

Virginia Tech Board of Visitors Meeting September 10, 2012

Minutes

- A. **Minutes:** Academic Affairs Committee
- B. **Resolution:** Ratify Faculty Handbook Revisions for 2012-2013
- C. **Resolution:** Approval of a New Extended Campus Site in Newport News
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- J. **Resolution:** Authority to Execute Agreements to Loan Funds to VTLLC
- K. **Resolution:** Approval on Capital Lease for the Turner Street Facility
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- S. **Resolution:** Delegate Authority for the Designation of Charitable Gifts and Ratifying Previous Designations of Gifts
- T. **Resolution:** Approval of Revisions to the 2012-18 Six-Year Plan
- U. **Resolution:** Honoring Frederick J. Cobb, Beverley Dalton, Douglas R. Fahl, and Calvin D. Jamison, Sr.
- V. **Presentation:** Long Range Plan
- W. **Resolutions:** Emeritus and Emerita Status (5)
- X. **Resolution:** Endowed Chairs, Professorships, and Fellowships (1)
- Y. **Resolution:** Ratification of the Personnel Changes Report
- Z. **Reports:** Constituent Remarks

MINUTES

September 10, 2012

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, September 10, 2012, at 1:15 p.m. in Torgersen Boardroom, Virginia Tech Campus, Blacksburg, Virginia.

Present

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

Absent

Ms. Michele Duke

Also present were the following: Dr. Charles Steger, Mr. Ralph Byers, Dr. Randy Collins, Ms. Shelia Collins, Ms. Warida Dean, Dr. Karen DePauw, Dr. John Dooley, Dr. Elizabeth Flanagan, Dr. Jack Finney, Chief Wendell Flinchum, Major Kevin Foust, Ms. Natalie Hart, Ms. Kay Heidbreder, Mr. Larry Hincker, Mr. Tim Hodge, Ms. Mildred Johnson, Ms. Sharon Kurek, Dr. Will Lewis, Ms. Heidi McCoy, Dr. Mark McNamee, Dr. Scott Midkiff, Mr. Mike Mulhare, Dr. Jerry Niles, Ms. Kim O'Rourke, Dr. Patty Perillo, Dr. Ellen Plummer, Ms. Donna Cassell Ratcliffe, Mr. Dwight Shelton, Ms. Sandra Smith, Dr. Tom Tillar, Dr. Robert Walters, Dr. Lisa Wilkes, Dr. Sherwood Wilson, Dr. Daniel Wubah, faculty, staff, students, guests, and reporters.

Rector Quillen introduced the new board members and constituent representatives. New board members: Dr. Nancy V. Dye, Mr. William D. Fairchild, Mr. B. Keith Fulton, Mr. Dennis H. Treacy.

Constituent representatives: Dr. Sarah Karpanty-Faculty, Ms. Sue Teel-Staff, Ms. Robyn Jones-Graduate Students, Mr. Nicholas Onopa-Undergraduate Students

Rector Quillen announced Board of Visitors meeting dates for 2013:

March 24-25, 2013

June 2-3, 2013

September 8-9, 2013

November 17-18, 2013

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Rector Quillen asked for a motion to approve the minutes of the June 4, 2012, meeting as distributed. The motion was made by Mr. Rocovich and seconded by Mr. Nolen. The minutes were approved.

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REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

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

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As part of the Academic Affairs Committee report, approval of the following resolution was moved by Ms. Obenshain, seconded by Mr. Rogers, and approved unanimously.

Resolution to Ratify Faculty Handbook Revisions for 2012-2013

That the 2012-2013 edition of the Faculty Handbook be ratified effective August 10, 2012. (Copy filed with the permanent minutes and marked Attachment B.)

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As part of the Academic Affairs Committee report, approval of the following resolution was moved by Ms. Obenshain, seconded by Mr. Rogers, and approved unanimously.

Resolution Approving a New Extended Campus Site in Newport News

That the resolution establishing a new Virginia Tech extended campus site in Newport News be approved. (Copy filed with the permanent minutes and marked Attachment C.)

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

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

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

Resolution Limiting New Construction on Former Quarry Site Northwest of Cowgill Hall

That the resolution restricting new construction to non-residential buildings and ground water withdrawal from the site described be approved. (Copy filed with the permanent minutes and marked Attachment E.)

REPORT OF THE FINANCE AND AUDIT COMMITTEE

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

Ms. Petrine noted that the committee is concerned about the unreliable audit rating given to the Equine Medical Center, but is very supportive of the actions that are being taken to address the issues that were identified.

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

Resolution for Approval of Potential Operating and Capital Budget Initiatives for 2013-2014

That the university administration be authorized to submit these budget initiatives to the Commonwealth for inclusion in the 2013-14 Executive Budget Amendments in accordance with state instructions and consistent with the initiatives contained herein. (Copy filed with the permanent minutes and marked Attachment G.)

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

**Resolution for Approval of the Year-to-Date Financial Performance Report
(July 1, 2011 – June 20, 2012)**

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2011, through June 30, 2012, and the Capital Outlay report be accepted. (Copy filed with the permanent minutes and marked Attachment H.)

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

Resolutions for Approval of 9(d) Debt Financing:

Resolution on Veterinary Medicine Addition 9(d) Financing

That the resolution authorizing the issuance of 9(d) bonds through the Virginia College Building Authority on behalf of the university for the Veterinary Medicine Instruction Addition project be approved.

Resolution on West Side Lane Stadium 9(d) Refinancing

That the resolution authorizing the issuance of 9(d) bonds through the Virginia College Building Authority on behalf of the university to refinance the Athletic Facilities System General Revenue Pledge Bonds, Series 2004D, be approved.

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

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

Resolution Authorizing the Execution of Agreements to Loan Funds to VTT LLC

That the resolution authorizing, at the President's discretion, the negotiation and execution of a line of credit and the related promissory notes and loan agreements for start-up financing from the university to VTT LLC for up to \$4 million from nongeneral fund sources to be repaid by VTT LLC in accordance with terms to be established by the Vice President for Finance and Chief Financial Officer, be approved. (Copy filed with the permanent minutes and marked Attachment J.)

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

Resolution for Approval of Capital Leases for the Turner Street Facility

That the resolution authorizing Virginia Tech to enter into capital leases with the Virginia Tech Foundation for the Turner Street Facility be approved. (Copy filed with the permanent minutes and marked Attachment K.)

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

Resolution for Approval of a Capital Lease for a Propulsion Laboratory for the College of Engineering

That the resolution authorizing Virginia Tech to enter into a capital lease with the Virginia Tech Foundation for a Propulsion Laboratory be approved. (Copy filed with the permanent minutes and marked Attachment L.)

REPORT OF THE RESEARCH COMMITTEE

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

Mr. Nolen commended President Steger, Dr. Bob Walters, and the entire research group for their leadership in increasing annual research expenditures from \$192 million 10 years ago to \$450 million now.

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As part of the Research Committee report, approval of the following resolution was moved by Vice Rector Nolen, seconded by Mr. Rocovich, and approved unanimously.

Resolution for the Approval of Appointments to the Virginia Coal and Energy Research and Development Advisory Board

That A. George Mason, Jr. and Kevin F. Wall be reappointed as members of the Virginia Center for Coal and Energy Research and Development Advisory Board for 2012-2016, that Richard A. Wolfe be reappointed as a member for 2012-2015, and that James Scott Kreutzer and Charles Snively be appointed as new members for 2012-2016. (Copy filed with the permanent minutes and marked Attachment N.)

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As part of the Research Committee report, approval of the following resolution was moved by Vice Rector Nolen, seconded by Mr. Rocovich, and approved unanimously.

Resolution for Exclusion of Certain Officers/Directors

That the resolution for exclusion of certain officers/directors be approved. (Copy of the resolution and attachments filed with the permanent minutes and marked Attachment O.)

Mr. Nolen noted that a presentation was given to the Committee by Dr. Chris Barrett, who was recently named the Scientific Director of the Virginia Bioinformatics Institute. He recognized Dr. Barrett as an outstanding researcher who is highly regarded nationally and internationally.

REPORT OF THE STUDENT AFFAIRS AND ATHLETICS COMMITTEE

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

PRESIDENT'S REPORT

President Steger introduced Dr. Scott Midkiff, who will become the Vice President for Information Technology and Chief Information Officer on October 1, 2012. Dr. Midkiff is currently head of the Bradley Department of Electrical and Computer Engineering, focusing his work in wireless networks, mobile systems, and pervasive computing. He is the author of over 125 refereed journal articles and spent three years as a program director at the National Science Foundation. He is very highly regarded nationally and internationally. President Steger looks forward to working with him on initiatives of critical importance to the university, such as high performance computing, distance learning, etc.

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 Q.)

As part of the President's Report, President Steger called the Board's attention to the **Atlantic Coast Conference Governing Board Annual Certification**, which will be signed by the President and the Rector. (No Board action required.) (Copy filed with the permanent minutes and marked Attachment R.)

**Resolution Delegating Authority for the Designation of Charitable Gifts
and Ratifying Previous Designations of Gifts**

As background, President Steger noted that the university had recently received a bequest for approximately \$600,000 that carried the stipulation that the governing body of the university should determine its use. This resolution to delegate authority to the President of the university is being brought forward to address both this particular bequest as well as others with a similar stipulation that may be received in the future.

As part of the President's report, approval of the following resolution was moved by Mr. Rocovich, seconded by Mr. Holtzman, and approved unanimously.

That the resolution delegating to the President of the university the authority to designate the purpose of charitable gifts carrying instructions from the donor to have the governing board designate the use of the gift, and also ratifying any prior or future actions taken by the President to implement the foregoing resolution, be approved.
(Copy filed with the permanent minutes and marked Attachment S.)

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Resolution for Approval of Revisions to the 2012-18 Six-Year Plan

President Steger called the board's attention to the revised Six-Year Plan, which has been submitted to Richmond and requires ratification by the board. Dwight Shelton gave a presentation on the plan to the board at the information session the previous day. President Steger noted that the plan will undergo several iterations based on how much money the state actually allocates. Mr. Shelton added that this is designed as a planning document and not a commitment.

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

That the Board of Visitors approve the revisions to the 2012-18 Six-year Plan. (Copy filed with the permanent minutes and marked Attachment T.)

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As part of the President's report, approval of the following resolutions as a group was moved by Mr. Rocovich , seconded by Mr. Nolen, and approved unanimously.

Resolution of Appreciation Honoring Frederick J. Cobb

That resolution recognizing Mr. Frederick (Freddy) J. Cobb for his service as a member of the Board of Visitors be approved. (Copy filed with the permanent minutes and marked Attachment U.)

Resolution of Appreciation Honoring Beverley Dalton

That resolution recognizing Ms. Beverley (Bev) Dalton for her service as a member of the Board of Visitors be approved. (Copy filed with the permanent minutes and marked Attachment U.)

Resolution of Appreciation Honoring Douglas R. Fahl

That resolution recognizing Mr. Douglas (Doug) R. Fahl for his service as a member of the Board of Visitors be approved. (Copy filed with the permanent minutes and marked Attachment U.)

Resolution of Appreciation Honoring Calvin D. Jamison, Sr.

That resolution recognizing Dr. Calvin D. Jamison for his service as a member of the Board of Visitors be approved. (Copy filed with the permanent minutes and marked Attachment U.)

President Steger gave a brief presentation on priorities for the coming year. First, he presented the University Issues Agenda, which enumerates those issues that he intends to focus on in the current year that are linked to the long-range plan and to organization and resource development. He called upon Dr. Paul Knox, who served as Executive Director of Long-range Planning to elaborate on those issues that are tied to the long-range plan for 2012-18. Secondly, he presented the 2012-13 Council of Presidents' Agenda, which is the agenda adopted by the presidents of the colleges and universities in Virginia that they will work on collectively. President Steger was elected the president of that group. (Copy filed with the permanent minutes and marked Attachment V.)

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.

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

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

Motion to Return to Open Session

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

Mr. Nolen made the following motion:

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

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

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

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

Upon motion by Mr. Rocovich and second by Ms. Petrine, 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 W.)

Upon motion by Mr. Rocovich and second by Ms. Petrine, unanimous approval was given to the resolution for approval of an **Endowed Professor Fellowship (1)** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment X.)

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

Audit Report

No Action Required

Litigation Report

Not for Approval

Constituent Reports (No action required.)

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

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

The date for the next meeting is November 4-5, 2012, in Blacksburg, Virginia.

The meeting adjourned at 3:10 p.m.

Michael J. Quillen, Rector

Kim O'Rourke, Secretary

Committee Minutes

ACADEMIC AFFAIRS COMMITTEE

**Inn at Virginia Tech and Skelton Conference Center
Drillfield Conference Room**

September 10, 2012

Board Members Present

Chair: Suzanne Obenshain

Committee Members Present: Paul Rogers, Dennis Treacy, Robyn Jones (graduate student representative)

Also in Attendance: Mike Quillen, Rector; Sarah Karpanty (faculty representative);

Guests

Andrea Brunais, Linda Bucy, Kris Bush, Randy Collins, Jennifer Cook, Wanda Hankins Dean, Karen DePauw, Jack Finney, Guru Ghosh, Jennifer Harris, Amy Hogan, Mildred Johnson, Michael Herndon, Larry Hincker, Peggy Layne, Austin Larowe, Don Leo, William Lewis, Perry Martin, Alison Matthiessen, Mark McNamee, Jerome Niles, Ellen Plummer, Karen Eley Sanders, George Simmons, Kimberly Smith, Rick Sparks, Susan Steeves, Charles Steger, Judy Taylor, Jennifer Underwood, Tyler Walters, Tod Whitehurst, Ashley Wood, and Daniel Wubah.

OPEN SESSION

1. Welcome.

Suzanne Obenshain welcomed committee members and guests. Mark McNamee, senior vice president and provost, introduced Dr. Randy Collins who is at Virginia Tech this year from Clemson University as an American Council on Education fellow.

2. Approval of Minutes.

A motion was made and passed unanimously to approve the June 4, 2012 minutes of the committee.

3. Report of Closed Session Action Items.

The committee approved a resolution to move into closed session to consider five emeriti resolutions and one endowed professorship and to ratify the faculty personnel changes report.

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

4. Provost's Update.

Dr. Mark McNamee, senior vice president and provost, provided the committee with an update on a number of academic initiatives.

Dr. Patty Perillo started on August 1, 2012 as vice president for student affairs. She brings a number of years of executive-level experience to her role and the university looks forward to continuing to advance a robust set of programs to support student development and learning.

Searches are underway for the dean of the Pamplin College of Business and will soon be launched for the vice president for outreach and international affairs.

Enrollments. Confirmed enrollments for students include 23,858 undergraduate students (17,625 in-state, and 6,233 out-of-state). The university enrolled 6,808 graduate students, and 420 veterinary medicine students. Total enrollment is 31,086. Over 20,000 prospective undergraduate students applied for admission to Virginia Tech, the university made 14,000 offers of admission (65%) to secure a class of at least 5,237 freshmen.

University Strategic Plan. Colleges and vice presidential units are preparing plans for review and the plans will be integrated into an actionable strategic plan for the next six years. The plans are focused on identifying strategic research, teaching, and outreach priorities. The strategic planning process also includes efforts to identify costs and efficiencies associated with the plan. The university is committed to examining new revenue producing strategies and the strategic repurposing of resources to advance its highest priorities.

In addition to information about the possibilities for students to intern or Cop-op with off-campus corporations and agencies, the committee requested additional information about the university's current offerings and future plans for on-line education.

Deans and Academic Vice Presidents Retreat. The deans and academic vice presidents met prior to the beginning of the academic year to discuss the next steps in developing the university's strategic plan and to identify collaborations and priorities. An overriding theme of the discussion was the reaffirmation and commitment to the university's land-grant mission across the colleges and the many ways in which the colleges and vice presidential areas are committed to outreach, research, and teaching and serving as a model for the land grant institution of the future.

Agenda-setting for the Academic Affairs committee. For several years, the committee has organized its agenda around four areas: academic initiatives and administration, inclusive excellence, global strategies, and faculty affairs. Dr. McNamee invited the committee to review the agenda areas and make suggestions for additional items that might be of interest. The committee annually tracks its

accomplishments in the areas of focus of the academics affairs administration committee. The committee discussed the process by which new degrees are reviewed and approved. The State Council of Higher Education for Virginia (SCHEV) allows nine to 12 months for approval of new degrees. Unlike master's degrees, new doctoral degrees are reviewed externally for final approval after they go to SCHEV.

Jack Finney, associate provost for faculty affairs, reviewed the governance process by which new and revised faculty employment policies are introduced for approval. Policies such as those that appear in the university's faculty handbook are reviewed and vetted through the commissions and approved by University Council prior to being submitted to the president and Board of Visitors for consideration and approval.

5. Faculty Affairs

- a) **Resolution to approve the 2012 Faculty Handbook.** Dr. Jack Finney, associate provost for faculty affairs, reviewed the changes in the 2012 edition of the Faculty Handbook.

A resolution to approve the 2012 Faculty Handbook passed unanimously.

6. Global Strategies

Overview of International Initiatives. Dr. Guru Ghosh, associate vice president for international affairs, provided a presentation to the committee that highlighted the university's international initiatives including education abroad, regional centers in five distinct international locations, special projects, and the increased success of sponsored funding. The committee encouraged additional exploration of partnerships with corporations internationally.

7. Inclusive Excellence

Future Faculty Development Program. Ms. Peggy Layne, director of Advance VT and faculty programs, in the Office of the Provost, reported on the successful efforts of the Future Faculty Development program. To date, 60 prospective faculty members have participated in the program which is designed to enhance the faculty pipeline by intentionally reaching out to promising graduate students who have the potential to contribute successfully to the university as faculty members. Twenty departments have hosted program participants that have included 31 individuals from outside the university.

8. Academic Affairs

- a) **Resolution to Approve the Newport News Site.** Dr. Jerry Niles, interim vice president for outreach and international affairs, presented for consideration a resolution to approve a new instructional location in Newport News. This site will

be shared with the University of Virginia and seeks to expand enrollment in existing continued and professional educational programs through this cooperative partnership.

The resolution to approve the Extended Campus Site in Newport News passed unanimously.

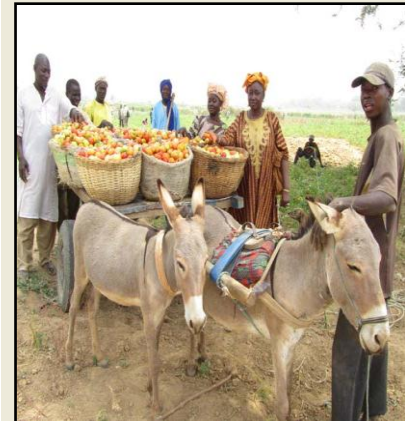
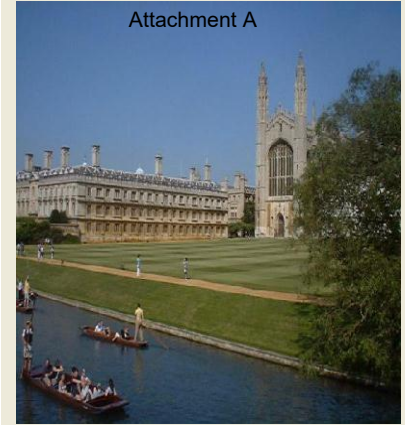
- b) University Libraries.** Mr. Tyler Walters, dean of the university libraries, provided an overview of the distinctive collections and services provided by the university libraries. The libraries serve a crucial role in advancing the missions of the university through partnerships and by providing key services that include study spaces, cataloging, reference, instruction, and collection development. The usage of the library has increased and the libraries are actively engaged in teaching students and researchers on how to make the best use of the information resources available through the libraries.
- c) Summer Academy.** Ms. Wanda Dean, assistant vice president for enrollment and degree management, presented a report outlining the achievements of the inaugural year of the Summer Academy. The Summer Academy admitted 126 students prior to the start of the traditional academic year and provided them with an opportunity to get a start on their classes while receiving intensive student support and advising. Over the course of the six-week Academy students received advising, orientation, peer mentoring, and attended the popular Hokie Camp with incoming freshmen students. Eighty of the student participants completed the program with a GPA of 3.0 or higher.

VIRGINIA TECH—ON BECOMING GLOBAL



Dr. Guru Ghosh
Associate Vice-President for International Affairs

Attachment A



International Affairs: Who We Are



Research Programs



Education Abroad



International Support Services



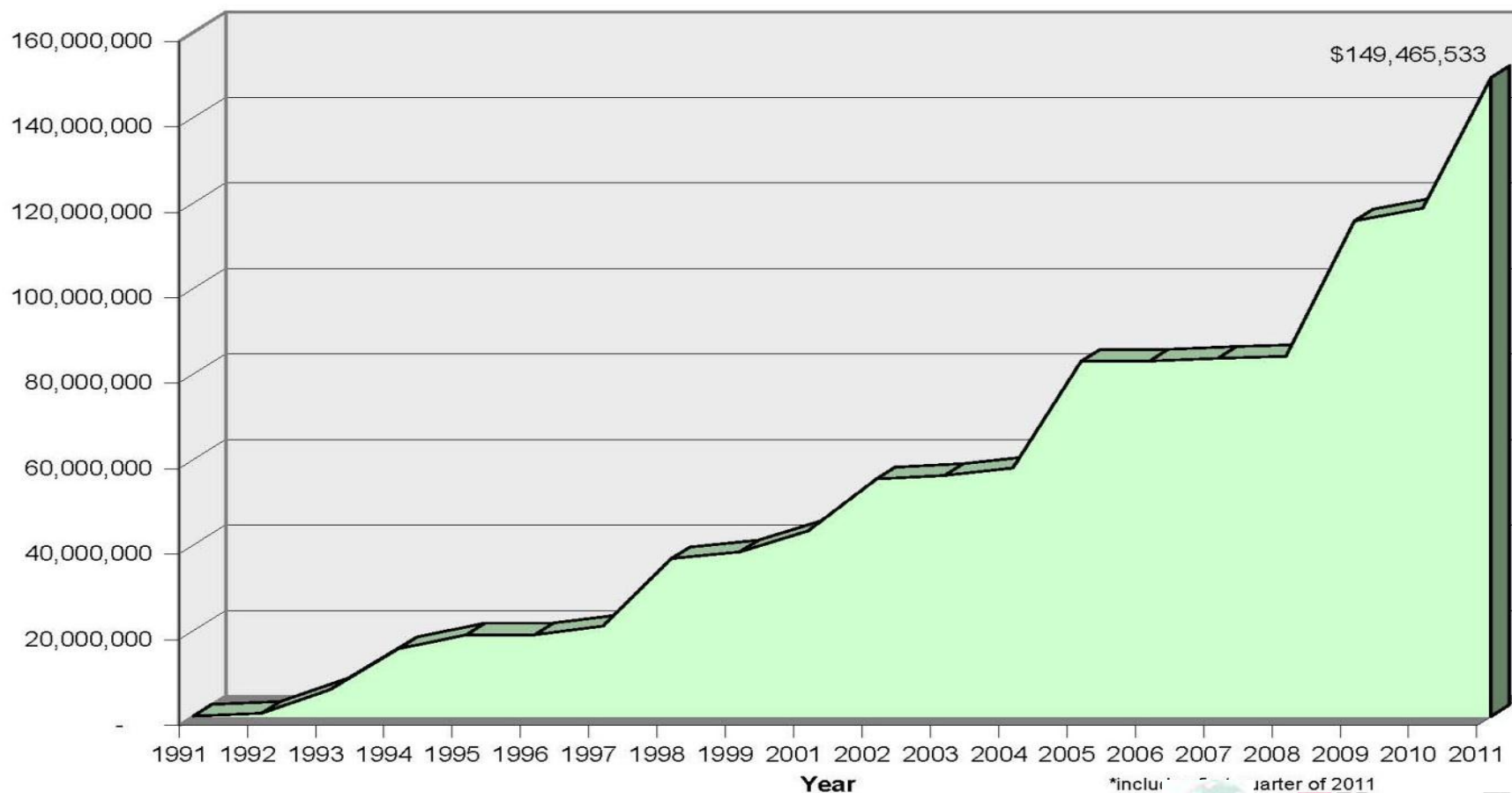
Special Projects



Regional Centers

INTERNATIONAL RESEARCH PORTFOLIO

**Sponsored Funding Garnered by OIRED
1991 - 2011***



Since 1991: \$150 million

*includes funding received in the first quarter of 2011



VirginiaTech
Invent the Future

EDUCATION ABROAD

- 1200+ students study abroad every year
- Students from all 8 colleges study abroad
- Virginia Tech students study in more than 135 countries
- Strategic global partnerships with more than 80 universities
- Virginia Tech provides scholarships and financial aid that are portable
- Goal is to double education abroad enrollment over the next 6 years



CARIBBEAN CENTER FOR EDUCATION AND RESEARCH

Attachment A

- Faculty in Punta Cana, Dominican Republic, conduct research and teach students about:
 - biodiversity
 - environmental and social sustainability
 - global issues in natural resources
 - hotel and tourism management



CENTER FOR EUROPEAN STUDIES AND ARCHITECTURE (CESA)

Attachment A

- Since opening in 1994 in Riva San Vitale, Switzerland, CESA has been a crucial hub for the university's academic enterprises in Europe.
- Undergoing expansion in 2012-13.



VIRGINIA TECH—VALDIVIA, CHILE

Collaboration Objectives:

- Top undergraduates from Universidad Austral de Chile will come to Virginia Tech for graduate study
- Faculty from Universidad Austral de Chile will attend Virginia Tech to complete advanced degrees (PhDs)
- Research collaborations in Veterinary Medicine
- Virginia Tech will offer intensive English courses for Universidad Austral de Chile students
- Virginia Tech students to study abroad in Chile



VIRGINIA TECH—MIDDLE EAST NORTH AFRICA (VT-MENA)

- Launched in 2008 at Alexandria University in Egypt
- A partnership with the Arab Academy of Science and Technology and Egypt's Ministry of Higher Education
- The Virginia Tech Middle East and North Africa Graduate Program offers courses leading to master's and doctoral degrees in:
 - Electrical and Computer Engineering
 - Computer science



VIRGINIA TECH—MARG SWARNABHOOMI, INDIA

Attachment A

Establishment of:

- The Institute for Critical Technology and Applied Science (ICTAS), India
- The Virginia Bioinformatics Institute (VBI), India
- The Virginia Tech Transportation Institute (VTTI), India
- Graduate education in Science, Technology, Engineering, and Mathematics (STEM) fields



SPECIAL PROJECTS — SENEGAL

Education and Research in Agriculture (ERA)

Virginia Tech is leading a venture to improve the system of agricultural education at the college level in Senegal.

- 5-year, \$28 million program
- Funded by the US Agency for International Development (US-AID), part of the Feed the Future initiative
- Goal: restructure the agriculture curricula at Senegalese universities, making it more relevant to today's needs
- Partners 4 American universities with Senegalese agriculture institutions



SPECIAL PROJECTS — SOUTH SUDAN

Virginia Tech is leading a venture to revamp agricultural education in South Sudan, working with the University of Juba, the Catholic University of Sudan, and Virginia State University.

Higher Education for Development is funding the \$9.47 million program, which began in 2011 and is scheduled to run for 5 years.



TAKING VIRGINIA TECH TO THE WORLD



Bangladesh
Bolivia
Cambodia
Ecuador
Ethiopia
Ghana
Guatemala
Haiti
Honduras
India
Indonesia
Kenya
Lesotho
Mali
Mozambique
Nepal
Philippines
Senegal
South Sudan
Tajikistan
Tanzania
Uganda

Future Faculty Development Program

Virginia Tech Board of Visitors
September 10, 2012

Background

- **Recommendation of 2007 Task Force on Race and the Institution**
- **Based on successful initiatives at Rochester Institute of Technology (RIT) and North Carolina State University (NCSU)**
- **Builds on similar program in summer 2006 hosted by *AdvanceVT***

Purpose

- **Enhance faculty pipeline**
- **Identify outstanding prospects early**
- **Focus on increasing diversity and inclusive excellence**
- **Give good impression of Virginia Tech**



Application Process

- **Departments nominate participants**
- **Participants may also apply directly**
- **All applicants screened by faculty committee**
- **Department must agree to host participant**
- **12 participants per year**



Selection Criteria

- **Graduate student or post-doctoral scholar within one or two years of seeking a faculty position at a research intensive institution,**
- **Demonstrate career goals, research interests, and academic potential that align with Virginia Tech's mission and programs, and**
- **Able to meaningfully contribute to the university's continuing commitment to diversity and inclusive excellence.**

Program

- **Advancing Diversity conference keynote**
- **Dinner with deans**
- **Half day with host department**
- **Seminars on success in academic careers**



Seminar Topics



- **Changing roles and responsibilities of faculty members**
- **Higher Education 101**
- **Academic job searches**
- **Getting off to a good start in a faculty career**
- **Work/life balance for faculty**

Participation

- Offered annually since 2010
- 60 participants to date
 - 31 from outside Virginia Tech
 - 29 Virginia Tech students/post-docs
- 20 host departments
- 7 colleges



Feedback from participants

- **“I think the panels were a highlight, and the opportunities to interact with and learn from the experiences of the other doctoral students and post-docs.”**
- **“The best part of the program was getting to meet with my department. It gave me the opportunity to have a simulated job interview without the stress of preparing to give a workshop.”**



Outcomes to Date

- **Three individuals who have participated in the program joined Virginia Tech this fall:**
 - **Lissett Bickford, Assistant Professor, Biomedical Engineering**
 - **Catherine Ulrich, Assistant Professor, School of Education**
 - **Travis Williams, Pre-doctoral Fellow, Science and Technology in Society**

What's on the Horizon for University Libraries

*Tyler Walters, Dean
University Libraries
Virginia Tech Board of Visitors
September 10, 2012*

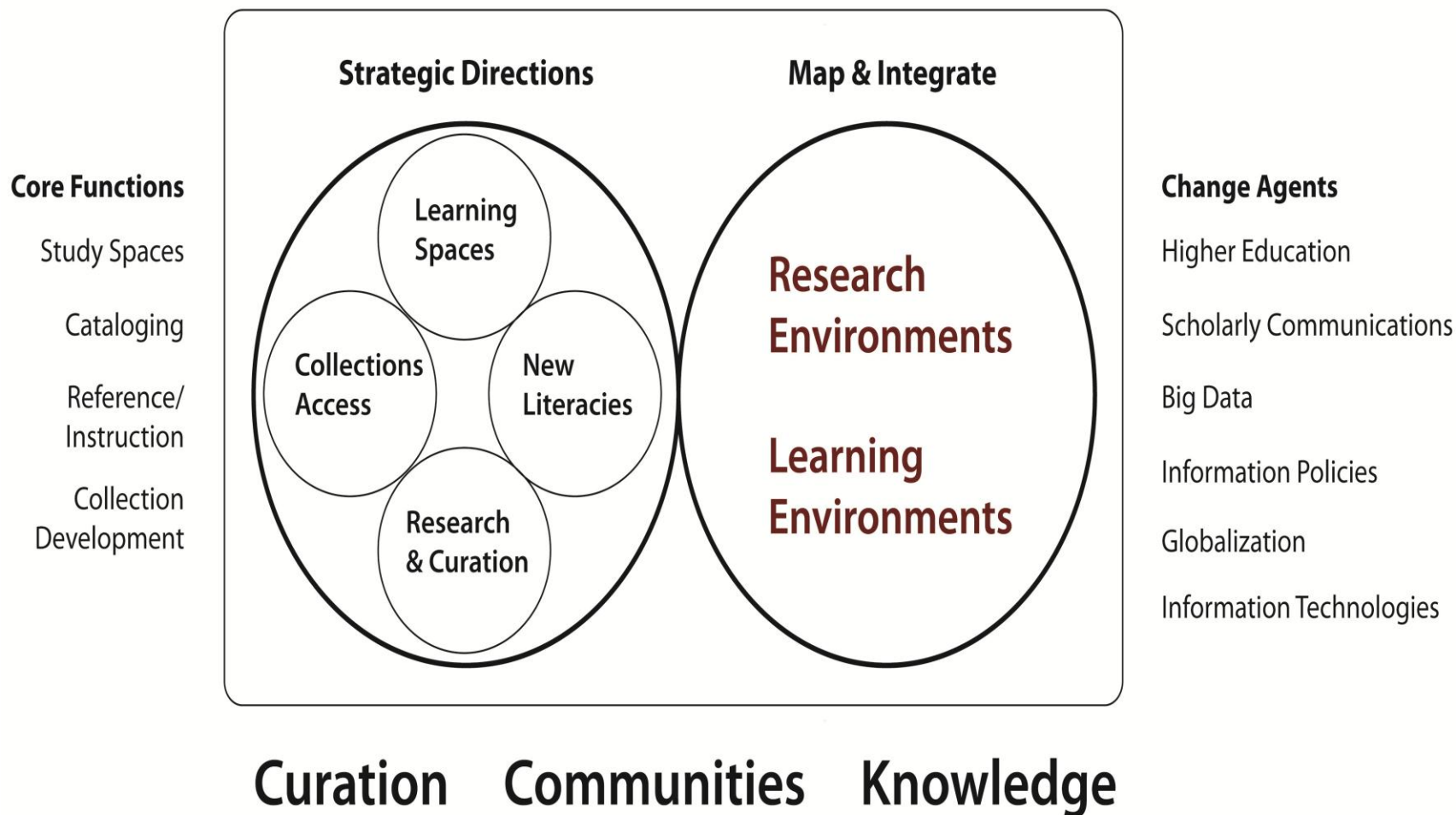
More Creative
More Competitive
More Innovative
More Collaborative
More Knowledgeable



Statistics & Distinctions

- 3.9M database searches
 - 1.8M full text articles downloaded
 - 18,969 questions answered
 - 475 classes taught
 - 1,027,503 annual visitors (150% increase from 2008)
 - 14M digital collection hits
 - Digital Library is ranked 5th among International Repositories
 - Special Collections' areas of focus: Culinary History, American Civil War, Appalachian History, Speculative Fiction, Railroad History, Aerospace Exploration, and Women in Architecture
-
- Library Faculty 43
 - Library Staff 77
 - Student Assistants 130
 - Graduate Assistants 3

Tradition & Transformation

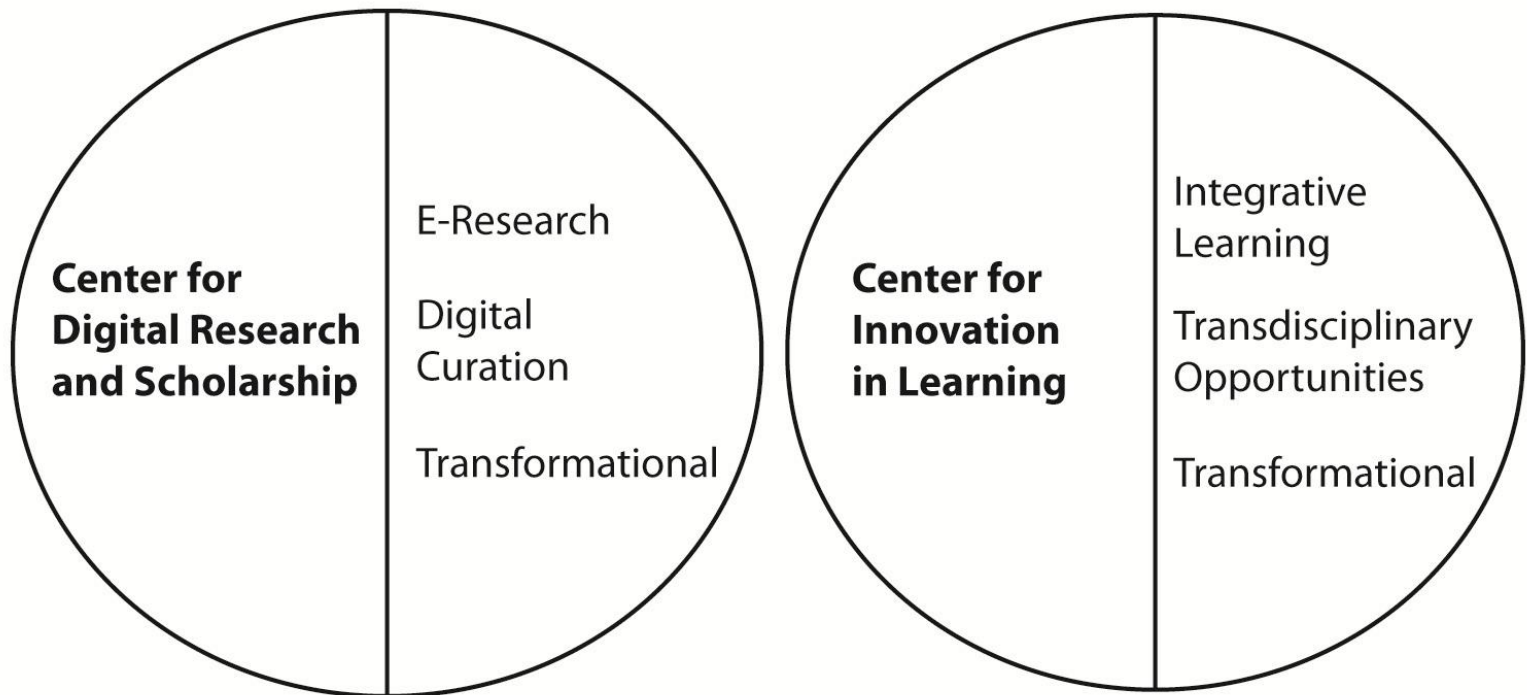


New Roles

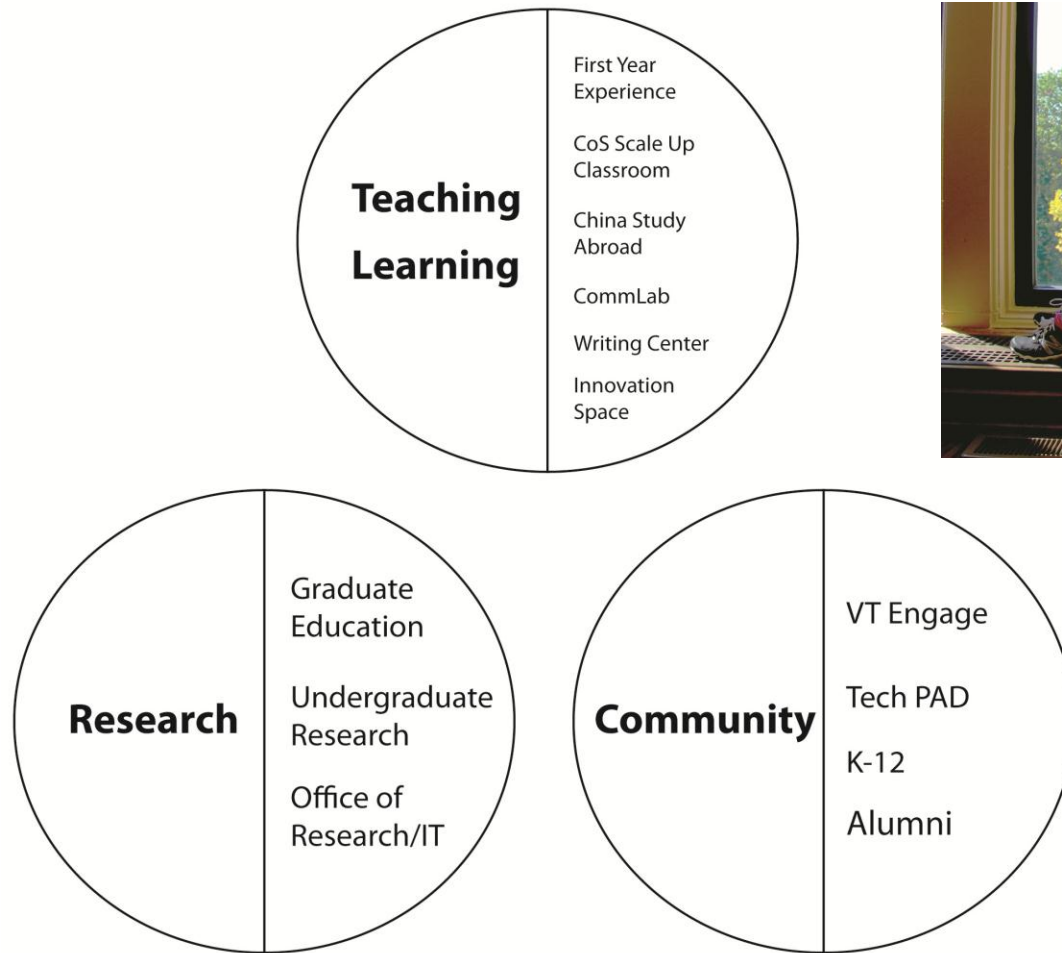
- Digital Publishing
- Research Data Management & Consulting
- Metadata Services
- Collections Analysis
- Virtual Community Support & Development
- Learning Space Design & Programming
- New Literacies / New Pedagogies



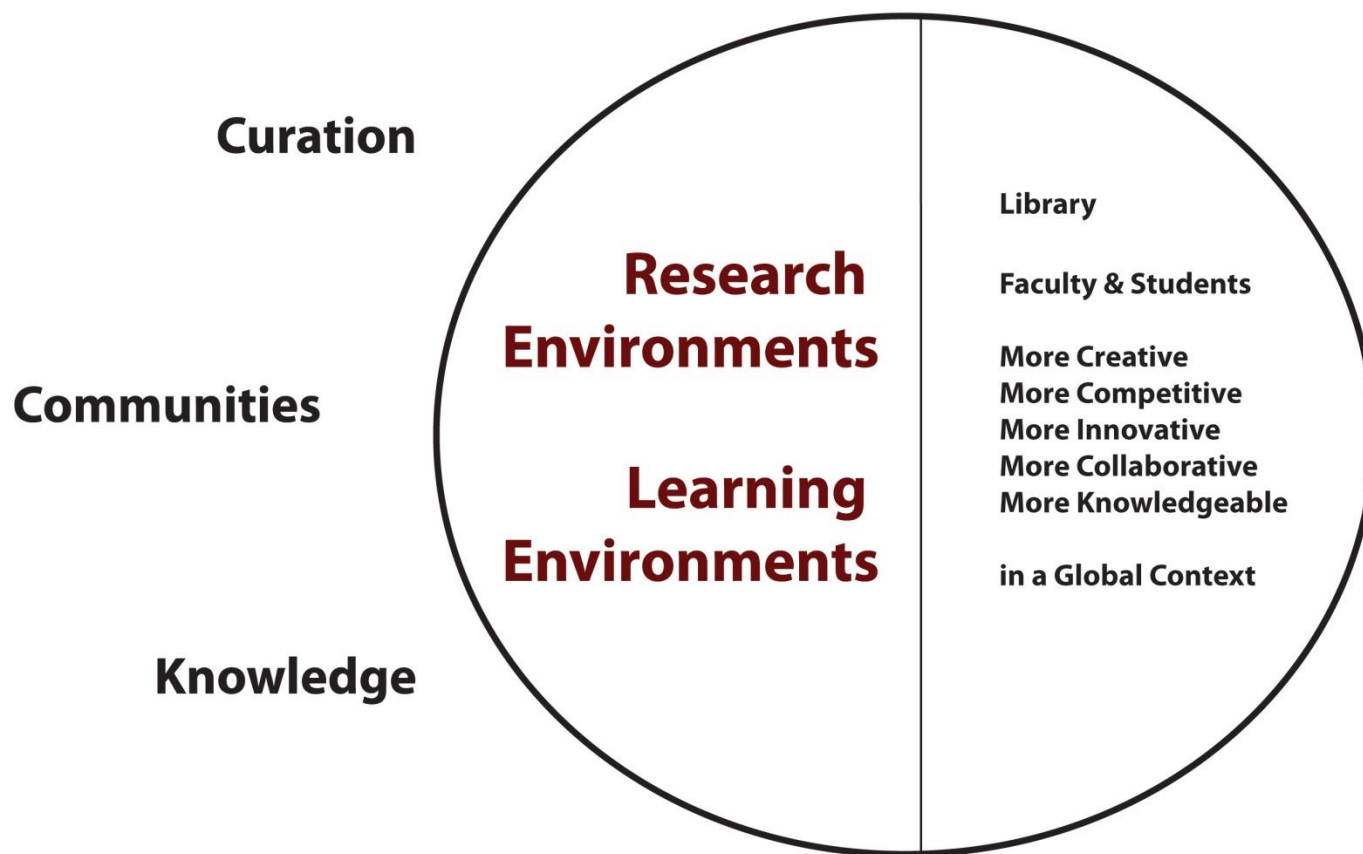
The Two Centers



Leadership & Partnership



Impact & Outcomes



Thank You

Join us!
Questions?

tyler.walters@vt.edu

(540) 231-5595



Virginia Tech Summer Academy

Virginia Tech
Board of Visitors

September 10, 2012

 **Kimberly S. Brown**
Director, Undergraduate Advising

 **Wanda Hankins Dean**
*Assistant Vice President for Enrollment &
Degree Management*

 **Jennifer T. Harris**
Public Relations, Undergraduate Admissions

 **Michael K. Herndon**
Director, University Summer Sessions

 **Mildred R. Johnson**
Director, Undergraduate Admissions

 **Karen Eley Sanders**
Associate Vice President for Student Success

 **Rick A. Sparks**
Director of New Student Programs





Faculty Collaboration



The History of the American Political Machine

An understanding of the historical and political landscapes of the United States is essential for responsible and informed citizenship. This track develops a rich background for students' future participation in American political culture.*

HIST 1115: U. S. History (Area 3), 3 credits

PSCI 1014: Introduction to U.S. Government and Politics (Area 3), 3 credits

**Open to all first year students*



Life Sciences

In this combination of courses, students will critically explore issues related to the scientific study of living organisms, such as plants, animals and human beings. The role of bioethics and technology will also be considered.

*BIOL 1106: Principles of Biology (Area 4), 3 credits
(Duplicates BIOL 1006)*

BIOL 1116: Principles of Biology Lab (Area 4), 1 credit

ENGL 1106: First Year Writing (Area 1), 3 credits

This track is recommended for students majoring in the life sciences such as Agriculture, Biology, Environmental Science, and Food Science. Participants will be exposed to practitioners in the health professions.

