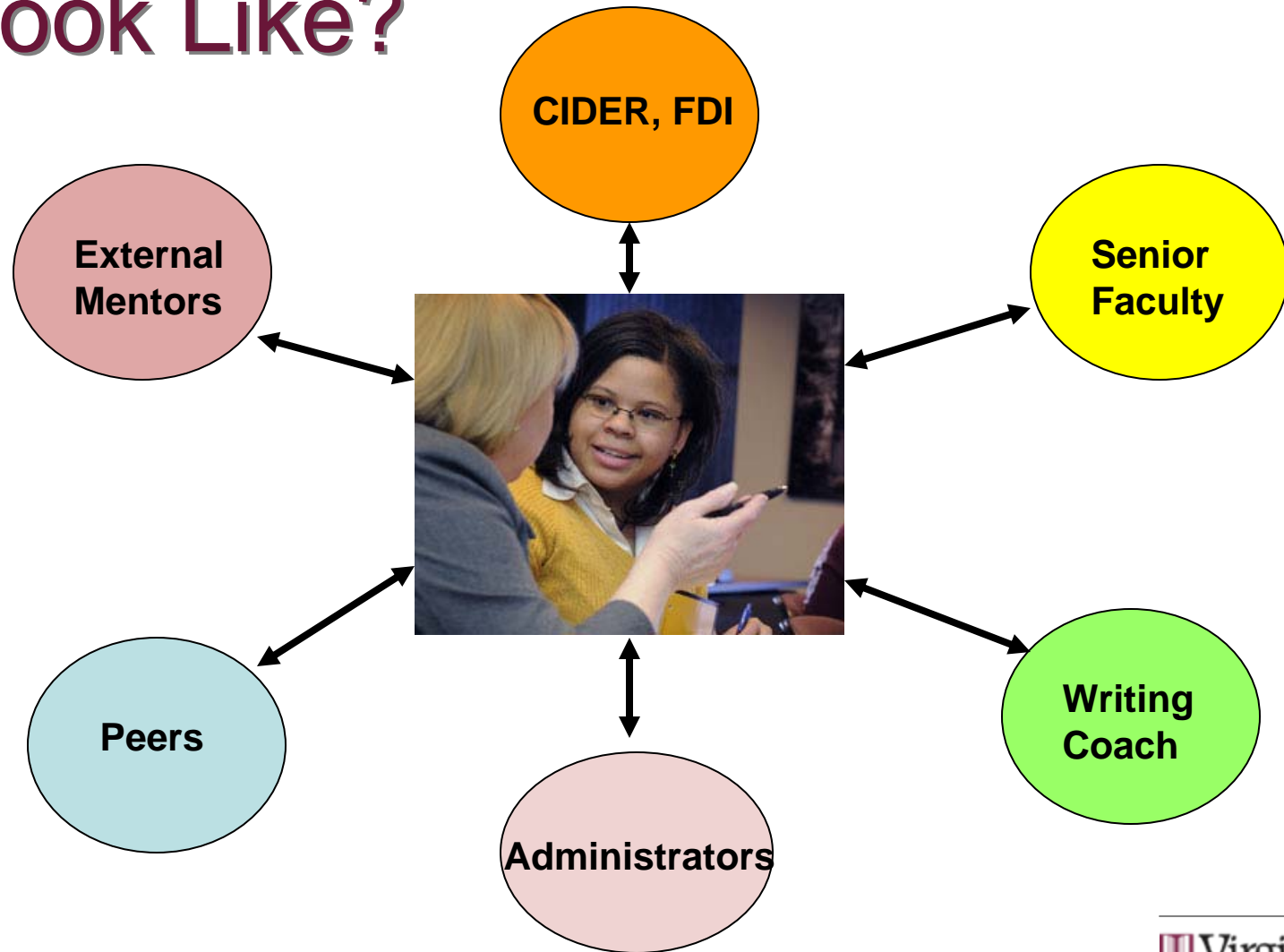
Mutual Mentoring is a network-based model of support that encourages the development of a wide variety of mentoring partnerships to address specific areas of knowledge and expertise.

The model empowers junior faculty members to take responsibility for their own mentoring needs and professional development.



Source: Mary Deane Sorcinelli

What Does a Mentoring Network Look Like?



Do Mentoring Networks Work?

- Assistant professors with “multiple mentors” have significantly higher levels of career success than those with a single or no mentor (Van Eck Peluchette & Jeanquart, 2000).
- “Mentoring constellations” are positively associated with career satisfaction, and individuals with more mentoring constellations seem to gather greater career benefits than those with just one mentor (Van Emmerik, 2004).
- A “networking model” of mentoring may be more inclusive of women and minorities than the “grooming model” of traditional mentoring. Combining both models in mentoring programs can take advantage of the strengths of each (Girves, Lepeda, Gwathmey, 2005).

What Next?

- Mentoring micro-grants
- Department climate mini-grants



The AdvanceVT Team (plus Mark!)

Committee Minutes
BUILDINGS AND GROUNDS COMMITTEE

Solitude Conference Room

November 9, 2009

Open Joint Session with Student Affairs and Athletics Committee

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

VPI&SU Staff: Mr. Kevin Bishop, Mr. Bob Broyden, Ms. Vickie Chiocca, Mr. Van Coble, Mr. Michael Coleman, Mr. David Dent, Ms. Lynn Eichhorn, Dr. Elizabeth Flanagan, Dr. Lance Franklin, Mr. Monte Hager, Ms. Kimberly Haines, Mr. Patrick Hilt, Mr. Lawrence Hincker, Mr. Z. Scott Hurst, Mr. Jim McCoy, Mr. Michael Mulhare, Ms. Bobbi Myers, Ms. Elizabeth Reed, Dr. Frank Shushok, Jr., Dr. Ed Spencer, Ms. Mary Grace Theodore, Ms. Linda Woodard, Dr. Sherwood Wilson

Guests: Ms. Allison Mitchell, Mr. Jeff Mitchell, Mr. Sushil Shenoy

1. Tour of New Residence Hall with Student Affairs and Athletics Committee:

The Committee joined the Student Affairs and Athletics Committee for a tour of the New Residence Hall.

- 2. Update on Greek Housing Concept:** The two Committees received an update on the status of the concept proposal to expand on-campus fraternity and sorority housing. A master plan has been developed that proposes options for expanding special purpose housing on university property. The first phase would include five houses with a total of approximately twenty houses anticipated upon completion of the project. Phase 1 would require support for infrastructure expansion to include roads, sidewalks, and utilities. Mr. Lawson stated that the university should finance the infrastructure costs. Dr. Spencer reported that this approach would expand special purpose student housing with the Greek corporations bearing the responsibility for the construction costs. Mr. Lawson described recreational and wellness space that should be included in the plans to address deficits in recreational space. Development of recreation facilities is included in the 6-year Capital Plan. Legislation exempting the project from certain state procurement requirements has been drafted for consideration at the 2010 session. A draft lease has been prepared for review and discussion with Greek organizations. Dr. Jamison asked that the university explore whether donor contributions to the university could be used to support the project. A

preliminary construction timeline was presented, with a possible completion date of June 2012 for phase one. The Committees accepted the timeline.

Buildings and Grounds Committee Open Session

Board Members Present: Mr. James R. Smith, Mr. Douglas R. Fahl, Mr. John R. Lawson, II, Mr. James W. Severt, Sr., Mr. Thomas L. Tucker – Staff Representative

VPI&SU Staff: Ms. Rhonda Arsenault, Mr. Kevin Bishop, Mr. Bob Broyden, Ms. Vickie Chiocca, Mr. Michael Coleman, Mr. Van Coble, Mr. David Dent, Ms. Lynn Eichhorn, Dr. Elizabeth Flanagan, Dr. Lance Franklin, Mr. Monte Hager, Ms. Kimberly Haines, Mr. Patrick Hilt, Mr. Lawrence Hincker, Ms. So-Young Hong, Mr. Z. Scott Hurst, Mr. Jim McCoy, Mr. Michael Mulhare, Ms. Bobbi Myers, Ms. Elizabeth Reed, Mr. Minnis Ridenour, Dr. Charles Steger, Ms. Mary Grace Theodore, Ms. Linda Woodard, Dr. Sherwood Wilson

Guests: Mr. Sushil Shenoy

1. **Tour of Hokie Stone Wall:** The Committee viewed an assembly mockup of sawed Hokie Stone at the Sterrett Facilities complex.
2. **Opening Remarks and Approval of Minutes of August 31, 2009:** The minutes of the August 31, 2009 meeting were unanimously approved.
3. **Update on Aesthetic Architectural Design Standards:** Mr. Hurst presented a draft publication which updates campus aesthetic standards. The document, titled "Campus Design Guidelines", was developed by Sasaki Associates under the direction of the Office of the University Architect. This document is organized in three sections: Campus, Landscape, and Buildings. It provides important guidance regarding interpreting the character of the campus, the definition of its planning framework, major architectural and landscape design themes and acceptable palette of exterior materials. This document will be used as a companion to the university's Campus Master Plan to offer the most sensitive and responsible solutions for the growth and regeneration of the campus. The Buildings and Grounds Committee was asked to review this draft and offer comments to Mr. Hurst by mid-January. The intent is to bring the final document to the March 2010 meeting for approval by the full Board.
4. **Design Review of Chiller Plant I:** The project provides for new construction of an 18,600 GSF facility to produce and distribute chilled water to meet new and existing cooling demands in the Life Sciences district. The focus of this portion of the precinct will be as a centralized utility and service hub to support future research and academic facilities in the area. Exterior materials include Hokie Stone, glass, and architectural precast concrete compatible with other academic buildings in the area. The project is in schematic design, with construction planned to start summer of 2010 and occupancy in fall of 2011. Mr. Lawson

asked if the building would be Leed Silver certified and if there would be an opportunity to add medallions that reflect “green” design influences. The Committee approved the design.

5. **Design Preview for Center for the Arts:** Mr. Hurst provided an overview of the project. The Center for the Arts will be located adjacent to Shultz Hall between Turner Street and Alumni Mall, and will occupy a prominent site at one of the major entrances to the campus. New construction includes a 1,300 seat, world-class Performance Hall and multidisciplinary Collaborative Performance Lab. The completely renovated Shultz Hall will unify these two elements by providing space for Digital Imaging, Multimedia Development, Film Editing, Sound Lab, TV Studio, and a secure display Gallery. The Committee discussed parking access, location of the ticket office and access from first and second floor building entrances, the feasibility of adding internal escalators, and overall fluidity and ease of access from outside into the Performance Hall. Mr. Smith indicated that the design of the building effectively addresses programmatic functionality.

Mr. Ridenour chairs the building committee, which includes community and university representatives. The building committee is very pleased with the programmatic design for the performing and instructional elements of the interior design, and expressed support for the exterior design. The university has invested considerable time in building support for the project, which will require both state and private support for the building and instructional programs supported by this initiative. It is critical for the university to share the design of the project with potential donors. An executive director for the Center for the Arts has been hired. Mr. Ridenour noted that the community also views this as a community project. He asked that the Buildings and Grounds Committee endorse the overall design, so that the university can seek commitments of private and state dollars, with the understanding that certain design elements are still undetermined.

The Committee reviewed the preliminary design. They endorsed the interior functional design and agreed that the exterior conceptual design may be shared with prospective donors. They asked that the university continue with the proposed timeline. The Committee requested that the design incorporate the following elements: tie in with the campus with use of traditional precast and Hokie Stone for all exterior stone; add detailing such as recesses and shadow lines to soften the upper perimeter, fly tower, and auditorium exterior wall; refine the ornamental treatments; and provide Main Street and Turner Street perspectives.

6. **Resolution Ratifying the Virginia Tech Safety and Security Committee Structure:** At its June 2008 meeting, the Board of Visitors affirmed the creation and continued operation of the Campus and Workplace Violence Prevention and Risk Assessment Committee and the Threat Assessment Team. The Safety and Security Policy Committee, established in February 2009, serves as the

university's coordinating and policy body with responsibilities for establishing the framework for an overarching safety, emergency management, and security program for Virginia Tech. The Buildings and Grounds Committee recommends for full Board approval the resolution ratifying an expanded committee structure that includes the Virginia Tech Safety and Security Policy Committee.

- 7. Overview of Environmental Health and Safety Initiatives:** This item was deferred to the March 2010 meeting.
- 8. Update on University Building Official:** The Committee received an update from Mr. Coleman on the status of the establishment of the University Building Official position.
- 9. Major Capital Project Status Report:** The Committee received the report on the status of capital projects. Fifteen projects are in the design phase and twelve projects are under construction. Ms. Eichhorn reported on several specific projects including National Institute of Aerospace (NIA), the Visitors and Undergraduate Admissions Center, and Signature Engineering Building. Selection of firms for NIA is underway. Construction on the Visitors Center is anticipated to begin in February 2010.

Open Joint Session with Finance and Audit Committee

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. Douglas R. Fahl, Mr. John R. Lawson, II, Mr. George Nolen, Mr. James W. Severt, Sr., Mr. James R. Smith, Mr. Thomas L. Tucker – Staff Representative

VPI & SU Staff: Ms. Rhonda Arsenault, Mr. Erv Blythe, Mr. Allen Campbell, Mr. Mike Coleman, Mr. Al Cooper, Mr. John Cusimano, Mr. David Dent, Mr. Corey Earles, Ms. Lynn Eichhorn, Dr. Elizabeth Flanagan, Ms. Debbie Fulton, Mr. Monte Hager, Mr. Tim Hodge, Mr. Hal Irvin, Ms. Sharon Kurek, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Lisa Royal, Mr. M. Dwight Shelton, Jr., Dr. Raymond Smoot, Jr., Dr. Charles Steger, Mr. Jeb Stewart, Ms. Melinda West, Dr. Lisa Wilkes, Dr. Sherwood Wilson

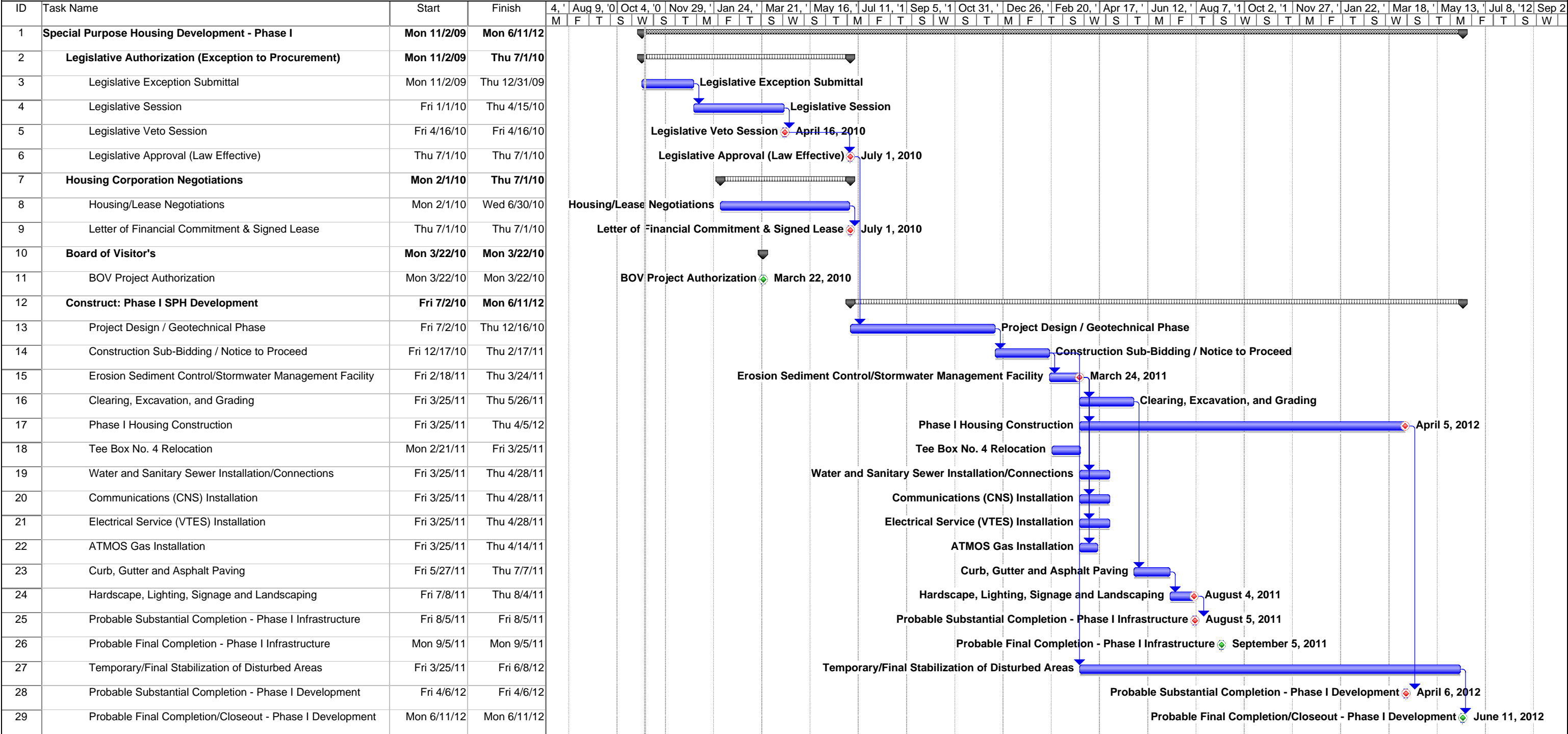
- 1. Report on Capital Project Costs:** The Committees received information that compared the construction costs of two recent Virginia Tech buildings with the costs of comparable buildings at other universities. The cost data was broken down to the system level (i.e. structure, enclosure, mechanical,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

There are three areas where Virginia Tech buildings typically cost more than peers: foundation (due to geographic region); roofing (due to architectural design); and Hokie Stone. When these additional costs are removed from the projects, typical project construction costs are comparable with peer institutions building like buildings.

Due to time constraints, the Committees requested that more detailed discussions and review of the consultant reports be handled within each respective Committee at the March 2010 Board meeting.

There being no further business, the meeting adjourned at 12:20 p.m.

Virginia Tech Special Purpose Housing Development - Phase I
Probable Construction Timeline
November 5, 2009



Capital Project Information Summary - Chiller Plant – I

BUILDINGS AND GROUNDS COMMITTEE

November 9, 2009

Title of Project:

Chiller Plant - I

Location:

Western edge of the Cage parking lot

Current Project Status and Schedule:

The project is in schematic design. Construction is planned to start in the summer of 2010 and occupancy is planned for fall, 2011.

Project Description:

The project provides for new construction of an 18,600 gross square foot facility to produce and distribute chilled water to meet new and existing cooling demands in the Life Sciences district. Chillers and pumps will be installed on the main level, high-voltage electrical equipment on a mezzanine level and cooling towers on the roof. Total building height is approximately 78 feet measured to the top of the cooling towers.

Brief Program Description:

The building shell is sized to ultimately provide 15,000 tons of cooling using ten chillers and associated cooling towers, to be fit-out in phases. The initial phase will install 3,000 tons of cooling and associated distribution piping to serve the immediate cooling needs of the district.

Contextual Issues and Design Intent:

The precinct plan for the area references a future parking structure directly adjacent to the chiller plant site. This plant is designed to unite with that structure in the future, anticipating architecture consistent to the current parking structure project on Perry Street. Exterior materials include Hokie Stone, glass, and architectural precast concrete compatible with other academic buildings in the area allowing it to blend into its campus setting. The focus of this portion of the precinct will be as a centralized utility and service hub to support future research and academic facilities in the area.

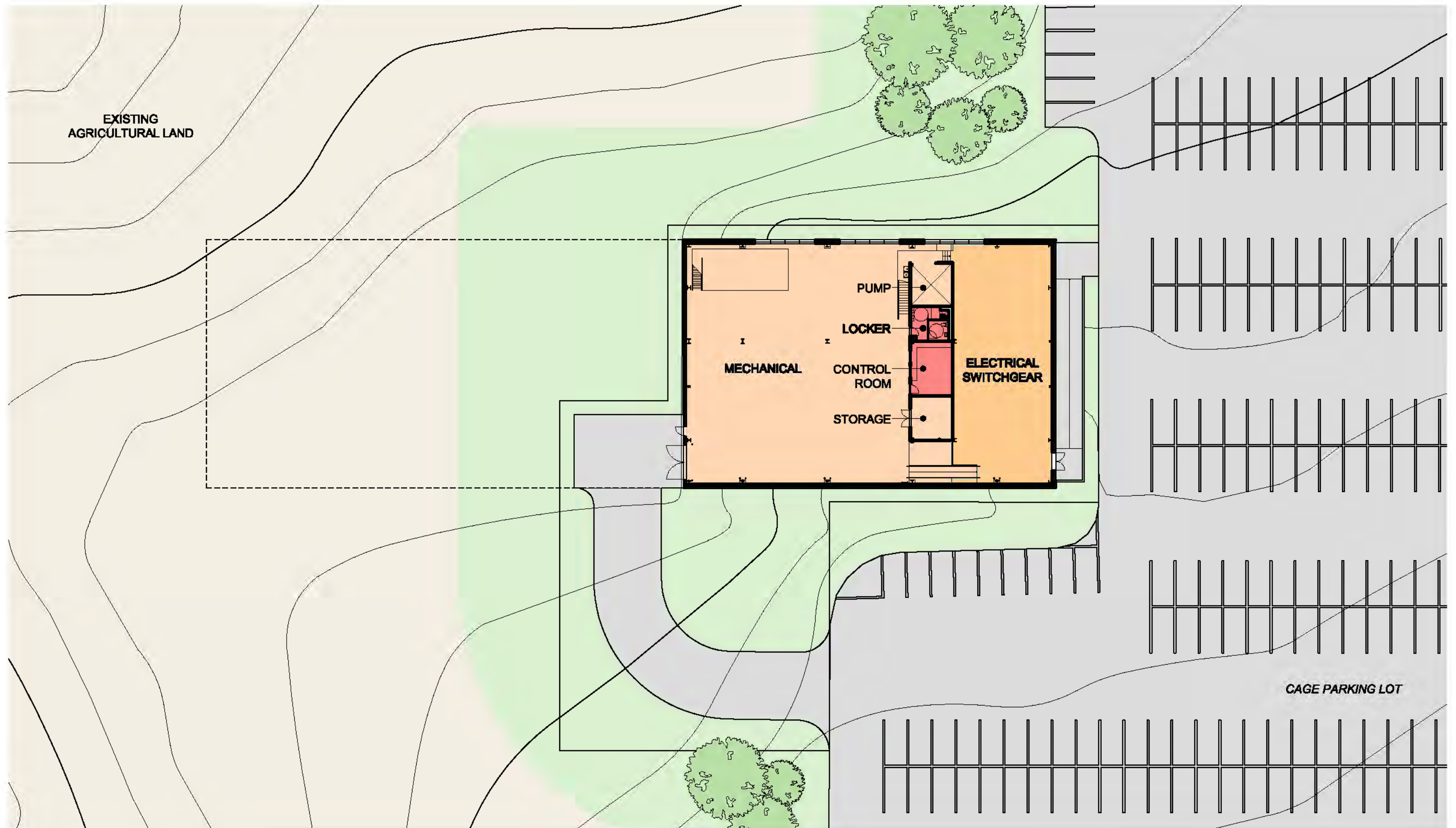
Architect/Engineer:

Burns and Roe Services Corporation with Trefz Engineering and BLT Architects.

Construction Manager:

TBD





Capital Project Information Summary - Center for the Arts

BUILDINGS AND GROUNDS COMMITTEE

November 9, 2009

Title of Project:

Center for the Arts

Location:

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

Current Project Status and Schedule:

The project has completed Schematic Design. Construction will begin in fall 2010 and occupancy should occur in summer 2013.

Project Description:

New construction includes a 1300 seat Performance Hall and multidisciplinary Collaborative Performance Research Lab. Shultz Hall will be completely renovated to accommodate the remainder of the program. The entire complex will comprise the 125,000 gross square foot nucleus of the Arts Initiative.

Brief Program Description:

The World Class Performance Hall will have two balcony levels and a full fly-tower. The Collaborative Performance Lab will provide an exciting venue for exploration for the visual and performance arts using the latest interactive technology. Shultz Hall will unify these two elements by providing front-of-house and back-of-house requirements, space for Digital Imaging, Multimedia Development, Film Editing, Sound Lab, TV Studio, and a secure display Gallery.

Contextual Issues and Design Intent:

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

Architect/Engineer:

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

Construction Manager:

Holder Construction



Environmental, Health and Safety Services

L. Franklin, Ph.D.



Purpose

- Prevent and protect the researchers, staff, students and community from environmental and occupational risks and illnesses.
- Translate abstract regulatory language into a common language.
- Foster collaborative partnerships
- Reduce regulatory burdens for researchers, instructors and shareholders
 - Over 150 regulations and policies
 - Voluminous pages of codified regulatory requirements



Vision

- Strengthen successful programs
- Expand outreach – communication
- Sustain research support services
- Strengthen partnerships with OVPR, Provost, Institutes, Carilion, and Corporate Research entities

4 Groups

- Laboratory Safety
- Occupational Safety & Health
- Radiation Safety
- Biosafety

Service

- ~ 10M sqf Building Space
- ~ 1.5M sqf of Lab Space
- ~ 5000 people trained annually
- 13 ARECs
- VT Carilion School of Medicine & Research Institute
- Northern Virginia Facilities
- CRC

Biosafety

Compliance Program

- Centers for Disease Control
- Department of Health and Human Services
- Animal and Plant Health Inspection Services
- Department of Homeland Security
- Department of Defense
- Food and Drug Admin.

Operational Program

- 3 BSL3s — can cause severe to fatal disease in humans; vaccines or treatment are available
- 150 BSL2s — mild disease to humans or are difficult to contract
- Liaison — IACUC, IBC and Carilion Research Committee

BSL — biosafety level

Laboratory Safety

Compliance Program

- Environmental Protection Agency
- Occupational Safety & Health Administration
- Department of Transportation
- International Air Transport Association
- Virginia Department of Environmental Quality

Operational Program

- 1600 chemical laboratories
- 85 tons of chemical waste generated annually
- 10 tons of biological waste generated annually
- 3800 safety equipment inspections annually

Occupational Health and Safety

Compliance Program

- Virginia Department of Labor and Industry
 - Construction Safety
 - Agricultural Safety
 - General Industries
- Mining Safety and Health Administration (MSHA),
- Virginia Statewide Fire Marshall Office
- Coordinates Medical Surveillance Program

Operational Program

Provided annually:

- 2200 medical tests
- 625 Vaccinations at an annual cost of \$45,000
- 200 fire drills
- 300 building inspections

Radiation Safety

Compliance Program

- Nuclear Regulatory Commission
- Virginia Department of Health
- Department of Transportation

Operational Program

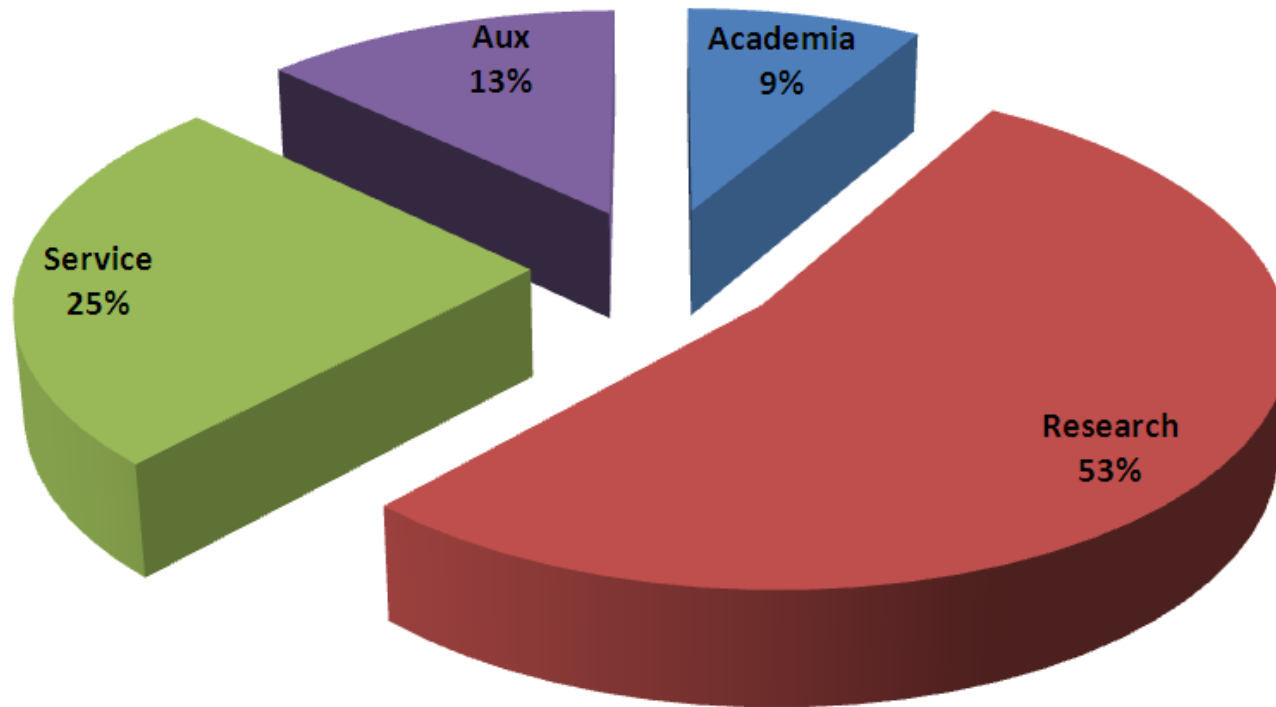
- 75 laboratories
- 3 tons of radioactive waste generated annually
- 2100 radiation users
- 500 packages of radioisotopes received annually



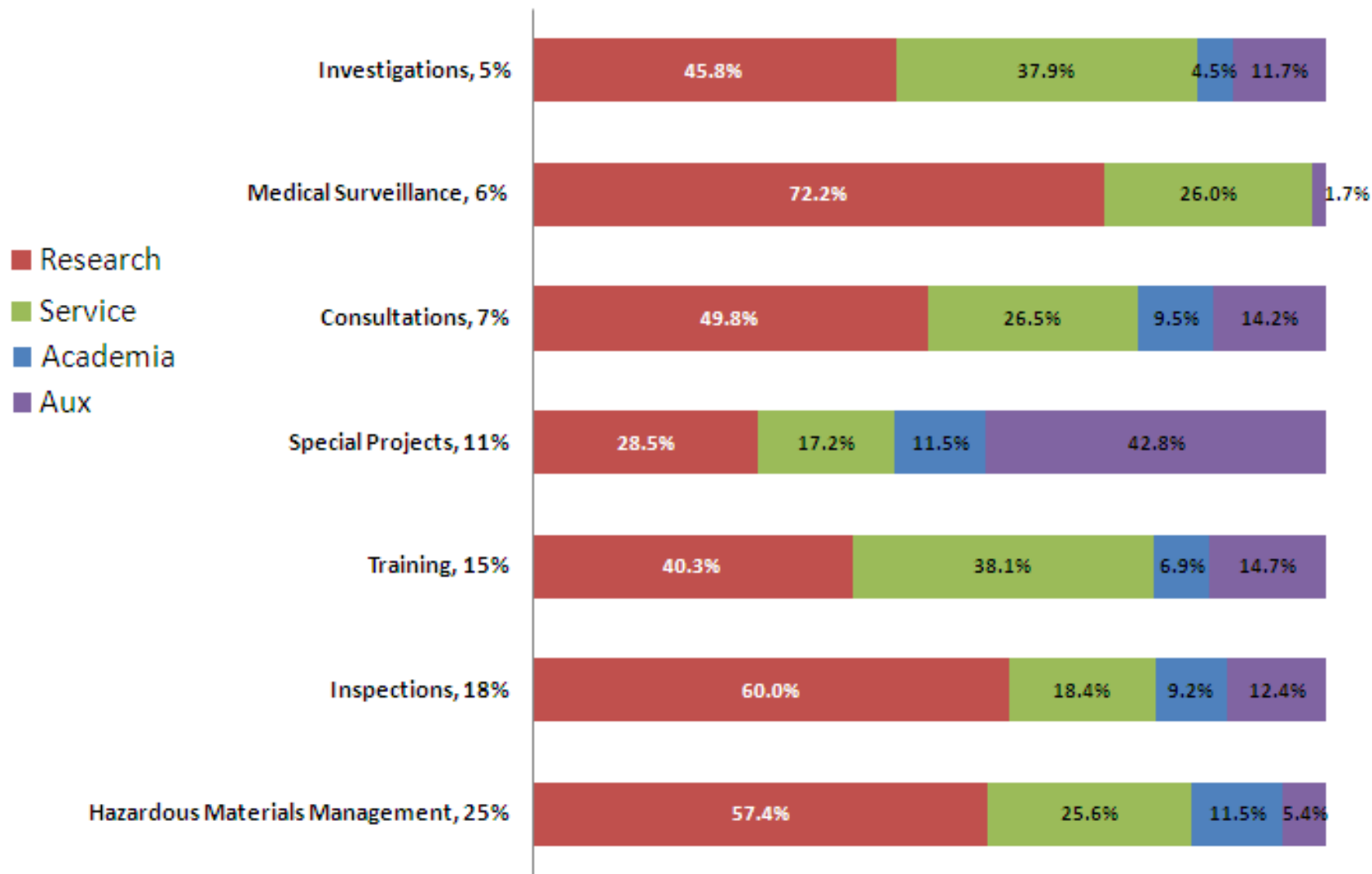
Safety Committees

- Functional
 - Environmental Health and Safety Committee
 - Institutional Animal Care and Use Committee
 - Institutional Review Board
 - Radiation Safety Committee
 - Institutional Biosafety Committee
 - Biosafety Compliance Committee
- Initiating
 - Art Safety Committee
 - Building Coordinators
 - University Chemical Safety Committee

EHSS Total Budget and Personnel



EHSS Services and Budget Distribution > 85%

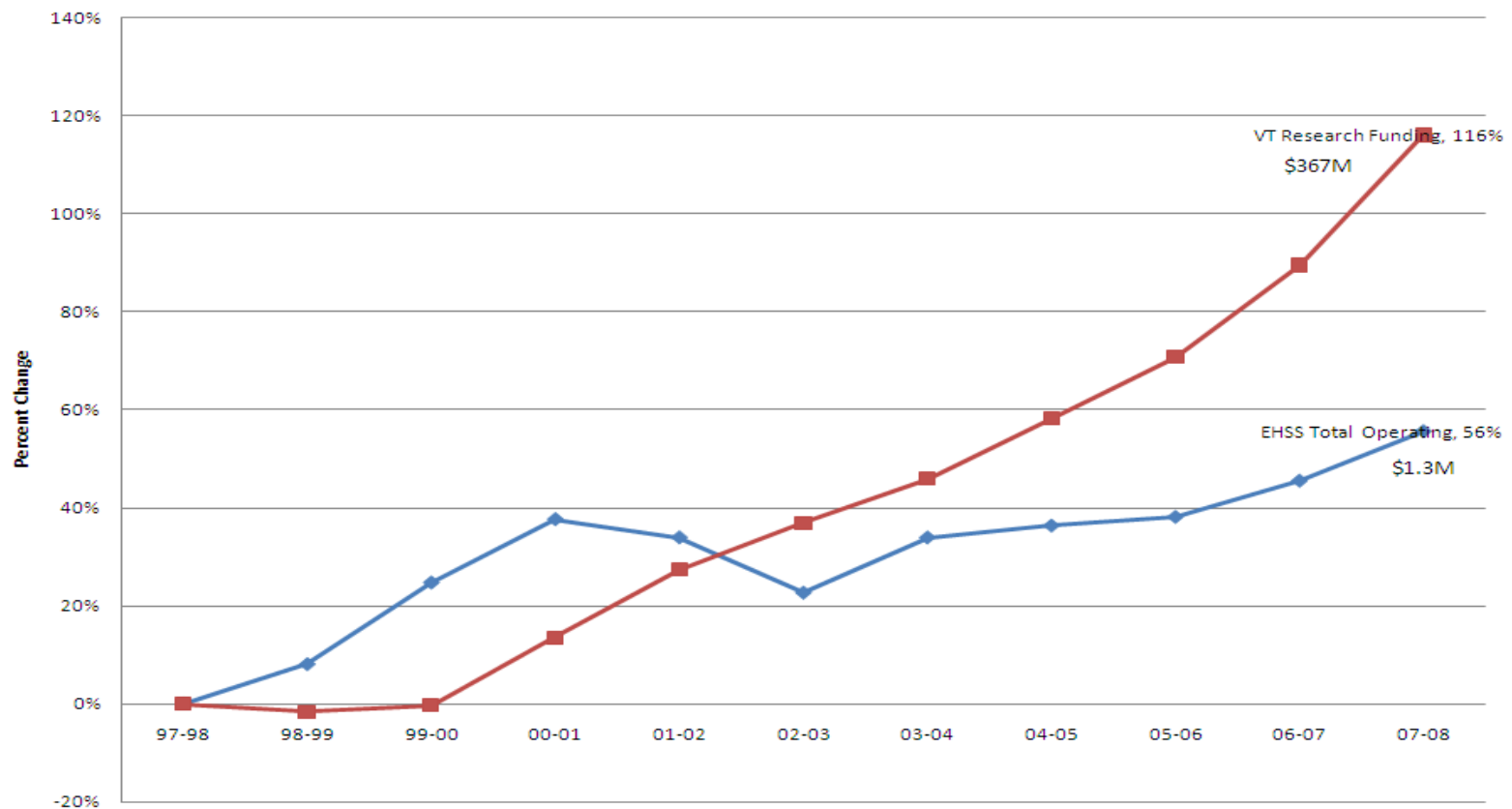


Challenges

- Sustaining Research Support
 - Research growth outpacing support services
 - Lack of personnel
 - No uniform database
- Budget Method
 - No budget method so EHSS grows as research grows
- Expansion of Services and Distance
- Increased Regulations
 - More rigorous requirements for biosafety
- Unfunded Services
 - Hazardous Materials Shipment for Faculty Research

Research Growth and EHSS

Research Funding vs EHSS Total Operation
Percent Change



Capital Outlay Project Status Report
BUILDINGS AND GROUNDS COMMITTEE

November 9, 2009

PROJECTS BEING DESIGNED

1. Campus Heat Plant

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

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

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

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

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

A/E: CUH2A Architecture, Engineering, Planning – Bethesda, MD
Construction Manager: TBD

Status: Working Drawings are underway. CM@Risk procurement underway.

3. Visitors and Undergraduate Admissions Center (20,000 GSF) – CM @ Risk

This project will accommodate the growing needs of visitors to the campus and university admission's office.

A/E: Glavè & Holmes Associates – Richmond, VA
Construction Manager: BE&K Building Group – Charlotte, NC

Status: Working Drawings are underway.

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

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

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

Status: Preliminary Design is underway.

5. VBI Addition Facility (50,000 GSF) – CM @ Risk

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

A/E: Perkins + Will – Charlotte, NC

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

Status: Working Drawings are underway.

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

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

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

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

Status: A program and site confirmation study has been completed. A/E selection has been completed. CM@Risk procurement underway.

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

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

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

Construction Manager: Holder Construction Company – Charlotte, NC

Status: Preliminary Design is underway.

8. Signature Engineering Building (160,000 +/- GSF) – CM @ Risk

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

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

Construction Manager: TDB

Status: Schematic Design is underway.

9. Human and Agricultural Biosciences Building I (92,000 +/- GSF) – CM @ Risk

This project constructs a new advanced agricultural research laboratory facility.

A/E: Lord, Aeck & Sargent, Inc. – Atlanta, GA

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

Status: Preliminary Design is underway.

10. Renovate Davidson Hall (50,000 +/- GSF) – CM @ Risk

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

A/E: Einhorn Yafee Prescott – Washington, DC

Construction Manager: Barton Malow Company – Charlottesville, VA

Status: Working Drawings are underway.

11. Chiller Plant I (N/A GSF) – CM @ Risk

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

A/E: Burns and Roe Service Corporation – Virginia Beach, VA

Construction Manager: TBD

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

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

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

A/E: Clark Nexsen – Charlotte, NC

Construction Manager: TBD

Status: Working Drawings are underway. CM@Risk procurement underway.

13. Myers Lawson School of Construction Phases II & III

This project constructs approximately 70,000 GSF of instructional classrooms, laboratories, and faculty offices with a connection to the existing Bishop Favrao Hall.

A/E: Perkins + Will – Charlotte, NC (Pre-Planning Phase Only)

Status: Pre-planning is underway.

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

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

PPEA Team: TBD

Construction Manager: Alpha Corporation – Hampton Roads, VA

Status: PPEA RFP for detailed selection of final firms underway.

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

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

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

Contractor: TBD

Status: Pre-planning/programming is underway.

CONSTRUCTION PROCUREMENT PROCESS

(No Projects to Report)

PROJECTS UNDER CONSTRUCTION

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

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

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

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

Status: Occupancy has occurred. Close-out process underway.

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

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

A/E: Moseley Architects – Virginia Beach, VA

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

Status: Occupancy has occurred. Close-out process underway.

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

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

A/E: Cannon Design – Arlington, VA

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

Status: Occupancy has occurred. Close-out process underway.

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

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

PPEA Team: Carilion Clinic, – Roanoke, VA

Hayes, Seay, Mattern & Mattern, Inc., - Roanoke, VA

Skanska USA Building, Inc. – Durham, NC

Status: Building construction currently underway.

5. Parking Structure – Design/Build

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

Criteria Consultant: DESMAN Associates – Vienna, VA

Design/Builder: Rentenbach Constructors out of Greensboro

Status: Construction is underway.

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

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

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

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

Status: Construction is underway.

7. ICTAS - II (42,000 GSF) – CM @ Risk

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

A/E: SmithGroup – Washington, D.C.

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

Status: Construction is underway.

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

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

A/E: Clark Nexsen – Charlotte, NC

Construction Manager: Barton Malow Company – Charlottesville, VA

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

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

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

Design Build Team: Barton Malow Company – Charlottesville, VA

Status: Construction is underway.

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

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

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

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

Status: Construction is underway.

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

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

A/E: Hughes Group Architects – Sterling, VA

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

Status: Construction is underway.

12. Materials Management Facility (7,500 GSF)

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

A/E: Wiley & Wilson - Lynchburg, VA

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

Status: Construction is underway.

COMPLETED PROJECTS

(No Projects to Report)

UNIVERSITY PLANNING, DESIGN AND CONSTRUCTION

BIDS RECEIVED

NOVEMBER 9, 2009

(No Projects to Report)

CAPITAL PROJECT STATUS REPORT
FUNDING SOURCES OF TOTAL PROJECT AUTHORIZATIONS
November 2, 2009
(Dollars in Thousands)

	DESIGN PROCESS	State Support (1)	General Obligation Bond (2)	Nongeneral Fund Cash	Nongeneral Fund Revenue Bond	Total
1	Campus Heat Plant (a)	\$17,250		\$2,750	\$11,500	\$31,500
2	Infectious Disease Research Facility	\$3,137		\$6,163		\$9,300
3	Visitors and Undergraduate Admissions Center			\$3,400	\$7,100	\$10,500
4	Academic and Student Affairs Building (b)				\$2,720	\$2,720
5	VBI Addition Facility (b)				\$2,400	\$2,400
6	Sciences Research Laboratory - I	\$28,758			\$16,800	\$45,558
7	Center for the Arts			\$5,000	\$58,000	\$63,000
8	Signature Engineering Building (d)	\$1,350		\$983		\$2,333
9	Human and Agricultural Biosciences Building I (e)	\$2,040				\$2,040
10	Renovate Davidson Hall (e)	\$1,506		\$750		\$2,256
11	Chiller Plant I (e)	\$480		\$500		\$980
12	Owens and West End Market Food Courts				\$5,000	\$5,000
13	Myers Lawson School of Construction Phases II and III					\$0
14	National Institute of Aerospace (f)	\$12,000				\$12,000
15	Agriculture Program Relocation Phases I and II			\$500		\$500
	CONSTRUCTION PROCUREMENT					
	UNDER CONSTRUCTION					
1	New Residence Hall - I			\$953	\$30,047	\$31,000
2	Renovate Henderson Hall and Black Box Theater	\$7,333	\$6,542	\$4,683		\$18,558
3	Basketball Practice Facility			\$12,100	\$9,400	\$21,500
4	Virginia Tech-Carilion Medical School and Research Institute (f)	\$59,000				\$59,000
5	Parking Structure				\$26,000	\$26,000
6	Indoor Batting Practice Facility			\$2,300		\$2,300
7	ICTAS - II	\$13,519			\$17,500	\$31,019
8	Improve Residence and Dining Halls - Ambler Johnston Hall				\$75,000	\$75,000
9	Football Locker Room Addition			\$5,926	\$12,074	\$18,000
10	Campus Heat Plant - Life Sciences Precinct Steam Line					
11	Additional Recreation, Counseling and Clinical Space				\$13,000	\$13,000
12	Materials Management Facility	\$3,500				\$3,500

Notes:

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

CAPITAL PROJECT STATUS REPORT
Projects in Design Phase, Construction Procurement, Pending, or On Hold
November 2, 2009

PROJECTS		DATE AUTHORIZED	ORIGINAL COMPLETION DATE **		INITIAL AUTHORIZATION	CURRENT APPROVED BUDGET	PHASE	ESTIMATED BID OPEN or GMP DATE	ANTICIPATED OCCUPANCY DATE	A/ E OF RECORD	TOTAL INITIAL A/ E CONTRACT AMOUNT	A/ E CHANGE ORDERS TO-DATE	COMMENTS
DESIGN PHASE													
1	Campus Heat Plant (1)	Jul-04	Dec-09	P	\$ 2,750,000	\$ 28,750,000	CD	Jan-07	Dec-09	Affiliated Engineers, Inc.	\$ 2,326,698	\$ 336,424	
2	Infectious Disease Research Facility	Aug-06	Jan-10		\$ 7,137,000	\$ 9,300,000	CD	Aug-09	Jan-11	CUH2A Architecture, Engineering, Planning	\$ 930,591	\$ 61,405	
3	Visitors and Undergraduate Admissions Center	Jul-06	Sep-09		\$ 5,250,000	\$ 10,500,000	CD	Jan-09	Jul-11	Glave & Holmes Associates	\$ 1,012,715	\$ 45,265	
4	Academic and Student Affairs Building	Jun-07	Nov-12	P	\$ 2,720,000	\$ 2,720,000	SD	Jun-10	Jun-12	Burt Hill Kosar Rittleman Associates	\$ 3,550,508	\$ 117,164	
5	VBI Addition Facility	Jun-07	Nov-10	P	\$ 2,400,000	\$ 2,400,000	CD	TBD	TBD	Perkins + Will	\$ 2,524,002	\$ 201,132	
6	Sciences Research Laboratory - I	Oct-06	TBD	P	\$ 3,500,000	\$ 2,383,000	PP	TBD	TBD	CUH2A Architecture, Engineering, Planning	\$ 399,642	\$ 68,286	
7	Center for the Arts	Sep-04	TBD		\$ 40,000,000	\$ 63,000,000	PP	TBD	TBD	Snohetta AS with STV Group, Inc.	\$ 10,646,530	\$ 5,869	
8	Signature Engineering Building	Jul-08	TBD	PP	\$ 2,333,580	\$ 2,333,580	SD	TBD	TBD	Zimmer Gunsul Frasca Architects	\$ 407,271	\$ 4,482	
9	Human and Agricultural Biosciences Building I	Jul-08	Jan-13	DP	\$ 2,040,000	\$ 2,040,000	DD	TBD	TBD	Lord, Aeck & Sargent, Inc.	\$ 4,519,782	\$ 96,000	
10	Renovate Davidson Hall	Jul-08	Jul-12	DP	\$ 2,256,000	\$ 2,256,000	DD	TBD	TBD	Einhorn Yaffee Prescott	\$ 2,822,856	\$ -	
11	Chiller Plant I	Jul-08	Nov-12	DP	\$ 980,000	\$ 980,000	SD	TBD	TBD	Burns and Roe Service Corporation	\$ 257,682	\$ -	
12	Owens and West End Market Food Courts	Jul-08	Nov-10		\$ 5,000,000	\$ 5,000,000	CD	TBD	TBD	Clark Nexsen	\$ 419,990	\$ -	
13	Myers Lawson School of Construction Phase II & III	TBD	TBD	P	\$ -	\$ -	PP	TBD	TBD	TBD	\$ -	\$ -	
14	National Institute of Aerospace	Jan-09	TBD		\$ 12,000,000	\$ 12,000,000	A/ E S	TBD	TBD	TBD	\$ -	\$ -	
15	Agriculture Program Relocation Phases I & II	Mar-09	TBD	PP	\$ 1,000,000	\$ 1,000,000	PP	TBD	TBD	Hanbury Evans Wright Vlattas + Company	TBD	\$ -	
CONSTRUCTION PROCUREMENT													
Total					\$ 89,366,580	\$ 144,662,580							

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

P - Only planning funds authorized.

PP - Pre-planning authorization only.

DP - Detailed planning authorization only.

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

Phase Abbreviations

A/ E S = A/ E Selection/ Programming

PP = Pre-Planning/ Programming

SD = Schematic Design

DD = Design Development (Preliminary Design)

CD = Construction Documents (Working Drawings)

BID = Bid Phase

PDG = Pending

HOLD = On Hold

CAPITAL PROJECT STATUS REPORT
Projects Under Construction and Completed
November 2, 2009

			MILESTONE DATES			SUBSTANTIAL COMPLETION DATES				CONSTRUCTION BUDGET					MISCELLANEOUS	
PROJECTS		GC/ CM/ DB	DELIVERY METHOD	STATE OR BOV AUTHORIZATION	NOTICE TO PROCEED	MOBILIZATION	SUBSTANTIAL COMPLETION WHEN AUTHORIZED	CURRENT CONTRACTUAL SUBSTANTIAL COMPLETION	NOTES	ANTICIPATED OCCUPANCY	INITIAL CONSTRUCTION BUDGET	A/ E FINAL ESTIMATE	BID/ GMP	CUMULATIVE CHANGE ORDERS TO-DATE	CURRENT CONSTRUCTION AMOUNT	ESTIMATED WORK-IN-PLACE
UNDER CONSTRUCTION																
1	New Residence Hall - I	Branch & Associates, Inc.	DBB	Jul-00	Dec-07	Dec-07	May-09	Jun-09		Aug-09	\$ 17,500,000	\$ 20,098,900	\$ 25,077,582	\$ 406,479	\$ 25,484,061	99%
2	Renovate Henderson Hall and Black Box Theater	Avis Construction Company, Inc.	DBB	Feb-04	Feb-08	Feb-08	Oct-08	May-09		Aug-09	\$ 9,534,000	\$ 12,918,200	\$ 11,559,955	\$ 206,221	\$ 11,766,176	99%
3	Basketball Practice Facility	The Whiting-Turner Contracting Company	CMR	Mar-07	Apr-08	Apr-08	Aug-09	TBD		Nov-09	\$ 16,400,000	\$ 15,020,077	\$ 3,964,046	\$ 12,489,233	\$ 16,453,279	99%
4	Virginia Tech-Carilion Medical School and Research Institute	Carilion/ Skanska USA Building, Inc./ HSMM	PPEA	Jul-08	Sep-08	Sep-08	Aug-10	Aug-10		Aug-10	\$ 59,000,000	N/A	N/A	N/A	\$ 59,000,000	55%
5	Parking Structure	Rentenbach Constructors Incorporated	DB	Jun-08	Aug-08	TBD	Jun-10	Jun-10		Jul-10	\$ 25,500,000	\$ 25,000,000	\$ 19,548,000	\$ -	\$ 19,548,000	9%
6	Indoor Batting Practice Facility	G&H Contracting, Inc.	DBB	Aug-08	Nov-08	Nov-08	May-09	Jun-09		Sep-09	\$ 1,500,000	\$ 1,500,000	\$ 1,145,500	\$ 16,431	\$ 1,161,931	98%
7	ICTAS II	Skanska USA Building, Inc.	CMR	Aug-06	Apr-09	Apr-09	Oct-10	Oct-10		Nov-10	\$ 23,150,000	\$ 22,040,863	\$ 1,716,373	\$ 20,701,757	\$ 22,418,130	8%
8	Ambler Johnston Hall - Improve Residence and Dining Halls	Barton Malow Company	CMR	Mar-07	May-09	Jun-09	Jul-12	Jul-12		Aug-12	\$ 52,313,670	N/A	\$ 50,388,670	\$ 20,000	\$ 50,408,670	9%
9	Football Locker Room Addition	Barton Malow Company	CMR	Mar-09	May-09	Jun-09	Aug-10	Aug-10		Sep-10	\$ 18,000,000	N/A	\$ 12,558,008	\$ -	\$ 12,558,008	5%
10	Campus Heat Plant: Life Sciences Precinct Steam Line (BP 6)	Mid-Atlantic Infrastructure Systems	DBB	Jul-04	May-09	May-09	Aug-10	Apr-10		Apr-10	\$ 6,000,000	\$ 5,845,000	\$ 4,283,011	\$ -	\$ 4,283,011	12%
11	Additional Recreation, Counseling and Clinical Space	The Whiting-Turner Contracting Company	CMR	Jul-06	Oct-09	Oct-09	Oct-10	Oct-10		Nov-10	\$ 8,798,000	\$ 8,497,000	\$ 8,360,843	\$ -	\$ 8,360,843	1%
12	Materials Management Facility	G&H Contracting, Inc.	DBB	Jul-07	Sep-09	Sep-09	Aug-10	Aug-10		Sep-10	\$ 2,507,000	\$ 2,659,613	\$ 2,180,000	\$ -	\$ 2,180,000	1%
COMPLETED PROJECTS																

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

Notes

Report on Capital Project Costs

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

October 23, 2009

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

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



Virginia Tech Capital Project Cost Analysis

November 9, 2009

Board of Visitors

Data Challenges

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

Construction Data Analysis

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

Construction Costs - Residence Facilities

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

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

Residence Halls–Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

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

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

Residence Halls – Construction Details

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

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

Residence Facility–Construction Details

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

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

Construction Costs - Research Facilities

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

Research – Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

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

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

Research Facility–Construction Details

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

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

Research Facility–Construction Details

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

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

VT Project Soft Costs

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

Project Soft Costs

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

“Other” Soft Costs

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

Comparison to ACC Schools

(% of Construction Cost)

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

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

RESOLUTION RATIFYING THE VIRGINIA TECH SAFETY AND SECURITY COMMITTEE STRUCTURE

WHEREAS, §23-9.2:10(B), Code of Virginia, as amended, requires the Board of Visitors to adopt a committee structure charged with education and prevention of violence on campus; and

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

WHEREAS, the Board of Visitors desires to enhance the committee structure further with the creation of the University Safety and Security Policy Committee; and

WHEREAS, the Virginia Tech Safety and Security Committee structure and responsibilities are identified in the diagram labeled Virginia Tech Safety and Security Committee Structure which is attached hereto.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors ratifies the Virginia Tech Safety and Security Committee Structure.

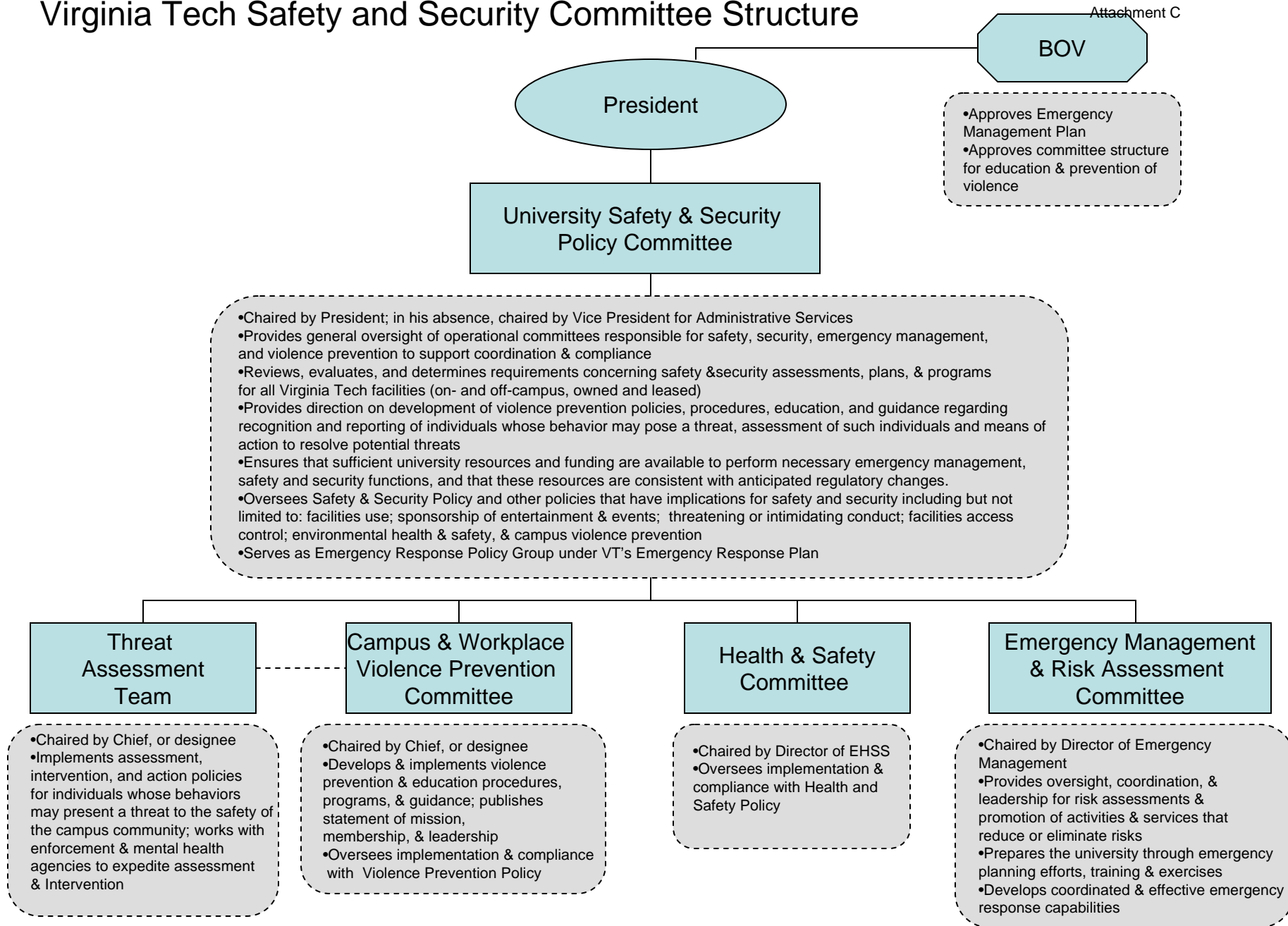
RECOMMENDATION:

That the above resolution ratifying the Virginia Tech Safety and Security Committee Structure be approved.

November 09, 2009

Virginia Tech Safety and Security Committee Structure

Attachment C



Committee Minutes

FINANCE AND AUDIT COMMITTEE

**Duck Pond Room, The Inn at Virginia Tech
9:10 a.m.**

November 9, 2009

Audit Closed Session

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

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

1. **Update on Fraud, Waste, and Abuse Cases:** The Committee met in Closed Session to receive an update on the outstanding fraud, waste, and abuse cases.
2. **Discussion with the Director of Internal Audit:** The Committee met in Closed Session with the Director of Internal Audit to discuss audits of specific departments and units where individual employees were identified.

Audit Open Session

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

VPI & SU Staff: Mr. Erv Blythe, Mr. Robert Broyden, Mr. Allen Campbell, Mr. Al Cooper, Mr. John Cusimano, Mr. Corey Earles, Ms. Debbie Fulton, Mr. Tim Hodge, Mr. Hal Irvin, Ms. Sharon Kurek, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Lisa Royal, Mr. M. Dwight Shelton, Jr., Dr. Raymond Smoot, Jr., Mr. Jeb Stewart, Ms. Melinda West, Dr. Lisa Wilkes

Guests: Mr. Gordon Block, Ms. Stephanie Johnson, Mr. Jim Quesenberry, Ms. Akiko Nakamura, Mr. Joe Stepp, Mr. Ali Tamijani

1. **Motion to Reconvene in Open Session**
2. **Approval of Items Discussed in Closed Session:** The Committee reviewed and took the following actions on items discussed in closed session: ratified the Personnel Changes Report and approved the non-contractual bonuses for the 2008 NCAA Women's Soccer Tournament, 2009 NCAA Men's Golf Championship, and 2009 NCAA Men's Tennis Tournament. The Committee also received a briefing on the University's collaborative strategic initiatives with the Virginia Tech Foundation involving real estate transactions.
3. **Approval of Minutes of the August 31, 2009 Meeting:** The Committee reviewed and approved the minutes of the August 31, 2009 meeting.

4. **Presentation and Acceptance of the Auditor of Public Accounts Management Letter for June 30, 2009 Audit:** The Committee received a report from Mr. Joe Stepp, Higher Education Project Manager, on the University's financial statements and management letter for the year ended June 30, 2009. The financial statements have been prepared in accordance with the general accepted accounting procedures and carry an unqualified (or clean) opinion. The audit did not identify any matters considered to be material weaknesses, any matters of noncompliance which are required to be reported, or indications of fraudulent transactions or illegal acts. No management comments were issued.

The Committee commended the University, the Chief Financial Officer, and the Controller for the excellent management of the University's financial resources.

The Committee accepted the report.

5. **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 August meeting, the University reported that as of June 30, 2009, no audit comments remained outstanding. Ten high or medium risk audit comments have been issued since then for a total of ten comments. As of September 30, 2009, the University has addressed six comments, leaving four comments still in progress.

The Committee accepted the report.

6. **Review of Internal Audit Department's Status Report as of September 30, 2009:** The Committee reviewed the Internal Audit Department's Status Report as of September 30, 2009. In addition to conducting scheduled audits, the audit department participated in annual audit activities; fraud, waste, and abuse audits; and professional development activities.

The Director of Internal Audit provided a summary of new initiatives that are being implemented within the department. During fiscal year 2010, Internal Audit is utilizing a new audit management system which will increase efficiency and productivity throughout the entire audit process. Internal Audit is also implementing changes to the IT infrastructure that will enable additional personnel resources to be made available for effort toward completion of the audit plan.

The Committee accepted the report.

Finance Closed Session

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

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

1. **Motion for Closed Session**

- * 2. **Ratification of Personnel Changes Report:** The Committee met in Closed Session to review and take action on the quarterly personnel changes report.
- * 3. **Approval of Non-Contractual Bonuses for Athletic Events:** The Committee met in Closed Session to review and take action on non-contractual bonuses for athletic events.
- 4. **Update on Real Property Transactions:** The Committee met in Closed Session to receive an update on real property transactions.

Finance Open Session

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

VPI & SU Staff: Mr. Robert Broyden, Mr. Erv Blythe, Mr. Allen Campbell, Mr. Al Cooper, Mr. John Cusimano, Mr. Corey Earles, Ms. Debbie Fulton, Mr. Tim Hodge, Mr. Hal Irvin, Ms. Sharon Kurek, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Lisa Royal, Ms. Kathy Sanders, Mr. M. Dwight Shelton, Jr., Dr. Raymond Smoot, Jr., Mr. Jeb Stewart, Ms. Melinda West, Dr. Lisa Wilkes

Guests: Mr. Davis Bailey, Mr. Gordon Block, Ms. Akiko Nakamura, Mr. Mike Sage, Mr. Ali Tamijani

- 1. **Opening Remarks and Approval of Minutes of the August 31, 2009 Meeting:** The Committee reviewed and approved the minutes of the August 31, 2009 meeting.
- 2. **Update on University Debt Ratio and Debt Capacity:** The Committee received an update on the University's debt ratio and debt capacity. The University's debt ratio for fiscal year 2008-09 is 3.04 percent.

At the conclusion of fiscal year 2008-09, outstanding long-term debt of the University totaled \$285.9 million. For the current 2009-10 fiscal year, the additional debt capacity at the seven percent limit beyond our anticipated issuance is \$376.1 million. The equivalent capacity at the five percent limit is \$132.6 million. The analysis includes authorized projects currently underway, authorized planning projects with a high probability of debt issuance for the full project, and an allocation of available capacity to advance upcoming debt funded projects from the capital plan. It is anticipated that the University's debt ratio will reach 5.16 percent in fiscal year 2012-13, and remain around a five percent target level in subsequent years.

The Committee noted that, in order to adhere to the Committee's internal guideline of a five percent debt ratio, the administration will need to carefully manage the

existing debt-related capital projects plus be thoughtful and more precise in proposing future capital projects. Otherwise, the capacity to establish new research-related projects could be compromised.

3. **Report on Write-off of Delinquent Accounts:** The Committee received a report on delinquent accounts of the University that were written off as of June 30, 2009. The amount of write-offs totaled \$550,218 which represents only less than one tenth of one percent of the fiscal year 2008 annual operating revenues, excluding federal appropriations. After appropriate collection procedures are utilized, and remaining balances are deemed uncollectible, these accounts are presented for write-off on an annual basis. The University determined that further collection efforts are not justified for various reasons, including: the cost versus the benefit for small receivables amounts; an individual or organization cannot be located or has no social security or identification number on file; and bankruptcies. The University is in compliance with the accounts receivable management standards established by the State.
4. **Update on Higher Education Restructuring:** The Committee received an update on Higher Education Restructuring Performance Measures. In 2005, Virginia Tech entered into a Management Agreement with the Commonwealth of Virginia under the Higher Education Restructuring Act, offering increased management autonomy in exchange for high level accountability in several performance areas. The Institutional Performance Standards (IPS) is a major part of the performance measures under higher education restructuring. The State Council of Higher Education of Virginia (SCHEV) annually assesses the degree to which each individual public institution of higher education has met the financial and administrative management and educational related performance benchmarks set forth in the appropriation act in effect. SCHEV reviewed the University's measures and benchmarks and have reported that Virginia Tech met all the targets in the 2006-08 plan.

The report also included revised Performance Measures, which became effective July 1, 2009. These measures were part of the Renegotiated Management Agreement for Level 3 institutions.

5. **Report on Implementation of Increased Administrative Efficiencies through Expansion of Automated Systems and Enhanced Security:** The Committee received a progress report highlighting key improvements that have been made related to the implementation of or enhancements to the University's administrative systems resulting in improved efficiencies and process improvements. The report also included an overview of priority automation projects contained within the plan.
6. **Status of Reduction in State General Fund Support for 2009-10:** The Committee received a status report on the Virginia economy and the University's planning efforts to develop potential responses to actions taken by the state to balance its budget. In September 2009, the Administration announced that state revenues would be nearly \$1.2 billion short of the approved 2009-10 state budget. Together with the \$300

million revenue shortfall in 2008-09, the total impact to the biennial budget is approximately \$1.5 billion.

Due to the depth of the statewide shortfall, the Administration has assigned a base budget reduction to the University Division (Agency 208) of \$21.9 million and a base budget reduction to the Cooperative Extension and Agricultural Experiment Station (Agency 229) of \$4.5 million, for a total of \$26.4 million in reductions in the current fiscal year.

To internally plan for reductions, the University is considering a two-stage process; this approach is consistent with the prior reductions. First, the University is exploring one-time strategies for the current fiscal year (2009-10). These strategies will be designed to centrally manage as much of the reductions as possible to protect academic programs. However, a one-time mid-year reversion may be needed to cover a portion of the reductions, while the plans are not finalized, one option would be for the senior management areas within the University Division to revert up to 1.5 percent and CE/AES to revert 4.0 percent. This approach cushions the immediate impact of the reductions for the operating units and provides the deans and vice presidents more time to plan for ongoing budget reductions in an orderly and logical manner that focuses on supporting the University's strategic plan. This will also allow the University to manage the budget reductions while continuing to monitor the actions of the Executive Branch and the General Assembly in addressing the revenue shortfall.

7. **Report on Graduate Student Health Insurance Program:** In approving the 2009-10 Graduate Student Health Insurance Program, the Committee, in response to concerns expressed through the Board of Visitors' Graduate Student Representative, raised several questions relative to the program. Following the March meeting, the University convened a workgroup to review the concerns raised by the graduate students and determine if additional actions need to be taken by the University. The outcome of this review, coupled with the overall student concerns, resulted in the recommendation that a graduate student survey be conducted in Fall 2009.

The data from the survey indicated that, as with most health care programs, cost is a major consideration when selecting health care coverage. The findings from the survey also indicated that overall coverage in certain benefit categories may not equate to benefits provided by peer institutions nor do they meet the needs of graduate students at Virginia Tech, family health care coverage needs to be improved with the premium being more affordable for those with spouses and dependents, and University administrative processes need to be reviewed, which include access for graduate students impacted by a student's summer enrollment status and services provided through Schiffert Health Center. Finally, while improvements to health insurance is very important to the graduate student, increased stipends and an increase in the number of available stipends are equally or more important to the graduate student.

In response to the survey findings, the university is moving forward with the following recommendations. First, in an effort to address students' concerns

regarding the increasing cost of medical care, the university will increase the percentage paid toward the health insurance premium for students on assistantships from 82.5 percent to a minimum of 85 percent of the \$50,000 plan, beginning in 2010-11. The university's goal remains at funding the health insurance premium for graduate assistants at 90 percent of the \$50,000 plan. Second, program improvements will be required in the realm of enhanced benefits for preventative care and prescription coverage. The university will utilize representatives from the Graduate Student Assembly Health Care Committee to assist in shaping the program options. Third, the university will conduct a new Request for Proposals (RFP) and actively solicit proposals from leading student health insurance providers. Fourth, the university will develop a plan by April to address the summer enrollment status. And, fifth, the university will implement additional educational/outreach programs to assist graduate students with families to ensure knowledge about health care programs is available.

8. **Report on Analysis of Faculty Salary Compensation:** At the June 2009 Board meeting, the Committee requested additional information about faculty compensation. In response, the University convened a working group to review the current status of the program. The University continues to follow the parameters provided in the "Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education" document from the Secretary of Education in the analysis and funding of faculty salaries. The authorized salary average applies to all full-time teaching and research positions with the rank of professor, associate professor, assistant professor, instructor, or lecturer that are engaged in teaching and research for 50 percent or more of the time.

The authorized salary average for 2008-09 for Virginia Tech is \$89,215. This places Virginia Tech at the 35th percentile of its peer group for 2008-09. While the University remains committed to the strategic goal of 60 percent for benchmark peers, the current economic situation has made this challenging due to \$68.5 million of assigned reductions in state General Fund support since 2007. Virginia Tech must remain committed to working in concert with the Commonwealth to work to achieve the goal of the 60th percentile for faculty salaries while seeking to maximize General Fund support for Virginia Tech, ensure equity with statewide compensation programs, and maintain a compensation program that rewards performance.

- * 9. **2010-2012 Biennial Budget Update:** The Committee received an update on the 2010-2012 Biennial Budget. Due to the budget reductions issued by the Executive Branch in September, agencies were instructed to limit biennial budget requests to items of a critical nature and not to request replacement of funds lost due to budget reductions. The Department of Planning and Budget (DPB) also informed the University that issues of Base Budget Adequacy, faculty salaries, enrollment, equipment trust fund, and student financial assistance increases would be considered "crosscutting" issues to be addressed centrally, and were not to be requested at the institutional level. Additionally, each University budget request must have been pre-approved by the Secretary of Education. The University submitted requests addressing critical cost increases, operating and maintenance for new buildings coming online, operating support for the Center for Critical

Technologies in the Arts, and support for the Unique Military Activities program. Only one of these was approved by the Secretary of Education for submission to the Governor – Center for Creative Technologies in the Arts.

The Committee recommended the 2010-2012 Biennial Budget to the full Board for approval.

- * **10. Approval of 2010-2011 Master of Business Administration Program Fee:** The Master of Business Administration (MBA) program in the Pamplin College of Business is committed to expanding capacity in order to recruit additional top tier students while enhancing its high quality program. In order to further strengthen the MBA program, it will need to expand its full-time on campus enrollment. Further, additional amenities and services will be required to successfully recruit and serve these additional students. In order to support this growth and expanded set of services, a differential program fee is proposed to attract additional high quality students and position the MBA program for continued success in the future.

The University traditionally brings tuition and fee rates to the Board at the spring meeting; however, this fee is presented at this time to provide advance notification of the fee to individuals considering the program for the Fall 2010 semester. By approving the fee now, students for the Fall 2010 cohort can be recruited with full knowledge of the fee that it will be part of their cost of attendance.

The Committee recommended the 2010-2011 Master of Business Administration Program Fee to the full Board for approval.

- * **11. Approval of Year-to-Date Financial Performance Report (July 1, 2009 – September 30, 2009):** The Committee reviewed for approval the Year-to-Date Financial Performance Report for July 1, 2009 – September 30, 2009. For the first 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 first quarter, the operating budget has been reduced by \$26.4 million as a result of the reduction assigned to the University Division and the Cooperative Extension/Agricultural Experiment Station Division. The annual Tuition and Fee budget was increased by \$8.1 million for higher than anticipated fall enrollment. The Federal American Reinvestment and Recovery Act stimulus budget for the University Division has been increased by \$10.2 million to reflect the state's plan to offset a portion of the 2009-10 General Fund reductions. Revenue and expenditures in Sponsored Programs were less than projected, but ahead of 2008-09 activity levels. In Agency 229, the budget for Federal Funds has been increased by \$1.3 million to facilitate timing of expenditures and revenues across state fiscal years.

Routine budget adjustments have been made in several auxiliaries to reflect revenue and expenditure changes.

For the quarter ending September 30, 2009, \$20.3 million was expended for Educational and General and General Obligation Bond Projects, and \$14.4 million in expenditures were incurred for Auxiliary Enterprises capital projects.

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

- * **12. Review and Acceptance of Pratt Fund Program and Expenditures Report:** The Committee received a report on the Pratt Fund program and expenditures. Pratt bequest expenditures of \$877,478 for Engineering and \$819,990 for Animal Nutrition were made during 2008-09.

The Pratt Funds for Engineering provided partial funding for scholarships and fellowships, and international programs. Additionally, the Pratt Funds provided undergraduate scholarships, undergraduate study abroad, graduate study abroad, graduate fellowships and tuition, and graduate recruitment programs. Support for the graduate program allows the College of Engineering to remain competitive with other top engineering programs and helps in the recruitment and retention process. Additionally, the College of Engineering invested Pratt Funds in several research initiatives, including: biomedical engineering, microelectronics, and energy and advanced vehicles.

The Pratt Funds for Animal Nutrition provided scholarships to outstanding freshman scholars, as well as supporting upper class research and scholarship programs. Additionally, the Pratt Funds provided assistantships, scholarships, and research funding for graduate students. The Pratt Funds supported state-of-the-art scientific equipment purchases, research space renovations, and the publication of research journal articles; visiting scientists were also supported by Pratt Funds.

The Committee recommended the Pratt Fund Program and Expenditures Report to the full Board for approval.

- * **13. Resolution to Revise the University's Severance Policy for Eligible Faculty and University Staff:** The University's Severance Policy, patterned after the state's Severance Policy, provides on-going salary payments for individuals who do not retire, and restricts employment during the period of time when the individual is receiving the severance benefit. Submitted for the Board's review and approval is a recommendation that amends the University's Severance Policy to provide an additional option for the payment of severance benefits for faculty and university staff and to provide more flexible employment practices following separation from the University. The new option to make lump sum payments is intended to address the needs of individuals for whom VRS enhanced retirement benefits are not relevant or who would prefer to receive the entire value of the severance benefit, including the twelve months of health and life insurance, in lump sum payments. Payments over two or more years also reduce stress on university budgets. Allowing part-time reemployment following retirement may also serve university as well as individual interests. The formula for computing severance benefits remains the same for the proposed new payment methods as defined in the current policy.

The Committee recommended the Resolution to Revise the University's Severance Policy for Eligible Faculty and University Staff to the full Board for approval.

- * **14. Resolution on Delegation of Authority for Athletic Sporting Event Bonus Payments:** The Committee reviewed for approval a resolution delegating authority for athletic personnel bonus payments. The resolution proposes that the Board delegate authority to the President to approve all athletic personnel bonus payments and to be consistent with the delegation of authority resolution approved at the June 2009 Board meeting, the athletic sporting event bonus payments would be ratified by the Board on the quarterly personnel changes report.

The Committee recommended the Resolution on Delegation of Authority for Athletic Sporting Event Bonus Payments to the full Board for approval.

Joint Open Session (with Buildings and Grounds Committee)

Board Members Present: Mr. Michael Anzilotti, Ms. Beverley Dalton, Mr. Douglas R. Fahl, Mr. John R. Lawson, II, Mr. George Nolen, Mr. James W. Severt, Sr., Mr. James R. Smith, Mr. Thomas L. Tucker – Staff Representative

VPI & SU Staff: Ms. Rhonda Arsenault, Mr. Robert Broyden, Mr. Erv Blythe, Mr. Allen Campbell, Mr. Mike Coleman, Mr. Al Cooper, Mr. John Cusimano, Mr. David Dent, Mr. Corey Earles, Ms. Lynn Eichhorn, Dr. Elizabeth Flanagan, Ms. Debbie Fulton, Mr. Monte Hager, Mr. Tim Hodge, Mr. Hal Irvin, Ms. Sharon Kurek, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Lisa Royal, Mr. M. Dwight Shelton, Jr., Dr. Raymond Smoot, Jr., Dr. Charles Steger, Mr. Jeb Stewart, Ms. Melinda West, Dr. Lisa Wilkes, Dr. Sherwood Wilson

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

There are three areas where Virginia Tech buildings typically cost more than peers: foundation (due to geographic region); roofing (due to architectural design); and Hokie Stone. When these additional costs are removed from the projects, typical project construction costs are comparable with peer institutions building like buildings.

Due to time constraints, the Committees requested that more detailed discussions and review of the consultant reports be handled within each respective Committee at the March 2010 Board meeting.

There being no further business, the meeting adjourned at 12:20 p.m.

VIRGINIA TECH

Results of Financial Statement Audit

For the Year Ended June 30, 2009

Required Communications to the Board of Visitors

The Statements on Auditing Standards require the auditor to provide audit committees with information regarding the scope and results of the audit that may assist the committee in overseeing management's financial reporting and disclosure process. We have summarized these required communications.

Area	Comments
Auditor's Opinion	We will issue an unqualified opinion on the University's financial statements for the year ended June 30, 2009. Our opinion will be included in the President's Report expected to be released December 2009.
Scope of Internal Control Work	We obtained a sufficient understanding of internal controls to plan our audit and to determine the nature, timing, and extent of testing performed. We do not provide an opinion on internal controls. Our audit did not identify any matters that we consider to be material weaknesses.
Compliance Testing	Our audit identified no matters of noncompliance which are required to be reported.
Fraud and Illegal Acts	We found no indications of fraudulent transactions or illegal acts.
Significant Audit Adjustments	There were no material audit adjustments to be recorded in the audited financial statements.
Auditor's Judgment About the Quality of Accounting Principles	We concur with management's application of accounting principles.

Presentation to Board of Visitors
Virginia Polytechnic Institute and
State University
November 9, 2009



Significant Accounting Policies	For the fiscal year ended June 30, 2009, GASB 49, <i>Accounting and Financial Reporting for Pollution Remediation Obligations</i> , GASB 52, <i>Land and Other Real Estate Held as Investments by Endowments</i> , GASB 55, <i>The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments</i> and GASB 56, <i>Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements of Auditing Standards</i> became effective. The University required no disclosures for GASB 49, 52, 55 or 56.
Critical Accounting Policies	During FY09, Capital Appropriations from the Commonwealth were converted to debt proceeds resulting in a negative amount on the Statement of Revenues, Expenses and Changes in Net Assets of which we find properly stated.
Material Alternative Accounting Treatments	There were no material alternative accounting treatments identified as a result of the 2009 audit.
Management's Judgments and Accounting Estimates	We have reviewed the basis used for accounting estimates noting that such amounts appear to be reasonable based on available information and that estimation methodology is consistent with prior periods.
Methods of Accounting for Significant Transactions and for Controversial or Emerging Areas	The tragic events of April 16 created some unusual transactions. However, we agree with the presentation of these transactions in the annual financial statements.
Disagreements with Management on Financial Accounting and Reporting Matters	During the 2009 audit, there were no disagreements with management about auditing, accounting, or disclosure matters.

NCAA Agreed-Upon Procedures

We performed an agreed-upon engagement to assist the University in complying with NCAA Bylaw 6.2.3. All adjustments that we identified were properly corrected in the Schedule.

Update to Responses to Open Internal Audit Comments

FINANCE AND AUDIT COMMITTEE

September 30, 2009

As part of the internal audit process, University management participates in the opening and closing conferences and receives copies of all Internal Audit final reports. The audited units are responsible for implementing action plans by the agreed upon implementation dates, and management is responsible for on-going oversight and monitoring of progress to ensure solutions are implemented without unnecessary delays. Management supports units as necessary when assistance is needed to complete an action plan. As units progress toward completion of an action plan, Internal Audit performs a follow up visit within two weeks after the target implementation date. Internal Audit is responsible for conducting independent follow up testing to verify mitigation of the risks identified in the recommendation and formally close the recommendation. As part of management's oversight and monitoring responsibility, this report is provided to update the Finance and Audit Committee on the status of outstanding recommendations. Management reviews and assesses recommendations with university-wide implications and shares the recommendations with responsible administrative departments for process improvements, additions or clarification of University policy, and inclusion in training programs and campus communications.

Consistent with the report presented at the August Board meeting, the report of open audit recommendations includes the following two sections:

- A summary report showing each audit in order of final report date, with extended and on-schedule open high or medium priority recommendations grouped by priority.
- A report detailing all open high or medium priority recommendations for each audit, in order of the original target completion date, and including an explanation for those having revised target dates or revised priority levels.

The report presented at the August 31, 2009 meeting covered internal audit reports reviewed and accepted through the prior Board meeting, and included no open high or medium priority recommendations. Activity for the quarter ended September 30, 2009 resulted in the following:

Open recommendations as of July 1, 2009	0
Add: Medium and High priority recommendations issued	10
Subtract: recommendations addressed	<u>6</u>
Remaining open recommendations as of September 30, 2009	<u>4</u>

While this report is prepared as of the end of the quarter, management has traditionally conducted an informal review of the status of the open recommendations before the board meeting. This report contains footnotes to the detailed report that reflect any significant changes in the status of management's actions scheduled for implementation in the upcoming quarter to address the audit recommendations. The four open recommendations are progressing as expected and are on track to meet their respective target due dates.

Open Recommendations by Priority Level

FINANCE AND AUDIT COMMITTEE

September 30, 2009

Report Date	Audit Name	Audit Number	Total Recommendations						
			ISSUED	COMPLETED	OPEN				
					Extended		On-schedule		Total
					High	Medium	High	Medium	Open
05-Aug-09	Communication Network Services	831	2	1				1	1
05-Aug-09	Enterprise Systems	842	1					1	1
07-Aug-09	The Inn at Virginia Tech	844	2	2					0
07-Aug-09	Human Resources	839	2	1				1	1
07-Aug-09	NCAA Compliance - Recruiting	829	3	2			1		1
Totals:			10	6	0	0	1	3	4

Internal Audit Open Recommendations

FINANCE AND AUDIT COMMITTEE

September 30, 2009

Report Date	Item	Audit Number	Audit Name	Recommendation Name	Priority		Target Date		Follow Up Status	Status of Recommendations with Revised Priority / Target Dates
					Original	Revised	Original	Revised		
05-Aug-09	1	842	Enterprise Systems	Managing Service Requests	Medium		16-Nov-09		1	
07-Aug-09	2	829	Human Resources	Hiring - Faculty Transcripts	Medium		01-Dec-09		1	
05-Aug-09	3	831	Communication Network Services	Continuity of Operations Plan (COOP)	Medium		31-Jan-10		2	
07-Aug-09	4	829	NCAA Compliance - Recruiting	Recruiting Records	High		31-Jan-10		2	

- (1) As of October 20, 2009, management confirmed during follow-up discussions with audit that actions are occurring and target date will be met. The Audit department will conduct testing after the due date to confirm that the Management Action Plan is implemented in accordance with the recommendations.
- (2) Target date is beyond current calendar quarter. Management has follow-up discussions with the auditees to monitor progress, to assist with actions that may be needed to meet target dates, and to assess the feasibility of the target date.

Internal Audit Status Report
FINANCE AND AUDIT COMMITTEE

September 30, 2009

During the first quarter of fiscal year 2010, Internal Audit has been working diligently to complete the prior year audit plan, investigate fraud, waste and abuse allegations, and conduct an advisory service project at management's request to quantify the University's financial investment in diversity efforts. Additionally, Internal Audit is in progress of configuring and implementing a new audit management system application.

Continuing Professional Education:

Department personnel were able to participate in several quality training events during the past three months, including the following:

- Two of our auditors attended the three-day "Student Financial Aid Audit Seminar" presented by Deemer, Dana & Froehle LLP.
- One of our auditors attended the two-day "Effective Control and Audit of Construction Activity" course presented by R. L. Townsend & Associates, Inc.
- Eight of our auditors attended the three-day CCH[®] TeamMate training on "Configuration of our Audit Management System."
- All audit staff members attended the two-day CCH[®] TeamMate user training on our Audit Management System.
- One of our auditors viewed "Rightsizing the Internal Audit Function" one hour webinar presented by the Association of College & University Auditors.
- One of our auditors viewed "2009 Focus on Fraud and Misconduct in the Corporate World" presented by LearnLive Technologies.
- One of our auditors viewed "Adding Value in this Turbulent Economy: An Internal Auditor's Guide" presented by LearnLive Technologies.

Each staff member is on target to complete the 40 hours of continuing education required annually.

Audit Management System:

Audit management system applications are critical to increase the efficiency and productivity of the audit process, including risk assessment, scheduling, planning, execution, review, report generation, trend analysis, committee reporting and storage. Since 2002, the Internal Audit Department at Virginia Tech has utilized an electronic audit management system. During fiscal year 2009, Internal Audit identified opportunities to further improve audit quality efficiencies and documentation. After an extensive evaluation of our options, we decided to procure CCH® TeamMate with the Vice President for Finance and Chief Financial Officer's support. Internal Audit is eager to use CCH® TeamMate for the fiscal year 2010 audit plan as it will increase the efficiency and productivity throughout the entire audit process.

Information Technology Infrastructure:

Internal Audit is implementing changes to our IT infrastructure that will enable additional personnel resources to be made available for effort toward the audit plan. We have migrated over to the network accessible storage (NAS) offered by Network Infrastructure and Services to eliminate the necessity for Internal Audit to maintain and support internal servers and backups. We are in the process of migrating to the Central Services domain through Identity Management Services. Additionally, we are utilizing the services of Central IT's Microsoft Implementation Group for Virtual Dedicated Windows Servers (VDWS) for running the new audit software, CCH® TeamMate. Hardware maintenance and troubleshooting for the VDWS will be provided by central IT instead of auditors, and the usage fee for several virtual servers for a five year period is equivalent to purchasing one new server. Once the infrastructure is fully migrated, these changes should reduce Internal Audit's IT support effort from 35 percent to 25 percent of an FTE (approximately 200 hours annually).

Proposed Timeline of 2010 Audit Plan

We have developed an audit schedule to ensure completion of the 2010 Audit Plan, including the projected board meeting of when we will plan to present the results to the committee.

Audit Project	Risk Ranking	Projected BOV Mtg	Report Issue Date
Athletic Department - Operations	High	3/22/2010	
Information Technology Security Office	High	3/22/2010	
Office of Sponsored Programs - Pre-Award	High	3/22/2010	
Virginia Bioinformatics Institute	High	3/22/2010	
Environmental Health & Safety	Medium	3/22/2010	
Learning Technologies	Medium	3/22/2010	
Macromolecules & Interfaces Institute	Medium	3/22/2010	
Chemistry Department	High	6/7/2010	
Construction Project Management Process	High	6/7/2010	
Electronic Sensitive Data	High	6/7/2010	
Network Infrastructure Systems Support	High	6/7/2010	
Scholarships and Financial Aid	High	6/7/2010	
Dining Services	Medium	6/7/2010	
Emergency Preparedness - Action Plans	Medium	6/7/2010	
Investments & Debt Management	Medium	6/7/2010	
Cooperative Extension	High	8/30/2010	
Departmental Scholarships/Foundation	High	8/30/2010	
Leave Accounting	Medium	8/30/2010	
Secure Enterprise Technology Initiatives	Medium	8/30/2010	
Surplus Property Compliance	Medium	8/30/2010	
University Unions and Student Activities	Medium	8/30/2010	
Compliance Review		Projected BOV Mtg	Report Issue Date
College of Business		3/22/2010	
Vice President for Alumni Relations		3/22/2010	
College of Science		6/7/2010	
Vice President and Dean for Undergraduate Education		8/30/2010	
Vice President for Administrative Services		8/30/2010	
Advisory Services		Projected BOV Mtg	Report Issue Date
Conflicts of Interest		6/7/2010	
Institute for Advanced Learning & Research		8/30/2010	

University Debt Ratio and Debt Capacity

FINANCE AND AUDIT COMMITTEE

October 7, 2009

The University's debt policy approved by the Board of Visitors requires periodic review of its debt ratio and debt capacity. As a part of that process, the University's debt ratio and debt capacity are reported annually to the Finance and Audit Committee. The management of debt at the University is critical to the success of its capital program. An established committee including representatives from Investments and Debt Management, the Controller's Office, Capital Assets and the University Budget Office meets regularly to review debt activities and the timing of debt issuances to ensure compliance with the debt policy. The Vice President for Finance and Chief Financial Officer and the University Treasurer provide oversight of these activities.

Both the University's debt policy and the higher education restructuring initiative require that the University maintain a debt service to operations ratio of not greater than seven percent. In addition to those seven percent limitations, management internally targets a five percent benchmark for planning purposes and subsequent recommendations to the Board. The University's debt ratio for fiscal year 2008-09 is 3.04 percent.

At the conclusion of fiscal year 2008-09, outstanding long-term debt of the University totaled \$285.9 million. For the current 2009-10 fiscal year, the additional debt capacity at the seven percent limit beyond our anticipated issuance is \$376.1 million. The equivalent capacity at the five percent limit is \$132.6 million.

Attachment A provides an estimate of future capacity and debt ratios each year through fiscal year 2015-16. The analysis includes authorized projects currently underway, authorized planning projects with a high probability of debt issuance for the full project, and an allocation of available capacity to advance upcoming debt funded projects from the capital plan. During this period, it is anticipated that the University's debt ratio will reach 5.16 percent in fiscal year 2012-13, and remain at about five percent for the period of the analysis. Attachment B shows a list of projects and amounts for debt issuances for each year of the analysis through fiscal year 2015-16. Attachment C shows a trend of the University's debt ratio from fiscal year 2002 to 2009 with projections through fiscal year 2016 based on the analysis in Attachment A.

The University will continue to develop capital outlay plans that advance projects within the debt policy and restructuring initiatives, and will carefully review each project in accordance with our debt capacity before submitting project authorizations for debt to the Board.

University Debt Ratio and Debt Capacity Based on Expected Debt Issuance

FINANCE AND AUDIT COMMITTEE

October 7, 2009

(Dollars in Thousands)

Fiscal Year	Actual	Estimated						
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Total Long-Term Debt Outstanding, Beginning of Fiscal Year	\$ 264,823	\$ 285,865	\$ 388,370	\$ 481,264	\$ 547,102	\$ 563,390	\$ 572,977	\$ 581,978
Net New Long-Term Debt Issuance	42,520	118,807	113,100	88,995	43,000	38,040	40,000	42,000
Net Long-Term Debt Repayment	(21,478)	(16,302)	(20,205)	(23,157)	(26,712)	(28,453)	(30,999)	(402,326)
Total Long-Term Debt Outstanding, End of Fiscal Year	\$ 285,865 ⁽¹⁾	\$ 388,370	\$ 481,264	\$ 547,102	\$ 563,390	\$ 572,977	\$ 581,978	\$ 221,652
Total Debt Service	\$ 29,499 ⁽¹⁾	\$ 39,856	\$ 49,313	\$ 55,665	\$ 59,150	\$ 61,538	\$ 64,347	\$ 67,858
Total Operating Expenditures	970,109 ⁽¹⁾	1,018,956	1,039,335	1,080,908	1,145,763	1,214,509	1,287,379	1,364,622
Debt Ratio	3.04%	3.91%	4.74%	5.15%	5.16%	5.07%	5.00%	4.97%
7% of Operating Expenditures	\$ 67,908	\$ 71,327	\$ 72,753	\$ 75,664	\$ 80,203	\$ 85,016	\$ 90,117	\$ 95,524
Additional Allowable Debt Service	38,408	31,471	23,441	19,999	21,054	23,478	25,770	27,665
Additional Debt Capacity (at 7%)	\$ 458,994	\$ 376,092	\$ 280,125	\$ 238,995	\$ 251,599	\$ 280,566	\$ 307,961	\$ 330,612
5% of Operating Expenditures	\$ 48,505	\$ 50,948	\$ 51,967	\$ 54,045	\$ 57,288	\$ 60,725	\$ 64,369	\$ 68,231
Additional Allowable Debt Service	19,006	11,092	2,654	(1,619)	(1,862)	(813)	22	373
Additional Debt Capacity (at 5%)	\$ 227,131	\$ 132,554	\$ 31,716	\$ (19,351)	\$ (22,247)	\$ (9,711)	\$ 268	\$ 4,457

Assumptions:

Total Operating Expenditures for 2009-10 are based on the approved budget less the Governor's proposed 15% reduction (net of additional federal stimulus funding)

Total Operating Expenditures are estimated to increase 2% for 2010-11, 4% for 2011-12 and 6% thereafter.

5.5% Cost of Capital assumed for all planned new bond issuances with a 20-year fixed rate level amortization.

4.0% Cost of Capital assumed for all planned new MELP issuances, with 5-year fixed rate level amortization.

Notes:

⁽¹⁾ Actual, unaudited.