Physical Resources



Benefits

**Small Class
Settings**



**Academic
Support**



**Early
Move-In**



A large orange arrow pointing upwards, indicating a flow from the image to the benefit text.
**Faculty
Collaboration**

A large orange arrow pointing upwards, indicating a flow from the image to the benefit text.
**Student Life
Experiences**

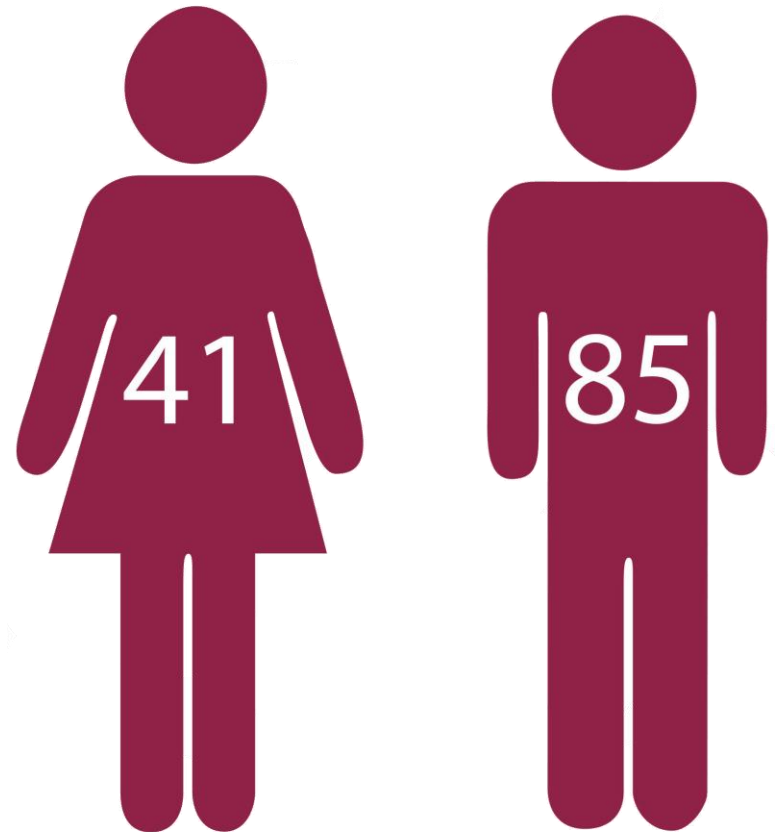
126 = Total Participants

9% = First Generation

13% = Corps of Cadets

65% = In State

35% = Out of State



Student Success

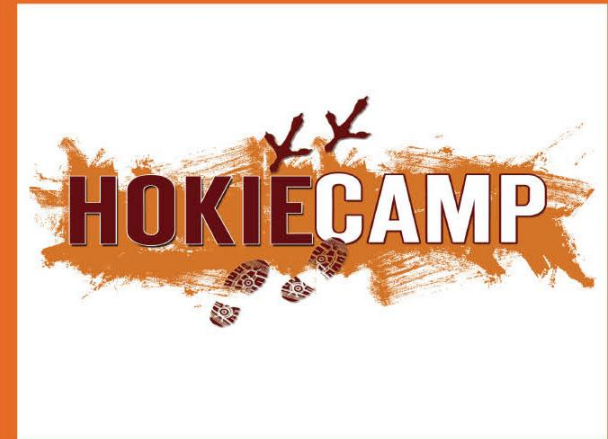


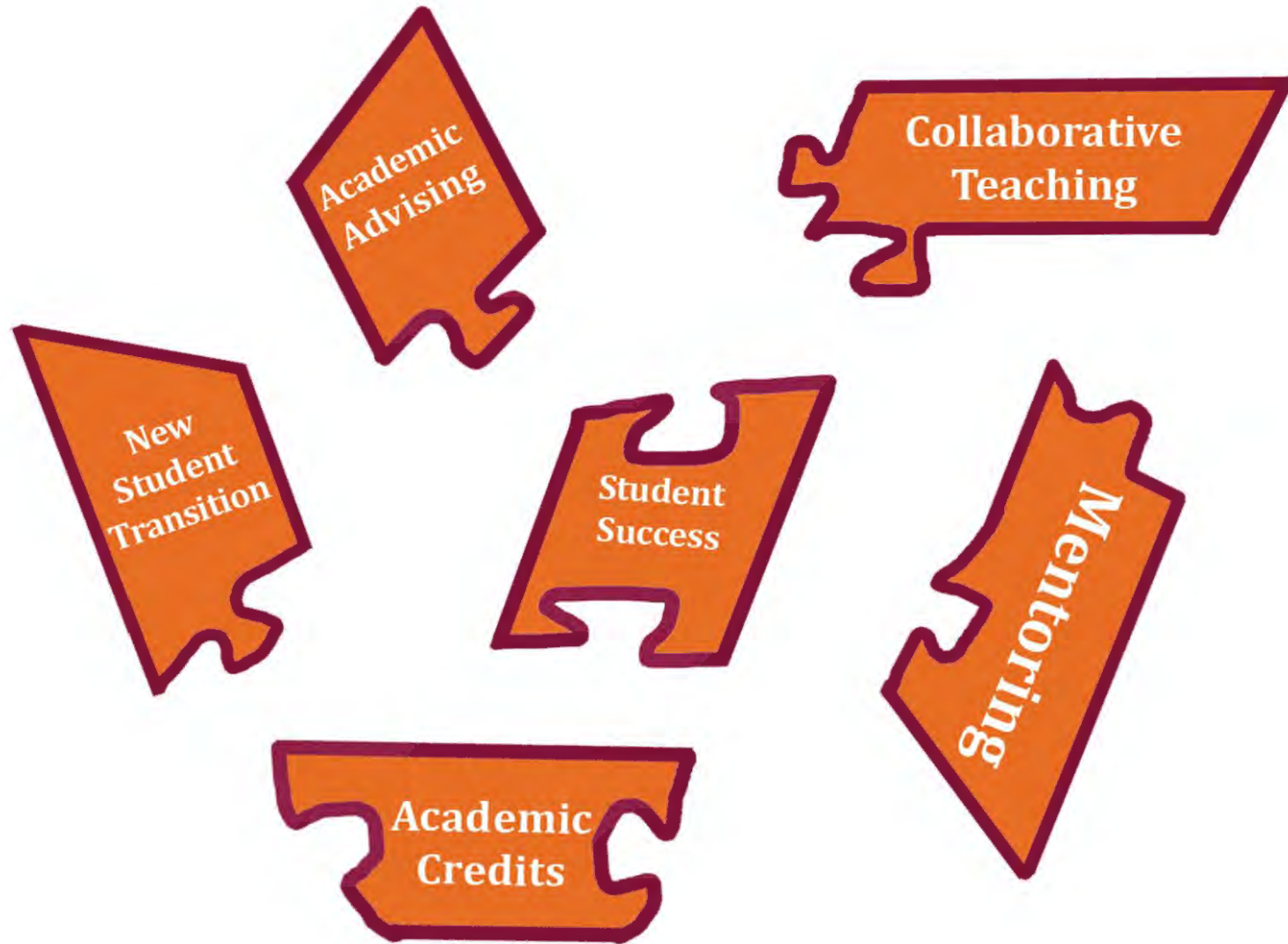
Academic Advising



New Student Transition

- **Orientation**
- **Hokie Camp**
- **Peer Mentors**
 - Residential-based mentoring
 - Partnership with faculty
 - Co-curriculum programming





Straight from the Hokie's mouth...

"Everything I experienced in summer academy, I never experienced at home. My mom is handicapped and money is tight. [...] I'm the first one in my family to go to college. [...] I could not imagine starting my fall semester without doing summer [academy]. I would have been defeated from the get-go but I had the time and space to get acclimated."

Ashley, Class of 2016
Animal & Poultry Sciences

"As a parent, I think the workshops, small classes, and expanded orientation have definitely given him a jump start on his freshman year. Between his AP classes and the Summer Academy, he is starting the fall semester with 21 credit hours. This gives him great flexibility over the course of his four years to explore a minor, graduate early, or just take some fun classes."

Captain Kelly, Parent



Successes & Challenges

- 
- A group of five students and a mascot are gathered around a campfire at night. The mascot, a large orange bird-like creature, is holding a marshmallow over the fire. The students are smiling and looking at the fire. The background is dark with some trees visible.
- **Implementation Timeline**
 - **Curricula Choices**
 - **Institutional Barriers**
 - **Academic Success**
 - **Academic Support Rewards & Results**
 - **New Student Transition Success**

Getting the word out...

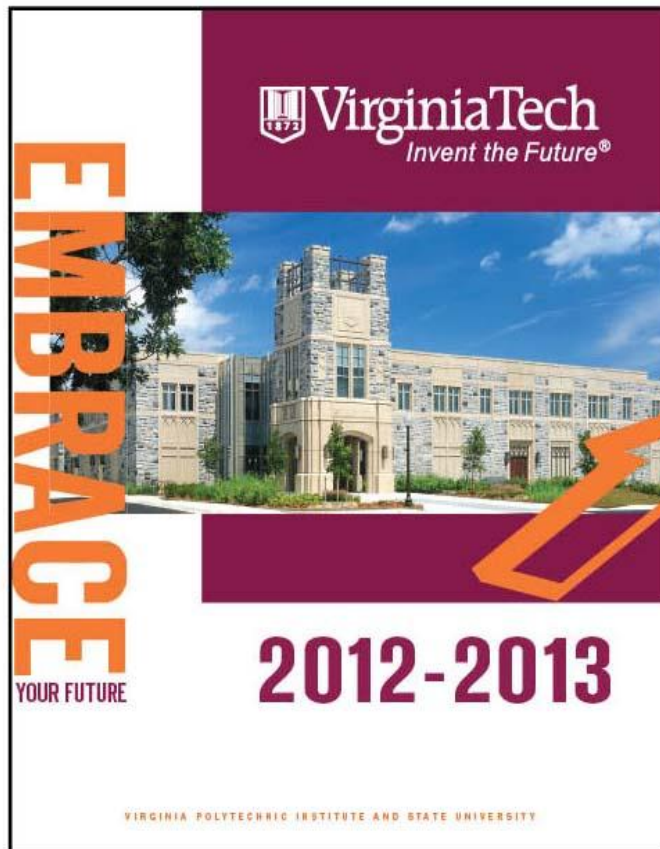
Undergraduate Admissions Prezi



Virginia Tech
Summer
Academy

Getting the word out...

Undergraduate Admissions Contact Piece



VIRGINIA TECH SUMMER ACADEMY

Michael Herndon ♦ 540-231-8192 ♦ email: info@www.summer.vt.edu ♦ web: www.summer.vt.edu/VTSA

Virginia Tech Summer Academy (VTSA) is an opportunity designed to ease your transition from high school to the university environment. You will take required courses, make new friends, and find your way around campus without the flurry and crowds of a fall semester start-up. Benefits of VTSA include: move into your residence hall early; accelerate your college graduation plans; small classes; New Student Orientation; Hokie Camp; Study Skills Workshop; library resources and much more!



Getting the word out...



Undergraduate Admissions Application

Would you be interested in getting an early start fulfilling graduation requirements for Virginia Tech? If offered admission, a select number of entering Virginia Tech students will have the opportunity to take part in Virginia Tech's Summer Academy beginning their studies in Summer II (July 2013).

If you would be interested in receiving more information regarding this opportunity, please check the box below.

☐ **Yes, please send me emailed information about Virginia Tech's Summer Academy.**

Freshman Application

Office of Undergraduate Admissions
965 Prices Fork Road
Blacksburg, Virginia 24061

Looking Forward: Summer 2013

- New Cohort
- Expanded Curriculum
- Transfer Summer Academy Initiative
- Transfer Conditional Admission



2012 Virginia Tech Summer Academy



Virginia Tech
Summer Academy

2012 Virginia Tech Summer Academy



Let the fun begin for 2013 ...

RESOLUTION TO RATIFY FACULTY HANDBOOK REVISIONS FOR 2012-2013

WHEREAS, the oversight of policies governing all types of faculty at the university is the responsibility of the board of visitors; and

WHEREAS, each year the board approves a number of policies, many of which result in changes to the Faculty Handbook; and

WHEREAS, the Faculty Handbook documents personnel policies relating to faculty of the university and is frequently cited; and

WHEREAS, the Faculty Handbook is annually revised to incorporate new or amended policies, editorial updates, and to correct errors; and

WHEREAS, to ensure that the handbook reflects the policies passed by the board and that editorial changes are appropriate and accurate, the board annually reviews and ratifies the revised edition of the Faculty Handbook;

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors of Virginia Polytechnic Institute and State University hereby affirms the August 10, 2012 version of the Faculty Handbook, which incorporates the revisions summarized in the attachment.

RECOMMENDATION:

That the 2012 – 2013 edition of the Faculty Handbook be ratified by the Board of Visitors effective August 10, 2012.

September 10, 2012

OVERVIEW OF SIGNIFICANT REVISIONS AUGUST 10, 2012 EDITION OF THE FACULTY HANDBOOK

Chapter One: Mission and Governance of the University

Section 1.6.3 Dean of University Libraries

Language was added to this section to make clear that the review process for the Dean of the University Libraries is the same as the review process for the college deans.

Chapter Two: Employment Policies and Procedures for All Faculty

Section 2.5.7 Criminal Background and Driving Record Checks

The section was edited to reflect the revised name of university policy 4060 “Conviction and Driving Record Investigation”, and to clearly indicate that employment is contingent upon the completion of the conviction checks process. (BOV March, 2012)

Section 2.5.9 Faculty Credentialing Guidelines

The section was edited for clarification and to include language that indicates that credentials must be submitted to the Office of Institutional Research and Effectiveness rather than Human Resources.

Section 2.7.4 Campus and Workplace Violence Prevention

Amended the language to read correctly as the university’s “Weapons on Campus Regulation”. (BOV March, 2012)

Sections 2.14 – 2.16.2 reflect University Policy 13010 “Individual Conflicts of Interest and Commitment” (BOV June, 2012)

Section 2.14	Consulting and Outside Employment
Section 2.14.1	Consulting Activities
Section 2.14.2	Technical Assistance Program
Section 2.14.3	Outside Employment and External Activities Other Than Consulting
Section 2.15	Conflicts of Interest and Commitment
Section 2.15.1	Faculty Commitment to the University
Section 2.15.2	Statement of Principles
Section 2.15.3	Procedures to Monitor and Approve Involvement in External Activities
Section 2.15.4	Compliance with the Virginia Conflict of Interests Act
Section 2.15.5	Compliance with Federal Conflict of Interests Guidelines
Section 2.15.6	Definitions

Section 2.15.7	Disclosure of External Activities and Potential Conflict of Interest and/or Commitment
Section 2.15.8	Appeal Process
Section 2.15.9	Compliance
Section 2.16	Overload Payments for Credit or Non-Credit Instruction
Section 2.16.1	Participation in and Compensation for Non-Credit Continuing and Professional Education Activities
Section 2.16.2	Participation in and Compensation for Credit Continuing and Professional Education Activities

Chapter Three: Employment Policies and Procedures for Tenured and Tenure-Track Faculty

Section 3.4.4 Evaluation Procedures for Promotion and Tenure

Section reflects revisions to university policy 13010 “Individual Conflicts of Interest and Commitment” (BOV June, 2012)

Chapter Four: Employment Policies and Procedures for Faculty with Continued Appointment or on the Continued-Appointment Track

Section 4.3.1 Extra-Collegiate Instructor

This section was edited to include that a master’s degree or significant professional experience is the minimum expectation for appointment to the rank of extra-collegiate instructor. (BOV March, 2012)

Section 4.3.2 Assistant Professor

Section was edited to include language “the rank of assistant professor is the usual rank of initial appointment for faculty on the continued appointment track.” (BOV March, 2012)

Section 4.5.4 Evaluation Procedures for Promotion and Continued Appointment

Section reflects revision to university policy 13010 “Individual Conflicts of Interest and Commitment” (BOV June, 2012)

Chapter Five: Employment Policies and Procedures for Non-Tenure-Track Instructional Faculty

Section 5.2.4 Promotion Guidelines for Non-Tenure-Track Faculty Appointments

Section reflects revision to university policy 13010 “Individual Conflicts of Interest and Commitment” (BOV June, 2012)

Chapter Six: Employment Policies and Procedures for Special Research Faculty

Section 6.2 Special Research Faculty Appointments

Section reflects revision to university policy 13010 “Individual Conflicts of Interest and Commitment” (BOV June, 2012)

Section 6.9.3 Regular Appointments

Edits to this section reflect changes in university policy 3020 “Centers and University Institutes: Financial and Administrative Policy and Procedures” (Administrative approval August, 2011), and university policy 13005 “Centers and University Institutes: Establishment, Governance, and Programmatic Oversight” (Administrative approval May, 2011).

Chapter Seven: Employment Policies and Procedures for Administrative and Professional Faculty

Section 7.1.1 Standard Faculty Rank

Section reflects revision to university policy 13010 “Individual Conflicts of Interest and Commitment” (BOV June, 2012).

Section 7.7 Grievance Policy and procedures for Administrative and Professional Faculty

Section was edited to clarify grievance procedure language approved by the Commission on Professional and Faculty Affairs (CAPFA) in May, 2012.

Section 7.7.2 The Formal Grievance Procedure

Section was edited to clarify grievance procedure language approved by the Commission on Professional and Faculty Affairs (CAPFA) in May, 2012.

Section 7.7.6 Overview of the Formal Grievance Process for Administrative and Professional Faculty

Section was edited to clarify grievance procedure language approved by the Commission on Professional and Faculty Affairs (CAPFA) in May, 2012.

Chapter Eight: Employment Policies and Procedures for Graduate Assistants

No Changes

Chapter Nine: Instruction-Related Policies

Section 9.4 Textbooks and Other Instructional Materials

Edited to reflect language in the Higher Education Authorization Act, Public Law 110-315 (HEOA 2008); and language in university policy 13010 “Individual Conflicts of Interest and Commitment” (BOV June, 2012).

Chapter Ten: Research, Creative, and Scholarly Activities

Section 10.1.4 Preparation of Proposals for Sponsored Projects

Edited to reflect administrative changes in the Office of the Vice President for Research.

Section 10.1.10 International Travel Supplemental Grants Program

Edited to reflect administrative changes in the Office of the Vice President for Research.

Chapter Eleven: Faculty Benefits Program

Section 11.1.2 Long-Term Disability Insurance

Section edited to reflect changes in premium paid by employees (.26% of salary) effective July 1, 2012.

Section 11.1.3.1 Virginia Retirement System

Section edited to reflect changes in state retirement system formula effective July 1, 2012.

Section 11.1.4 Short-Term Disability Income Protection

Section edited to reflect the inclusion of restricted faculty members in a new short term disability program effective July 1, 2012.

Chapter Twelve: Additional Information

Section 12.1 Emergency Information

Revised flyer from the Office of Emergency Management.

Resolution Approving a New Extended Campus Site in Newport News

WHEREAS, Virginia Tech has campus locations throughout the Commonwealth and internationally; and

WHEREAS, the Virginia Tech Hampton Roads Center currently provides specialized non-credit education to many professionals, and credit-bearing graduate programs in Engineering, Information Technology, Educational Leadership and Policy Studies, Preparation for School Principals and Supervisors, Instructional Technology, and Career and Technical Education and Licensure to Virginia residents in the broader Southeastern Virginia region; and

WHEREAS, an additional instructional site located in Newport News overseen by existing program directors from the Hampton Roads Center can improve access to instructional programs for people north of the tunnel; and

WHEREAS, primary programming from this new location will include customized contract training courses for business, military, and defense contractors, professional development, meeting planning and conference management; and

WHEREAS, the new center will also serve as a venue for the delivery of graduate programs; and

WHEREAS, modeled after the Virginia Tech Richmond Center, Virginia Tech will share the new site with the University of Virginia; and

WHEREAS, Virginia Tech will expand enrollment in existing non-credit and credit-bearing instructional programs through this cooperative partnership;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approves the establishment of a new Virginia Tech extended campus site in Newport News.

RECOMMENDATION:

That the above resolution establishing a new Virginia Tech extended campus site in Newport News be approved.

September 10, 2012

Committee Minutes

BUILDINGS AND GROUNDS COMMITTEE

**Tour from The Inn at 7:30 am
Solitude Room, The Inn at Virginia Tech**

September 10, 2012

Board Members Present: Mr. John Rocovich, Mr. William Fairchild, Mr. William Holtzman

VPI&SU Staff: Dr. Charles W. Steger, Mr. Kevin Bishop, Mr. Bob Broyden. Ms. Vickie Chiocca, Dr. Elizabeth Flanagan, Dr. Lance Franklin, Mr. Mark Gess, Ms. Kimberly Haines, Mr. Larry Hincker, Mr. Rick Hinson, Ms. Leigh LaClair, Ms. Heidi McCoy, Mr. Michael Mulhare, Ms. Kayla Smith, Mr. Ken Smith, Mr. Jason Soileau, Dr. Lisa Wilkes, Dr. Sherwood Wilson

Guests: Ms. Rebekah Paulson

Open Session

- 1. Breakfast at Turner Place and Tour of Lavery Hall:** The Committee had breakfast at Turner Place, Lavery Hall, toured and received an update on Lavery Hall, the new Academic and Student Affairs building.
- 2. Opening Remarks and Approval of Minutes of June 4, 2012 Meeting:** The minutes of the June 4, 2012 meeting were approved.
- * 3. Resolution Limiting New Construction on Former Quarry Site Northwest of Cowgill Hall:** Virginia Tech entered into a Consent Order agreement with the United States Environmental Protection Agency (EPA), Region III, agreeing to perform work identified in a Consent Order, associated with waste management units and suspected environmental conditions previously identified by EPA at the main campus of Virginia Tech. Virginia Tech has corrected and resolved 29 issues and areas of concern identified in the Consent Order; however, two issues remain and one is related to groundwater near Cowgill Hall. Recent evaluations have demonstrated that groundwater under the Cowgill site is contaminated. Although the contamination source is ubiquitous, non-determinant, and it is not at the highest risk level, the EPA would like a covenant from the university stating that future development of the area will not include residential housing or the use of groundwater. The Committee confirmed that the restrictions for future construction do not include academic buildings and only apply to residential construction. The Committee recommended full board approval of a resolution restricting new construction to non-residential buildings and ground water withdrawal from the former quarry site that is located along Perry Street, northwest of Cowgill Hall.

4. **2012 Sustainability Annual Report:** The Committee reviewed the 2012 Annual Report on Campus Sustainability. Ms. LaClair summarized highlights from the report for these key sustainability metrics: Greenhouse Gas Emissions, Energy Use Intensity, Alternative Transportation Use, Recycling, Student Intern Project Teams, and Water Consumption. Other 2012 sustainability highlights included: the achievement of Silver rating from AASHE "Sustainability Tracking Assessment & Rating System," support for the Climate Action Commitment in the June 2012 strategic plan, ICTAS II received LEED Gold Certification, Virginia Tech's first major solar photovoltaic system, several nationally recognized programs, such as RecycleMania, Eco-Olympics and the student initiated, Green RFP program. A member asked about buses fueled with natural gas. Dr. Wilson stated that a report will be presented at the next meeting regarding bus transportation and alternative fuel use.
5. **Capital Project Status Report:** The Committee received an update on the status of capital projects including the Agriculture Program Relocation, Signature Engineering Building, Center for the Arts, and the Southwest Chiller Plant. Dr. Wilson gave a brief overview on the Agriculture Program Relocation, the airport runway extension, and the new 460 interchange projects.
6. The Committee received an update on the Indoor Athletics Practice Facility recommendations and the Multi-Modal Transit Facility location. Dr. Wilson reported that his recommendation to Dr. Steger was not to locate the Practice Facility in the originally proposed location directly behind the football practice facility. The university's new Assistant Vice President for Planning, Jason Soileau, will work with Athletics to evaluate the options presented by the Committee, as well as any other potential sites that may be appropriate. The planning staff will take into consideration the tennis courts and roller hockey rink as they conduct their evaluation, and will also work with the Finance staff as appropriate to address concerns related to the additional costs that may be realized to relocate the facility in an alternate location. Additionally, Dr. Wilson advised that he did not recommend designating university property as an old growth reserve or place land in a conservation easement. While this might be the prudent action to take today, these designations are permanent and we do not want to restrict the ability of future leaders to manage the physical campus 100 years from now. President Steger accepted Dr. Wilson's recommendations.

Dr. Wilson also reported that the Multi Modal Transit Facility will not be located in the parking lot directly behind Derring Hall (the B lot) as a result of further planning and analysis for the new Classroom Building. A steering committee has been formed to assist with the development of a precinct plan for the B Lot, including the area north of Perry Street.

Adjournment

There being no further business, the meeting adjourned at 10:50 a.m.

***Requires full Board approval.**

Virginia Tech Sustainability Annual Report 2011-2012

The Virginia Tech Office of Energy and Sustainability is pleased to present the Virginia Tech Sustainability Annual Report for 2011 - 2012. The purpose of this report is to provide a summary status of implementation of the Virginia Tech Climate Action Commitment and Sustainability Plan (VTCAC&SP).

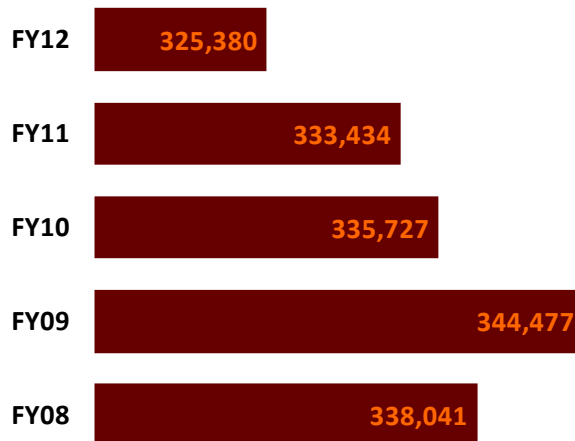
A. KEY SUSTAINABILITY METRICS

1. **Greenhouse Gas (GHG) Emissions:** "Virginia Tech will establish a target for reduction of campus GHG emissions to 80% below 1990 emission level by 2050..." (VTCAC&SP)

Comments

- FY2012 results were lower due in part to moderate winter and summer temperatures, but also to Central Power Plant switching over to 100% natural gas in April due to its historical low cost
- University GHG emissions are primarily driven by coal-generated purchased electricity from Appalachian Electric Power Company (56.7% of FY2012 total emissions)
- Three successful biofuel/coal co-firing trial burns were completed in Central Power Plant boilers during FY2012

Total GHG Footprint (Tons CO_{2e})

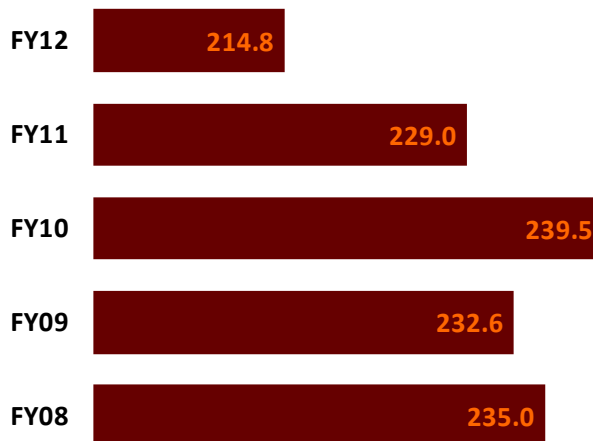


2. **Energy Use Intensity (kbtu's/GSF):** "Virginia Tech will improve electricity and heating efficiency of campus facilities and their operations..." (VTCAC&SP)

Comments

- 5.9% reduction from FY2011 due in part to moderate winter and summer temperatures
- Phase 1 of the Performance Contract program (ESCO) approved for \$5.33 million of energy reduction projects across five campus buildings; project on track for 3/13 completion
- Distribution of monthly electricity reports to all Residence Halls and Dining Facilities began in September 2011

Energy Use Intensity (EUI) (kBtu's / GSF)

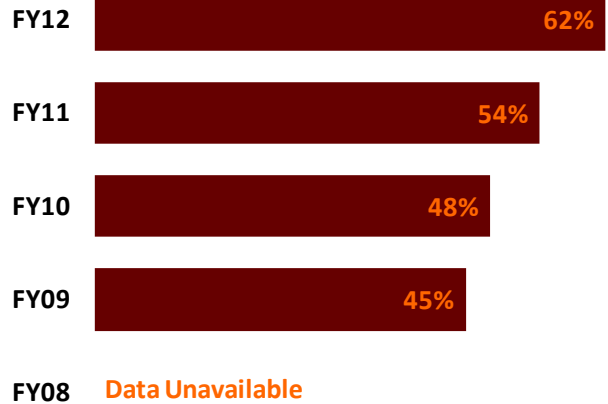


3. **Alternative Transportation Use:** "Virginia Tech will improve transportation energy efficiency on campus through parking, fleet, and **alternative transportation** policies..." (VTCAC&SP)

Comments

- Virginia Tech was again among 15 employers nationwide recognized with a "Race to Excellence" award by The Best Workplaces for Commuters, a program managed by the National Center for Transit Research and designed to encourage sustainable transportation innovation
- Virginia Tech's Director of Transportation and Campus Services, Steve Mouras, received a 2012 Governor's Award for Innovation for increasing efficiency and productivity of Virginia Tech's parking, fleet, and alternative transportation services

**Alternative Transportation
(%)**

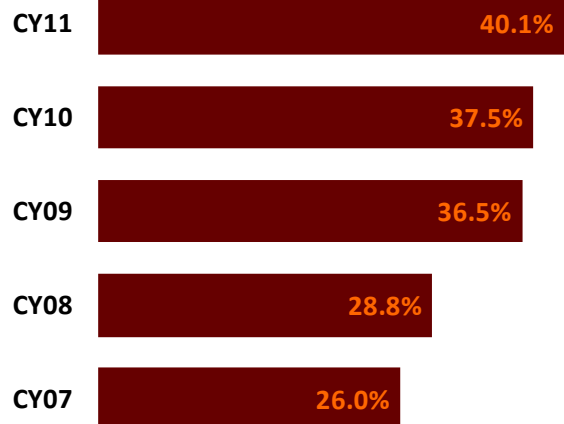


4. **Recycling:** "...Virginia Tech Recycling will adopt a goal of **35% recycle rate by 2012** and 50% by 2025." (VTCAC&SP)

Comments

- Calendar-year 2011 result of 40.1% marked the third consecutive year to surpass 2012 goal of 35% recycle rate
- New outdoor mixed paper recycling containers near residence halls, coupled with increased emphasis on paper recycling across campus, resulted in a nearly 10% increase in paper recycling from the previous year
- Dining Services food waste composting increased by 25% to a record 406 tons
- RecycleMania 2012 collected over 381,000 pounds of primary recyclable material, a 33% increase from the previous year

**Overall Recycle Rate
(%)**



5. **Student Intern Teams:** “Virginia Tech will establish an Office of Sustainability to...manage a **campus-wide student internship and undergraduate research program** using the campus as a sustainability laboratory” (VTCAC&SP)

Comments

The recently redesigned student intern teams program is ready for implementation beginning fall semester 2012:

- Steering and Curriculum committees staffed for ongoing program development
- Advisory Teams of faculty and staff members created for each project team
- Professional development component expanded for academic year 2012-13
- Six teams totaling 30 students are assigned for academic year 2012-2013

OES Student Intern Project Teams

(Average No. Per Semester)

FY12	1.0
FY11	1.3
FY10	1.3
FY09	N/A
FY08	N/A

6. **Water Consumption:** “Virginia Tech will engage students, faculty and staff through education and involvement to reduce consumption of energy, **water**, and materials in academic and research buildings, dining and residence halls, and other facilities.” (VTCAC&SP)

Comments

- Xeriscape landscaping techniques continue to be used, including the selection of drought tolerant plants. The Virginia Tech Campus Design Principles document specifies many drought-resistant trees and shrubbery native to the Appalachian Mountains for use on campus
- The three campus areas, including the Virginia Tech Golf Course, are irrigated using non-potable water from the Duck Pond. The Inn @ Virginia Tech uses a rain sensor to automatically adjust its irrigation schedule.

Water Consumption
(Thousands of Gallons)

FY12	420,423
FY11	492,088
FY10	405,636
FY09	Data Unavailable
FY08	407,396

B. OTHER FY2012 SUSTAINABILITY HIGHLIGHTS

- Virginia Tech continued to demonstrate its commitment to being a leader in campus sustainability by: (1) achieving a silver rating from AASHE “Sustainability Tracking Assessment & Rating System” (STARS); (2) being selected by the *Princeton Review* as one of 16 colleges and universities achieving the “Green Honor Roll”; and (3) by winning the Arbor Day Foundation’s Tree Campus Spring Event.
- The Virginia Tech Climate Action Commitment and Sustainability Plan was referenced and supported in “A PLAN FOR A NEW HORIZON: Envisioning Virginia Tech 2012-2018” approved by the Virginia Tech Board of Visitors on June 4, 2012.
- The Institute for Critical Technology and Applied Sciences-II (ICTAS II) received US Green Building Council LEED Gold Certification; ICTAS II is the first LEED certified research building on campus.
- Virginia Tech’s first major solar photovoltaic power system, located on the top level of the Perry Street Parking Garage on the Blacksburg campus, was commissioned spring 2012 and is expected to generate 136,000 kilowatt-hours of solar-generated electricity, or approximately 13 percent of the annual energy use of the parking garage.
- Gobblerfest, Sustainability Week, RecycleMania, Earth Week, and Ytoss - five highly visible sustainability events sponsored by the university engaged a high level of staff, student and community participation.
- Eco-Olympics, the annual inter-Residence Hall electricity usage and water consumption reduction competition was again conducted in the spring with high participation levels.
- The “Student Organization Sustainability Initiatives Program” (Green RFP) was funded, with \$37,070 dedicated for student-initiated campus sustainability-related projects
- A Sub-Committee of the university Energy and Sustainability Committee began in March to review and reassess the Virginia Tech Climate Action Commitment Resolution and accompanying Sustainability Plan; specific Sub-committee objectives include:
 1. Analyze and report on progress toward accomplishment of the fourteen goals identified in the Virginia Tech Climate Action Commitment Resolution
 2. Evaluate and recommend updates to the Climate Action Commitment and Sustainability Plan to reflect current technologies and best practices
 3. Establish interim goals to measure and verify progress toward the fourteen targeted goals stated in the CAC Resolution at periodic intervals of 3-4 years
 4. Identify resources needed for successful implementation of the fourteen targeted CAC goals

BUILDING AND GROUNDS COMMITTEE											
Monday, September 10, 2012											
Capital Project Status Report											
Project Name	Project Description	Project Budget	Project Funding		Project Delivery Type	Project Team					Project Status
			% Gen Funds	% NG Funds		A/E	CMAR	Design-Build	PPEA	GC	
IN-DESIGN											
Agriculture Program Relocation, Phases I and II	This project provides for a feasibility study to relocate the current lactating, non-lactating, and bovine palpation herds to Kentland Farm. At the March 23, 2009 Board of Visitor's meeting, the university was authorized to move forward with planning and design work of the necessary facilities to relocate the non-lactating herd operations at a cost not to exceed \$500,000 and subsequent blanket authorization that superceded the March 23, 2009 resolution for planning and design work to relocate the non-lactating, bovine palpation, and lactating herd operations at a cost not to exceed \$1 million.	\$1,000,000	0%	100%	DBB	Hanbury Evans Wright Vlattas + Company – Norfolk, VA	N/A	N/A	N/A	TBD	Pre-planning study was completed Summer 2011. Project scope and funding options are under review to progress the design development. Further design and construction activities are pending approval of the project funding allocation. Early construction site package is scheduled for bidding 4th quarter 2012.
Classroom Building	This project provides for the design and construction of an academic building containing 73,000 SF of state-of-the-art instructional space to accomodate unmet demand for multi-discipline general assignment classrooms and labs. The new academic building will contain approximately 21 flexible lecture and laboratory rooms of various sizes and configurations to accomodate multiple teaching methods. The building will provide approximately 2,500 student stations with wireless capability throughout.	\$49,975	100%	0%	CMAR	EYP Archtecture & Engineering - Washington D.C.	TBD	N/A	N/A	N/A	Building Steering Committee has been assigned and the Design Consultant is under contract. Project programming for schematic design underway. Solicitation for Construction Manager at Risk is in progress.
UNDER CONSTRUCTION											
Academic and Student Affairs Building	This 77,500 GSF project will include a new dining facility, academic instruction areas, and other student space in a three-story building. At the March 22, 2010 Board of Visitor's meeting, the university was authorized to move forward with the construction of an approximately 75,000 GSF Academic and Student Affairs Building project with a \$45,153 million total costs and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed \$45,153 million, plus related issuance costs and financing expenses.	\$ 45,153,000	0%	100%	CMAR	Burt Hill Kosar Rittleman Associates – Washington, D.C.	Skanska USA Building, Inc. – Durham, NC	N/A	N/A	N/A	Construction is underway with completion scheduled for August 2012.
Ambler Johnston Hall - Improve Residence and Dining Halls	This project will provide complete renovations to Ambler Johnston Hall (272,000 GSF) including replacement of building systems and addition of air conditioning. The project is envisioned to improve the sense of community by adding corridor day-lighting and an attractive entrance area. The project will be completed in multiple phases. At the November 3, 2008 Board of Visitor's meeting, the university was authorized to supplement the existing \$65 million nongeneral fund debt Ambler Johnston renovation project with \$10 million nongeneral fund debt and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed \$10 million for a portion of the costs of the project, plus related issuance costs and financing expenses.	\$ 75,000,000	0%	100%	CMAR	Clark Nexsen – Charlotte, NC	Barton Malow Company – Charlottesville, VA	N/A	N/A	N/A	Construction of Phase I has been completed and Certificate to Reoccupy has been granted. Phase II reached substantial completion in June 2012. Project budget is \$72,113,670.
Campus Fiber Optic Improvements Project	The project will install a new fiber-optic backbone and building connections that increase capacity and diversity to ensure adequate and reliable service to the university. At the November 8, 2010 Board of Visitor's meeting, the university was authorized to move forward with the Campus Fiber-Optic Backbone Installation project at a total project cost not to exceed \$2 million.	\$ 2,000,000	0%	100%	Design, Bid, Build	N/A	N/A	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for March 2013.
Campus Heat Plant	This project provides authorization for the design and construction of new heating infrastructure to serve the various areas of campus.	\$ 31,500,000	60%	40%	Design-Build	Affiliated Engineers, Inc. – Chapel Hill, NC (Criteria Consultant)	N/A	Mid Atlantic Infrastructure Systems, Inc – Winston-Salem, NC	N/A	N/A	Construction is underway for the North Campus Steam Expansion with substantial completion of the base bid contracted for August 2012.

Project Name	Project Description	Project Budget	Project Funding		Project Delivery Type	Project Team					Project Status
			% Gen Funds	% NG Funds		A/E	CMAR	Design-Build	PPEA	GC	
UNDER CONSTRUCTION Continued...											
Center for the Arts	This project includes construction of a new 92,000 GSF 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.	\$ 100,087,000	30%	70%	CMAR	Snohetta AS – New York, NY with STV Group, Inc. – Douglasville, PA	Holder Construction Company – Atlanta, GA	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for September 2013. The project budget authorization was increased in 2012 due primarily to an unanticipated increase in the cost of deep foundations (caissons).
Chiller Plant I	This project provides for additions and improvements to the campus chilled water infrastructure, including a 16,655 GSF chiller plant in the SW section of campus.	\$ 20,097,729	60%	40%	CMAR	Burns and Roe Service Corporation – Virginia Beach, VA	The Whiting-Turner Contracting Co. – Baltimore, MD	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for April 2013.
Human and Agricultural Biosciences Building I	This project provides for a new 92,500 GSF advanced agricultural research laboratory facility.	\$ 53,759,344	100%	0%	CMAR	Lord, Aeck & Sargent, Inc. – Atlanta, GA	Skanska USA Building, Inc. – Durham, NC	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for December 2013.
McComas Exterior Wall Structure, Phase III	The project builds on the existing efforts of the McComas Exterior Wall Structure, Phases I and II, which corrects multiple wide spread failures in masonry flashings, sealants, mortar joints, and material connections that have resulted in progressive and extreme moisture penetrations, masonry veneer failures, and damage to interior building components.	\$ 3,100,000	0%	100%	CMAR	Whitlock Dalrymple Poston & Associates – Manassas, VA	Carolina Waterproofing – Charlotte, NC	N/A	N/A	N/A	Construction of the Phase III repairs is being administered in multiple phases to take place over several years. Construction is progressing as planned.
Phase IV of Oak Lane Community	This project constructs five new houses and infrastructure improvements east of Oak Lane adjacent to the golf course. At the March 22, 2010 Board of Visitor’s meeting, the university was authorized to move forward with Phase IV of the Oak Lane Community project at a total project cost not to exceed \$23.5 million and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the \$23.5 million total authorization, plus related issuance costs and financing expenses.	\$ 23,500,000	0%	100%	PPEA	Thompson + Litton – Radford, VA (Infrastructure Improvements)	N/A	N/A	Va. Kappa Alumni Corporation of Sigma Phi Epsilon	TBD (Infrastructure Improvements)	Construction is underway with substantial completion scheduled for September 2012. The project budget for infrastructure development and construction of the first house is targeted at \$4,663,000.
Renovate Davidson Hall	This project provides for the demolition of the deteriorated center and rear sections of Davidson Hall and builds back 50,048 GSF.	\$ 31,118,739	100%	0%	CMAR	Einhorn Yafee Prescott – Washington, DC	Barton Malow Company – Charlottesville, VA	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for December 2013.
Signature Engineering Building	This project provides a new 154,935 GSF state-of-the-art, technology enhanced flagship building for the College of Engineering.	\$ 95,218,249	50%	50%	CMAR	Zimmer Gunsul Frasca Architects LLP – Washington, DC	Gilbane Building Company – Durham, NC	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for February 2014.
Virginia Tech–Carilion Research Institute (VTCRI) Third Floor Up-fit	This project constructs an up-fit of the shelled 26,000 assignable square foot third floor, which will include accommodations for wet and dry laboratories, conference space, office space, and a 5,000 cage vivarium with the necessary support spaces and equipment to maintain the cages and animals. At the March 28, 2011 Board of Visitor’s meeting, the university was authorized to move forward with the VTCRI Third Floor Upfit project using the most efficient and effective delivery strategies at a cost not to exceed \$15 million and to fund the project with internal financing.	\$ 15,000,000	0%	100%	Design-Build	Kling Stubbins – Philadelphia, PA (Criteria Consultant)	N/A	DPR, Inc. – Glen Allen, VA	N/A	N/A	Construction is nearing completion with substantial completion scheduled for August 2012.
Unified Communications and Network Renewal Project	The proposed implementation strategy is to improve four complementary communication infrastructure components over five years. The four components include a unified communications system, upgrading the Internet Protocol (IP) Network, upgrading the cable plant, and upgrading equipment rooms in various facilities. The unified communications component replaces the outdated campus telephones and voicemail systems. Upgrading the IP Network involves replacing outdated internet protocol equipment across the entire network system. Upgrading the cable plant replaces old horizontal and vertical cabling for 41 campus buildings. The facilities upgrade involves constructing or renovating equipment rooms on an as needed basis to support updated communications and data equipment.	\$ 16,508,000	0%	100%	Design, Bid, Build	N/A	N/A	N/A	N/A	N/A	Design and construction activities are underway with substantial completion scheduled for FY 2016.

Project Name	Project Description	Project Budget	Project Funding		Project Delivery Type	Project Team					Project Status
			% Gen Funds	% NG Funds		A/E	CMAR	Design-Build	PPEA	GC	
COMPLETED PROJECTS											
Photovoltaic Array (Parking Structure)	This project provides design, installation, and commissioning of a nominal 100 kW(peak) dc utility grid connected solar photovoltaic system, which includes 480 solar panels, on the existing Parking Garage located along Perry Street.	\$ 1,300,000	0%	100%	PPEA	N/A	N/A	N/A	Siemens Industry, Inc. - Richmond, VA	N/A	Construction is substantially complete.
West End Market Expansion & Renovation	The project consists of approximately 7,400 GSF of additional seating, expansion of the kitchen and food preparation areas, and increasing the number of restrooms and staff locker rooms. The project also includes approximately 6,000 GSF of renovation work for program enhancements and roof repairs. At the November 8, 2010 Board of Visitor's meeting, the university was authorized to move forward with the West End Market Expansion and Renovation project at a total project cost not to exceed \$7.31 million.	\$ 7,310,000	0%	100%	CMAR	Clark Nexsen – Charlotte, NC	Branch & Associates, Inc. – Roanoke, VA	N/A	N/A	N/A	Construction is substantially complete.
Technology Research and Innovation Center	The project constructs a 60,000 GSF facility in Hampton, VA for the National Institute of Aerospace. The facility includes designated labs, flex space labs, offices, and unfinished shell space with a building foot print of approximately 20,000 SF.	\$ 11,896,644	100%	0%	PPEA	Alpha Corporation – Hampton Roads, VA (Construction Manager)	N/A	N/A	Concord Eastridge – Arlington, VA	N/A	Construction of the building is substantially complete. Third floor tenant up-fit is planned to complete the project.
Infectious Disease Research Facility	This project constructed a 15,700 GSF facility to accommodate infectious disease research laboratory space (60%), lab office space and support areas (40%).	\$ 10,163,000	40%	60%	CMAR	CUH2A Architecture, Engineering, Planning – Bethesda, MD	Branch & Associates, Inc. – Roanoke, VA	N/A	N/A	N/A	Construction is substantially complete.
Veterinary Medicine Instruction Addition	This project provides for the planning of additional instructional space to provide adequate classrooms to relieve overcrowding of the existing facility. The proposed project will address space accommodation needs with new classrooms and teaching labs, and faculty spaces. At the March 22, 2010 Board of Visitor's meeting, the university was authorized to move forward with a \$1.4 million design project for a Veterinary Medicine Instruction Addition project not to exceed a budget of \$14 million total costs and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the \$1.4 million planning authorization, plus related issuance costs and financing expenses.	\$ 14,000,000	0%	100%	CMAR	HKS, Inc. – Richmond, VA	W.M. Jordan Company – Newport News, VA	N/A	N/A	N/A	Construction is substantially complete.
PROJECTS ON HOLD											
Administrative Services Building	This project will construct a 48,000 GSF facility along the campus perimeter to house various administrative and academic support functions within a central location.	\$ 12,000,000	0%	100%	TBD	TBD	N/A	N/A	N/A	N/A	This project is on hold.
Indoor Athletic Training Facility	This project will construct a 120,000 GSF field house to increase the availability of indoor training time for the football program.	\$ 25,000,000	0%	100%	Design-Build	Sportsplan Studio – Kansas City, MO (Criteria Consultant)	N/A	TBD	N/A	N/A	Criteria Document Consultant has been procured. This project is on hold.
Sciences Building Laboratory I	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.	\$ -	0%	0%	TBD	CUH2A Architecture, Engineering, Planning – Bethesda, MD (Programming Consultant) Payette/E. Verner Johnson – Boston, MA	N/A	N/A	N/A	N/A	A program and site confirmation study has been completed. This project is on hold.
New Residence Hall II	This project will construct a new 250 bed residence hall.	\$ 27,000,000	0%	100%	TBD	TBD	N/A	N/A	N/A	N/A	This project is on hold.
Propulsion Lab	The initial 8,000 SF of the Propulsion Lab Project consists of four primary components: Engine Testing, Aero-Thermal, Heat Transfer, and Modular Combustion Labs which are currently dispersed at various locations at VT.	\$ 400,000	0%	100%	Design-Build	Perkins + Will – Charlotte, NC (Criteria Consultant)	N/A	N/A	N/A	N/A	This project is on hold.