Projection Of Issuances For Debt Supported Capital Projects

FINANCE AND AUDIT COMMITTEE

As of October 7, 2009

	Fiscal Year							
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Total Projected
<u>Projects Authorized and Underway</u>								
Renovate East and West Ambler Johnston Hall	\$46,007,000		\$20,095,000					\$66,102,000
Parking Facility, Prices Fork	26,000,000							26,000,000
Institute for Critical Technologies and Applied Science II	13,500,000							13,500,000
Additional Recreational, Counseling and Clinical Space	13,000,000							13,000,000
Basketball Practice Facility	9,400,000							9,400,000
Upgrade Campus Heating Plant	6,400,000							6,400,000
Repair McComas Hall Exterior Wall Structure	4,500,000							4,500,000
Performing Arts Center		58,000,000						58,000,000
New Visitors & Admissions Center		7,100,000						7,100,000
Renovate Owens and West End Market Food Courts		5,000,000						5,000,000
Parking Improvements, Tech Center		750,000						750,000
National Capital Region Facility (a)			54,900,000				9,000,000	63,900,000
<u>Planning Authorized with High Probability of Issuance</u>								
Academic and Student Affairs Building		42,250,000						42,250,000
Engineering Signature Building						40,000,000		40,000,000
Chiller Plant, Phase I					8,040,000			8,040,000
Turner Street (a)				37,500,000				37,500,000
<u>Capacity to Advance Upcoming Capital Plan Items (b)</u>								
Veterinary Medicine Addition			14,000,000					14,000,000
Residential System Improvements, Phase II					30,000,000		33,000,000	63,000,000
Total New Planned Debt	\$ 118,807,000	\$ 113,100,000	\$ 88,995,000	\$37,500,000	\$38,040,000	\$ 40,000,000	\$ 42,000,000	\$ 478,442,000

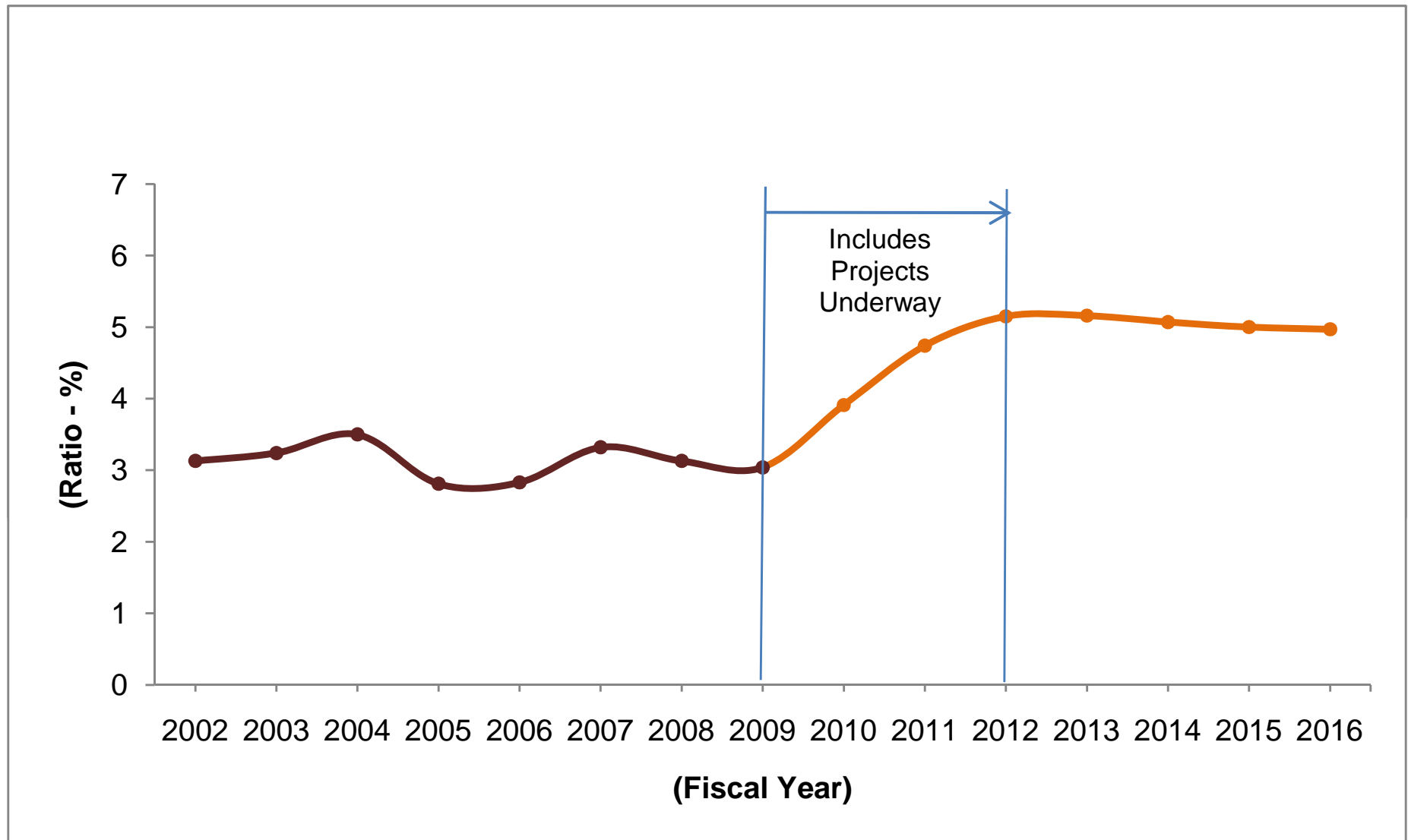
Notes:

(a) This project is currently underway through the Virginia Tech Foundation. It is included in the report because the University is committing future revenues through lease agreements to acquire space and support the project with the Foundation, which may be reflected as debt on the University financial statements.

(b) This includes capacity targeted at the five percent ratio benchmark to support upcoming debt funded initiatives on the capital plan. The allocation of debt capacity in the out-years may influence the specific timing and phasing of the projects.

FINANCE AND AUDIT COMMITTEE

October 7, 2009



Maroon = Actual Debt Burden Ratio
Orange = Projected Debt Burden Ratio

Presentation Date: November 9, 2009

**Accounts Receivable and the Write-off of Delinquent Accounts
For the Fiscal Year Ended June 30, 2009**

FINANCE AND AUDIT COMMITTEE

September 23, 2009

Overview

Accounts receivable are generated by several components within the University. Student accounts receivable and the receivables generated through the sponsored research program represent the largest components of the total receivables. To properly account for and control these assets, the University uses a combination of centralized and decentralized systems. The Bursar's Office is responsible for monitoring the activities of the decentralized operations through reviews of reports and discussions with personnel who have been delegated the responsibility for billing and collecting accounts. The Bursar's Office is also responsible for managing the collection process for all delinquent accounts. Information from the receivables system is consolidated quarterly by the Controller's Office and reported to senior management and the State Comptroller. The quarterly report uses a combination of narratives, tables, and graphs to report receivables, analyze trends, and identify areas where emphasis or action is needed. The Controller's Office is responsible for the implementation of corrective action to ensure that the receivables are properly managed.

Composition and Aging of the Receivables

Schedule A provides the composition of the gross receivables at June 30, 2009, with comparative data for the previous year. Schedule B provides a graph for the aging analysis of the gross receivables at June 30, 2009, with comparative data for the previous three years. The total write-offs for these four years are also overlaid on this graph as another way to put them in perspective.

Collection Efforts and Write-offs

Because of the nature of the receivables and the University's aggressive policy for collecting delinquent accounts, the annual write-off of uncollectible accounts is relatively small. The average annual write-off for the past three years is \$456,626. The fiscal year 2009 write-off total of \$550,218 represents only 0.089 percent (slightly less than one tenth of one percent) of the annual operating revenues¹ per the audited financial statements for fiscal year 2008, excluding federal appropriations.

Various techniques are used for collecting delinquent receivables depending on the customer and type of account. For example, students must pay past due amounts before they are allowed to enroll for the next school term. Other delinquent accounts are placed with commercial collection agencies and the State Attorney General's Office for collection. The State Comptroller provides guidance on collection policies and procedures, and the

¹ Operating revenue for FY08 of \$617,300,495 was used for this calculation.

University generally complies with the State Comptroller's recommendations, except where improved practices have been implemented under Restructuring.

Accounts Written Off at June 30, 2009

As authorized by a resolution passed by the Board of Visitors on August 13, 1976, the Vice President for Finance and Chief Financial Officer and the University Controller periodically review the University's accounts receivable. The review is performed to determine those delinquent accounts that are deemed to be uncollectible. Subsequently, the accounts are written off the University's records in accordance with generally accepted accounting practices. However, such accounts are not discharged or forgiven, and the University continues to track these accounts.

Normally, accounts are written off at the close of the fiscal year. For the fiscal year ended June 30, 2009, the total of accounts written off was \$550,218. See Schedule C for a summary of the accounts written off at June 30, 2009, with comparative data for the two previous fiscal years. Generally, the write-offs are consistent with prior years; however, several categories contain items which have increased the current year's totals. For Sponsored Programs the increase is due to the bankruptcy of a company called Delta Gee. The second increase is in the category for the Executive MBA program. This program is new and because of the unique pricing structure and scheduling, it is tracked separately from other types of tuition and fees.

For each account written off, appropriate collection procedures were utilized. Further collection efforts were not justified for various reasons such as bankruptcies, the inability to locate the debtor, and the cost versus the benefit for small receivable amounts. As shown in Schedule D, the \$550,218 write-off total consists of 1,095 customers with an average account value of \$502. In fact, as shown on Schedule E, of the total number of accounts written off, 61.3 percent (671) were valued at less than \$100, and these low dollar accounts represent only 4.8 percent of the total dollar value.

State Management Standards

The state has established management standards that must be achieved for an agency to retain its financial benefits from restructuring. There are two management standards related to accounts receivable and both are calculated annually. The two standards are:

- a. A four-quarter average past due rate of ten percent or less on receivables 121 days or more past due as a percentage of all receivables.
- b. An average past due rate of ten percent or less on Federal student loans.

The University is currently in compliance with both standards. As of June 30, 2009, the four-quarter average past due rate on receivables 121 days or more past due is 2.33 percent and the Federal Perkins Student Loan default rate is 1.24 percent.

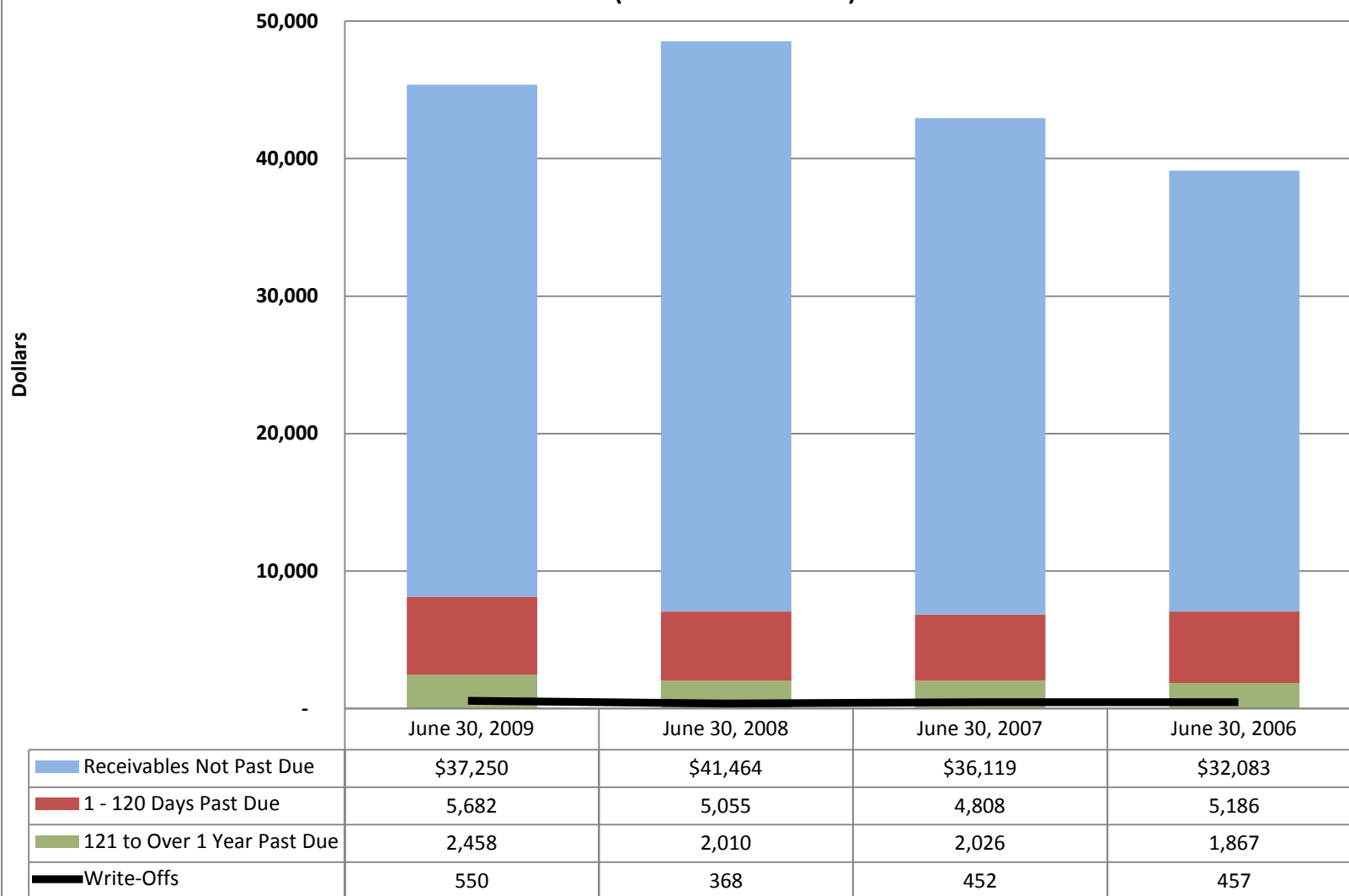
**Composition of Gross Receivables
Compared to Same Quarter Pervious Year
(Dollars in Thousands)**

	<u>June 30, 2009</u>		<u>June 30, 2008</u>	
	<u>Receivable Balance</u>	<u>Percent</u>	<u>Receivable Balance</u>	<u>Percent</u>
Student Accounts	\$ 2,504	5.50%	\$ 2,266	4.70%
Sponsored Programs	36,139	79.60%	40,493	83.40%
Electric Service	800	1.80%	779	1.60%
Parking Service	100	0.20%	114	0.20%
Telecommunications	41	0.10%	127	0.30%
Continuing Professional Education	486	1.10%	507	1.10%
Veterinary Medicine and Equine Medical Center	922	2.00%	849	1.70%
Loans/Notes Receivable	40	0.10%	32	0.10%
Other Receivables	4,358	9.60%	3,362	6.90%
Total Gross Receivables	\$ 45,390	100.00%	\$ 48,529	100.00%

Aging of Receivables

From June 30, 2006 to June 30, 2009

(dollars in thousands)



Write-Offs for June 30, 2009 with Comparison to 2008 and 2007

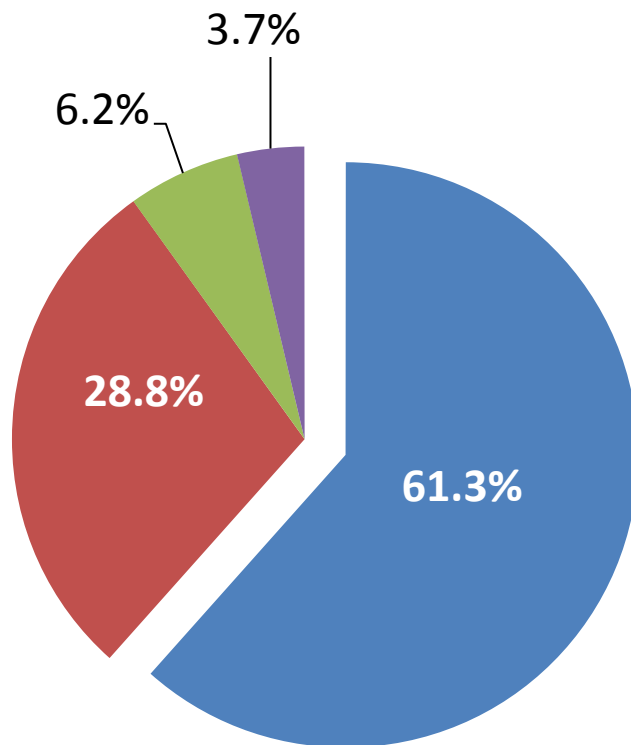
<u>Accounts Receivable</u>	<u>June 30, 2009</u>	<u>June 30, 2008</u>	<u>June 30, 2007</u>	<u>Three Year Average</u>
Student Accounts	\$ 237,215	\$ 180,445	\$ 269,891	\$ 229,184
Sponsored Programs	74,136	-	22,038	32,058
Electric Services	12,838	9,895	13,935	12,223
Parking Services	21,582	9,211	24,470	18,421
Telecommunications	1,326	282	202	603
Continuing Professional Education	1,168	1,589	870	1,209
Veterinary Medicine and Equine Medical Center	113,522	127,279	71,323	104,041
Loans/Notes Receivable	3,000	3,062	2,798	2,953
Other Receivables	48,061	35,860	46,510	43,477
Executive MBA Program	37,370	-	-	12,457
Total Write - Offs	<u>\$ 550,218</u>	<u>\$ 367,623</u>	<u>\$ 452,037</u>	<u>\$ 456,626</u>

Write-Off Summary for June 30, 2009

TYPE	Total Number of Accounts	Total Dollars	Average Write Off Amount (\$)	Percent of Total Dollar Value	Percent of Total Number of Accounts
Student Accounts	100	\$ 237,215	\$ 2,372	43.10%	9.10%
Sponsored Programs	1	74,136	74,136	13.50%	0.10%
Electric Service	77	12,838	167	2.30%	7.00%
Parking Services	414	21,582	52	4.00%	37.80%
Telecommunications	6	1,326	221	0.20%	0.50%
Continuing Professional Education	6	1,168	195	0.20%	0.50%
Veterinary Medicine and Equine Medical Center	163	113,522	696	20.60%	15.00%
Loans/Notes Receivable	5	3,000	600	0.50%	0.50%
Other Receivables	320	48,061	150	8.81%	29.22%
Executive MBA Program	3	37,370	12,457	6.79%	0.27%
	<u>1,095</u>	<u>\$ 550,218</u>		<u>100.00%</u>	<u>100.00%</u>

Stratification of Write-Offs for Fiscal Year 2009

Total Number of Accounts



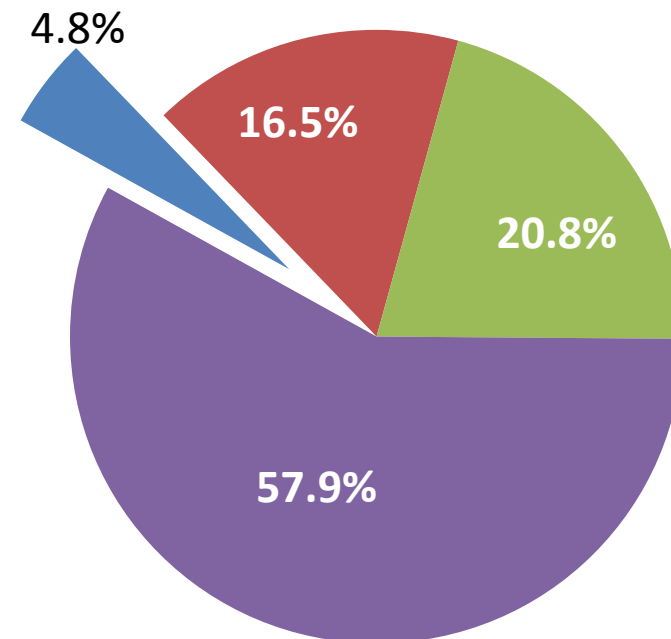
■ \$0-\$99

■ \$100-\$999

■ \$1000-2,999

■ > \$3000

Total Dollar Value



Update on Higher Education Restructuring

FINANCE AND AUDIT COMMITTEE

October 2, 2009

In 2005, Virginia Tech entered into a Management Agreement with the Commonwealth of Virginia under the Higher Education Restructuring Act, offering increased management autonomy in exchange for high level accountability in several performance areas. The Institutional Performance Standards (IPS) are a major part of the performance measures under higher education restructuring. The State Council annually assesses the degree to which each individual public institution of higher education has met the financial and administrative management and educational-related performance benchmarks set forth in the appropriation act in effect. The State Council reviewed the University's measures and benchmarks and report in the spring that Virginia Tech met all the targets in the 2006-08 plan.

The initial Management Agreement was in effect until 2010. Renegotiations occurred during fiscal year 2008-09 to continue the University's Level 3 status, including some revised performance measures. Legislation was approved amending and reenacting the current Management Agreement through June 30, 2012, provided the Governor provides written notification that the Management Agreement needs to be renegotiated or revised by November 15, 2011. Otherwise, the Management Agreement shall continue in effect until June 30, 2015. Effective July 1, 2008 Virginia Commonwealth University became the state's fourth Level 3 institution. The revised Performance Measures effective July 1, 2009 are included in Attachment 1.

The third year of implementation was met with great success. Through the autonomy offered under the Management Agreement, the university is operating more efficiently and is better equipped to respond quickly and effectively to challenges and opportunities. The University provided a report on the 2008-09 fiscal year to the Committee in August 2009. This report is the second part of that annual report, and it focuses on finance and administrative performance results for 2008-09.

Capital Outlay, Leases and Real Estate

- Number of days on average for institution to process change orders locally
Before Restructuring, the number of days on average for the State to process change orders was 25 calendar days. Since July 1, 2007, the University has reduced this time by 16 days, averaging 9 days per change order for 83 change orders processed in 2008-09.

- Number of days saved by BOV approval of nongeneral fund projects compared to state approval

The measure used by the University to assess its performance in this area is the number of days saved by Board of Visitor approval of nongeneral funded capital projects as opposed to State approval. For nongeneral fund projects approved during 2008-09, an average of 393 days per nongeneral funded project was saved for seven projects when compared with the State's capital project pre-appropriation process.

- Average number of days for institution to approve a lease

Prior to decentralization, when leases were sent to the State for approval, the average number of days for approval was 52 – 90 days. The goal under Restructuring is to take an average of 15 – 19 days to approve a lease for all lease types. Since July 2007, it has taken an average of 7.48 days for new leases, 8.70 days for amendments, and 2.67 days for renewals, to obtain signatures of various documents in the approval of a lease.

Procurement

- Goals established in the plan submitted to the State under current law for Small, Woman-owned and Minority-owned (SWaM) procurement

The goal is to achieve at least 85 percent of the SWaM plan annually. The University expended \$87.6 million with SWaM vendors, 122 percent of the 2008-09 goal for SWaM procurement. In 2008-09, reporting was changed to reflect only Virginia-certified suppliers. Previous reports contained Virginia-certified plus self-certified suppliers.

- Maximize operational efficiencies and economies through the adoption of best practices for electronic procurement

The goal is to increase each year the volume of procurement through electronic procurement activities. The University procured \$227 million through electronic means during the 2008-09 fiscal year, which is an increase of approximately 41 percent over the prior year.

- Volume of cooperative procurements

The benchmark for this measure is the increase in the number of existing contracts renewed and new contracts over the number of current contracts. The number of cooperative contracts available for use has increased from 831 to 1,002 during the 2008-09 fiscal year, a 20.6 percent increase over the previous fiscal year.

- Vendor protests with a legal basis for the protest

The University had no vendor protests with a legal basis for protest last year.

Information Technology

- Major information technology projects will be completed on approved schedules and within approved budgets
Currently there are no major information technology projects, as defined by the Virginia Information Technology Agency (VITA).
- All faculty and students have convenient access to a distributed learning and collaboration environment, with course management systems in support of such services as online content; student information and library systems upgraded as major changes in technology warrant
In 2008-09, 79 percent of undergraduate courses used course management systems. This was an increase from 75 percent in the past several years.
- Institutions will leverage their collective expertise to save money and help strengthen security programs
The University often collaborates with other institutions to leverage collective expertise. Institutional collaborations in the area of information technology include the Virginia Alliance for Secure Computing and Networking (VA SCAN) and SANS (SysAdmin, Audit, Network, Security) Institute Training. Virginia Tech is also an active member in EDUCASE security committees and activities as well as the Center for Internet Security. In 2008-09, the University developed Sakai/Scholar as a learning, research, and collaboration management system.
- The institution complies with policies for the procurement of information technology goods and services, including professional services
All information technology goods and services are procured in compliance with the appropriate policies.

Finance and Accounting

- Stability of tuition and fee increases over time
The rate of tuition and fee increases for 2008-09 was 10.8 percent, up from 6.1 percent in 2007-08. Tuition and fee increases range from 6.1 percent to 14.6 percent over the last five years. Tuition increases have been more consistent and predictable since the implementation of the Management Agreement, as compared to previous trends.
- Bond rating from at least one of three rating agencies (Moody's, S&P or Fitch)
The University exceeded the goal of at least AA- (or its equivalent) from Moody's, S&P or Fitch rating service. The University maintained its rating of Aa2 by Moody's and maintained it's rating of AA by S&P.

- Annualized investment returns earned on operating cash balances invested by the institution over a rolling three year period

The investment return on operating balances is the annual total return on the university's externally managed cash balances. The return on operating cash benchmark is the annualized yield on the 91-day Treasury Bill over a rolling three year period. The investment return on operating balances has trended positively for the last three years. The fiscal year 2007-08 was the first year in which the University had effective control of all financial resources and processes needed to achieve this performance measure, and resulted in a 4.48 percent return on investment, as compared to the one year 91-day Treasury Bill average return of 3.63 percent used as the benchmark. For fiscal year 2008-09, the University achieved a 3.12 percent return on investment, as compared to the two-year Treasury Bill yield of 2.28 percent.
- Debt burden ratio

The debt burden ratio is the university's actual annual debt service as a percent of its total operating expenses. The benchmark is equal to or less than 7 percent. Virginia Tech's debt burden ratio has been under 4 percent for the last several years.
- Write off of bad debts from tuition, fees, room, and board charges

The write off of bad debts from tuition, fees, room and board charges occurs after all reasonable collection avenues have been pursued. The benchmark for such write offs is that they must be less than or equal to 1 percent of prior year's operating revenue, over a rolling three year period. Write offs of tuition, fees, room, and board charges are projected to remain steady at less than one-tenth of one percent (0.040 percent) in 2008-09.
- Percentage of recovery of delinquent accounts receivable sent to outside collection agencies or litigation

This measure tracks the three year average recovery rates achieved on delinquent accounts, and the benchmark is to collect more than 10 percent of accounts referred outside of the university for collection. The University achieved an average recovery rate in 2008-09 of approximately 17 percent.
- Amount of need-based financial aid for undergraduate Virginia students

This measure tracks financial aid in all forms, from all sources, given to needy Virginia undergraduates, and the benchmark is trend data against a baseline calculation from the previous fiscal year. The University's amount of need-based financial aid has increased every year for the last several years as it continues to increase support for needy students. For fiscal year 2008-09, \$52,641,243 in need-based financial aid was awarded to undergraduate Virginia students, a 12.2 percent increase over fiscal year 2007-08.

- Amount of need-based grants for undergraduate Virginia students
This measure tracks financial aid grants from all sources, given to needy Virginia undergraduates, and the benchmark is trend data against a baseline calculation from the previous fiscal year. The University's amount of need-based grant aid has increased every year for the last several years as it continues to increase support for needy students. For fiscal year 2008-09, \$33,767,123 in need-based grants for undergraduate Virginia students was awarded, a 12.9 percent increase over fiscal year 2007-08.

Human Resources

- Turnover Rate
The turnover rate should trend with the College and University Personnel Administrators ("CUPA") – Human Resources ("HR") benchmark, which is approximately 11 percent. The University's turnover rate is 4.1 percent.
- Internal transfers/promotions as a percentage of total number of hires
The benchmark for this measure is a rate that is equal to or greater than the CUPA-HR benchmark of 25 percent. The University's rate is approximately 42.4 percent, which trends quite favorably with the CUPA-HR rate.
- Average number of days to classify new positions or reclassify a staff position
The goal under Restructuring is an average that is equal to or less than the CUPA-HR benchmark of 30 days. In 2008-09, the average time to classify or reclassify positions was 10 days.
- Average number of days to hire staff
The benchmark for this measure is trend data against the baseline average for the previous fiscal year. The average number of days to hire staff was approximately 50 days in 2008-09, which is lower than the previous years' average of 68 days.
- Percentage of 1) Employees participating in the state HR system and 2) Current employees electing to participate in the institutional HR system
Currently, 74 percent of classified staff is participating in the state HR system, while 26 percent are university staff. Employees were given their first opportunity to elect to participate in the university HR system in the fall of 2008. During the enrollment period, 67 current classified staff employees elected to participate in the institutional HR system. Of these 67, 55 employees converted to expanded professional faculty roles and 12 elected university staff status.

**2009 Management Agreement
Financial and Administrative Performance Measures**

FINANCE AND AUDIT COMMITTEE

October 2, 2009

Area	Performance Measure
Financial	An unqualified opinion from the Auditor of Public Accounts upon the audit of the public institution's financial statements.
	No significant audit deficiencies attested to by the Auditor of Public Accounts.
	Substantial compliance with all financial reporting standards approved by the State Comptroller.
	Substantial attainment of accounts receivable standards approved by the State Comptroller, including but not limited to, any standards for outstanding receivables and bad debts.
	Substantial attainment of accounts payable standards approved by the State Comptroller including, but not limited to, any standards for accounts payable past due.
Debt Management	The institution shall maintain a bond rating of AA- or better.
	The institution achieves a three-year average rate of return at least equal to the imoney.net money market index fund.
	The institution maintains a debt burden ratio equal to or less than the level approved by the Board of Visitors in its debt management policy.
Human Resources	The institution's voluntary turnover rate for classified plus university/college employees will meet the voluntary turnover rate for state classified employees within a variance of 15 percent.
	The institution achieves a rate of internal progression within a range of 40 to 60 percent of the total salaried staff hires for the fiscal year.
Procurement	The institution will substantially comply with its annual approved Small, Women and Minority (SWAM) procurement plan as submitted to the Department of Minority Business Enterprise; however, a variance of 15 percent from its SWAM purchase goal, as stated in the plan, will be acceptable.
	The institution (with the exception of Virginia Commonwealth University) will make no less than 80 percent of purchase transactions through the Commonwealth's enterprise-wide internet procurement system (eVA) with no less than 75 percent of dollars to vendor locations in eVA. VCU will process no less than 70 percent of its transactions through eVA with no less than 80 percent of its purchase transactions in fiscal year 2010.
Capital Outlay	The institution will complete capital projects (with an individual cost of over \$1,000,000) within 1) the budget originally approved by the institution's governing board at the preliminary design state for projects initiated under delegated authority, or 2) the budget set out in the Appropriation Act or other

**2009 Management Agreement
Financial and Administrative Performance Measures**

FINANCE AND AUDIT COMMITTEE

October 2, 2009

Area	Performance Measure
	Acts of Assembly which provides construction funding for the project at the preliminary design state. If the institution exceeds the budget for any such project, the Secretaries of Administration and Finance shall review the circumstances causing the cost overrun and the manner in which the institution responded and determine whether the institution shall be considered in compliance with the measure despite the cost overrun;
	The institution shall complete capital projects with the dollar amount of owner requested change orders not more than 2 percent of the guaranteed maximum price (GMP) or construction price.
	The institution shall pay competitive rates for leased office space – the average cost per square foot for office space leased by the institution is within 5 percent of the average commercial business district lease rate for similar quality space within reasonable proximity to the institution's campus.
Information Technology	The institution will complete major information technology projects (with an individual cost of over \$1,000,000) on time and on budget against their managed project baseline. If the institution exceeds the budget and/or time schedule for any such project, the Secretary of Technology shall review the circumstances causing the cost overrun and/or delay and the manner in which the institution responded and determine whether the institution appropriately adhered to Project Management Institute's best management practices and, therefore, shall be considered in compliance with the measure despite the cost overrun and/or delay.
	The institution will maintain compliance with institutional security standards as evaluated in internal and external audits. The institution will have no significant audit deficiencies unresolved beyond one year.

Increasing Administrative Efficiencies through Expansion of Automated Systems and Enhanced Security

FINANCE AND AUDIT COMMITTEE

October 2, 2009

Background

A resolution was passed at the June 2008 meeting that charges the University's Vice President for Finance and Chief Financial Officer and the Vice President for Information Technology and Chief Information Officer to develop a plan to continue to automate the University's administrative systems utilizing modern information technology processes and security tools to gain process efficiencies. In addition, the plan should be implemented in a way that addresses business processes and the manner in which they are being conducted. Lastly, a timetable should be established for the ongoing automation of administrative processes in accordance with the plan to identify available resources such that the strategic systems improvements are implemented as soon as is practical to achieve administrative cost savings.

Report

This is the most recent progress report highlighting some of the efficiencies and process improvements that have been achieved since the June 2009 report. In addition, Attachment A contains a schedule presenting an overview of priority automation projects contained within the plan.

Projects

Electronic Commerce - Receiving and Invoice Automation. Progress continues leveraging the electronic invoicing automation that was described in the June 2009 report. By October 2009, this automation effort had expanded to include CDW-G, VWR, Dell, Bio-Rad, and Sigma Aldridge as high volume vendors submitting electronic invoices. In addition, three other high volume vendors have been contacted and are in the pipeline to deliver this functionality. As a result, it is anticipated that ten high volume vendors will be sending electronic invoices to the university by early in the spring semester of 2010. Because system functionality is currently limited to punch-out vendors in HokieMart, the initial goal for this initiative remains to shift up to 25 percent of disbursement transactions into this environment. The work over the past year to improve receiving processes and implement electronic invoicing has resulted in the elimination of several wage positions and has enabled one full-time position to remain vacant in the Accounts Payable unit.

Human Resources - Document Management and Electronic Workflow. In the summer of 2009, Human Resources became the first office on campus to implement Banner Document Management Software and the Banner electronic workflow software. Ideally, information should be processed electronically from the outset, but unfortunately a number

of state or federal government agencies and various vendors still require the completion of paper benefits forms. By reengineering the benefits process to use electronic workflow, paper documents are now scanned, linked to an individual's electronic record, and an electronic workflow is then launched based on the particular type of document. The electronic notification of work instead of the sequential routing of a paper form enables concurrent processing, which results in improved throughput. The electronic records are both more secure as well as more easily accessed and shared than the previous paper records. In addition, historical employee benefits documents are being scanned and linked to electronic personnel records, thus reducing physical storage space requirements for paper files. As deployment is expanded, Human Resources expects that implementation of this system will reduce the number of inquiries from departments to Human Resources for information and will improve the response time for Human Resources to address inquiries when required, thus improving productivity for Human Resources staff as well as university departments. The next phase of this effort within Human Resources will extend this functionality to other personnel records such as retirement forms and workers compensation forms.

Human Resources - Electronic Tuition Waivers. Full-time salaried employees, meeting admission requirements and with the approval of their department, may request tuition waivers at the university for tuition for up to 12 credit hours per academic year. In July 2009, an automated system was implemented that enables employees to fill out an online form and route it electronically to a supervisor for signature. The business rules for eligibility have been automated and the information electronically delivered to the Bursar's office. This has replaced a paper-based process that required manual processing by the employee, Human Resources, and the Bursar's office. The system was used for 249 tuition waivers for fall semester, resulting in quicker processing of transactions for customers and elimination of processing time and paper storage of forms for Human Resources.

Financial Aid - Reasonable Academic Progress for Financial Aid Eligibility. A recent improvement adopted within the financial aid office automates a manual process that is needed to ensure students are making reasonable academic progress required for continued financial aid eligibility. An electronic system distributes warnings to students concerning conditions relating to credit hours or grade point averages that could affect the student's eligibility to continue to receive financial aid. Implementing the system has saved man hours within the financial aid office while maintaining or enhancing the quality of customer service delivered to students.

Electronic Payment System Usage within the HokieSPA. The HokieSPA enables students, faculty, and staff to view academic, financial and other pertinent information about their relationship with Virginia Tech. Some examples of the many services and information available in HokieSPA include: Students can find grades for previous semesters, class schedules, financial aid information, and much more; Faculty use it to view information concerning classes, advising, and grades; and Employees use it to review pay stubs and W-2s. Recently, HokieSPA was integrated with the Commerce Manager product, a Nelnet Business Solutions hosted payment solution, to provide

electronic payment of student matriculation fees for applicants to accept admission to Virginia Tech. This enhancement replaces the labor-intensive efforts by the undergraduate and graduate admissions offices for processing manual payment transactions into the accounts receivable system. It also eliminates a need for cash handling procedures which saves staff processing time, improves accountability, and minimizes the risk associated with the collection of cash. In addition to matriculation fees, the Commerce Manager has been linked within HokieSPA for the payment of Hokie Camp, the Student Affairs program for orienting new Hokies to Virginia Tech.

HokieServ Computerized Maintenance Management System. In August 2009, Virginia Tech Facilities Services implemented the AssetWORKS AiM system to provide a comprehensive computerized maintenance management system for the university. The system is a web-based facilities management application designed to improve accountability, streamline maintenance operations, and enhance service delivery to the Facilities Services operating units. Virginia Tech's implementation, called HokieServ, has been integrated with HokieMart to provide electronic entry and approval of maintenance requests and encumbering of funds at approval of order. Incorporating standard operating procedures across the Facilities Services units should facilitate streamlined operations and a compressed cycle time for work orders. The electronic system improves customer service by enabling customers to track progress of projects through a web interface which should significantly reduce the telephone, email, and walk-in inquiries of Facilities Services for information. Overall, automation of a previously paper-based process will provide more measurable data which can be analyzed to achieve ongoing administrative efficiencies and service enhancements.

Summary

These represent a few of the notable accomplishments that have been recently implemented for improving process efficiencies and enhancing compliance and security. Virginia Tech continues to focus on increasing the pace of automation efforts through effective management of various factors including:

- resource allocation and usage for automation projects,
- prioritization of projects,
- vendor system functionality and availability, and
- regulatory or compliance requirements.

Several priority projects that are in process are outlined in Attachment A. The estimated percentage complete and target completion dates for the projects listed in Attachment A are based on the current prioritization of these projects and the expected status of the other factors listed above.

FINANCE AND AUDIT COMMITTEE

October 2, 2009

Area	Initiatives and Projects	Description of the Project/Initiative	Current Status	Target Completion Date	Estimated Percentage Complete
Administrative Services - Facilities	Facilities Management Software: HokieServ	Implement a facilities maintenance management system that interfaces into the Virginia Tech systems environment. This system will provide work order management, preventive maintenance management, labor management, and inventory management. Thus, the system is a cohesive solution for all aspects of facilities management with automated integration to appropriate university systems.	The implementation of this system was successful as the system went into production in August 2009. System usage and acceptance continues to increase as university offices learn the new system.	Summer 2009	100%
Administrative Services - Human Resources	Document Management: Imaging of Human Resources Benefits Documents	Implement an imaging system for Human Resources benefits documents. This will release space in Human Resources devoted to filing cabinets and will enable departments to submit documents to Human Resources more efficiently and securely.	System went into production in August 2009. Back scanning has begun on old benefits files and is more than 50% completed. Workflow for new benefits documents is working as anticipated.	Fall 2009	100%
Administrative Services - Human Resources	Online Commonwealth of Virginia Campaign (CVC) Pledge Entry	Implement an online system to replace the paper forms for employees to submit CVC contributions. Data will be imported directly into Banner to create payroll deductions	System went into production in September just prior to the fall CVC campaign, so expenses associated with printing and distribution of paper forms for 2009 will be avoided. In addition, manual entry of payroll deductions will be eliminated.	Fall 2009	100%
Administrative Services - Human Resources	Electronic Tuition Waivers	Automate the manual tuition waiver process	System went live in summer 2010. 249 waivers were processed this term providing quicker throughput and time savings in Human Resources. Several enhancements to the system requested by users are in process and should be available prior to spring semester 2010.	Summer 2009	100%
Administrative Services - Human Resources	Employee Self-Service Portal	Provide an integrated and organized repository of information for our employee community through a unified portal environment. The system is expected to simplify access to services, to enable timely, targeted communications, and to provide a unified, one-stop interface to administrative systems.	Virginia Tech has standardized on the uPortal open source portal architecture which is used for myVT. In August, 2009 the myVT system was upgraded to uPortal 3. As the next phase in the self-service portal, the Banner integration service (BEIS) is now under implementation to enable portlet integration for administrative services such as document management and workflow.	Spring 2010	30%
Administrative Services - Human Resources	Automate the performance management process and documents	Currently staff performance evaluations are done on paper and are sent to Human Resources for keying into Banner.	The first phase of this effort is storage of the performance plans electronically at the beginning of the evaluation cycle in fall 2009. The project will progress as the performance evaluation cycle continues through 2010.	Fall 2010	10%
Administrative Services - Human Resources	Document Management: Imaging of Human Resources Retirement & Workers Compensation Documents	Extend the Document Management system to include other personnel records like retirement forms and workers compensation documents	Human Resources and Information Technology have just begun addressing these types of documents.	Spring 2010	5%

FINANCE AND AUDIT COMMITTEE

October 2, 2009

Area	Initiatives and Projects	Description of the Project/Initiative	Current Status	Target Completion Date	Estimated Percentage Complete
Finance - Purchasing	HokieMart SciQuest Enhancements: HokieMart SciQuest Internal Services (ISR) Integration	Provide system for converting manual ISR forms to electronic entry within HokieMart and enabling integration to Banner. The benefits for accessing internal service providers electronically include expedited electronic approval processing, non-sufficient funds checking, and the encumbering of funds at the time of purchase.	Virginia Tech has completed enhancements to Banner and configuration of HokieMart to support this functionality. There are 100 internal service units in production with one additional unit expected to move to production on October 31, 2009.	Fall 2009	100%
Finance - Purchasing	HokieMart SciQuest Enhancements: Extend Electronic Invoicing Capability to High Volume Vendors	Implement system for integration of electronic invoices from HokieMart into Banner. The efficiencies gained by this integration have resulted in reduction in staffing resources that process invoice payments.	CDW-G went live in August 2009 and are processing between 20-25 orders a week. VWR went live in late September 2009. Sigma Aldridge, Bio-Rad, and Dell went live in October. Invitrogen, Guy Brown, and The Supply Room have all been contacted and are in process to meet a spring semester 2010 goal.	Spring 2010	65%
Finance - Purchasing	HokieMart SciQuest Enhancements: Interface with existing internal vendor systems	Integrate Software Sales Automated System and the VT Communication Network Services' system for ordering telecommunication services (COLA ICR) with the HokieMart to continue progress toward the goal of HokieMart being the location for all VT purchases.	Software Sales is on schedule for a fall semester 2009 target for implementation. Analysis work on the Communications Network Services (CNS) project is still in a preliminary phase with the scope of the effort still being assessed. Preliminary assessment is for a fall 2010 target implementation.	Fall 2010	35%
Provost - Academic Administration	Faculty Activity Reporting System - Digital Measures: Pilot Phase	The VT Faculty Activity Reporting System is a hosted system for compiling faculty accomplishments, publications, and activities. The system will be used to generate faculty activity reports for faculty evaluations and tenure processes, thus providing a unified, automated process for enabling faculty to manage and compile their personal accomplishments as well as the ability to correlate information from a variety of sources. In addition, the system accommodates the complexity of accomplishments and credentials that are required for accreditation, reporting, and evaluation across the diversity of university academic disciplines and programs.	The pilot phase is focused on configuration of the system and developing the processes that will be used for campus deployment. The pilot participation includes representatives from each department and college of the campus. Significant work has been accomplished for configuration and setup of the system. Project activities are currently focused on the consolidation of processes for the myriad of information involved, including teaching commitments, publications, CV's, and research information. Faculty and departments participating in the pilot project are working with the Provost Office to consolidate the information and to adapt faculty annual report processes to effectively utilize the system.	Spring 2010	20%
Provost - Academic Assessment	ePortfolios Development and Implementation	The ePortfolio functionality within Scholar enables students to collect, store, and share evidence of their learning and acquired skills. The system includes a toolset that supports student learning from a holistic view of academic achievement and learning outcomes. The ePortfolio system enables faculty to collect, analyze, report and manage evidence of student learning and to assess that learning for purposes of accreditation and professional development.	The project continues to build the human, process, and technology foundations for an ongoing ePortfolio program. Currently, ten academic programs are joining the ePortfolio project each semester, with the deliverables to be programmatic-level, assessment/accreditation-oriented ePortfolios. More than 50 academic programs are actively engaged with the project. Timelines for the project are contingent upon prioritization and resource commitments.	Summer 2011	70%
Provost - Admissions	Integrate Commerce Manager Payment Vehicle with HokieSPA	Provide a mechanism by which the secure payment mechanism can be accessed by HokieSPA for use in collecting miscellaneous fees	The Nelnet commerce manager has been integrated with the HokieSpa for the 2009 fall term matriculation fees and Hokie Camp fees.	Summer 2009	100%

FINANCE AND AUDIT COMMITTEE

October 2, 2009

Area	Initiatives and Projects	Description of the Project/Initiative	Current Status	Target Completion Date	Estimated Percentage Complete
Provost - Financial Aid	Reasonable Academic Progress for Financial Aid Eligibility	Automate the manual process that ensures that students are making the academic progress needed to maintain financial aid eligibility.	Successful implementation of this effort went into production in the Summer of 2009. System has saved man hours in financial aid office.	Summer 2009	100%
Provost - Learning Technologies	Migration to Scholar from Blackboard	The open-source Scholar (Sakai) collaboration & learning environment will replace the Blackboard course management system. Replacing Blackboard has numerous benefits for Virginia Tech including enabling the university to eliminate the ever escalating maintenance costs for Blackboard, allowing Virginia Tech to expand participation and collaboration within the consortia of major research institutions that design and support Sakai, and enabling the university to more effectively utilize learning management resources through standardization on one course management system.	Scholar is running in parallel with Blackboard during transition. Software to move Blackboard course content is now available to faculty. Over 600 faculty have used these resources to date. For Fall semester 2009, 1,636 Course Request Numbers (CRNs) are linked to courses within Scholar. Extensive training and communication activities are being implemented throughout the coming year.	Fall 2010	40%
Provost - SACS	SACS Reaffirmation of Accreditation - Administrative Process Support	In support of the SACS reaffirmation of accreditation, enhancements are being implemented for the presentation of course information and faculty credentials, as well as for SACS reporting. These enhancements provide better support for departments to record and track faculty credentials and thus eliminate duplication of data as well as improve comprehensiveness of information.	The processes and data concerning faculty credentials that was required for submission for SACS was compiled this summer and frozen for SACS submission following the beginning of fall term. These processes will continue as needed for reaffirmation of accreditation and university academic support.	Summer 2009	100%
Research Administration	Research Administration System: Labor Redistribution	Labor Redistribution expands Human Resources functionality for Banner to enable online redistribution of funding for payroll transactions. This functionality is needed for effective management of research funds and will also be used for overall university payroll processing.	VT installed the version of Banner that contains this functionality in late Spring. Initial testing with this software uncovered some bugs that SunGardHE has had to address. Following SungardHE's delivery of patches, VT will be making custom modifications to accommodate VT processes. To address the SGHE bug fixes and VT enhancements, the schedule for delivery of a pilot program of users has shifted from late summer 2009 to early in spring semester 2010.	Spring 2010	30%
Research Administration	Research Administration System: Effort Reporting	Effort Reporting provides online production, administration, and approvals for reporting of effort for research efforts - both funded and unfunded. The system provides enhancements for Banner that will include approvals, workflow and integration with Human Resources and research fund administration. Effective effort reporting is a critical requirement for university research compliance. This system will replace manual reports and a manual approval certification process.	VT installed the version of Banner that contains this modification in late spring. Modifications necessary to implement this at VT are under consideration. The enterprise implementation will need to address system configuration and customization as well as developing effective processes and procedures for administration and operation. In addition, extensive training for faculty and staff will be required to meet university compliance requirements and ensure accurate understanding and usage of the system.	Summer 2010	15%

Status of Reduction in State General Fund Support for 2009-10

FINANCE AND AUDIT COMMITTEE

October 22, 2009

Virginia Economic Outlook

Economic uncertainty in all sectors continued to adversely impact state revenue collections through the summer and fall of 2009, subsequent to the approval of the state 2009-10 budget in April. In August, the Governor's Advisory Council on Revenue Estimates confirmed that the historic revenue downturn experienced by the Commonwealth in 2008-09 would continue into 2009-10. In September 2009, the Administration announced that state revenues would be nearly \$1.2 billion short of the approved 2009-10 state budget. Together with the \$300 million revenue shortfall in 2008-09, the total impact to the biennial budget is approximately \$1.5 billion. After using a roughly \$150 million balance included in the 2009 Appropriation Act, a \$1.35 billion shortfall remains to be addressed during the remainder of 2009-10. The Administration attributed the decline to weak collections in retail sales taxes and income taxes, as well as a significant increase in income tax refunds.

At this writing, the Administration plans to meet with revenue forecasters in October and again in November to review revenue projections and incorporate any additional factors into the Executive Budget for the 2010-12 biennium to be published in mid-December.

State Budget Reduction Plans

Due to the depth of the statewide shortfall, the Administration has assigned a base budget reduction to the University Division (Agency 208) of \$21.9 million and a base budget reduction to the Cooperative Extension and Agricultural Experiment Station (CE/AES, Agency 229) of \$4.5 million, for a total of \$26.4 million in reductions in the current fiscal year. The reductions were based on the non-mandatory expenditure component of the General Fund appropriation of each agency. Attachment A displays the details of the September 2009 reductions.

To offset a portion of the base budget reductions, the state proposes to roll forward federal American Reinvestment and Recovery Act stimulus funding originally planned for use in 2010-11. If the state's federal application to use these funds is approved, the University Division would receive \$10.1 million and CE/AES would receive \$2.1 million of federal stimulus support. This will leave Virginia Tech with a net total \$14.2 million shortfall in the current fiscal year. After the stimulus funds are fully utilized, the full impact of the total \$26.4 million base General Fund reduction will need to be addressed.

The outcome of this process will be additional reductions on top of the prior four rounds of budget reductions, which are summarized on Attachment B. The cumulative reduction since 2007 is \$68.5 million, or 26.2 percent of the total General Fund appropriation that Virginia Tech received as of July 1, 2007.