Update on the Status of the Proposed Access Road for the Visitors and Undergraduate Center

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

July 27, 2012

The university initiated planning for a new Visitors and Admissions Center (Center) in summer 2008 and the building was opened in summer 2011. During the design and construction process, the Buildings and Grounds Committee requested that the university include in the design an alternate entrance to the shared entrance with the Inn at Virginia Tech. The purpose of this report is to provide an update on the university's actions to-date, future plans for an alternate entrance, and the impact on current program operations with the existing shared entrance.

In the summer of 2010, the university engaged the Parsons Brinkerhoff, Inc. firm to perform a traffic impact study and analysis of entrance options for the Center. The consultant report analyzed current and projected future traffic intensity with and without the Center. Based on the analysis results, the report shows the development of the Center introduces limited additional delay to the roadway network and the two signalized intersections operate at generally the same level of service with or without the Center.

The report evaluates three options for new entrances to the Center based on compliance with Virginia Department of Transportation minimum spacing criteria. Because of the minimum spacing criteria related to the U.S. 460 interchange and signals at West Campus Drive, the report's recommendation for a new entrance to the Center is a "right-in-right-out" only entrance. A signalized intersection would not be compliant and the location of a directional media would be operationally constrained under the minimum spacing criteria.

The university's facility services unit prepared an order of magnitude estimate for total project costs with a range of \$750,000 to \$1.2 million. Because the project budget could not absorb this cost without substantial impact to the program, the initiative has been on hold. Internal funding would require a one-time reallocation of operating budget resources away from academic initiatives. As a forward looking strategy, the university included a funding request for this item in its 2012-2014 capital budget submission to the state. While this item was not funded by the state in the prior session, the university will continue to position the project along with other capital needs in the upcoming capital plan.

The new facilities have made a significant improvement for the university's Visitors and Undergraduate Admissions programs. During their first year of operations in the new location, both programs have developed effective ways to manage incoming traffic and

parking and meet customer expectations with the shared entrance at the Inn at Virginia Tech. Thus, while the university has worked to align resources with the state over time, the programs have developed successful ways to meet current expectations with the existing infrastructure. The University believes this strategy will continue to meet its needs until the funding for the road capital project can be obtained from the Commonwealth.

RESOLUTION LIMITING NEW CONSTRUCTION ON FORMER QUARRY SITE NORTHWEST OF COWGILL HALL

Virginia Tech entered into a Consent Order agreement with the United States Environmental Protection Agency (EPA), Region III, agreeing to perform work identified in the Consent Order, associated with waste management units and suspected environmental conditions previously identified by EPA at the main campus of Virginia Tech. Virginia Tech has corrected and resolved 29 issues and areas of concern identified in the Consent Order; however, two issues remain, one of which relates to groundwater near Cowgill Hall.

Recent evaluations have demonstrated that groundwater under the Cowgill site is contaminated. Although the contamination source is ubiquitous, non-determinant, and it is not at the highest risk level, the EPA would like a covenant from the university stating that future development of the area will not include residential housing or the use of groundwater. The Board will consider a resolution restricting new construction to non-residential buildings and ground water withdrawal from the former quarry site that is located along Perry Street, northwest of Cowgill Hall.

**RESOLUTION LIMITING NEW CONSTRUCTION ON FORMER QUARRY SITE
NORTHWEST OF COWGILL HALL**

WHEREAS, Virginia Tech is committed to the health and safety of all members of the campus community and to the stewardship of Virginia's natural resources; and

WHEREAS, the Environmental Protection Agency has requested that Virginia Tech limit future development of the site to prevent residential construction and ground water use from the site; and

WHEREAS, the approved 2006-2016 Campus Master Plan already reserves the area northwest of Cowgill, formerly used as a quarry site along Perry Street, for academic and non-residential buildings; and

WHEREAS, the water supply for the buildings in the area is from a municipal source not obtained from ground water; and

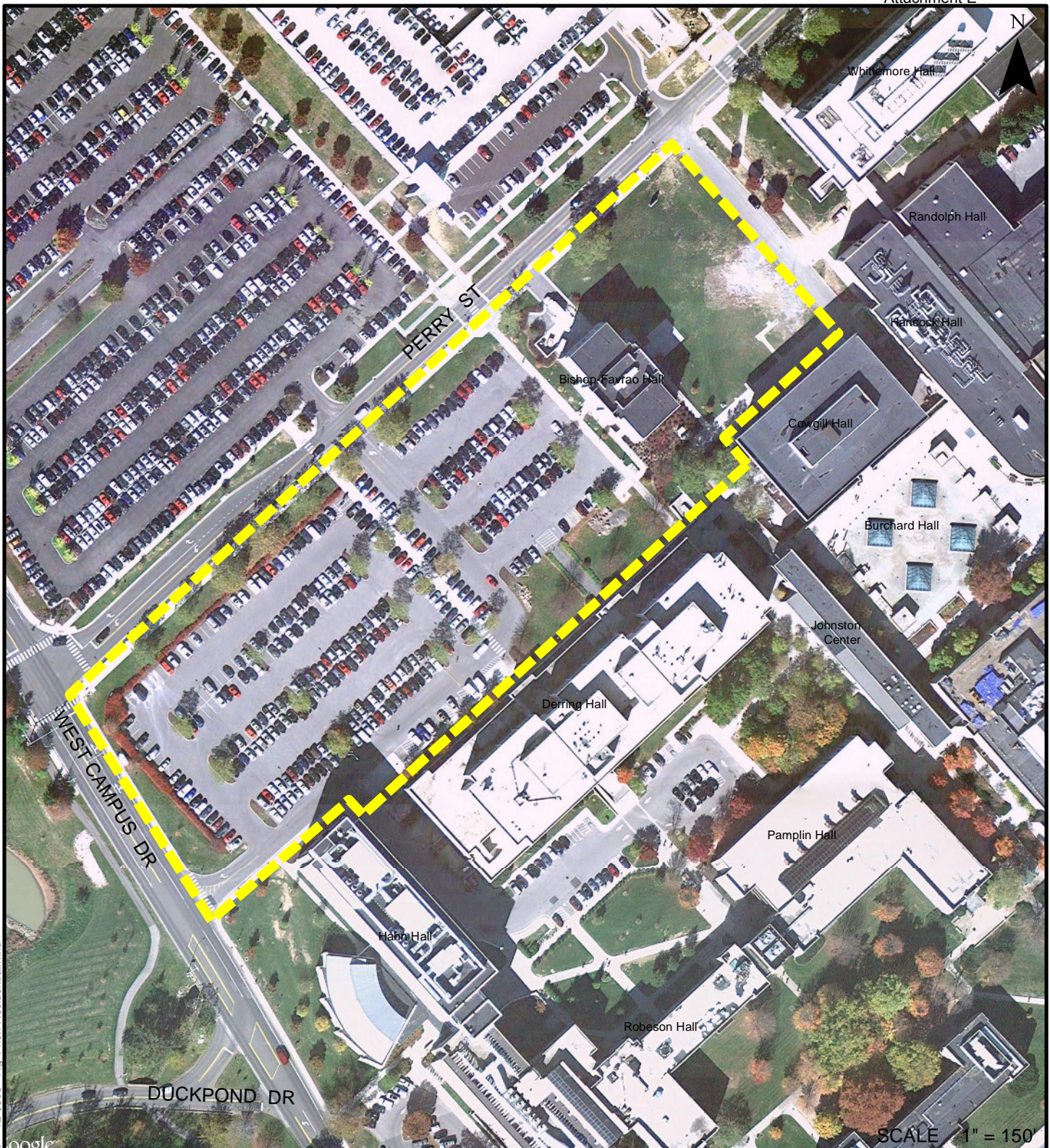
WHEREAS, the Environmental Protection Agency has consented to allow a resolution from the Virginia Tech Board of Visitors to stand as a guarantee against residential construction on the site and ground water withdrawal from the site;

NOW, THEREFORE, BE IT RESOLVED, that construction on the land located between the current Derring Hall and Perry Street, bounded by West Campus Drive and the access road to Hancock Hall, will be limited to non-residential buildings. Furthermore, no ground water withdrawal for use shall occur from this site.

RECOMMENDATION:

That the above resolution restricting new construction to non-residential buildings and ground water withdrawal from the site described be approved.

September 10, 2012



Area Limited to Non-Residential Buildings

Virginia Polytechnic Institute
and State University
Blacksburg, Virginia

0 150 300
Feet

Aerial Imagery: Oct. 24, 2011, Google
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Draper Aden Associates

Engineering • Surveying • Environmental Services

2206 South Main Street
Blacksburg, VA 24060
540-552-0444 Fax: 540-552-0291

Richmond, VA
Charlottesville, VA
Hampton Roads, VA

DESIGNED SN
DRAWN MF
CHECKED SN
DATE 08-08-12

FIGURE

1

Committee Minutes

FINANCE AND AUDIT COMMITTEE

Duck Pond Room, The Inn at Virginia Tech

September 10, 2012

Audit Closed Session

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

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

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

VPI & SU Staff: Mr. Bob Broyden, Mr. Allen Campbell, Mr. Al Cooper, Mr. Brant Cox, Mr. John Cusimano, Dr. John Dooley, Mr. J. Michael Harness, Ms. Natalie Hart, Mr. Tim Hodge, Ms. Sharon Kurek, Mr. Matt Little, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Kim O'Rourke, Ms. Lisa Royal, Dr. Gerhardt Schurig, Ms. Savita Sharma, Mr. M. Dwight Shelton, Jr., Mr. Ken Smith, Dr. Charles Steger, Mr. Brad Sumpter

1. Motion to Reconvene in Open Session
2. Approval of Items Discussed in Closed Session: The Committee reviewed and took action on items discussed in closed session.
3. Opening Remarks and Approval of Minutes of the June 4, 2012 Meeting: The Committee reviewed and approved the minutes of the June 4, 2012 meeting.

4. 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 June meeting, the university reported that as of March 31, 2012, the university had seven open recommendations. Eight audit comments have been issued since then. As of June 30, 2012, the university has addressed five comments, leaving 10 open recommendations in progress. The Committee received a briefing at the meeting that reviewed the status of the outstanding comments, including the comments that have been addressed since June 30, 2012.

The Committee accepted the report.

5. Presentation, Discussion, and Acceptance of Internal Audit Department's Annual Status Report for the Fiscal Year ended June 30, 2012: The Committee reviewed the Internal Audit Department's Status Report as of June 30, 2012. This report documents the Committee's review of the effectiveness of the internal audit function, including staffing resources, financial budget, training, objectivity and reporting relationships as required by the Committee's Audit Charter. In addition to conducting scheduled audits, compliance reviews, and advisory services, the audit department participated in annual audit activities, fraud audits, and professional development activities. Internal Audit successfully completed 97 percent of the fiscal year 2011-12 audit plan. The Committee also received an overview of cost containment recommendations, recurring audit issues, and survey results for evaluating Internal Audit services.

The Committee accepted the report.

6. Review and Acceptance of the 2013 Audit Plan: The Committee reviewed the proposed audits for approval of the Audit Plan for fiscal year 2013. Internal Audit conducted its annual risk assessment to identify the entities that should receive audit attention in fiscal year 2012-13. Internal Audit also created a university-wide information technology risk assessment and audit plan mapped to the ISO 27002 standard, an information technology standard published by International Organization for Standardization (ISO) that is considered best practice for developing and maintaining enterprise-wide IT security. Senior management had the opportunity to provide input on areas for consideration in the preparation of the Audit Plan. Approximately 7,100 hours will be devoted to performing risk based audits and compliance reviews and 1,500 hours are allotted for advisory services. Twenty audits, four compliance reviews, and four advisory reviews are proposed for 2012-13. Audits not completed in the fiscal year scheduled will be carried forward to the next fiscal year.

The Committee accepted the report.

7. Review and Acceptance of the following Internal Audit Reports/Memos Issued: The Committee reviewed and accepted the following Internal Audit Reports:

- a. Athletics NCAA Compliance: The audit received a rating of improvements are recommended. Audit recommendations were issued to management in the areas of approval of eligibility procedures as recommended in the ACC report and NCAA language for contractual agreements.
 - b. Office of Sponsored Programs: The audit received an effective rating, indicating that management has designed and implemented controls that are effective at reducing their exposure to business risks in the area of funds handling and accounts receivable.
 - c. Office of the University Bursar: The audit indicated that management has designed and implemented controls that are effective at reducing their exposure to business risks in the area of Accounts Receivable – Student Revenue.
 - d. Payroll Transactions: The audit indicated that management has designed and implemented controls that are effective at reducing their exposure to many of the business risks related to payroll transactions.
 - e. Equine Medical Center: The audit indicated that the controls management has designed and implemented to manage their exposure to business risks are unreliable. Audit recommendations were issued to management in the areas of logical security controls, operating procedures, security of controlled drugs, inventory procedures, accounting system, facility security, and past due notifications to customers. The Committee noted the positive actions that management discussed with regard to resolving these audit issues. The Committee expressed its interest in timely and adequate resolution of these audit findings.
 - f. IT – Surplus Property: The audit received a rating of improvements are recommended. Audit recommendations were issued to management in the areas of security of removed hard drives, storage media in disk drives, and disposal of recyclable material.
 - g. Vice President for Research: The audit received a rating of improvements are recommended. Audit recommendations were issued to management in the areas of fiscal responsibility, leave reporting, expenditures, and university key control.
8. Review of Auditor of Public Accounts Statewide Reviews and Special Reports: In addition to the annual audits of the university's financial statements and its Intercollegiate Athletics program, the Auditor of Public Accounts (APA) has included Virginia Tech along with other agencies in recent program reviews designed to assess controls on a statewide basis. The Committee reviewed a report which provides an analysis of the Auditor of Public Accounts' statewide

audit activities to date and the university's planned approach to manage and report on these audit activities.

9. Discussion of the Current Status of the June 30, 2012 Audit of the University's Financial Statements: The Committee received a report on the current status of the audit of the university's financial statements for 2011-12. The annual audit is on track for timely completion in fall 2012.

Finance Closed Session

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

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

1. Motion for Closed Session
- * 2. Ratification of Personnel Changes Report: The Committee met in Closed Session to review and take action on the quarterly personnel changes report. The Committee requested a report be brought back that analyzes the trend of faculty and staff salary adjustments in relation to total university salary costs in recent years.

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

Finance Open Session

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

VPI & SU Staff: Mr. Bob Broyden, Mr. Allen Campbell, Mr. Al Cooper, Mr. Brant Cox, Mr. John Cusimano, Dr. John Dooley, Ms. Natalie Hart, Mr. Tim Hodge, Mr. Matt Little, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Kim O'Rourke, Ms. Lisa Royal, Ms. Savita Sharma, Mr. M. Dwight Shelton, Jr., Mr. Brad Sumpter

1. Opening Remarks and Approval of Minutes of the June 4, 2012 Meeting: The Committee reviewed and approved the minutes of the June 4, 2012 meeting.
- * 2. Approval of Potential Operating and Capital Budget Initiatives for 2013-14: The Committee reviewed for approval the potential operating and capital budget initiatives for 2013-14. In preparation for the 2013 General Assembly session and

the fiscal year 2013-14 budget, the administration develops budget amendments that the Governor may offer to amend the 2012-14 biennial budget. The Governor will present the Executive Budget to the General Assembly on December 17, 2012.

Consistent with previous guidance and prior practice, the university has developed a list of potential operating and capital budget amendments designed to advance the vision of the university's long range plan. The proposals on this list are consistent with the initiatives approved for submission in the university's 2012-18 capital outlay plan and updated six year operating plan, which were submitted to the state in June 2011 and Summer 2012, respectively. Several important statewide issues are traditionally addressed centrally and are not included in Virginia Tech's list of amendments. The issues that are normally coordinated by SCHEV and DPB include the following: faculty and staff salaries, base budget adequacy, equipment trust fund, maintenance reserve, and student financial assistance.

Operating initiatives under consideration include support for additional Virginia undergraduates, expansion and enhancement of STEM-H degree production, increase Virginia undergraduate and graduate enrollment, research initiatives, support for creation of faculty of Health Sciences, increased support for Unique Military Activities, and operation and maintenance of new buildings opening in 2012-14 biennium. Initiatives for Cooperative Extension include integration of basic and applied science. Currently, the capital initiatives include support for Kentland Facilities improvement.

These proposed initiatives are expected to meet the criteria for submission to the Executive Budget. However, when budget amendment instructions are received from the state, the budget submission will be modified as necessary to conform to that guidance. The university may elect to use all or some of these initiatives in a budget submission for the Executive Budget or during the 2013 General Assembly Session. If any material additions are made to the request because of new opportunities or state guidance, these changes would be reviewed subsequently with the Board of Visitors.

The Committee approved the list of potential operating and capital budget initiatives.

- * 3. Approval of Year-to-Date Financial Performance Report (July 1, 2011 – June 30, 2012): The Committee reviewed the Year-to-Date Financial Performance Report for July 1, 2011 – June 30, 2012. For the fourth quarter, budget adjustments were made to reflect revisions to projected revenues and expenditures. Tuition and fee revenues are ahead of historical projections due to a higher than anticipated summer enrollment and fall-to-spring retention rate. Revenues for Intercollegiate Athletics are higher than projected due to higher than projected

revenues from conference allocation, football, basketball, NCAA allocation, and multimedia revenue.

For the quarter ending June 30, 2012, \$120 million had been expended for Educational and General capital projects, and \$42 million had been expended for Auxiliary Enterprises capital projects. Capital outlay expenditures for the year ending June 30, 2012 totaled \$162 million.

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

- * 4. Approval of 9(d) Debt Financing Resolutions: The Committee reviewed for approval two financing resolutions through the state's 9(d) Virginia College Building Authority pooled bond program to finance \$10.8 million for the Veterinary Medicine Instruction Addition project and \$45 million for the West Side Lane Stadium Series 2004D Refinancing project.

The Committee recommended the 9(d) Debt Financing Resolutions to the full Board for approval.

- * 5. Approval of VTT LLC Loan Resolution: The Committee reviewed for approval an agreement to loan funds to VTT LLC. VTT LLC is a newly created separate affiliated organization which will serve as the parent corporation for National Tire Research Center (NTRC). NTRC was established to develop a state-of-the-art vehicle dynamics complex designed to provide Virginia Tech, customers, and strategic industry partners with one-stop research and testing expertise that will bridge the gap between virtual modeling and the open road. The key instrument of the Center is a Flat Trac Force and Moment Machine, which is one of a kind testing equipment costing \$11 million. The Center has obtained funding for \$10 million through a development grant from the Virginia Tobacco Indemnification and Community Revitalization Commission and from General Motors Corporation. The university requests authorization to provide VTT LLC a loan of up to \$4 million from nongeneral fund sources to complete the acquisition of the tire machine, finance upgrades to the building leased to house the tire machine, and to provide working capital for the start-up and initial operations phase of the project.

The Committee recommended the VTT LLC Loan Resolution to the full Board for approval.

Joint Open Session (with Buildings and Grounds Committee)

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

VPI & SU Staff: Dr. Richard Benson, Mr. Bob Broyden, Mr. Allen Campbell, Mr. Al Cooper, Mr. Brant Cox, Mr. John Cusimano, Dr. John Dooley, Dr. Elizabeth Flanagan, Mr. Mark Gess, Ms. Natalie Hart, Ms. Kay Heidebreder, Mr. Tim Hodge, Ms. Leigh LaClair, Mr. Matt Little, Ms. Heidi McCoy, Mr. Ken Miller, Ms. Terri Mitchell, Dr. Ed Nelson, Ms. Lisa Royal, Ms. Savita Sharma, Mr. M. Dwight Shelton, Jr., Mr. Ken Smith, Mr. Jason Soileau, Dr. Charles Steger, Mr. Brad Sumpter, Dr. Lisa Wilkes, Dr. Sherwood Wilson

1. Update on the Status of the Proposed Access Road for the Visitors and Undergraduate Admissions Center: The university initiated planning for a new Visitors and Admissions Center in summer 2008 and the building was opened in summer 2011. During the design and construction process of the Visitors and Undergraduate Admissions Center, the Board of Visitors requested the university to explore options for an alternate entrance to the shared entrance with the Inn at Virginia Tech. The Committees received an update on the university's actions to date, future plans for an alternate entrance, and the impact on current program operations with the existing shared entrance.
- * 2. Approval of Resolution on Capital Lease for the Turner Street Facility: In 2005, the university developed a long-term strategy to create expanded parking facilities and to collapse leases, locate critical support units closer to their academic customers, and overcome substantial deferred maintenance conditions. The central component of the strategy involves working with the Virginia Tech Foundation to economically provide a permanent location on the edge of campus near the academic activity. The university has prepared a funding plan based on nongeneral fund lease savings and resource reallocations to provide assurance regarding the financial feasibility of the project. The university is requesting authorization to enter into capital leases with the Virginia Tech Foundation for the Turner Street Facility.

The Committees recommended the Resolution on the Capital Lease for the Turner Street Facility to the full Board for approval.

- * 3. Approval of Resolution on Capital Lease for a Propulsion Laboratory: The Virginia Tech Propulsion group has long established associations with several gas turbine manufacturers, and these companies have donated several instruments, engines, and rigs for a state-of-the-art research program at Virginia Tech. The university has entered into productive collaborations with the Commonwealth of Virginia, Rolls-Royce, and other leaders in the propulsion industry to fund program research, including state funding for the Commonwealth Center for Aerospace Propulsion Systems. The university does not have access to facilities that fully accommodate the propulsion program's equipment, which limits the activities of the program research. The envisioned facility includes approximately 8,100 gross square feet of new construction and estimated project costs inclusive of design and construction are expected to be \$3.5 million. This

request is for authorization for Virginia Tech to enter into a capital lease with the Virginia Tech Foundation for a build-to-suit capital lease for a Propulsion Laboratory lease.

The Committees recommended the Resolution on the Capital Lease for a Propulsion Laboratory to the full Board for approval.

4. Motion for Closed Session: The Committees convened in closed session to receive a briefing by legal counsel.

Joint Closed Session (with Buildings and Grounds Committee)

Board Members Present: Mr. William Fairchild, Mr. B. K. Fulton, Mr. William Holtzman, Mr. George Nolen, Ms. Deborah Petrine, Mr. Michael Quillen, Mr. John Rocovich

VPI & SU Staff: Dr. John Dooley, Dr. Elizabeth Flanagan, Mr. Mark Gess, Ms. Kay Heidbreder, Ms. Heidi McCoy, Ms. Savita Sharma, Mr. M. Dwight Shelton, Jr., Dr. Charles Steger, Dr. Sherwood Wilson

1. Briefing by Legal Counsel: The Committees received a briefing by the Legal Counsel. The Committees requested that Legal Counsel provide a more in depth briefing at a future meeting.
5. Motion to Reconvene in Open Session: The Committees reconvened in open session.

***Requires full Board approval.**

There being no further business, the meeting adjourned at 12:00 p.m.

Update to Responses to Open Internal Audit Comments

FINANCE AND AUDIT COMMITTEE

June 30, 2012

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

The report includes outstanding recommendations from Compliance Reviews and Audit Reports. Consistent with the report presented at the June Board meeting, the report of open recommendations includes three attachments. Attachment A summarizes each audit in order of final report date with extended and on-schedule open recommendations. Attachment B details all open high or medium priority recommendations for each audit in order of the original target completion date, and with an explanation for those having revised target dates or revised priority levels. Attachment C charts performance in implementing recommendations on schedule over the last seven years. The 98 percent on-schedule rate for fiscal year 2012 reflects closing 44 of 45 recommendations by the original due date.

The report presented at the June 4, 2012 meeting covered Internal Audit reports reviewed and accepted through March 31, 2012 and included seven open medium and high priority recommendations. Activity for the quarter ended June 30, 2012 resulted in the following:

Open recommendations as of March 31, 2012	7
Add: Medium & High priority recommendations accepted June 4, 2012	8
Subtract: recommendations addressed since March 31, 2012	5
Remaining open recommendations as of June 30, 2012	<u>10</u>

While this report is prepared as of the end of the quarter, management continues to receive updates from Internal Audit regarding auditee progress on action plans. Through August 14, 2012, Internal Audit has closed three of the 10 outstanding medium and high priority recommendations. The remaining seven open recommendations are progressing as expected and are on track to meet their respective target due dates. Management is working jointly with all the units and providing assistance as needed to ensure the action plans are completed timely.

ATTACHMENT A

Open Recommendations by Priority Level

FINANCE AND AUDIT COMMITTEE

June 30, 2012

Report Date	Audit Name	Audit Number	Total Recommendations						
			ISSUED	COMPLETED	OPEN				
					Extended		On-schedule		Total
					High	Medium	High	Medium	Open
17-Feb-12	Human Nutrition, Foods and Exercise	12-1026	2	1			1		1
27-Feb-12	University Scholarships and Financial Aid	12-1028	1					1	1
27-Feb-12	UNIX Systems	12-1022	2	1				1	1
09-May-12	Office of the University Registrar	12-1047	2				1	1	2
16-May-12	Non-General Fund Revenue	12-1024	2					2	2
16-May-12	Mechanical Engineering	12-1041	2				1	1	2
16-May-12	College of Architecture and Urban Studies	12-1042	1					1	1
Totals:			12	2	0	0	3	7	10

ATTACHMENT B

Internal Audit Open Recommendations

FINANCE AND AUDIT COMMITTEE

June 30, 2012

Report Date	Item	Audit Number	Audit Name	Recommendation Name	Priority		Target Date		Follow Up Status	Status of Recommendations with Revised Priority / Target Dates
					Original	Revised	Original	Revised		
17-Feb-12	1	12-1026	Human Nutrition, Foods and Exercise	Personnel Activity Reports	High		01-Jul-12		1	
27-Feb-12	2	12-1022	UNIX Systems	CAVE - Access Controls	Medium		01-Jul-12		1	
16-May-12	3	12-1042	College of Architecture and Urban Studies	Leave Reporting	Medium		31-Aug-12		1	
09-May-12	4	12-1047	Office of University Registrar	Physical Security of Transcript Paper	Medium		15-Sep-12		1	
16-May-12	5	12-1024	Non-General Fund Revenue	Course Collection Fee	Medium		30-Sep-12		1	
16-May-12	6	12-1024	Non-General Fund Revenue	Sponsored Programs Fund Administration	Medium		01-Oct-12		2	
09-May-12	7	12-1047	Office of University Registrar	FERPA Training and Monitoring Process	High		15-Jan-13		2	
27-Feb-12	8	12-1028	University Scholarships and Financial Aid	Departmental Scholarships Utilization Monitoring	Medium		30-Apr-13		2	
16-May-12	9	12-1041	Mechanical Engineering	Labor Redistribution	High		1-May-13		2	
16-May-12	10	12-1041	Mechanical Engineering	Personnel Activity Reports	Medium		1-May-13		2	

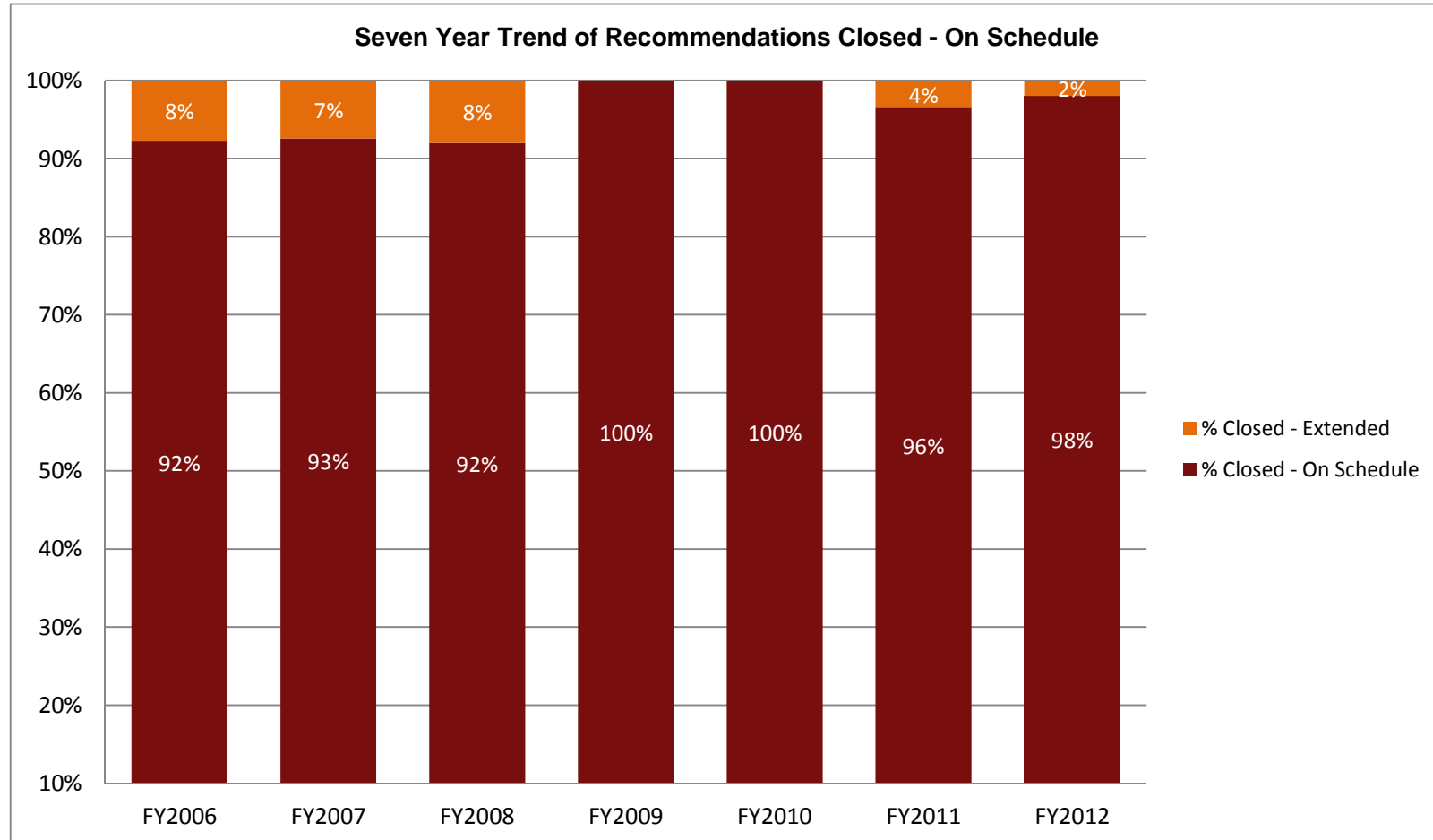
- (1) As of June 30, 2012, management confirmed during follow-up discussions with Internal Audit that actions are occurring and the target date will be met. The Internal Audit department will conduct testing after the due date to confirm that the Management Action Plan is implemented in accordance with the recommendations.
- (2) Target date is beyond current calendar quarter. Management has follow-up discussions with the auditor to monitor progress, to assist with actions that may be needed to meet target dates, and to assess the feasibility of the target date.

ATTACHMENT C

Management Performance and Trends Regarding Internal Audit Recommendations

FINANCE AND AUDIT COMMITTEE

June 30, 2012



**Internal Audit Department Annual Status Report
for the Fiscal Year Ended June 30, 2012**

FINANCE AND AUDIT COMMITTEE

August 14, 2012

Mission Statement – Scope of Work

The mission of the Virginia Tech Department of Internal Audit is to provide independent, objective assurance and advisory services designed to add value and improve the university's operations. Additionally, Internal Audit helps university departments accomplish their objectives by bringing a systematic, disciplined approach to the identification of opportunities for improvement in the areas of risk management, internal control, efficiency, policy, and procedure.

Internal audit coverage encompasses reviews of all university operations and activities to appraise:

- the accuracy, reliability, and timeliness of significant financial, managerial, and operating information and the adequacy of the internal controls employed over the compilation and reporting of such information;
- compliance with policies, procedures, standards, laws, and regulations;
- appropriate identification and management of risk;
- measures taken to safeguard assets, including tests of existence and ownership;
- the adequacy, propriety, and cost-effectiveness of accounting, financial, and other controls throughout the university, as well as compliance therewith;
- measures taken to foster continuous improvement in control processes;
- whether university resources are being acquired, managed, and protected in an economical, efficient, and effective manner; and
- the achievement of programs, plans, and objectives.

Internal Audit reports functionally to the Finance and Audit Committee of the Board of Visitors. For day-to-day operations, the Director reports administratively to the President.

Executive Summary – State of Control Environment

The Internal Audit program continues to be a significant element of the university's overall control structure and a positive influence on the control environment. During fiscal year 2011-12, Internal Audit examined and tested the operations and systems of internal control within a number of university departments to assist management and the Board of Visitors in the discharge of their fiduciary responsibilities.

As a result of the audit, advisory services, and investigation work performed during fiscal year 2011-12, no deficiencies considered representing material control weaknesses were identified; however, a number of areas requiring improvement were noted. The scope of audit work was not limited in any way by management or others, nor were there any

instances where Internal Audit considered its independence or objectivity to have been impaired. Management and others were found to be conscientious, cognizant, and accepting of their responsibility for internal control, open and cooperative, and supportive of audit efforts. Management has generally accepted audit findings and responded by developing action plans that address the concerns included in report recommendations.

These statements are made with the understanding that no system of internal control provides absolute assurance that controls are functioning effectively. These statements are also not meant to imply that fraud and other irregularities do not exist or, if they do exist, are certain to be detected. Decisions as to the level of risk that is tolerable and should be accepted by the university are the responsibility of management. That said, based on the audit, advisory services, and investigation work performed during fiscal year 2011-12, Internal Audit did not identify any areas where management decided to accept a level of risk that we believed to be unacceptable.

Summary Observations – Audit Program

Audits were performed according to the fiscal year 2011-12 annual audit plan approved by the Finance and Audit Committee of the Board of Visitors on August 28, 2011 and conducted in an objective manner at a level consistent with the resources of the Department of Internal Audit. Twenty-nine audit projects in the fiscal year 2011-12 audit plan have been completed. During the fiscal year, five additional projects were added to the audit plan at management's request. Due to the additional projects requested by management, Internal Audit postponed four lower-risk projects with management's concurrence, and deferred two projects (Construction Contracts and Records Management), to the fiscal year 2012-13 audit plan.

For fiscal year 2011-12, Internal Audit completed 97 percent of its audit plan as depicted in Exhibit 1. The only project remaining is an advisory service review (Virginia Tech Carilion Research Institute), that was delayed at management's request due to turnover in key business personnel, but is now underway.

Exhibit 1 FY 2011-12 Completion of Audit Plan

Audits	
Total # of Audits Planned	31
Total # of Supplemental Audits	5
Total # of Planned Audits Canceled and/or Deferred	6
Total Audits in Plan as Amended	30
Total Audits Completed	29
Audits - Percentage Complete	97%
Note: Includes Compliance and Advisory Reviews	

Exhibit 2 displays the distribution of direct audit hours by category. The indirect hours for administration, computer/network support, training, and compensated absence hours are not included in the chart below.

Exhibit 2
FY 2011-12 Distribution of Direct Audit Hours

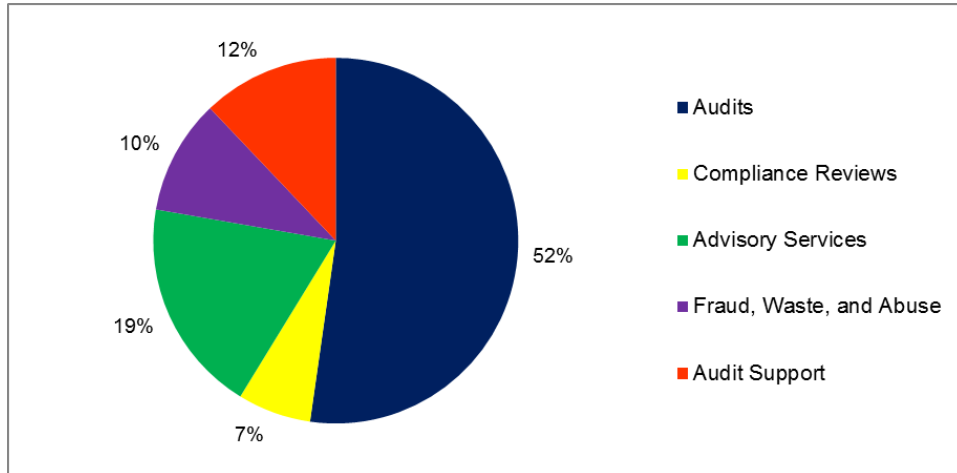


Exhibit 3 displays the differences in the allocation of hours spent during fiscal year 2010-11 and fiscal year 2011-12. During fiscal year 2011-12, more time was spent on advisory services and less time was devoted to audits and compliance reviews. Several advisory services were added to the plan, three of which required substantially more time due to the complexity of the areas being reviewed and the more thorough analytical audit steps being conducted. The additional advisory service projects decrease the amount of time that could be spent on audits. The decrease in compliance reviews was deliberate as there were less compliance reviews on the fiscal year 2011-12 audit plan. Time spent on fraud, waste, and abuse cases and audit support stayed relatively the same.

Exhibit 3 FY 2011-12 vs. FY 2010-11 Hours

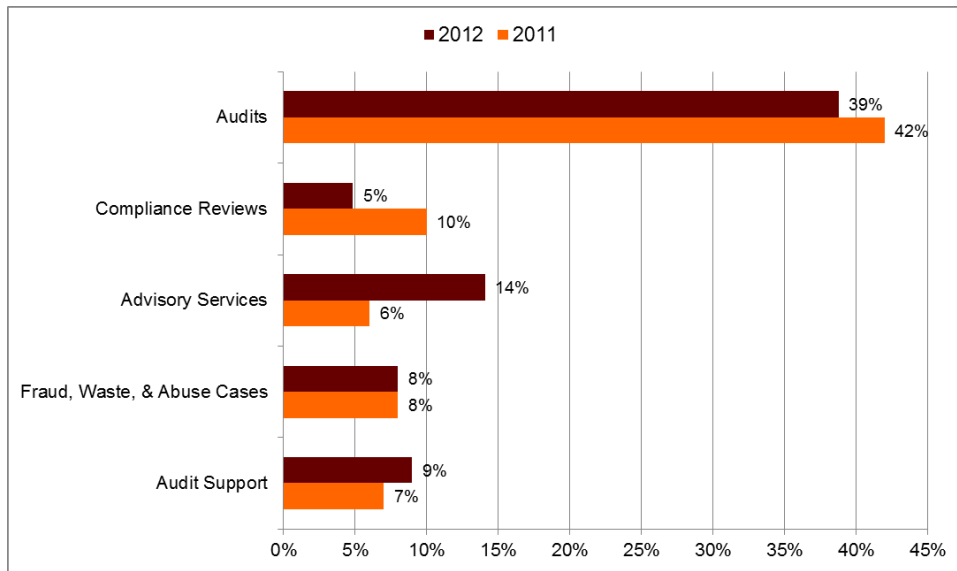


Exhibit 4 illustrates the difference between actual and planned hours during fiscal year 2011-12. Since additional effort was spent on advisory services, Internal Audit spent less than the planned effort on fraud, waste, and abuse. The overall effort spent on fraud investigations was less than anticipated as fewer fraud cases were received, allegations were generally not overly complex, and the Senior Fraud Specialist spent a good portion of time on advisory service projects.

Exhibit 4 FY 2011-12 Actual vs. Planned Hours

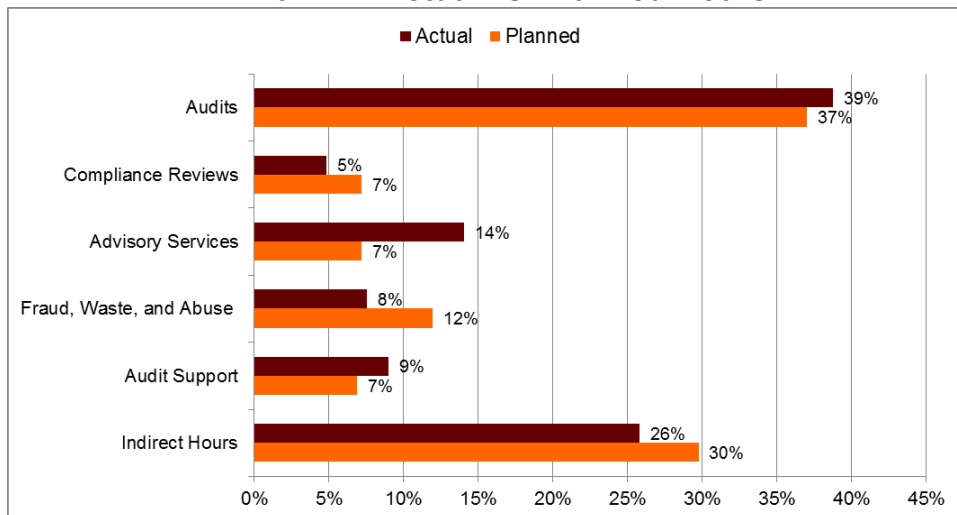


Exhibit 5 below displays the status of the fiscal year 2011-12 audit plan. All risk-based and compliance review projects have been completed, while one advisory service project is in progress.

Exhibit 5
FY 2011-12 Audit Plan Status

Audit Project	Risk Ranking	Report Issue Date	BOV Mtg
Athletics NCAA Compliance	High	8/8/2012	Sept-12
Construction Contracts	High	Deferred	Sept-12
Human Nutrition, Foods, and Exercise	High	2/17/2012	Mar-12
Institutional Review Board for Human Subjects	High	5/10/2012	Jun-12
IT: Printer Security	High	2/28/2012	Mar-12
IT: UNIX Servers	High	2/27/2012	Mar-12
Mechanical Engineering	High	5/16/2012	Jun-12
Office of Sponsored Programs	High	8/8/2012	Sept-12
Office of the University Bursar	High	7/20/2012	Sept-12
Payroll Transactions	High	7/20/2012	Sept-12
Registrar	High	5/9/2012	Jun-12
University Scholarships and Financial Aid	High	2/27/2012	Mar-12
English	Medium	12/21/2011	Mar-12
Equine Medical Center	Medium	8/22/2012	Sept-12
Hokie Passport Services	Medium	1/31/2012	Mar-12
IT: Identity Assurance Using eToken Certificates	Medium	5/10/2012	Jun-12
IT: Surplus Property	Medium	8/16/2012	Sept-12
Non-General Fund Revenue	Medium	5/16/2012	Jun-12
Northern Virginia 4-H Educational Center	Medium	Postponed	
Records Management	Medium	Deferred	
Fralin Life Science Institute	Low	Postponed	
Richmond and Hampton Roads Centers	Low	Postponed	
Dean of Students	Low	12/16/2012	Mar-12
Compliance Review			
College of Architecture and Urban Studies		5/16/2012	Jun-12
Office of the Provost		2/23/2012	Mar-12
Vice President for Finance		12/7/2011	Mar-12
Vice President for Research		8/10/2012	Sept-12

Additionally, Internal Audit responded to management's requests for advisory services and consultative guidance for the following topics: Student Health Insurance Contract Review, Software Technologies Laboratory, Engineering Education, Virginia Bioinformatics

Institute, University Building Official, Air Transportation Services, International Centers and Programs and various other topics in the areas of financial budget management and reconciliation processes for the Women's Center, cellular phone policies in higher education, and draft policy reviews within the Vice President for Administrative Services area.

Management Corrective Actions (MCAs)

Internal Audit conducts follow-up on management's implementation of agreed upon improvements for dozens of previously issued audit recommendations. Each audit recommendation and its associated MCA is given a rating of high, medium, or low priority by the auditors and management. This judgment is made in a local context, and items identified as high do not necessarily convey material deficiencies or risks beyond the operating environment in which found. A primary objective of this classification is to drive a greater sense of urgency in completing the corrective action and completion of audit follow-up. The Finance and Audit Committee receives the higher priority recommendations and associated MCAs. However, Internal Audit and management closely monitor all outstanding recommendations to ensure they are adequately addressed by the responsible parties.

Of the 119 MCAs generated during audits issued in fiscal year 2011-12, Internal Audit categorized 13 as high priority (11%). High priority MCAs would include those that are systemic or have a broad impact; have contributed to a significant investigation finding; are reportable conditions under professional literature; create health or safety concerns; involve senior officials; create exposures to fines, penalties, or refunds; or are otherwise judged as significant control issues. Audits for fiscal year 2011-12 resulted in recommendations with ratings of High, Medium, or Low MCAs as follows:

Exhibit 6 Inventory of MCAs

Beginning # of MCAs	45
MCAs added	119
MCAs closed	<u>129</u>
Current open inventory of MCAs	35

Note: The open inventory above includes 16 open MCAs from the reports presented to the Finance and Audit Committee at this September meeting. Additionally, 12 of the 35 open MCAs are categorized as low-priority recommendations that are excluded from status reports of previously issued recommendations shared with the Finance and Audit Committee. All open MCAs are closely monitored by Internal Audit, have been outstanding an average of 163 days, and are on track for completion.