University Planning Efforts

In response, the University is in the process of developing strategies to address these reductions over a multi-year period. This planning approach will position the University to engage the campus in a thoughtful and detailed discussion as decisions on alternatives for addressing the reductions in the upcoming biennium are made.

To internally plan for reductions, the University is considering a two-stage process; this approach is consistent with the prior reductions. First, the University is exploring one-time strategies for the current fiscal year (2009-10). These strategies will be designed to centrally manage as much of the reductions as possible to protect academic programs. However, a one-time mid-year reversion may be needed to cover a portion of the reductions, while the plans are not finalized, one option would be for the senior management areas within the University Division to revert up to 1.5 percent and CE/AES to revert 4.0 percent. This approach cushions the immediate impact of the reductions for the operating units and provides the deans and vice presidents more time to plan for ongoing budget reductions in an orderly and logical manner that focuses on supporting the University's strategic plan. This will also allow the University to manage the budget reductions while continuing to monitor the actions of the Executive Branch and the General Assembly in addressing the revenue shortfall.

As part of this general process, the University has already undertaken many initiatives aimed at increasing efficiencies and minimizing costs. For example, space has been optimized to support larger class sections. The University has begun a shift from Blackboard course management software to the open source Scholar software to reduce costs, and has increased the number of courses offered on-line. The Library has partnered with sister institutions to purchase and share scientific and scholarly journals, and has made additional room for students by consolidating book storage and purchasing digital editions of books and journals. Teleconferencing use has increased across campus, reducing the need for travel. The Bursar's Office has initiated fully electronic billing, eliminating the need to send paper bills to students or customers and allowing electronic payment. Purchasing has implemented a fully electronic business system to allow for all steps, from order to payment, to be conducted electronically, and is rolling out its use to major contractors. Given the advance lead time needed for personnel actions, the University has begun a planning exercise to determine the interest and need for workforce transition strategies. Campus units are being asked to identify business plans to identify interest in such strategies. The University intends to provide maximum flexibility to the campus in managing reductions.

The second stage of the reduction planning process focuses on developing strategies to align the University's base budgets in 2010-11 and 2011-12 with the ongoing reduction announced by the Administration. The University will prepare a plan that identifies expenditure reductions and revenue enhancements that can be achieved on an ongoing basis beginning July 1, 2010, looking at all programs of the University while working to minimize the impact on the quality and program excellence of our academic enterprise. Given the stress of campus budgets from multiple rounds of state budget reductions

and the mitigation of tuition rates, the University is actively talking with state officials about revenue enhancement strategies.

Unfortunately, the ability to pursue self-generated revenues continues to be a challenge for Agency 229. The University and the colleges have been proactive in planning for the impact of reductions, implementing cost-savings strategies, and reorganizations throughout the past year in order to minimize the effects of the reduction on its ongoing operations. Still, a \$4.5 million base reduction will likely necessitate even larger reorganizations and refocusing of resources throughout the agency.

Because of the significant adverse impact of any new reduction on top of the prior losses of General Fund support, the University will be forced to consider a variety of measures, including administrative efficiencies, program consolidation, program elimination, enrollment management, pricing, and resource enhancement, as well as selective and differential reductions.

Executive Branch Mandated Reductions

While institutions of Higher Education were given broad flexibility in addressing their individual reductions, there are several statewide actions in which all state agencies must participate:

- **One Day Furlough:** Subject to approval by the General Assembly, all state employees must take one day of unpaid leave. The State has recommended May 28, 2010, the Friday before Memorial Day. This is a one-time strategy that recovers salary savings only; the Commonwealth will continue to pay fringe benefits so employees will not realize a reduction in retirement or other related benefits. The University is currently working with state officials to review the complexities of this proposal. This will be a significant discussion item during the upcoming legislative session.
- **Deferral of Employer Retirement Contributions:** Virginia Retirement System (VRS) plans are funded by a combination of central and agency contributions. VRS will continue to centrally fund its five percent portion of the benefit. However, individual agencies will revert their additional portion of 6.26 percent to the state during the last quarter of the fiscal year (April 2010 through June 2010). This will not impact university operations, nor will it reduce retirement benefits for employees.

It is also noted that the Governor indicated that legislation may introduced in the 2010 General Assembly that could require state employees that participate in the VRS defined benefit program to begin funding a portion of the employee share of the VRS retirement contribution. The University is following this discussion closely.

- **Reduction in eVA Charges:** The state will reduce the eVA procurement service charge per purchase from one percent to one-tenth of one percent, with savings reverted to the state's General Fund.

Ongoing Monitoring

Within the uncertain economic environment, the University continues to monitor several critical issues that have potential implications for the University's budget. Three major issues are as follows:

- The Virginia economy and its ability to achieve the Commonwealth's revised revenue forecast.
- The Commonwealth's ability to implement further stimulus funding in the current year, subject to federal application acceptance, and the likelihood of additional federal stimulus funding in 2010-11.
- The continuation of the Board of Visitors' authority to establish tuition and fee rates, in accordance with the provisions of the Restructuring Act and the University's Management Agreement.

Virginia Tech
September 2009 General Fund Reductions
as of September 8, 2009

	General Fund			2009-10 Base	One-time	2009-10
	(less)			GF Reduction	Federal	Reduction
	Total	Mandatory	Discretionary	\$	Stimulus	Impact
Agency 208 (University Division)						
Educational and General	156,226,071	(10,581,362)	145,644,709	(21,846,706)	10,163,758	(11,682,948)
Student Financial Aid	17,661,198	(17,661,198)	-	-		-
Eminent Scholar	384,000	-	384,000	(57,600)		(57,600)
	<u>174,271,269</u>	<u>(28,242,560)</u>	<u>146,028,709</u>	<u>(21,904,306)</u>	<u>10,163,758</u>	<u>(11,740,548)</u>
Agency 229 (CE/AES)						
Educational and General	64,622,416	(1,371,368)	63,251,048	(4,528,956)	2,107,009	(2,421,947)
Total Operating	<u><u>238,893,685</u></u>	<u><u>(29,613,928)</u></u>	<u><u>209,279,757</u></u>	<u><u>(26,433,262)</u></u>	<u><u>12,270,767</u></u>	<u><u>(14,162,495)</u></u>

Virginia Tech
General Fund Reduction Summary for 2007-08, 2008-10, and 2010-12 Bienniums
as of September 8, 2009

Note: Round 5 displays the Governor's Sept 2009 recommendations which are subject to action by the General Assembly.

GENERAL FUND APPROPRIATIONS FOR 2007-08

	Original
E&G Appropriation for Agency 208	\$174,463,652
E&G Appropriation for Agency 229	65,241,346
Commonwealth Research Initiative	3,121,875
Unique Military Activities	1,569,824
Equipment Trust Fund	8,202,534
Maintenance Reserve Program	8,644,980
Eminent Scholars	577,780
Total General Fund Appropriation	<u>\$261,821,991</u>

	2007-08	2008-09	2009-10	2010-11	2011-12
UNIVERSITY DIVISION (AGENCY 208)					
Round 1 (Oct 2007) General Fund Reduction	-\$10,770,478	-\$10,152,243	-\$10,152,243	-\$10,152,243	-\$10,152,243
Round 2 (Feb 2008) General Fund Reduction	0	0	0	0	0
Round 3 (Oct 2008) General Fund Reduction	0	-8,888,823	-8,888,823	-8,888,823	-8,888,823
Round 4 (Dec 2008) General Fund Reduction	0		-18,063,280	-18,063,280	-18,063,280
Round 5 (Sept 2009) General Fund Reduction	0	0	-21,846,706	-21,846,706	-21,846,706
Cumulative GF Reduction	<u>-\$10,770,478</u>	<u>-\$19,041,066</u>	<u>-\$58,951,053</u>	<u>-\$58,951,053</u>	<u>-\$58,951,053</u>
	-6.2%	-10.9%	-33.8%	-33.8%	-33.8%
COOP EXTENSION/AGRIC EXP STATION (AGENCY 229)					
Round 1 (Oct 2007) General Fund Reduction	-\$2,437,555	-\$2,437,555	-\$2,437,555	-\$2,437,555	-\$2,437,555
Round 2 (Feb 2008) General Fund Reduction	0	0	0	0	0
Round 3 (Oct 2008) General Fund Reduction	0	-2,307,994	-2,307,994	-2,307,994	-2,307,994
Round 4 (Dec 2008) General Fund Reduction	0	0	-74,478	-74,478	-74,478
Round 5 (Sept 2009) General Fund Reduction	0	0	-4,528,956	-4,528,956	-4,528,956
Cumulative GF Reduction	<u>-\$2,437,555</u>	<u>-\$4,745,549</u>	<u>-\$9,348,983</u>	<u>-\$9,348,983</u>	<u>-\$9,348,983</u>
	-3.7%	-7.3%	-14.3%	-14.3%	-14.3%
EMINENT SCHOLARS					
Round 1 (Oct 2007) General Fund Reduction	\$0	\$0	\$0	\$0	\$0
Round 2 (Feb 2008) General Fund Reduction	0	0	0	0	0
Round 3 (Oct 2008) General Fund Reduction	0	0	0	0	0
Round 4 (Dec 2008) General Fund Reduction	0	0	-193,780	-193,780	-193,780
Round 5 (Sept 2009) General Fund Reduction	0	0	-57,600	-57,600	-57,600
Cumulative GF Reduction	<u>\$0</u>	<u>\$0</u>	<u>-\$251,380</u>	<u>-\$251,380</u>	<u>-\$251,380</u>
	0.0%	0.0%	-43.5%	-43.5%	-43.5%
MAINTENANCE RESERVE PROGRAM					
Round 1 (Oct 2007) General Fund Reduction	-\$432,249	\$0	\$0	\$0	\$0
Round 2 (Feb 2008) General Fund Reduction	0	0	0	0	0
Round 3 (Oct 2008) General Fund Reduction	0	0	0	0	0
Round 4 (Dec 2008) General Fund Reduction	0	0	0	0	0
Round 5 (Sept 2009) General Fund Reduction	0	0	0	0	0
Cumulative GF Reduction	<u>-\$432,249</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	-5.0%	0.0%	0.0%	0.0%	0.0%
SUMMARY OF GENERAL FUND REDUCTIONS					
University Division General Fund Reductions	-\$10,770,478	-\$19,041,066	-\$58,951,053	-\$58,951,053	-\$58,951,053
CE/AES Division General Fund Reductions	-2,437,555	-4,745,549	-9,348,983	-9,348,983	-9,348,983
Eminent Scholars	0	0	-251,380	-251,380	-251,380
Subtotal Operating Reductions	-13,208,033	-23,786,615	-68,551,416	-68,551,416	-68,551,416
Maintenance Reserve Reductions	-432,249	0	0	0	0
Grand Total Reduced Funding	<u>-\$13,640,282</u>	<u>-\$23,786,615</u>	<u>-\$68,551,416</u>	<u>-\$68,551,416</u>	<u>-\$68,551,416</u>
	-5.2%	-9.1%	-26.2%	-26.2%	-26.2%

Report on Graduate Student Health Insurance Program

FINANCE AND AUDIT COMMITTEE

October 29, 2009

Background

In approving the 2009-10 Graduate Student Health Insurance Program, the Finance and Audit Committee, in response to concerns expressed through the Graduate Student Representative to the Board of Visitors, raised several questions relative to the program. The specific concerns raised by the graduate students include the level of coverage, preventative options, prescription costs, and plan cost(s) for family members. Another concern raised by the graduate students related to access to the Schiffert Health Center when students are not enrolled during the summer session.

Following the March Board meeting, a small workgroup comprised of members of the Graduate Student Assembly Health Care Committee and the university administration was convened to review the concerns raised by the graduate students and to determine if additional actions need to be taken by the university. As part of the group's work, a review of Graduate Student Health Insurance Programs at Virginia Tech's SCHEV (State Council of Higher Education for Virginia) peer institutions was completed. The review included an analysis of the type of plan and services offered, the plan maximums available, the preventative care options offered, the optional coverage, the costs for each plan, and the percentage of school reimbursement provided. The outcome of this review, coupled with the overall student concerns, resulted in the recommendation that a graduate student survey be conducted in Fall 2009.

The Virginia Tech Center for Survey Research (CSR) was retained in the Summer 2009 to implement a survey of Virginia Tech graduate students. Specifically, the survey instrument sought to identify the preferences, opinions, and needs related to health care benefits offered through the university's graduate health insurance program. The outcome of the data is being utilized to help guide the university administration in addressing three primary areas of concern:

- Improve health insurance services for all graduate students
- Provide a better understanding of practices among graduate students related to meeting their health care needs within the framework of the existing health care services
- Assess existing health care coverage provided to graduate students

Survey Design

Only graduate students enrolled at the Virginia Tech Blacksburg campus in Fall 2009 were eligible to participate in the survey. All graduate students included in the study were emailed an electronic invitation to participate; the electronic invitations were signed by Vice President and Dean for Graduate Education, Karen DePauw, to optimize response rates for the survey. All non-respondents were sent electronic participation reminders on a weekly basis.

The survey instrument gathered information regarding the health insurance coverage status of respondents via a variety of questions related to: Virginia Tech health care coverage enrollment, coverage through any plans outside the coverage offered through Virginia Tech, the monetary levels of coverage selected by students enrolled in the Virginia Tech plan, reasons graduate students choose not to enroll in Virginia Tech health care coverage (if not enrolled), information on any assistance with health insurance coverage premiums received by students, and health care coverage arrangements for any eligible family members residing with survey respondents.

Respondent Profile

The survey instrument was sent to 4,472 graduate students; of that, 1,702 responded to the survey. As seen in Figure 1, this represents a 38 percent response rate.

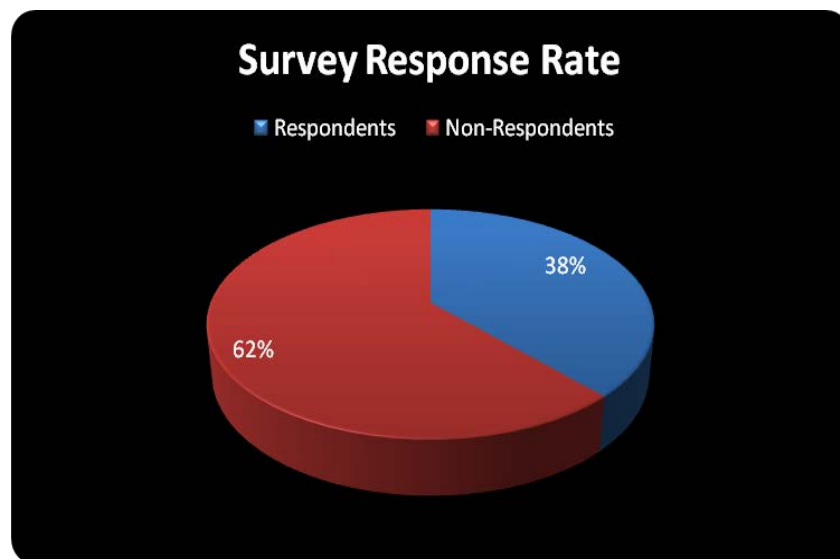


Figure 1. Survey Response Rate

The majority of the respondents (64 percent) are continuing graduate students at the university, with 34 percent of respondents enrolled as new students at the university in Fall 2009. (Figure 2)

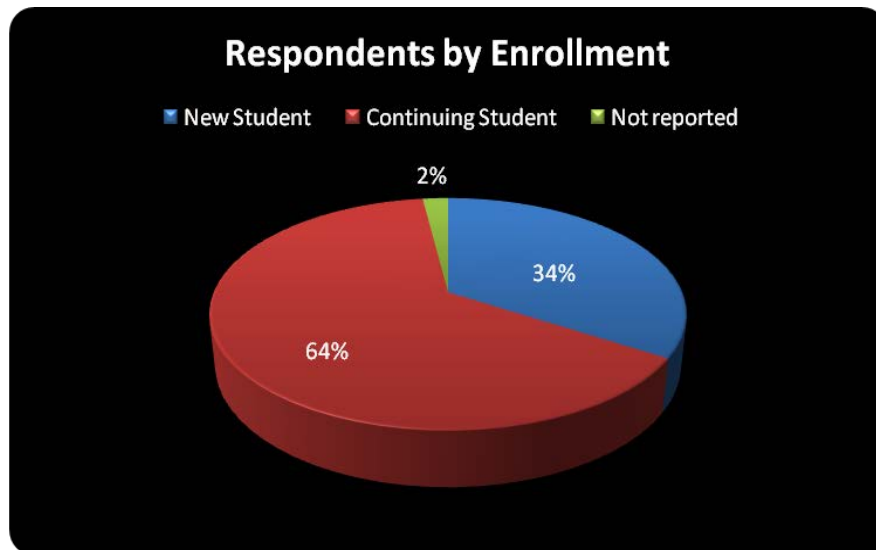


Figure 2. Percentage of Respondents by Type of Enrollment

As shown in Figure 3, there were 665 international graduate students who responded to the survey, which comprised 39 percent of the total number of respondents to the survey.

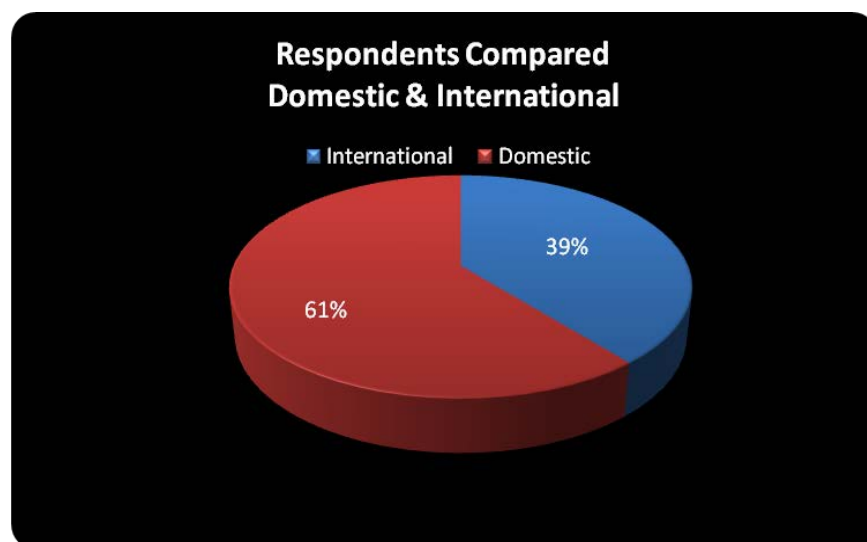


Figure 3. Percentage of Respondents: Domestic & International

Among survey respondents, 55 percent (935 graduate students) have a university designation as Post Masters or Doctoral students, 43 percent (727 graduate students) have a designation on the university database as Masters students, and 2 percent of respondents have other enrollment type designations according to university records. (Figure 4)

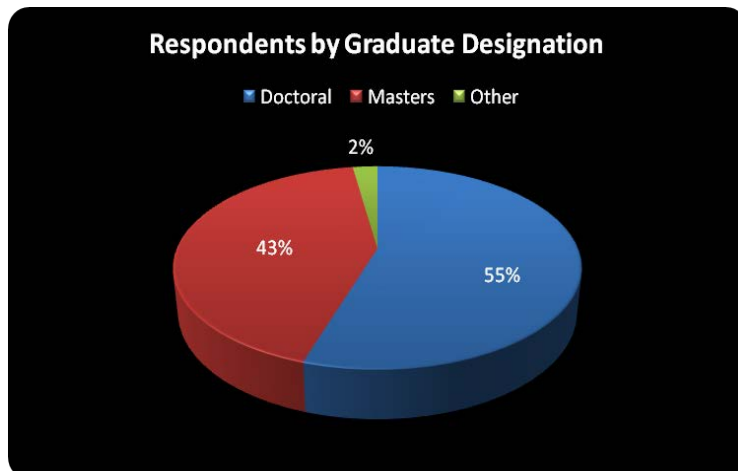


Figure 4. Percentage of Respondents by Graduate Designation

As shown in Figure 5, the majority of survey respondents (56 percent) estimated that they will have a total immediate family income of less than \$25,000 before taxes this year, while 17 percent of respondents estimated a total immediate family income between \$25,000 and \$45,000. Eight percent of respondents reported an immediate family income estimate between \$45,000 and \$65,000, five percent between \$65,000 and \$100,000, and four percent estimated that their total immediate family income will be over \$100,000.

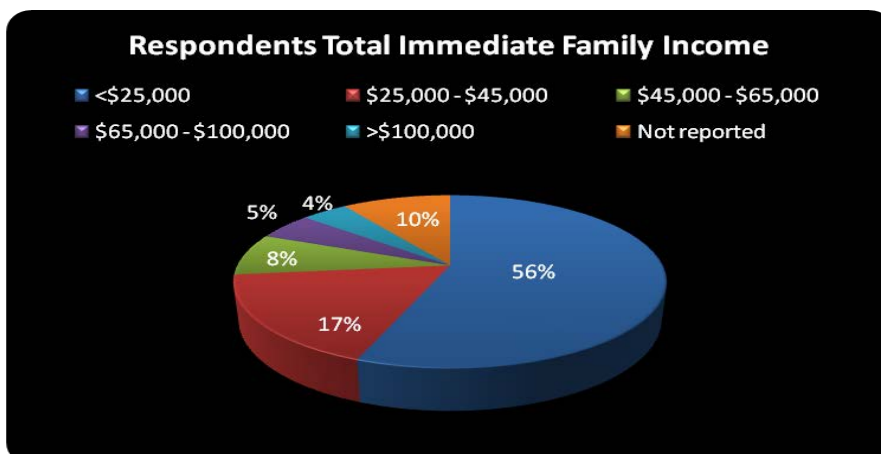


Figure 5. Percentage of Respondents by Total Immediate Family Income

Respondent Health Care Coverage Status

More than half of all respondents to the survey – 1,007 (59.2 percent) – reported being currently enrolled in health care coverage through Virginia Tech for the 2009-2010 academic year, while 33 percent are covered through another plan. Seven percent of the survey respondents have no insurance coverage. (Figure 6)

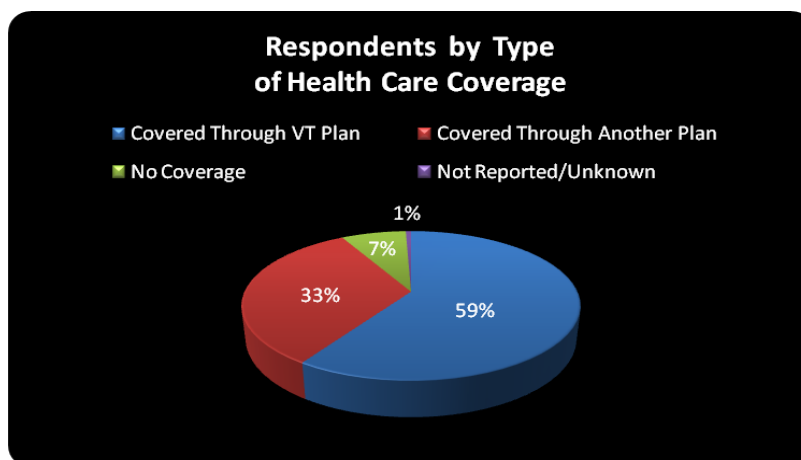


Figure 6. Percentage of Respondents by Type of Health Care Coverage

Respondents who indicated that they are receiving health insurance coverage through another plan besides the Virginia Tech plan were asked why they decided to obtain coverage through another plan. The primary themes in the responses to this question include: automatic coverage through another plan due to a spouse or employer (n=165); cost (n=95); other plan provides better coverage (n=56).

A number of respondents (n=63) who have no insurance coverage indicated that they pay for medical costs out of pocket. Another nine indicated they rely on services offered through Schiffert Health Center.

As seen in Figure 7, among the survey respondents reporting health care coverage through Virginia Tech, more than 8 in 10 (88 percent) reported that a portion of their health insurance premium will be paid through a graduate assistantship provided through Virginia Tech, 5 percent reported that a portion of their premium will be paid through a fellowship, 1 percent indicated that a portion of their health insurance premium would be paid through another source, and 8 percent of respondents reported that they will be paying 100 percent of the cost of the premium out of pocket on their own.

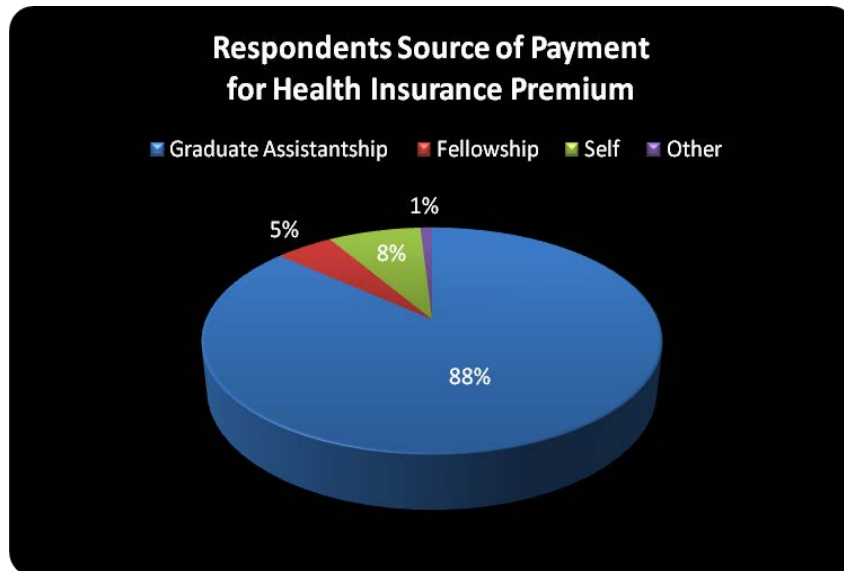


Figure 7. Percentage of Respondents by Source of Payment for Health Insurance Premium

Among the group of 1,007 graduate students who are enrolled in health care coverage through Virginia Tech, 50 percent reported that they are enrolled at the \$50,000 level of coverage, with 22 percent enrolled at the \$100,000 level of coverage, and 24 percent enrolled at the \$250,000 level of coverage. (Figure 8)

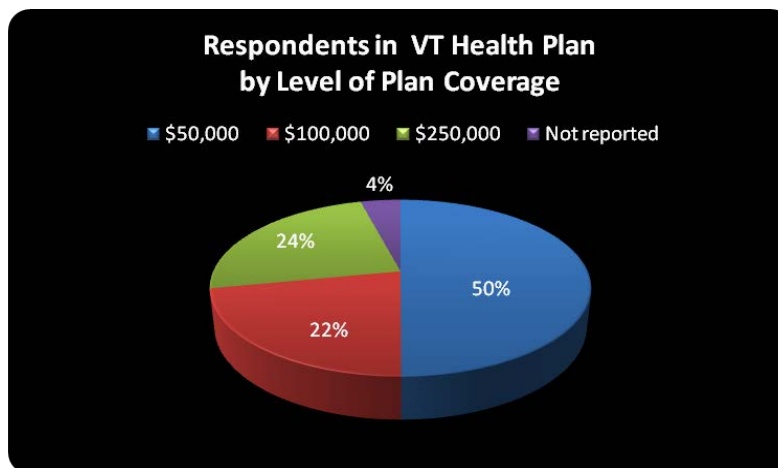


Figure 8. Percentage of Respondents in VT Health Plan by Level of Plan Coverage

The primary reason cited for selecting the \$50,000 or \$100,000 level was cost savings (n=307), followed by those who did not expect to need or use the insurance (n=95).

As shown in Figure 9, of the 1,007 survey respondents who are enrolled in the Virginia Tech health care coverage plan, 261 (26 percent) have a family member who would be eligible for coverage under the same plan.

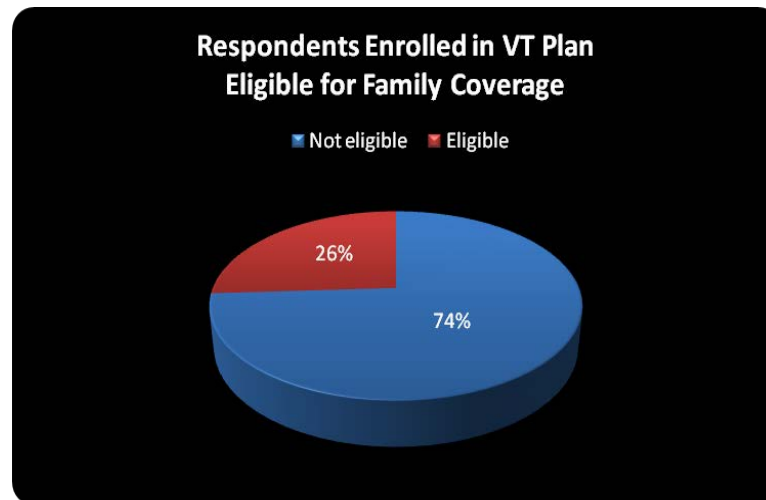


Figure 9. Percentage of Respondents Enrolled in VT Health Plan Eligible for Family Coverage

However, only 21 (8 percent) of this group have enrolled in Virginia Tech coverage for an eligible family member. Further, 61 percent reported that family members currently receive health care coverage through a plan other than the Virginia Tech plan and another 11 percent have no health insurance coverage. (Figure 10)

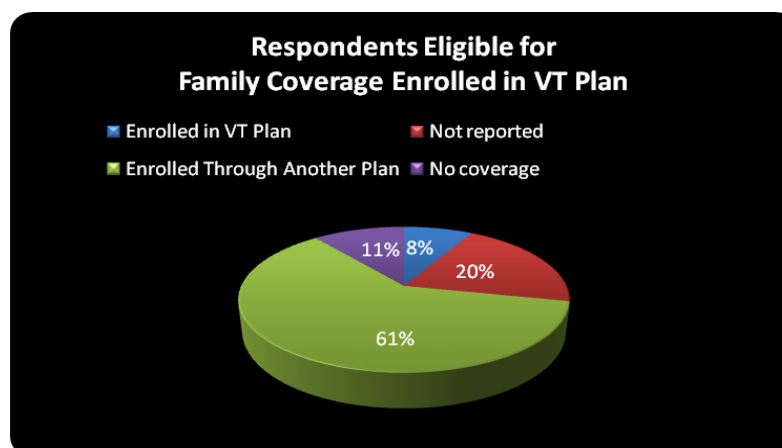


Figure 10. Percentage of Respondents Eligible for Family Coverage Enrolled in VT Plan

The respondents reporting that they have immediate family members who have health care coverage through a plan outside the Virginia Tech plan were asked why their family members choose to receive coverage from a plan outside the Virginia Tech plan. The primary reasons included among the responses to this survey item are: cost of the other plan (n=83), better coverage through other plan (n=151), benefits provided by the military (n=10), or children qualify for FAMIS, Medicare, or Medicaid (n=10).

Opinions about the Virginia Tech Health Care Coverage Plan

The Virginia Tech Graduate Student Health Insurance Survey included an overall rating item allowing graduate students to rate (on a scale from 'excellent' to 'poor') the health insurance coverage provided through Virginia Tech. Nearly 24 percent of the respondents rated the program as 'excellent' or 'good' while 40.8 percent rated the program as 'fair' or 'poor'.

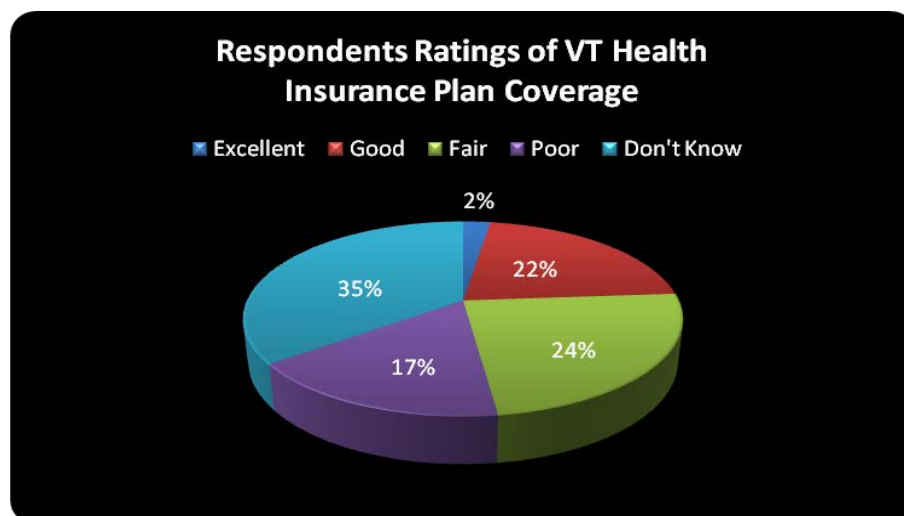


Figure 11. Percentage of Respondents Rating VT Health Insurance Plan Coverage

All respondents who rated the Virginia Tech health insurance coverage as either 'excellent' or 'good' were asked what aspects of the benefits they like best. The primary themes among the responses to this survey item include:

affordable/assistantships (GTA and GRA) pay most of the premium cost for the insurance	n=90
services and coverage provided	n=28
low cost and convenience of using Schiffert	n=21

Respondents who rated the Virginia Tech health insurance coverage as 'fair' or 'poor' were also asked why they selected these rating categories to describe Virginia Tech's plan. The primary themes among the responses provided by respondents rating the Virginia Tech health insurance coverage as 'fair' are:

the cost, including co-pays, out of pocket expenses, and deductibles, is high for the coverage offered	n=95
administrative issues, including Schiffert referral and summer access	n=53
limited dental coverage	n=37
limited preventative care	n=26
limited vision care	n=23

The primary themes among the responses provided by respondents to explain their ratings of the health insurance coverage provided through Virginia Tech as 'poor' are similar to those provided by graduate students rating the Virginia Tech plan as 'fair'. Specifically, the primary themes among the responses provided by graduate students rating the Virginia Tech health insurance as 'poor' include:

the cost, including co-pays, out of pocket expenses, and deductibles, is high for the coverage offered	n=128
overall coverage provided, including access to hospital care/doctors	n=99
administrative issues, including Schiffert referral and summer access	n=64
family coverage/subsidy	n=20
prescription coverage	n=18

One section of the survey allowed respondents to indicate their level of satisfaction with a variety of the administrative aspects of graduate student health insurance coverage at Virginia Tech. Figure 12 provides a summary for all respondents ranking the administrative aspects 'very satisfied' or 'somewhat satisfied'. It should be noted that for all administrative aspects, there were some respondents who indicated they were not familiar with that specific aspect. The percentage of 'not familiar with this aspect' ranged from a low of 22.3 percent for 'availability of information about plans/coverage' to a high of 54 percent for 'access to medical specialist covered through the plans.' The reason for these large percentages could be two-fold. First, nearly one-third of the survey respondents are new students; therefore, they would have just enrolled in the program and would have little knowledge of the aspects in the survey. Second, nearly 40 percent of the respondents do not have the VT Health Insurance Program.

Among the highest rated administrative facets of the graduate student health insurance coverage at Virginia Tech are aspects of the information available to students about the program (52.1 percent). The administrative aspects of the program with the least favorable ratings are the ease in processing claims (27.4 percent) and the access to medical specialists covered through the plans (23.3 percent).

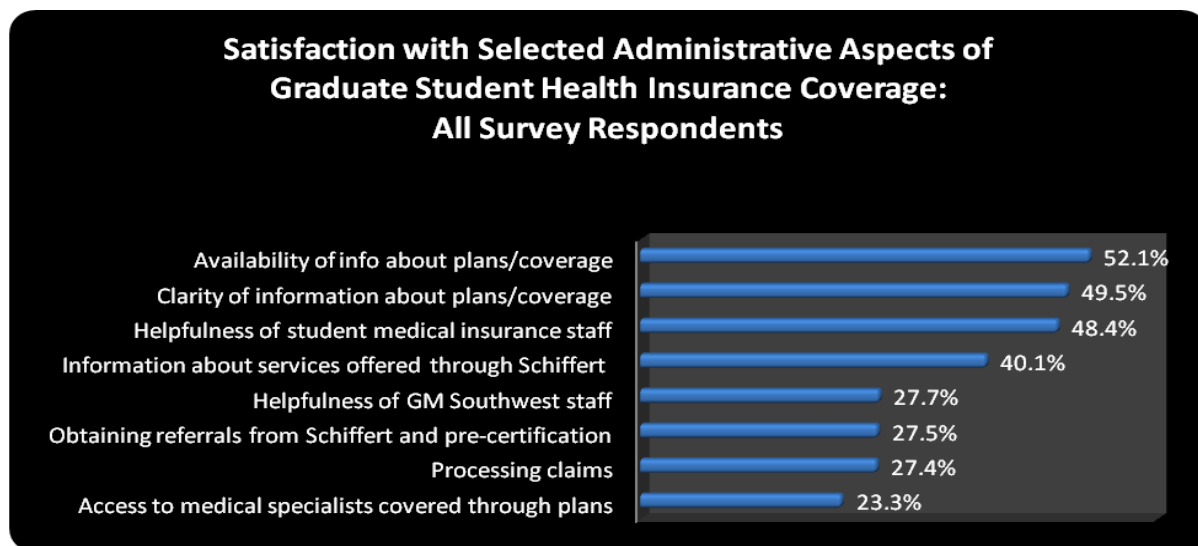


Figure 12. Satisfaction with Selected Administrative Aspects of
VT Graduate Student Health Insurance Coverage

As seen in Figure 13, when the data for the respondents who are familiar with the program are extracted and compared across administrative aspects, a higher level of satisfaction is clearly demonstrated. The 'helpfulness of the student medical insurance office staff' was rated very high at nearly 85 percent, followed by the 'availability of information about plans/coverage' at 74 percent.



Figure 13. Satisfaction with Selected Administrative Aspects of VT Graduate Student Health Insurance Coverage: Respondents Indicating Familiarity with Health Care Program

Prioritization of Graduate Student Health Insurance Components

Graduate students responding to the survey were asked to indicate their top five priorities from among a list of aspects related to graduate student health insurance. As seen in Figure 14, the number one priority ranking is shown below with 'keeping premiums as low as possible' (42.6 percent), 'providing subsidies to graduate students enrolled in the family plan' (35 percent) and 'offering a plan coverage that exceeds \$250,000' as the top three themes.

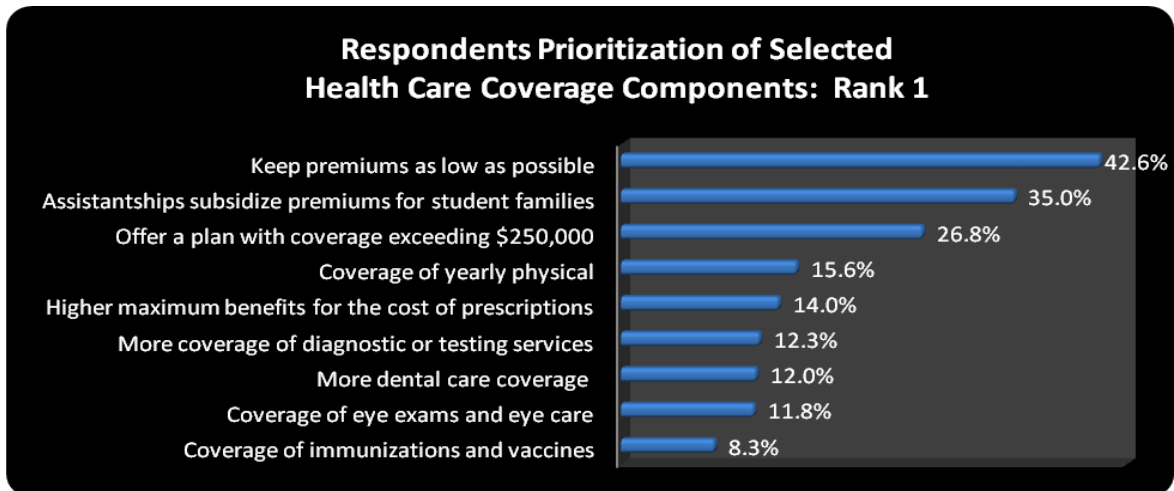


Figure 14. Percentage of Respondents Prioritization of Selected Health Care Coverage Components with Number 1 Ranking

When combining the five top priorities for each respondent, the overall priority ranking changes slightly (Figure 15). The number one priority remains 'keeping premiums as low as possible' (75.1 percent). The other top responses are 'more coverage of diagnostic or testing services' (60.3 percent), 'more dental care coverage' (58.2 percent), and 'coverage of a yearly physical' (53.2 percent).

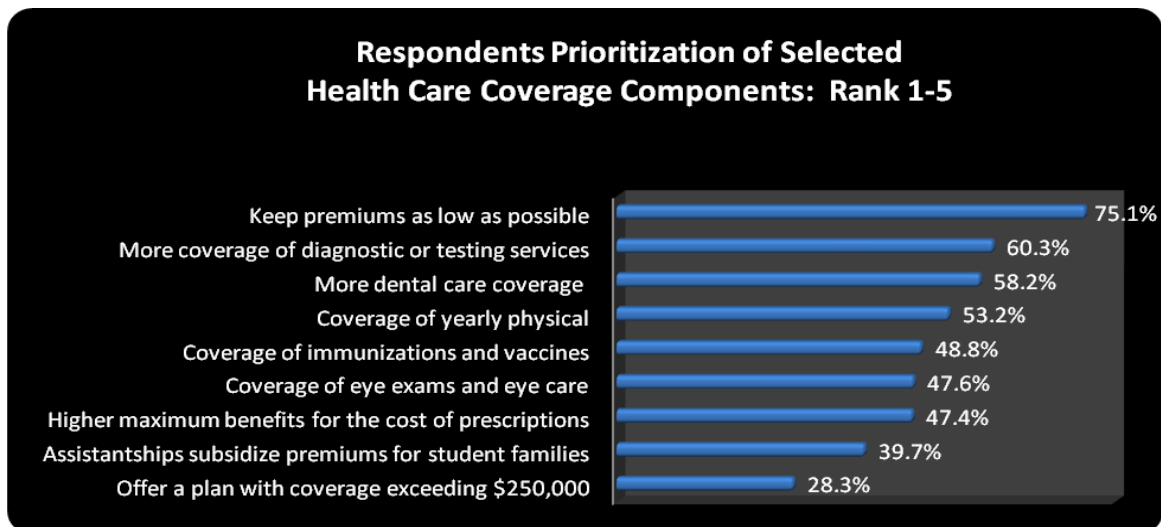


Figure 15. Percentage of Respondents Prioritization of Selected Health Care Coverage Components with Numbers 1-5 Rankings

Another more general section of the survey asked graduate students to rate what they think the level of priority should be for the university in addressing several broad graduate student issues. As seen in Figure 16, 50 percent of respondents indicated that increasing stipends was a top priority for the university. Further, nearly 41 percent of respondents indicated that increasing the number of available assistantships was a top priority. Improvements in graduate health insurance were rated as a top priority by nearly 34 percent of the survey respondents.

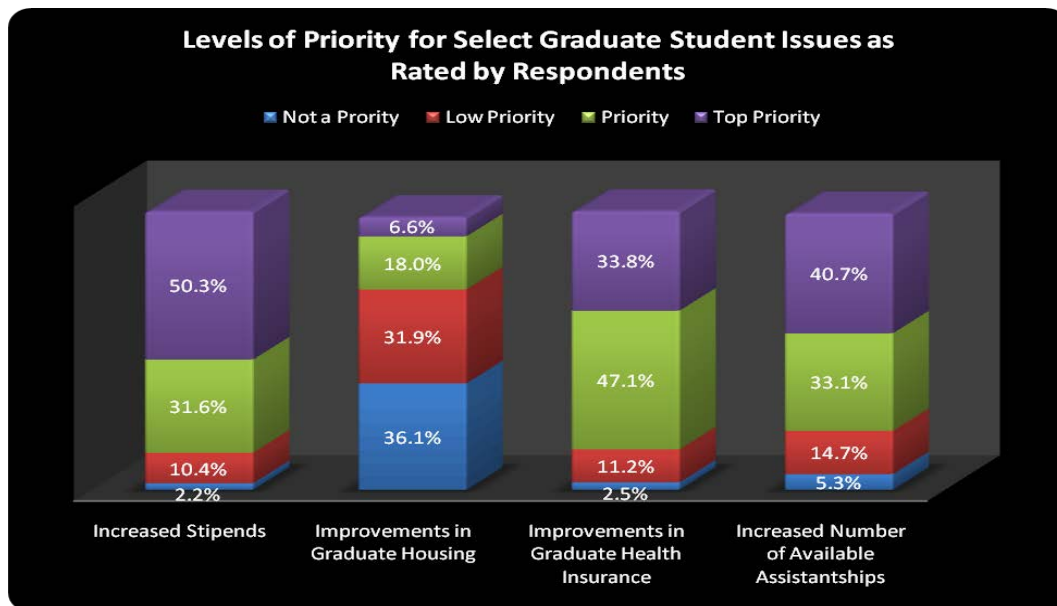


Figure 16. Levels of Priority for Select Graduate Student Issues as Rated by Respondents

Findings

The data from the survey indicate the following:

1. As with most health care programs, cost is a major consideration, and the respondents indicated that 'keeping premiums as low as possible' is a major priority. In both comparisons (Figure 14 and 15) the graduate students indicated this was their number one priority.
2. Emerging themes surfacing from the survey also include:
 - a. Overall coverage in certain benefit categories may not equate to benefits provided by peer institutions nor do they meet the needs of graduate students at Virginia Tech. As described in Figure 15, areas of

preventative/diagnostic care, dental care, and yearly physicals are the top three concerns after premiums.

- b. Family health care coverage needs to be improved with the premium being more affordable for those with spouses and dependents.
 - c. While health insurance is very important to the graduate student, increased stipends and an increase in the number of available stipends are equally or more important to the graduate student.
3. Respondent satisfaction with the current health insurance plan offered through the university is marginal. With 24 percent rating the program good or excellent, 24 percent rating the program as fair, and 17 percent rating the program poor, work must continue to improve benefits and the administrative processes associated with the program (Figure 11). When only considering the responses from those that have familiarity with the administrative aspects of the healthcare program, the favorable responses go up from a low of 55 percent to a high of nearly 85 percent (Figure 13).
 4. University administrative processes need to be reviewed, which include access for graduate students impacted by a student's summer enrollment status and services provided through Schiffert Health Center.

Recommendations

1. In an effort to address students' concerns regarding the increasing cost of medical care, the university will increase the percentage paid toward the health insurance premium for students on assistantships from 82.5 percent to a minimum of 85 percent of the \$50,000 plan, beginning in 2010-11. The university's goal remains at funding the health insurance premium for graduate assistants at 90 percent of the \$50,000 plan.
2. Program improvements will be required in the realm of enhanced benefits for preventative care and prescription coverage. The university will utilize representatives from the Graduate Student Assembly Health Care Committee to assist in shaping the program options.
3. Many peer institutions have a lower premium cost with comparable or enhanced plan benefits. The university will conduct a new Request for Proposals (RFP) and actively solicit proposals from leading student health insurance providers. The university is currently reviewing the feasibility of completing the RFP process in the current fiscal year. If it does not appear to be feasible to have a new contract in place by April 2010, then the RFP process will begin in the Spring 2010 for a new contract to begin in April 2011. The university will look to the Graduate Student Assembly Health Care Committee to provide representation on the RFP committee.

Analysis of Faculty Salary Compensation

FINANCE AND AUDIT COMMITTEE

October 22, 2009

At the June 2009 Board meeting, the Finance and Audit Committee of the Virginia Tech Board of Visitors requested additional information about faculty compensation. In response to the discussion at the Board meeting, the University convened a working group to review the current status of the program.