Cost Containment and Revenue Enhancement Recommendations

Internal Audit emphasized the identification of cost containment and revenue enhancement strategies in the performance of audit activities. Internal Audit issued the following

recommendations to management to assist with cost containment or revenue enhancement strategies:

- Non-General Fund Revenue – The Grado Department of Industrial and Systems Engineering is paying a 7.5 percent processing fee to the University Bookstore to collect a laboratory course totaling \$3,454. Assessing the fee through the standard tuition and fee billing process will potentially avoid a \$3,454 cost to students per year. After the audit report was issued, the decision was made to discontinue this fee saving the students approximately an additional \$28,000 per year.
- Equine Medical Center (EMC) – Duplicative efforts of maintaining separate accounting and patient medical systems result in an increase of administrative costs to the EMC. Data originating in each system is extracted either daily or monthly and then manually entered in the other system. The duplicative effort is estimated to cost the EMC \$15,000 in labor and license fees for the separate system.
- Equine Medical Center (EMC) – Charges of \$143,875 were discounted, removed, or excluded from client bills. Although the potential impact on future operations of fully collecting these charges is not entirely known, reengineering the EMC's operating procedures should ensure complete and accurate charges are entered on the patient medical record in a timely manner and increase revenue generated from services provided.
- Equine Medical Center (EMC) – Inventory procedures to track controlled drugs are inefficient. The process to monitor controlled drugs is manual and decentralized resulting in distributed inventory records requiring access to multiple locations where the drugs are stored to obtain a count of inventory on hand. Development and implementation of perpetual or periodic inventory procedures will help the EMC track usage of medications and supplies more accurately and identify reorder points more timely.
- University Scholarships and Financial Aid (USFA) – The use of the USFA Exit Interview Requirement Report, which identifies all the students who have either officially or unofficially withdrawn from the university, is not efficient. USFA personnel update a separate spreadsheet each term to track and identify students who have not been notified and/or completed exit interviews, as the Exit Interview Requirement Report is not properly updated or kept current. Improving the monitoring process for exit interview notification by redesigning the Exit Interview Requirement Report eliminates the need for a redundant process of tracking students outside the Banner system.
- Compliance Reviews – Internal Audit issued recommendations related to improving the accuracy of leave and overtime compensation calculations that had resulted in overcompensating employees in several compliance reviews.

Recurring Audit Issues

The same or similar issues noted below were identified in multiple audit reports issued in fiscal year 2011-12. The data in Exhibit 7 will be shared with managers in the appropriate administrative departments so that they can establish education and/or monitoring programs that will reduce the recurrence of these issues in future years.

Exhibit 7
Recurring Audit Recommendations

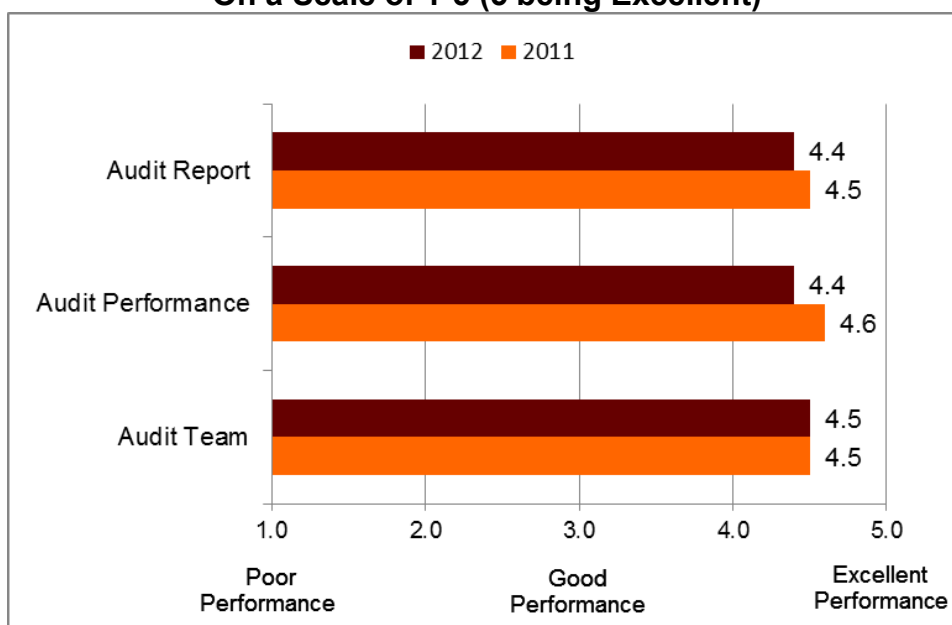
Recommendation	Occurrences	Audits
Documentation and Communication of Procedures and Policies	10	Dean of Students
		Institutional Review Board
		Non-General Fund Revenue
		Observation for Central Administration from Printer Security audit for Vice President for Information Technology
		Observation for Central Administration from UNIX audit for Vice President for Information Technology
		Observation with University-wide Impact from Mechanical Engineering audit for Controller/Sponsored Projects
		Observation with University-wide Impact from Surplus Property audit for Vice President for Information Technology
		Observation with University-wide Impact from Vice President for Research audit for Human Resources
		Office of the University Registrar
		University Scholarships and Financial
Physical Security	7	College of Architecture and Urban
		Equine Medical Center (2)
		Office of the University Registrar
		Printer Security
		Surplus Property
		Vice President for Research
Personnel Activity Reports	3	English
		Human Nutrition, Foods, and Exercise
		Mechanical Engineering
Storage, Security, Transmittal, and Use of Electronic Sensitive Data	3	Human Nutrition, Foods, and Exercise
		Surplus Property
		Vice President for Finance
Departmental Scholarships	3	Mechanical Engineering
		Human Nutrition, Foods, and Exercise
		University Scholarships and Financial
Leave Reporting	3	College of Architecture and Urban
		Provost
		Vice President for Research
Emergency Preparedness	2	College of Architecture and Urban
		Equine Medical Center
User Access	2	Equine Medical Center
		UNIX

Results of Surveys for Evaluating Internal Audit Services

Each audit and compliance review client department head is e-mailed a link to an online survey requesting their assistance in evaluating the quality of audit services provided by Internal Audit. Feedback from the surveys is used to enhance the overall quality of university audits. The survey responses are grouped into three categories focused on the following areas:

<u>Audit Team</u>	Demonstrated technical proficiency, approached audit with objective, professional, positive manner, and conclusions and opinions were logical;
<u>Audit Report</u>	Written clearly and contained adequate explanations for the observations, and recommendations improved or added value to the department's operation;
<u>Audit Performance</u>	Discussed the preliminary audit objectives, scope, and timing of the audit, management concerns and suggestions were solicited and considered in the audit, and disruption of daily activities was minimized as much as possible during the audit.

Exhibit 8
Results of Surveys for Evaluating Internal Audit Services
On a Scale of 1-5 (5 being Excellent)



Overall customer ratings were very favorable as overall results fell between excellent and good performance. Attaining a cumulative average score of 4.4 on a 5-point scale exceeded Internal Audit's goal of a 4.0 rating on survey feedback. All 14 written comments provided by clients showed appreciation of the audit process, the communication during the audit, or the professionalism, competence, accommodation, flexibility, helpfulness, courteousness, friendliness, and knowledge shown by the audit team. Two of the 14 comments recommended improvements in communicating the IT

audit engagements and objectives to departments being reviewed, and one response commented that more time was needed to review the audit report.

Fraud Waste & Abuse (FWA)

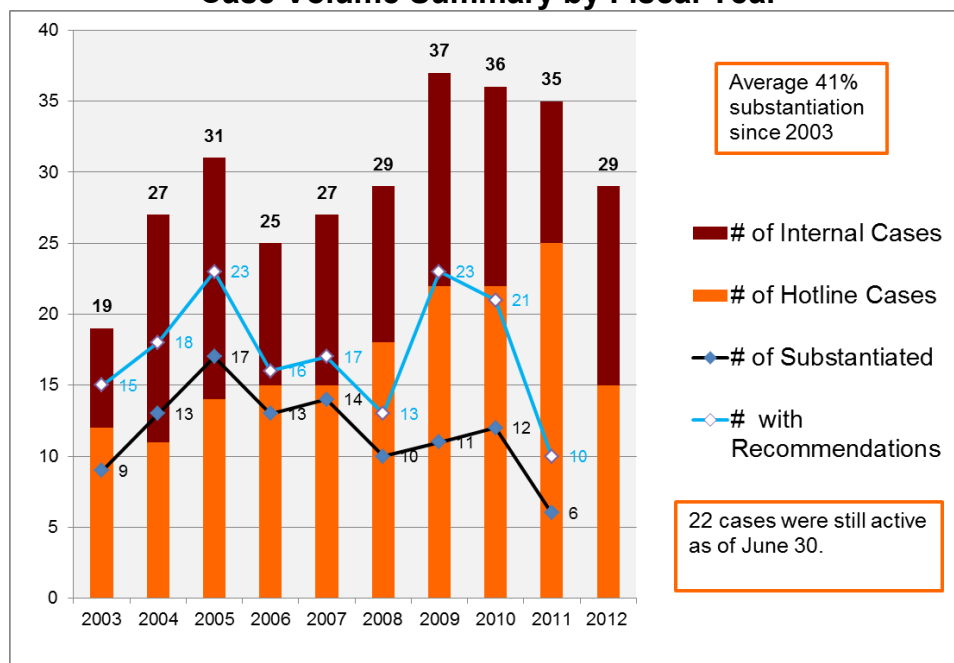
Internal Audit conducts reviews of all state hotline and internal complaints alleging fraud, waste, and abuse. During fiscal year 2011-12, Internal Audit received 29 cases and closed 23 cases from fiscal years 2010-11 and 2011-12. For the 23 cases completed, three of 13 (23 %) hotline cases were substantiated and three of 10 (30 %) internally reported cases were substantiated. While approximately 59 percent of internally reported FWA allegations have historically been substantiated, only 27 percent of state hotline cases have historically been substantiated for a combined average of 41 percent since 2002-03.

Internal Audit makes recommendations of improvements related to business practices, communication, and management that improve the overall operating environment of Virginia Tech. Historically for the past 10 years, Internal Audit made recommendations in 95 percent of substantiated cases, and in cases where there is insufficient evidence for fraud, waste, and abuse Internal Audit still made recommendations in 36 percent of cases. Overall, on average, Internal Audit made recommendations in 55 percent of cases.

While the number of cases reported to the hotline or directly to Internal Audit increased slightly over the last several years, likely attributed to the downturned economy, cases appear to have leveled-off in fiscal year 2011-12 and are now at levels last experienced in fiscal year 2008-09. Since fiscal year 2002-03, over 70 percent of the allegations investigated by Internal Audit fall within five general categories: leave or time abuse, improper use of university resources, conflict of interest, abuse of authority, or theft or embezzlement.

Exhibit 9 displays the number of fraud, waste, and abuse reviews performed for hotline and internal complaints for fiscal years 2002-03 through 2011-12, the number of substantiated cases, and the number of cases with recommendations for management.

Exhibit 9 Fraud, Waste, and Abuse Case Volume Summary by Fiscal Year



Staffing / Resources

Internal Audit entered fiscal year 2011-12 staffed with a Director, Associate Director, seven auditors (one of whom was an information technology (IT) specialist), a Graduate Assistant, and a part-time wage Senior Fraud Specialist. During the year, Internal Audit lost an Audit Manager and Senior IT Auditor who both accepted positions in other departments at Virginia Tech and hired Internal Audit's former Associate Director as a part-time Senior Fraud Specialist on a month-to-month basis to help with the fraud cases. A Graduate Assistant position was held vacant due to previous allocation of funds.

David W. Crotts, a Senior Auditor, received a prestigious international award from ACL, an industry leader in analytics software and the creator of the package we use. David was named the international Most Promising Novice and is the first recipient in the history of the award to hail from the United States. In addition to the press release on the ACL website, David received a data analyst certification and free tuition to an international conference.

Gannon T. Davis, a Senior Auditor, received the designation of Certified Research Administrator (CRA) from the Research Administrators Certification Council. CRAs have demonstrated a level of knowledge necessary for a person to be a professional research or sponsored programs administrator.

Internal Audit staff has an approximate combined 150 years of professional experience in accounting, auditing, and information technology and over 60 years of service to

Virginia Tech. Exhibit 10 shows the certifications and advanced degrees held by Internal Audit staff.

Exhibit 10
Certification and Advanced Degrees held by Internal Audit

Certification and Advanced Degrees	
Professional Certifications	
4	Certified Public Accountants (CPA)
3	Certified Fraud Examiners (CFE)
1	Certified Information Systems Auditor (CISA)
1	Certified Forensics Analyst (GCFA)
1	Certified Financial Services Auditor (CFSA)
1	Certified Research Administrator (CRA)
Advanced Degrees	
2	Master of Business Administration (MBA)

To further develop the audit staff's professional skills, Exhibit 11 illustrates the types of continuing professional education (CPEs) that staff participated in during fiscal year 2011-12. Internal Audit ensures each staff member annually receives 40 hours of CPEs to meet professional certification requirements.

Exhibit 11
Fiscal Year 2011-12 Professional Development

Type of Training	Number of CPEs
Information Technology	242
Auditing	108
Specialized Knowledge	86
Higher Education	60
Fraud	56
Specialized Applications	54
Communication	24
Ethics	8
Management	6
Personal Development	6

Exhibit 12 illustrates the allocation of effort by position. The higher administrative percentage for the Director and Associate Director are due to time spent managing the office, personnel, and constituent relations. The IT audit staff have a slightly higher administrative percentage due to maintaining the departmental IT infrastructure and providing desktop support. The Senior Fraud Specialists are employees without benefits, hired specifically to focus on investigative matters.

Exhibit 12
Allocation of Effort by Position

	Number of Audit Professionals	Direct Audit	Audit Support	Administrative, Training, Computer/Network Support	Compensated Absences
Director/Assoc. Dir.	2	47%	21%	25%	8%
IT Audit Staff	2	56%	13%	15%	15%
Operational Audit Staff	5.5	65%	8%	11%	16%
Fraud Specialist	2	94%	2%	4%	0%
Blended Average	11.5	61%	12%	14%	13%

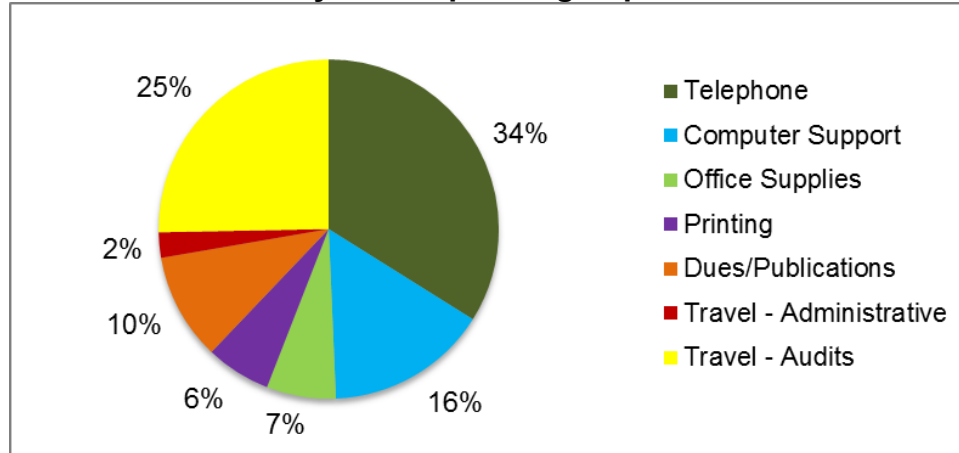
Exhibit 13 compares Internal Audit's expenditures from fiscal year 2010-11 with expenditures for fiscal year 2011-12. The expenditures for salaries and benefits increased due to filling the Associate Director position and in-band adjustments. Equipment expenses in fiscal year 2010-11 were one-time funds provided by the Vice President for Finance and Chief Financial Officer to improve the department's technology and provide ergonomic support for staff. Operating expenses stayed relatively the same. The personnel expenses in both years were for the Associate Director position recruitment and relocation expenses. Audit software expenses in fiscal year 2010-11 were higher as they included additional licenses for audit data analytic software in addition to license renewal fees for audit software.

Exhibit 13
Analysis of Expenditures

	FY 2010-11	FY 2011-12
Salaries and Benefits	\$ 913,178	\$ 987,329
Equipment	18,219	1,339
Operating Expenses	20,307	20,606
Personnel Expenses	936	5,000
Quality Assurance Review	15,573	
Training	25,905	22,428
Audit Software	20,221	11,740
Total	\$ 1,014,339	\$ 1,048,501

Exhibit 14 shows an analysis of operating expenses. Over 60 percent of operating expenses resulted from basic costs to support the department including telephone, computer support, office supplies, and printing. Travel costs for off-site audits will remain as an ongoing cost since audit effort will be dedicated to activity outside of Blacksburg.

Exhibit 14
Analysis of Operating Expenses



Internal Audit Proposed Audit Plan for Fiscal Year 2012-13

FINANCE AND AUDIT COMMITTEE

July 31, 2012

Internal Audit presents the fiscal year 2012-13 audit plan to the Finance and Audit Committee for approval. Internal Audit is not necessarily expecting to be able to fully complete its ambitious plan for the year, but continually strives for productivity gains.

Internal Audit management conducted its annual risk assessment to identify the entities that should receive audit attention in fiscal year 2012-13. Senior management had the opportunity to provide input on areas for consideration in the preparation of the audit plan. Additionally, a five-year core audit plan was developed to ensure Internal Audit provides adequate coverage related to the university's critical areas. See the Proposed Five-Year Core Audit Plan on Schedule 4. The Core Audit Plan includes several multi-year audits that will allow for annual reviews of selected components of the entities with high external compliance risk and complex operations. These entities are University Scholarships and Financial Aid, Office of Sponsored Programs, Office of the University Bursar, and Intercollegiate Athletics.

Internal Audit also created a university-wide information technology (IT) risk assessment and audit plan document mapped to the ISO 27002 standard, an information security standard published by the International Organization for Standardization (ISO) that is considered to be a best practice for developing and maintaining enterprise-wide IT security. IT senior management were consulted during the development of the assessment and plan document to ensure that audit coverage was maximized and properly targeted. See the Proposed Five-Year Core Audit Plan on Schedule 5. The Core Information Technology Plan includes audits that are topical in nature and each audit will include coverage of the four high-level risk domains that were identified during the risk assessment. These domains are: student systems, finance and administrative systems, human resource systems, and research systems.

Given existing resources, an estimated 11,350 direct hours will be devoted to audits, planning and reviews (Schedule 1). Based on the risk assessment and feedback from management, the proposed audit plan (Schedule 2) includes a balance of high, medium, and low risk entities along with advisory services and compliance reviews (Schedule 3). A description of the preliminary audit scope for projects on the fiscal year 2012-13 plan is detailed in Schedule 6. Internal Audit's goal is to complete 85 percent of the audit plan. The proposed audit plan may be modified based on the external audit environment or changes in regulations, management, or resources.

RECOMMENDATION:

That the fiscal year 2012-13 proposed audit plan be accepted by the Finance and Audit Committee.

AUDIT PERSONNEL AVAILABLE HOURS FOR FISCAL YEAR 2012-13

Sources of Effort Available:	No. of Employees	Annual Hours	Total Hours	Percent Of Effort
Audit Staff *	7	2,080	13,860	86.63%
Wage Auditor	1	1,500	1,500	9.38%
Graduate Assistant	1	640	640	4.00%
Total Available - Fully Staffed	9		16,000	100.00%

* Adjusted for Anticipated Vacancies due to Staff Turnover (2 auditors for 2 months)

Planned Application of Effort:

Performing Scheduled Audits	6,000	37.50%
Compliance Reviews	1,100	6.88%
Advisory Services / Management Requests	1,500	9.38%
Reviews of Alleged Fraud, Waste, and Abuse	1,500	9.38%
Annual Audit Activities (Follow-up, Inventory)	750	4.69%
Continuous Monitoring	500	0.60%
Total Direct Hours - Audit, Planning and Review	11,350	70.94%
Vacations, Holidays, and Sick Leave	2,184	13.65%
Training and Professional Development	630	3.94%
Administrative Tasks, Network Maintenance	1,836	11.48%
Total Indirect Hours	4,650	29.06%
Grand Total Hours of Effort	16,000	100.00%

AUDIT PLAN FOR FISCAL YEAR 2012-13
RISK BASED AUDITS

ENTITIES	LAST AUDIT	RISK	HOURS
Animal and Poultry Sciences	N/A	High	350
Athletics NCAA Compliance *	2009	High	300
Financial Reporting and Cost Accounting	2007	High	300
Fish and Wildlife Conservation	N/A	High	350
Graduate Education	2005	High	350
Human Resources: Compensation and Classification	2009	High	250
Int'l Research, Education, and Development (OIREd)	2005	High	350
IT: Disaster Recovery	N/A	High	250
IT: Interfaces and Wires	N/A	High	350
IT: Outsourced Systems	N/A	High	400
Office of Sponsored Programs *	2010	High	250
Office of the University Bursar *	2008	High	250
Psychology	2002	High	300
University Scholarships and Financial Aid *	2010	High	250
Virginia Tech Transportation Institute	2008	High	400
Real Estate Management and Architecture	2006	Medium	275
Records Management	N/A	Medium	250
Virginia Cooperative Extension	2010	Medium	300
IT: Mobile Device Security	N/A	Medium	275
Career Services	2004	Low	200
Total Hours Needed			6,000
Total Audits Planned			20

* Entity receives an annual audit on different components of their operation.

ADVISORY SERVICES REVIEWS

Vice President and Dean for Undergraduate Education IT Review	200
Chemistry Service Centers	200
Construction Contract Review	500
Gift Accounting Funds Handling	150
Unallocated - Management Request	450
Total Hours Needed	1,500

**FIVE-YEAR COMPLIANCE REVIEW PLAN
FOR FISCAL YEARS 2012-13 THROUGH FISCAL YEAR 2015-16**

Audit Entity (Senior Management Areas)	Last Review	Hours of Effort				
		FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Athletics	2007	250				
College of Agriculture and Life Sciences	2009		300			
College of Architecture and Urban Studies	2012					250
College of Business	2010			200		
College of Engineering	2008	300				
College of Liberal Arts and Human Sciences	2008	300				
College of Natural Resources	2009		200			
College of Science	2010			250		
College of Veterinary Medicine	2008	250				
Office of the President	2011					150
Office of the Provost	2012					200
University Libraries	2011				200	
Vice President and Dean for Graduate Education	2008		200			
Vice President and Dean for Undergraduate Education	2011			250		
Vice President for National Capital Region	2011				150	
Vice President for Administrative Services	2010			300		
Vice President for Alumni Relations	2010				150	
Vice President for Development and University Relations	2011				250	
Vice President for Diversity and Inclusion	2009			150		
Vice President for Finance	2012					250
Vice President for Information Technology	2009		200			
Vice President for Outreach and International Affairs	2011				300	
Vice President for Research	2012					300
Vice President for Student Affairs	2009		250			
Total Budgeted Hours		1100	1150	1150	1050	1150
Number of Reviews		4	5	5	5	5

NOTE: Compliance reviews include all departments reporting to the respective senior management area.

**PROPOSED FIVE-YEAR CORE AUDIT PLAN
FOR FISCAL YEAR 2012-13 THROUGH FISCAL YEAR 2016-17**

Area	2013	2014	2015	2016	2017
Enrollment Services	Financial Aid – State and Inst. Prog., Overaward	Financial Aid – Inst. and Stud. Eligibility, Title IV Return, Quality Assur.	Financial Aid – Federal Prog., Dept. Schol., Fin. Reporting	Financial Aid – State and Inst. Prog., Overaward	Financial Aid – Inst. and Stud. Eligibility, Title IV Return, Quality Assur.
	Graduate Education	Student Residency Status		Admissions	Registrar
Research	Sponsored Programs – Proposals, Award Neg.	Sponsored Programs – Compliance, Close-Out	Sponsored Programs – A/R, Cash Mgt.	Sponsored Programs – Proposals, Award Neg.	Sponsored Programs – Compliance, Close-Out
	VTTI	Fralin Life Science Institute	ICTAS	VTCRI	VBI
		BioSafety	Cost Transfers	Conflict of Interests	Effort Reporting
Human Resources/Payroll	Compensation and Classification	Hiring and Termination	Leave Accounting	Benefits	Payroll Transactions
Auxiliary Enterprises	Career Services	Housing and Residence Life	Health and Counseling Centers	Virginia Tech Electric Service	The Inn at Virginia Tech
	NCAA – Recruiting	Athletics – Operations	NCAA – Financial Aid	NCAA – Eligibility	NCAA – Recruiting
Facilities Management	Real Estate/Architecture	Facilities Operations	EHSS	Planning, Design, and Construction	Building Official
	Records Management	Facilities WorkOrder System	Utilities	Mail Services	Printing Services
		Fleet Services, Parking, and Transportation	Renovations		
Procurement & Payment / Financial	Controller's Office – Financial/Cost Acctg	Purchasing and Accounts Payable	Controller's Office – Risk Management	Controller's Office – General Accounting	Controller's Office – Fixed Assets
	Bursar – Institutional Loans and Collections	Bursar – Cash Receipts and Disbursements	Bursar – Accounts Receivables/Student Revenue	Bursar – Institutional Loans and Collections	Bursar – Cash Receipts and Disbursements
Academic Units	Animal and Poultry Sciences	Computer Science Engineering	Electrical and Computer Engineering	Crop and Soil Environmental Sciences	Engineering Science and Mechanics
	Fish and Wildlife Conservation	College of Veterinary Medicine	Civil and Environmental Engineering	Materials Science and Engineering	Geosciences
	Psychology	School of Education	Horticulture	Physics	Biochemistry
		Aerospace and Ocean Engineering	School of Public and International Affairs	Human Development	Biological Systems Engineering
Off-Campus Locations (Virginia & International)	Virginia Cooperative Extension	Alson H. Smith Jr. and Middleburg ARECs	Virginia Cooperative Extension	Eastern Shore AREC	Institute for Advanced Learning and Research
	OIRED	Vice President for National Capital Region	Reynolds Homestead	Roanoke Center	Richmond and Hampton Roads Centers

**PROPOSED FIVE-YEAR CORE INFORMATION TECHNOLOGY AUDIT PLAN
FOR FISCAL YEAR 2012-13 THROUGH FISCAL YEAR 2016-17**

Year	Audit	ISO 27002 Coverage Areas											
		Risk Assessment	Security Policy	IT Security Organization	Asset Management	Human Resources Security	Physical and Environmental Security	Communications and Operations Management	Access Control	Information Systems Acquisition, Development, and Maintenance	Business Continuity	IT Security Incident Management	Compliance
2013	Disaster Recovery	✓		✓	✓			✓			✓		
2013	Interfaces and Wires								✓				
2013	Mobile Device Security				✓		✓	✓					
2013	Outsourced Systems						✓		✓				
2014	Banner Applications		✓				✓	✓					
2014	Employee Access Life Cycle			✓		✓							
2014	PCI Compliance								✓				
2014	Wireless Security						✓	✓	✓				
2015	IT Security Incident Response				✓	✓	✓		✓	✓			
2015	Network (Routers & Firewalls)						✓	✓	✓				
2015	Project Management						✓		✓				
2015	Windows Server Security							✓					
2016	FERPA/HIPAA			✓			✓						✓
2016	Oracle Database			✓					✓				
2016	Printer Security						✓	✓					
2016	UNIX Server Security							✓					
2017	Banner Applications		✓				✓	✓					
2017	COOP Review	✓		✓	✓		✓				✓		
2017	General Controls Review			✓		✓	✓						✓
2017	Surplus Property						✓						

Note: Audits will include coverage of all critical or sensitive risk domains (Student, Finance, Human Resources, and Research) of the university.

PRELIMINARY SCOPE DESCRIPTIONS OF FISCAL YEAR 2012-13 AUDIT PLAN

The description of the preliminary audit scope for projects on the fiscal year 2012-13 audit plan is detailed below. However, the preliminary scope is subject to change as the audit objectives are based on identified business goals and objectives, potential risks, and processes designed to mitigate those risks during the audit planning process. The annual expenditures and revenues referenced below reflect fiscal year 2010-11 data.

Periodic Reviews of Colleges, Schools, and Departments: The objective of these audits is to assure sound business practices are in place and processes are in compliance with university policies. These reviews will focus on the unit's business objectives and will evaluate controls and business risks. Tests of records may include core business functions such as contract and grant administration, service centers, health and safety, facility security, conflict of interest, and systems and network security as applicable, to determine if processes effectively manage risks, safeguard assets, and comply with policies.

Academic Reviews:

Animal and Poultry Sciences – In addition to traditional teaching and research, the department maintains livestock herds and flocks at six centers on campus and at nearby Kentland Farm. This department within the College of Agriculture and Life Sciences has expenditures of \$8.4 million, including \$3.3 million in sponsored research. While the last audit of this college was in 2008, the Department of Animal and Poultry Science has never received a focused audit.

Fish and Wildlife Conservation – The department within the College of Natural Resources and Environment has expenditures of \$7.9 million, including \$6.1 million in sponsored research, which is an 89 percent increase since 2008. While the last audit of the college was in 2005, the Department of Fish and Wildlife Conservation has never received a focused audit.

Psychology – The department within the College of Science has more than 70 graduate students and 800 undergraduate students. The department has expenditures of \$6.4 million, including \$2 million in sponsored research representing a 26 percent increase since 2008 and includes a large portion focused on human subjects. While the last audit of the college was in 2008, the Department of Psychology has not received a focused audit since 2002.

Athletics NCAA Compliance: Virginia Tech sponsors 21 varsity sports at the NCAA Division I level. The department's operating revenues were approximately \$66.9 million and expenditures were \$62.6 million. Internal Audit conducts a complete audit of Athletics over a four-year period. This audit will include reviews of recruiting, institutional control, and awards, benefits, and expenses. The last audit of these NCAA activities was in 2009.

PRELIMINARY SCOPE DESCRIPTIONS OF FISCAL YEAR 2012-13 AUDIT PLAN

Career Services: Career Services within the Division of Student Affairs functions as the primary resource for actively engaging students in their career aspirations by assisting with: academic major selection, attainment of career-related experience, and the development and pursuit of post-graduate career plans. Career Services hosts the Hokies4Hire web-based resume and hiring system for students and alumni. Career Services also coordinates and hosts the On-Campus Interviewing (OCI) Program for eight weeks in the fall semester and eight weeks in the spring semester. Approximately 10 percent of graduates accept full-time positions through OCI. Career Services has expenditures of \$2.3 million and revenues of \$2.9 million. This review will focus on business operations, revenues and fees, and employer prospecting and recruiting. The last audit of this office was in 2004.

Financial Reporting and Cost Accounting: The Financial Reporting section of the Controller's Office is responsible for preparing the university's annual audited financial statements, the National Science Foundation (NSF) Report of research expenditures, and various other reports and surveys as required by federal and state reporting requirements as well as third parties. The Cost Accounting section of the Controller's Office is responsible for preparing the university's annual fringe benefit proposal as well as the university's Federal Facilities and Administrative (F&A) cost proposal. It is also responsible for approving new service centers, monitoring and completing annual reviews of all existing service centers, and offers training on cost accounting standards and other topics. For Financial Reporting, this review will focus on financial statements, NSF reports, and the process for establishing and monitoring organization and account codes in Banner. For Cost Accounting, this review will focus on the fringe benefit proposal, F&A proposal, and service centers. The last audit of these activities was in 2007.

Graduate Education: The Graduate School is responsible for the development, administration, and evaluation of graduate education throughout the university. The graduate school offers 150 masters and doctoral degree programs, awards more than 1,500 master's degrees and 400 doctoral degrees annually. Virginia Tech has approximately 9,200 graduate students enrolled including more than 1,600 international graduate students from more than 90 countries. This review will focus on the graduate admission process, degree progress monitoring, scholarship and fellow programs, and health and safety. The last audit of the Graduate School was in 2005.

Human Resources: Compensation and Classification: Compensation Management is a wide-ranging activity within Human Resources at Virginia Tech. Programs covered by Compensation Management include: in-band adjustments, interpreting and developing policy related to the Fair Labor Standards Act, pay strategy, pay structure, and role changes. The Classification activity within Human Resources refers to the coordination of distinct employment categories at Virginia Tech including faculty, staff, and wage. Each of these classifications has their own policies and procedures governing conduct, pay structure, and benefits programs. The last audit of these activities was in 2009.

PRELIMINARY SCOPE DESCRIPTIONS OF FISCAL YEAR 2012-13 AUDIT PLAN

IT-Disaster Recovery: As Virginia Tech's operational reliance on information technology (IT) has grown, so has the risk associated with a loss of IT resources in the event of a disaster, whether natural or human-induced. Disaster recovery planning includes developing policies and procedures, at the department and central levels, to prepare for the recovery or continued availability of critical technology infrastructure and systems. A disaster recovery plan is a subset of a continuity of operations plan (COOP) and focuses specifically on the IT systems and infrastructure instead of the overall efforts to keep the organization running. A high level of communication between central administration and departments is vital to coordinate the overall readiness to recover in the event of a disaster. This audit will focus on the university level initiatives in this area as well as how departments are managing these processes. No audit of this nature has been conducted of the disaster recovery environment.

IT-Interfaces and Wires: Virginia Tech sends a large number of highly sensitive transmissions to external entities through electronic means. These processes are often mandated and examples include the transfer of funds or the submission of sensitive information. Often times, the receiving party dictates the security in place over the transmission, and may even require that data is sent unencrypted to work with existing systems. This audit will identify high-risk transmissions and focus on the security of the processes in place. No audit has been conducted of the interfaces and wires environment.

IT-Mobile Device Security: The use of mobile devices has increased rapidly in recent years. Smart phones and tablets are frequently used at Virginia Tech to access university data and systems including web-based applications and university email, which can include sensitive data in the form of attachments. Security configurations and requirements vary greatly across the industry. This audit will focus on the policies and procedures surrounding mobile device security from both the department and central administrative perspectives. No audit has been conducted of the mobile device security environment.

IT-Outsourced Systems: In addition to mandatory submission of data to third parties, Virginia Tech has procured entire systems through outsourcing agreements to host and process institutional data. Examples include an outsourced e-commerce system for procuring goods or services and systems intended to meet requirements for meeting federal immigration requirements. In addition to these high-visibility centrally purchased systems, there are departmental systems outside of the university environment that may have highly sensitive data, yet have not been approved by central administration due to long-term existence or due to relatively low financial impact. This audit is intended to identify and review the security of departmentally and centrally purchased outsourced systems. No audit has been conducted of the outsourced systems environment.

Office of International Research, Education, and Development (OIREd): OIREd supports the international mission of Virginia Tech through collaborative programs in research, education, and technical assistance. Currently, OIREd oversees projects in

PRELIMINARY SCOPE DESCRIPTIONS OF FISCAL YEAR 2012-13 AUDIT PLAN

more than 40 countries throughout Asia, Africa, Latin America, the Caribbean, and Europe. As part of the university's Outreach and International Affairs division, OIRED provides access to the full range of expertise available at Virginia Tech and through project partners around the world. The sponsored research awards totaled \$10.6 million and expenditures were \$6.5 million, which represent 127 percent and 19 percent increases from 2009 respectively. The last audit of OIRED was in 2005.

Office of Sponsored Programs: The Office of Sponsored Programs (OSP) has the responsibility of ensuring compliance with all policies and procedures (university, state, federal, and individual sponsor) as they relate to externally funded grants and contracts. The office provides full service throughout the lifecycle of a project, from preliminary budget review to award closeout. A complete audit of OSP occurs over a three-year period. This audit will focus on proposals and award negotiations. The last audit of this activity was in 2010.

Office of the University Bursar: The Office of the University Bursar (OUB) has the responsibility of providing timely and accurate billings to students and general users of the university's services and ensuring that payments and credits are received and properly applied to each customer's account in a timely manner. Other responsibilities include disbursement of payroll, handling all university payables, collection of delinquent accounts and notes receivable, and administration of the Budget Tuition Program. A complete audit of OUB occurs over a three-year period. This audit will focus on institutional loans and collections. The last audit of institutional loans was in 2009, while collections have not been reviewed since 2005.

Real Estate Management and Architecture: The departments of Real Estate Management and Architecture both report to the Office of University Planning. The Real Estate Management department provides assistance to the university community in the areas of leasing and property management of real estate, property acquisitions, transfers, and sales, and the disposal and demolition of surplus buildings. Real Estate Management also serves as the repository of all university deeds, leases, and other real estate documents. The Architecture department provides guidance and leadership to the long range planning of Virginia Tech's physical environment and to the design of specific building in support of the university's mission and strategic vision. Architecture provides oversight of master planning and input on the consistent application of university design standards, and also assists in the development of the six-year capital plan. The last audit of Real Estate Management was in 2006, but no audit has been conducted of Architecture.

Records Management: Records Management is an administrative technique that provides management and control over the files and records of the university to enhance efficiency and effectiveness. It includes activities associated with the creation, movement, retention, retrieval, duplication, safekeeping, and destruction of records. Another key facet of Records Management is electronic discovery (E-Discovery) in civil litigation related to the exchange of information in an electronic format. At Virginia

PRELIMINARY SCOPE DESCRIPTIONS OF FISCAL YEAR 2012-13 AUDIT PLAN

Tech, the E-Discovery group in Network Infrastructure and Services provides support to Virginia Tech's University Legal Counsel. The University Records Manager works in the Records Management Services (RMS) department within Transportation and Campus Services. The University Records Manager is responsible for compliance with the Virginia Public Records Act and is the liaison officer with the State Library of Virginia. RMS operates the records center facility with over 19,000 boxes of inactive records, provides off-site storage of computer back-up tapes, and performs large volumes shredding services. No audit has been conducted of this activity.

University Scholarships and Financial Aid: The Office of University Scholarships and Financial Aid (USFA) is part of the Enrollment Management area reporting to the Vice President and Dean for Undergraduate Education. USFA supports the university's student access, enrollment, and retention goals by providing the financial means to encourage economic, social, cultural, and academic diversity in the student body. USFA provided or monitored approximately \$391 million of student financial assistance in fiscal year 2010-11. A complete audit of USFA is performed over a four-year period. This audit will include state and institutional scholarships and overawards. The last audit of this activity was in 2010.

Virginia Cooperative Extension: Virginia Cooperative Extension (VCE) is an educational outreach program of Virginia's land-grant universities: Virginia Tech and Virginia State University. Extension programs are delivered through a network of faculty at two universities, 107 county and city offices, 11 agricultural research and extension centers, and six 4-H educational centers. In 2010, VCE reached more than 1.8 million people through face-to-face programs, and volunteers numbered 25,650 people giving more than 811,000 hours of their time in support of VCE programs. VCE had \$21.2 million in expenditures and \$16 million in revenue including \$15.5 million in cash receipts. The last audit of this area was in 2010.

Virginia Tech Transportation Institute: The Virginia Tech Transportation Institute (VTTI) serves as Virginia Tech's largest university-level research center. In 2005, due to VTTI's continued research leadership, VTTI was designated the National Surface Transportation Safety Center for Excellence. The institute, reporting to the Vice President for Research, has expenditures of \$33 million and conducts \$27 million in sponsored research, which is a 136 percent increase since 2008. This audit will include a review of VTTI's sponsored research, compliance with university policies and procedures regarding health and safety, and the financial and administrative activity of the institute. The last audit of this office was in 2008.

Compliance Reviews: Internal Audit will continue its program of limited scope reviews of senior management areas. These surveys review major aspects of a department's administrative processes using internal control questionnaires and limited testing that provides broad audit coverage ensuring compliance with university policies on campus.

Review and Acceptance of Internal Audit Reports Issued

FINANCE AND AUDIT COMMITTEE

August 14, 2012

Background

In concurrence with the fiscal year 2011-12 Internal Audit Plan approved by the Finance and Audit Committee at the August 28, 2011 Board of Visitors meeting, the department has completed six risk-based audits and one compliance review during this reporting period. This report provides a summary of the ratings issued during the period and the rating system definitions. With the submission of these seven reports, Internal Audit has completed 97 percent of the annual audit plan. The only project remaining is an advisory service review that was delayed at management's request due to turnover in key business personnel, but is now underway.

Ratings issued this period

Athletics NCAA Compliance	Improvements are recommended
Office of Sponsored Programs - Finance	Effective
Office of the University Bursar: Accounts Receivable – Student Revenue	Effective
Payroll Transactions	Effective
Equine Medical Center	Unreliable
IT: Surplus Property	Improvements are recommended
Vice Presidents for Research	Improvements are recommended

Summary of Audit Ratings

Internal Audit's rating system has four tiers from which to assess the controls designed by management to reduce exposures to risk in the area being audited. The auditor can use professional judgment in constructing the exact wording of the assessment in order to capture varying degrees of deficiency or significance.

Definitions of each assessment option

Effective – The audit identified opportunities for improvement in the internal control structure, but business risks are adequately controlled in most cases.

Improvements are Recommended – The audit identified occasional or isolated business risks that were not adequately or consistently controlled.

Significant or Immediate Improvements are Needed – The audit identified several control weaknesses that have caused, or are likely to cause, material errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management should undertake immediate corrective actions to mitigate the associated business risk and possible damages to the organization.

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

RECOMMENDATION:

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

Auditor of Public Accounts Statewide Reviews and Special Reports

FINANCE AND AUDIT COMMITTEE

August 3, 2012

Background

In addition to the annual audits of the university's financial statements and its Intercollegiate Athletics program, the Auditor of Public Accounts (APA) has included Virginia Tech along with other agencies in program reviews designed to assess controls on a statewide basis. These special reviews are included as a part of the APA's annual audit plan. Due to the breadth of the programs and the dollar volume of activities at Virginia Tech, the university is often selected for inclusion in the reviews.

The following report provides an analysis of the APA's statewide audit activities consistent with the university's planned approach to manage and report on these audit activities.

Recent Audit Activity

Since our last report, the APA has issued three statewide audit reports that reference or impact Virginia Tech; these APA reports are summarized below. The prior report to the Finance and Audit Committee on the APA's statewide reviews and special reports was reviewed with the Committee in November 2011.

Progress Report on Commonwealth Data Standards, May 2012 (issued May 2012)

The Appropriation Act, Chapter 890 requires the Departments of General Services, Treasury, Human Resource Management, Planning and Budget, and Accounts to provide the Chief Information Officer (CIO) and the Department of Transportation with data standards by July 1, 2010. The Act calls for the Secretary of Technology to approve the data standards and for agencies to use the data standards for all new information systems implementation projects including, but not limited to, Commonwealth enterprise application initiatives. The Act outlined seven minimum business areas that require data standards which include; vendor tables, receiving information, invoice information, purchase information including commodity codes, agency identification information, chart of accounts, and state employee identification information. As of March 2012, of the seven standards, two data standards (state employee identification information and vendor tables) have been adopted, one data standard (chart of accounts) is on hold, and the remaining four standards (receiving information, invoice information, purchase information, and Agency ID information) have no work accomplished to date. Based on review of four active system development projects that would utilize the data standards, the APA estimates that the Commonwealth could spend \$3.5 to \$4.5 million combined to independently develop data standards. These four system development projects, with a combined budget of over \$87 million, represent a large investment of Commonwealth resources. All of the cost estimates mentioned above do not include any costs that will be incurred by all the state agencies that already have separate financial systems to create modifications or new interfaces to these new state systems. Virginia Tech and other institutions

of higher education would incur significant costs if we have to become fully compliant with data standards that differ from our existing systems' standards or capabilities. The APA presented nine recommendations in this report which primarily focus on making the development of the data standards in the remaining four areas a priority and tasking the Secretary of Technology and CIO and VITA to assert their authority and take a leadership role in developing these enterprise-wide data standards. (The APA included no recommendations specific to Virginia Tech in this review.)

Agencies of the Secretary of Finance, Report on Audit for the Year Ended June 30, 2011 (issued January 2012)

The main focus of this report is the System Modernization Project. The Commonwealth implemented Phase 1 of the Cardinal System project in December 2011 with the implementation of the Department of Transportation's financial system. Plans remain intact for Phase 2 of the implementation where the Department of Accounts will go-live in October 2012 with the general ledger and accounts payable modules. Phase 3, which involves an incremental role out to all state agencies, will occur over the next several years.

The Commonwealth implemented Phase 1 of the Performance Budgeting System in September 2010, which addressed four functional areas: budget development (operating and capital), six-year financial planning, and budget execution. In June 2011, management temporarily suspended Phase 2 of the project, which addresses agency spending plans and strategic planning. Phase 2 was originally scheduled for completion in April 2011. This decision allowed the project team to focus on correcting and adding enhancements to the Phase 1 functionality and stabilizing that environment in time for the fall 2011 budget season. The project team re-started Phase 2 activities in December 2011 and anticipates completion of this phase and overall project close out by March 2012.

The 2011 Appropriation Act created a new internal service fund that the Department of Accounts will manage to capture fees to support enterprise system management, but the Secretary of Finance has not finalized the method for assessing the fee that will be used to support system maintenance and operation costs for these new systems. When implemented, this could result in additional costs to the university for systems that will have no direct benefit to the university.

The APA also stated in the report that because of the changing accounting and regulatory environment as well as reduced personnel at the agency level, that there is a risk of the Commonwealth issuing inaccurate financial reports or not being able to comply with state or federal mandates for more comprehensive and timely reporting. The APA has recommended that the Department of Accounts re-examine the Commonwealth's financial reporting processes to identify opportunities for improving their use of technology, communication with agencies, and analysis of financial activity. (The APA included no recommendations specific to Virginia Tech in this review.)