BACKGROUND

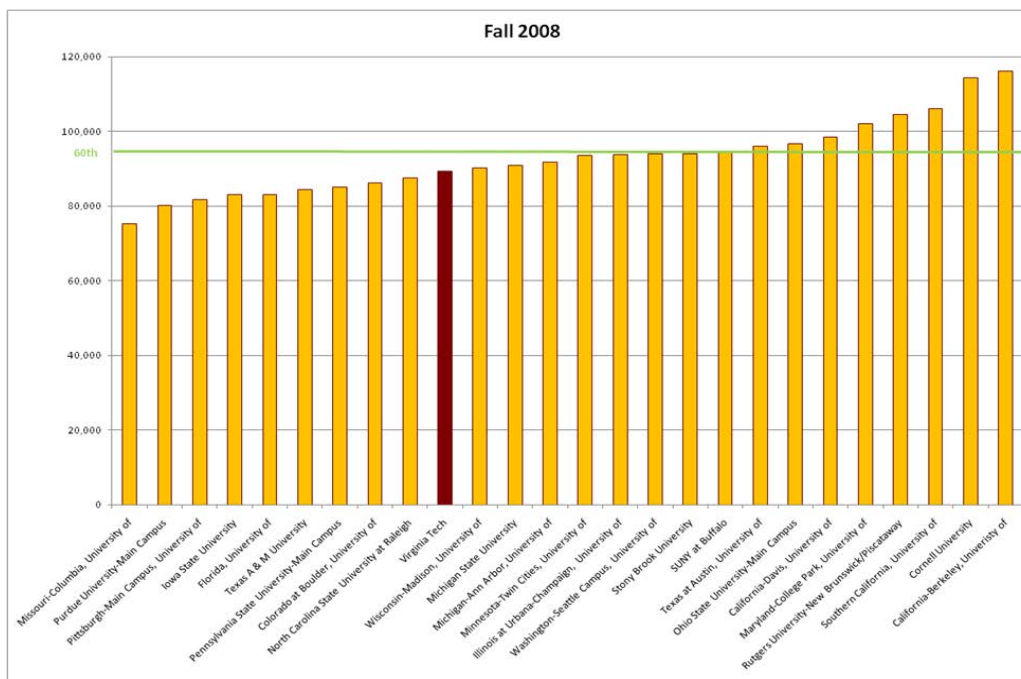
The University continues to follow the parameters provided in the “Consolidated Salary Authorization for Faculty Positions in Institutions of Higher Education” document from the Secretary of Education in the analysis and funding of faculty salaries.

The authorized salary average applies to all full-time teaching and research positions with the rank of professor, associate professor, assistant professor, instructor, or lecturer that are engaged in teaching and research for 50 percent or more of the time. As noted in the Consolidated Salary Authorization document, “Institutions are expected to award differential salary increases to their faculty based on performance and other circumstances such as promotions, tenure, and changes in responsibility. The net effect of all salary actions should be an average salary that approximates the [authorized] salary average.”

The Commonwealth measures the adequacy of faculty salaries by comparing the institutional average with the averages in a unique benchmark group for each public college and university. The benchmark groups are constructed by matching characteristics of colleges and universities, such as size of the student body, percentage of degrees granted in various disciplines, percentage of graduate degrees conferred, and research activity levels. The General Assembly established an objective in the late 1980s to fund a faculty salary average at all institutions that would approximate the salary average at the 60th percentile in the ranking of salary averages in individual benchmark groups. The State Council of Higher Education (SCHEV) last reviewed and updated each institution’s Faculty Salary Peer Group in 2007. The 2008-09 benchmarking of Virginia Tech’s Faculty Salary Average is made using the peer group established in 2007.

The authorized salary average for 2008-09 for Virginia Tech is \$89,215. This places Virginia Tech at the 35th percentile of its peer group for 2008-09. Table 1 displays Virginia Tech as compared with peer institutions as of Fall 2008.

Table 1



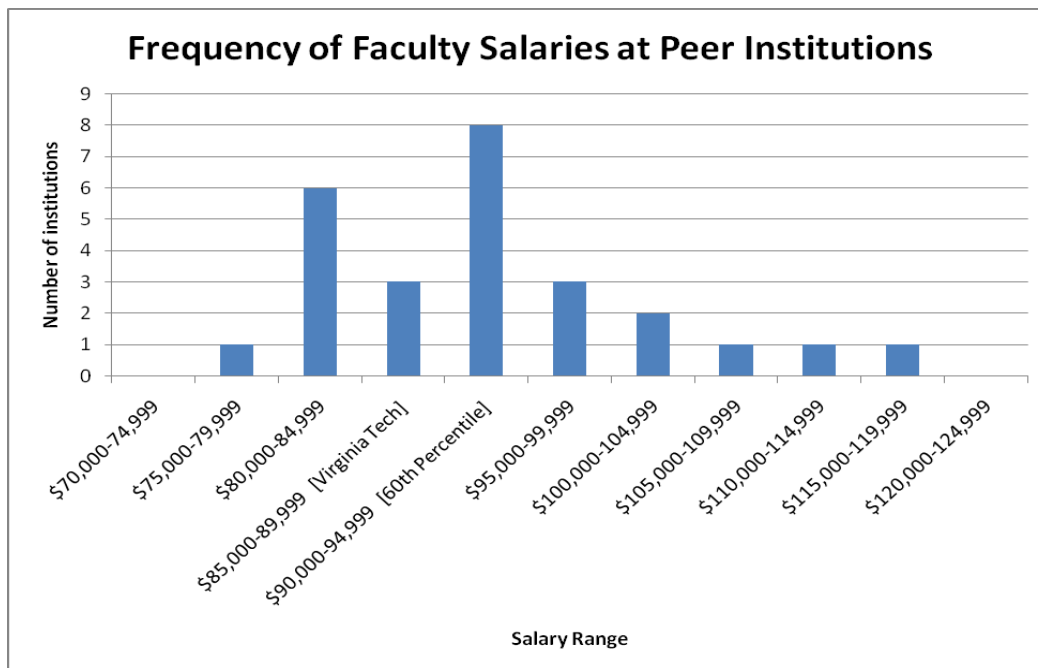
60th PERCENTILE

The Commonwealth's agreed upon methodology is to compute the 60th percentile utilizing the T-statistic with IPED's salary data from approved peer institutions. The data is assumed to have a standard normal distribution. The University annually updates its computation of its ranking and the increase needed to achieve the 60th percentile. This goal is codified into state law in the Appropriation Act and is a major driver of the Commonwealth's six year financial planning process.

Further, the State Council of Higher Education also completes this computation periodically. The 60th percentile has been a continuous goal of the Council of Presidents as well as the University administration and the University's Board of Visitors for several decades. The 60th percentile of Virginia Tech's peer group is \$95,628.

Table 2 displays the frequency that salaries occur at peer institutions within \$5,000 ranges.

Table 2



FUNDING

While the University remains committed to the strategic goal of 60 percent for benchmark peers, the current economic situation has made this challenging due to \$68.5 million of assigned reductions in state General Fund support since 2007. The State policy is to split fund the cost of salaries and fringe benefits with institutions of higher education based on the Commonwealth's theoretical policy of 67 percent state support for all in-state students and 0 percent state support for nonresident students. For Virginia Tech, this weighted average fund split is 42 percent given the mix of resident and nonresident students.

Faculty salaries have been the key driver of General Fund support to institutions of higher education in recent decades. While state support varies by institution, the greatest increase in support comes when the State moves all schools as a system. As a result, coordination with the Commonwealth on this common funding objective is critical to ensure adequate state support and equitable treatment within the Virginia system.

Virginia Tech is positioned similarly to the other Virginia doctoral institutions in terms of the 60th percentile goal. The State Council of Higher Education (SCHEV) most recent ranking is seen in Table 3.

Table 3

**Virginia Teaching and Research Faculty Salary
Ranking to Peers
2008-09**

University of Virginia	38%
Virginia Tech	35%
Old Dominion University	32%
George Mason University	29%
<u>College of William & Mary</u>	<u>28%</u>
Doctoral Institutional Average	32%
University of Virginia at Wise	81%
University of Mary Washington	69%
Norfolk State University	53%
Longwood University	52%
James Madison University	43%
Virginia State University	36%
Christopher Newport University	34%
Virginia Military Institute	32%
<u>Radford University</u>	<u>25%</u>
<u>Average of Comprehensive Institutions</u>	<u>47%</u>
4-Year Degree Institutional Average	41%

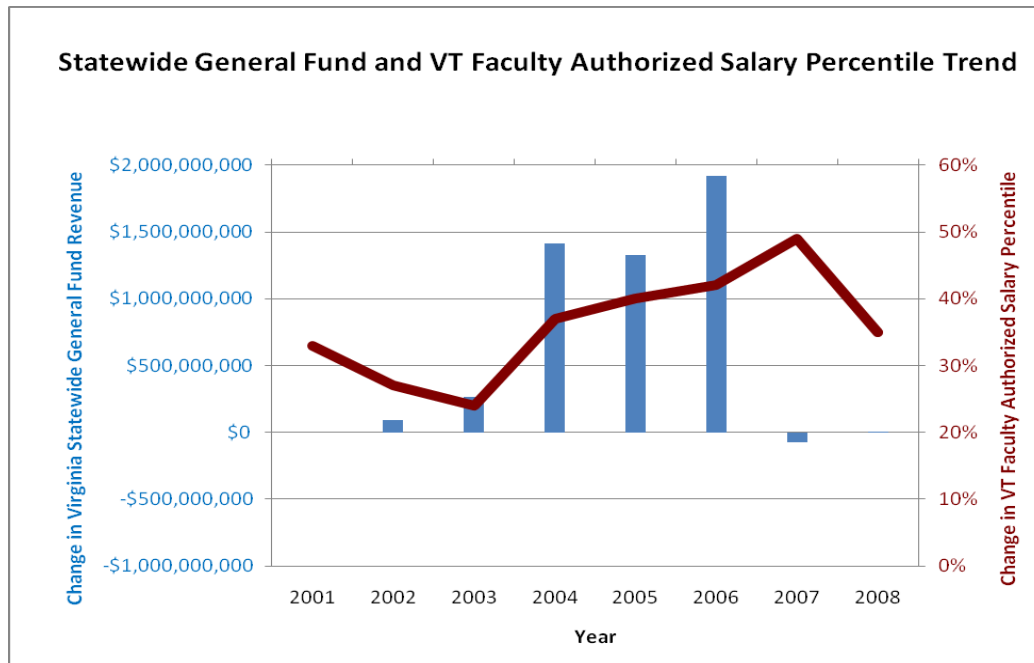
Source: SCHEV analysis from IPEDS SA 2008-09 data

HISTORY

The University's proximity to the 60th percentiles has historically moved in relation to the state economy. State revenues in Virginia tend to realize a shortfall sooner than other states but also tend to recover sooner. Faculty salaries appear to have a similar trend. Table 4 displays Virginia Tech's percentile ranking through recent economic cycles. The economic cycle is displayed utilizing the annual change in statewide General Fund

revenue. The blue bars reflect the annual change in total General Fund revenue, while the red line displays the annual change in the VT Authorized Faculty Salary percentile.

Table 4



When State revenues are increasing and the Commonwealth is funding salary increases, the percentile ranking of faculty salaries follows the same upward trend. Inversely, the percentile ranking drops when state revenues are flat to declining.

OTHER FACTORS

There are several other factors which can impact the average salary at an institution. These include the nature of the institution, the composition of academic programs, and the composition of the faculty. Location is also occasionally raised as a potential consideration by institutions in high cost of living areas.

INSTITUTION

The nature of an institution can have significant impact on the average salary. A fundamental determinant is the legal status of the organization – public or private. Private institutions have traditionally carried higher faculty salaries than public institutions. The type of institution is also a factor. For example, research institutions generally have higher salary costs than comprehensive institutions.

ACADEMIC PROGRAMS

Another factor which makes the direct comparison of institutional averages complex is an institution's portfolio of academic disciplines. While salary averages within individual disciplines are more comparable; at the institutional level, the inclusion of high salaried programs can cause significant variation in cross-discipline averages and statistics. Medical schools and law schools have traditionally carried higher than average salaries, skewing average comparisons. As a result, the State Council examines the composition of academic programs when negotiating each Virginia institution's peer group to find the most comparable institutions.

FACULTY

As an overall average statistic, a salary average is comprised of the composition of the faculty in terms of its mix of full professors, associate professors, assistant professors, and instructors. The State holds this mix constant in the calculation of an authorized average to maintain the relationship between institutions. The actual composition of the overall institution can be compared with the composition at peer institutions to provide additional insight. At Virginia Tech, the distribution by rank as compared to peer institutions is currently slightly stronger in Associate Professors and slightly lower in Full Professors. The institutional distribution of faculty by rank can factor heavily into the actual average, as seen in Table 5.

Table 5

Faculty by Rank

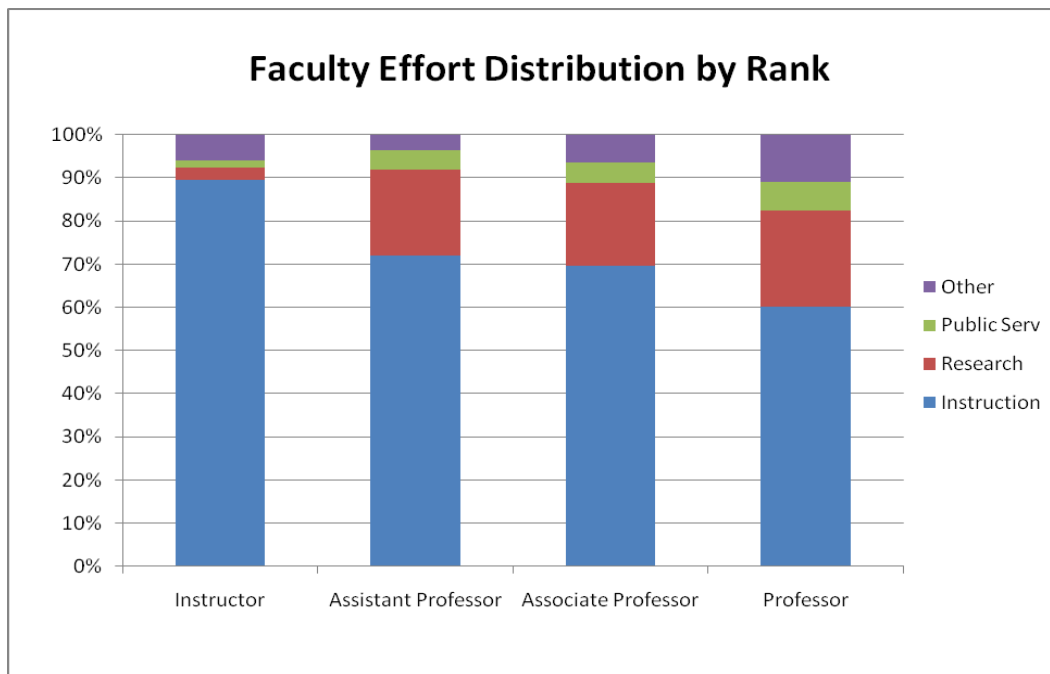
	Full Professor	Associate Professor	Assistant Professor	Instructor	Total
Peers	39%	25%	23%	13%	100%
Virginia Tech	35%	30%	23%	12%	100%
Difference	(4%)	5%	0%	(1%)	0%

Since faculty duties vary by academic discipline, position, and semester; there is no standard work assignment system beyond individual position descriptions. Yet faculty activity can be generally classified as time spent on instruction, research, public service, and other activities. Research active faculty report on this annually for federal cost accounting purposes for externally sponsored grants and contracts. The table below displays a sample of time spent by Virginia Tech faculty as reported in the university's effort reporting system (PARS). Faculty efforts are generally correlated with rank. On average, higher ranked faculty members tend to be more research active. This also correlates with the type of institution.

FACULTY EFFORT

The 2009 Faculty Survey of Student Engagement, a national survey of over 465 colleges and universities, found that on average faculty spent 62 percent of their time on instruction and 15 percent of their time on research. As Table 6 displays, the distribution of effort among activities appears to indicate that Virginia Tech is comparable to national averages.

Table 6



LOCATION

Institutions in high cost of living areas have previously raised the issue of location and cost of living in compensation discussions. However, to be competitive in the recruitment and retention of high quality faculty, it is important for the University to provide compensation packages that are comparable with those offered by peer institutions. Virginia Tech competes for faculty in the global market; thus it must maintain a compensation system that is competitive globally.

OUTLOOK

The competition for the best faculty is growing. In order to recruit and retain the best faculty, the University must continue to provide compensation packages that are comparable with those offered by peer institutions. Given that the University competes for faculty in the global market, the compensation system needs to remain competitive globally.

Virginia Tech must remain committed to working in concert with the Commonwealth to work to achieve the goal of the 60th percentile for faculty salaries while seeking to maximize General Fund support for Virginia Tech, ensure equity with statewide compensation programs, and maintain a compensation program that rewards performance. The University should also seek to fund promotion and tenure program even when a merit process does not occur. Funds should also be set aside to ensure capacity to address off-cycle needs such as change in duties and critical retention issues. If resource constraints preclude a traditional merit program in 2010-11, then the University should examine strategies and alternatives to provide one-time support towards a compensation program, to the extent resources are available. The University will continue to administer the faculty compensation program in accordance with the Faculty Compensation Plan approved by the Board of Visitors.

Report on Capital Project Costs

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

October 23, 2009

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

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



Virginia Tech Capital Project Cost Analysis

November 9, 2009

Board of Visitors

Data Challenges

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

Construction Data Analysis

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

Construction Costs - Residence Facilities

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

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

Residence Halls–Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

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

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

Residence Halls – Construction Details

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

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

Residence Facility–Construction Details

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

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

Construction Costs - Research Facilities

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

Research – Similar Facilities

Facilities Programming Analysis Quantity of Defined Space

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

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

Research Facility–Construction Details

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

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

Research Facility–Construction Details

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

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

VT Project Soft Costs

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

Project Soft Costs

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

“Other” Soft Costs

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

Comparison to ACC Schools

(% of Construction Cost)

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

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

2010-12 Biennial Budget Update
FINANCE AND AUDIT COMMITTEE
October 23, 2009

Biennial Budget Process

The Commonwealth develops its budgets on a biennial basis, and the next biennial budget will cover the period of July 1, 2010 through June 30, 2012. To prepare proposals for the 2010-12 biennium, much of the budget development process for the state's agencies and higher education institutions occurs in the summer and fall of the preceding year.

For the University, the process of submission of various elements of the appropriations requests and the development of the Executive Budget proposal for 2010-12 is well underway. In addition to these requests, the University has continued to work with the State on statewide funding issues for higher education. The status of each of these efforts is described in this report, and the attached schedule provides a listing of the operating issues specific to Virginia Tech.

Statewide Funding Initiatives

In most years, the State identifies crosscutting issues that are statewide in scope and for which funding proposals are developed centrally for all higher education institutions. For the 2010-12 biennium, statewide issues identified by the State as crosscutting are:

- Base budget adequacy
- Faculty salary increases to achieve the 60th percentile
- Enrollment Growth
- Equipment Trust Fund program
- Student financial assistance
- Maintenance Reserve

While the current economic environment is challenging, Virginia Tech continues to work with State representatives to reinforce the importance of these needs. Specifically, the University continues to support the need for funding of faculty salaries at the 60th percentile of its peers as well as competitive compensation for support staff. Additionally, the University encourages continued support for funding of equipment (through the Equipment Trust Fund) to support advances in instructional and research activities. The University continues to support maintenance reserve funding amounts to provide adequate resources to address deferred maintenance needs. The University strongly supports the continued funding of student financial assistance in concert with increased university support.

Operating Budget Submission

The University's 2010-12 proposed operating budget will be assembled in two phases: (1) establishment of the base budget and (2) a process for institution-specific requests.

During the base budget process, technical adjustments were submitted for those items that do not involve policy decisions, account for additional nongeneral fund revenue, or account for an increase in position levels for actions that have already been approved. Examples of technical adjustments for Virginia Tech include increasing the nongeneral fund appropriation to reflect current levels of activity, annualizing partial-year funding, adjusting for fringe benefit rate changes, and recognizing actual staffing level.

Due to the budget reductions issued by the Executive Branch in September, agencies were instructed to limit biennial budget requests to items of a critical nature and not to request replacement of funds lost due to budget reductions. The Department of Planning and Budget (DPB) also informed the University that issues of Base Budget Adequacy, faculty salaries, enrollment, equipment trust fund, and student financial assistance increases would be considered "crosscutting" issues to be addressed centrally, and were not to be requested at the institutional level. Additionally, each University budget request must have been pre-approved by the Secretary of Education. This severely limited the budget request process. The University submitted requests to the Secretary to address:

- Critical cost increases for Agencies 208 and 229
- Operation and maintenance for new buildings coming online
- Operating support for the Center for Critical Technologies in the Arts
- Support for the Unique Military Activities program.

Ultimately, only one of these requests was approved by the Secretary for submission to the Governor. The University submitted this budget decision package to DPB as detailed below.

University Division (Agency 208)

- Center for Creative Technologies in the Arts. The Center for Creative Technologies in the Arts is an interdisciplinary alliance that brings together the School of Education, the School of the Arts, the Department of Computer Science, the Department of Communication, and Virginia Tech Science Technology Engineering and Mathematics P-12 Initiative (VT-STEM). The Center is a unique applied research environment that develops instructional methods to advance creative and critical thinking skills through the merger of arts and technology, with a primary focus on improved student learning and performance in all subject matters. The expertise of multiple disciplines and the creative application of emerging technologies will be leveraged to engage Virginia teachers as active participants in the design and development of innovative learning tools to strengthen P-12 learning environments both in and beyond the classroom. These collaborative efforts to strengthen schools will enhance communities and lead to economic growth and development for regions throughout the Commonwealth.

It is the established practice of the University to seek the review and approval of the Board of Visitors with regard to the University's biennial budget submissions. In this unique year of uncertain economic conditions, budget reductions, and the timing of state guidance for budget requests and submission, the timeframe did not allow for advance review by the Board of Visitors.

Update on Capital Outlay Submission for 2010-12

At its June 2009 meeting, the Board of Visitors considered a recommendation that a list of prioritized projects for inclusion in the 2010-16 Capital Outlay Plan be approved and that the University be authorized to submit a final Plan to the state, in accordance with guidance and instructions from the state and based on the projects in the approved list. The recommendation was approved, and the University proceeded accordingly with its formal submission on June 1, 2009.

The University's submission is now under review by multiple state organizations including SCHEV, Department of Planning and Budget, Department of General Services, and the legislative finance committees. These organizations are expected to make system-wide capital recommendations for higher education during the fall with the first proposal for new funding due on December 18, 2009 in the 2010-12 Executive Budget Bill. The Governor is expected to subsequently provide a proposed update to the state's long-range capital plan for 2010-16 on the second day of the regular General Assembly session in January 2010. The General Assembly may then modify the new capital funding for 2010-12 as well as the State's forward looking capital plan for the 2010-16 period.

The University is working with the necessary state leaders, staff, and higher education stakeholders to position Virginia Tech for new capital funding in the 2010 budget session.

RECOMMENDATION:

That a general endorsement of the areas of emphasis in the 2010-2012 operating submission be provided.

November 9, 2009

APPROVAL OF THE MASTER OF BUSINESS ADMINISTRATION PROGRAM FEE

The Master of Business Administration (MBA) program in the Pamplin College of Business is committed to expanding capacity in order to recruit additional top tier students while enhancing its high quality program. In order to further strengthen the MBA program, it will need to position the program to expand its full-time on-campus enrollment to meet demand. Further, additional enhancements and services are required to successfully recruit and serve these additional students. In order to support this growth and expanded set of services and continue to deliver a high quality program, the University is proposing to recognize the differential cost of an enhanced Virginia Tech MBA program through the establishment of a new program fee. The enhanced program is expected to increase competitiveness in the recruitment of a diverse pool of high caliber students and position the MBA program for continued success in the future. This proposal will more appropriately align pricing of the Virginia Tech MBA program to its peers and provide increased funding for the College of Business' academic program, expanded recruitment efforts, and enhanced career placement services for MBA students.

Specialized graduate degree programs provide a valuable service by meeting targeted educational and professional development needs. Since both the academic units and the University have added costs associated with providing high demand specialized graduate degree programs, it is appropriate to address these incremental college and University costs required to deliver high quality programs. To maintain the intent of the Commonwealth's funding policies regarding the collection and allocation of tuition revenues, Specialized Graduate Program Fees are charges established for a specific graduate program, potentially at a specific location, beyond regular tuition and fees and are equal for students, both resident and nonresident.

Administration of the funds will be coordinated by the College of Business. The fee will not be assessed to Executive MBA or Professional MBA students. The new fee will begin with incoming MBA students admitted for fall 2010 semester and will be in addition to all existing graduate tuition and fee charges. On and off campus students will pay the fee. Part-time students will pay the fee on a per credit hour basis.

The University traditionally brings tuition and fee rates to the Board at the spring meeting; however, this fee is presented at this time to provide advance notification of the fee to individuals considering the program for the Fall 2010 semester. By approving the fee now, students for the Fall 2010 cohort can be recruited with full knowledge of the fee that it will be part of their cost of attendance. For rate increases subsequent to the Fall 2010 semester, the College will identify proposed changes in time to allow approval during the spring Board of Visitors meeting.

Master of Business Administration (MBA) Program Fee

<u>Incoming 2010</u>	<u>Proposed 2010-11</u>	
	<u>Fulltime</u>	<u>Part-time</u>
Resident	\$3,900	\$162.50 per credit hour
Nonresident	\$3,900	\$162.50 per credit hour

RECOMMENDATION:

That the Virginia Tech Master of Business Administration (MBA) supplemental program fee be approved effective Fall 2010.

November 9, 2009

Financial Performance Report - Operating and Capital

FINANCE AND AUDIT COMMITTEE

July 1, 2009 to September 30, 2009

The Financial Performance Report of income and expenditures is prepared from two sources: actual accounting data as recorded at Virginia Tech and the annual budgets which are also recorded in the university accounting system. The actual accounting data reflect the modified accrual basis of accounting, which recognizes revenues when received rather than when earned and the expenditures when obligated rather than when paid. The Original Budget was approved by the Board of Visitors at the June meeting. The Adjusted Budget reflects adjustments to incorporate actual experience or changes made during the fiscal year. These changes are presented for review and approval by the Finance and Audit Committee and the Board of Visitors through this report. Where adjustments impact appropriations at the state level, the University budget coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to September 2009-10 budget (year-to-date) is prepared from historical data which reflects trends in expenditures from previous years as well as known changes in timing. Differences between the actual income and expenditures and the year-to-date budget may occur for a variety of reasons, such as an accelerated or delayed flow of documents through the accounting system, a change in spending patterns at the college level, or increases in revenues for a particular area.

Quarterly budget estimates are prepared to provide an intermediate measure of income and expenditures. Actual revenues and expenditures may vary from the budget estimates. The projected year-end budgets are, however, the final measure of budgetary performance.

OPERATING BUDGET

1. Tuition and Fee revenue is less than historical projections due to the timing of collections.
2. The Commonwealth has not yet released the first allocation of stimulus funds to institutions of higher education.
3. Academic and Support expenditures are behind historical projections due to the timing of operating expenditures.
4. The budget for federal revenue is established to match projected allotments from the federal government. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agricultural Experiment Station Division was greater than the projected budget due the timing of receipt of federal drawdowns.
5. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
6. 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 expenditures are less than projected, but are ahead of 2008-09 activity levels.
7. The General Fund revenue budget has been increased by \$221,000 for a transfer from Student Financial Assistance to the Educational and General program for assistantships in the Multicultural Academic Opportunities Program, by \$29,333 for VIVA libraries distribution costs, and decreased by \$580,889 to match the actual central appropriations transfer for fringe benefits. The budget has also been reduced by \$21,846,707 for the General Fund reduction assigned to the E&G component of the University Division by the Governor on September 8, 2009. The corresponding expenditure budgets have been adjusted accordingly.
8. The annual budget for Tuition and Fees has been decreased by \$80,168 to finalize the Virginia/Maryland Regional College of Veterinary Medicine regional capitation agreement and increased by \$8,054,187 for strong fall enrollments. The corresponding expenditure budgets have been adjusted accordingly.
9. The Federal American Reinvestment and Recovery Act stimulus budget for the University Division has been increased by \$10,163,758 to reflect the state's plan to offset a portion of the 2009-10 General Fund reductions. The corresponding expenditure budget is being held by the University until the state's federal application for these funds is approved.
10. The All Other Income revenue budget for the University Division has been decreased by \$232,208 to reflect lower than projected interest earnings. The corresponding expenditure budgets have been adjusted accordingly.
11. The General Fund revenue budget in the Cooperative Extension/Agricultural Experiment Station Division has been decreased by \$20,638 to match the actual central appropriations transfer for fringe benefits. The budget has also been decreased by \$4,528,956 for the General Fund reduction assigned to the Cooperative Extension/Agricultural Experiment Station Division by the Governor on September 8, 2009. The corresponding expenditure budgets have been adjusted accordingly.
12. The Federal revenue budget in the Cooperative Extension/Agricultural Experiment Station Division has been increased by \$1,263,925 for the carryover of unexpended federal funds and revised calculations of other federal formula funds. The corresponding expenditure budgets have been adjusted accordingly.
13. The Federal revenue budget in the Cooperative Extension/Agricultural Experiment Station Division has been increased by \$2,107,009 to reflect the state's plan to offset a portion of the 2009-10 General Fund reductions with American Reinvestment and Recovery Act stimulus funding. The corresponding expenditure budget is being held by the University until the state's federal application for these funds is approved.
14. The Sponsored Programs budget has been decreased by \$57,600 for Virginia Tech's share of the General Fund reduction assigned to SCHEV's Eminent Scholars Program by the Governor on September 8, 2009.
15. The projected year-end revenue and expense budgets for Student Financial Assistance were reduced by \$221,000 for the transfer from Student Financial Assistance to the Educational and General program for assistantships in the Multicultural Academic Opportunities Program and increased by \$308,051 for the Commonwealth Scholarship Assistance Program.
16. The projected annual budgets in All Other Programs were adjusted to reflect the finalization of the Local Funds budget and increased for activities that were initiated prior to June 30, 2009 but incomplete at fiscal year end.

**OPERATING BUDGET
2009-10**

Attachment G

Dollars in Thousands

	July 1, 2009 to September 30, 2009			Annual Budget for 2009-10		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
General Fund	\$47,794	\$47,794	\$0	\$150,706	\$128,529	\$-22,177 (7)
Tuition and Fees	137,783	138,220	-437 (1)	285,037	293,011	7,974 (8)
Federal Funds (ARRA)	0	3,792	-3,792 (2)	15,167	25,331	10,164 (9)
All Other Income	8,629	8,690	-61	27,876	27,644	-232 (10)
Total Revenues	\$194,206	\$198,496	\$-4,290	\$478,786	\$474,515	\$-4,271
<u>Expenses</u>						
Academic Programs	\$-79,724	\$-80,750	\$1,026 (3)	\$-297,373	\$-295,365	\$2,008 (7,8,9,10)
Support Programs	-44,533	-45,260	727 (3)	-181,413	-179,150	2,263 (7,8,9,10)
Total Expenses	\$-124,257	\$-126,010	\$1,753	\$-478,786	\$-474,515	\$4,271
NET	\$69,949	\$72,486	\$-2,537	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
General Fund	\$19,028	\$19,028	\$0	\$63,593	\$59,043	\$-4,550 (11)
Federal Appropriation	4,337	3,825	512 (4)	13,570	14,834	1,264 (12)
Federal Funds (ARRA)	0	0	0	0	2,107	2,107 (13)
All Other Income	136	240	-104	876	876	0
Total Revenues	\$23,501	\$23,093	\$408	\$78,039	\$76,860	\$-1,179
<u>Expenses</u>						
Academic Programs	\$-20,783	\$-21,194	\$411	\$-70,137	\$-69,258	\$879 (11,12,13)
Support Programs	-1,363	-1,563	200	-7,902	-7,602	300 (11,12,13)
Total Expenses	\$-22,146	\$-22,757	\$611	\$-78,039	\$-76,860	\$1,179
NET	\$1,355	\$336	\$1,019	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$85,896	\$85,004	\$892 (5)	\$218,015	\$218,681	\$666 (5)
Expenses	-52,596	-55,766	3,170 (5)	-201,288	-215,904	-14,616 (5)
Reserve Drawdown (Deposit)	-33,300	-29,238	-4,062 (5)	-16,727	-2,777	13,950 (5)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$64,704	\$65,565	\$-861 (6)	\$248,198	\$248,140	\$-58 (14)
Expenses	-69,818	-85,326	15,508 (6)	-248,198	-248,140	58 (14)
Reserve Drawdown (Deposit)	5,114	19,761	-14,647 (6)	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
General Fund	\$8,874	\$8,874	\$0	\$17,661	\$17,748	\$87 (15)
Federal Funds (ARRA)	0	1,078	-1,078 (2)	2,155	2,155	0
Expenses	-7,800	-7,935	135	-19,816	-19,903	-87 (15)
NET	\$1,074	\$2,017	\$-943	\$0	\$0	\$0
All Other Programs *						
Revenue	\$1,227	\$1,281	\$-54	\$5,706	\$5,902	\$196 (16)
Expenses	-1,240	-1,353	113	-5,706	-6,143	-437 (16)
Reserve Drawdown (Deposit)	13	72	-59	0	241	241 (16)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$378,408	\$383,391	\$-4,983	\$1,048,560	\$1,044,001	\$-4,559
Expenses	-277,857	-299,147	21,290	-1,031,833	-1,041,465	-9,632
Reserve Drawdown (Deposit)	-28,173	-9,405	-18,768	-16,727	-2,536	14,191
NET	\$72,378	\$74,839	\$-2,461	\$0	\$0	\$0

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

AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls exceed projections due to continued growth in off-campus meal plan sales and dining dollar receipts. Expenditures in Residence and Dining Halls are lower than projected because of the timing of operating expenses.
2. Expenditures in Telecommunications Services are lower than projected due to the timing of equipment purchases related to the campus telecommunications infrastructure.
3. Student fee revenues in the University Services System are higher than projected due to higher enrollments than budgeted. Expenditures for the University Services System are lower than projected overall due to staff turnover and vacancy and the timing of operating expenses.
4. Revenues and expenses for the Electric Service auxiliary are lower than projected due to lower than anticipated electrical consumption. Expenses are also lower than projected due to the lower than anticipated cost of purchased electricity.
5. Revenues and expenses for the Inn at Virginia Tech and Skelton Conference Center are lower than projected due to reduced business activity as a result of the economic downturn.
6. Revenues for Other Enterprise Functions are higher than projected due to a new requirement for all incoming undergraduate students to purchase a common software bundle to ensure access to the required version of operating and application software that was not envisioned within the original budget. A budget adjustment will be made during the second quarter.
7. The projected annual budget was adjusted for outstanding 2008-09 commitments and projects that were initiated but not completed before June 30, 2009.
8. The projected annual expense and reserve budgets for auxiliaries with University facilities were increased to accommodate the cost of a state required facility condition assessment study.
9. The projected annual expense and reserve budgets for Residence and Dining Halls were adjusted for a Value Added Tax expense for the Center for European Studies and Architecture related to prior years' operations.
10. The projected annual revenue, expense, and reserve budgets for the Telecommunications Services auxiliary were adjusted during budget finalization for changes in departmental service rates and other self-generated revenue.
11. The projected annual revenue and reserve budgets for the University Services System were adjusted for a technical change in the self-generated revenue budget for the Recreational Sports auxiliary.
12. The projected annual expense and reserve draw budgets for Intercollegiate Athletics were adjusted to accommodate a cash drawdown to fund the construction costs for the Jamerson Center Addition.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Attachment G

Dollars in Thousands

	July 1, 2009 to September 30, 2009			Annual Budget for 2009-10		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls						
Revenues	\$26,309	\$26,017	\$292 (1)	\$75,375	\$75,375	\$0
Expenses	-15,555	-16,427	872 (1)	-67,970	-69,848	-1,878 (7,8,9)
Reserve Drawdown (Deposit)	-10,754	-9,590	-1,164	-7,405	-5,527	1,878 (7,8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$3,276	\$3,221	\$55	\$6,131	\$6,131	\$0
Expenses	-1,011	-1,018	7	-5,924	-5,967	-43 (7)
Reserve Drawdown (Deposit)	-2,265	-2,203	-62	-207	-164	43 (7)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$4,922	\$4,782	\$140	\$15,539	\$16,229	\$690 (10)
Expenses	-4,469	-4,733	264 (2)	-15,460	-16,871	-1,411 (7,10)
Reserve Drawdown (Deposit)	-453	-49	-404	-79	642	721 (7,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services System						
Revenues	\$13,792	\$13,373	\$419 (3)	\$28,070	\$28,046	\$-24 (11)
Expenses	-8,163	-9,121	958 (3)	-26,029	-26,150	-121 (7,8)
Reserve Drawdown (Deposit)	-5,629	-4,252	-1,377	-2,041	-1,896	145 (7,8,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics						
Revenues	\$26,876	\$26,888	\$-12	\$47,425	\$47,425	\$0
Expenses	-12,308	-12,465	157	-42,282	-52,989	-10,707 (7,8,12)
Reserve Drawdown (Deposit)	-14,568	-14,423	-145	-5,143	5,564	10,707 (7,8,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service						
Revenues	\$5,576	\$5,675	\$-99 (4)	\$29,199	\$29,199	\$0
Expenses	-6,277	-6,767	490 (4)	-28,396	-28,447	-51 (7,8)
Reserve Drawdown (Deposit)	701	1,092	-391	-803	-752	51 (7,8)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$2,141	\$2,279	\$-138 (5)	\$9,350	\$9,350	\$0
Expenses	-2,916	-3,245	329 (5)	-9,279	-9,341	-62 (7,8)
Reserve Drawdown (Deposit)	775	966	-191	-71	-9	62 (7,8)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions						
Revenues	\$3,004	\$2,769	\$235 (6)	\$6,926	\$6,926	\$0
Expenses	-1,897	-1,990	93	-5,948	-6,291	-343 (7,8)
Reserve Drawdown (Deposit)	-1,107	-779	-328	-978	-635	343 (7,8)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$85,896	\$85,004	\$892	\$218,015	\$218,681	\$666
Expenses	-52,596	-55,766	3,170	-201,288	-215,904	-14,616
Reserve Drawdown (Deposit)	-33,300	-29,238	-4,062	-16,727	-2,777	13,950
Net	\$0	\$0	\$0	\$0	\$0	\$0

Educational and General Projects

1. The project total budget reflects the appropriation available for fiscal year 2010, including the amount carried forward from fiscal year 2009. The annual budget reflects the target amount needed to meet or exceed the state's 85 percent biennial performance requirement.
2. Blanket Authorizations allow unforeseen small projects to be authorized administratively with nongeneral funds for expediency. This project includes a \$3.5 million authorization to initiate planning for a Sciences Research and Academic Building and a \$1 million authorization to initiate planning for the Relocation of the Agriculture programs.
3. This project addresses the improvement of campus heating infrastructure needed to accommodate current and future campus buildings. The project will be accomplished in multiple phases with a total cost of \$28.75 million. Phases for the steam distribution upgrades, boiler upgrades, and plant upgrades are complete. The \$6.2 million phase for the life science steam line and the emergency generator are underway. The final phase, Prices Fork steam line, is scheduled to start construction in the summer of 2010.
4. This Critical Technologies Research Laboratory building project is envisioned to construct a 42,000 gross square foot state-of-the-art research facility that will support multidisciplinary research. The project is under construction with a completion date of December 2010.
5. This project is envisioned to construct a 16,300 gross square foot high containment research laboratory facility for the study of infectious diseases. Working drawings are underway. The project's schedule is being adjusted to accommodate a NIH grant submission to support construction costs, which delays the design phase until December when the grant notification is expected.
6. The purpose of this project is to construct a 48,000 gross square foot building along the campus perimeter to house various administrative and academic support functions in a central location. The project is on hold.
7. This project includes a new Visitors and Undergraduate Admissions Center at the Prices Fork entrance to the university near the new Alumni Center. Working drawings are underway with a GMP expected in November 2009.
8. This project will construct a 7,500 gross square foot building to provide a central location for the management, storage, and eventual disposal of hazardous materials that are products of the academic program. Construction is underway with an expected completion by August 2010.
9. This project includes construction of an approximately 155,000 square foot medical school and research laboratory building to be built in the Riverside Center in Roanoke on land owned by Carilion. The project is being implemented under a Public-Private Education Facilities and Infrastructure Act ("PPEA") agreement with a target completion date of August 2010.
10. This project authorization includes a 92,300 gross square foot scientific laboratory facility to support interdisciplinary instruction and research. The building envisions state-of-the-art undergraduate class laboratories, research laboratories, and graduate student space. The project is on hold pending the outcome of external funding sources. Current planning activities for this project are being conducted under the Blanket Authorization with \$519,096 in expenditures as of September 30, 2009.
11. This project is envisioned to construct a state-of-the-art performance theatre and creative arts laboratory. Preliminary design is underway.
12. This project includes an approximately 60,000 gross square foot facility located in Hampton Roads. The project is being implemented under a Public-Private Education Facilities and Infrastructure Act ("PPEA") agreement with delivery through a design-build process.
13. This project encompasses planning of a 63,000 gross square foot facility on the north side of campus to house dining and instructional space. The project is in the preliminary design phase with a target construction start of June 2010.
14. This project comprises planning of a 50,000 square foot addition to the VBI facility to provide office, meeting, and conference space for VBI faculty, research, and support personnel. Working drawings are complete and construction is pending the outcome of external funding and associated program space requirements.
15. This project is for planning of a 35,000 gross square foot facility to house the public safety programs of the police department, rescue squad, and emergency management. The original purpose of the planning project was to expedite the project schedule in the event the state funded the university's 2008 General Assembly request. The state did not fund the project; thus, the planning is on hold and the project may be closed at the end of the fiscal year.
16. This project encompasses planning of a multipurpose laboratory building for agricultural research conducted by the Southern Piedmont Agricultural Research and Extension Center (SPAREC). The sources of funding include a grant from the Tobacco Indemnification and Community Revitalization Commission and partial matching from proceeds derived from timber sales. The planning work is complete and a request for the construction phase depends on the college securing sufficient grant and/or private donations to fully fund the project. This planning project may be closed at the end of the fiscal year.
17. This project will plan the first phase of the renovation of Davidson Hall, which is envisioned to raze and fully replace the unrecoverable center and north section of the building. The project is in the working drawings phase.
18. This project will plan a central chiller plant facility in the southwest section of campus as part of a strategy to increase the efficiency of campus cooling systems and to serve new buildings coming on line in the area. Schematic design is underway.
19. This project will plan the construction of a laboratory building to provide expanded, modern research space to meet the needs of animal and plant science research by the Agricultural Experiment Station in the College of Agriculture and Life Sciences. The project is in the preliminary design phase.
20. This project will plan for the construction of a classroom and laboratory facility for undergraduate and research programs in the College of Engineering. The project is in the schematic design phase.

2002 General Obligation Bond Program

21. The project is complete and will be closed when final payments for pending equipment purchases are processed.
22. The project is complete and will be closed when final payments are processed, with an expected total cost of \$10,468,000.
23. The project is complete and will be closed when final payments are processed, with an expected total cost of \$16,323,000.
24. The project is complete and will be closed when final payments are processed, with an expected total cost of \$45,990,000.

CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF September 30, 2009

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Educational and General Projects									
Maintenance Reserve	10,265	10,511	1,650	16,900	0	0	0	16,900	5,505 (1)
Blanket Authorizations	0	4	4	0	0	4,643	0	4,643	521 (2)
Upgrade Campus Heating Plant	11,000	11,000	1,531	17,250	0	2,750	11,500	31,500	18,348 (3)
Institute for Critical Technology and Applied Science II	13,200	13,200	5,569	17,500	0	0	17,500	35,000	8,029 (4)
Infectious Disease Research Facility	1,180	1,180	150	3,137	0	6,163	0	9,300	602 (5)
Administrative Services Building	0	0	0	0	0	0	12,000	12,000	0 (6)
Visitors and Undergraduate Admissions Center	550	550	201	0	0	3,400	7,100	10,500	830 (7)
Materials Management Facility	2,365	2,365	46	3,500	0	0	0	3,500	428 (8)
VT-Carilion School of Medicine and Research Institute	34,000	34,000	6,993	59,000	0	0	0	59,000	14,262 (9)
Sciences Building Laboratory I	0	0	0	28,758	0	0	16,800	45,558	0 (10)
Performing Arts Center	3,566	3,566	547	0	0	5,000	58,000	63,000	2,234 (11)
Hampton Technology Research & Innovation Center	1,500	1,500	80	12,000	0	0	0	12,000	80 (12)
Planning: Academic and Student Affairs Building	1,720	1,720	362	0	0	0	2,720	2,720	1,247 (13)
Planning: VBI Addition Facility	350	350	323	0	0	0	2,400	2,400	2,326 (14)
Planning: Public Safety Building	0	0	0	0	0	1,600	0	1,600	0 (15)
Planning: Southern Piedmont AREC Laboratory	0	3	3	0	0	375	0	375	355 (16)
Planning: Renovate Davidson Hall	706	706	51	1,506	0	0	0	1,506	776 (17)
Planning: Chiller Plant, Phase I	257	257	17	480	0	0	0	480	233 (18)
Planning: Human & Agricultural Biosciences Bldg. I	1,320	1,320	372	2,040	0	0	0	2,040	1,020 (19)
Planning: Signature Engineering Building	2,083	2,083	62	1,350	0	983	0	2,334	226 (20)
TOTAL	84,062	84,315	17,960	163,421	0	24,914	128,020	316,356	57,020
2002 General Obligation Bond Program									
Life Sciences I	1,100	1,100	39	4,987	26,263	0	8,750	40,000	38,894 (21)
Cowgill Hall HVAC and Power	660	660	156	3,825	7,500	0	0	11,325	9,949 (22)
Henderson Hall	3,817	3,817	1,881	7,333	6,542	4,683	0	18,558	14,649 (23)
Inst. for Critical Technology and Applied Science, Ph I	500	500	254	9,994	13,996	6,989	17,000	47,979	45,474 (24)
TOTAL	6,077	6,077	2,329	26,139	54,301	11,672	25,750	117,862	108,965

CAPITAL OUTLAY BUDGET (Continued)**Auxiliary Enterprises Projects**

1. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise Budgeting Process. The revised annual budget reflects a performance target of 85 percent expenditure of the total budget by the end of the fiscal year.
2. This authorization includes one active sub-project to complete a parking lot on Chicken Hill, with an estimated remaining cost of \$750,000. The authorization balance may be used to complete future improvements and repair projects for the parking system.
3. The project is complete and will be closed when final payments have been processed, with an expected total cost of \$57.25 million. The annual budget was adjusted in the first quarter to reflect final expenses for the project.
4. The project is complete and will be closed when final payments have been processed.
5. This project includes design and renovation of East and West Ambler Johnston Hall, with full occupancy expected by summer 2011. The total expected costs are \$72.1 million.
6. This project includes 25,000 gross square feet (GSF) of new construction and 2,000 GSF of renovation to address the growing demand for increased student recreational areas. The project is under construction and occupancy is expected by winter 2010, with an expected total cost of \$12.8 million.
7. The purpose of this project is to build a new, 120,000 gross square foot field house to increase the availability of indoor training time for football and other athletic programs. The project is on hold to advance the Addition to the Jamerson Center.
8. The project is complete and will be closed when final payments have been processed, with at total expected cost of \$21.1 million. The annual budget was adjusted in the first quarter to reflect increased spending that occurred during the previous fiscal year.
9. This project envisioned a new residence hall of approximately 250 beds. Cost estimates exceed the project budget, and the project is on hold while the university explores potential alternatives.
10. This repair project addresses moisture penetration and structural problems in the exterior walls of McComas Hall. Work is underway with completion expected by summer 2011.
11. This project includes design and construction of a 1,200 space parking structure located on the Prices Fork parking lot. Construction is underway with occupancy expected no later than winter 2010 and an expected total cost of \$26 million.
12. This project envisions construction of a centralized north chiller plant located next to the Prices Fork parking structure. The university received Board of Visitors approval for a \$3.8 million north chiller plant in March 2009. The north chiller was originally envisioned being constructed as a part of the parking structure project and located in the basement of the structure. Recent evaluations of the early design work have resulted with the north chiller plant being relocated and constructed adjacent to the parking structure because of aesthetic and water table concerns caused by its location in the basement. While the implementation of this project is changing, the overall scope and cost of the project remain within the authorization approved by the Board. The project is in the schematic design phase.
13. This project proposes to renovate the dining and food service areas in Owens Hall and to renovate and expand the kitchen and dining area in West End Market to improve the service of the dining centers. A GMP is expected by the end of November, with occupancy expected by fall 2010.
14. This project includes a 12,700 gross square foot facility, adjacent to English Baseball Field, to provide storage and indoor practice space for the baseball program. The university received Board of Visitors approval for this \$2.3 million project in August 2008. Construction is underway, with occupancy expected by the end of November 2009.
15. This project envisions a 38,853 gross square foot facility adjacent to the Jamerson Center at the south east corner. The facility provides new locker rooms, a training room, and program space serving the Athletics program. The university received Board of Visitors approval for this project in March 2009. Construction is underway with occupancy expected by fall 2010, with an expected total cost of \$16.1 million.

Capital Outlay Projects Authorized as of September 30, 2009 (Continued)

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Auxiliary Enterprises Projects									
Maintenance Reserve	5,000	8,354	1,748	0	0	9,828	0	9,828	1,748 (1)
Parking Auxiliary Projects	750	750	0	0	0	0	16,941	16,941	0 (2)
Expand Lane Stadium, West Side	723	3,228	4	0	0	4,962	54,740	59,702	53,302 (3)
New Residence Hall	5,079	5,079	2,493	0	0	953	30,047	31,000	28,303 (4)
Renovate Ambler Johnston Hall	19,208	19,208	4,169	0	0	0	75,000	75,000	10,011 (5)
Recreational, Counseling, Clinical Space	6,863	6,863	71	0	0	0	13,000	13,000	818 (6)
Indoor Athletic Training Facility	0	0	0	0	0	0	25,000	25,000	0 (7)
Basketball Practice Facility	4,600	4,520	1,582	0	0	11,700	9,400	21,100	18,162 (8)
New Residence Hall II	0	0	0	0	0	0	27,000	27,000	182 (9)
Repair McComas Hall Exterior Wall Structure	2,013	2,013	1,106	0	0	0	6,000	6,000	3,662 (10)
Parking Structure	15,100	15,100	166	0	0	0	30,000	30,000	1,736 (11)
North Chiller Plant	900	900	0	0	0	3,800	0	3,800	0 (12)
Renovate Owens & West End Market Food Courts	2,300	2,300	127	0	0	0	5,000	5,000	283 (13)
Indoor Batting Practice Facility	1,700	1,700	601	0	0	2,300	0	2,300	1,196 (14)
Addition to Jamerson Center	12,600	12,600	2,327	0	0	18,000	0	18,000	2,327 (15)
TOTAL	76,836	82,615	14,394	0	0	51,544	292,128	343,672	121,730
GRAND TOTAL	<u>\$ 166,975</u>	<u>\$ 173,007</u>	<u>\$ 34,683</u>	<u>\$ 189,560</u>	<u>\$ 54,301</u>	<u>\$ 88,130</u>	<u>\$ 445,898</u>	<u>\$ 777,889</u>	<u>\$ 287,715</u>

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2009 through September 30, 2009 and the Capital Outlay report be accepted.

November 9, 2009

Pratt Funds Overview

FINANCE AND AUDIT COMMITTEE

September 25, 2009

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

Distributions of the Pratt Estate were received in several installments: \$9,561,819 in 1975, \$1,330,000 in 1977, \$47,000 in 1979, and \$30,164 in 1981, for a total of \$10,968,983. Over the years, the Pratt endowment has grown to \$34.1 million, as of June 30, 2009. The following paragraphs summarize some of the major accomplishments of the College of Engineering and the Animal Nutrition Programs that are directly tied to the funding provided by the Pratt Estate.

When the Pratt Endowment was originally established, the College of Engineering was in the early stages of becoming established as a nationally recognized leader in engineering education. The Pratt Endowment has played a significant role over the years in allowing the College to enrich its pool of students and to offer additional international study opportunities to students and faculty. Additionally, the Pratt Funds currently allow the College to invest resources in three research areas: biomedical engineering, microelectronics, and energy and advanced vehicles.

The expenditure of income funds from the Pratt Endowment provides an unusual opportunity to support an animal nutrition program of high quality. Use of these endowment earnings has concentrated on enhancing research and educational opportunities beyond what departments could do with state and federal funding. The main funding strategy remains with strong support for Ph.D. training, direct research support, scientific equipment, and visiting professors that stimulate and inspire the faculty and students engaged in nutrition research.

PRATT FUNDS: College of Engineering

The Pratt Endowment enriches the College of Engineering in many ways, adding to Virginia Tech's reputation. In fiscal year 2008-2009, Pratt Funds supported the following engineering programs: undergraduate scholarships, undergraduate and graduate study abroad scholarships, graduate research assistantships, graduate fellowships and graduate tuition scholarships, and graduate recruitment for the College's research programs.

Undergraduate Scholarships

Budgeted: \$350,000

Spent: \$300,426

Pratt Funds allow the College to offer Dean's Scholar Scholarships to entering freshmen. These scholarships provide a four-year, \$5,000 per academic year continuing commitment to each recipient provided at least a 3.5 grade point average is maintained. In fiscal year 2008-2009, Pratt Funds supported 67 students on Dean's Scholar Scholarships totaling \$286,500. Pratt Funds provided approximately \$2,426 for the Dean's Scholar Awards dinner, and an additional \$11,500 was used to provide a scholarship informational meeting attended by high school guidance counselors.

Undergraduate Study Abroad Scholarships

Budgeted: \$25,000

Spent: \$40,000

Pratt Funds were used to fund several initiatives for undergraduate students. The first being the development of a global engineering certification program in Brazil. This program requires students to take Portuguese classes then travel to Brazil for additional language and engineering courses. Travel scholarships were provided for students in this program. Pratt Funds continued to provide travel scholarships for a collaborative senior design program in France. The remaining funds were used to support the College of Engineering's signature program, and the Rising Sophomore Abroad Program. Travel scholarships were used to subsidize the travel of individual students to Japan, Singapore and Hong Kong.

Graduate Study Abroad Scholarships

Budgeted: \$50,000

Spent: \$35,000

Pratt Funds were used to provide travel scholarships for graduate students involved with various initiatives including collaborative research projects in Belgium and Singapore, an international student satellite project in Japan, and a program in Brazil

that integrates students and faculty from both countries in a technical and cultural classroom setting. Pratt Funds also were used to provide scholarship support for dual degree master's programs in Germany and France.

Graduate Fellowships and Graduate Tuition Scholarships

Budgeted: \$377,000

Total Spent: \$332,406

Graduate Fellowships

Each engineering department receives a portion of Pratt Funds to use for graduate fellowships. In fiscal year 2008-2009, 76 students received Pratt Fellowships ranging from \$59 per month to \$1,000 per month. These fellowships supplement existing assistantships, allowing the College to offer competitive packages to graduate students that are being aggressively recruited by other top engineering colleges. Pratt Funds totaling \$272,384 were used to support the Dean of the College of Engineering Teaching Fellow program. In this three-year program, a graduate teaching assistantship is coupled with a Pratt Fellowship to give graduate students the opportunity to gain valuable teaching experience. There were 11 students in the program during fiscal year 2008-2009.

Graduate Tuition Scholarships

Engineering departments also receive Pratt Funds to use as tuition scholarships for graduate students. In fiscal year 2008-2009, a total of \$60,022 was awarded to 17 students receiving tuition/fees scholarships ranging from \$500 to \$8,934 each. Combined with assistantships and the supplemental Pratt Fellowships, the support package offered to prospective graduate students allows the College to better compete with other top graduate engineering programs.

Graduate Research Scholarship

Budgeted: \$52,000

Total Spent: \$54,977

The College used Pratt Funds to support graduate teaching research assistants in the Institute for Critical Technology and Applied Science (ICTAS) Doctoral Scholars Program. This program is a multi-disciplinary research effort coordinated by ICTAS, with significant contributions from participating departments, colleges, and the Graduate School. Students in the program receive a graduate research scholarship of \$25,000 per year for a maximum of four years. Pratt Funds allowed the College to co-sponsor six students in 2009-2010. This program expects to grow to 12 students by 2010-2011.

Graduate Recruitment***Budgeted: \$131,000******Spent: \$114,669***

The College's departments readily acknowledge that the use of Pratt Funds to support visiting prospective graduate students substantially increases enrollment of top-quality graduate students and is critical to the College's research programs. In fiscal year 2008-2009, this funding supported the travel expenditures for over 130 prospective graduate students. Additionally, a group of departments continued to use Pratt Funds to support a successful graduate recruiting weekend.

PRATT FUNDS ACTIVITY STATEMENT
For the Year Ended June 30, 2009
ENGINEERING

Income

Balance, July 1, 2008	\$ 81,282	
Endowment Income for 2008-09	1,073,255	
Repayment of Loan	<u>(204,042)</u>	
 Total Available		 \$950,495

Expenditures

Undergraduate Scholarships	\$300,426	
Undergraduate Study Abroad Scholarships	40,000	
Graduate Study Abroad Scholarships	35,000	
Graduate Fellowships	272,384	
Graduate Tuition Scholarships	60,022	
Graduate Research Assistantships	54,977	
Graduate Recruitment	<u>114,669</u>	
 Total Expenditures		 <u>\$877,478</u>
 Balance at June 30, 2009 to be carried to 2009-10		 <u>\$ 73,017</u>

RECOMMENDATION:

That the 2008-09 Pratt Funds Activity Statement for the College of Engineering be approved.

PRATT FUNDS: Animal Nutrition

The John Lee Pratt program supports research, extension, and teaching programs in Animal Nutrition in several departments of the College of Agriculture and Life Sciences, the College of Natural Resources, and the Virginia-Maryland Regional College of Veterinary Medicine. The participating departments are Animal and Poultry Sciences, Dairy Science, Biochemistry, Fisheries and Wildlife, Crop and Soil Environmental Sciences, Biomedical Sciences, Large Animal Clinical Services and Pathobiology. The faculty involved in the program desire to put primary emphasis on educating graduate students. Direct support of stipends and operations and enhancement of graduate programs through equipment purchases and visiting scientists are the primary expenditures.

The total net expenditure for fiscal year 2008-09 was \$804,863 for the continuing program. The main categories of expenditures were as follows:

Graduate Students, Stipends and Research Allowance	52%
Undergraduate Scholarship and MAOP Interns	16%
Scientific Equipment/Technicians/Research Renovations	31%
Visiting Scientists/Scientific Reprints/Miscellaneous	1%

Graduate Students

The Pratt Fellowship program has now matured to where up to 15 Fellows are enrolled at all times. These students are from several states and countries and are highly selected based on academic and research accomplishments. The Fellows receive a Ph.D. or M.S. stipend plus payment of all required tuition and fees. Additionally, Ph.D. Fellows receive \$6,500 and M.S. Fellows receive \$3,500 toward research expenditures.

Undergraduate Students

Fifty outstanding freshmen students were awarded \$1,000 merit scholarships upon entering departments which offer programs in Animal Nutrition. Ten Pratt Senior Animal Nutrition Research Scholars received scholarships (\$1,500) and research support (\$1,000). This exciting program allows outstanding seniors to participate in undergraduate research programs working directly with a faculty researcher. The Scholars report research results at a symposium each spring. Many of these students pursue graduate programs in Animal Nutrition.

Scientific Equipment and Research Space Renovations

Expenditures for equipment and research space renovations continued to emphasize the needs of graduate programs and shared use by faculty and students, often involving several departments. Expenditures this year were as follows: incubators and hatchers for transgenic chicken technology research; precision infusion syringe pumps to conduct insulin, glucose, and pancreatic-substrate clamp procedures for living animals; glucose and lactate analyzer, freezer, and incubators to support newly funded nutrition research.

Research Publications

The program continued to pay costs of research journal articles resulting from student dissertations. Over 450 publications have resulted from the program since its inception in 1978.

Visiting Scientists

An important stimulus for graduate programs is the presence of visiting scientists in seminars, in the classroom, and in the laboratory. A nutrition seminar is regularly supported by Pratt Funds to bring in outstanding speakers from other institutions and industry. Other scientists visit for periods of time ranging from a few days to several months. Visitors supported by Pratt Funds present seminars for the university community and interact with nutrition faculty and students in formal and informal instructional settings including laboratories.

PRATT FUNDS ACTIVITY STATEMENT
For the Year Ended June 30, 2009
ANIMAL NUTRITION

Income

Balance, July 1, 2008	\$ 333,874	
Endowment Income for 2008-09	<u>1,100,667</u>	
Total Available		\$1,434,541

Expenditures

General Program Expenditures		
Graduate Students	\$ 420,335	
Undergraduate Students	129,872	
Scientific Equipment	130,470	
Visiting Scientists/Scientific Reports	7,244	
Technicians	<u>116,942</u>	
Total General Program Expenditures	\$ 804,863	
Cattle Projects Expenses	<u>15,127</u>	
Total Expenditures		<u>\$ 819,990</u>
Balance at June 30, 2009 to be carried to 2009-10		<u>\$ 614,551</u>

RECOMMENDATION:

That the 2008-09 Pratt Funds Activity Statement for Animal Nutrition be approved.

RESOLUTION TO REVISE THE UNIVERSITY'S SEVERANCE POLICY FOR ELIGIBLE FACULTY AND UNIVERSITY STAFF

Under the authority granted the University by the Restructured Higher Education Financial and Administrative Operations Act (Restructuring Act) and the Management Agreement, the Board of Visitors approved a resolution establishing a severance policy for faculty and university staff on June 12, 2006. The policy provided severance benefits, comparable to those provided to other state employees under the Workforce Transition Act, for eligible faculty and university staff who are involuntarily separated due to budget reductions, agency reorganizations, or work force downsizings for reasons unrelated to performance or conduct. Classified employees remain covered by the Virginia Personnel Act and the Workforce Transition Act, and policies established by the state's Department of Human Resource Management.

The current policy, patterned after the state's Severance Policy, provides on-going salary payments for individuals who do not retire, and restricts employment during the period of time when the individual is receiving the severance benefit. Submitted for the Board's review and approval is a recommendation that amends the University's Severance Policy to provide an additional option for the payment of severance benefits for Faculty and university staff and to provide more flexible employment practices following separation from the University. The new option to make lump sum payments is intended to address the needs of individuals for whom VRS enhanced retirement benefits are not relevant or who would prefer to receive the entire value of the severance benefit, including the twelve months of health and life insurance, in lump sum payments. Payments over two or more years also reduce stress on university budgets. Allowing part-time reemployment following retirement may also serve university as well as individual interests.

The formula for computing severance benefits remains the same as defined in the current policy.

Severance Policy for Eligible Faculty and University Staff:

In accordance with the terms of the Restructuring Act, faculty employees regardless of the date of hire and non-faculty salaried employees (University Staff) are no longer covered by the Workforce Transition Act (WTA).

1. **Eligibility:** Severance benefits shall be provided to eligible salaried non-faculty participating covered employees ("University Staff") hired on or after July 1, 2006, employees who chose to convert from classified positions to university staff, and salaried teaching and research and administrative/professional faculty employees on regular appointments, without regard to hire date, who are involuntarily separated due to budget reductions, agency reorganizations, or work force downsizings, for reasons unrelated to performance or conduct. Faculty or university staff hired on restricted appointments funded from sponsored contracts or grants, or term appointments with a specified ending

date, regardless of funding source, would not be eligible. Non-reappointments and voluntary resignations for any reason shall not be deemed "Involuntary separation" for purposes of this policy.

2. **Computation of Benefit:** On the date of involuntary separation, an eligible employee with

- a) two years of service or less shall be entitled to a benefit equal to four weeks of salary;
- b) three years through and including nine years of consecutive service shall be entitled to four weeks of salary plus one additional week of salary for every year of service over two years;
- c) ten years through and including fourteen years of consecutive service shall be entitled to twelve weeks of salary plus two additional weeks of salary for every year of service over nine years;
- d) fifteen years or more of consecutive service shall be entitled to receive a transitional severance benefit equal to two weeks of salary for every year of service, not to exceed thirty-six weeks of salary.

3. **Payment of Benefit:**

- a) Severance benefits may ~~(deleted "shall")~~ be paid in the same manner as normal salary.
- b) In lieu of payment in the same manner as normal salary, severance benefits may be provided as lump sum payments. Normally, the payments will be made over two fiscal years but exceptions to extend the payments to a maximum of five years may be approved by senior management at the request of the employee.
- c) The right of any employee who receives severance benefits to also receive unemployment compensation shall not be abridged, denied, or modified. ~~(deleted "however employees entitled to unemployment compensation shall have severance benefits offset by the amount of such compensation.")~~ All severance payments shall be subject to applicable federal and state tax laws.

4. **Insurance:**

- a) For twelve months after the date of layoff, employees who receive severance payments in the same manner as normal salary shall continue to be covered under the Health Insurance Plan, and the group life insurance plan administered by VRS. The Institution shall continue to pay its share of the premiums for the twelve month period commencing with the initial layoff date, and the employee will be responsible for the employee's share of the health insurance premium.
- b) For employees who choose to receive severance benefits through lump sum payments, the value of twelve months of the employer's portion of the health and life insurance premiums at the individual's premium rate in effect at that time will be included in the total amount

of the lump sum severance payment. The employee will be terminated from the employer group health and life insurance plans.

- c) Employees who immediately retire may elect to participate in the VRS retiree health insurance plan on the effective date of their retirement. Individuals retiring in the Optional Retirement Plan (ORP) must start a retirement income immediately after retiring in order to remain in the state retiree health care plan.

5. Retirement Program: In lieu of severance payments, eligible employees who on the date of involuntary separation are vested members of the VRS or VALORS, and are at least fifty years old may elect to have the Commonwealth of Virginia Retirement System purchase years to be credited to either age or creditable service or a combination of age and creditable service in accordance with the formulas established by VRS under the Workforce Transition Act and the Memorandum of Understanding between VRS and the University.

6. Employment: An employee who has used the ***severance benefit to enhance his or her VRS retirement benefit*** can return to employment with the state in a part-time non-salaried capacity. However, retirement benefits cease when the employee enters a retirement-eligible position, and the enhanced retirement benefit will not apply to any future retirements.

Individuals who retired from the university under either VRS or the Optional Retirement Plan (ORP) are governed by VRS regulations regarding employment, which includes the requirement for a break in service of one complete calendar month.

New: Faculty and university staff who receive their ***severance benefits through lump sum payments*** may be re-employed by the university under the following conditions:

- a) Faculty or university staff ***retirees*** may be reemployed by their home (or other) units on a part-time wage basis.
- b) Faculty or university staff members who have been ***involuntarily*** separated may accept wage or salaried employment. However, acceptance of a full-time salaried position with Virginia Tech or other state agency will result in cancellation of any severance payment(s) not yet made.

7. Cessation of Severance Payments: Severance payments paid in the same manner as normal salary shall cease if a terminated employee is reemployed in any capacity or hired as an independent contractor by the institution or other state agency. All severance benefits paid in the same manner as normal salary will also be terminated if the university staff employee in leave without pay-layoff

declines a recall to a salaried position in his or her former role title or in the same pay band in his or her former Career Group, where there is no salary reduction or requirement to relocate. In such cases, the employee will be placed in a separated-layoff status.

8. ***Alternative Severance Option***: With the approval of this Severance Policy, the University's Alternative Severance Option Program, approved by the Board of Visitors on March 18, 2002, may continue to be available as a strategy for managing budget reductions and reorganizations in accordance with the original plan.

RECOMMENDATION:

That the Board of Visitors approves the revision of the University's severance policies for eligible faculty and university staff consistent with the above statement and attached policy.

November 9, 2009

Virginia Polytechnic Institute and State University
Policy and Procedures

No. 4245 Rev.: 1
Date: November 9, 2009

Subject: Severance Benefits Policy for University Employees

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1. Purpose

The purpose of this policy is to provide severance benefits for University employees in accordance with the terms of §23-38.120 of the Restructured Higher Education Financial and Administrative Operations Act (Chapter 4.10 of Title 23 of the Code of Virginia) and the Management Agreement. This policy describes the severance benefits provided to eligible Classified employees under the Commonwealth's Workforce Transition Act (§§2.2-3200 et seq.) and provides comparable severance benefits for eligible Faculty and University Staff. The establishment of this Severance Policy is intended to provide continuity of benefits for eligible Faculty and University Staff, and may be replaced with one or more severance policies as new Human Resources Systems are developed.

2. Policy

In accordance with the terms of the Restructured Higher Education Financial and Administrative Operations Act (The Act), faculty employees regardless of the date of hire and non-faculty salaried employees (University Staff) hired on or after July 1, 2006 are no longer covered by the Workforce Transition Act (WTA). Classified employees, however, remain covered by the Virginia Personnel Act and the Workforce Transition Act. The Restructuring Act and the Management Agreement specify that the University shall have one or more layoff and severance policies for non-Classified salaried employees who lose their jobs because of budget reductions or reorganization. The terms and conditions of these severance policies shall be determined by the Board of Visitors. The Act further specifies that the University and the Board of the Virginia Retirement System may negotiate a formula according to which cash severance benefits may be converted to years of age and/or creditable service for eligible employees who participate in the Virginia Retirement System, which will be executed through a Memorandum of Understanding.

2.1 Transitional Severance Benefits for Faculty and University Staff

2.1.1 Eligibility

Transitional severance benefits (severance benefits) shall be provided to eligible salaried University Staff and salaried teaching and research and administrative/professional faculty employees on regular appointments, without regard to hire date, who are involuntarily separated due to budget reductions, agency reorganizations, or work force downsizings, for reasons unrelated to performance or conduct. Faculty or University staff hired on restricted appointments funded from sponsored contracts or grants, or term appointments with a specified ending date, regardless of funding source, are not eligible for severance benefits. Non-reappointments and voluntary resignations for any reason shall not be deemed "Involuntary separation" for purposes of this policy.

2.1.2 Computation of Severance Benefits

On the date of involuntary separation, an eligible employee with

1. two years of service or less shall be entitled to a benefit equal to four weeks of salary;
2. three years through and including nine years of consecutive service shall be entitled to four weeks of salary plus one additional week of salary for every year of service over two years;
3. ten years through and including fourteen years of consecutive service shall be entitled to twelve weeks of salary plus two additional weeks of salary for every year of service over nine years;
4. fifteen years or more of consecutive service shall be entitled to receive a transitional severance benefit equal to two weeks of salary for every year of service, not to exceed thirty-six weeks of salary.

2.1.3 Payment of Benefit

Severance benefits may be paid in the same manner as normal salary.

In lieu of payment in the same manner as normal salary, severance benefits may be provided as lump sum payments. Normally, the payments will be made over two fiscal years but exceptions to extend the payments to a maximum of five years may be approved by senior management at the request of the employee.

The right of any employee who receives severance benefits to also receive unemployment compensation shall not be abridged, denied, or modified. All severance payments shall be subject to applicable federal and state tax laws.

2.1.4 Insurance

For twelve months after the date of layoff, employees who receive severance payments in the same manner as normal salary shall continue to be covered under the employer Health Insurance Plan, and the group life insurance plan administered by VRS. The University shall continue to pay its share of the premiums for the twelve month period commencing with the initial layoff date, and the employee will be responsible for the employee's share of the health insurance premium.

For employees who receive severance benefits through lump sum payments, the value of twelve months of the employer's portion of the health and life insurance premiums at the individual's premium rate in effect at that time will be included in the total amount of the lump sum severance payments. The employee will be terminated from the employer group health and life insurance plans.

Employees who immediately retire may elect to participate in the VRS retiree health insurance plan on the effective date of their retirement. Individuals retiring in the Optional Retirement Plan (ORP) must start a retirement income immediately after retiring in order to remain in the state retiree health care plan.

2.1.5 Retirement Program

In lieu of severance payments, eligible employees who on the date of involuntary separation are vested members of the VRS or VALORS, and are at least fifty years old may elect to have the Commonwealth of Virginia Retirement System purchase years to be credited to either age or creditable service or a combination of age and creditable service in accordance with the formulas established by the Virginia Retirement System under the Workforce Transition Act and the Memorandum of Understanding between the Virginia Retirement System and the University.

2.1.6 Employment

Faculty and university staff who receive their severance benefits through lump sum payments may be re-employed by the university under the following conditions:

- Faculty or university staff retirees may be reemployed by their home (or other) units on a part-time wage basis.
- Faculty or university staff members who have been involuntarily separated may accept wage or salaried employment. However, acceptance of a full-time salaried position with Virginia Tech or other state agency will result in cancellation of any severance payment(s) not yet made.

Individuals who retired from the university are governed by certain VRS regulations regarding reemployment following retirement, which includes the requirement for a break in service of one complete calendar month.

An employee who has used the severance benefit to enhance his or her VRS retirement benefit can return to employment with the state. However, retirement benefits cease when the employee enters a retirement-eligible position, and the enhanced retirement benefit will not apply to any future retirements.

2.1.7 Cessation of Severance Benefits

Severance benefits received in the same manner as normal salary will end before the payment schedule is completed in the following situations.

- If the University Staff employee in leave without pay-layoff declines a recall to a salaried position in his or her former role title or in the same pay band in his or her former Career Group, where there is no salary reduction or requirement to relocate, then the employee will be placed in a separated-layoff status.
- If the faculty or University Staff employee returns to any agency or institution of the Commonwealth of Virginia through re-employment in a salaried position, hourly/wage employment, or contractual agreement as an independent contractor or consultant, severance benefits will end. If the employee subsequently terminates that employment relationship before the severance payments would have ended, he or she may receive the remaining severance payments. However, any missed payments will not be made up.

Acceptance of a full-time salaried position with Virginia Tech or other state agency will result in cancellation of any lump sum severance payment(s) not yet made.

2.2 Application of the Layoff Policy for Staff

State and University Layoff Policies provide guidance on the identification of positions to be abolished, selection of employees to be laid off, placement and preferential employment provisions, and eligibility for layoff benefits. Classified Staff are covered under the State's Layoff Policy and the University Layoff Policy for Staff. University Staff are covered by the University's Layoff Policy for Staff. Severance benefits are not provided for eligible employees until the provisions of the Layoff Policy have been followed.

2.3 Severance Benefits for Classified Staff

The [State Severance Policy 1.57](#) provides life and health insurance, and severance payments based on years of service, to Classified employees who are involuntarily separated from their positions under the State Layoff Policy 1.30. Restricted employees whose positions are contingent upon project grants as defined by the Catalog of Federal Domestic Assistance are not eligible to receive severance benefits unless the funding source has agreed to assume all financial responsibility in its written contract with the university.

Severance benefits will end before the payment schedule is completed in the following situations:

- All severance benefits end when the Classified Staff employee in leave without pay-layoff declines a recall to his or her former role title, where there is no salary reduction or requirement to relocate. In such cases, the employee will be placed in a separated-layoff status.
- Severance benefits end when the employee returns to any agency or institution of the Commonwealth of Virginia through re-employment in a salaried position, hourly/wage employment, or contractual agreement as an independent contractor or consultant. If the employee then ends that employment relationship before the severance payments would have ended, he or she may receive the remaining severance payments. However, any missed payments will not be made up.

An employee who has used the severance benefit to enhance his or her VRS retirement benefit can return to employment with the state. However, retirement benefits cease when the employee enters a retirement-eligible position, and the enhanced retirement benefit will not apply to any future retirements.

The complete state Severance Policy 1.57 for Classified employees may be reviewed at the Department of Human Resource Management website (http://www.dhrm.virginia.gov/hrpolicy/web/pol1_57.html).

3. Procedures

Policies for the abolishment of faculty positions due to budget reductions or reorganizations are provided in the Faculty Handbook. University Policy 4240, Layoff Policy for Staff, describes the procedures for abolishment of Classified and University Staff positions due to budget reductions or reorganizations. Human Resources administers the Severance Policy for university employees by advising departments and employees, determining employees' eligibility for severance benefits, calculating the costs, and establishing severance payments and continuity of other benefits.

4. Definitions

Catalog of Federal Domestic Assistance.: defines project grants to include fellowships, scholarships, research grants, trainee grants, traineeships, experimental and demonstration grants, survey grants, construction grants, and unsolicited contractual agreements.

Classified Positions: a category of full or part-time state positions that are covered by the Virginia Personnel Act.

Consecutive Service: period of continuous state service that for this policy is counted from the employee's last date of hire or re-hire into a state or university salaried position.

Transitional Severance Benefits: benefits provided to eligible employees that are designed to lessen the impact of involuntary separation by providing some cash payments and continuing key benefits for a period of time. Severance benefits include: severance payments, continued state contribution toward health insurance premiums, and continued state contribution of life insurance premiums, OR enhanced retirement (see 2.1.6) in lieu of receiving other severance benefits.

University Staff: salaried non-faculty employees hired on or after July 1, 2006, who are covered by University Human Resources policies and benefits. When the university human resources system is established, “University Staff” will also include those Classified employees who chose to convert to University Staff.

5. References

Restructured Higher Education Financial and Administrative Operations Act, Chapter 4.10 of Title 23 of the Code of Virginia

State Layoff Policy 1.30

[State Severance Policy 1.57](#)

Virginia Personnel Act, Chapter 29 of Title 2.2 of the Code of Virginia

Workforce Transition Act (§§2.2-3200)

Policy 4240: [Guidelines for Implementing the State Layoff Policy](http://www.policies.vt.edu/4240.pdf) (<http://www.policies.vt.edu/4240.pdf>)

Policy 4010: [Human Resources Policies Governing University Staff](http://www.policies.vt.edu/4010.pdf) (<http://www.policies.vt.edu/4010.pdf>)

6. Approval and Revisions

Provides severance benefits for eligible Faculty and University Staff in accordance with resolution approved by the Virginia Tech Board of Visitors June 12, 2006.

Approved September 11, 2006 by Vice President for Business Affairs, Kurt J. Krause.

- Revision 1 (*pending Board of Visitors approval*)

Provides an additional option for the payment of severance benefits for Faculty and University Staff and to provide more flexible employment practices following separation from the University in accordance with resolution approved by the Virginia Tech Board of Visitors November 9, 2009.

DELEGATION OF AUTHORITY FOR ATHLETIC SPORTING EVENT BONUS PAYMENTS

WHEREAS, members of the Board of Visitors have expressed interest in focusing the attention of the Board on strategic decisions where their review and approval can be most valuable to the University; and,

WHEREAS, the Athletic Department has operated under the current Athletic Sporting Event Bonus Policy for the last several years; and,

WHEREAS, the success of the Olympic Sport Programs has resulted in Post Season Bonus payments being a recurring Board agenda item; and,

WHEREAS, the timing of the Board meetings in conjunction with the end of the sport season results in payments to athletic personnel being made several months after the conclusion of the sport season, pending Board approval of the bonus payment; and,

WHEREAS, the University proposes that the Board delegate authority to the President to approve all bonus payments for athletic personnel; and,

WHEREAS, consistent with the delegation of authority resolution approved at the June 2009 Board meeting, the athletic sporting event bonus payments would be ratified by the Board on the quarterly personnel changes report;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approve the Athletic Sporting Event Bonus Policy and Procedure Statement; and,

BE IT FURTHER RESOLVED, that the Board of Visitors delegates authority to the President or his designee to approve bonus payments for athletic personnel as described in the attached summary.

RECOMMENDATION:

That the Board of Visitors delegates authority and responsibility to the President and/or his designee to approve bonus payments for athletic personnel as described in the Athletic Sporting Event Bonus Policy and Procedure Statement.

November 9, 2009

ATHLETIC SPORTING EVENT BONUS POLICY AND PROCEDURE STATEMENT

The Virginia Tech Athletic Department's sports programs often become eligible to participate in pre- and post-season bowls, tournaments, and other athletic sporting events. Awarding bonuses for tournament, bowl, or other competitions held outside of the scheduled season play to coaching and administrative staff has become an integral part of some employment contracts written for Athletic Department personnel, as well as being used for a retention mechanism for those who function without an employment contract. Therefore, a policy and procedure statement regarding the processing of such awards is appropriate to ensure the timely payment of these bonuses to Athletic Department personnel.

I. Procedures to Initiate and Approve Athletic Event Bonuses:

A. Contractual Bonus

1. Bonuses will be paid to those employees whose contracts expressly state that they are to receive a bonus based on bowl, tournament or other sports competition, and will be paid to employees named in the head coaches' contracts as also being eligible for a bonus.
2. Bonus payment amounts will be in accordance with coaches' employment contracts.
3. Any bonus(es) which may be given over and above the amount stated in the contract(s) will follow the same approval process as that of a non-contractual bonus.

B. Non-contractual Bonus

1. Bonuses may be paid to other employees recommended by the Director of Athletics and approved by the President in recognition of their efforts on behalf of the department.
2. Bonus payment amounts will generally be in an amount equivalent to one-month's salary, unless otherwise agreed to by the Director of Athletics and the President.

C. Atlantic Coast Conference (ACC) Championship Bonus

1. Bonuses will be paid to Olympic Sport Coaches for winning ACC Team Championships as defined by the ACC.
2. Head Coaches will be paid \$4,000 and Assistant Coaches occupying an NCAA Coaching designation per bylaw 11.7.4 will be paid \$2,000.

D. NCAA Individual National Championship Bonus

1. Bonuses will be paid to Olympic Sport Coaches for winning NCAA Individual Event National Titles.
2. Head Coaches will be paid \$1,500 and Event Coaches occupying an NCAA Coaching designation per bylaw 11.7.4 will be paid \$1,500.

E. NCAA Post Season Team Bonus

1. Bonuses will be paid to Olympic Sport Coaches for competing in NCAA post season Team Championships.
2. Head Coaches and Assistant Coaches occupying an NCAA Coaching designation per bylaw 11.7.4 in the sports of Baseball, Softball, Golf, Lacrosse, Soccer (men's and women's), Tennis (men's and women's), Volleyball, Swimming and Diving (men's and women's), Track and Field (men's and women's), Cross Country (men's and women's), and Wrestling, will be paid the following. The bonus is not cumulative; head coaches and assistant coaches will be paid the respective amount in accordance with how their team finished post-season play.

	Head Coach	Assistant Coach
<i>Baseball, Softball</i>		
Regional Appearance	\$ 2,000	\$ 1,000
Super Regional Appearance	4,000	2,000
World Series Appearance	6,000	3,000
Top 4 Finish	8,000	4,000
National Championship	10,000	5,000
<i>Soccer, Tennis (Men's & Women's), Volleyball</i>		
NCAA Field	\$ 2,000	\$ 1,000
Advance to Round of 16	4,000	2,000
Advance to Round of 8	6,000	3,000
Top 4 Finish	8,000	4,000
National Championship	10,000	5,000
<i>Swimming & Diving, Track & Field (Men's & Women's), Wrestling</i>		
NCAA Field & Score Points	\$ 2,000	\$ 1,000
Top 20 Finish	4,000	2,000
Top 10 Finish	6,000	3,000
Top 5 Finish	8,000	4,000
National Championship	10,000	5,000
<i>Cross Country (Men's & Women's)</i>		
Advance - NCAA Field of 31 teams	\$ 2,000	\$ 1,000
Top 20 Finish	4,000	2,000
Top 10 Finish	6,000	3,000
Top 5 Finish	8,000	4,000
National Championship	10,000	5,000

	Head Coach	Assistant Coach
<i>Golf</i>		
Regional Appearance	\$ 2,000	\$ 1,000
Top 20 Finish	4,000	2,000
Top 10 Finish	6,000	3,000
Top 5 Finish	8,000	4,000
National Championship	10,000	5,000
<i>Lacrosse</i>		
Appearance in NCAA Field of 16	\$ 4,000	2,000
Top 8 Finish	6,000	3,000
Top 4 Finish	8,000	4,000
National Championship	10,000	5,000

F. Marching Virginians Bonus

1. Bonuses will be paid to the Director and the Assistant Director of the Marching Virginians involved in post-season football bowls.
2. A bonus of \$6,000 for Bowl Championship Series competition, \$5,000 for Gator, Champs Sports Bowl, Chick-fil-A Bowl, or comparable bowl competition, and \$4,000 for other bowl competition will be paid to the Director of the Marching Virginians.
3. A bonus of \$4,000 for Bowl Championship Series competition, \$3,000 for Gator Bowl, Champs Sports Bowl, Chick-fil-A Bowl, or comparable bowl competition, and \$2,000 for other bowl competition will be paid to the Assistant Director of the Marching Virginians.

II. Funding and Payment of Athletic Sporting Event Bonuses:

All bonus payments will be funded from funds that are budgeted for that purpose and will not affect base salaries. Payments for both contractual and non-contractual bonuses will be processed by the Athletic Department for approval by the Athletic Director and the President, immediately following the pre- or post season sporting event. The Board of Visitors will review the bonus payment, as part of the quarterly personnel changes report, for ratification at their next regularly scheduled Board meeting. In the event that funding is not available, non-contractual bonuses will not be paid.

Committee Minutes

Committee on Research

**Solitude Room
The Inn at Virginia Tech and Skelton Conference Center
4:15-6:00 p.m.**

November 8, 2009

Committee Members Present:

Ms. Michele Duke, Chair
Mr. John Lawson, II
Mr. Ben Davenport, Jr.
Mr. George Nolen
Mr. James R. Smith
Dr. Lori Wagner

Guests:

Dr. Charles Steger, Dr. Mark McNamee, Dr. John Dooley, Mr. Dwight Shelton, Mr. Michael Anzilotti, Mr. Fred Cobb, Ms. Beverley Dalton, Mr. Douglas Fahl, Ms. Rebecca French, Ms. Kristina Hartman, Dr. Gary Long, Mr. George Nolen, Mr. James Severt, Jr., Mr. Paul Rogers, Mr. Tom Tucker, Dr. Pat Hyer, Dr. Jim Thorp, Dr. Daniel Wubah, Mr. Erv Blythe, Mr. Larry Hincker, Mr. Rodd Hall, Dr. Tom Inzana, Mr. Ralph Byers, Ms. Kay Heidbreder, Mr. Neil Sedlak, Ms. Susan Trulove.

1. **Opening Remarks and Approval of August 30, 2009 Minutes.** Chairman Duke welcomed those in attendance. The minutes were approved as printed.
2. **Remarks from the President.** Dr. Steger thanked everyone for attending the meeting and made special note to thank the faculty for their continued hard work and success in the conduct of sponsored research for the university.
3. **Resolution to Amend Policy 6200.** Dr. Hyer reviewed the proposed changes to policy 6200. Research intensive institutions are currently reexamining policies and practices in light of recent federal audits of sponsored contract compliance. The December 2008 announcement of Yale University's \$7.6M settlement with federal agencies, and audit reports of other institutions released subsequently, identify a set of common university practices deemed non-compliant with federal regulations. Dr. Hyer's presentation summarized proposed updates to Policy 6200, revised to reflect recent changes in best practices of major research universities. Academic year faculty members who extend their nine-month appointments using salary funds from sponsored projects will spread those charges throughout the year rather than concentrating them only during the summer months. This will assure

that there is institutional funding supporting their university effort during the summer. A motion was made and seconded recommending changes to Policy 6200 for approval. The motion was passed unanimously.

4. **USAID Collaborative Research Support Programs.** Dr. Dooley updated the Committee on the five-year extension for Virginia Tech's leadership role in two major United States Agency for International Development (USAID) sponsored Collaborative Research Support Programs (CRSP). The two global projects are the Integrated Pest Management (IPM) CRSP and the Sustainable Agriculture and Natural Resources Management CRSP. Each project is funded for \$15 million over the five years. Virginia Tech is the only university with the distinction of serving as the management entity for two CRSP projects. The awarding of these two significant grants push the award total of the Virginia Tech's Office of International Research, Education, and Development (OIRE) to over \$140 million since 1991. Dr. S.K. DeDatta, Associate Vice President for International Affairs, serves as the Principal Investigator for the two projects.
5. **VT's Leadership Role with Tobacco Commission Energy.** Dr. Dooley also reported on Virginia Tech's role with the \$100 million initiative of the Virginia Tobacco Commission, focusing primarily on energy-related research and development to stimulate economic development in southern and southwest Virginia. Tech's Office of Economic Development and Office of the Vice President for Research have worked closely with the leadership of the Tobacco Commission and Virginia Economic Development Partnership in defining the guidelines and processes through which monies from this program will be strategically invested. Previously, the Tobacco Commission committed \$40 million for the development of five regional research and development centers that will help facilitate this research. The centers are in Lynchburg, Danville, Halifax, Abingdon, and Wise.
6. **Virginia Tech's role in modernizing the electric grid.** Dr. Thorp reported that Virginia Tech has been successful in securing \$2.6 million for two grants awarded from the Department of Energy's Office of Electricity and Energy Reliability. There were over 300 proposals submitted and only four awards were made. Besides the two on which Tech is the lead, it also is playing a minor role in a third project. The research projects will use synchrophasor research to improve the reliability and efficiency of the nation's electricity grid. Synchrophasor measurements are GPS time synchronized measurements of quantities in the power system that makes advances possible in monitoring, protection, and control of the bulk power system. The first synchrophasor measuring units were made at Virginia Tech in 1982. Emeritus UDP Arun Phadke and Emeritus Professor James Thorp have pioneered in this area. They received the 2008 Benjamin Franklin Medal in Electrical Engineering for the work.

Adjournment.

There being no further business, the meeting adjourned at 5:40 p.m.

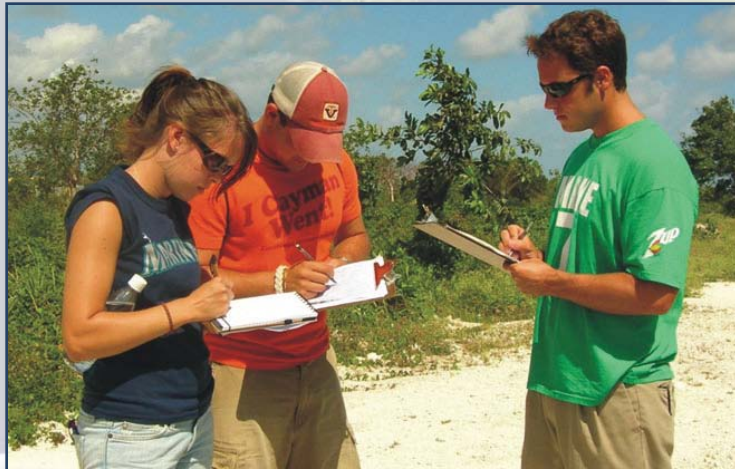
A faint, light-colored world map is visible in the background of the slide, centered behind the title text.

Sustaining Virginia Tech's Position As A Global Leader

Prepared for the Research Committee
Virginia Tech Board of Visitors
November 8, 2009

OIRED/Virginia Tech is contributing to:

- global food security
- environmental stewardship
- technology transfer



through collaborative research and graduate education.

Examples of Collaborative Research and Graduate Education: the IPM CRSP global project

Integrated Pest Management Collaborative Research Support Program (IPM CRSP)

- \$51.5 million over 16 years IPM CRSP is funded thru September 2014
- 32 countries
- 60 host country institutions
- 22 U.S. university partners
- 7 NGOs
- 2 private sector organizations

Scholarship through the CRSPs:

Integrated Pest Management (IPM CRSP)

Since 1993, the IPM CRSP has:

- brought in \$51.5 million dollars in grants and cooperative agreements to Virginia Tech (through 2009). The IPM CRSP project is funded thru September 2014

And supported:

- 41 graduate assistantships at Virginia Tech
- 123 graduate assistantships at non-VT schools

And produced:

- 266 research publications
- 32 book chapters/books published
- 98 M.S. degrees
- 66 Ph.D. degrees
- 3,006 publications total



IPM CRSP – making a difference in South Asia



Case study: Eggplant grafting in Bangladesh

- Eggplant yield ↑ 249% in Bangladesh
- Income ↑ 305% in Bangladesh
- Technology transferred from Bangladesh to Ohio
- Technology transferred to India, Nepal, Uganda, Honduras and Ecuador

IPM CRSP – making a difference in Latin America



Case study: Snow peas in Guatemala

- Through IPM CRSP intervention, the \$55 M/year Guatemalan snow pea export industry was saved
- Pesticide-free snow peas were once again available in the United States, benefiting U.S. consumers

IPM CRSP – making a difference in Southeast Asia



Case study: Onions in the Philippines

- Pesticide use ↓ of about 50%
- Environmental benefits of IPM translate to \$150,000/year for 6 villages

IPM CRSP – making a difference in Africa



Case study: Tomato yield in Mali

- Introduction of host-free period for virus disease management restored tomato production
- Introduction of improved varieties of tomato ↑ yield by 500% in combination with host-free period

IPM CRSP – Overall Impacts : \$705 M

Country and Authors	Crop	IPM Practices	Net Benefits
Uganda, Moyo et al, 2007	Peanuts	Virus resistant variety	\$33-36 million
Mali, Nouhoheflin, et al, 2008	Tomato	Cultural	\$2-12 million
Uganda, Debass, 2000	Beans and maize	Cultural	\$36-202 million
Philippines, Mamaril and Norton, 2006	Rice	Insect resistant variety	\$136-276 million
India, Mishra, 2003	Eggplant	Insect-resistant variety	\$279-773 million
Bangladesh, Debass, 2000	Eggplant, cabbage	Cultural practices	\$26-29 million
Bangladesh, Rakshit, 2008	Cucurbits	Pheromone traps	\$4 million
Ecuador, Baez, 2004	Plantain	Cultural	\$59–63 million
Ecuador, Quishpe, 2001	Potatoes	Resistant variety	\$50 million
Albania, Daku, 2002	Olives	Cultural	\$39-52 million
Albania	Tomato	Soil solarization	\$36-55 million
Uganda	Tomato	Cultural practices and resistant variety	\$1 – 2.5 million
Ecuador	Plantain	Cultural practices	\$4-12 million
Total (conservative)			\$705 million

- From George Norton

Integrated Pest Management (IPM CRSP)

Program-related awards

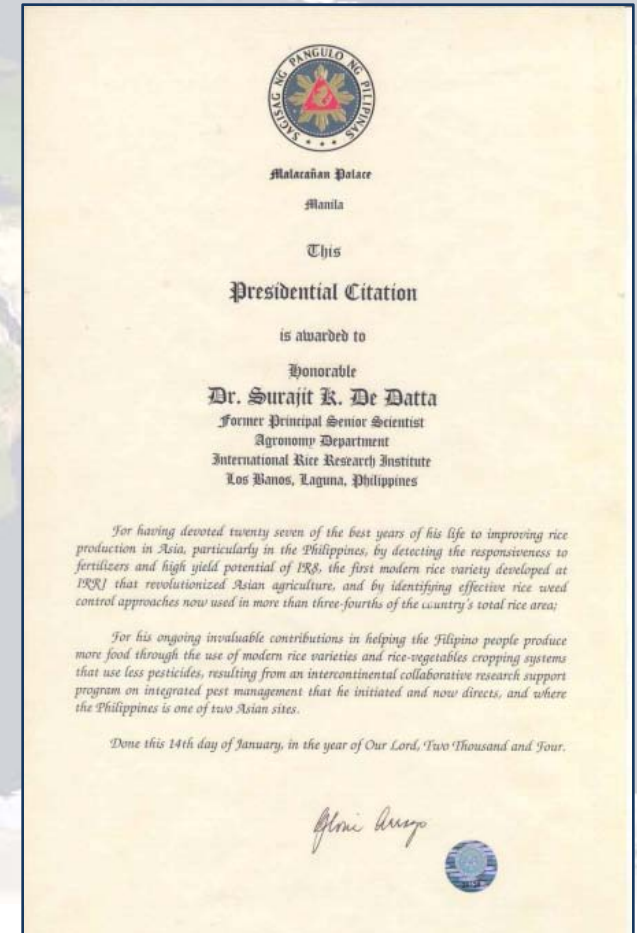
- The IPM CRSP received the International IPM Excellence Award at the International IPM Symposium in Portland, Oregon on March 24, 2009. The IPM CRSP was acknowledged for providing “economic benefits related to IPM adoption, reducing potential human health risks, and demonstrating minimal adverse environmental effects.”



Integrated Pest Management (IPM CRSP)

Program-related awards

- In 2004, the IPM CRSP Administrative PI S. K. De Datta received the Presidential Citation award from the Philippine government, presented to him by the president of the Philippines, Gloria Arroyo, in recognition of his outstanding contributions to the Green Revolution in rice and agricultural productivity in the Philippines and in all of Asia.