Review of the Budget and Appropriation Processing Control System for the Year Ended June 30, 2011 (issued February 2012)

The review stated that the Department of Planning and Budget's policies and procedures are adequate to ensure that Planning and Budget complies with the requirements of the Appropriation Act and the Code of Virginia, Commonwealth Accounting and Reporting System (CARS) properly includes the budget approved by the General Assembly, Planning and Budget properly approves, documents, and reconciles budget adjustments on the Performance Budgeting System to CARS at a statewide level, and the appropriation controls in CARS are adequate to ensure program expenses do not exceed appropriations.

Prior reports have included a discussion of budget transparency issues that affect the ability of the user to easily relate the budget to the actions of the Commonwealth. The most significant of these issues were the transfers of General Funds to various non-general funds for the Personal Property Relief program as well as higher education programs. These issues arose when Planning and Budget processed transfers to comply with various requirements in the Appropriation Act, which allow for separate monitoring and tracking of these funds. This practice created a loss of funding transparency in the accounting records.

Planning and Budget and the General Assembly have taken steps to address some of the more significant budget transparency issues. For higher education, Chapter 890 of the 2011 Virginia Acts of the Assembly includes language that directs the Governor's Commission on Higher Education Reform, Innovation, and Investment to review such transfers and make recommendations by fiscal year 2012. No action was taken by the Commission on this item during fiscal year 2012. If full transparency for these transfers for higher education (including Virginia Tech) were required, additional effort would be incurred to record Educational & General operating revenues and expenses since they would have to be segregated between General Funds and Nongeneral Funds, as opposed to the long standing practice of accounting for those funds on a combined basis. (The APA included no recommendations specific to Virginia Tech in this review.)

Update on the Status of the Proposed Access Road for the Visitors and Undergraduate Center

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

July 27, 2012

The university initiated planning for a new Visitors and Admissions Center (Center) in summer 2008 and the building was opened in summer 2011. During the design and construction process, the Buildings and Grounds Committee requested that the university include in the design an alternate entrance to the shared entrance with the Inn at Virginia Tech. The purpose of this report is to provide an update on the university's actions to-date, future plans for an alternate entrance, and the impact on current program operations with the existing shared entrance.

In the summer of 2010, the university engaged the Parsons Brinkerhoff, Inc. firm to perform a traffic impact study and analysis of entrance options for the Center. The consultant report analyzed current and projected future traffic intensity with and without the Center. Based on the analysis results, the report shows the development of the Center introduces limited additional delay to the roadway network and the two signalized intersections operate at generally the same level of service with or without the Center.

The report evaluates three options for new entrances to the Center based on compliance with Virginia Department of Transportation minimum spacing criteria. Because of the minimum spacing criteria related to the U.S. 460 interchange and signals at West Campus Drive, the report's recommendation for a new entrance to the Center is a "right-in-right-out" only entrance. A signalized intersection would not be compliant and the location of a directional media would be operationally constrained under the minimum spacing criteria.

The university's facility services unit prepared an order of magnitude estimate for total project costs with a range of \$750,000 to \$1.2 million. Because the project budget could not absorb this cost without substantial impact to the program, the initiative has been on hold. Internal funding would require a one-time reallocation of operating budget resources away from academic initiatives. As a forward looking strategy, the university included a funding request for this item in its 2012-2014 capital budget submission to the state. While this item was not funded by the state in the prior session, the university will continue to position the project along with other capital needs in the upcoming capital plan.

The new facilities have made a significant improvement for the university's Visitors and Undergraduate Admissions programs. During their first year of operations in the new location, both programs have developed effective ways to manage incoming traffic and

parking and meet customer expectations with the shared entrance at the Inn at Virginia Tech. Thus, while the university has worked to align resources with the state over time, the programs have developed successful ways to meet current expectations with the existing infrastructure. The University believes this strategy will continue to meet its needs until the funding for the road capital project can be obtained from the Commonwealth.

Potential Operating and Capital Budget Initiatives

FINANCE AND AUDIT COMMITTEE

August 10, 2012

State Budget Process

The state established the 2012-14 biennial budgets for its agencies effective July 1, 2012. In preparation for the 2013 General Assembly session and the fiscal year 2013-14 budget, the administration develops budget amendments that the Governor may offer to amend the 2012-14 biennial budget. The Department of Planning and Budget (DPB) establishes the guidelines that state agencies utilize to submit amendments to the administration for consideration in the Governor's budget. The Governor will present the Executive Budget to the General Assembly on December 17, 2012.

Instructions on the amendment process have not yet been received and are not expected until late August or September. At the state level, considerations impacting this process include the August forecast of state revenues, the national economic environment and federal deficit actions, and the recommendations of the Higher Education Advisory Committee and State Council of Higher Education for Virginia (SCHEV) on issues including funding recommendations as framed by the Higher Education Opportunity Act of 2011.

Assuming that the process for submission of budget amendments will be similar to recent years' submissions, the university anticipates submitting several adjustments through operating budget development process, including the following categories:

- New initiatives,
- Mandates,
- Prior commitments and critical needs,
- Technical adjustments, and
- Cost adjustments.

Further, the 2012 Appropriation Act (§ 4-4.01 g.) provides for consideration of capital requests in odd-numbered years as follows:

1. Supplementing projects which have been bid and determined to have insufficient funding to be placed under contract, and
2. Projects declared by the Governor or the General Assembly to be of an emergency nature, which may avoid an increase in cost or otherwise result in a measurable benefit to the state, and/or which are required for the continued use of existing facilities.

In addition to the two capital categories listed above, the state has traditionally acted on technical adjustments for state funded furnishings, fixtures, and equipment (FF&E) budget line items and requests for new 100 percent nongeneral fund capital projects. The state occasionally considers General Fund support for new capital projects when revenues are sufficient.

Potential Budget Amendments for Fiscal Year 2013-14

Consistent with this guidance and prior practice, the university has developed a list of potential operating and capital budget amendments. These initiatives are designed to advance the vision of the university's long range plan. The proposals on this list are consistent with the initiatives approved for submission in the University's 2012-18 Capital Outlay Plan and updated six year operating plan, which were submitted to the state in June 2011 and Summer 2012, respectively. Since the submission for 2013-14 is anticipated to be due sometime in the period of September to October, work is already underway to prepare the individual proposals. It is the university's business practice to share these potential budget requests with the board to obtain concurrence with the proposed budget strategies for the Executive Budget adjustments and the General Assembly Session.

Several important statewide issues are traditionally addressed centrally and are not included in Virginia Tech's list of amendments. The issues that are normally coordinated by SCHEV and DPB include the following: faculty and staff salaries, base budget adequacy, equipment trust fund, maintenance reserve, and student financial assistance.

These proposed initiatives are expected to meet the criteria for submission to the Executive Budget. However, when budget amendment instructions are received from the state, the budget submission will be modified as necessary to conform to that guidance. The university may elect to use all or some of these initiatives in a budget submission for the Executive Budget or during the 2013 General Assembly Session. If any material additions are made to the request because of new opportunities or state guidance, these changes would be reviewed subsequently with the Board of Visitors. A brief description of each of the initiatives follows.

Operating Initiatives — University Division

- Advance Neuroscience and Life Science Research. The growth of complex interdisciplinary research has resulted in an environment that is more capital intensive than ever. Funding agencies have moved away from supporting the individual investigator and are more interested in investing in large scale interdisciplinary teams working over periods of years. The ability to compete for awards in the current research environment requires flexible support that allows institutions to be nimble in landing large competitive grants. Investments will be made in programs and infrastructure in emerging research areas, especially in the

university's neuroscience research in Roanoke. Life Science research that leverages the technological and engineering experience of Virginia Tech offers the Commonwealth the best opportunity to position itself to compete globally in health-related translational research, thereby promoting economic development in the Commonwealth.

- Support for Additional Virginia Undergraduates. Virginia Tech has increased Virginia undergraduate student enrollment by 2,200 students since 2003 without any additional General Fund support. The Commonwealth funding guidelines indicate that “the General Assembly shall seek to cover at least 67 percent of educational costs associated” with the average cost of education for Virginia students. This results in a General Fund shortfall in the institution’s operating budget. The university will work with state officials on this issue and to the extent appropriate will submit a funding request to resolve the state’s share of the cost of Virginia resident enrollment growth over time.
- Expand and Enhance STEM-H Degree Production. Building upon Virginia Tech's current excellence in Science, Technology, Engineering, Mathematics, and Health (STEM-H) instruction, the university is developing innovative instructional models and new degree opportunities in emerging and high-demand STEM-H fields to advance the educational and economic competitiveness of graduates and the Commonwealth. Science has become increasingly interdisciplinary and collaborative in nature in order to address complex problems. New interdisciplinary undergraduate degree programs in Nanoscience, Neuroscience, Systems Biology, and several new interdisciplinary graduate degree programs in Regenerative Medicine and Computational Tissue Engineering will provide the 21st century STEM-H student with a breadth of knowledge that spans traditional science disciplines. The university will expand health science instruction through the addition of an undergraduate Biomedical Engineering degree, a graduate Population Health Sciences degree, and through strengthening pre-med instruction and advising that prepares undergraduates for medical school. This strategy also includes the addition of a Meteorology degree program. Further, Virginia Tech's goal is to ensure competency in data analysis and computational methods for all students, as well as offer experiential learning opportunities through a "hands-on, minds-on" philosophy.
- Support Faculty Startup Packages, particularly for new faculty in the STEM-H fields. The ability to offer competitive start-up packages, including appropriate research facilities and equipment, allows the Commonwealth to attract and retain the best and most qualified faculty, including established investigators with international reputations. The success of these faculty benefits students and the Commonwealth's economy through increased research and cutting-edge instruction in STEM-H fields.
- Increase Virginia Undergraduate Enrollment. In partnership with the Commonwealth, the university will continue to enroll an additional 50 Virginia undergraduates each

year through 2014-15, for a total of 200, honoring an existing agreement with the 2011 General Assembly.

- Increase Graduate Enrollment. Recognizing industry and societal need for advanced degree-holders to support economic innovation and expansion, the university's long range plan envisions increasing graduate student enrollment, focusing on doctoral level science, technology, engineering, mathematics, and health sciences (STEM-H) programs. The program will enroll approximately 1,000 additional students over the planning period.
- Expand Enrollment in the University's Veterinary Medicine Program. Creating additional Virginia graduate students seats will help to ensure that the Commonwealth's residents have access to the program and the veterinary services that graduates offer the community, addressing the industry's projected demand for veterinary services. The program will enroll an additional 30 students per year.
- Expanded Summer Academic Opportunities to Accelerate Degree Completion. Virginia Tech has successfully undertaken a strategy of increasing the number of on-line courses available in the summer so that students away from campus can continue progress towards their degree or take additional courses towards a second major or additional minor over the summer. To accelerate degree completion, the university will incent increases in on-campus instruction and facility use over the summer while also addressing student financial barriers and expanding summer research opportunities.
- Enhance Student Advising Services and Degree Completion. To expedite degree completion and promote academic success, student support services will be bolstered through strategies that include a pathway to degree attainment assistance for students.
- Enhance Creative Technologies Programming and Degree Attainment. The university is on the leading edge of a new educational paradigm that merges technology, creative arts, and learning to enrich learning environments and strengthen student achievement, including PK-12. Programs developed within the creative technology field will allow the transfer of research and innovative learning technologies to the classroom, both within the university and through linkages with the Commonwealth's PK-12 system. This strategy includes support for new degree programs in creative technologies and visual communication design.
- Expand and Enhance E-learning and Distance Education. With advances in technology dramatically reshaping the educational paradigm, the university will make efforts to create unique opportunities to enhance classroom environments and online education to expand the range of essential skills students must acquire to excel in complex and rapidly-changing digital and networked environments. This includes expansion of online and hybrid courses, increased access to affordable and high-quality education to residents of the Commonwealth, expanded experiential learning

opportunities, and continued investigation, development, and utilization of current and emerging technologies to enhance traditional classrooms, provide mobile access, and expand high-quality learning opportunities.

- Support Creation of Faculty of Health Science. Virginia Tech has developed a model to establish groups of faculty who will pursue collaborative research and scholarship in high profile, high impact, high growth areas. The task force process implemented for health sciences is the first such initiative that is driven by collaborative faculty efforts around a common research area. The Task Force on Health Sciences has recommended the formation of the Faculty of Health Sciences as the best organizational framework to promote health sciences research and graduate education in the near future. The Faculty of Health Sciences will help form synergistic interactions among Virginia Tech faculty and build partnerships with all potential external collaborators.
- Advance Institutional Efficiencies and Effectiveness. Continuous improvement of the university's processes and infrastructure requires new investments in systems to reduce costs and address future capacity needs, classroom and equipment upgrades to modernize instructional and other university facilities, and to address issues such as health and safety, sustainability, and regulatory mandates.
- Increase Support for Unique Military Activities. As one of the nation's senior military colleges, the Corps of Cadets at Virginia Tech requires increased support for the Unique Military Activities program to an amount that is equivalent to per student support at other public UMA programs within the Commonwealth. 2012-13 General Fund support per cadet at Virginia Tech is \$1,564. This is \$489 less per cadet than state funding for UMA at VMI.
- Operation and Maintenance. The university expects new buildings to come on-line during the 2012-14 biennium. The university will request the General Fund support, for the historical state share, to operate and maintain these new buildings.

Statewide Issue

- Elimination of Virginia Retirement System Surcharge on Higher Education. The Commonwealth has taken several steps to address unfunded liability within the Virginia Retirement System (VRS) over the last several years. As a component of this effort, the 2012 General Assembly levied a new surcharge on higher education for each employee enrolled in the optional defined contribution plans. This will require higher education institutions to remit a surcharge to VRS on behalf of employees who choose not to participate in VRS. This surcharge is projected to grow each biennium as VRS contribution rates increase per statute, and would be resourced through agency nongeneral funds (including tuition). The university is working with the other Virginia public institutions of higher education to eliminate this requirement in the Code of Virginia, enacted during the 2012 General Assembly

session, to ensure that higher education institutions are not required to fund a disproportionate share of a statewide cost.

Technical Adjustments

- To the extent that technical adjustments are needed, the university will work with the staff in state offices to ensure the appropriate treatment of nongeneral fund appropriations or other technical items.

Operating Initiatives — Cooperative Extension and Agricultural Experiment Station (CE/AES)

- Basic & Applied Science Integration. This strategy will enhance the integration of basic and applied science, Extension education, and technology transfer in strategic areas that lead to new products, new practices, and commercialization of new technologies, driving increased profitability and job creation in Virginia. Initiatives will integrate research and Extension in agriculture, forestry and natural resources, and other STEM-related areas by strategically adding specialists and agents who conduct programs in animal and plant health and disease including drought and pathogen resistance, water quality and resource management, environmentally-sustainable production of food, watershed management and nutrient reduction including the development of Total Maximum Daily Loads (TMDLs), bioprocessing and biomass conversion into value-added products, and up-scaling and transfer of new technologies that benefit the Commonwealth.

Capital Initiatives

- Kentland Facilities Improvements, Phase I. The existing dairy facilities located at Southgate Drive include dairy instruction, research, and production facilities. The new 460 Interchange project underway by the Virginia Department of Transportation is scheduled to occupy a significant portion of the program's land and facilities in fall 2014. Thus, the agricultural facilities located at the dairy center will need to be relocated to Kentland and other off-campus sites. One component of the plan is the relocation of the milking production facilities, and the university is developing solutions to internally finance this component. The remainder of the project is for research facilities and these remain a priority. Thus, the university is considering to make a request for General Funds from the state.

RECOMMENDATION:

That the university administration be authorized to submit these budget initiatives to the Commonwealth for inclusion in the 2013-14 Executive Budget Amendments in accordance with state instructions and consistent with the initiatives contained herein.

Financial Performance Report - Operating and Capital

FINANCE AND AUDIT COMMITTEE

July 1, 2011 to June 30, 2012

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

The July to June 2011-12 budget (year-to-date) is prepared from historical data which reflects trends in expenditures from previous years as well as known changes in timing. Differences between the actual income and expenditures and the year-to-date budget may occur for a variety of reasons, such as an accelerated or delayed flow of documents through the accounting system, a change in spending patterns at the college level, or increases in revenues for a particular area.

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

OPERATING BUDGET

Attachment H

1. Tuition and fee revenue is ahead of historical projections due to a higher than anticipated summer enrollment and fall-to-spring retention rate.
2. All Other Income is higher than projections due to the timing of revenue collections from the Continuing Education courses, as well as higher than anticipated Vet Med Clinic and Late Registration Fee revenues.
3. Academic Program expenditures are ahead of projections due to the timing of operating expenditures and Equipment Trust Fund expenditure reimbursements. Support Program expenditures are less than projected due to the timing of Workers Compensation payments and other operating expenditures.
4. While the Commonwealth requires that revenue and expenses be balanced for Educational and General Programs, year-end balances are possible for continuing education programs.
5. 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 revenues in the Cooperative Extension/Agricultural Experiment Station Division were less than the projected budget due to the timing of receipt of federal drawdowns and lower than anticipated expenditures.
6. Federal stimulus revenue collections exceed budget due to the timing of a draw that was requested in 2010-11, but received in 2011-12.
7. Academic Program expenditures are behind historical projections due to slower than anticipated recruitment for vacant positions. Support Program expenditures are less than projected due to the timing of operating expenditures.
8. While the Commonwealth requires that revenue and expenses be balanced for Educational and General Programs, variances in federal funds are possible due to the timing differences between drawdowns and expenses.
9. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
10. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored research revenues and expenditures are less than projected, but sponsored research expenditures are ahead of 2010-11 activity levels.
11. Revenues and expenditures for All Other Programs were less than projected due to lower than budgeted Federal Work Study and Alumni Affairs activity.
12. The General Fund revenue budget has been increased by \$33,290 for Virtual Library of Virginia distribution costs, and decreased by \$310,081 to match the actual central appropriations transfer for fringe benefits and the five percent VRS salary increase. The corresponding expenditure budget has been adjusted accordingly.
13. The annual budget for Tuition and Fees has been increased by \$25,800 for the Virginia/Maryland Regional College of Veterinary Medicine regional capitation agreement, and decreased by \$254,319 for the finalization of tuition, fees, and unfunded scholarship budgets. The corresponding expenditure budgets have been adjusted accordingly.
14. Unexpended federal stimulus funds from June 30, 2011 were re-appropriated in 2011-12.
15. The All Other Income revenue budget for the University Division has been increased by \$2,550,000 for projected growth in Continuing Education programs, by \$145,000 for Sales and Services, and by \$684,710 for earmarked revenues. Furthermore, Equine Medical Center and VA Racing Revenue budgets have been decreased by \$378,000 and \$50,000, respectively. The corresponding expenditure budgets have been adjusted accordingly.
16. The General Fund revenue budget has been increased by \$275,691 to match the actual central appropriations transfer for fringe benefits and the five percent VRS salary increase. The corresponding expenditure budget has been adjusted accordingly.
17. The revenue budget for federal appropriations has been increased by \$1,635,000 to carryover unexpended federal funds. The corresponding expenditure budgets have been adjusted accordingly.
18. The All Other Income revenue budget for the CE/AES Division has been increased by \$75,000 due to increased milk and cattle sales. The corresponding expenditure budgets have been adjusted accordingly.
19. The projected year-end revenue and expense budgets for Student Financial Assistance were increased by \$32,750 for the VA Military Survivors & Dependents Program, \$267,668 for the Commonwealth Scholarship Assistance Program, \$84,500 for the 2-Year College Transfer Grant, and by \$1,903 for the carryover of unexpended balances as of June 30, 2011.
20. The projected annual budgets were adjusted by \$7,000 to finalize the All Other Programs budget, a technical mid-year realignment of fund sources, and for outstanding 2010-11 commitments that were initiated but not completed before June 30, 2011.

OPERATING BUDGET
2011-12

Dollars in Thousands

	July 1, 2011 to June 30, 2012			Annual Budget for 2011-12		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
General Fund	\$135,089	\$135,088	\$1	\$135,365	\$135,088	\$-277 (12)
Tuition and Fees	348,241	347,495	746 (1)	347,723	347,495	-228 (13)
Federal Funds (ARRA)	4	4	0	0	4	4 (14)
All Other Income	34,079	32,127	1,952 (2)	29,175	32,127	2,952 (15)
Total Revenues	\$517,413	\$514,714	\$2,699	\$512,263	\$514,714	\$2,451
<u>Expenses</u>						
Academic Programs	\$-322,779	\$-320,355	\$-2,424 (3)	\$-318,243	\$-320,355	\$-2,112 (12,13,14,15)
Support Programs	-191,716	-194,359	2,643 (3)	-194,020	-194,359	-339 (12,13,14,15)
Total Expenses	\$-514,495	\$-514,714	\$219	\$-512,263	\$-514,714	\$-2,451
NET	\$2,918	\$0	\$2,918 (4)	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
General Fund	\$60,218	\$60,218	\$0	\$59,942	\$60,218	\$276 (16)
Federal Appropriation	15,296	15,960	-664 (5)	14,325	15,960	1,635 (17)
Federal Funds (ARRA)	3,415	1,853	1,562 (6)	0	1,853	1,853 (14)
All Other Income	1,013	884	129	809	884	75 (18)
Total Revenues	\$79,942	\$78,915	\$1,027	\$75,076	\$78,915	\$3,839
<u>Expenses</u>						
Academic Programs	\$-72,508	\$-72,807	\$299 (5,7)	\$-69,112	\$-72,807	\$-3,695 (14,16,17,18)
Support Programs	-5,594	-6,108	514 (7)	-5,964	-6,108	-144 (14,16,17)
Total Expenses	\$-78,102	\$-78,915	\$813	\$-75,076	\$-78,915	\$-3,839
NET	\$1,840	\$0	\$1,840 (8)	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$260,244	\$258,911	\$1,333 (9)	\$246,265	\$258,911	\$12,646 (9)
Expenses	-246,311	-266,789	20,478 (9)	-238,797	-266,789	-27,992 (9)
Reserve Drawdown (Deposit)	-13,933	7,878	-21,811 (9)	-7,468	7,878	15,346 (9)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$276,621	\$283,188	\$-6,567 (10)	\$283,188	\$283,188	\$0
Expenses	-263,240	-283,188	19,948 (10)	-283,188	-283,188	0
Reserve Drawdown (Deposit)	-13,381	0	-13,381 (10)	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
General Fund	\$18,558	\$18,554	\$4	\$18,174	\$18,554	\$380 (19)
Federal Funds (ARRA)	49	5	44	0	5	5 (14)
Expenses	-18,564	-18,561	-3	-18,174	-18,561	-387 (14,19)
Reserve Drawdown (Deposit)	0	2	-2	0	2	2 (19)
NET	\$43	\$0	\$43	\$0	\$0	\$0
All Other Programs *						
Revenue	\$4,476	\$4,759	\$-283 (11)	\$5,664	\$4,759	\$-905 (20)
Expenses	-4,117	-4,830	713 (11)	-5,664	-4,830	834 (20)
Reserve Drawdown (Deposit)	-359	71	-430 (11)	0	71	71 (20)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$1,157,303	\$1,159,046	\$-1,743	\$1,140,630	\$1,159,046	\$18,416
Expenses	-1,124,829	-1,166,997	42,168	-1,133,162	-1,166,997	-33,835
Reserve Drawdown (Deposit)	-27,673	7,951	-35,622	-7,468	7,951	15,419
NET	\$4,801	\$0	\$4,801	\$0	\$0	\$0

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

AUXILIARY ENTERPRISE BUDGET

Attachment H

1. Expenses in Residence and Dining Halls are lower than projected due to timing of one-time facility repair and improvement projects normally scheduled during the summer and operating expenses.
2. Expenses in Parking and Transportation are lower than projected due to timing of parking lot projects and operating expenses, as well as lower than projected Fleet Services activity.
3. Expenses in Telecommunications Services are lower than projected due to timing of equipment purchases related to campus telecommunication infrastructure projects.
4. Revenues for the University Services System are higher than projected due to higher than projected student fees due to a higher than budgeted spring retention rate. Expenditures are lower than projected due to timing of operating expenses and outstanding commitments.
5. Revenues for Intercollegiate Athletics are higher than projected due to higher than projected revenues from conference allocation, football, basketball, NCAA Allocation, and multimedia revenue. Expenditures for Intercollegiate Athletics are lower than projected due to timing of operating expenses and one-time sport facility related projects that were initiated but incomplete at year-end.
6. Revenues for the Electric Service auxiliary are lower than projected due to lower than anticipated electrical sales. Expenditures are lower than projected due to a lower than anticipated volume and cost of purchased electricity as well as the timing of items ordered but not yet received and paid at fiscal year-end.
7. Revenues for Other Enterprise Functions are lower than projected due to timing of contractual revenue and lower than anticipated Printing Services activity. Expenditures are lower than projected due to timing of operating expenses and one-time projects, as well as lower than projected Printing Services activity.
8. The projected annual revenue, expense, and reserve budgets for Residence and Dining Halls were adjusted \$3.4 million for site planning, infrastructure expenses, and construction expenses for Phase IV of the Oak Lane Community, \$885 thousand for one-time residential and dining facility energy saving projects, \$815 thousand for pre-opening expenses for the new Turner Street Dining Center, \$438 thousand for maintenance repairs at the Center for European Studies and Architecture, and \$2.8 million for increased business activity and projects. Expenditures were partially offset by New Residence Hall West capital project savings which will be utilized to pay debt service.
9. The projected annual expense budget for Auxiliary Enterprises was adjusted for \$10.3 million in outstanding 2010-11 commitments and projects that were initiated but not completed before June 30, 2011. This amount includes \$2.0 million to fund project costs for the Telecom Fiber Optic project, \$1.2 million Center for the Arts project, \$2.1 million in residential projects, and \$3.0 million in athletic projects. The remainder is spread across the other auxiliary programs.
10. The projected annual revenue and expense budgets for Parking and Transportation were adjusted for increased Fleet Services activity and payment for parking spaces displaced by capital projects which will provide resources to restore parking spaces in other areas of campus.
11. The projected annual revenue and expense budgets for the Telecommunications Auxiliary were adjusted for one-time telecommunication projects associated with campus capital project activity.
12. The projected annual revenue, expense, and reserve budgets for the University Services System were adjusted for one-time operating and equipment purchases, as well as Recreational Sports McComas Hall expansion project savings which will be used to pay debt service.
13. The projected annual revenue budget for Intercollegiate Athletics was adjusted \$3.3 million to accommodate increased revenue from the NCAA Opportunity Fund, handling fees, basketball season tickets, conference allocation, private gifts, the ACC Championship Game, and Sugar Bowl, partially offset by lower than projected football ticket allocations, men's basketball season tickets, men's post season basketball tickets, and women's basketball settlements. Annual expense and reserve draw budgets were adjusted \$4.3 million to accommodate increased expenses for personnel actions, operating adjustments, sport related projects, the ACC Championship Game, the Sugar Bowl, and athletic locker rooms.
14. The projected annual revenue, expense, and reserve budgets for Electric Services were adjusted \$1.8 million to accommodate the increased cost of wholesale electricity, higher customer rates, and planned reserve restoration.
15. The projected annual revenue, expense, and reserve budgets for Other Enterprise Functions were adjusted for a technical accounting change as well as increased revenue and expenses in Printing Services, one-time multifunction printer equipment and operating expenses in the Library Photocopy Auxiliary, increased royalty revenue and contributions to scholarships in the Licensing and Trademark auxiliary, increased revenue and expenses in the Student Software Sales Auxiliary due to higher than anticipated business volume, and increased revenue and expenses in the Tailor Shop due to higher than anticipated enrollment.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Dollars in Thousands

	July 1, 2011 to June 30, 2012			Annual Budget for 2011-12		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls						
Revenues	\$86,649	\$86,298	\$351	\$83,469	\$86,298	\$2,829 (8)
Expenses	-86,233	-91,250	5,017 (1)	-80,702	-91,250	-10,548 (8,9)
Reserve Drawdown (Deposit)	-416	4,952	-5,368 (1)	-2,767	4,952	7,719 (8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$13,145	\$12,973	\$172	\$10,318	\$12,973	\$2,655 (10)
Expenses	-9,840	-12,773	2,933 (2)	-9,893	-12,773	-2,880 (9,10)
Reserve Drawdown (Deposit)	-3,305	-200	-3,105 (2)	-425	-200	225 (9,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$17,282	\$17,365	\$-83	\$15,965	\$17,365	\$1,400 (11)
Expenses	-18,013	-20,075	2,062 (3)	-15,883	-20,075	-4,192 (9,11)
Reserve Drawdown (Deposit)	731	2,710	-1,979 (3)	-82	2,710	2,792 (9,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services System						
Revenues	\$34,186	\$33,609	\$577 (4)	\$33,578	\$33,609	\$31 (12)
Expenses	-31,513	-33,443	1,930 (4)	-32,768	-33,443	-675 (9,12)
Reserve Drawdown (Deposit)	-2,673	-166	-2,507 (4)	-810	-166	644 (9,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics						
Revenues	\$53,856	\$52,510	\$1,346 (5)	\$49,248	\$52,510	\$3,262 (13)
Expenses	-50,324	-54,451	4,127 (5)	-47,135	-54,451	-7,316 (9,13)
Reserve Drawdown (Deposit)	-3,532	1,941	-5,473 (5)	-2,113	1,941	4,054 (9,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service						
Revenues	\$34,916	\$35,530	\$-614 (6)	\$33,711	\$35,530	\$1,819 (14)
Expenses	-32,575	-34,618	2,043 (6)	-33,099	-34,618	-1,519 (9,14)
Reserve Drawdown (Deposit)	-2,341	-912	-1,429 (6)	-612	-912	-300 (9,14)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$9,933	\$9,810	\$123	\$9,810	\$9,810	\$0
Expenses	-9,797	-9,860	63	-9,797	-9,860	-63 (9)
Reserve Drawdown (Deposit)	-136	50	-186	-13	50	63 (9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions						
Revenues	\$10,277	\$10,816	\$-539 (7)	\$10,166	\$10,816	\$650 (15)
Expenses	-8,016	-10,319	2,303 (7)	-9,520	-10,319	-799 (9,15)
Reserve Drawdown (Deposit)	-2,261	-497	-1,764 (7)	-646	-497	149 (9,15)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$260,244	\$258,911	\$1,333	\$246,265	\$258,911	\$12,646
Expenses	-246,311	-266,789	20,478	-238,797	-266,789	-27,992
Reserve Drawdown (Deposit)	-13,933	7,878	-21,811	-7,468	7,878	15,346
Net	\$0	\$0	\$0	\$0	\$0	\$0

CAPITAL OUTLAY BUDGET

Educational and General Projects

1. The current year and total project budget amounts reflect the available balance of maintenance reserve appropriation carried over from fiscal year 2011 and the state's allocation of \$5.649 million of Maintenance Reserve funds for fiscal year 2012. The total budget was adjusted in the fourth quarter to reflect full appropriation draws.
2. This is a subproject of an E&G Blanket Authorization, which allows unforeseen small projects to be authorized administratively with nongeneral funds for expediency. This subproject includes a \$1 million authorization to initiate planning for the Relocation of Agriculture programs. The annual budget was adjusted in the third quarter to reflect expected cash outflows for fiscal year 2012.
3. This project was authorized to plan an envisioned 8,000 gross square foot laboratory facility at the Virginia Tech Montgomery County Executive Airport. After analysis of site and cost options, the College of Engineering has requested to implement the project at the Corporate Research Center (CRC), Phase II. This location and delivery under the CRC will support the original program vision for an estimated total project cost of \$3.5 million.
4. This project encompasses a 77,500 gross square foot facility on the north side of campus to house dining and instructional space. Construction is nearly complete and the programs are preparing for the fall semester 2012 opening.
5. This project is for a central chiller plant facility in the southwest section of campus. Construction is underway with substantial completion expected in April 2013. Year-to-date expenditures exceeded the annual budget because expenses expected in fiscal year 2013 were invoiced in fiscal year 2012. Resources were sufficient to cover the accelerated cash outflow and the project remains within budget.
6. This project is for a 92,500 gross square foot building to provide modern laboratory space to meet the needs of animal and plant science research. Construction is underway with substantial completion expected in December 2013. Year-to-date expenditures exceeded the annual budget because expenses expected in fiscal year 2013 were invoiced in fiscal year 2012. Resources were sufficient to cover the accelerated cash outflow and the project remains within budget.
7. This project includes construction of a state-of-the-art performance theatre, creative technologies laboratory, and creative performance laboratory. The total budget increased from \$93.993 million to \$100.087 million for unavoidable costs associated with the foundations, sitework, and final pricing of design documents. The university has identified funding sources to support these costs and the private gift campaign continues to work on supporting the project. The project is under construction with a completion date of fall 2013.
8. This project will raze and fully replace the unrecoverable center and north section of the building. Construction is underway with substantial completion expected in December 2013.
9. This project is for a 154,900 gross square foot classroom and laboratory facility for undergraduate and research programs in the College of Engineering. Construction is underway with substantial completion expected in February 2014.
10. This project addresses the improvement of campus heating infrastructure needed to accommodate current and future campus buildings. The project includes multiple phases with a total cost of \$28.75 million. The final phase is the North steam line which is under construction with substantial completion expected in August 2012.
11. This project constructs a facility to provide classroom, laboratory, and faculty office space to meet the needs of the College of Veterinary Medicine. Construction is nearly complete and the program is preparing for the building to open in fall semester 2012.
12. This project will upfit 26,000 assignable square feet in the third floor of the Virginia Tech Carilion Research Institute to provide research laboratory, conference space, office space, and a 5,000 cage vivarium with support spaces. Construction is nearly complete with substantial completion expected in August 2012. Year-to-date expenditures exceeded the annual budget because expenses expected in fiscal year 2013 were invoiced in fiscal year 2012. Resources were sufficient to cover the accelerated cash outflow and the project remains within budget.
13. The project is substantially complete and will be closed when final expenses are processed.
14. The project is substantially complete and will be closed when final expenses are processed, with an expected total cost of \$9,430,000.
15. The project was closed effective June 30, 2012 with final project costs of \$34.588 million.
16. The project was closed effective June 30, 2012 with final project costs of \$3.499 million. The annual budget was adjusted in the third quarter to reflect final project expenses in fiscal year 2012.
17. The project is complete with the exception of the exterior staining and will be closed when final expenses are processed. The annual budget was adjusted in the third quarter to reflect expected cash outflows for fiscal year 2012.
18. The project was closed effective June 30, 2012 with final project costs of \$61.9 million.
19. The land acquisition project was closed effective June 30, 2012 with final project costs of \$127,332.
20. The purpose of this project is to construct a 48,000 gross square foot building along the campus perimeter to house various administrative and academic support functions in a central location. These needs are being accommodated in the Turner Street Building underway in partnership with the Virginia Tech Foundation. Funding for the project may be considered pending a program plan and financial plan.

CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF JUNE 30, 2012

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Educational and General Projects									
<u>Educational and General Maintenance Reserve</u>									
Maintenance Reserve	7,334	9,625	8,800	12,899	0	0	0	12,899	10,770 (1)
<u>Design Phase</u>									
Blanket: Planning Agriculture Programs Relocation	418	0	0	0	0	1,000	0	1,000	478 (2)
Planning: Propulsion Laboratory	0	0	0	0	0	400	0	400	0 (3)
<u>Construction Phase</u>									
Academic and Student Affairs Building	17,300	22,500	20,980	0	0	0	45,153	45,153	37,271 (4)
Chiller Plant, Phase I	480	480	1,431	12,059	0	400	7,639	20,098	3,285 (5)
Human & Agricultural Biosciences Building I	520	5,000	5,133	53,759	0	0	0	53,759	8,757 (6)
Performing Arts Center	25,000	25,000	24,368	27,387	0	32,565	40,135	100,087	43,385 (7)
Renovate Davidson Hall, Phase I	0	4,500	2,658	31,119	0	0	0	31,119	4,883 (8)
Signature Engineering Building	1,133	19,000	18,962	47,609	0	18,650	28,959	95,218	23,983 (9)
Upgrade Campus Heating Plant	8,500	6,500	4,544	17,250	0	2,750	11,500	31,500	26,794 (10)
Veterinary Medicine Instruction Addition	10,500	10,500	8,467	0	0	14,000	0	14,000	8,836 (11)
VT-Carilion Research Inst. Third Floor Upfits	7,000	7,000	9,089	0	0	15,000	0	15,000	9,089 (12)
<u>Close-Out</u>									
Hampton Technology Research & Innovation Center	8,000	8,000	7,315	11,897	0	0	0	11,897	10,864 (13)
Infectious Disease Research Facility	6,163	4,744	4,180	4,000	0	6,163	0	10,163	8,866 (14)
Institute for Critical Technology and Applied Science II	1,950	1,520	1,487	17,500	0	0	17,500	35,000	34,588 (15)
Materials Management Facility	100	133	133	3,500	0	0	0	3,500	3,499 (16)
Visitors and Undergraduate Admissions Center	2,400	1,775	1,652	0	0	3,400	7,100	10,500	10,077 (17)
VT-Carilion School of Medicine and Research Institute	1,500	1,155	1,155	59,000	0	3,500	0	62,500	61,900 (18)
Tidewater AREC Property Acquisition	0	127	127	0	0	127	0	127	127 (19)
<u>On Hold and Not Funded</u>									
Administrative Services Building	0	0	0	0	0	0	12,000	12,000	0 (20)
Blanket: Planning Science Building Laboratory I	0	0	0	0	0	3,500	0	3,500	547 (21)
Sciences Building Laboratory I	0	0	0	0	0	0	0	0	0 (22)
TOTAL	98,298	127,560	120,484	297,978	0	101,456	169,986	569,420	307,999

CAPITAL OUTLAY BUDGET (Continued)

21. This is a subproject of a Blanket Authorization, which allows unforeseen small projects to be authorized administratively with nongeneral funds for expediency. This project includes a \$3.5 million authorization to initiate planning for a Sciences Laboratory Building that is on hold, supplemental funding may be considered pending a program plan and financial plan.
22. This project is included in a state bond program and is envisioned to provide a 92,300 gross square foot scientific laboratory facility to support interdisciplinary instruction and research. The project is on hold pending the outcome of external funding sources, and the state support was shifted to advance another project on the state capital plan, the renovation of Shultz Hall for the Performing Arts Center. The university may request state funding be restored to this project as external funding becomes available. In the interim, planning activities for this project are being conducted under a Blanket Authorization with \$546,780 in expenditures as of June 30, 2012.

Auxiliary Enterprises Projects

1. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The annual budget reflects the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2012. The outstanding balance of the Total Project Budget is for maintenance reserve work scheduled for fiscal year 2013.
2. This project includes installation of a new fiber-optic core on campus to update the communication system. The new core consists of five segments connecting to the five campus switch centers and connections from the core to several buildings. The total expected costs are \$2 million and this project is anticipated to be complete in March 2013.
3. This project will establish the necessary site improvements and construction of the first house at Oak Lane Community, Phase IV. The remainder of the expansion, houses two through five, and the additional site improvements may be constructed as other organizations come forward and funding is identified. The total expected costs of this first house and its associated infrastructure are \$4.663 million. The project is anticipated to be complete fall 2012.
4. This project includes renovation of East and West Ambler Johnston Hall, and is being implemented in phases. The project is nearly complete and the program is preparing for the fall semester 2012 opening. The total expected costs are \$72.1 million.
5. This project includes the third and final phase of addressing moisture penetration and structural problems in the exterior walls of McComas Hall. The total project costs are \$3.1 million and this project is anticipated to be complete late fall 2014.
6. This project includes improvements to four complementary communication infrastructure components. The four components include a unified communications system, upgrading the Internet Protocol (IP) Network, upgrading the cable plant, and upgrading equipment rooms in various facilities. The total expected costs are \$16.508 million and this project is anticipated to be complete in spring 2016. Year-to-date expenses exceeded the annual budget because expenses expected in fiscal year 2013 were invoiced in fiscal year 2012. Resources were sufficient to cover the accelerated cash outflow and the project remains within budget.
7. The project was closed effective June 30, 2012 with final project costs of \$14.005 million.
8. The project was closed effective June 30, 2012 with final project costs of \$1.529 million. Year-to-date expenses exceeded the adjusted annual budget because actual savings were less than anticipated. Resources were sufficient to cover the additional cash outflow and the project was completed under budget.
9. The project was closed effective June 30, 2012 with final project costs of \$23.880 million, of the internal \$26 million budget.
10. The project was closed effective June 30, 2012 with final project costs of \$1.273 million.
11. The project was closed effective June 30, 2012 with final project costs of \$6 million. The annual budget was adjusted in the first quarter to reflect expected cash outflows for fiscal year 2012.
12. The project is complete and will be closed when final payments are processed, with an expected total cost of \$6.9 million.
13. The purpose of this project is to build a new field house to increase the availability of indoor training time for the football program and other athletic programs. In addition, Rector Field House may be renovated to increase its functionality for indoor athletic events. Design is on hold pending resolution of a site study. Year-to-date expenses exceeded the annual budget because additional project management time was required for the site study. Resources were sufficient to cover the additional cash outflow and the project remains within budget.
14. This project envisioned a new residence hall of approximately 250 beds. Cost estimates exceed the project budget and the project is on hold while the university explores alternatives. Funding for the project may be considered pending a program plan and financial plan.
15. The purpose of this unfunded parking blanket authorization balance is to complete future improvements and repair projects for the parking system as specific needs are identified and as funding becomes available.
16. This is the remaining authorization of the \$23.5 million Oak Lane Community, Phase IV project. The remaining Oak Lane Community expansion, houses two through five and their necessary site improvements, may be constructed as organizations come forward with plans and commitments for their one-third funding requirement per house.

Capital Outlay Projects Authorized as of June 30, 2012 (Continued)

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Auxiliary Enterprises Projects									
<u>Auxiliary Maintenance Reserve</u>									
Maintenance Reserve	6,600	6,600	4,099	0	0	11,398	0	11,398	4,099 (1)
<u>Design Phase</u>									
<u>Construction Phase</u>									
Campus Fiber Optic Improvement	1,600	1,600	648	0	0	2,000	0	2,000	754 (2)
Phase IV of Oak Lane Community (House 1)	3,500	3,500	1,180	0	0	4,663	0	4,663	1,246 (3)
Renovate Ambler Johnston Hall	18,257	23,500	21,246	0	0	0	75,000	75,000	60,928 (4)
Repair McComas Hall Exterior Wall Structure, Ph III	2,000	1,000	740	0	0	3,100	0	3,100	740 (5)
Unified Communications & Network Renewal	0	3,000	4,726	0	0	4,500	12,008	16,508	4,726 (6)
<u>Close-Out</u>									
Addition to Jamerson Center	0	24	24	0	0	18,000	0	18,000	14,005 (7)
English Field Improvements	0	1,522	1,529	0	0	1,600	0	1,600	1,529 (8)
Parking Structure	1,000	1,200	1,108	0	0	0	30,000	30,000	23,880 (9)
Photovoltaic Array for Parking Structure	1,174	1,300	1,273	0	0	1,300	0	1,300	1,273 (10)
Repair McComas Hall Exterior Wall Structure, Ph I & II	799	762	762	0	0	0	6,000	6,000	6,000 (11)
West End Market Renovation & Expansion	5,399	5,228	4,654	0	0	7,310	0	7,310	6,736 (12)
<u>On Hold and Not Funded</u>									
Indoor Athletic Training Facility	0	5	7	0	0	500	24,500	25,000	7 (13)
New Residence Hall II	0	0	0	0	0	0	27,000	27,000	182 (14)
Parking Blanket Authorizations Balance	0	0	0	0	0	0	16,547	16,547	0 (15)
Phase IV of Oak Lane Community (Houses 2 - 5)	0	0	0	0	0	0	18,837	18,837	0 (16)
TOTAL	40,329	49,241	41,995	0	0	54,371	209,892	264,263	126,105
GRAND TOTAL	<u>\$ 138,627</u>	<u>\$ 176,801</u>	<u>\$ 162,479</u>	<u>\$ 297,978</u>	<u>\$ 0</u>	<u>\$ 155,827</u>	<u>\$ 379,878</u>	<u>\$ 833,684</u>	<u>\$ 434,104</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, 2011 through June 30, 2012 and the Capital Outlay report be accepted.

September 10, 2012

Approval of 9(d) Debt Financing Resolutions

FINANCE AND AUDIT COMMITTEE

The following projects have been authorized to be financed pursuant to Section 9(d) of Article X of the Constitution of Virginia and will seek financing for up to \$55.8 million plus amounts needed to fund issuance costs, reserve funds and other financing expenses:

1. **Veterinary Medicine Instruction Addition (Project #17931):** **\$10,800,000**
 The Veterinary Medicine Instruction Addition project will construct a 24,600 gross square foot addition to the Virginia-Maryland Regional College of Veterinary Medicine that consists of additional classroom space, teaching laboratories, and faculty offices. The project is located at the intersection of Duck Pond Drive and Southgate Drive within the College of Veterinary Medicine. The total project cost is \$14.0 million, which will be funded with \$10.8 million of debt and \$3.2 million of cash from the Maryland capitation fee and the Vet Med student capital fee. Debt service payments will be paid from the ongoing revenues of the capitation and capital fees.

2. **West Side Lane Stadium Series 2004D Refinancing (Project #16480):** **\$45,000,000**
 On May 1, 2004, the university sold \$56,870,000 of Athletic Facilities System General Revenue Pledge Bonds, Series 2004D, which financed the West Side Lane Stadium Project. The current low interest rate environment has provided an opportunity to refinance the Series 2004D bonds resulting in an overall reduction of debt service. Debt service payments will continue to be paid from self-generated revenues of the Athletic Facilities System.

The bonds for both projects will be issued through the Virginia College Building Authority (VCBA), and the university will enter into a loan agreement and promissory note subject to the following parameters: (a) the principal amount shall not be greater than the amount authorized by the General Assembly, (b) the interest rate shall not exceed a true interest cost more than 50 basis points higher than the interest rate for "AA" rated securities with comparable maturities, (c) the weighted average maturity of the principal payments shall not exceed 20 years for Vet Med or the remaining weighted average maturity for the Stadium bonds, (d) the last principal payment date shall not extend beyond the expected economic life of the project for Vet Med or the current final maturity date for the Stadium bonds, (e) the Stadium refinancing shall result in net present value savings equal to at least 3.00 percent of the aggregate principal amount of the bonds being refunded, and (f) the actual amount, interest rates, maturities and date shall be approved by an authorized officer, as evidenced by the execution of the 2012 note.