Sustainable Agriculture and Natural Resource Management CRSP (SANREM CRSP)

Changing lives through conservation agriculture

- \$27.35 million in about 10 years
- SANREM CRSP is funded thru September 2014
- 13 countries
- 15 host country institutions
- 17 U.S. university partners

Scholarship through the CRSPs: Sustainable Agriculture & Natural Resource Management

Since 2004, the SANREM CRSP has:

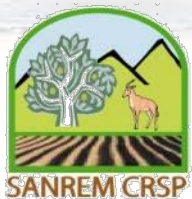
- brought in \$27.35 million dollars in cooperative agreements to Virginia Tech (through 2009)
- supported 10 graduate students at Virginia Tech
- supported 58 graduate students at other institutions

And produced:

- 14 peer-reviewed publications
- 4 book chapters
- 208 extension & other publications & presentations

As well as:

- 36 M.S. degrees; 4 from Virginia Tech
- 32 Ph.D. degrees; 5 from Virginia Tech



Scholarship through the CRSPs: Sustainable Agriculture & Natural Resource Management

SANREM CRSP Partner Institutions:

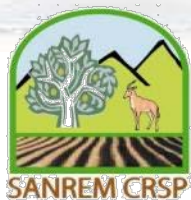
North Carolina A&T • UC-Berkeley • Cornell University
Penn State • Purdue • Florida A&M • University of
Missouri

Kansas State University • Iowa State University •
University of Connecticut

University of Denver • North Carolina State • Harvard
University

Indiana University • University of Colorado •
Washington State University

Elinor Ostrom
2009 Nobel Laureate



Virginia Tech advances gender equity and livelihood security globally

All of our collaborative projects empower women. Example: The Peanut CRSP

- The Peanut CRSP works to improve the health and livelihood of people in East Africa by addressing aflatoxin and gender-related constraints in peanut production, processing and marketing .
- The PI for this project is one of the few state-supported Women in International Development positions in the United States.



OIRED: Summing up global indicators (all programs)

Since 1991

Indicator	Total
No. of Virginia Tech faculty involved in OIRED programs	447
No. of graduate students supported	274
No. of peer-reviewed publications	277
No. of other communications	3,729
Undergraduates trained	48
Short-term training	46,253
Funding brought in through donor-funded projects, in millions (from 1993 – 2009)	\$142.5

What we do:

contributes to the main mission of the university, enhancing the scholarship of the three missions—discovery, learning, and engagement—internationally.



Tobacco Commission's Regional R&D Centers

A faint, light blue world map is centered in the background of the slide, showing the continents of North America, South America, Europe, Africa, and Australia. The map is slightly faded and serves as a backdrop for the text.

BOV Research Committee
November 8, 2009

Purpose of Regional R&D Centers

**Transform the economies of distressed
communities in the Tobacco
Commission's
geographic footprint**

Purpose of Regional R&D Centers

Tobacco Commission Counties Southside and Southwest



VT's Role

Thought leadership in distributed research facilities

- IALR
- Lynchburg (nuclear) and Hopewell (chemical) funded by the General Assembly (c 2006)
- Tobacco Commission \$40M investment in five facilities and \$100M in R&D

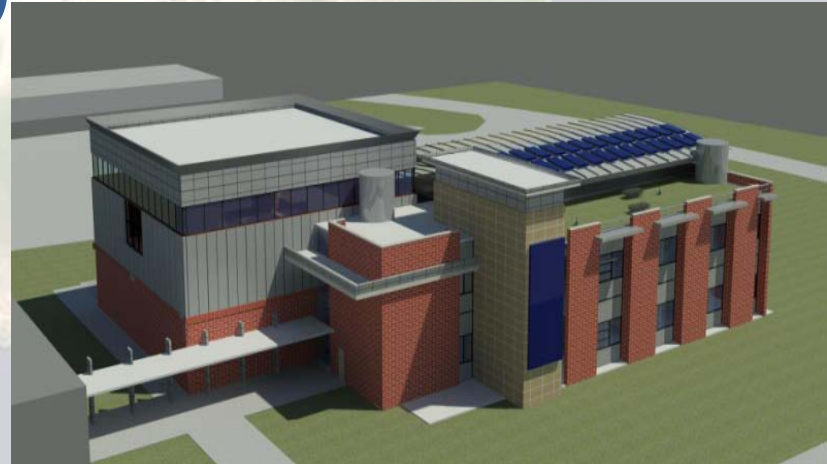
VT's Role

Thought leadership in developing the concept

- Prepared position papers that helped the Tobacco Commission staff develop the concept
- Met regularly with Tobacco Commission staff to refine and implement the concept
- Developed position papers for financing the facilities, engaging faculty in the community, and organizing the facilities
- Convened 4 of 5 centers on multiple occasions

Locations

- Lynchburg (nuclear, wireless)
- Abingdon (coal and gas)
- Danville (renewable energy)
- Halifax County (clean energy, modeling & simulation)
- Wise County (carbon sequestration)



Characteristics of regional R&D centers

- Build on community assets
- Generally, but not exclusively, focus on energy
- Community-owned (not VT)
- Significant expectations for commercial outcomes
- Tobacco Commission research investments will be leveraged, at least 1-1, by other resources, e.g., US Department of Energy
- Community will access external resources to meet their R&D needs (e.g., VT, UVA)

Virginia Tech's role in modernizing the electric grid

Jim Thorp

November 8, 2009

BOV research committee meeting.



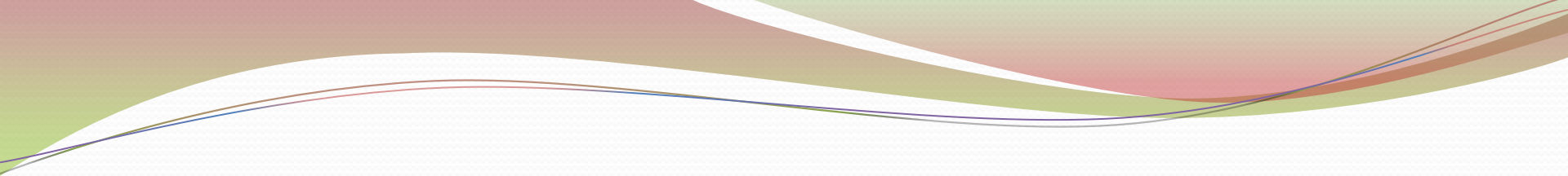
BRADLEY DEPARTMENT
OF ELECTRICAL & COMPUTER ENGINEERING

This is not the popular version of the Smart Grid

- Smart Grid has come to mean smart meters, distributed and renewable generation and issues at the distribution (low voltage) level.
- It has little to do with the “grid” which for years was the term for the 220,000 miles of transmission lines (greater than 100kV).
- It is the cascading collapse of this old “grid” that has blacked out as many as 50M people
- There are experts on the Smart Grid at Virginia Tech but I am not one and the work I will describe is about the old “grid”

*Innovative **Synchrophasor** Research Will Provide Better Real-Time Information*

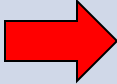
- August 21, 2009 **WASHINGTON, DC** – The Department of Energy's Office of Electricity and Energy Reliability today announced that it will provide \$4.3 million for four projects that will use innovative synchrophasor research to improve the reliability and efficiency of our Nation's electricity grid. These awards are part of the Department's efforts to modernize the electric grid and enhance the security and reliability of the energy infrastructure.
- DOE announced it would commit \$2.25M to this area.
- It received 300+ proposals and elected to fund four.
- Terms
 - Synchrophasor – a phasor measured with synchronous sampling - uses GPS
 - PMU phasor measuring unit

- 
- Virginia Tech has a prominent role in two of the four totaling \$2.6M and a minor role in a third
 - The North American SynchoPhasor Initiative (NASPI) an entity created by DOE, NERC, PNNL, and LBNL identified more than \$4B committed to SynchroPhasor demonstrations and installations

US North American Synchrophasor Initiative NASPI

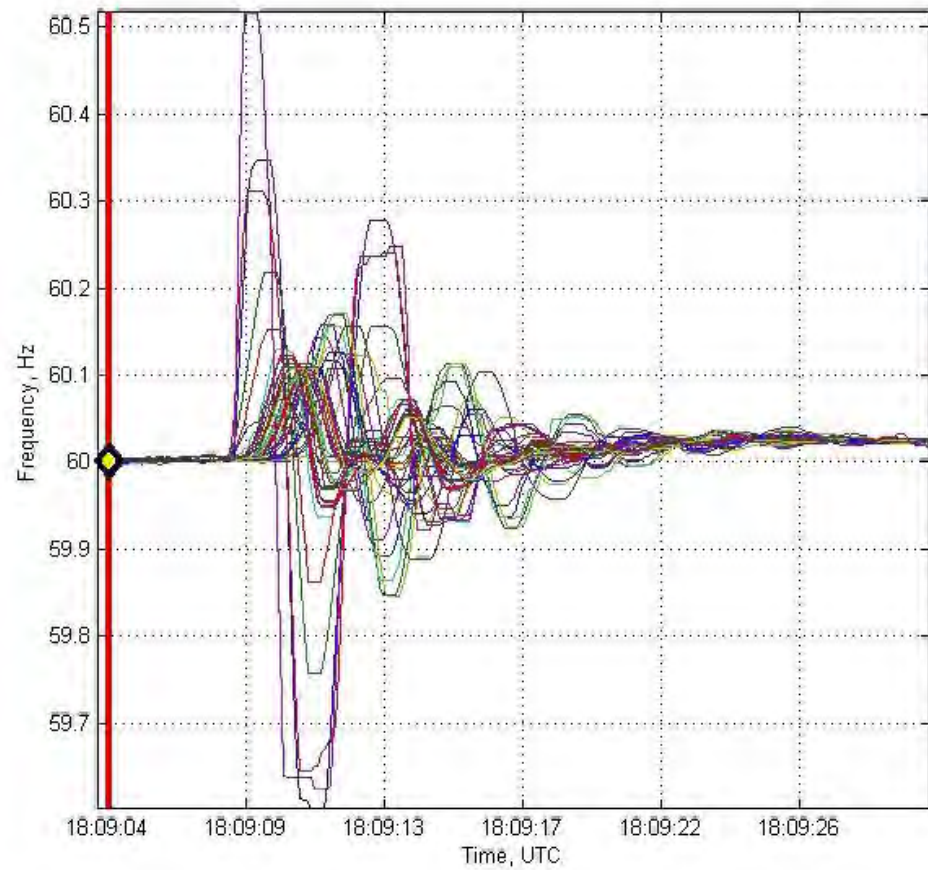
<http://www.naspi.org/>

A road map NASPINet

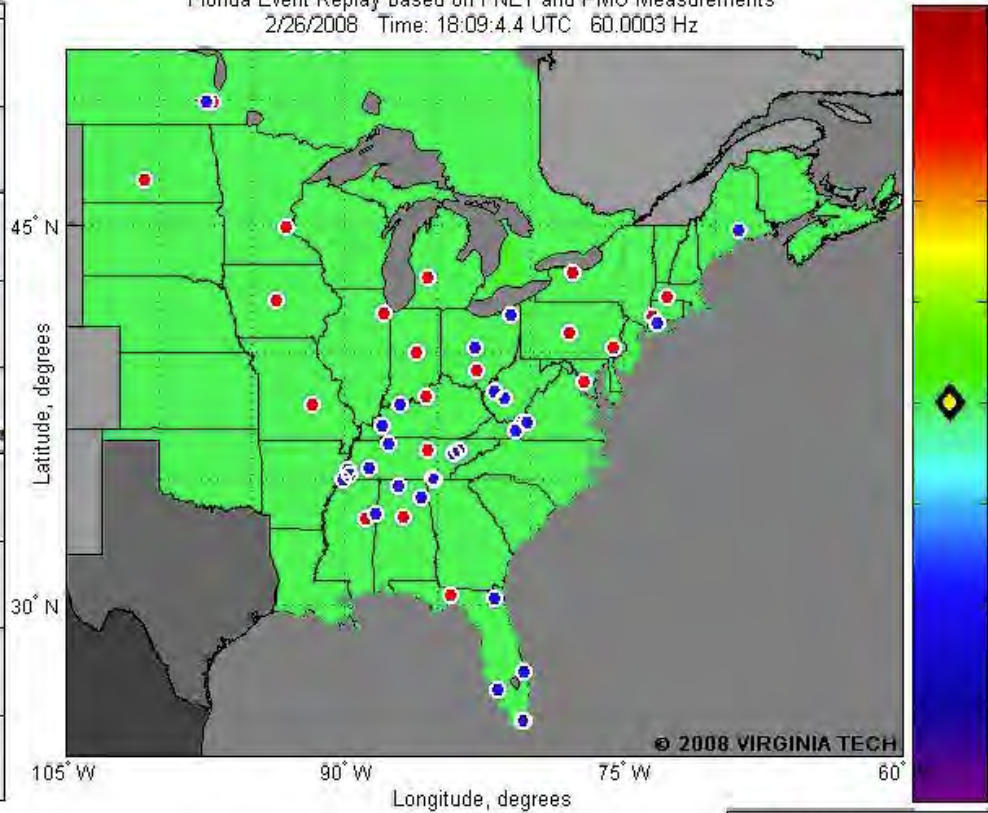
Status	Issued 3/27/09	Notice of intent Issued 4/16/09	Notice of intent issued 4.16/09
Focus 	Applied Synchrophasor R&D (1) Theoretical (2) Pilot (3) Large scale demo	Regional synchrophasor and grid monitoring	Smart grid Investment Grant Program- smart grid technology deployment and PMU deployment
Total Funds	\$2,250,000	\$615 Million	\$3.375 billion
# projects	1-3	4-5	Many
Project term	Up to 3 years	2-5 years	< 2 years
	DE-FOA-0000035	DE-FOA-0000036	DE-FOA-0000058A
		VT involved in two of these	

Why? NY Times June 8, 2009

- On Feb. 26, 2008, a short circuit in a Miami electric power substation and an operator's error gave managers of the nation's electrical grids a glimpse of an uneasy future. The events triggered a chain reaction of power plant and transmission line outages in the state, unleashing sharp swings in voltages and power frequency that blacked out power for nearly 1 million customers in southern and central Florida for up to four hours.
- A video depicting the Florida incident's rippling spread has been created by [Virginia Polytechnic Institute and State University's](#) electrical and computer engineering department, which caught the disturbance on its first-generation grid frequency monitoring network. Some grid executives have downloaded the video on their laptops as a kind of horror flick for engineers of what could happen.



Florida Event Replay based on FNET and PMU Measurements
2/26/2008 Time: 18:09:4.4 UTC 60.0003 Hz

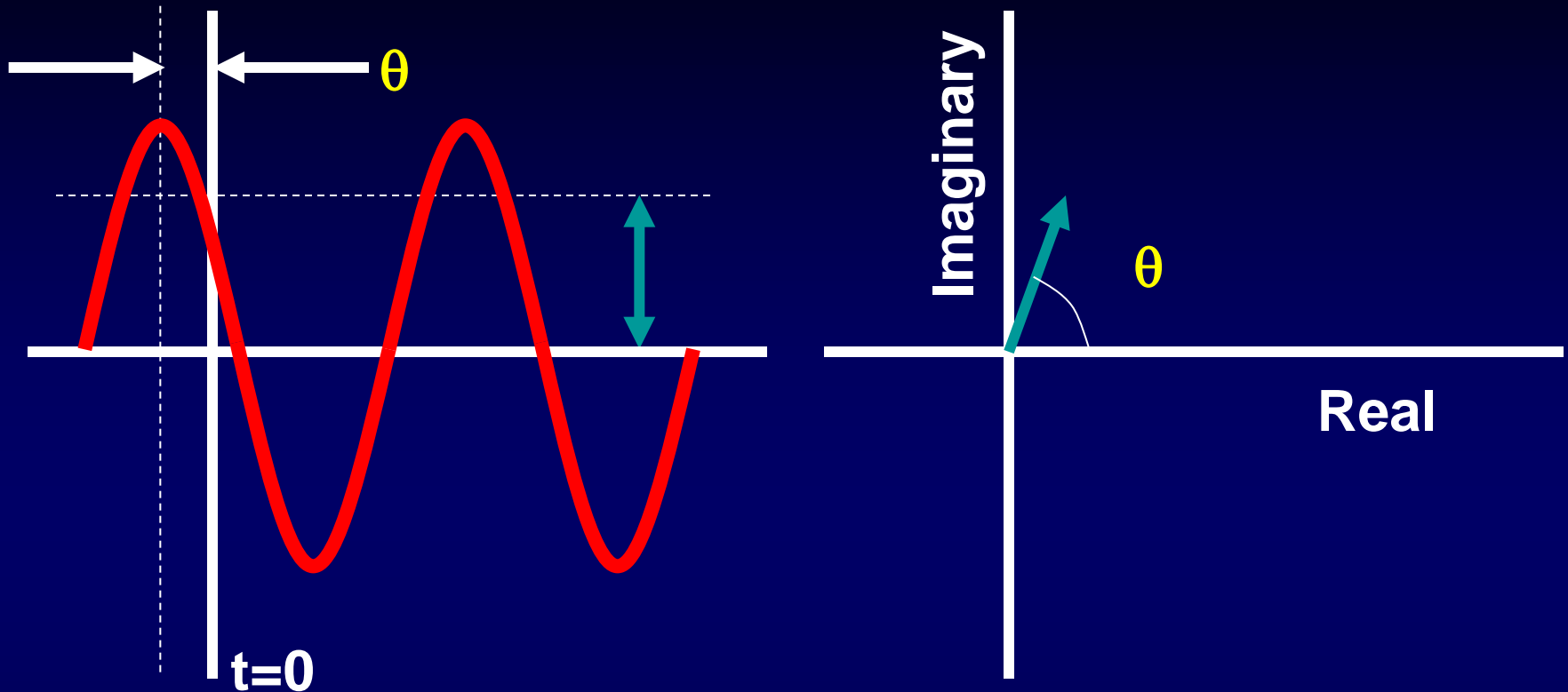


History

- In 1976 I spent a sabbatical leave from Cornell at AEP in New York where I worked with Arun Phadke who is now UDP Emeritus. He and I began a 30+ year collaboration which is how I wound up at Virginia Tech. After he came to Virginia Tech in the '80s he and his student built the first PMU
- From Computer Relaying developments in 1960-70s.
- Conceived of at AEP – they said “who would want to do that”
- Construction of first PMUs at Virginia Tech ~ 1982-1992
- First prototype units assembled at Virginia Tech and installed on the BPA, AEP, NYPA systems

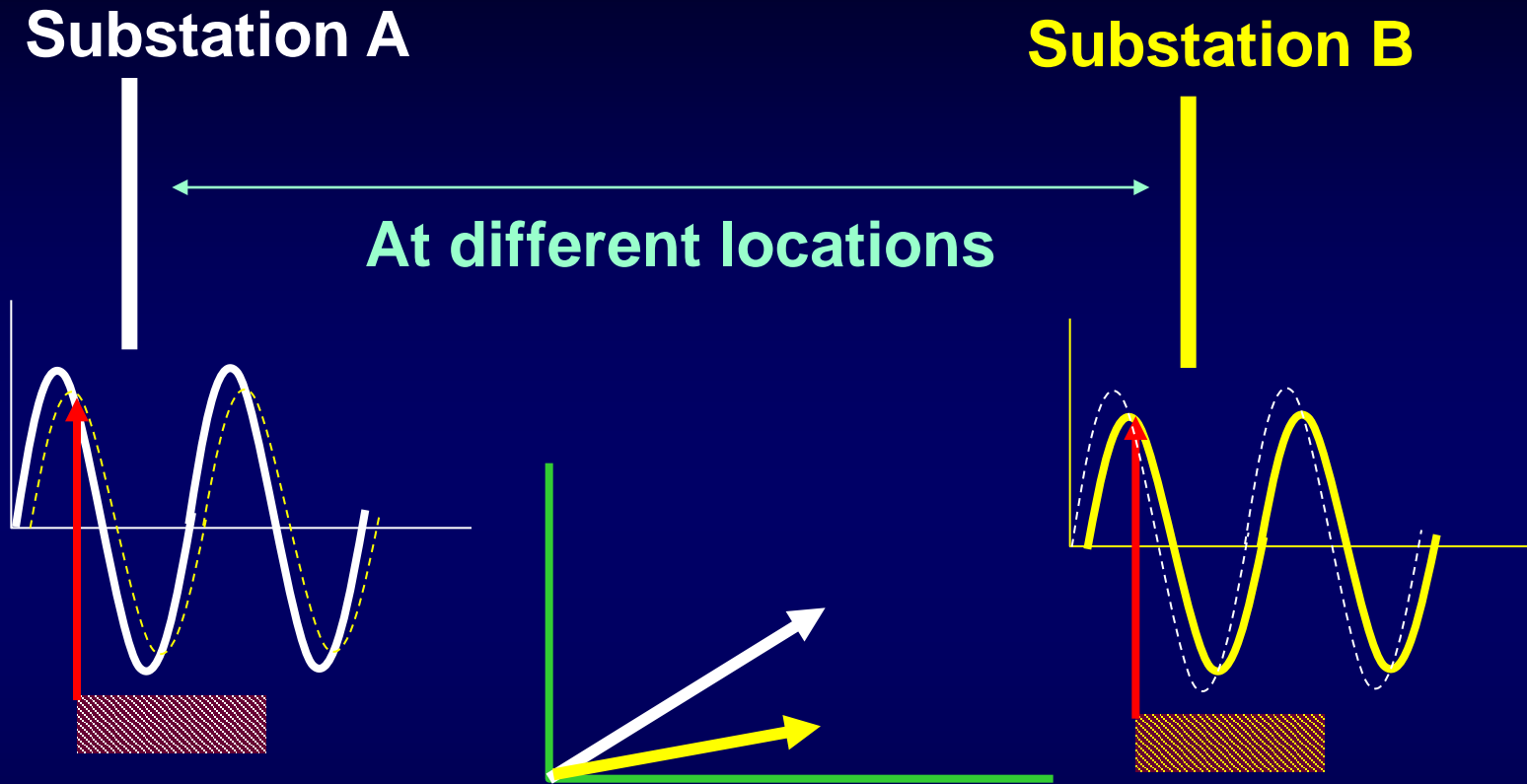


- Introduction to phasors - Steinmetz



- The starting time defines the phase angle of the phasor.
- This is arbitrary.
- However, differences between phase angles are independent of the starting time.

- **Motivation for synchronization**



By synchronizing the sampling processes for different signals - which may be hundreds of miles apart, it is possible to put their phasors on the same phasor diagram.

Uses of PMUs

- Monitoring – measure the state of the power system- it **was** estimated every few seconds
 - Can now be measured 60 times a second
- Control
 - All control **was** based on local measurements and a mathematical model of the rest
- Improved Protection

The Power System Has a Protection System (like your house)

- Circuit Breakers (interrupt 63,000 amps)
- Relays (Inputs from local Current and Voltage transformers and from communication channels - output trip signals to circuit breakers)

Electromechanical (30's)

Solid State (60's)

Microprocessor-based (late 80's and 90's)

Distributed Intelligence - Utility IntraNet LAN and
Routers in substations, fiber on right-of-way

- In the US system 5,000,000 relays



Blackouts and Hidden Failures

The North American Electric Reliability Council
(NERC) prepared an annual report of major
disruptions in North America reporting
approximately ten or twenty major events a year.

- Over a long interval more than 70% of the major disturbances involved protection systems: not necessarily as the initiating event but contributing to the cascading nature of the event.
- **Human immune system or Auto-immune diseases, Chemical and Financial systems**

Hidden Failures

- The “dark side of robustness”
- Defect or error in relay that does not manifest itself immediately but which can cause a miss-operation when the system is stressed.
- Largest single cause is maintenance (42% 1977 NYC blackout bent contact). The Internet also has hidden failures caused by maintenance.
- Northeast Blackout 1965, NY City Blackout 1977, WECC summer of 1996, August 2003

One of the two projects

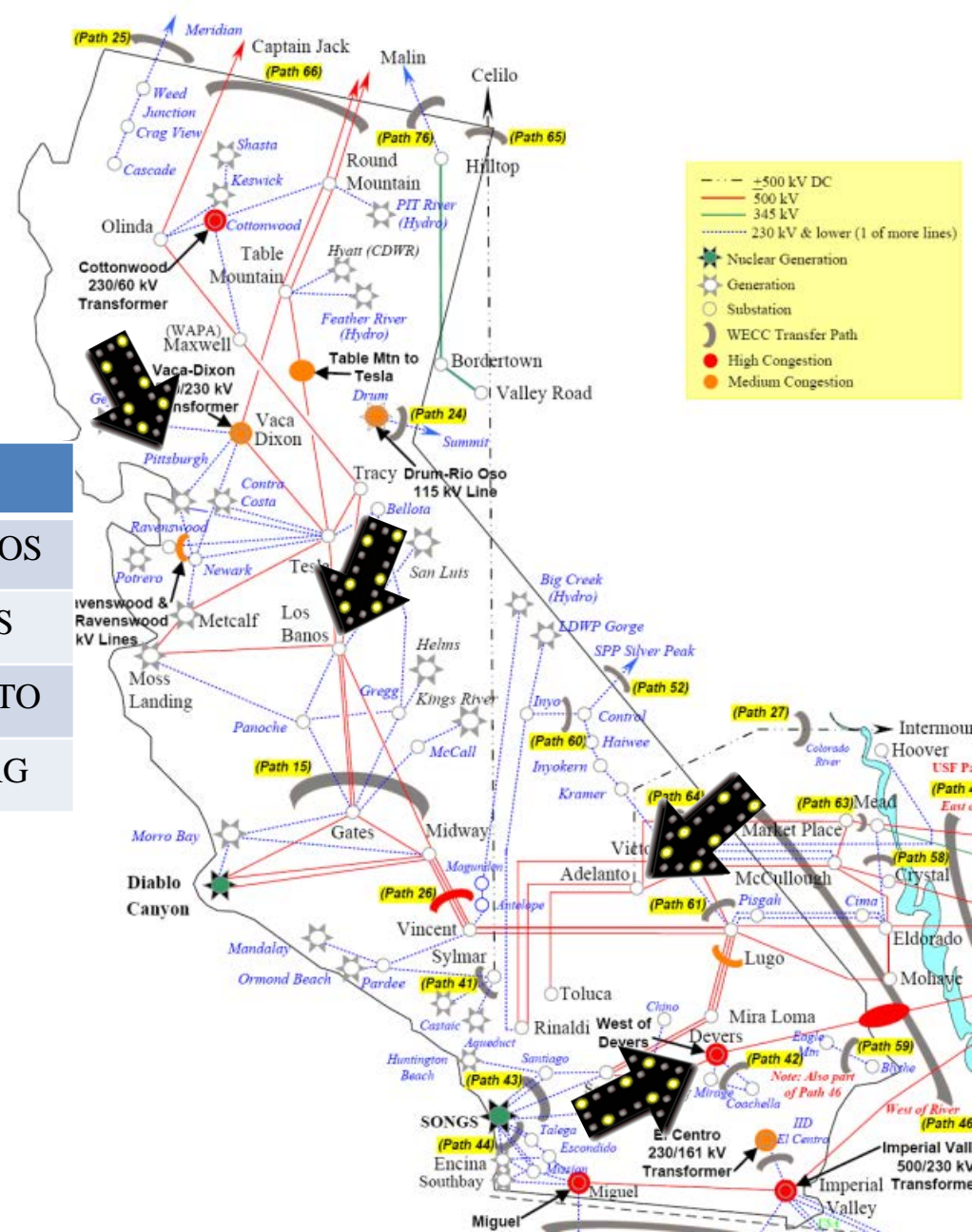
Adaptive relaying

- Use PMUs to sense if the system is under stress and guard against a trip due to a hidden failure
- This will be done on a WECC line for the CIEE grant involving PG&E, SCE, SDG&E
- We have shown that in 4150 cases (all rare events) half of which would cause a major disturbance that the number can be reduced to less than 1%

Placement:

Line Current		PMU
TESLA	LOS BANOS	LOS BANOS
TRACY	LOS BANOS	DEVERS
DEVERS	PALO VERDE	ADELANTO
ADELANTO	MARKET PLACE	PITTSBRG

Reference



Second Project: The first three phase, tracking State Estimator for the Dominion Virginia Power 500kV network

- Monitoring –
 - Measure the state of the power system 30 times a second to track the dynamics of the system
 - To examine imbalance issues it will be the first three phase estimator. Under balanced conditions one equivalent phase is conventional



Conclusion

- These are delayed but welcome steps in modernizing the transmission system.
- The success of the Smart Grid depends on the transmission system
 - Renewable resources are not near load centers
 - Deregulation provided no incentive to build transmission
 - Permitting transmission takes too long (15 years)
 - Spinning Reserves vs. amount of penetration of renewable sources
 - Independent power producer do not want to supply reserves
 - We need affordable storage

RESOLUTION TO AMEND POLICY 6200 ON RESEARCH EXTENDED APPOINTMENTS

WHEREAS, federal agencies have audited a number of universities over the last several years to determine compliance with federal contract regulations; and

WHEREAS, those audits identified several common practices at universities that have been determined to be non-compliant with federal contracting regulations, resulting in significant fines and penalties for the targeted institutions; and

WHEREAS, a task force was formed to analyze information as it emerges from completed audits at other institutions and to recommend modifications to Virginia Tech's policies and practices where needed; and

WHEREAS, the practice of charging summer salary to sponsored grants and contracts for academic year faculty members is one area where policy and practices at Virginia Tech need modification to assure compliance with recently clarified regulations; and

WHEREAS, faculty members need to charge an appropriate share of their summer effort to institutional funds, reflecting their involvement in university-related activities, such as working with graduate students or preparing for fall courses that are not directly related to a sponsored project and are therefore not an allocable expense to that project; and

WHEREAS, salary charges must reflect actual effort on the project as it occurs throughout the year and faculty researchers must assure that only effort directly related to a project is charged to that project;

NOW, THEREFORE, BE IT RESOLVED, that Policy 6200 on Research Extended Appointments be modified to reflect that academic-year faculty members may earn additional income and fringe benefits supported by sponsored grants and contracts, however, salary charges should be spread throughout the year as the work occurs, rather than concentrated 100% during the summer, with university-related activities during the summer charged to university funds.

RECOMMENDATION:

That the proposed changes to Policy 6200 on Research Extended Appointments be approved.

November 9, 2009

Virginia Polytechnic Institute and State University
Policy and Procedures

No. 6200 Rev.: 4
Date: November 9, 2009

Subject: Policy on Research Extended Appointments

1. Purpose.....	2
2. Policy	2
3. Procedures.....	4
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5. References.....	4
6. Approval and Revisions	5

1. Purpose

The purpose of this policy is to provide faculty members on academic-year appointments the opportunity to extend their base 9-month contract to a 10-, 11-, or 12-month contract reflecting their sponsored research responsibilities. The research-extended appointment recognizes continuing obligations for supervision of graduate student research and ~~intensive~~ periods of faculty research that extend beyond the academic year. Salary and fringe benefits associated with the ~~extended appointment~~ **faculty member's research work** are funded by sponsored grants or contracts.

2. Policy

A full-time faculty member on an academic year appointment may extend the 9-month appointment to a 10-, 11-, or 12-month appointment provided the following conditions are met:

1. The faculty member must have assurance of funding to support the ~~full~~-cost of salary plus full fringe benefits for the **equivalent of** one, two, or three ~~additional~~ months of the proposed appointment. The source of such funds must be sponsored grants and contracts (excluding indirect or overhead).
2. The contract period and formula for calculating salaries for 10-, 11-, and 12-month appointments are below:

Contract length	Contract Period	Conversion Factor
9 months (Base AY appt)	August 10 - May 9	Base AY salary
10 months	August 10 – June 9	Base AY salary X 1.11111 (10/9ths)
11 months	August 10 – July 9	Base AY salary X 1.22222 (11/9ths)
12 months	August 10 – August 9	Base AY salary X 1.33333 (12/9ths)

While the contractual dates above are necessary in order to create a continuous extended contract, faculty members ~~may~~ **must** manage their research obligations **across the academic year and** during the summer consistent with the expectations of their funding source and departmental obligations.

3. The preferred effective date for research extended contracts is August 10 so that escrowing of summer salary can be handled in a straightforward manner. However, other effective dates can be accommodated as follows:
 - a. Initial appointment to a 10-, 11-, or 12-month contract must be made by the **end of fall term** (effective no later than the December 25 payroll period) if the grant covers only ~~summer~~ funding for **one year**. The effective date should be the start of a regular payroll period – either the 10th or 25th of the month. Any excess escrowed pay will be paid out to the faculty member at the time of change to the new appointment. Reconversion to a 9-month appointment must be effective August 10 if funds are not available to support subsequent years.
 - b. In the case where the new grant covers **multiple years** of ~~summer~~ funding for the faculty member, the extended appointment may be effective with any payroll start date (10th or 25th of the month). Any excess escrowed pay will be paid out to the faculty member at the time of change to the new appointment.
 4. The research extended appointments are typically approved for one or two years at a time, depending on length of the sponsored grant or contract. They may be renewed without limit by submitting a request for extension with documentation of funding ~~for future funding summer support~~ to the department head. The appointment length may also be changed as funding increases or decreases. Reconversion to a 9-month appointment must be effective August 10.
 5. In the event of a temporary shortfall, the department head may use other sources of funds and make work assignments as appropriate. The salary distribution **throughout the appointment year** must follow the work assignment. Fringe benefit costs will follow the salary distribution. Failure to fully fund the research extended appointment from sponsored grants and contracts will mean that the faculty member must reconvert to an academic year (9-month) appointment August 10th unless documentation of future summer funding is provided (certain, not requested funding).
- The university has no obligation to provide funding from E&G (educational and general) or other sources to continue a research extended appointment in the absence of adequate sponsored grant or contract funding.
6. The conversion process must be requested and approved at least two weeks prior to the effective date. Retroactive conversions will not be approved. Appointments can be extended only by increments of a full month.
 7. The P3A must reflect a distribution among funding sources such that no more salary is taken from the 208/229 source than the pre-conversion AY salary.
 8. The requirement to earn additional sponsored funds in support of the extended research appointment ~~may~~ **must** be managed ~~either by charging a portion of the salary during all or part of the entire appointment period, or by charging the relevant summer months at 100% to the sponsored grant or contract.~~ **Faculty members should have a portion of their summer salary charged to university funds to reflect on-going university responsibilities over the summer, such as working with graduate students, attending or presenting at professional conferences, preparing courses or new sponsored proposals, or personal leave. The portion charged to institutional funds should accurately reflect the faculty member's non-project-related responsibilities. Salary charges to the sponsored project during part or all of the prior academic year will allow the appropriate mixture of institutional and sponsored funding during the summer.** ~~Faculty members should take care to match~~ Salary charges **should** match with subsequent certification of effort **in accordance with**

policy 3105, Effort Certification. Each fall, salary charges for **the entire prior year (August 10 to August 9)** are audited to ensure that the research extended appointment is funded and charged appropriately.

9. Faculty members on 12-month appointments cannot receive additional compensation for summer school teaching or other duties. However, they do remain eligible for additional compensation for participation in continuing education programs and for consulting activities in accordance with policies in the Faculty Handbook. Those on 10- or 11-month research extended contracts may earn additional income from other activities as WAGES. However the total of all summer earnings, including the research extended contract and any wage earnings, may not exceed 33 1/3% of their base AY appointment.
10. Like academic-year appointments, faculty members on extended research appointments do NOT earn or accumulate annual leave. Faculty members are expected to manage their obligations and absences with full recognition of their responsibilities to the grants and contracts that support the extended appointment and to keep their department heads apprised of their plans. **Periods of personal absence or vacation should not be charged to sponsored grants or contracts.**
11. Sick leave and other benefits remain unchanged.
12. Merit adjustments are made on the salary for the research extended appointment, proportionally increasing the obligation to the sponsored account. For those who have eminent scholar supplements prior to converting to a research extended appointment, the base salary including the eminent scholar supplement may be multiplied by the appropriate factor. However, the eminent scholar supplement generally cannot be increased to accommodate the change in appointment, putting a larger burden on the sponsored funding.

3. Procedures

Faculty members requesting a research extended appointment should complete the request form available on the Provost's web site: www.provost.vt.edu. Documentation of available ~~summer~~ funding must be provided. Research extended appointments must be renewed annually with verification of sponsored funding by the department head to support the continuation. (The continuation request form is also on the same website.) In addition to the form, the department should submit a P3A indicating the research extended appointment in the departmental note and documenting the percentage used and length of appointment (10, 11, or 12 months) in order to initiate the change in appointment period. Requests for research extended appointments require approval by the department head, dean, and provost.

Reconversion to a 9-month appointment, or a change in the length of the research extended appointment, is accomplished by P3A. To calculate the AY salary, divide the extended appointment salary by the same factor as originally used.

4. Definitions

5. References

6. Approval and Revisions

Recommended by the Commission on Research: February 28, 1996

Approved by University Council: April 1, 1996

Approved by the President: April 1, 1996

Approved by the Board of Visitors: April 22, 1996

- Revision 1

Revised July 26, 1999. Changed dates for the May and August effective dates from the 16th of the month to the 10th.

- Revision 2

Revised April 23, 2002 – Possible CY position start date corrected from July 1 to June 25; CY salary conversion rates corrected from “within the range of 1.222 to 1.333” to “1.222 or 1.333” corresponding to the two- or three-month time period.

- Revision 3, July 2005

Approved by the Commission on Research:	September 14, 2005
Endorsed by the Commission on Faculty Affairs:	September 16, 2005
First Reading, University Council:	October 10, 2005
Approval by University Council:	October 24, 2005
Approved by the Board of Visitors:	November 7, 2005

Complete revision of text to allow 10- and 11-month appointments as well as 12-month appointments. Change of policy title from “CY Research Conversions” to “Research Extended Appointments.” Elimination of requirement to earn and report annual leave.

- **Revision 4**

Revised September 2009: Changes made to bring policy into compliance with federal grant and contract compliance requirements concerning summer salary for AY faculty members. Clarification of language to emphasize need to charge salary in relation to effort across the entire appointment period.

Changes recommended by the Task Force on Federal Contract Compliance.

Reviewed by the Commission on Research	September 30, 2009
Approved by the Vice President for Research	October 12, 2009
Approved by the Board of Visitors	November 9, 2009

Committee Minutes
STUDENT AFFAIRS AND ATHLETICS COMMITTEE
and
BUILDINGS AND GROUNDS COMMITTEE
OF THE BOARD OF VISITORS

Solitude Room
The Inn at Virginia Tech and Skelton Conference Center
10:00 a.m.

November 9, 2009

Open Joint Session with Student Affairs and Athletics Committee

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

VPI&SU Staff: Mr. Kevin Bishop, Mr. Bob Broyden, Ms. Vickie Chiocca, Mr. Van Coble, Mr. Michael Coleman, Mr. David Dent, Ms. Lynn Eichhorn, Dr. Elizabeth Flanagan, Dr. Lance Franklin, Mr. Monte Hager, Ms. Kimberly Haines, Mr. Patrick Hilt, Mr. Lawrence Hincker, Mr. Z. Scott Hurst, Mr. Jim McCoy, Mr. Michael Mulhare, Ms. Bobbi Myers, Ms. Elizabeth Reed, Dr. Frank Shushok, Jr., Dr. Ed Spencer, Ms. Mary Grace Theodore, Ms. Linda Woodard, Dr. Sherwood Wilson

Guests: Ms. Allison Mitchell, Mr. Jeff Mitchell, Mr. Sushil Shenoy

- 1. Tour of New Residence Hall with Student Affairs and Athletics Committee:**
The Committee joined the Student Affairs and Athletics Committee for a tour of the New Residence Hall.
- 2. Update on Greek Housing Concept:** The two Committees received an update on the status of the concept proposal to expand on-campus fraternity and sorority housing. A master plan has been developed that proposes options for expanding special purpose housing on university property. The first phase would include five houses with a total of approximately twenty houses anticipated upon completion of the project. Phase 1 would require support for infrastructure expansion to include roads, sidewalks, and utilities. Mr. Lawson stated that the university should finance the infrastructure costs. Dr. Spencer reported that this approach would expand special purpose student housing with the Greek corporations bearing the responsibility for the construction costs. Mr. Lawson described recreational and wellness space that should be included in the plans to address deficits in recreational space. Development of recreation facilities is included in the 6-year Capital Plan. Legislation exempting the project from certain state procurement requirements has been drafted for consideration at the 2010 session. A draft lease has been prepared for review and discussion with

Greek organizations. Dr. Jamison asked that the university explore whether donor contributions to the university could be used to support the project. A preliminary construction timeline was presented, with a possible completion date of June 2012 for phase one. The Committees accepted the timeline.

STUDENT AFFAIRS AND ATHLETICS COMMITTEE OF THE BOARD OF VISITORS

**Smithfield Room
The Inn at Virginia Tech and Skeleton Conference Center
10:30 a.m.**

November 9, 2009

PRESENT: Mr. Ben Davenport, Jr., Chair
Ms. Michele Duke
Ms. Kristina Hartman
Dr. Calvin Jamison
Mr. Paul Rogers

GUESTS: Ms. Kimberle Badinelli, Ms. Rachael Budowle, Mr. Robert Coffey, Mr. Rick Ferraro, Mr. Tom Gabbard, Mr. Hikmet Gursoy, Ms. Rhonda Rogers, Dr. Frank Shushok, Dr. Edward Spencer, Mr. Derek Whisman

Open Session

1. **Tour of New Residence Hall:** Mr. Rick Johnson, Director of Housing and Dining Services and Ms. Vickie Mouras, Capital Projects Manager, provided a tour for the Student Affairs and Athletics Committee and the Buildings and Grounds Committee of New Hall West, the new residence hall and office building that opened this fall.
2. **Opening remarks and approval of August 31, 2009 minutes:** Mr. Ben Davenport, Chair, provided opening remarks and submitted the minutes of the August 31, 2009 Student Affairs and Athletics Committee meeting to the committee for review and approval. The minutes were approved.
3. **Athletic Department Quarterly Report:** Mr. Tom Gabbard, Associate Director of Athletics, reviewed the department's philosophy that whenever a new facility is constructed, two things should also occur. First, the users of the facility will have major input in the program use of the space. Second, there is a "trickle down" of benefits to other members of the department that should always be explored.

In following that philosophy, the completion of the new football locker room building will allow for expanded improvements in many of Olympic sports. Those improvements will include: expanded locker rooms, new Olympic sports weight room, new lounge area, expanded equipment room storage, some additional staff and coach locker room space, and additional training support/sports medicine space.

In comparison to other schools in the ACC and nationally; as far as facilities go, in the ACC in the area of basketball we are up with everyone with our new basketball facility. In football, with the plans in place, we will get there, and with other sports, we are in the middle of the road. Nationwide, if you look at Texas, Florida, etc., their facilities go above and beyond and we will probably never get to that level.

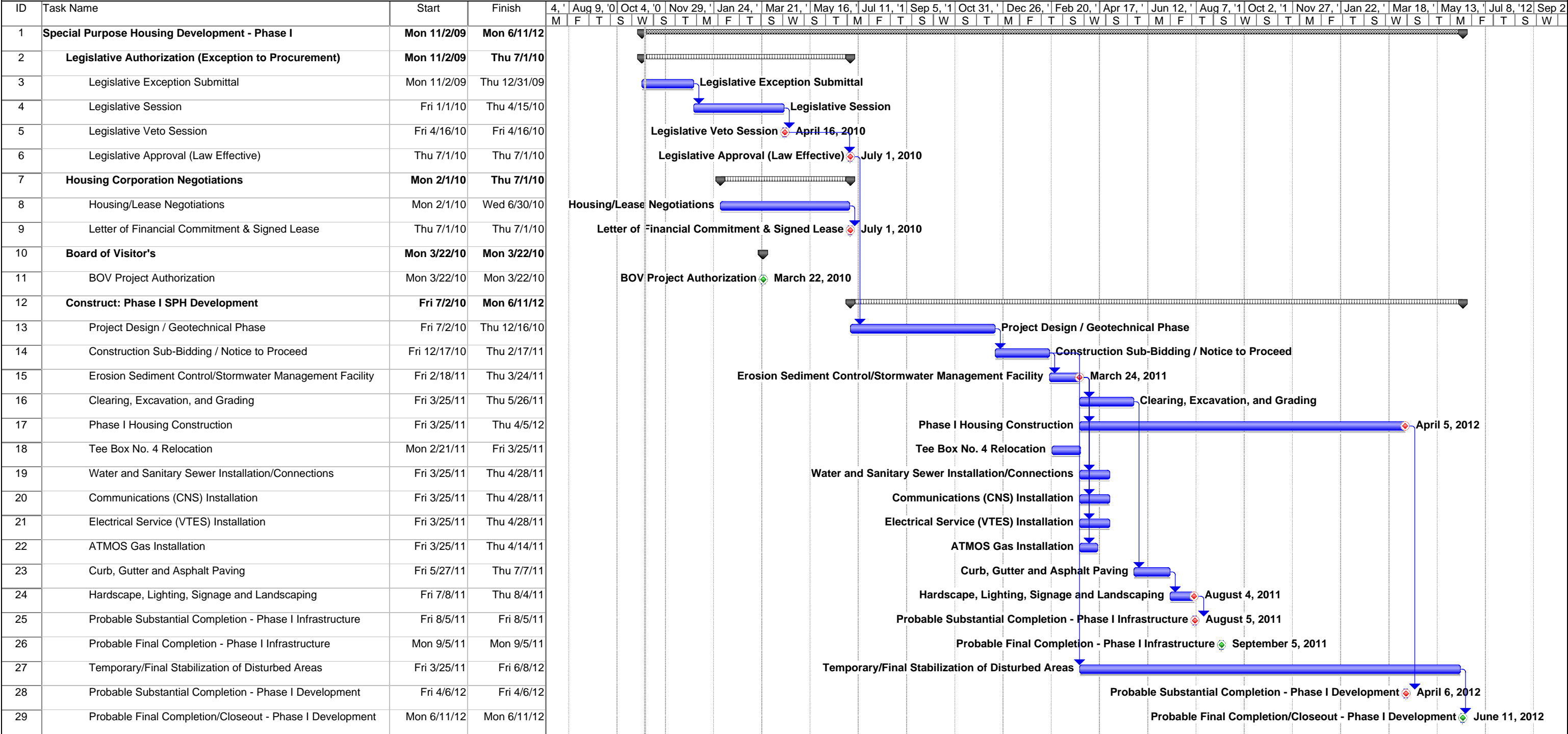
In the area of equity among the different sports programs, we are in compliance with Title IX and continue to keep that high on our list as far as balance in participation, money, and facilities.

In response to a question there is no Master Plan in place for the next ten years, but the next large project will be the field house.

4. **Sustainability Programs in Housing and Dining:** Mr. Robert Coffey, Associate Director of Housing & Dining Services and Ms. Rachael Budowle, Sustainability Coordinator, reported that Housing and Dining Services has recently made significant strides to promote sustainability in its operations. Housing uses materials with recycled content such as trash liners, toilet paper, and paper towels. Additionally, water and energy savings have been enacted through low-flow shower heads and re-lamping projects. Repainting is now done with low VOC paint to protect student and employee health as well as the environment. Most notably, all new renovations and building projects will meet LEED Silver standards in accordance with the Virginia Tech Climate Action Commitment and Sustainability Plan (e.g., Ambler Johnston Hall renovation). Dining's sustainability efforts essentially fall into one of two categories: waste reduction and diversion or local and sustainable food promotion. Dining is diverting waste through recycling, composting, and food donations. Waste reduction is being accomplished through trayless initiatives, careful planning, and soon through the promotion of reusable materials. Local and sustainable foods are being incorporated into the menu at the Farms & Fields Project venue in Owens Food Court. This is supported by the Dining Services Herb Garden. In addition to offering local and sustainable foods at this venue, efforts are being made to incorporate a greater percentage of these foods into all Dining Centers.

Adjournment: There being no further business, the meeting adjourned at 11:32 p.m.