The resolution identifies (1) the Vice President for Finance and Chief Financial Officer, and (2) the University Treasurer as each being authorized to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the sale and issuance of the bonds.

RESOLUTION ON VETERINARY MEDICINE ADDITION 9(d) FINANCING

WHEREAS, pursuant to and in furtherance of Chapter 3.2, Title 23 of the Code of Virginia of 1950, as amended (the “Act”), the Virginia College Building Authority (the “Authority”) developed a program (the “Program”) to purchase debt instruments issued by public institutions of higher education in the Commonwealth of Virginia (“Participating Institutions” and each a “Participating Institution”) to finance or refinance projects of capital improvement (“Capital Projects” and each a “Capital Project”) included in a bill passed by a majority of each house of the General Assembly of Virginia (the “General Assembly”); and,

WHEREAS, under the Program the Authority from time to time issues its Educational Facilities Revenue Bonds (Public Higher Education Financing Program) (“Pooled Bonds”) to finance the purchase or refunding of debt instruments issued by Participating Institutions to finance or refinance Capital Projects; and,

WHEREAS, if a Participating Institution desires to finance or refinance a Capital Project through the Program it must enter into a loan agreement with the Authority, under which: (i) the Participating Institution will issue its promissory note pursuant to Chapter 3, Title 23 of the Code of Virginia of 1950, as amended, to evidence a loan to it by the Authority; (ii) the Authority will agree to issue Pooled Bonds and use proceeds thereof to purchase the promissory note; (iii) the Participating Institution will agree to use proceeds of Pooled Bonds, loaned to it and received in exchange for its promissory note, to finance or refinance the Capital Project and to not take actions that may jeopardize any federal tax-exempt status of interest on Pooled Bonds allocable to financing or refinancing the Capital Project; and (iv) the Participating Institution will agree to make payments under the promissory note in sums sufficient to pay, together with certain administrative and arbitrage rebate payments, the principal of, premium, if any, and interest due on such Pooled Bonds; and,

WHEREAS, the Board of Visitors (the “Board”) of Virginia Polytechnic Institute and State University (the “Institution”) from time to time desires to finance or refinance Capital Projects for the Institution as a Participating Institution under the Program, and now proposes that the Institution issue its promissory note or notes (collectively, the “Note”) to be sold to the Authority in accordance with a loan agreement or loan agreements between the Institution and the Authority (collectively, the “Loan Agreement”), under which proceeds of Pooled Bonds will be loaned to and received by the Institution in exchange for the Note, to finance or refinance costs of the following Capital Projects authorized for bond financing by the General Assembly: Construct Veterinary Medicine Instruction Addition, Capital Outlay Project Number 17931 (the “Project”); and

WHEREAS, the Board desires to designate certain Institution officers (i) delegated authority to approve the forms of and to execute and deliver the Loan Agreement, the Note and any amendments thereto, and any other documents necessary or desirable in connection with financing or refinancing costs of the Project through and participation in the Program; and (ii) responsibility for monitoring the Institution’s post-issuance

compliance with covenants related to maintaining any federal tax-exempt status of interest on Pooled Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY:

Section 1. The Project is hereby designated to be undertaken and financed or refinanced by the Authority and, accordingly, the Vice President for Finance and Chief Financial Officer, and the University Treasurer (collectively, the “Authorized Officers”) are each hereby delegated and invested with full power and authority to approve the forms of the Loan Agreement, the Note and any amendments thereto (in connection with any refunding of Pooled Bonds financing or refinancing the Project or otherwise), and any pledge to the payment of the Note and any amendment thereto of total gross university sponsored overhead, unrestricted endowment income, tuition and fees, indirect cost recoveries, auxiliary enterprise revenues, general and nongeneral fund appropriations and other revenues not required by law or previous binding contract to be devoted to some other purpose, restricted by a gift instrument for another purpose or excluded from such pledge as provided in the Loan Agreement, subject to the provisions of Section 3 hereof.

Section 2. Subject to the provisions of Section 3 hereof, the Authorized Officers are each hereby delegated and invested with full power and authority to execute, deliver and issue, on behalf of the Institution, (a) the Loan Agreement, the Note and any amendments thereto (in connection with any refunding of Pooled Bonds financing or refinancing the Project or otherwise), with approval of such documents in accordance with Section 1 hereof evidenced conclusively by the execution and delivery of the respective document, and (b) any other documents, instruments or certificates as may be deemed necessary or desirable to finance or refinance costs of the Project through and participate in the Program, and to further carry out the purposes and intent of this resolution. The Authorized Officers are directed to take such steps and deliver such certificates in connection with delivery of the Note, and any amendment thereto, as may be required under any existing obligations, including bond resolutions relating to any outstanding general revenue pledge bonds.

Section 3. The authorizations given above as to the approval, execution, delivery and issuance of the Loan Agreement, the Note and any amendments thereto (in connection with any refunding of Pooled Bonds financing or refinancing the Project or otherwise) are subject to the following parameters: (a) the principal amount to be paid under the Note allocable to any component of the Project, together with the principal amount of any other indebtedness with respect to such component, shall not be greater than the amount authorized for such component by the General Assembly plus amounts needed to fund issuance costs, original issue discount, other financing (including without limitation refunding) expenses and any other increase permitted by law; (b) the aggregate principal amount of the Note shall in no event exceed \$11,000,000, the aggregate amount authorized by the General Assembly for such Project for which indebtedness has not been previously issued, as the same may be so increased; (c) the aggregate interest ratepayable under the Note shall not exceed a “true” or “Canadian” interest cost more than 50 basis points higher than the interest rate for “AA” rated securities with comparable maturities, as reported by Thomson Municipal Market Data (MMD) or another

comparable service or index, as of the date that the interest rates are determined, taking into account any original issue discount or premium; (d) the weighted average maturity of the principal payments due under the Note shall not exceed 20 years after the original issue date of the Note; (e) the last principal payment date under the Note shall not extend beyond the reasonably expected weighted economic life of the Project; and (f) subject to the foregoing, the actual amount, interest rates, principal maturities, and date of the Note shall be approved by an Authorized Officer, as evidenced by the execution thereof.

Section 4. The Board acknowledges that if there is a failure to make, as and when due, any payment of the principal of, premium, if any, and interest on any promissory note issued by the Institution as a Participating Institution to the Authority under the Program, including without limitation the Note and any amendments thereto, the State Comptroller is authorized under the Program and Section 23-30.29:3 of the Code of Virginia of 1950, as amended, to charge against appropriations available to the Institution all future payments of principal of, premium, if any, and interest on such promissory note when due and payable and to make such payments to the Authority or its designee, so as to ensure that no future default will occur on such promissory note.

Section 5. The Board agrees that if the Authority determines the Institution, as a Participating Institution, shall be subject to continuing disclosure obligations under Rule 15c2-12 of the federal Securities and Exchange Commission with respect to any Pooled Bonds, (a) an Authorized Officer shall, and is hereby authorized and directed to, enter into a continuing disclosure undertaking in form and substance reasonably satisfactory to the Authority, and (b) the Institution will comply with the provisions and disclosure obligations contained therein.

Section 6. The Board designates the University Treasurer to be responsible for implementing procedures to monitor post-issuance compliance with covenants in any loan agreement between the Institution as a Participating Institution and the Authority, including the Loan Agreement and any amendments thereto, related to maintaining tax-exempt status for federal income tax purposes of interest on any Pooled Bonds, including without limitation monitoring the use of any portion of all Institution Capital Projects financed or refinanced with such Pooled Bonds and compliance with any applicable federal income tax remedial action requirements in connection with certain changes in such use. Such officer shall review such post-issuance compliance at least annually for so long as such Pooled Bonds remain outstanding.

Section 7. This resolution shall take effect immediately upon its adoption.

RECOMMENDATION:

That the above resolution authorizing the issuance of 9(d) bonds through the Virginia College Building Authority on behalf of the university for the Veterinary Medicine Instruction Addition project be approved.

September 10, 2012

RESOLUTION ON WEST SIDE LANE STADIUM 9(d) REFINANCING

WHEREAS, pursuant to Chapter 3.2, Title 23 of the Code of Virginia of 1950, as amended (the “Act”), the Virginia College Building Authority (the “Authority”) has developed a pooled bond program (the “Program”) to purchase debt instruments issued by public institutions of higher education in the Commonwealth of Virginia (“Participating Institutions”) to finance or refinance projects of capital improvement (“Capital Projects”) included in a bill passed by a majority of each house of the General Assembly of Virginia (the “General Assembly”); and,

WHEREAS, under the Program the Authority from time to time issues its Educational Facilities Revenue Bonds (Public Higher Education Financing Program) (the “Pooled Bonds”) to finance the purchase of debt instruments issued by Participating Institutions to finance or refinance Capital Projects, in furtherance of the purposes of the Act; and,

WHEREAS, the Board of Visitors (the “Board”) of Virginia Polytechnic Institute and State University (“Virginia Tech”) may from time to time wish to finance or refinance Capital Projects as a Participating Institution under the Program; and,

WHEREAS, if a Participating Institution wishes to finance or refinance a Capital Project through the Program it must enter into a loan agreement with the Authority, under which it will issue its promissory note pursuant to Section 23-19 of the Code of Virginia of 1950, as amended, to evidence the loan to it by the Authority; the Authority will agree to issue Pooled Bonds and use proceeds thereof to purchase the promissory note; and the Participating Institution will agree to use proceeds of Pooled Bonds to finance or refinance the Capital Project and to make payments under the loan agreement and the promissory note in sums sufficient to pay, together with certain administrative and arbitrage rebate payments, the principal, premium, if any, and interest due on Pooled Bonds issued to purchase the promissory note; and,

WHEREAS, Virginia Tech now proposes to issue its promissory note (the “Note”) to be sold to the Authority in accordance with a loan agreement with the Authority (the “Loan Agreement”) to refinance, with proceeds of Pooled Bonds to be issued by the Authority (the “Bonds”), costs of the West Side Lane Stadium Project (Project Code 16480) (the “Project”), a Capital Project authorized for bond financing by the General Assembly, and initially financed with proceeds of Virginia Tech’s Athletic Facilities System and General Revenue Pledge Bonds, Series 2004D (the “2004D Bonds”); and

WHEREAS, it is the desire of the Board to delegate to Authorized Officers (as hereinafter defined) the authority to approve the forms of the Loan Agreement and the Note, to execute and deliver the Loan Agreement, the Note and any documents necessary or desirable to refinance costs of the Project through the Program and defease all or a portion of the outstanding 2004D Bonds, and to facilitate the Authority’s purchase of the Note.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY:

Section 1. The Project is hereby designated a Capital Project to be undertaken and refinanced by the Authority and, accordingly, the Vice President for Finance and Chief Financial Officer and the University Treasurer (collectively, the “Authorized Officers”), are each hereby delegated and invested with full power and authority to approve the forms of the Loan Agreement and the Note, and any amendments thereto, and any pledge to the payment of the Note of total gross university sponsored overhead, unrestricted endowment income, tuition and fees, indirect cost recoveries, auxiliary enterprise revenues, general and nongeneral fund appropriations and other revenues not required by law or previous binding contract to be devoted to some other purpose, restricted by a gift instrument for another purpose or excluded from such pledge as provided in the Loan Agreement, subject to the provisions of Section 3 hereof.

Section 2. Subject to the provisions of Section 3 hereof, the Authorized Officers are each hereby individually delegated and invested with full power and authority to execute, deliver and issue (a) the Loan Agreement and the Note, and any amendments thereto, with approval of such documents in accordance with Section 1 hereof evidenced conclusively by the execution and delivery of the respective document, and (b) any and all other documents, instruments or certificates as may be deemed necessary or desirable to consummate the refinancing of costs of the Project through the Program, and defease and redeem all or a portion of the outstanding 2004D Bonds in accordance with the provisions thereof, and participation in the Program, and to further carry out the purposes and intent of this resolution. The Authorized Officers are directed to take such steps and deliver such certificates in connection with delivery of the Note, and any amendment thereto, as may be required under any existing obligations, including bond resolutions relating to any outstanding general revenue pledge bonds.

Section 3. The authorizations given above as to the approval, execution, delivery and issuance of the Loan Agreement and the Note, each as may be amended, are subject to the following parameters: (a) the principal amount to be paid under the Note shall not exceed \$45,000,000 and, together with the principal amount of any other indebtedness with respect to such Project, shall not be greater than the amount authorized for the Project by the General Assembly, plus amounts needed to fund issuance costs and other financing expenses, including without limitation a defeasance escrow for 2004D Bonds being refunded, or any other increase permitted by law, (b) the interest rate payable under the Note shall not exceed a “true” or “Canadian” interest cost more than 50 basis points higher than the interest rate for “AA” rated securities with comparable maturities, as reported by Thomson Municipal Market Data (MMD), or another comparable service or index, on the date that the interest rates are determined, taking into account original issue discount or premium, if any, (c) the weighted average maturity of the principal payments due under the Note shall not be in excess of the remaining weighted average maturity of the 2004D Bonds being refunded, (d) the last principal payment date under the Note shall not extend beyond 2029, (e) the refinancing of the Project with the Bonds shall result in net present value savings equal to at least 3.00 percent of the aggregate principal amount of the 2004D Bonds to be refunded, and

(f) subject to the foregoing, the actual amount, interest rates, maturities, and date of the Note shall be approved by an Authorized Officer, as evidenced by the execution thereof.

Section 4. The Board acknowledges, that if there is a failure to make any payments of debt service due under any loan agreement or promissory note entered into as a Participating Institution with or issued to the Authority under the Program, including the Loan Agreement and the Note, the Program authorizes the State Comptroller to charge against appropriations available to such Participating Institution all future payments of debt service on that loan agreement and promissory note when due and payable and to make such payments to the Authority or its designee, so as to ensure that no future default will occur on such loan agreement or promissory note.

Section 5. The Board agrees that if the Authority determines that a Participating Institution shall be subject to continuing disclosure obligations under Rule 15c2-12 of the federal Securities and Exchange Commission with respect to any issue of Pooled Bonds, an Authorized Officer will enter into a continuing disclosure undertaking, in form and substance reasonably satisfactory to the Authority and such Authorized Officer, and the Participating Institution will comply with the provisions and disclosure obligations contained therein.

Section 6. The Board designates the University Treasurer to be responsible for implementing procedures to monitor post-issuance compliance with covenants in any loan agreement between the Institution as a Participating Institution and the Authority, including the Loan Agreement and any amendments thereto, related to maintaining tax-exempt status for federal income tax purposes of interest on any Pooled Bonds, including without limitation monitoring the use of any portion of all Institution Capital Projects financed or refinanced with such Pooled Bonds and compliance with any applicable federal income tax remedial action requirements in connection with certain changes in such use. Such officer shall review such post-issuance compliance at least annually for so long as such Pooled Bonds remain outstanding.

Section 7. This resolution shall take effect immediately upon its adoption.

RECOMMENDATION:

That the above resolution authorizing the issuance of 9(d) bonds through the Virginia College Building Authority on behalf of the university to refinance the Athletic Facilities System General Revenue Pledge Bonds, Series 2004D, be approved.

September 10, 2012

Agreement to Loan Funds to VTT LLC

FINANCE AND AUDIT COMMITTEE

August 23, 2012

Virginia Tech envisions the continual expansion of its research enterprise through development of innovative and cutting edge technology that promotes the university's vision for translational research which provides significant benefits for students, faculty, and the larger community. Given that universities provide a pipeline for science and technology innovation to spin off new enterprises, §4-9.02 of the Virginia Acts of Assembly encourages university technology transfer and commercialization activities for the advancement of local and state economies. Accordingly, this agreement envisions providing temporary financing to aid in the startup of a new National Tire Research Center (NTRC), which will result in new commercial business activities within Virginia, new jobs, and enhanced transportation safety.

The Virginia Tech Transportation Institute (VTTI) is one such critical research engine for the university with 137 research projects, a \$67 million total research portfolio, and \$30 million of annual research expenditures. The NTRC initiative is a spin-off activity of the VTTI.

This initiative began approximately three years ago when the Virginia Tech Transportation Institute brought forward an opportunity to expand the educational, research, and economic development capabilities of the university in the field of automotive tires. The proposal included the creation of the National Tire Research Center which would own and operate unique equipment to perform applied and basic research and testing of tires. Because of the planned extensive business interaction with commercial entities such as General Motors, NASCAR, and tire manufacturers, and the unique nature and potential business risks associated with these activities, a committee was established to evaluate if the NTRC could function effectively within the university environment or if a separate affiliated organization would serve as a more appropriate corporate structure. After extensive deliberations and consultations by the committee, the university determined that the NTRC would best operate under a newly created separate affiliated organization, VTT LLC.

During fiscal year 2012-13, the VTT LLC will operate as a subsidiary of the Virginia Tech Foundation. After this start-up period, the university plans to transfer the VTT LLC to the Virginia Tech Innovations Corporation (VTIC) for ownership purposes and for ongoing operational oversight. The university recently established the Virginia Tech Innovations Corporation, which is intended to serve as a catalyst for developing uses for

emerging technologies resulting from or supporting university research. A primary role for VTIC is to serve as an administrative oversight organization that would hold current and future separate entities established to pursue specific elements of the university's expanding research programs.

The NTRC will operate under the auspices of VTT LLC and will develop a state-of-the-art vehicle dynamics complex designed to provide Virginia Tech, customers, and strategic industry partners with one-stop research and testing expertise that will bridge the gap between virtual modeling and the open road. In addition to collaborating with commercial entities, the Center is expected to garner sponsored research projects from the automotive and tire industries and the federal government, develop novel educational programs and tutorials to impact education of local workforce, provide advanced courses at the graduate level, and impact economic development through direct hiring in the Tobacco Commission geographic footprint and through services provided to its industrial customers. NTRC will operate in conjunction with Virginia Tech Transportation Institute and will be located at the Virginia International Raceway Motorsports Technologies Park in Southern Virginia.

The key instrument of the Center is a Flat Trac Force and Moment Machine, which is a one-of-a-kind testing equipment asset. The machine, which will cost over \$11 million to construct and deliver to Virginia Tech, is crucial to the research and development and testing of tires. The Center has developed an innovative and multi-source funding strategy for the acquisition of the machine. NTRC applied for and received an economic development grant of \$5 million from the Virginia Tobacco Indemnification and Community Revitalization Commission to assist in the purchase and installation of the tire machine in an economically depressed region of the state. The Tobacco Commission has retained a security interest in the tire machine as a way to exercise appropriate expenditure oversight and to ensure that at least 15 new jobs are added and remain in the Tobacco Commission geographic footprint for a minimum of seven years. An additional \$5 million commitment was obtained from General Motors (GM). GM agreed to advance these funds, as needed, to support the acquisition of the machine. In return for this commitment, GM was granted extensive use of the machine during the first two years of operation. GM also provided a letter of commitment to use the NTRC facilities for ongoing tire research and testing for a period not to exceed twenty years.

The current plan is to have the VTT LLC operational during September 2012, before the expected delivery date of the machine. The process of establishing the VTT LLC will include ensuring that all of the appropriate assets, liabilities, and commitments of the NTRC initiative are properly assigned to the VTT LLC.

During the initial stages of the development of the NTRC concept, the VTTI developed a business model to analyze and support the financial and business viability of the NTRC proposal. This model was reviewed in several meetings with university leadership. The business model has continued to evolve over the last two years along with the operational plans and organizational structure for the VTT LLC. The model projects positive cash flow from NTRC operations no later than year six of operation, and it continues to project a financially viable business plan.

Along with the major funding components from the Tobacco Commission and the business operations commitment from General Motors, the model required operating cash advance during the first several years of operation. The combination of this cash advance and an expanding external business base over several years is projected to provide the needed cash for operations and ultimately the repayment of the advance.

The university committed to provide the initial cash advance, up to \$4 million, to support this significant research and economic development initiative. The university originally envisioned providing this cash advance internally through transfers to the VTTI and the NTRC. However, with the evolving nature of the organizational structure for the NTRC, the university now needs to provide this cash advance to the VTT LLC for operational support. The cash advance will cover various start-up and operational activities, including resources to finalize the acquisition of the tire machine, finance upgrades to the building leased to house the tire machine, and provide working capital for the start-up and initial operations phase of the project.

Although the university frequently makes “internal loans” to operating units within the university to support start-up or operational costs related to the units or specific initiatives, the university has not previously made such loans to outside related organizations. However, the Restructuring Act of 2005 provides Level 3 institutions with the needed authority to execute such transactions. Specifically, under section 23-38.101 of the Restructuring Act titled “Creation of entities; participation in joint ventures”, the Board of Visitors has authority to approve loans or obligate university funds to or on behalf of its affiliated organizations or joint venture activities. While the university is a Level 3 institution, it has not previously invoked this section of the Restructuring Act. The university is confident that the language provided under section 23-38.101 (see Attachment A for the entire section) is clear in providing this authority to the Board of Visitors. Further, the university believes this action is an appropriate step for this initiative at this time.

Therefore, the university requests approval to provide a loan of up to \$4 million to VTT LLC to finance the acquisition of the equipment and leasehold improvements and to support the initial operations of the NTRC, as described in this report. This initiative is a strategic investment of university resources to promote research growth, expand

economic development opportunities, and further advance the university's instructional and outreach missions. The conditions and requirements for this loan would include:

- the loan will be made in accordance to established university procedures for authorizing internal loans to operating units,
- the loan will carry an interest rate determined consistently with other internal loans,
- a repayment schedule planned to start no later than year seven of the operation of the NTRC and to be repaid over a period not to exceed 10 years,
- the loan would be underwritten by the university's research overhead funds, a nongeneral fund revenue source, and
- the loan will include a contingency repayment plan from the overhead resources of the Vice President for Research, the Virginia Tech Transportation Institute, and the Department of Mechanical Engineering, and College of Engineering if repayment is not available from the VTT LLC.

The Vice President for Finance and Chief Financial Officer will be responsible for finalizing these terms and may alter the terms as needed in the future to achieve the objectives of this research initiative.

RESOLUTION FOR AUTHORITY TO EXECUTE AGREEMENTS TO LOAN FUNDS TO VTT LLC

WHEREAS, the university's vision to expand research and development through initiatives fostered by the Virginia Tech Transportation Institute is a key strategic initiative for the future of the institution; and

WHEREAS, the university has established a specialized tire research initiative known as the National Tire Research Center (NTRC) to support fulfilling this goal; and

WHEREAS, the Center anticipates extensive collaboration with commercial entities through operation of unique equipment to perform applied and basic research and testing of tires; and,

WHEREAS, the Center additionally expects to garner sponsored research projects from the automotive and tire industries and the federal government, develop novel educational programs and tutorials to impact education of local workforce, provide advanced courses at the graduate level, and impact economic development through direct hiring in the Tobacco Commission geographic footprint and through services provided to its industrial customers; and

WHEREAS, the committee formed to evaluate the structure for NTRC recommends that the Center should operate as an affiliated organization due to the Center's extensive interaction with commercial entities and tire manufacturers, and due to the unique nature and potential business risks related to its activities; and

WHEREAS, VTT LLC, a single member non-stock entity has been established to own and operate tire testing equipment of the NTRC in support of the instructional, research and economic development missions of the university; and

WHEREAS, the university has obtained \$10 million of external support from General Motors and the Virginia Tobacco Indemnification and Community Revitalization Commission to provide most of the funding needed to purchase the tire testing equipment needed for the NTRC research, development and testing programs; and

WHEREAS, the university desires to support this project through the provision of funding from nongeneral fund sources of up to \$4 million in loans to VTT LLC to finance the acquisition of the equipment and leasehold improvements and to support the initial operations of the NTRC; and

WHEREAS, a business plan has been developed that provides for repayment of the loan; and

WHEREAS, under section 23-38.101 of Restructured Higher Education Financial and Administrative Operations Act of the Code of Virginia the Board of Visitors has the authority to authorize such transactions;

NOW, THEREFORE BE IT RESOLVED, that the Board of Visitors authorizes, at the President's discretion, the negotiation and execution of a line of credit and the related promissory notes and loan agreements for start-up financing from the university to VTT LLC for up to \$4 million from nongeneral fund sources to be repaid by VTT LLC in accordance with terms to be established by the Vice President for Finance and Chief Financial Officer.

RECOMMENDATION:

That the resolution authorizing, at the President's discretion, the negotiation and execution of a line of credit and the related promissory notes and loan agreements for start-up financing from the university to VTT LLC for up to \$4 million from nongeneral fund sources to be repaid by VTT LLC in accordance with terms to be established by the Vice President for Finance and Chief Financial Officer, be approved.

September 10, 2012

ATTACHMENT A

**Agreement to Loan Funds to VTT LLC
Excerpt from Restructuring Act**

§ 23-38.101. Creation of entities; participation in joint ventures.

A. A covered institution may create or assist in the creation of; may own in whole or in part or otherwise control; may participate in or with any entities, public or private; and may purchase, receive, subscribe for, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise acquire or dispose of any (i) shares or obligations of, or other interests in, any entities organized for any purpose within or without the Commonwealth, and (ii) obligations of any person or corporation. No part of the assets or net earnings of such institution shall inure to the benefit of, or be distributable to, any private individual, except that reasonable compensation may be paid for services rendered to or for such institution in furtherance of its public purposes, and benefits may be conferred that are in conformity with said purposes.

B. A covered institution may participate in joint ventures with individuals, corporations, governmental bodies or agencies, partnerships, associations, insurers or other entities to facilitate any activities or programs consistent with the public purposes and intent of this subchapter.

C. A covered institution may create or continue the existence of one or more nonprofit entities for the purpose of soliciting, accepting, managing, and administering grants, gifts and bequests, endowment gifts and bequests, and gifts and bequests in trust.

D. In carrying out any activities authorized by this subchapter, a covered institution may provide appropriate assistance, including (i) making loans from its funds, other than general fund appropriations or proceeds of bonds issued under Article X, Section 9(a), 9(b), or 9(c), or 9(d), if such issuance is Commonwealth general fund supported, of the Constitution of Virginia, and (ii) providing the time of its employees to corporations, partnerships, associations, joint ventures or other entities, whether or not such corporations, partnerships, associations, joint ventures or other entities are owned or controlled in whole or in part, directly or indirectly, by such institution.

Capital Project for Capital Lease of the Turner Street Facility

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

July 27, 2012

For many years, the university has housed several permanent support units in leased space and outdated space that hinder service to the academic enterprise. In 2005, the university developed a long-term strategy to collapse leases, locate critical support units closer to their academic customers, and overcome substantial deferred maintenance conditions. The central component of the strategy involves working with the Virginia Tech Foundation to economically provide a permanent location on the edge of campus near the academic activity.

On November 3, 2008, the Board of Visitors passed a resolution requesting the Virginia Tech Foundation to acquire control of a four acre property near the northeast side of campus (Turner Street) to support moving forward with the project. Subsequently, on December 15, 2008, the Foundation signed a letter of intent to enter into a 25-year ground lease on the land. On April 15, 2011, the Foundation purchased the four acre parcel outright.

The Foundation and the university worked collaboratively on a build-to-suit lease for an overall project that includes the four acre parcel of land, an approximate 140,000 gross square foot (GSF) mixed use building, and an approximate 247,000 GSF parking structure. A portion of the land, 0.79 acre, remains vacant to accommodate future growth. The mixed use building will have approximately 112,000 GSF of administrative office space and 28,000 GSF of retail space. The parking garage will have approximately 800 spaces. The plan calls for the university to enter into a long-term lease for 80 percent of the office building to provide a permanent home for several key university support functions and 100 percent of the parking structure for parking needs on the north-east side of campus, including the Center for the Arts. The total project value is \$51 million and the proportionate value of the university use is approximately \$46 million. As with all capital project proposals, the university has prepared a funding plan to provide assurance regarding the financial feasibility of the project.

Design work began in May 2010 and substantial completion is scheduled for December 2012 with move in anticipated for February 2013. Because the plan calls for long-term use of the administrative office space and parking garage, the nature of the arrangement will meet the capital lease thresholds under Generally Accepted Accounting Principles.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve capital leases funded entirely with nongeneral fund revenues. This request is for an authorization to move forward with a capital lease(s) of the Turner Street Facility which is funded entirely with nongeneral fund revenues.

RESOLUTION OF A CAPITAL LEASE FOR THE TURNER STREET FACILITY

WHEREAS, in 2005, the university developed a long-term strategy to collapse leases, locate critical support units closer to their academic customers, and overcome substantial deferred maintenance conditions; and,

WHEREAS, a central component of the strategy involves working with the Virginia Tech Foundation to economically provide a permanent location on the edge of campus near the academic activity; and,

WHEREAS, on November 3, 2008, the Board of Visitors passed a resolution requesting the Virginia Tech Foundation to acquire control of a four acre property near the northeast side of campus (Turner Street) to support moving forward with the project; and,

WHEREAS, the Foundation and university worked collaboratively on a build-to-suit lease for an overall project that includes the four acre parcel of land, an approximate 140,000 gross square foot (GSF) mixed use building, and an approximate 247,000 GSF parking structure; and,

WHEREAS, the plan calls for the university to enter into long-term leases for 80 percent of the office building and 100 percent of the parking structure; and,

WHEREAS, the university has a need for permanent space of this type; and,

WHEREAS, the university has prepared a funding plan based on nongeneral fund lease savings and resource reallocations to provide assurance regarding the financial feasibility of the project; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve capital leases funded entirely with nongeneral funded revenues;

NOW THEREFORE BE IT RESOLVED, that the university be authorized to move forward on a transaction with the Virginia Tech Foundation for build-to-suit capital leases for the Turner Street Facility.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to enter into capital leases with the Virginia Tech Foundation for the Turner Street Facility be approved.

September 10, 2012

Capital Project for Capital Lease of a Propulsion Laboratory

JOINT FINANCE AND AUDIT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

July 23, 2012

The Virginia Tech Propulsion group has long established associations with several gas turbine manufacturers, and these companies have donated several instruments, engines, and rigs for a state-of-the-art research program at Virginia Tech. Further, the university has entered productive collaborations with the Commonwealth of Virginia, Rolls-Royce, and other leaders in the propulsion industry to fund program research, including state funding for the Commonwealth Center for Aerospace Propulsion Systems.

The university does not have access to facilities that fully accommodate the propulsion program's equipment, which in turn limits the activities of the program research. The envisioned facility includes approximately 8,100 gross square feet of new construction to support research at the cutting edge of propulsion investigation, including next generation fighter and commercial aircraft engine technology and power generation gas turbine technology focused on the energy industry. The combination of this specialized facility and equipment will make Virginia Tech a unique destination within the United States for this type of research. As an illustration, of the National Aeronautics and Space Administration's nine Technology Readiness Levels (TRL), the proposed facility will shift Virginia Tech's propulsion program from TRL-1 to a TRL-5, which greatly expands opportunities for federal and industry funding sources.

In August 2011, the Board of Visitors authorized a capital planning project for a Propulsion Laboratory facility to address the research and instruction needs of the propulsion program. To accommodate the sound management, power supply, and proximity to main campus requirements, the college and university subsequently explored a new facility to be located at the Virginia Tech Montgomery Executive Airport. The results of the study show the costs at this location to be approximately \$7 million which is not affordable for the College of Engineering.

The university explored further for practical options that may support the unique requirements of this specialized facility. An effective site has been identified at the Corporate Research Center (CRC), Phase 2. Under this arrangement, the estimated project costs inclusive of design and construction are expected to be \$3.5 million which is an affordable cost for the college. To advance the project, the college and university have worked together on a funding plan to provide assurance regarding the financial feasibility of the project. Because the college plan calls for long-term use of the facility, the university will cover the entire costs of the project under this arrangement; thus, the lease will meet the capital lease thresholds under Generally Accepted Accounting Principles.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve capital leases funded entirely with nongeneral fund revenues. This request is for an authorization to move forward with a build-to-suit capital lease for a Propulsion Laboratory facility funded entirely with nongeneral fund revenues.

**RESOLUTION OF A CAPITAL LEASE FOR A
PROPULSION LABORATORY FOR THE COLLEGE OF ENGINEERING**

WHEREAS, the College of Engineering has identified expanding the research and instruction activities related to propulsion as a top priority; and,

WHEREAS, the university does not have access to facilities that fully accommodate the propulsion program's equipment, which in turn limits the research activities of the program; and,

WHEREAS, the sound management, power supply, and proximity to main campus requirements may be accommodated at the Corporate Research Center, Phase 2 for an affordable cost; and,

WHEREAS, the envisioned facility includes approximately 8,100 gross square feet of new construction to support research at the cutting edge of propulsion investigation; and,

WHEREAS, the college has a need for permanent space of this type; and,

WHEREAS, the estimated project costs inclusive of design and construction are expected to be \$3.5 million; and,

WHEREAS, the college and university have worked together on a funding plan to provide assurance regarding the financial feasibility of the project, which calls for the use of overhead revenues from the college to cover the proposed project costs; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve capital leases funded entirely with nongeneral funded revenues;

NOW THEREFORE BE IT RESOLVED, that the university be authorized to move forward on a transaction with the Virginia Tech Foundation for a build-to-suit capital lease for a Propulsion Laboratory facility.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to enter a capital lease with the Virginia Tech Foundation for a Propulsion Laboratory be approved.

September 10, 2012

Committee Minutes

Committee on Research

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

September 9, 2012

Committee Members Present:

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

Guests:

Dr. Charles Steger, Dr. Mark McNamee, Dr. Robert Walters, Mr. Dwight Shelton Jr., Dr. Nancy V. Dye, Mr. William D. Fairchild III, Mr. Cordel L. Faulk, Mr. B. Keith Fulton, Mr. William B. Holtzman, Mr. John C. Lee, IV, Ms. Deborah Petrine, Ms. Suzanne Obenshain, Dr. Karen DePauw, Dr. Daniel Wubah, Dr. Patricia Perillo, Dr. Don Leo, Dr. Chris Barrett, Dr. William R. Knocke, Dr. Terry Herdman, Mr. Martin Daniel, Ms. Sharon Kurek, Ms. Ellen Plummer, Ms. Natalie Hart, Ms. Kathryn Moore, Ms. Kay Heidbreder, Mr. Ralph Byers, Mr. Tim Hodge, and Ms. Beth Tranter.

1. **Opening Remarks and Approval of March 25, 2012 Minutes.** Mr. Nolen welcomed those in attendance. The minutes were unanimously approved.
2. **Remarks from the President.** Dr. Steger welcomed those in attendance.
3. **Resolution for the Approval of Appointments to the Virginia Coal and Energy Research and Development Advisory Board.** Mr Nolen reviewed the appointments to the Virginia Coal and Energy Research and Development Advisory Board. The resolution was unanimously approved.
4. **Resolution for the Approval of Exclusion of Certain Officers/Directors.** Mr. Nolen reviewed the resolution, through which the Board of Visitors will formally appoint a managerial group with the authority and responsibility for the negotiation, execution, and administration of classified contracts. This resolution is submitted for review and approval in compliance with U.S Department of Defense requirements. The resolution was unanimously approved.

5. **Office of Research Annual Report (Research Administration).** Dr. Walters reviewed major accomplishments in research during the 2012 fiscal year, including intramural and extramural research expenditures, progress in the discovery domain areas, and strategic planning priorities in the Office of Research.
6. **Massively Interactive Systems Research: Emerging Directions in Complexity Science at the Virginia Bioinformatics Institute (Research Initiatives).** Dr. Barrett discussed computational and analytical sciences related to the interpretation of large data sets for biologically-coupled systems. Dr. Barrett also discussed the enabling function played by the Virginia Bioinformatics Institute as a multidisciplinary research institute.

Adjournment.

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



VirginiaTech
Invent the Future

OFFICE OF THE VICE PRESIDENT FOR RESEARCH

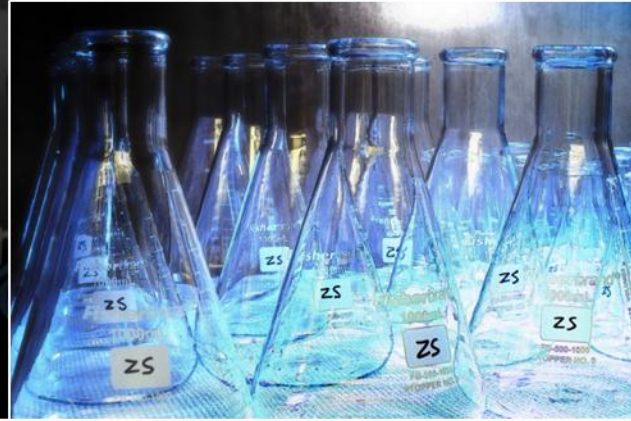
Virginia Tech

Office of Research
Annual Report

Robert Walters
Vice President for Research

Overview

- Research expenditures and rankings for FY 2011
- Extramural expenditures for FY 2012
- FY 2012 research administration highlights
- The path forward

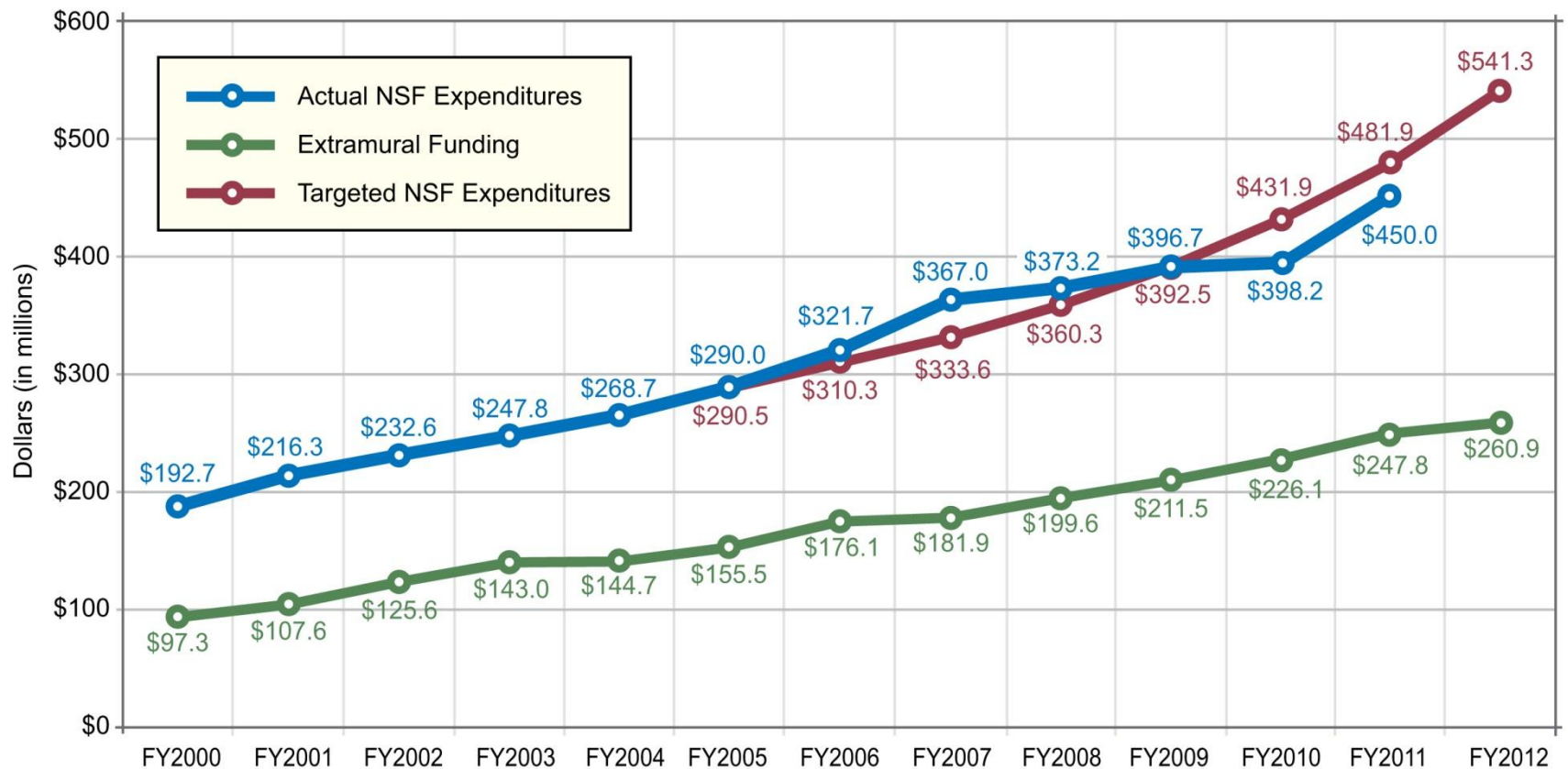


RESEARCH EXPENDITURES AND RANKINGS FOR FY11

Measuring Research Productivity

- “NSF-Reported Expenditures” is the bellwether measure of research productivity in the U.S. higher education industry.
- Some important considerations:
 - The National Science Foundation (NSF) reports these data, but the “NSF-Reported Expenditures” total includes **all** R&D expenditures regardless of agency or source.
 - NSF reports funds when they are **spent** rather than when they are received because this reflects the actual completion of research and because the U.S. economy is impacted at the point of expenditure, not award.
 - There is an inherent **lag** in obtaining comparison data. The most recent data from NSF were published in early 2012 on the fiscal year that ended more than 18 months earlier.

NSF-Reported Research Expenditures



NSF Research Expenditure Rankings

- More than 700 universities ranked.
- \$20M separated 44th from 47th in FY10.