Virginia Tech Special Purpose Housing Development - Phase I
Probable Construction Timeline
November 5, 2009

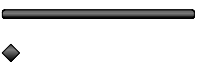


Project: VT SPH Development-PhI
Date: Thu 11/5/09

Task
Split



Progress
Milestone



Summary
Project Summary



External Tasks
External Milestone



Deadline





SUSTAINABILITY PROGRAMS IN HOUSING AND DINING SERVICES

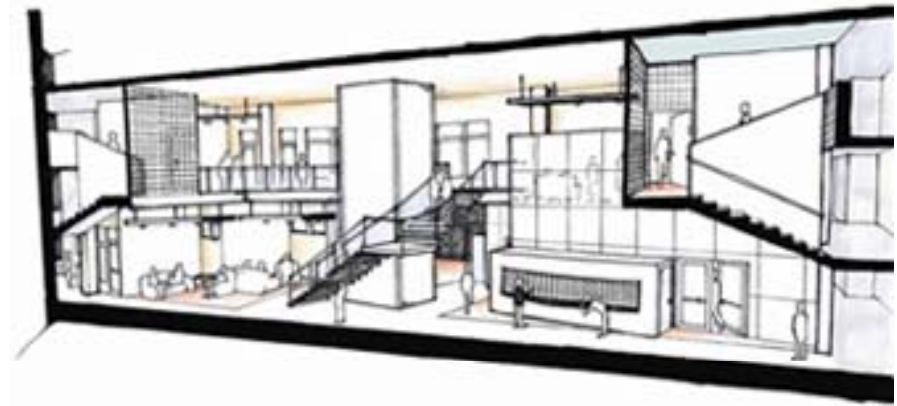
**Presentation to the Student Affairs and Athletics
Committee of the Board of Visitors**

November 9, 2009

Rick Johnson & Rachael Budowle

HOUSING

- Materials with recycled content
- Low-flow showerheads
- Low VOC paint
- Relamping with energy efficient T8s
- LEED Silver renovations and new buildings



DINING

- Recycling
- Food reduction and diversion
- Composting
- Farms & Fields Project
- Dining Services Herb Garden
- Increased percentage of local and sustainable foods



RESEARCH AND DEVELOPMENT DISCLOSURE REPORT
August 14, 2009 thru October 18, 2009

Reason for Conflict	External Entity	Owner	Principal Investigator	Co - P.I.'s	Department	Period of Performance	Award Amount	Project Description
Faculty Owned Business	Techsburg, Inc.	Wing Ng	Demetri Telonis	PI	Engineering Science & Mechanics	TBD	\$15,000	Techsburg, Inc. will be designing and fabricating experimental wing units which will be part of the future design of a new aircraft.
Faculty Owned Business	Virginia nanoTech LLC	Michael Miller James Heflin Alfred Ritter	Hans Robinson	PI	Physics	TBD	\$50,026	Virginia Tech will receive a \$50,026 subcontract from Virginia nanoTech LLC. This is an STTR Phase 1 award. VT will provide nanoassembly characterization.
Faculty Owned Business	Ramu Inc.	Krishnan Ramu	Krishnan Ramu Scott Midkiff	PI Co-PI	Electrical & Computer Engineering	8/16/09 thru 12/31/2009	\$42,395	Virginia Tech will receive a subcontract from Ramu Inc. VT will perform two tasks. Task 1 is analysis and design work and the second task is to analysis, design, implement and test a power converter for switched reluctance motor drives.
Faculty Owned Business	Techsburg, Inc.	Wing Ng	Srinath Ekkad Wing Ng	PI Co-PI	Mechanical Engr. Mechanical Engr.	TBD	\$49,849	Virginia Tech will receive a subcontract from Techsburg which is part of a Dept of Energy SBIR project. VT's work involves using flow controls to create a virtual fillet for a nozzle guide vane.
Faculty Owned Business	Cognitive Radio Technologies, LLC	Jeffrey Reed	Ashwin Amanna Jeffrey Reed	PI Co-PI	VTTI ECE Wireless @ VT	TBD	\$20,000	Virginia Tech has received an award from the Federal Railroad Administration and wants to subcontract to Cognitive Radio to provide requirements definitions for cognitive radio operations and design of the cognitive engine.

RESOLUTION HONORING

Captain David Seth Mitchell

WHEREAS, United States Marine Corps Captain David Seth Mitchell was a 2001 graduate of Virginia Polytechnic Institute and State University and the Virginia Tech Corps of Cadets, having earned a Bachelor of Arts degree in English; and

WHEREAS, while a student at Virginia Tech, Seth Mitchell was a member of the German Club, was the male member-at-large for the Class of 2001, and a member of the Ring Design Committee; and

WHEREAS, Seth Mitchell began his time in the Virginia Tech Corps of Cadets in Echo Company; and

WHEREAS, Captain Mitchell demonstrated outstanding leadership traits leading to his appointment as the First Sergeant of Golf Company during his junior year and as Executive Officer to Golf Company during his senior year; and

WHEREAS, upon graduation from Virginia Tech, David Seth Mitchell was commissioned as an officer in the United States Marine Corps; and

WHEREAS, Captain Mitchell was a member of the United States Marine Corps Light Attack Helicopter Squadron, HMLA-367 "Scarface"; and

WHEREAS, on October 26, 2009, Seth Mitchell tragically lost his life while supporting combat operations in Helmand Province, Afghanistan, when his AH-1W Super Cobra was impacted by another helicopter, and was the fourth member of the Cadet Class of 2001 that the university has lost since graduation; and

WHEREAS, Seth Mitchell was well respected by his peers, subordinates, and his superiors, and, leading by example, he exhibited his commitment to the core values that are inherent to Virginia Tech – Brotherhood, Honor, Leadership, Sacrifice, Service, Loyalty, Duty and Ut Prosim; and

WHEREAS, Captain Mitchell made the ultimate sacrifice for his country, and will be remembered in perpetuity for his unwavering courage and valor;

NOW, THEREFORE, BE IT RESOLVED, that the Virginia Polytechnic Institute and State University Board of Visitors proudly honors Captain David Seth Mitchell for his steadfast loyalty to his country and the ideals of "Ut Prosim," and for making the ultimate sacrifice in service to his country.

RECOMMENDATION:

That the above resolution honoring Captain David Seth Mitchell be approved.

November 9, 2009

RESOLUTION FOR EMERITA STATUS

WHEREAS, Dr. Barbara A. Board has faithfully served Virginia Tech with distinction for 31 years in Virginia Cooperative Extension, beginning in 1978; and

WHEREAS, she was a dedicated extension agent early in her career serving core extension program areas of family and consumer sciences, community resource development, and 4-H, and serving three years as the unit coordinator for the Amelia County Extension Office; and

WHEREAS, she served Virginia Tech and Virginia Cooperative Extension as an extension specialist leading key administrative efforts such as EEO/AA/Program Compliance and other administrative projects, 4-H youth development, and program and leadership development; and

WHEREAS, she provided excellent service in her most recent role of Northeast District Extension Director for Virginia Cooperative Extension, providing administrative leadership for 22 counties and cities in Northeastern Virginia including direct supervision of 40 district and field extension faculty and staff, fiscal administration, leadership for local and state government relations and support, and district program and volunteer development; and

WHEREAS, she served as a member of the Task Force on Race and the Institution, the Multicultural Academic Opportunities Program, and served in leadership roles for Epsilon Sigma Phi, Alpha Gamma Chapter, the Extension/Outreach Faculty Association and the Virginia Association of Family and Consumer Sciences, receiving the Distinguished Service Award from Epsilon Sigma Phi, Alpha Gamma Chapter in 2005;

THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Barbara A. Board for her service to the university with the title of District Director Emerita of Virginia Cooperative Extension.

RECOMMENDATION:

That the above resolution recommending Dr. Barbara A. Board for emerita status be approved.

November 9, 2009

RESOLUTION FOR EMERITA STATUS

WHEREAS, Dr. F.M. Anne McNabb faithfully served Virginia Tech with distinction for 34 years, in the College of Arts & Sciences and the College of Science, beginning in 1975; and

WHEREAS, as a member of the faculty in the Department of Biological Sciences, she has taught courses at the junior, senior and graduate level; and

WHEREAS, she won teaching and service awards including the Department of Biological Sciences service award and teaching award (twice), the College of Arts & Sciences teaching award and Diversity Mentoring Award, and the College of Science diversity award; and

WHEREAS, Dr. McNabb has made many contributions to graduate studies at Virginia Tech, including service as the assistant head for graduate studies in the Department of Biology, and associate dean in the Graduate School; and

WHEREAS, as associate dean of the Graduate School, Dr. McNabb organized the graduate teaching assistant workshop, facilitated policies and procedures review, coordinated VT's contributions to the VCGS annual graduate student research forum, and generally helped enhance graduate education university-wide; and

WHEREAS, she has served on multiple departmental, college, and university committees, commissions, and task forces, and has been particularly active in fostering cultural diversity on campus; and

WHEREAS, she has been a very active researcher in the field of avian physiology, authoring and co-authoring 29 review papers, book chapters, and symposium papers and 65 peer reviewed journal articles and a research level text book; and

WHEREAS, she has received extramural funding from federal agencies including the National Science Foundation (NSF), Environmental Protection Agency (EPA), National Institutes of Health (NIH), and the departments of defense and energy; and

WHEREAS, she has served on the editorial boards of seven scientific journals, NSF proposal review panels, science advisory panels for EPA and NIH, and has arranged sessions of two Gordon Conferences on endocrine disruptors;

THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. F.M. Anne McNabb for her service to the university with the title of Professor Emerita of Biological Sciences and .Associate Dean Emerita of the Graduate School.

RECOMMENDATION:

That the above resolution recommending Dr. F. M. Anne McNabb for emerita status be approved.

November 9, 2009

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Ronald E. Pearson faithfully served Virginia Tech with distinction for 30 years in the College of Agriculture and Life Sciences, beginning in 1979; and

WHEREAS, as a member of the faculty in the Department of Dairy Science, he was a dedicated undergraduate student mentor, advocate, and advisor, as well as a valued faculty colleague; and

WHEREAS, he advised many dozens of graduate students in the College of Agriculture and Life Sciences as members of their committees and shared his expertise in statistical analysis and experimental design; and

WHEREAS, he coached multiple national award winning dairy challenge teams, and

WHEREAS, Dr. Pearson was as prolific scientific author and contributor to the success of the world-wide dairy industry as evidenced by his receiving the J. L. Lush Award from the American Dairy Science Association for outstanding contributions in the area of dairy genetics as well as the National Association of Animal Breeders award for outstanding research; and

WHEREAS, he served in numerous professional societies, was an outstanding department, college and university citizen;

THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Ronald E. Pearson for his service to the university with the title of Professor Emeritus of Dairy Science.

RECOMMENDATION:

That the above resolution recommending Dr. Ronald E. Pearson for emeritus status be approved.

November 9, 2009

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Malcolm Potts has faithfully served Virginia Tech with distinction for 24 years in the College of Agricultural and Life Sciences, beginning in 1985; and

WHEREAS, as a dedicated teacher, he introduced thousands of students to the principles and techniques of biochemistry as an instructor in several courses, most notably BCHM 4116, "General Biochemistry", a foundational course for biochemistry majors; and

WHEREAS, he contributed significantly to our knowledge of how microbial organisms adapt to extreme environments through a lifetime of scholarly research that led to the publication of numerous research papers, reviews, and books; and

WHEREAS, his enthusiasm and entrepreneurial talents enabled him to raise millions of dollars in support of his research in support of his research through extramural funding; and

WHEREAS, he possessed the vision and imagination to investigate the adaptation of these mechanisms to mammalian cells and tissues to enhance human health and well being; and

WHEREAS, he guided several students to the successful completion of a Ph.D. or M.S. degree in Biochemistry; and

WHEREAS, he founded the Virginia Tech Genomics Institute and contributed to the seminal efforts leading to the establishment of Virginia Tech Institute for Biomedical and Public Health Sciences; and

WHEREAS, he has brought visibility and credit to Virginia Tech overseas through his work as Lead Scholar for Biological Sciences at the University of Qatar, Doha, State of Qatar;

THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Malcolm Potts for his service to the university with the title of Professor Emeritus of Biochemistry.

RECOMMENDATION:

That the above resolution recommending Dr. Malcolm Potts for emeritus status be approved.

November 9, 2009

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Michael R. Vaughan has faithfully served Virginia Tech with distinction for 30 years in the College of Natural Resources, beginning in 1980; and

WHEREAS, as a member of the Department of Fisheries and Wildlife Science, he has taught Fisheries and Wildlife Graduate Seminar, Population Dynamics, Wildlife Physiology, and Population Ecology; and

WHEREAS, he has mentored over 40 graduate students who now hold responsible positions in public agencies and academia, as well as innumerable technicians and trainees, many of whom went on to graduate studies or careers in public agencies; and

WHEREAS, he has achieved international recognition by conducting leading research on the biology, ecology, and management of bears, while also contributing to knowledge on deer, tigers, and sea turtles; and

WHEREAS, his contributions have been communicated in over 100 refereed scientific journal articles and book chapters; and

WHEREAS, he contributed to his profession by leadership in the International Association of Bear Research and Management and The Wildlife Society, as well as by service on numerous working groups and advisory boards, and been recognized with awards including the National Wildlife Federation Environmental Publication Award, Virginia Wildlife Professional Award, and National Biological Service Performance Award; and

WHEREAS, he served on the editorial boards of the *Journal of Wildlife Management*, *Ursus*, *Proceedings of the Southeastern Association of Fisheries and Wildlife Agencies*, and *The Southeastern Naturalist*; and

WHEREAS, he twice served as Leader of the award-winning Virginia Cooperative Fisheries and Wildlife Research Unit,

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Michael R. Vaughan for his service to the university with the title of Professor Emeritus of Fisheries and Wildlife Science.

RECOMMENDATION:

That the above resolution recommending Dr. Michael R. Vaughan for emeritus status be approved.

November 9, 2009

ENDOWED PROFESSORSHIP
The Alexander F. Giacco Chair in Chemical Engineering

The Alexander F. Giacco professorship is funded through the Alexander F. Giacco Endowed Presidential Chair Fund, which was initiated by a donation from Hercules Incorporated to honor the many contributions to business and education by Alexander F. Giacco, former president of Hercules and alumnus of the Virginia Tech Department of Chemical Engineering.

Dr. Richard Benson, Dean of the College of Engineering, has nominated Dr. Donald G. Baird to hold the Alexander F. Giacco Chair in the Department of Chemical Engineering, concurring with the College of Engineering Honorifics Committee. The nomination is likewise recommended by the Honorifics Committee of the Chemical Engineering Department, as well as by Chemical Engineering department head, Dr. John Walz.

Dr. Baird has an exemplary scholarly record. He is internationally known for his expertise, research and teaching in the field of polymer rheology and its application to polymer, biopolymer, and polymer composite processing. His research approach utilizes both theoretical and experimental tools, and he continues to find ways to apply these tools to new areas of research, including fuel cells and bio-materials. Over the past 31 years, he has been the principal or co-principal investigator on research funding totaling more than 33 million dollars. Dr. Baird has authored more than 153 refereed publications, including four major review articles, 107 refereed preprints, 43 other publications, 10 book chapters, and a major textbook. He has given 107 invited lectures at universities, companies and technical meetings, of which 30 have been keynote or plenary lectures. He has mentored 38 Ph.D. students, 12 M.S. students, 12 post-doctoral researchers, and two scientists.

Dr. Baird is an active member of many major technical societies and has served on the executive committees of several professional organizations. He has won numerous awards for both his research and teaching, including the International Award from the Society of Plastic Engineers (the highest award presented by the society), the Jack Breslin Award from Michigan State University, the Dean's Award for Excellence in Research, the Dean's Award for Excellence in Teaching, and the DuPont Young Faculty Award.

RECOMMENDATION:

That Dr. Donald G. Baird be appointed the Alexander F. Giacco Professor of Chemical Engineering, effective December 25, 2009 with a salary supplement and annual operating budget provided by the endowed funds of the Alexander F. Giacco Endowed Presidential Chair Fund and the eminent scholar match, if available.

November 9, 2009

ENDOWED FACULTY FELLOWSHIP
Tom and Daisy Byrd Senior Faculty Fellowship for Excellence in ACIS

The Tom and Daisy Byrd Senior Faculty Fellowship for Excellence in ACIS was established by Tom and Daisy Byrd in 2008. Mr. Byrd earned his undergraduate degree in accounting in 1980. He is retired President of Anthem Blue Cross and Blue Shield of Virginia. Mr. Byrd is a member of the Accounting and Information Systems Advisory Board, the Pamplin Advisory Council, and is on the Pamplin Campaign Steering Committee. Dr. Robert M. Brown, head of the Department of Accounting and Information Systems, has nominated Dr. France Bélanger with the recommendation of the Accounting and Information Systems Honorifics Committee to serve as the Byrd Senior Fellow of Accounting and Information Systems.

Dr. Bélanger is a professor of accounting and information systems. She has published 30 refereed journal publications, 2 books, 6 book chapters, 45 refereed conference proceedings, and 11 abstracts. Several of her papers and conference proceedings have been singled out for special recognitions, e.g., 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; two are NSF grants. She has served on numerous panels and has made many presentations to academic and non-academic groups. In 2006, Dr. Bélanger received an appointment as the Fulbright Distinguished Chair in MIS 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 four 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 Tom and Daisy Byrd Senior Faculty Fellowship, effective August 10, 2009 for a period of three years, with a salary supplement as provided by the endowment and the eminent scholar match if available.

November 9, 2009

**ENDOWED FACULTY FELLOWSHIP
William S. Gay Junior Faculty Fellowship in
Accounting and Information Systems**

The William S. Gay Junior Faculty Fellowship in Accounting and Information Systems was established by alumni and friends of Mr. William S. Gay. Mr. Gay served as a valued faculty member in the Department of Accounting from 1929 until his retirement in 1969. Mr. Gay was the first department head of the department. Dr. Robert M. Brown, head of the Department of Accounting and Information Systems, has nominated Dr. James G. Jenkins with the recommendation of the Accounting and Information Systems Honorifics Committee to serve as the William S. Gay Junior Faculty Fellow of Accounting and Information Systems.

Dr. Jenkins is associate professor of accounting and information systems. He has published 21 refereed journal articles, 6 non-refereed publications, 1 textbook, and has made 8 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 on the AAA Auditing Section PCAOB Research Task Force on Quality Standards for the PCAOB and is chair of the Planning Committee for the AAA Auditing Section Audit Educators' Bootcamp. 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 William S. Gay Junior Faculty Fellowship, effective August 10, 2009 for a period of three years, with a salary supplement as provided by the endowment and the eminent scholar matches if available.

November 9, 2009

**ENDOWED FACULTY FELLOWSHIP
L. Mahlon Harrell Junior Faculty Fellowship in
Accounting and Information Systems**

The L. Mahlon Harrell Junior Faculty Fellowship in Accounting and Information Systems was established by alumni and friends of Mr. L. Mahlon Harrell. Mr. Harrell served as a valued faculty member in the Department of Accounting from 1931 until his retirement in 1971. Dr. Robert M. Brown, head of the Department of Accounting and Information Systems, has nominated Dr. Weiguo (Patrick) Fan with the recommendation of the Accounting and Information Systems Honorifics Committee to serve as the L. Mahlon Harrell Junior Faculty Fellow of Accounting and Information Systems.

Dr. Fan is associate professor of accounting and information systems. He has published 32 refereed journal articles, 6 book chapters, and 67 refereed conference proceedings, has made 6 conference presentations, and has given another 14 invited presentations. In addition, Dr. Fan has been Co-PI on seven funded research grants, five of which have been NSF grants. Dr. Fan has been very active with graduate students having served on 23 Ph.D. committees, 4 in Accounting and Information Systems and 19 in Computer Science. He chaired one of the committees. Dr. Fan is also an effective classroom teacher.

RECOMMENDATION:

That Dr. Weiguo Fan be appointed to the L. Mahlon Harrell Junior Faculty Fellowship, effective August 10, 2009 for a period of three years, with a salary supplement as provided by the endowment and the eminent scholar match if available.

November 9, 2009

ENDOWED FACULTY FELLOWSHIP
Konrad W. Kubin Junior Faculty Fellowship in
Accounting and Information Systems

The Konrad W. Kubin Junior Faculty Fellowship in Accounting and Information Systems was established by alumni and friends of Konrad W. Kubin. Dr. Konrad Kubin served as a valued faculty member in the Department of Accounting and Information Systems from 1972 until his retirement in 2003. Dr. Kubin taught auditing and financial accounting. He was very active with the accounting profession and for many years ran the Accounting and Auditing Conference co-sponsored by the department and the VSCPA. Dr. Robert M. Brown, head of the Department of Accounting and Information Systems, has nominated Dr. Sudip Bhattacharjee with the recommendations of the Accounting and Information Systems Honorifics Committee to serve as the Konrad W. Kubin Junior Faculty Fellow of Accounting and Information Systems.

Dr. Bhattacharjee is associate professor of accounting and information systems at the National Capital Region campus. He has published 12 refereed journal articles, 1 book chapter and has made 16 presentations at national accounting meetings. Two of his papers are in the top two journals in academic accounting and a third is in the top Canadian academic accounting journal. He also has a paper in the leading auditing journal. Dr. Bhattacharjee's inventory of working papers is always substantial and targeted to the journals that will bring recognition to the department. Even though Dr. Bhattacharjee teaches in Northern Virginia he is active in the department's Ph.D. program. He has served on several Ph.D. committees and is currently chairing one. Further, Dr. Bhattacharjee teaches graduate students exclusively, and is recognized by those students for his quality teaching.

RECOMMENDATION:

That Dr. Sudip Bhattacharjee be appointed to the Konrad W. Kubin Junior Faculty Fellowship, effective August 10, 2009 for a period of three years, with a salary supplement as provided by the endowment and the eminent scholar match if available.

November 9, 2009

**RESOLUTION HONORING MR. GARNETT E. SMITH
2010 WILLIAM H. RUFFNER MEDAL RECIPIENT**

WHEREAS, Virginia Tech is very proud to recognize among its most esteemed friends, Mr. Garnett E. Smith, who has been a loyal and enthusiastic volunteer and supporter of the university; and

WHEREAS, Garnett Smith was born in Pulaski County, Virginia, from humble beginnings without the privilege of pursuing a college degree, but always knew and understood the value of hard work and determination, and has consistently appreciated the influence of Virginia Tech on the Southwest Region of Virginia and its ideals of brotherhood, duty, honor, leadership, loyalty, sacrifice, service and Ut Prosim – *That I Might Serve*, rising from the ranks of an entry-level employee to President and CEO of Advance Auto Parts, the only Fortune 500 Company situated in the Roanoke Valley; and

WHEREAS, Garnett Smith was named one of Roanoke, Virginia's 50 Most Influential People in 2001, and that influence extended to Virginia Tech over the years, in which he developed unswerving faith and unparalleled love for Virginia Tech, and immersed himself in the life of the university through athletic events and numerous volunteer opportunities; and

WHEREAS, Mr. Smith's many years of active participation in the university community include service to the Virginia Tech Foundation Board of Directors and its Investment and Development Committees, Board Member of the W. E. Skelton 4-H Educational and Conference Center at Smith Mountain Lake, the Quiet Phase, Skelton 4-H Center, and the National Campaign Steering Committees; and

WHEREAS, Mr. Smith was named an honorary member of the Virginia Tech Alumni Association in 1998 in recognition of his loyalty, love, service, and support to the university, a noteworthy distinction reserved for only the most committed Hokies at Heart and shared with less than 15 members of our vast alumni base of more than 205,000; and

WHEREAS, Garnett Smith and his wife, Patsy, are inspirational examples of how a meaningful life is achieved not only through personal success, but in service to others, through their belief in creating exceptional opportunities for members of the Virginia Tech community with an enhanced, state-of-the-art career services building which bears their names, while also continuously providing philanthropic support across the breadth of the university, through capital support and the creation of multiple endowed funds across several program areas, inspiring a culture of philanthropy; and

WHEREAS, the extraordinary generosity of Mr. Smith has allowed him and his wife, Patsy, to be recognized as members of the Legacy Society, preparing for the future of Virginia Tech, as well as the President's Circle of the Ut Prosim Society, the university's most prestigious donor recognition society;

NOW, THEREFORE, BE IT RESOLVED, that in recognition of Mr. Smith's many years of leadership and notable service to the university and to his community, the Board of Visitors of Virginia Polytechnic Institute and State University confers upon Garnett E. Smith its highest award, the 2010 William H. Ruffner Medal.

RECOMMENDATION:

That the resolution conferring the 2010 William H. Ruffner Medal to Garnett E. Smith be approved.

November 9, 2009

**RESOLUTION HONORING LANCE L. SMITH, GENERAL, USAF (RETIRED)
2010 UNIVERSITY DISTINGUISHED ACHIEVEMENT AWARD RECIPIENT**

WHEREAS, Lance L. Smith graduated from Virginia Tech in 1968 with a B.S. in Business Administration; and

WHEREAS, Mr. Smith entered the United States Air Force upon graduation, serving honorably as an A-1 Skyraider pilot, earning three Silver Stars, three Distinguished Flying Crosses, the Purple Heart, and fifteen Air Medals for his heroism in combat; and

WHEREAS, Mr. Smith rapidly advanced to positions of increased responsibility throughout his 38-year military career, culminating in his selection for four stars, the highest military rank in peacetime, and duty as Commander, U.S. Joint Forces Command, and NATO Supreme Allied Commander for Transformation; and

WHEREAS, General Smith demonstrated the value of his Virginia Tech education, applying his skills as a respected senior military leader often being described as a visionary leader who demonstrated outstanding foresight and resolve; and

WHEREAS, General Smith has a long, distinguished, and exemplary career that is a testament to his personal drive and skills as a leader, with a remarkable ability to convey his unique understanding of complex national security issues; and

WHEREAS, General Smith has made significant contributions to Virginia Tech's mission as a land-grant university, returning to the region to inspire cadets, address the Roanoke Area Air Force Association, and serve as the university's Spring 2009 commencement speaker to motivate and encourage graduates; and

WHEREAS, General Smith is a member of the Alumni Association Board of Directors, enthusiastically working to attract alumni to university service and involve them in the missions of lifelong learning, discovery, and engagement; and

WHEREAS, he personifies the university motto, *Ut Prosim*, selflessly serving his country, his community, and his alma mater;

NOW, THEREFORE, BE IT RESOLVED that, with great pride and in recognition of his professional accomplishments as a military and community leader, and his commitment to making the world a better place in ways that bring honor to his profession and to his alma mater, the Board of Visitors of Virginia Polytechnic Institute and State University confers the University Distinguished Achievement Award for 2010 to General Lance L. Smith.

RECOMMENDATION:

That the resolution conferring the 2010 University Distinguished Achievement Award to General Lance L. Smith be approved.

November 9, 2009

RESOLUTION ON NAMING THE ENGINEERING SCIENCE AND MECHANICS STUDENT ENGAGEMENT CENTER FOR LIVIU LIBRESCU

WHEREAS, Dr. Liviu Librescu was a faculty member in the Department of Engineering Science and Mechanics since 1985 until his tragic death in Norris Hall on April 16, 2007; and

WHEREAS, Dr. Librescu was a prolific researcher, respected scholar, and truly dedicated educator of young minds, both within and outside the classroom; and

WHEREAS, Dr. Librescu was often recognized for the superb quality of his teaching skills and commitment to engineering education, having received the 1999 Dean's Award for Excellence from Virginia Tech and the 2005 Frank J. Maher Award for Excellence in Engineering Education, among his numerous and notable accomplishments within the profession; and

WHEREAS, Dr. Librescu was a passionate scholar both in terms of his high-quality publications as well as his thirst for knowledge, demonstrated by the many courses delivered and textbooks, reports and published papers that he authored during his career, garnering him an international reputation in the engineering profession; and

WHEREAS, Dr. Librescu was an inspirational and caring educator and friend to many, selflessly giving of his time and knowledge to support his graduate students, professional colleagues, and all he encountered simply for his love of and devotion to knowledge, with an unparalleled commitment to helping others achieve; and

WHEREAS, Dr. Librescu was named an Honorary Distinguished Professor to acknowledge his life and service to Virginia Tech with a great legacy of dedication to his students, commitment to his academic discipline, the admiration of his colleagues, and a great love for his family; and

WHEREAS, the faculty, staff and students of the Department of Engineering Science and Mechanics wish to forever remember and honor the legacy of our fallen colleague;

NOW, THEREFORE, BE IT RESOLVED, that as an enduring tribute to our dear friend, Dr. Liviu Librescu, the Engineering Science and Mechanics Student Engagement Center be henceforth known as the Liviu Librescu Student Engagement Center.

RECOMMENDATION:

That the above resolution naming the Liviu Librescu Student Engagement Center be approved.

November 9, 2009

**RESOLUTION ON NAMING THE RAY AND MADELYN CURRY EDUCATIONAL
WING OF THE THOMAS M. MURRAY STRUCTURAL LABORATORY**

WHEREAS, Raymond G. Curry, Jr. graduated from Virginia Tech in 1954 with a Bachelor of Science degree in Civil Engineering; and

WHEREAS, Ray Curry continued a volunteer career to the university to include service on the Alumni Board of the Charles E. Via, Jr. Department of Civil and Environmental Engineering; and

WHEREAS, Ray and Madelyn Curry have been recognized as members of the Ut Prosim Society for their outstanding philanthropy to the university to include considerable support to the alumni and conference center, the University Honors Program, the Virginia Tech Corps of Cadets, and to athletic programs; and

WHEREAS, Ray and Madelyn Curry have made outstanding contributions to the College of Engineering, have provided funds for the SMC Concrete Scholarship, and established the Raymond and Madelyn Curry Graduate Fellowship; and

WHEREAS, Ray and Madelyn Curry have contributed significantly and specifically to the renovation of the Thomas M. Murray Structural Laboratory; and

WHEREAS, Ray and Madelyn Curry 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 Ray and Madelyn Curry, and in recognition of their support of the Structures Lab Renovation Project, the Structure Lab addition will be known as The Ray and Madelyn Curry Educational Wing.

RECOMMENDATION:

That the above resolution naming The Ray and Madelyn Curry Educational Wing be approved.

November 9, 2009

**RESOLUTION ON NAMING THE *DONOR* CENTER FOR HOSPITALITY
LEADERSHIP IN THE PAMPLIN COLLEGE OF BUSINESS**

WHEREAS, *Donor* has been a longtime faculty member at Virginia Tech in the Department of Hospitality, Tourism and Management and is a loyal friend and supporter of Virginia Tech; and

WHEREAS, *Donor* is an active proponent of further enhancing the reputation of Virginia Tech and the Department of Hospitality, Tourism and Management as one of the best in the nation, and has contributed to this through over 20 years of service to Virginia Tech and over 40 years of service to the hospitality and tourism industry; and

WHEREAS, *Donor* has significantly advanced the quality of hospitality education and training through his mentorship initiatives and lifetime commitment to the training and development of hospitality professionals; and

WHEREAS, *Donor* has made an extremely generous provision in his estate plans and through the funding of charitable gift annuities to provide outstanding support to the Department of Hospitality, Tourism and Management; and

WHEREAS, *Donor* has been and continues to be a valued member of the university community and has been recognized as a member of the Ut Prosim Society, the university's most prestigious donor recognition society, at the President's Circle level;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of *Donor*, and in recognition of past and future benefits to the university, the Center for Hospitality Leadership in the Department of Hospitality, Tourism and Management in the Pamplin College of Business will be known as the *Donor* Center for Hospitality Leadership.

RECOMMENDATION:

That the above resolution naming the *Donor* Center for Hospitality Leadership be approved.

November 9, 2009

RESOLUTION ON NAMING THE SECOND FLOOR LOBBY OF THE FOOTBALL LOCKER ROOM OF VIRGINIA POLYTECHNIC INSTITUTE & STATE UNIVERSITY

WHEREAS, Carl and Cheryl Rosberg have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, Carl and Cheryl Rosberg have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, Carl and Cheryl Rosberg are the proud parents of Drew Rosberg '01; and

WHEREAS, Carl and Cheryl Rosberg have contributed more than \$250,000 during their lifetime to Virginia Tech, on behalf of the Department of Athletics; and

WHEREAS, Carl and Cheryl Rosberg have contributed more than \$200,000 to the Campaign for Virginia Tech: *Invent the Future* on behalf of the Department of Athletics; and

WHEREAS, Carl and Cheryl Rosberg have contributed \$100,000 on behalf of the Department of Athletics for the Football Locker Room;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Carl and Cheryl Rosberg for their generosity toward Virginia Tech and the Department of Athletics, the Second Floor Lobby of the Football Locker Room be known henceforth as the Carl and Cheryl Rosberg & Family Lobby

RECOMMENDATION:

That the above resolution naming the Carl and Cheryl Rosberg & Family Lobby be approved.

November 9, 2009

**RESOLUTION ON NAMING ONE MEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
THE JOHN BRITT FAMILY**

WHEREAS, John M. Britt, III is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1986; and

WHEREAS, John and his wife, Venus, have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, John and Venus have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, John and Venus have committed \$100,000 to the Campaign for Virginia Tech: *Invent the Future*; and

WHEREAS, John and Venus have pledged \$25,000 to the Campaign for Virginia Tech: *Invent the Future* on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to John and Venus for their generosity toward Virginia Tech and the Department of Athletics, that one men's basketball player's custom wooden locker in the Basketball Practice Complex Facility be known henceforth as the John M. Britt, III & Family Locker.

RECOMMENDATION:

That the above resolution naming the John M. Britt, III & Family Locker be approved.

November 9, 2009

**RESOLUTION ON NAMING ONE WOMEN'S BASKETBALL PLAYER'S CUSTOM
WOODEN LOCKER IN THE BASKETBALL PRACTICE COMPLEX FACILITY FOR
THE JOHN BRITT FAMILY**

WHEREAS, John M. Britt, III is a proud alumnus of Virginia Polytechnic Institute & State University, class of 1986; and

WHEREAS, John and his wife, Venus, have been enthusiastic and loyal supporters of Virginia Tech and its athletic programs; and

WHEREAS, John and Venus have been faithful members of the Virginia Tech Athletic Fund; and

WHEREAS, John and Venus have committed \$100,000 to the Campaign for Virginia Tech: *Invent the Future*; and

WHEREAS, John and Venus have pledged \$25,000 to the Campaign for Virginia Tech: *Invent the Future* on behalf of the Department of Athletics and the basketball practice complex facility;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to John and Venus for their generosity toward Virginia Tech and the Department of Athletics, that one women's basketball player's custom wooden locker in the Basketball Practice Complex Facility be known henceforth as the John M. Britt, III & Family Locker.

RECOMMENDATION:

That the above resolution naming the John M. Britt III & Family Locker is approved.

November 9, 2009

Faculty Personnel Changes Report

FINANCE AND AUDIT COMMITTEE

Quarter ending September 30, 2009

The Faculty Personnel Changes Report includes new appointments and adjustments in salaries for the general faculty, including teaching and research faculty in the colleges, and for administrative and professional faculty that support the University including the library, extension, academic support, athletics, and administration. The report is organized by senior management area (college or vice presidential area).

Since the last Board meeting, the University has made the following faculty personnel appointments and salary adjustments:

Teaching and Research Faculty	
New Appointments with Tenure or Continued Appointment	2
New Appointments to Tenure-Track or Continued Appointment	8
New Appointments to Non-Tenure Track	0
Adjustments in Salary	25
Administrative and Professional Faculty	
New Appointments	6
Adjustments in Salary	9
Adjustments in Salary - Contractual Arrangement	1

RECOMMENDATION:

That the Board ratify the Faculty Personnel Changes Report.

November 9, 2009

FACULTY PERSONNEL CHANGES
November 9, 2009

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	REASON FOR CURRENT ACTION
<u>Agriculture & Life Sciences</u>								
Grant, Alan	Professor - Tenured	College of Agriculture & Life Sciences	Regular	12	1-Oct-09	100	\$ 225,000	Appointed as Dean
Zoellner, Jamie	Assistant Professor	Human Nutrition, Foods & Exercise	Regular	9	10-Aug-09	100	\$ 80,000	
<u>Architecture & Urban Studies</u>								
Grant, Elizabeth	Assistant Professor	School of Architecture & Design	Regular	9	10-Aug-09	100	\$ 63,500	
<u>Engineering</u>								
Hudait, Mantu	Associate Professor	Electrical & Computer Engineering	Regular	9	14-Sep-09	100	\$ 95,000	
Nain, Amrinder	Assistant Professor	Mechanical Engineering	Regular	9	10-Aug-09	100	\$ 81,000	
Pierson, Mark	Associate Professor	Mechanical Engineering	Regular	9	10-Aug-09	100	\$ 94,003	Moved to Tenure Track
<u>Liberal Arts & Human Sciences</u>								
Hill, Jennie	Assistant Professor	Human Nutrition, Foods & Exercise	Regular	9	10-Aug-09	100	\$ 74,000	Moved to Tenure Track
Weinstein, Alan	Assistant Professor	Music	Regular	9	10-Aug-09	100	\$ 57,050	Moved to Tenure Track
<u>Veterinary Medicine</u>								
Lantis, Andrea	Assistant Professor	Small Animal Clinical Sciences	Regular	12	1-Sep-09	100	\$ 95,000	

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	REASON FOR CURRENT ACTION
<u>Agriculture & Life Sciences</u>								
Parmeter, Christopher	Assistant Professor	Agriculture & Applied Economics	Regular	9	10-Aug-09	100	\$ 97,160	Retention
<u>Architecture & Urban Studies</u>								
Capone, Thomas	Professor	School of Visual Arts	Regular	12	10-Jul-09	100	\$ 144,420	Retention
<u>Business</u>								
Belanger, France	Professor	Accounting & Information Systems	Regular	9	10-Aug-09	100	\$ 151,240	Eminent Scholar
Coupey, Eloise	Associate Professor	Marketing	Regular	9	10-Aug-08	100	\$ 131,633	Administrative Supplement
Kumar, Raman	Professor	Finance, Insurance & Business Law	Regular	12	10-Jul-09	100	\$ 196,904 \$ 202,904	Academic Year to Calendar Year Administrative Supplement; Appointed Department Head
<u>Engineering</u>								
Canfield, Robert	Professor	Aerospace & Ocean Engineering	Regular	9	10-Aug-09	100	\$ 125,333	Increased Responsibilities
Duma, Stefan	Professor	School of Biomedical Engineering & Sciences	Regular	12	10-Aug-09	100	\$ 210,000	Transfer, Competitive Search; Administrative Supplement; Appointed Department Head
Easterling, William	Professor	Civil & Environmental Engineering	Regular	12	10-Aug-09	100	\$ 190,000 \$ 200,000	Transfer, Competitive Search; Academic Year to Calendar Year Administrative Supplement; Appointed Department Head
Edwards, Marc	Professor	Civil & Environmental Engineering	Regular	12	10-Aug-09	100	\$ 171,111 \$ 188,222	Academic Year to Calendar Year Retention
Midkiff, Scott	Professor	Electrical & Computer Engineering	Regular	12	10-Aug-09	100	\$ 185,000 \$ 200,000	Academic Year to Calendar Year Administrative Supplement; Appointed Department Head
Viehland, Dwight	Professor	Materials Science & Engineering	Regular	9	10-Aug-09	100	\$ 145,000	Retention
<u>Liberal Arts & Human Sciences</u>								
Blieszner, Rosemary	Professor	Human Development & Graduate School	Regular	9	10-Aug-09	100	\$ 120,245	Promotion to Associate Dean, Graduate School; Administrative Supplement
Carter-Tod, Sheila	Associate Professor	English	Regular	9	10-Aug-09	100	\$ 75,000	Retention

continued

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	REASON FOR CURRENT ACTION
Denton, Robert	Professor	Communication	Regular	12	1-Jul-09	100	\$ 145,755 \$ 152,755	Academic Year to Calendar Year Administrative Supplement; Appointed Department Head
Holloway, Rachel	Associate Professor	Dean's Office - College of Liberal Arts & Human Sciences	Regular	12	1-Jul-09	100	\$ 119,689	Appointed Associate Dean, CLAHS
Luciak, Ilja	Professor	Political Science	Regular	12	10-Aug-09	100	\$ 121,677	Reappointment as Department Head
Powell, Katrina	Associate Professor	English	Regular	9	10-Aug-09	100	\$ 72,642	Increased Responsibilities
Rankin, Janet	Professor	Human Nutrition, Foods & Exercise & Graduate School	Regular	9	10-Aug-09	100	\$ 102,724	Promotion to Associate Dean, Graduate School; Administrative Supplement
Scott, Rachel	Assistant Professor	Interdisciplinary Studies	Regular	9	10-Aug-09	100	\$ 59,000	Retention
Wernhoener, Jane	Senior Instructor	English	Regular	9	10-Aug-09	100	\$ 50,407	Administrative Supplement
<u>Natural Resources</u>								
Zink-Sharp, Anthony	Professor	Wood Science & Forest Products	Regular	12	10-Jul-09	100	\$ 113,549	Administrative Supplement
<u>Science</u>								
Bourdon, Terri	Instructor	Mathematics	Regular	9	10-Aug-09	100	\$ 64,863	Increased Responsibilities
Carlter, Paul	Professor	Chemistry	Regular	9	10-Aug-09	100	\$ 130,000	Retention
Reynolds, Bernice	Instructor	Mathematics	Regular	9	10-Aug-09	100	\$ 40,159	Increased Responsibilities
<u>Senior Vice President & Provost</u>								
Panneton, Robin	Associate Professor	University Planning & Self Study	Regular	12	1-Jul-09	100	\$ 91,911 \$ 96,911	Academic Year to Calendar Year Administrative Supplement; Appointed SACS Coordinator

ADMINISTRATIVE AND PROFESSIONAL**NEW APPOINTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	REASON FOR CURRENT ACTION
<u>President</u>								
Foster, Charles	Assistant Track & Field Coach	Athletics	Regular	12	17-Aug-09	100	\$ 52,000	
Garner, Jr., Harold	Executive Director / Professor - Tenured	Virginia Bioinformatics Institute	Regular	12	1-Nov-09	100	\$ 310,000	Appointed as Executive Director - VBI and Professor - Tenured, Dept. of Biological Sciences
McSorley, Patrick	Assistant Men's Soccer Coach	Athletics	Regular	12	25-Jul-09	100	\$ 40,000	
<u>Senior Vice President & Provost</u>								
Waalkes, Ruth	Executive Director	Center for the Arts	Regular	12	21-Sep-09	100	\$ 160,000	
<u>Vice President for Development</u>								
Fischer, Kellie	Director of Development for the College of Liberal Arts & Human Sciences	University Development	Regular	12	17-Aug-09	100	\$ 87,500	
<u>Vice President for Student Affairs</u>								
Shushok, Jr. Francis	Associate Vice President	Student Affairs	Regular	12	17-Aug-09	100	\$ 145,000	

ADMINISTRATIVE AND PROFESSIONAL**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	REASON FOR CURRENT ACTION
<u>Business</u>								
Sorensen, Richard	Dean	Dean's Office - Pamplin College of Business	Regular	12	1-Jul-09	100	\$ 274,480	Market Competitiveness
<u>Liberal Arts & Human Sciences</u>								
Shabanowitz, Brian	Associate Dean	Dean's Office - College of Liberal Arts & Human Sciences	Regular	12	1-Jul-09	100	\$ 122,603	Retention
<u>Natural Resources</u>								
Winistorfer, Paul	Dean	Dean's Office - College of Natural Resources	Regular	12	3-Aug-09	100	\$ 200,000	Appointment as Dean, College of Natural Resources
<u>President</u>								
Dunkenberger, Elizabeth	Head Women's Basketball Coach	Athletics	Regular	12	1-Jul-09	100	\$ 211,757	Contractual Salary Adjustment
Ridenour, Minnis	Senior Fellow for Resource Development	President			1-Dec-09	Adjunct	\$ 40,000	Annual Deferred Compensation
Steger, Charles	University President	Annual Bonus for 2008-09			1-Dec-09		unchanged from bonus paid in 2007	
Steger, Charles	University President	President			1-Dec-09	100	\$ 245,000	Annual Deferred Compensation
<u>Vice President for Administrative Services</u>								
Waggoner, Charlotte	Biosafety Manager	Environmental Health & Safety	Regular	12	25-Aug-09	100	\$ 60,000	Promotion; Staff to Faculty
<u>Vice President & Dean for Undergraduate Education</u>								
Espinoza, Juan	Assistant Director	Undergraduate Admissions	Regular	12	25-Jun-09	100	\$ 40,000	Increased Responsibilities
Grimes, Jessica	Associate Director for Programming	Center for Academic Enrichment & Excellence	Regular	12	10-Aug-09	100	\$ 45,000	Promotion
Lewis, Mary	Director of First Year Experiences	Liberal Education	Regular	12	1-Jul-09	100	\$ 125,000	Appointment as Director, First Year Experiences

2008 NCAA WOMEN'S SOCCER BONUS RECOMMENDATIONS

The 2008 Virginia Tech Women's Soccer team concluded a memorable season by appearing for the first time in an ACC Championship match and earning an at-large bid to the 2008 NCAA Tournament. The Hokies subsequently lost to top-ranked University of North Carolina in the ACC Championship match and lost to Brigham Young University in the NCAA Tournament. The women's soccer team ended their 2008-09 academic season ranked 25th by *Soccer America*, and 28th by *Soccer Buzz*. They also were voted second in the Mid-Atlantic Region by the NSCAA/Adidas national poll. The Hokies finished with an overall 10-9-4 record, and finished 7th in the ACC.

In addition to the team's excellent performance, five athletes were named to the 2008 All-ACC Academic Team and Head Coach, Kelly Cagle was named Mid-Atlantic Region Coach of the Year.

In recognition of their dedication and accomplishments, the University proposes to reward the coaches of the women's soccer program, in accordance with the University's post season play bonus policy.

Kelly Cagle	Head Coach	\$2,000
Charles Adair	Associate Head Coach	\$1,000
Matt Gwilliam	Assistant Coach	\$1,000

The recommendation for payment of these bonuses is in accordance with the University's post season play bonus policy and is consistent with prior practice for awarding bonuses for coaching in this sport. These bonuses are one-time awards and do not affect base salaries. All bonuses are funded from the Athletic Department budget for post-season play.

RECOMMENDATION:

That the 2008 bonus awards for Women's Soccer be approved.

November 9, 2009

2009 NCAA MEN'S GOLF CHAMPIONSHIP

BONUS RECOMMENDATIONS

The Virginia Tech Golf team competed in its third consecutive NCAA Championship play in Austin, Texas on May 14-16, 2009. The team finished in the top ten of nine of its ten events during the season, which included five top five finishes. The Hokies entered the regional playoffs as one of eight ACC teams selected, and was the only ACC team competing at the NCAA Championship event. The Hokies were ranked 53rd in the nation by Golfstat.com and 61st by the Golfweek/Sagarin Performance Index.

Associate Head Coach Brian Sharp was named the 2009 Jan Strickland Award recipient for excelling in his work with student-athletes both on the course and in the classroom. As the Strickland Award recipient, Coach Sharp will be the assistant coach on the United States team for the 2010 Palmer Cup to be played in Northern Ireland.

In recognition of their dedication and efforts, the University proposes to award bonuses to the men's golf coaching staff, in accordance with the University's post season play bonus policy.

Jay Hardwick	Head Coach	\$2,000
Brian Sharp	Associate Head Coach	\$1,000

The recommendation for payment of these bonuses is in accordance with the University's post season play bonus policy, and is consistent with prior practice for awarding bonuses for coaching in this sport. These bonuses are one-time awards and do not affect base salaries. All bonuses are funded from the Athletic Department budget for post-season play.

RECOMMENDATION:

That the 2009 bonus awards for Men's Golf be approved.

November 9, 2009

2009 NCAA MEN'S TENNIS
BONUS RECOMMENDATIONS

The Virginia Tech Men's Tennis program competed for the third consecutive year in the NCAA tournament held in Athens, Georgia on May 8-9, 2009. The Hokies made it into the second round of competition before losing to the Georgia Bulldogs. The team finished the season with a 15-8 record and was ranked No. 26 nationally.

In recognition of their dedication and efforts, the University proposes to award bonuses to the men's tennis coaching staff, in accordance with the University's post season play bonus policy.

Jim Thompson	Head Coach	\$2,000
Jimmy Borendame	Associate Head Coach	\$1,000

The recommendation for payment of these bonuses is in accordance with the University's post season play bonus policy, and is consistent with prior practice for awarding bonuses for coaching in this sport. These bonuses are one-time awards and do not affect base salaries. All bonuses are funded from the Athletic Department budget for post-season play.

RECOMMENDATION:

That the 2009 bonus awards for Men's Tennis be approved.

November 9, 2009