Rankings of selected Virginia institutions in FY 10:

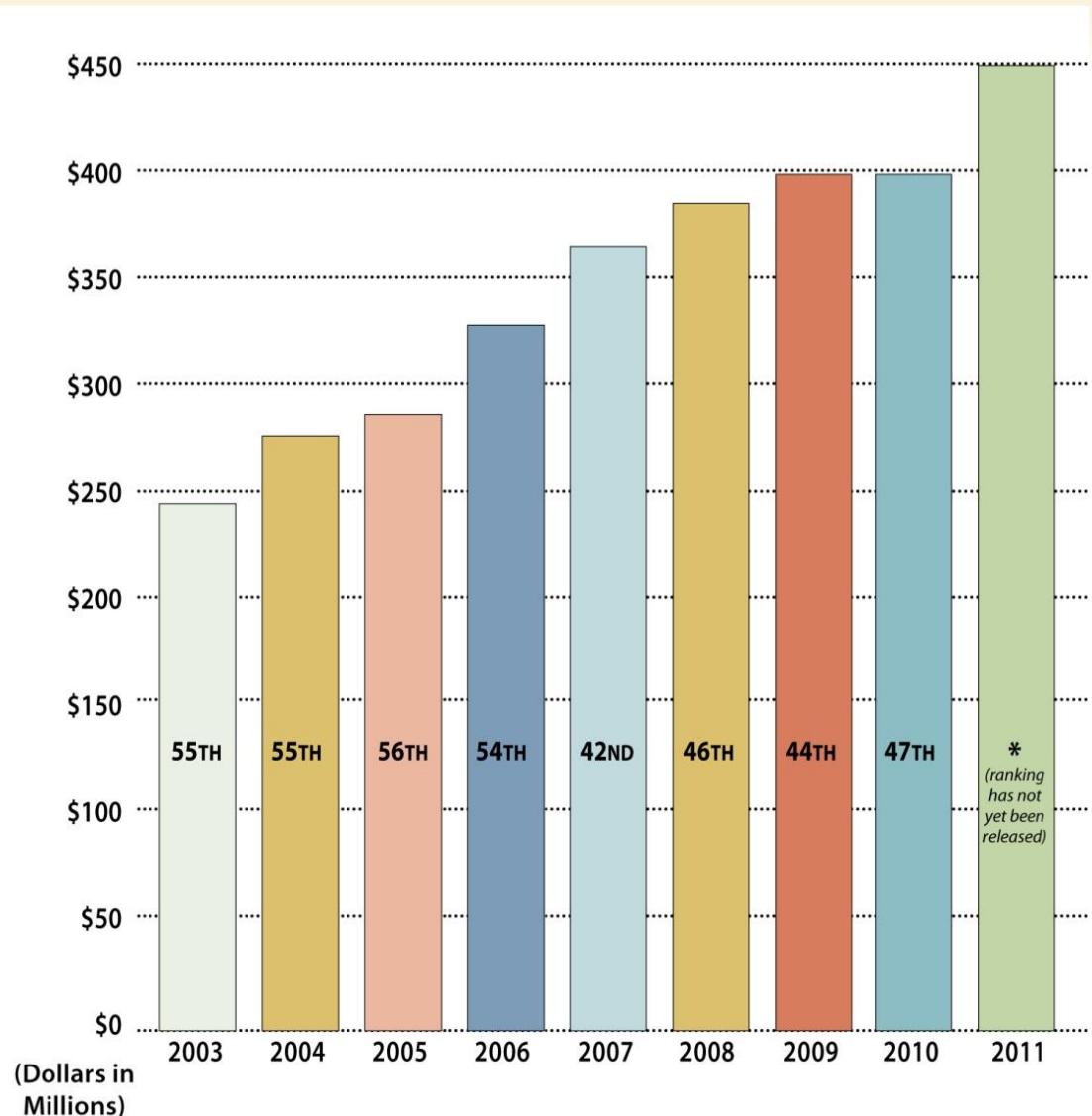
Virginia Tech **47th**

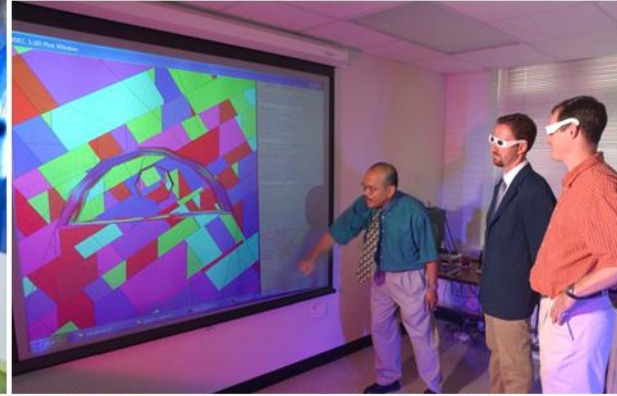
University of Virginia
(main campus) **75th**

Virginia Commonwealth
University **98th**

George Mason University ... **153rd**

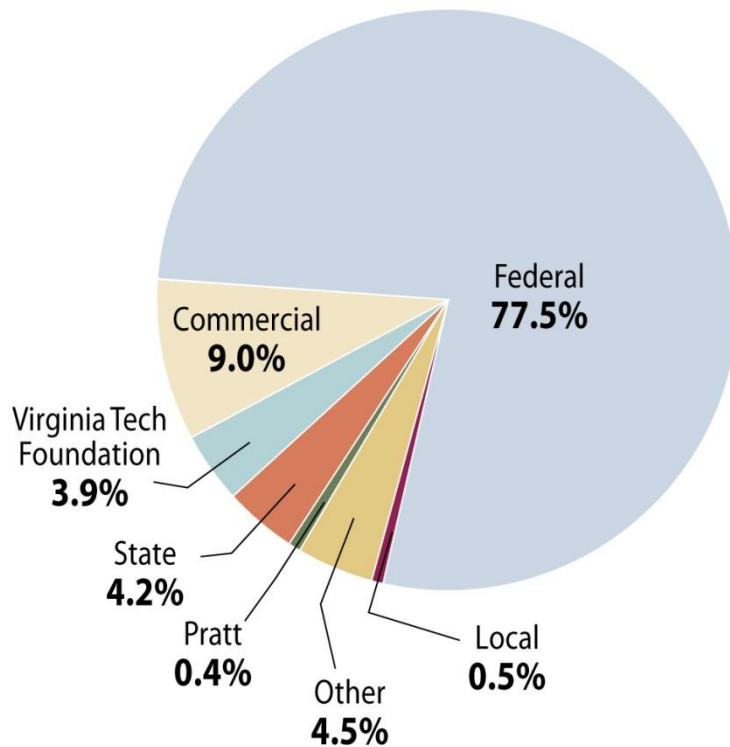
Eastern Virginia
Medical School **198th**



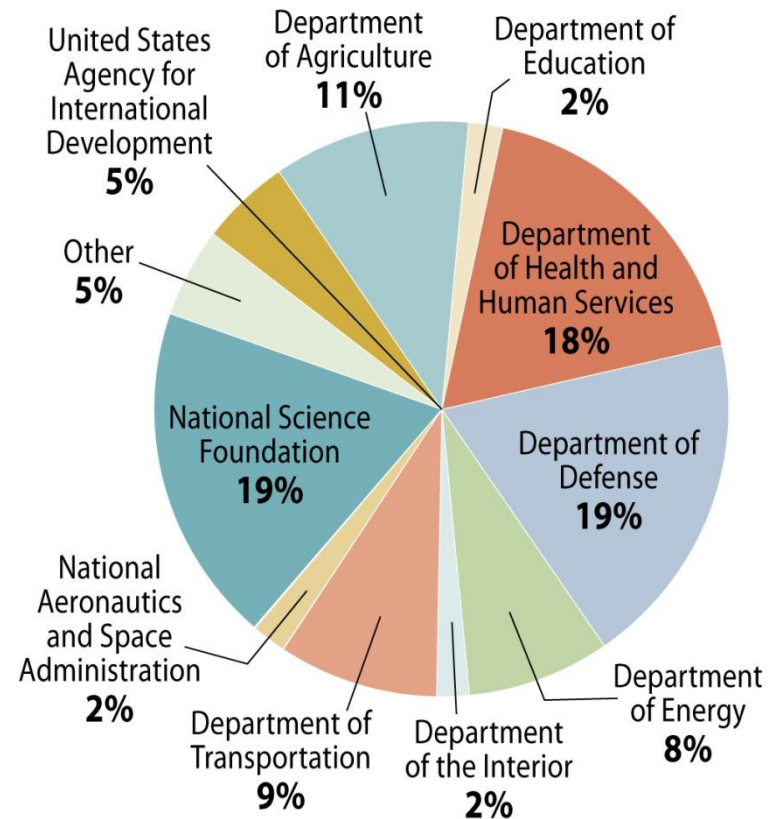


EXTRAMURAL EXPENDITURES FOR FY12

FY 2012 Sponsored Expenditures from All Sources



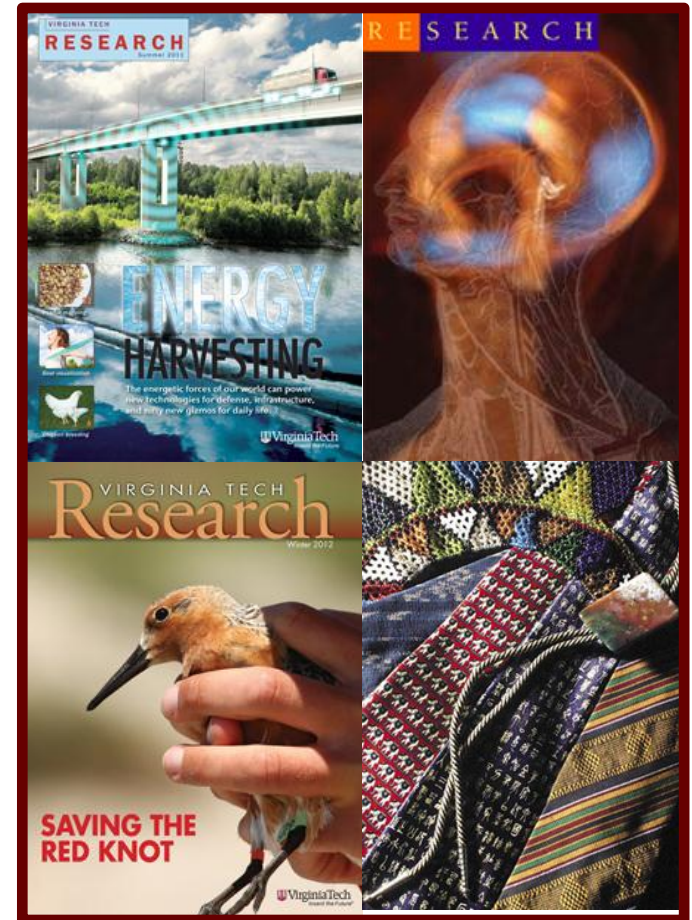
FY 2012 Sponsored Expenditures from Federal Sources



University Research

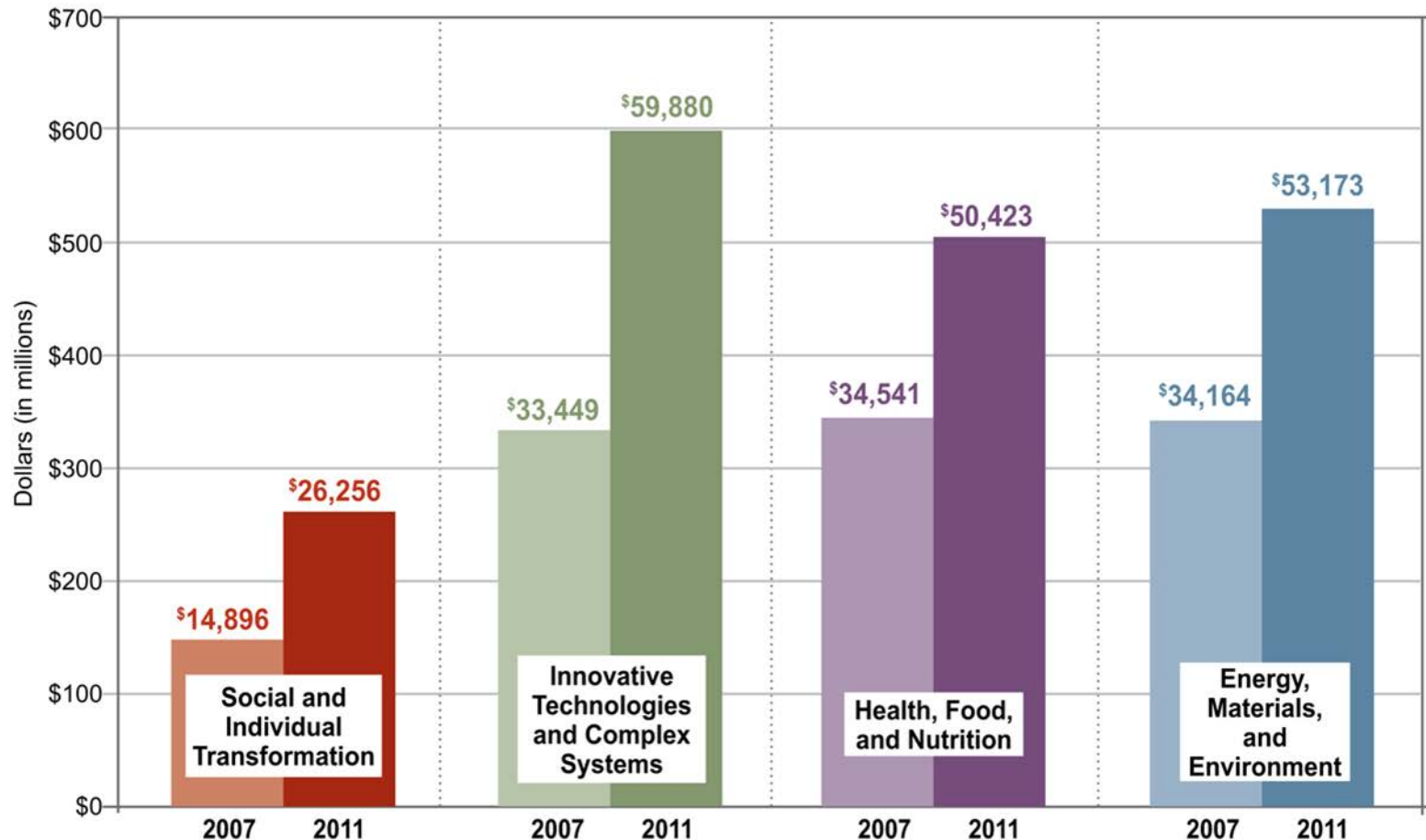
DISCOVERY DOMAIN AREAS

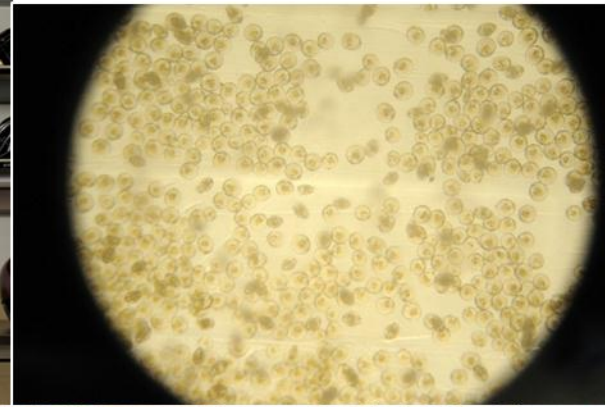
- Energy, Materials and Environment
 - Energy
 - Environment and Bioprocessing
 - Water Research
 - Materials and Sensors
- Innovative Technologies and Complex Systems
 - Business and Manufacturing
 - Communications, Information Technology, Cybersecurity and Mathematics
 - Transportation
- Health, Food and Nutrition
 - Biosciences and Biotechnology
 - Biomedical Science and Engineering
 - Food, Nutrition and Health
 - Life Sciences
- Social and Individual Transformation
 - Arts, Architecture and Design
 - Policy and Social Sciences



Research Growth by Domain Area

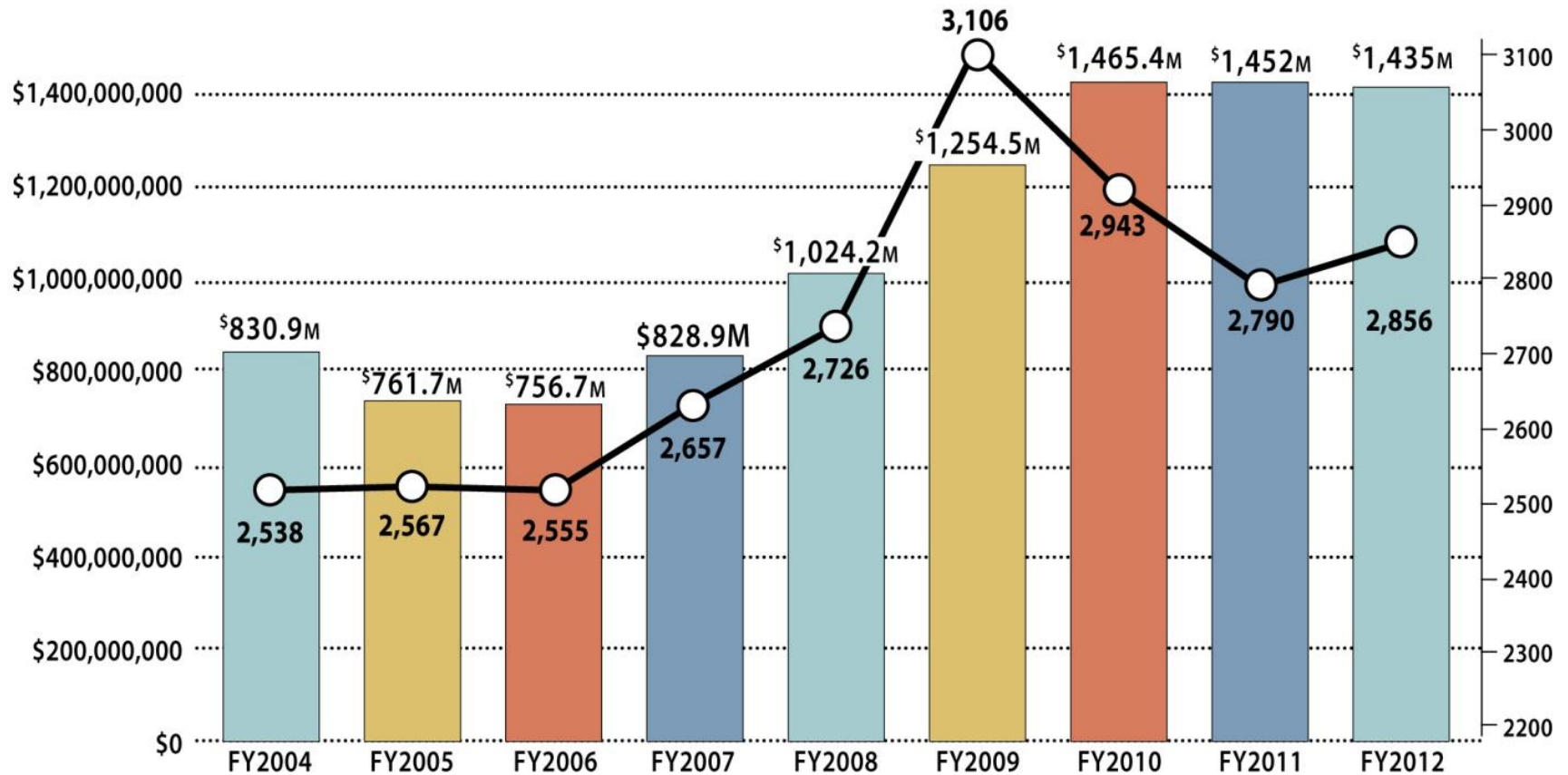
Discovery domain areas represent ~60% of research portfolio





FY 2012 RESEARCH ADMINISTRATION HIGHLIGHTS

Value and Number of Proposals Submitted by Year



Proposal Development Institute (PDI) for Early-Career Faculty

Program Goal:

- To provide a multi-faceted program that helps VT faculty members procure external funding to support their research and scholarly endeavors
- The focus of PDI is on faculty members who are “early” in their efforts to procure external funding

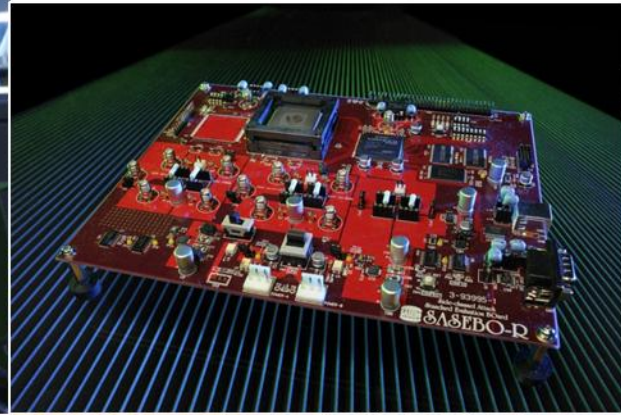
Program Components:

- 2.5-day workshop with external consultants and senior VT faculty focused on effective proposal writing
- Overnight trip to DC to meet federal program managers
- Mentoring groups with senior VT faculty
- Research mixers and opportunities for collaboration



Bill Knocke
Associate VP for
Research Programs,
PDI Program
Director





THE PATH FORWARD

Long-Range Planning

Four structuring themes. . . .

- **Implications of global interdependence**

***Goal:** Increase the number of our programs recognized as among the best internationally.*

- **Challenges of a data-driven society**

***Goals:** Ensure competency in data analysis and computational methods as a component of general education for all students and to develop an appropriate infrastructure for e-learning and high-performance computing.*

- **Focus on quality, innovation and results**

***Goal:** Reviewing and revising our current business practices for opportunities to optimize efficiency, flexibility, and accountability without sacrificing our ability to remain innovative and competitive.*

- **Emergence of **security, resilience, health** and **sustainability** as priorities**

***Goal:** Strategic focus on these themes in research, outreach, and service learning programs.*

University Research

DISCOVERY DOMAIN AREAS - 2012-2018

Security

- Cyber- security
- Food security
- Management and security of communication systems
(such as wireless, networks, and smart grids)

Resilience

- Resilience of complex systems
- System stability and resilience of ecosystems
- Planning for stability in communities of all sizes

Health

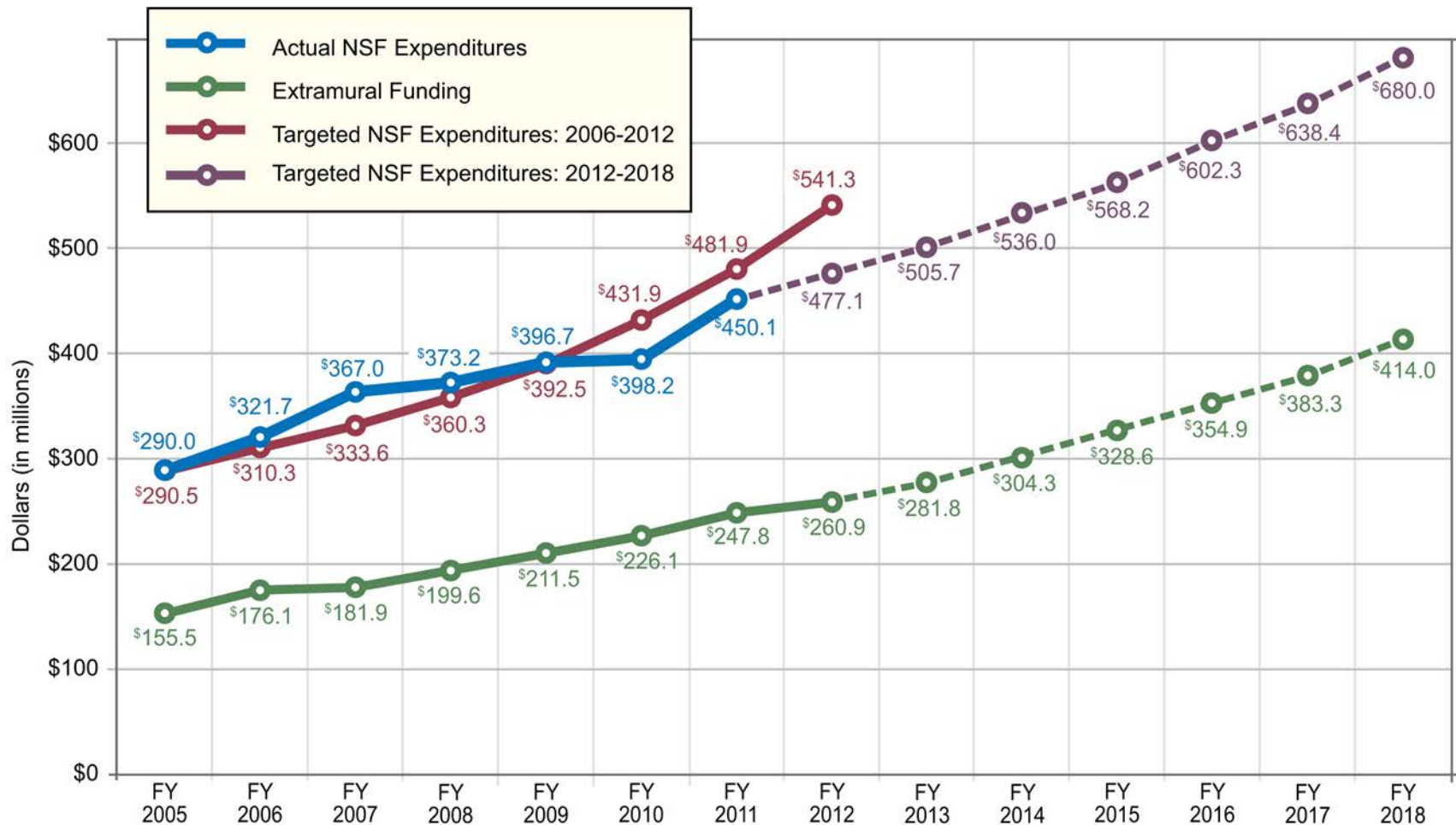
- Neuroscience
- Genomics
- Global health issues
- Aging
- Methods grounded in high-performance computing and networks

Sustainability

- Energy, materials, and technology
- Water science, policy, and management
- Transportation and communication infrastructures
- Natural resources, ecosystems, and environmental quality
- Informatics and policy
- Food and food systems
- Sustainable international development



Research Expenditure Projections



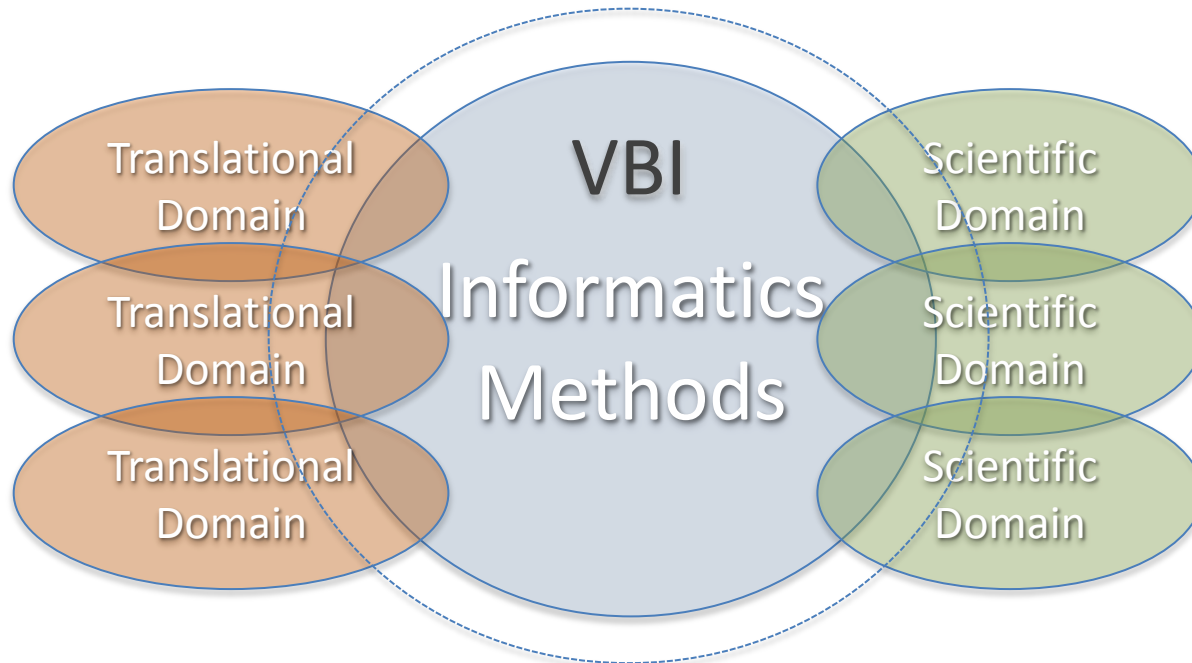
Thank you

Massively Interactive Systems Research: Emerging Directions in Complexity Science at VBI

Chris Barrett
Scientific Director

What is VBI?

- A multidisciplinary informatics research institute
 - Advanced analytical methods for complex biological and biologically-coupled systems



What is the research environment?

- Bioinformatics is changing radically and rapidly
- Traditionally expensive data, e.g., genomic data, proteomic – all “omics”, social data.... is becoming cheaper and cheaper
 - Not always controlled in traditional ways , e.g., as rigorous surveys are replaced with web access to administrative data and to individual social, financial, medical etc., individual behavior, context and function are open to new science but also to difficulty
- Traditionally less costly, analysis is now the cost driver and the focus of science and is computationally driven
- Science is greatly challenged by this *in silico* reality and the associated changes in multidisciplinary research
- The scope of “bioinformatics” research is much broader
- For VBI, we will focus on this “bioinformation systems” view

Massively Interactive Systems

- Increasing scale of scientific context – some examples:
- Genomics to metagenomics and epigenetics
 - What/where is causative explanation of the phenotype?
- Human biome
 - What/where is an organ? Organism? (eg, B-12)
- Enteric immunity, ENI-ENS, ENS-CNS
 - What/where is information processing? (eg, NS-Immune)
- Social/ecological neuroscience
 - What/where is cognition? (eg, empathy, toxoplasma gondii)
- Networks, social networks and Biosociality
 - What/where are ecological causes, (eg, social epidemiology)
- Social, governance and infrastructure context of biology and health
 - Public health and public policy (eg, contagious disease public health, personal health, safety and privacy; urbanization; contagion of ideation, behavior and national security)

Grand Challenge Science

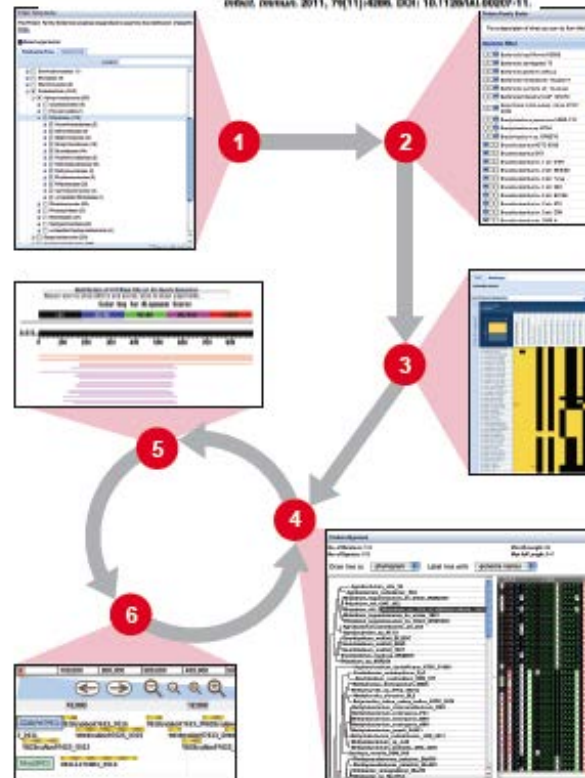
- Genomics to “populomics”

Pathogen Omics Portals: A PATRIC BRC Workflow Example

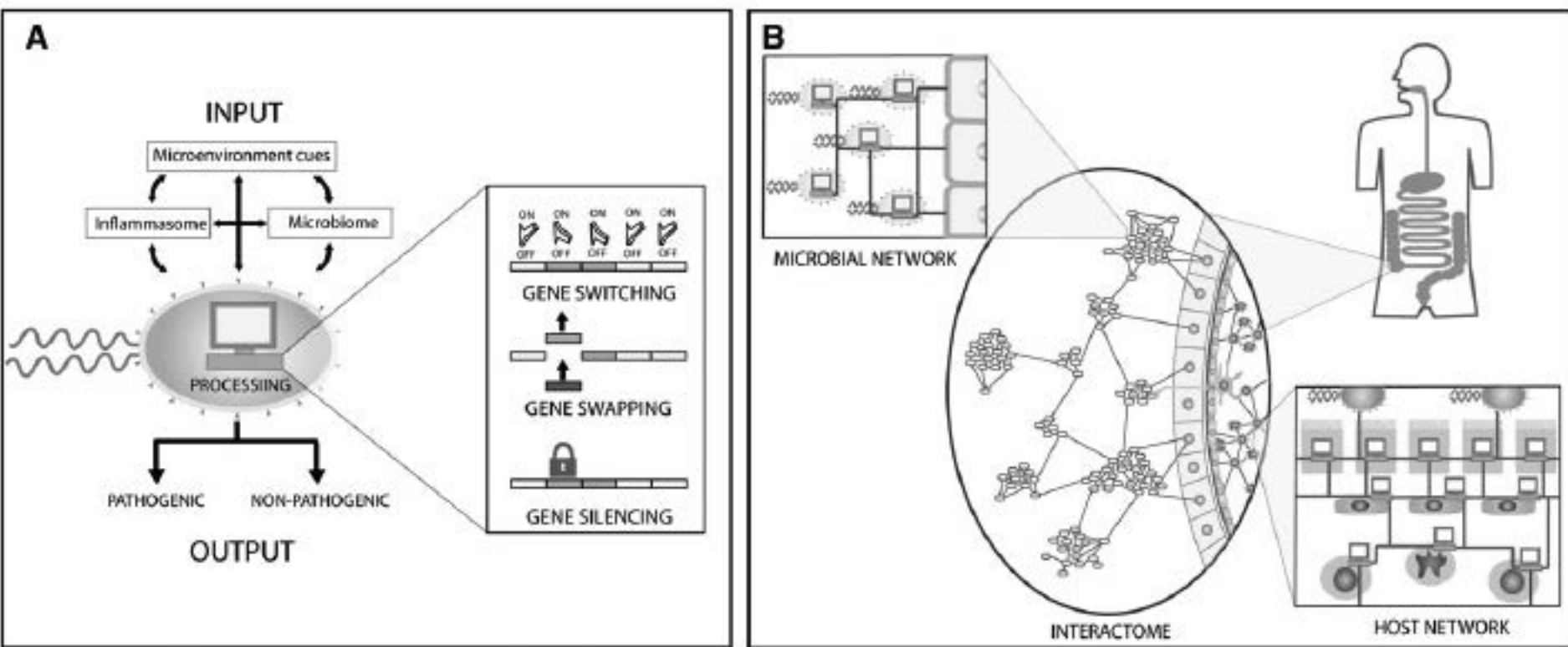
Infection and
Immunity

**PATRIC: the Comprehensive Bacterial
Bioinformatics Resource with a Focus on
Human Pathogenic Species**

Joseph J. Gillespie, Alice R. Wooten, Stephen A. Cammer,
Joseph L. Gubbins, Maura P. Struelens, Orit Dolev, Timothy
Driscoll, Deborah Hsu, Shrinivasan P. Nair, Chunhong
Ma, Eric K. Nordberg, Mark Scott, Julie R. Schuman, Eric
E. Snyder, Daniel C. Sullivan, Chunxia Wang, Andrew
Warren, Kaiti P. Williams, Tian Xue, Hyun-Sik Yoo,
Chengdong Zhang, Yan Zhang, Rebecca Will, Ronald W.
Kerzen and Bruno W. Sobral
Infect Immun. 2011; 79(11):4286. DOI: 10.1128/IAI.00007-11



Complexity: Microbial Environmental Information Processing & Interactome



Surgical Research Review

The molecular Koch's postulates and surgical infection: A view forward

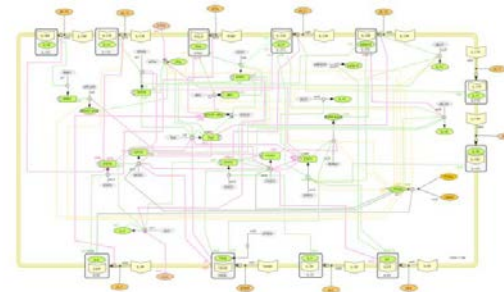
John B. Seal, MD,^a Michael Mesrobian, MD,^a Olga Zahorina, PhD,^a Gary An, MD,^b and John C. Alverdy, MD,^a Chicago, IL

MEIP: Comprehensive HPC-based informatics for enteric immunity research

PubMed



Literature & data mining

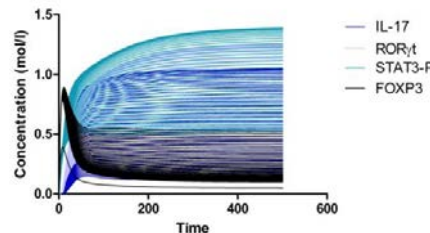


The Network Model



**ENteric
Immunity
Simulator**

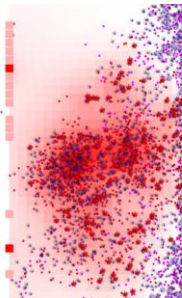
Modeling tools
10⁹ individual cells
interact in HPC
modeling system



In silico experiments
Hypothesis generation

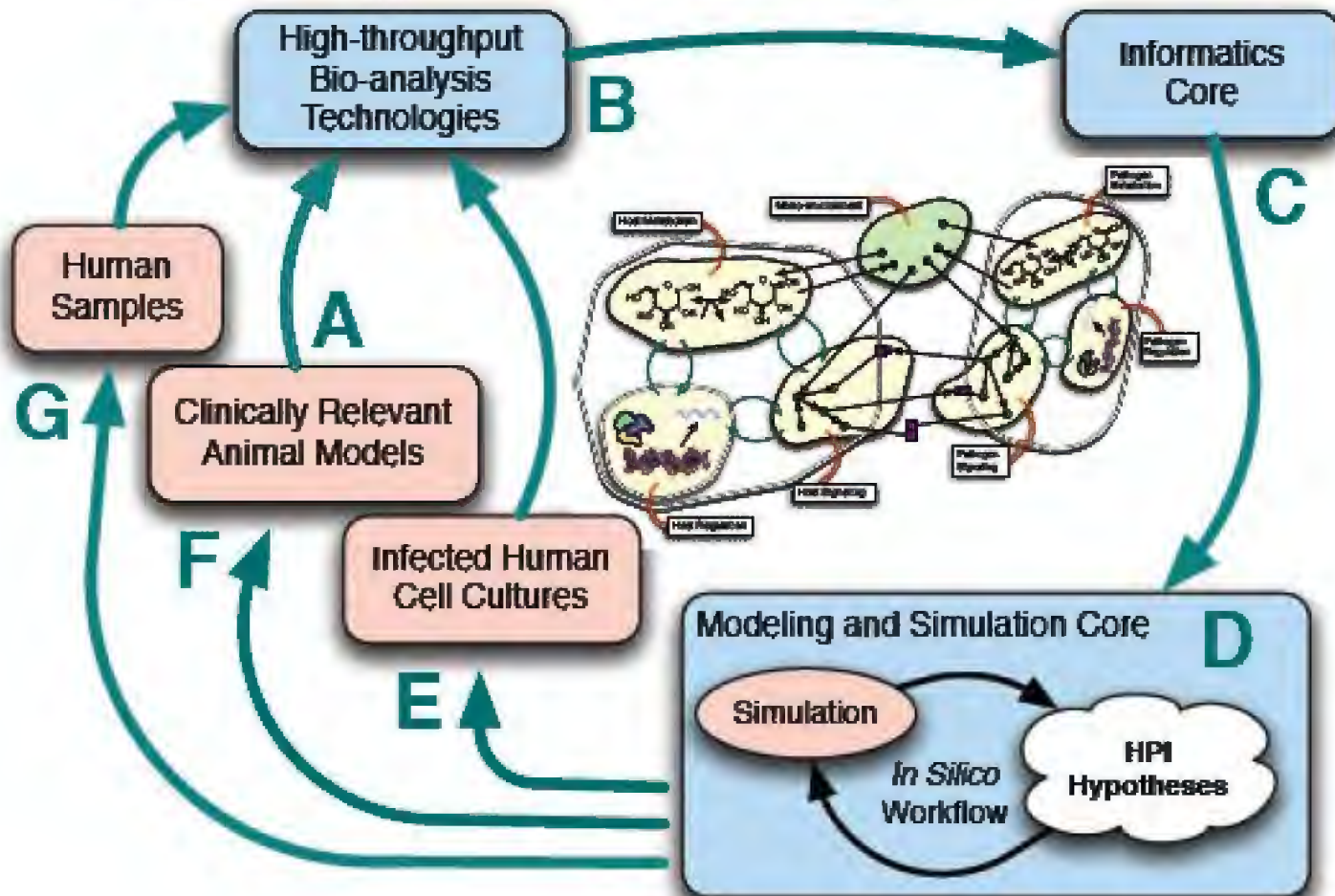


In vivo hypothesis testing



An Integrated Approach: Example from ID Research

Integrated Approach to Host-Pathogen Interactions

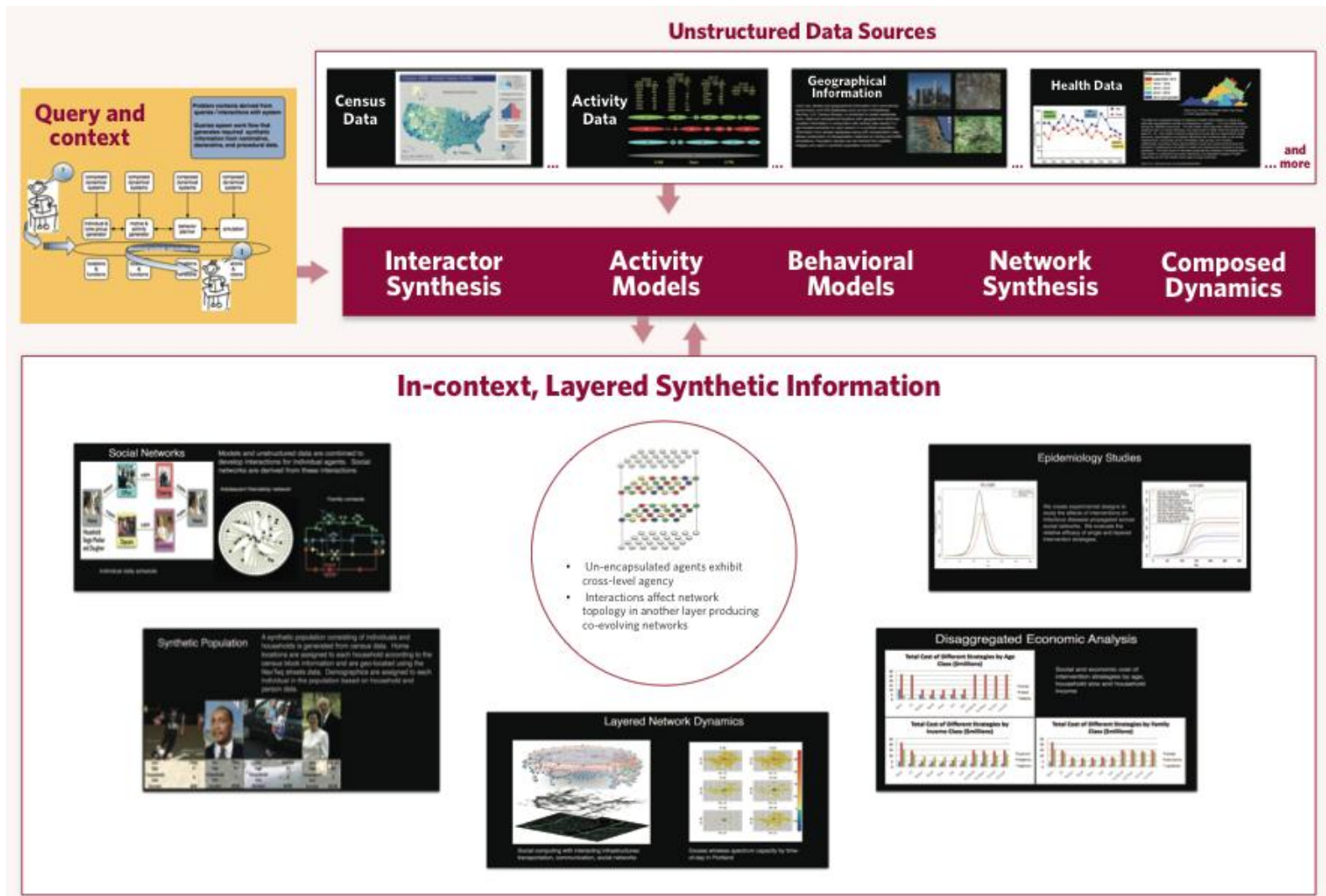


Neuroscience & Behavior

- fMRI- based work in social neuroscience and neuroeconomics extending to composed cognition in groups. (Montague VTCRI/ Barrett VBI)
 - Relevant to complex system decision support as well as to neuroscience
- NIH P-50 grant in tobacco addiction
 - Genetic susceptibility to learned behavior and social context (Bickel VTCRI/ Eubank VBI)

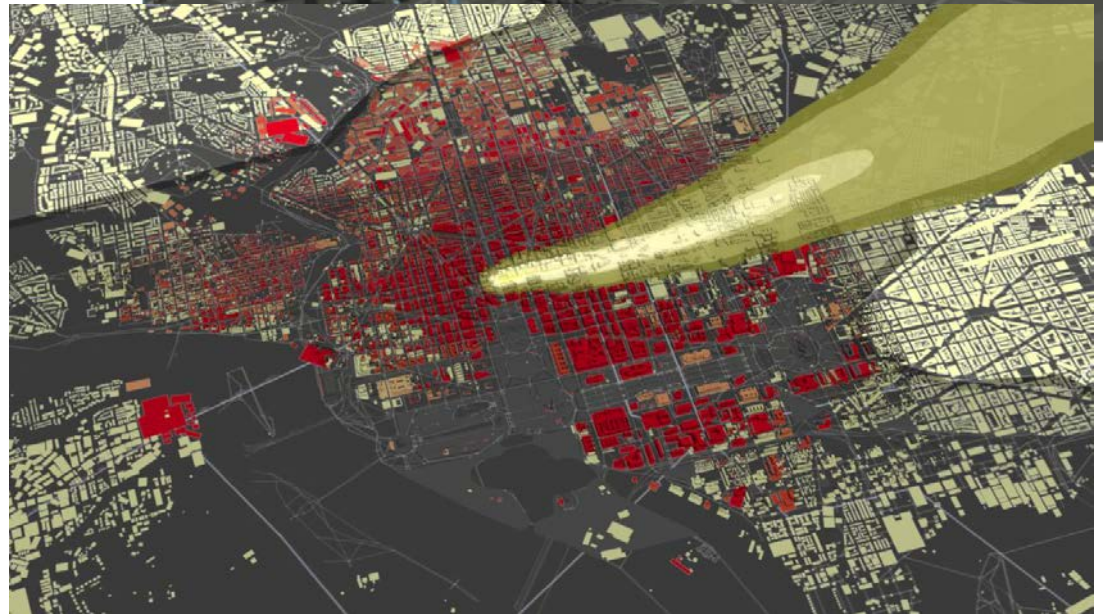
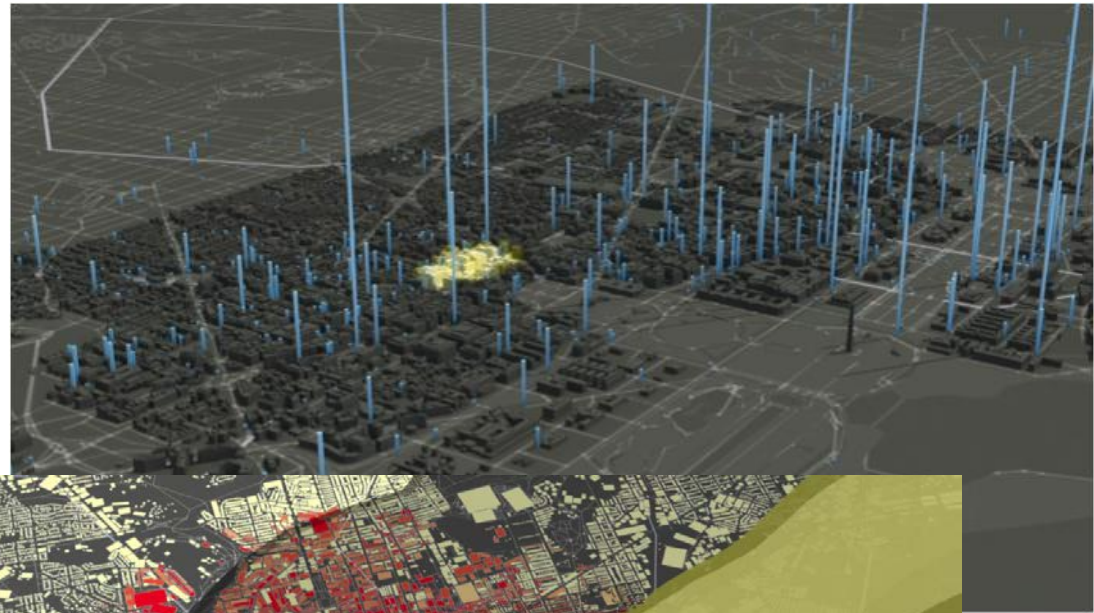
CNIMS/CIIMS:

Synthetic decision informatics for massively interactive systems



Integrated Physical & Bio-social Scenario

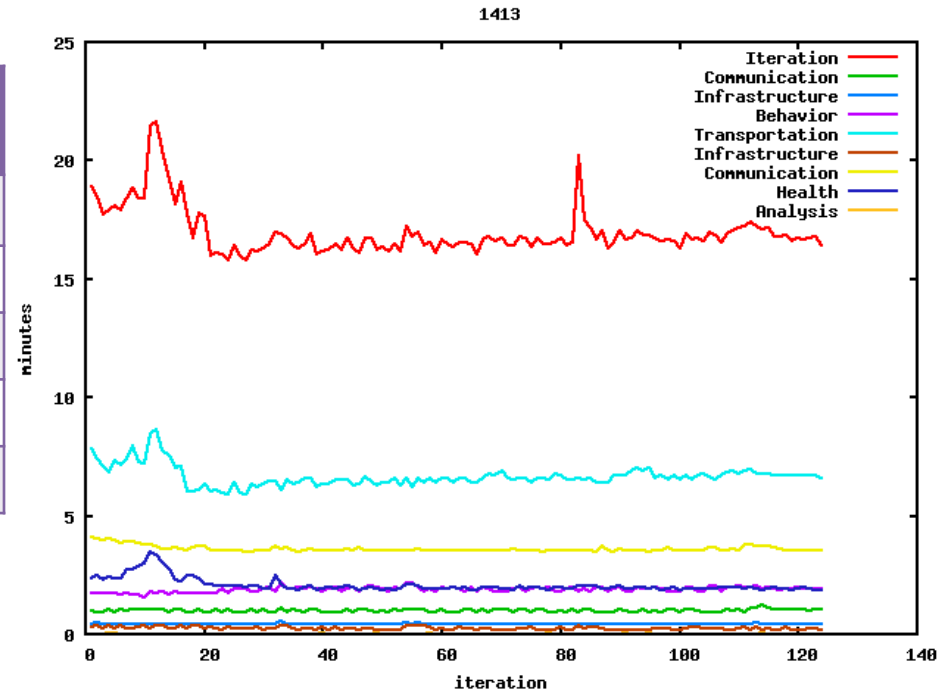
- National Planning Scenario 1
- Unannounced 10 kt detonation
- Location:
 - 77.036574 longitude
 - 38.902604 latitude
 - Washington DC
- Time: 11:15 EDT
- Date: May 15, 2006



Data Intensive Computing Resources

Module	Wall Time	Compute Time
Transportation	13.75 hr	8911 hr 648 cores
Behavior	3.92 hr	397 hr 96 cores
Communication	9.53 hr	9.53 hr
Health	4.3 hr	4.3 hr
Infrastructure	1.4 hr	1.4 hr

*Summary over all iterations r1413



Data	Initial	Dynamic (1 run)	Complete Design (20 cells, 30 replicates)	2M individuals, 2 weeks, full design
Database	3.55 GB	27 GB	25TB	250TB
Disk	1.16 GB	15 GB	20TB	175TB

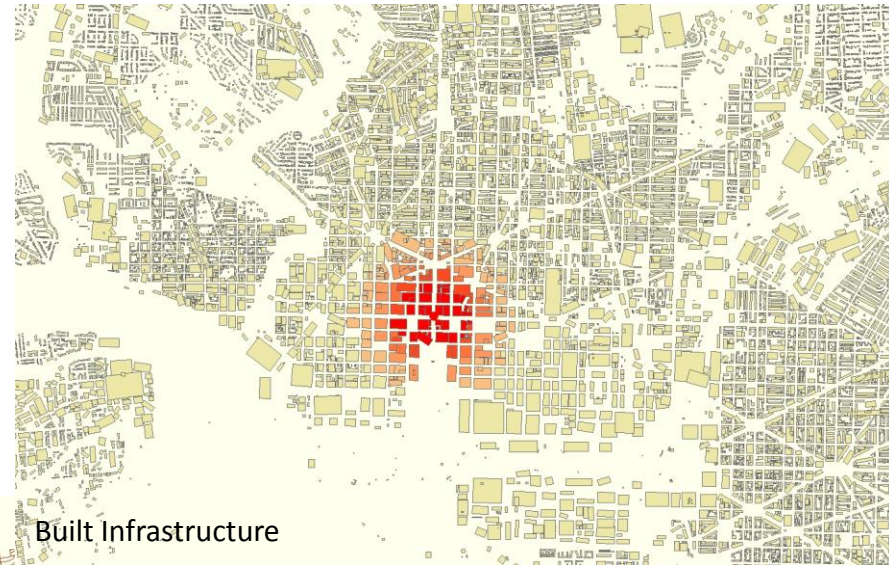
Time
0:00

Infrastructure: initial laydown

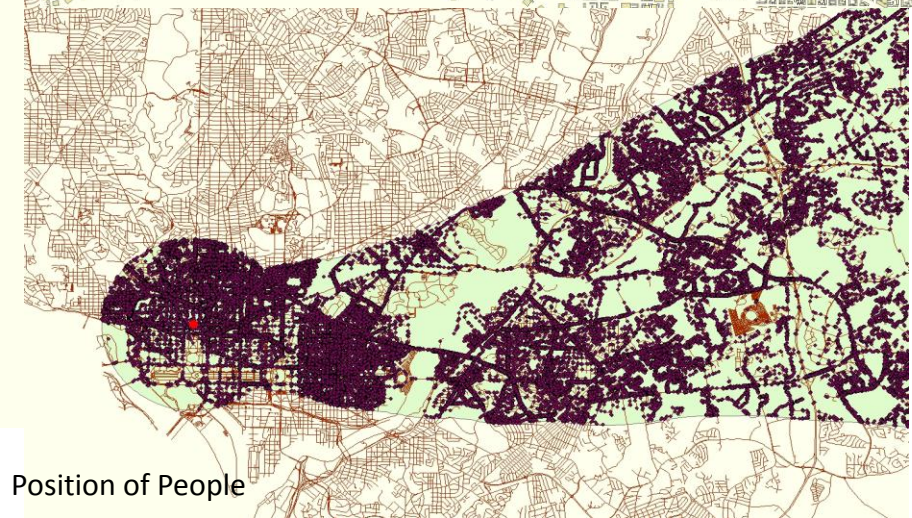
- Positions of synthetic people in the DC region were calculated at the time of detonation.
- Street addresses mapped to DTRA bldg data
- Persons traveling to destinations were placed on transportation networks –roadway, metro, bus.
- Power outage, damage, collapse, rubble, blast temp, radiation dose rate assigned to each location and transportation network node



Power Outages



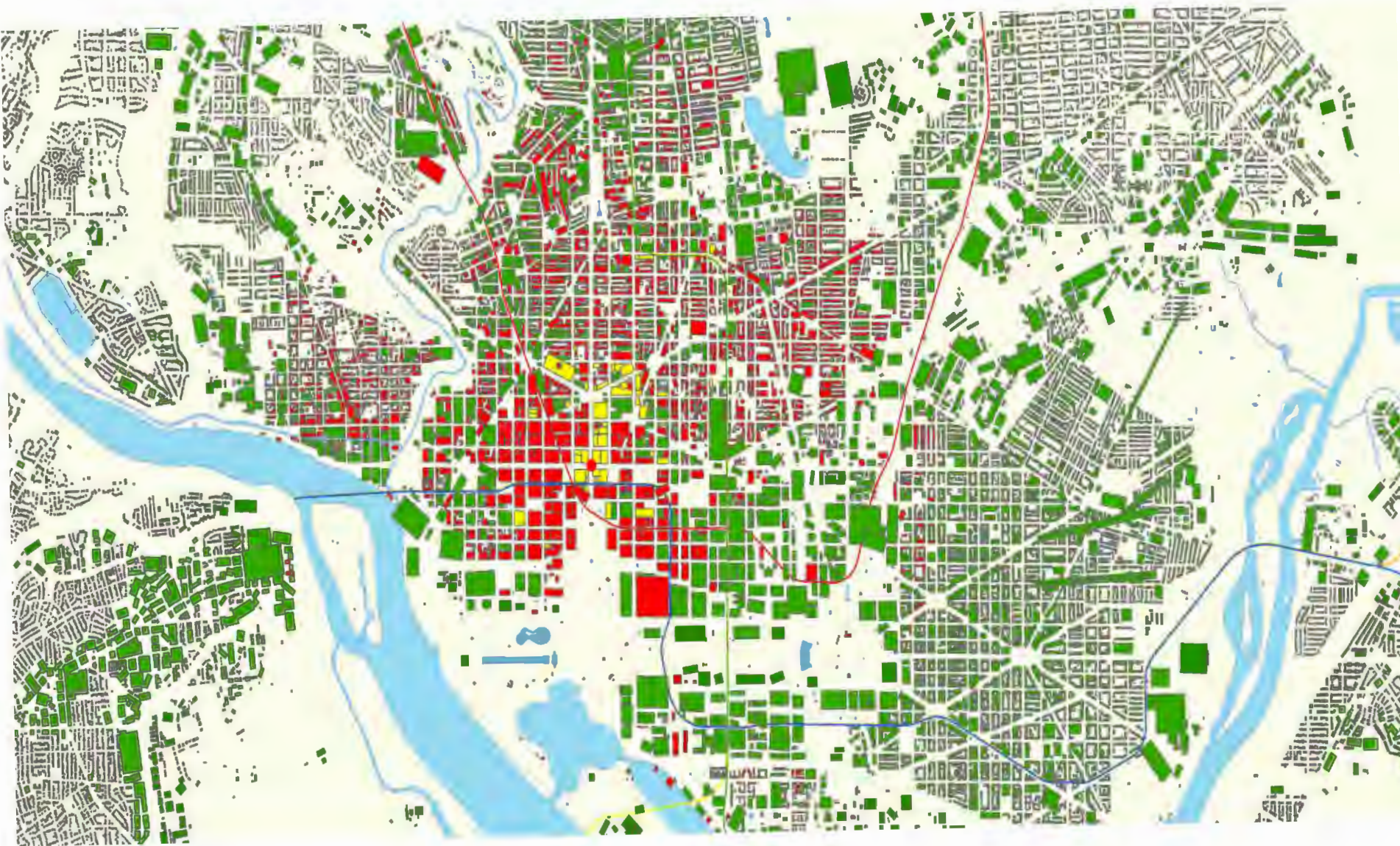
Built Infrastructure



Position of People

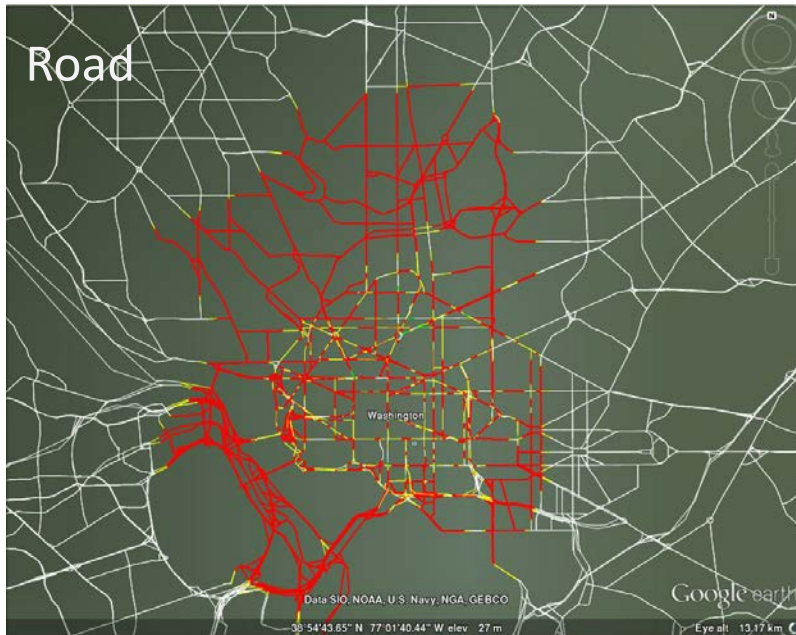
Time
0:00

Building collapse

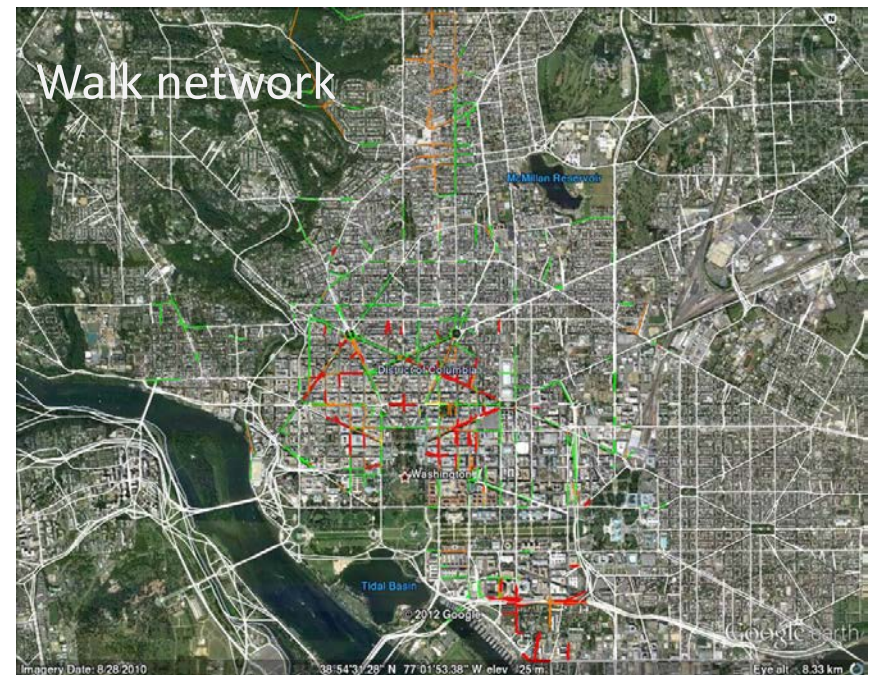


Time
0:00

Damage to transportation networks

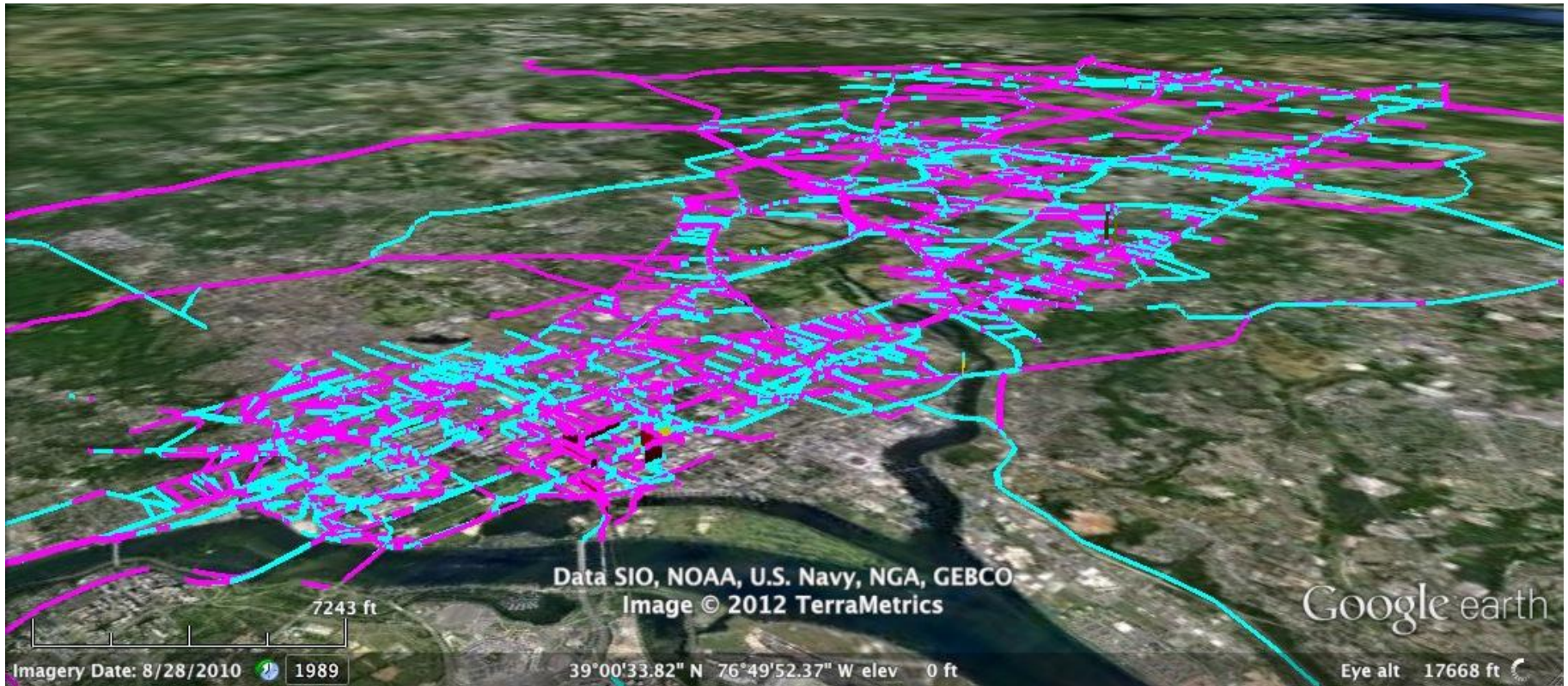


- Red: completely damaged
- Orange: highly damage; reduced travel speed
- Green: medium damage
- Blue: light damage
- White: No damage



Time
+0:00 to +0:10

Transportation load comparison



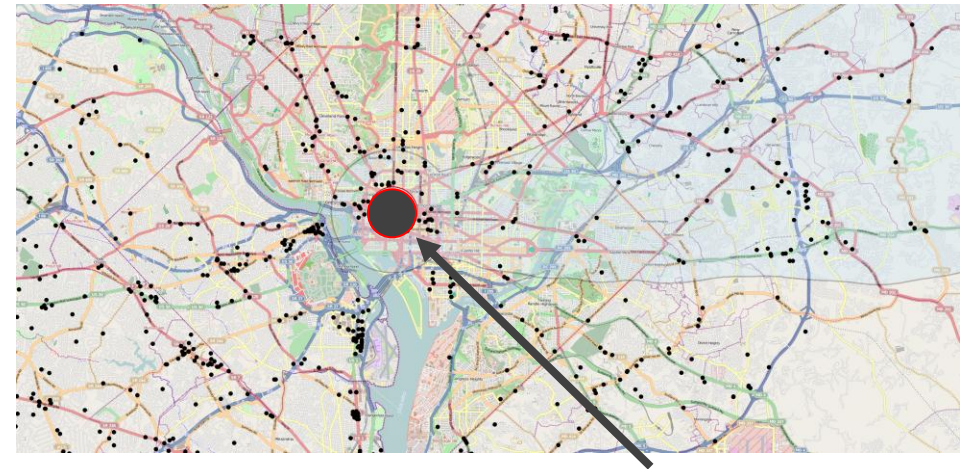
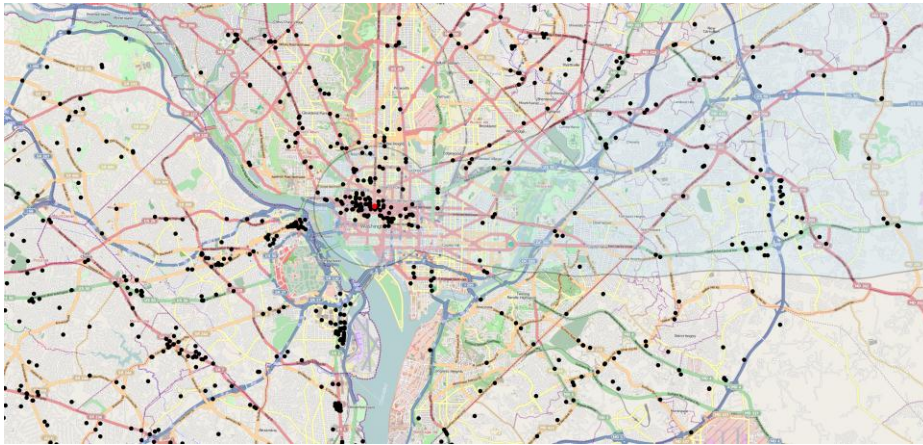
Blue - Higher load in No Restoration case

Purple - Higher load in Partial Restoration case

Communication network before and just after event

At time = -1

At time = 0

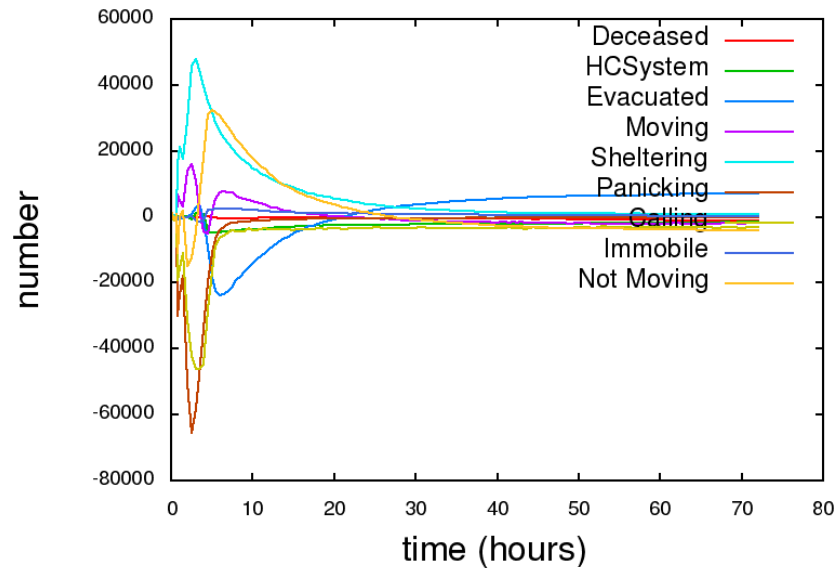


Cell towers destroyed in 0-0.6 mile ring

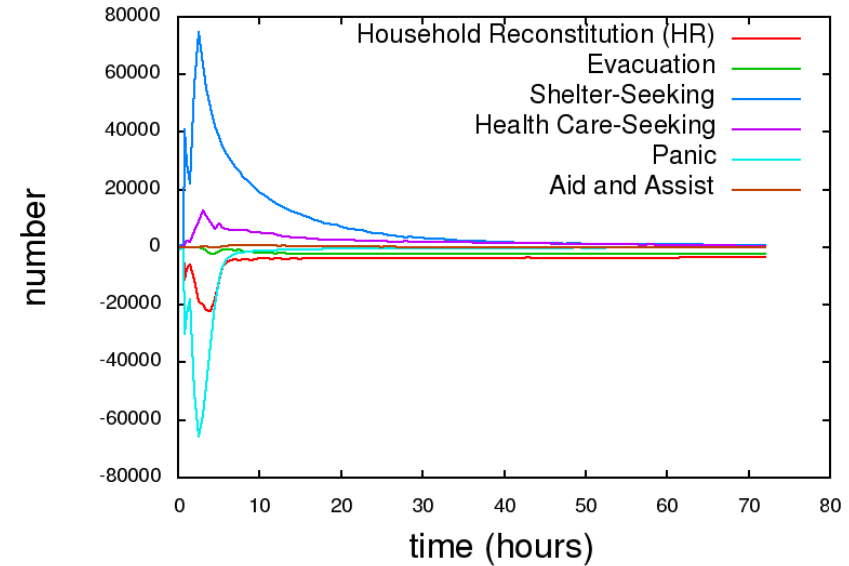
- Cell tower location at $t=-1$
- All cell towers operating at normal capacity
- Operational cell tower locations at $t=0$
- Surviving cell towers outside this ring, but in power outage area on battery back-up

Composite behavior differences w & w/o early restored comms

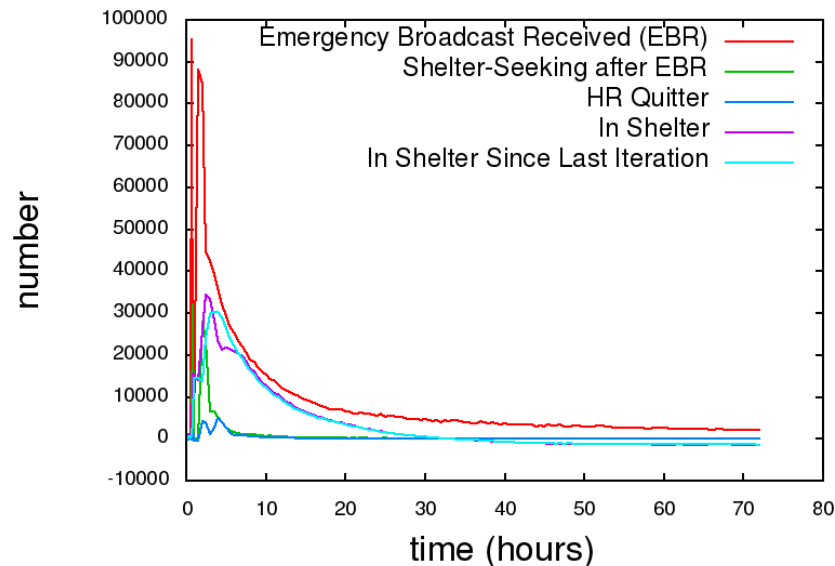
diff_1412_1413_person_status

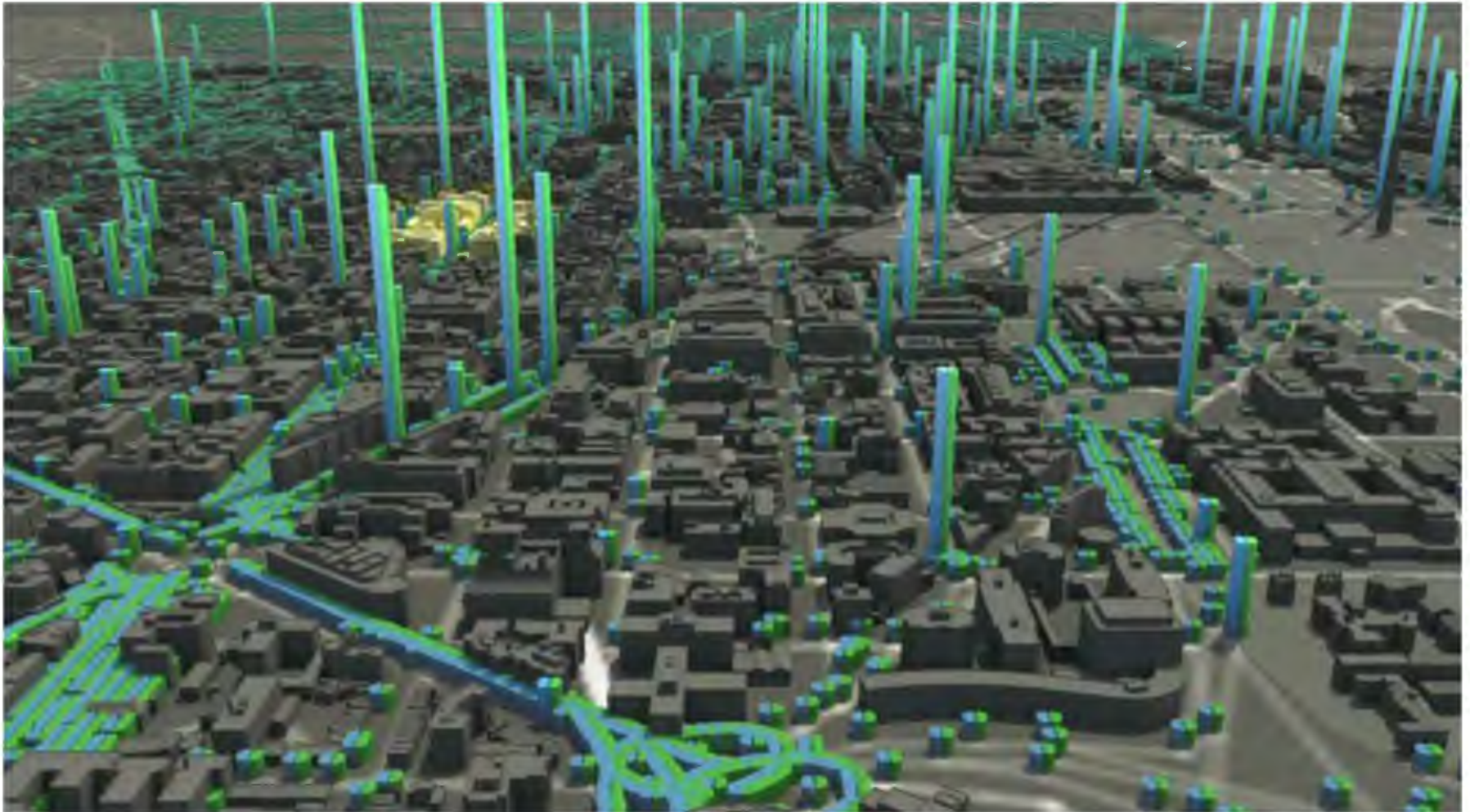


diff_1412_1413_oe Option Exec



diff_1412_1413_oe Option Exec (cont.)





No communication – green

Partial Communication Restoration – Blue

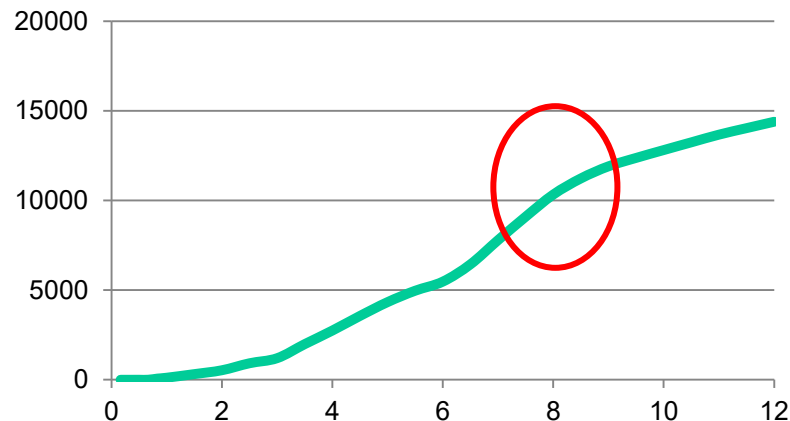
First 29 hours

Time
8:00

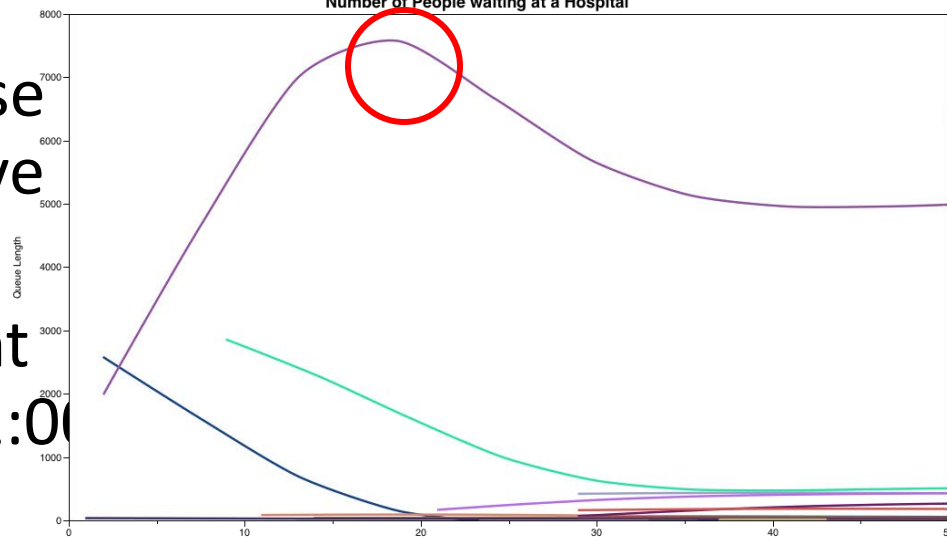
Health care system slows

- Hospital resources begin to fade and patient treatment rate slows
- Number of people waiting for care at George Washington peaks as those waiting begin to die or give up
- RTR's prep for deployment and begin to arrive at +12:00

Treatments Received At Hospitals

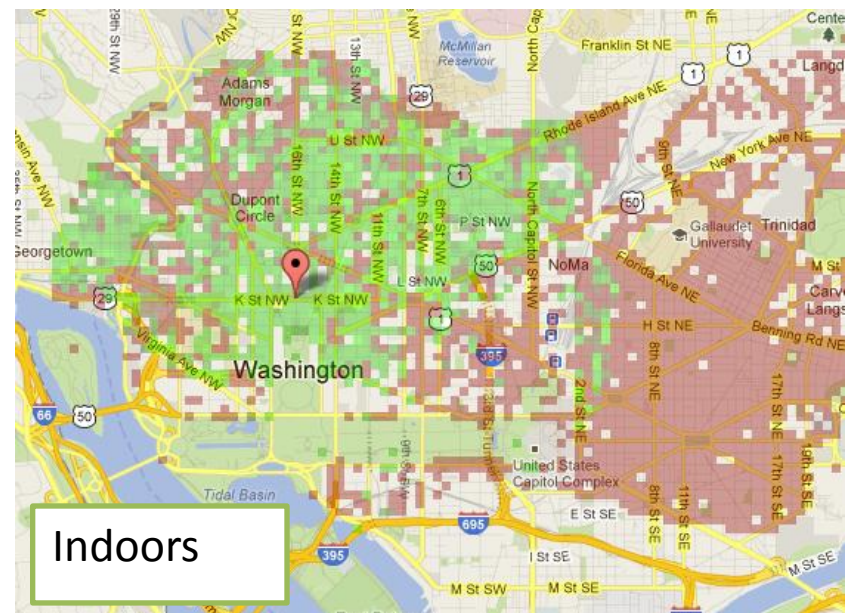
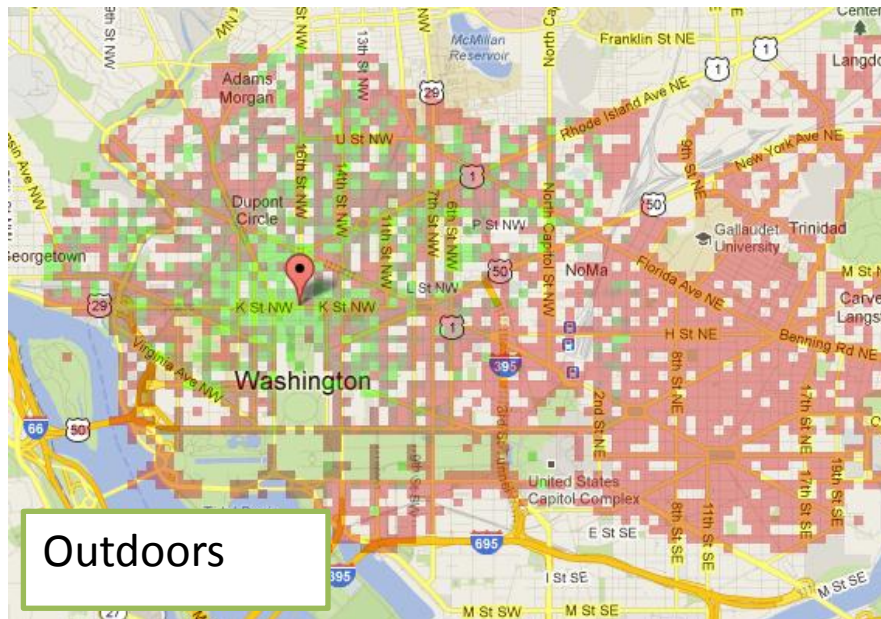


Number of People waiting at a Hospital



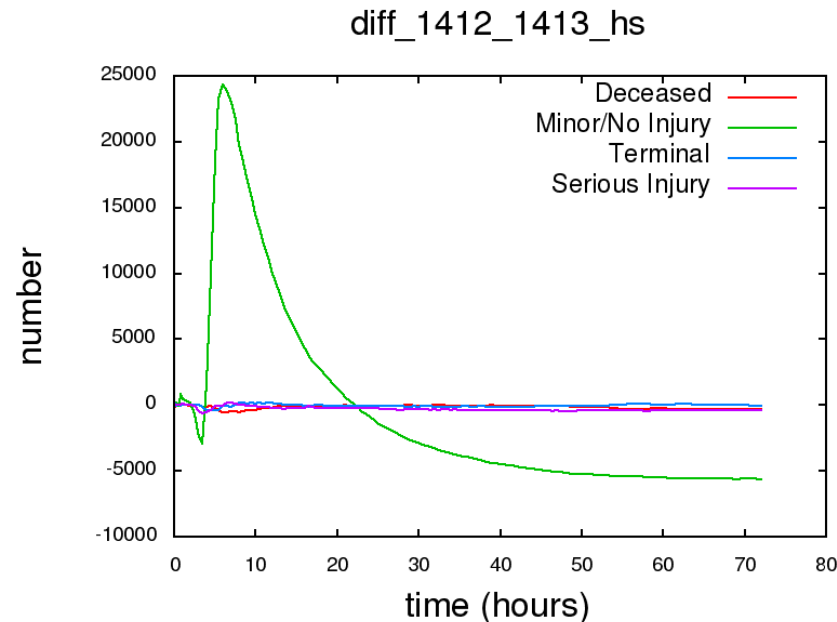
Behavioral details & exposure

- Each individuals' daily or event context- driven activities take them inside and outside periodically, the details affect their injury level at the time of, as well as after, the blast.
- Injury traversing rubble
- Delay of access to care, etc



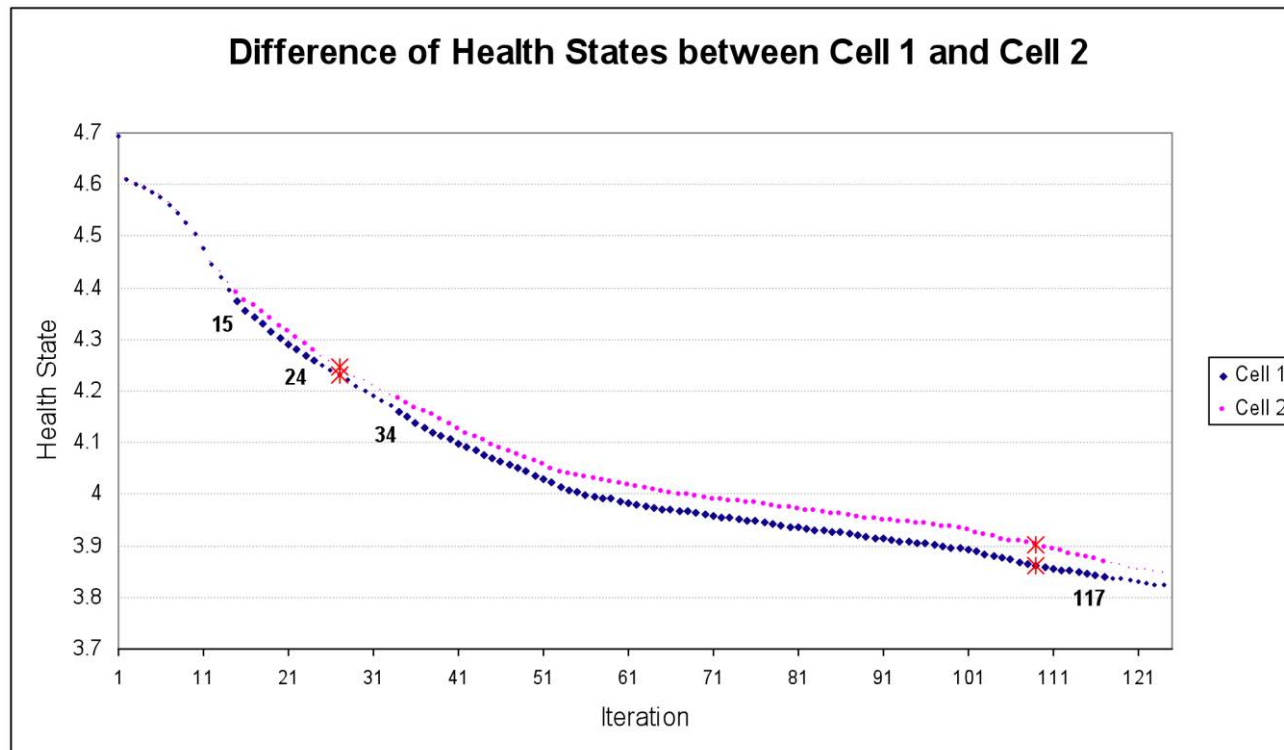
Health and casualties may not be best measures for first 72 hours

- Clear difference in well people sheltering and evacuating
 - Other health effects may be longer term and indirect, but organizational and situational awareness improvements will be central to the evolved form of the post 72 hour problem



Significance of small immediate effects

- Health state comparo of elected officials and staff with/w/o partial restoration of communications. Significant (pairwise t), substantive, (Cohen d), small.
- Approximately 1000 fewer deaths, lower exposures with comms as modeled. Very different behavioral preferences going forward.



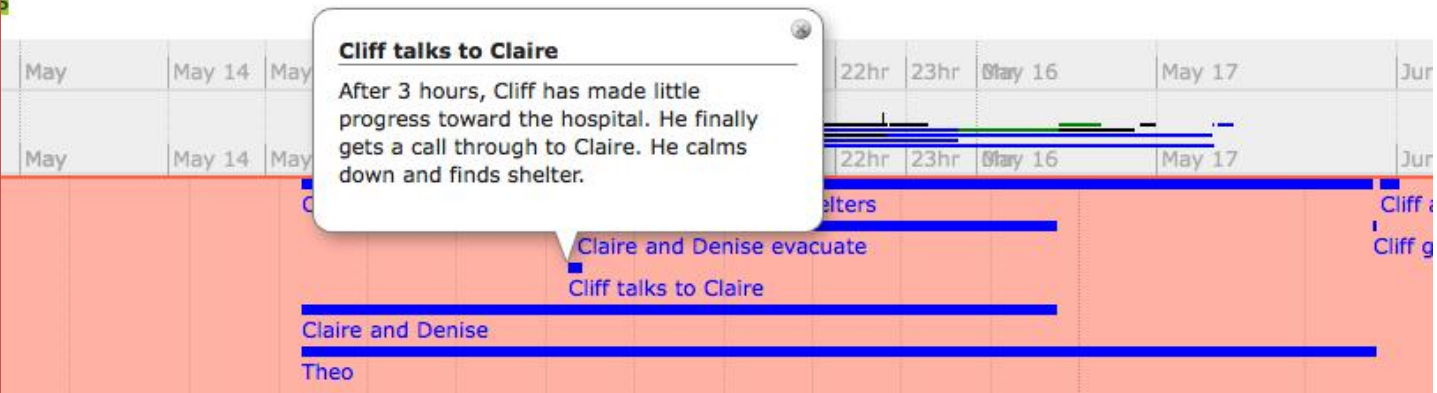
CIIMS Avatars automatically create realistic individual behaviors through large scale interaction, local machine intelligence

New timeline feature:
Scenario displays details
connected to timeline

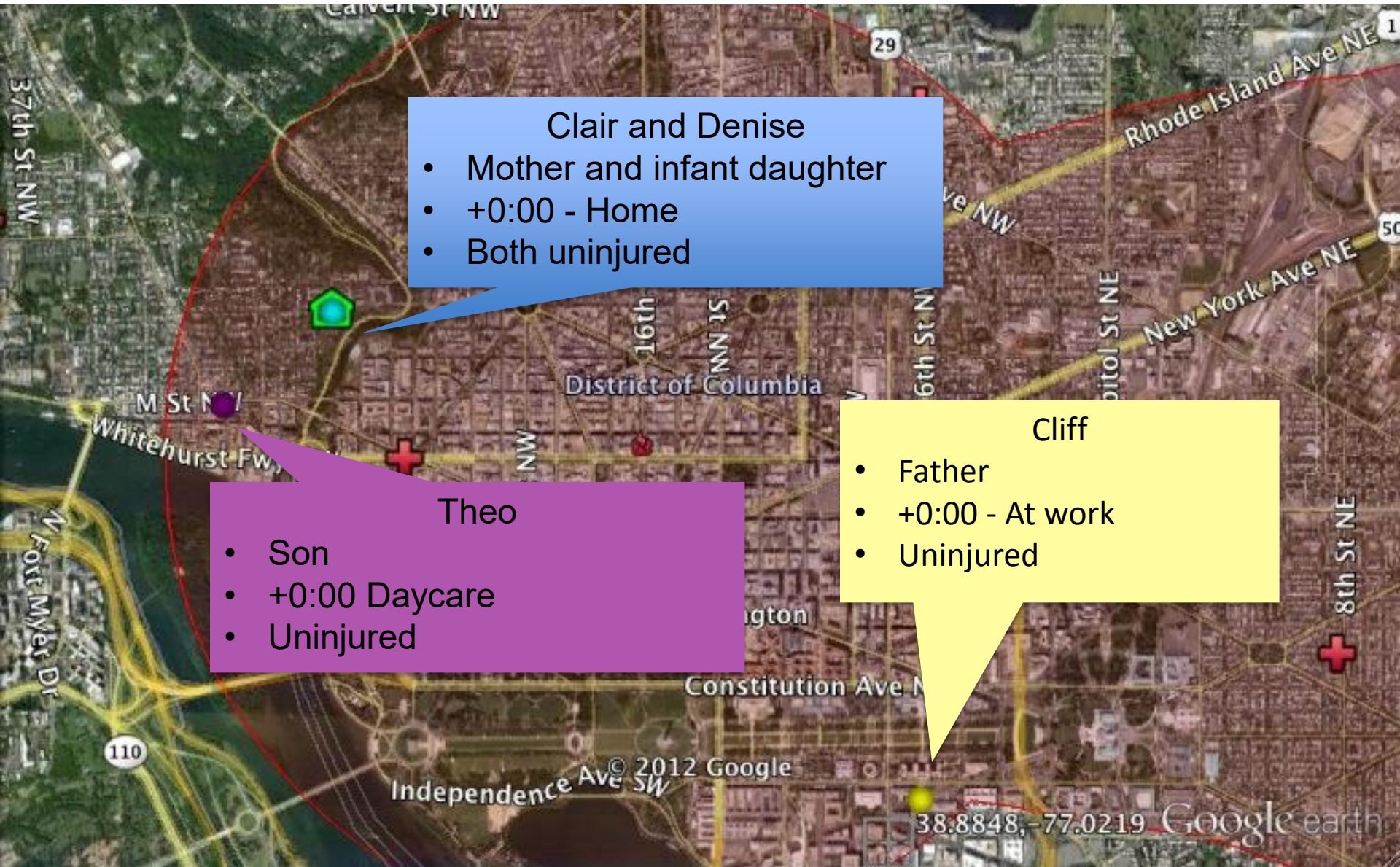


Detonation Map currently displaying Cliff, Theo, Doris and Candice Timeline currently displaying Reconstituting a family events.

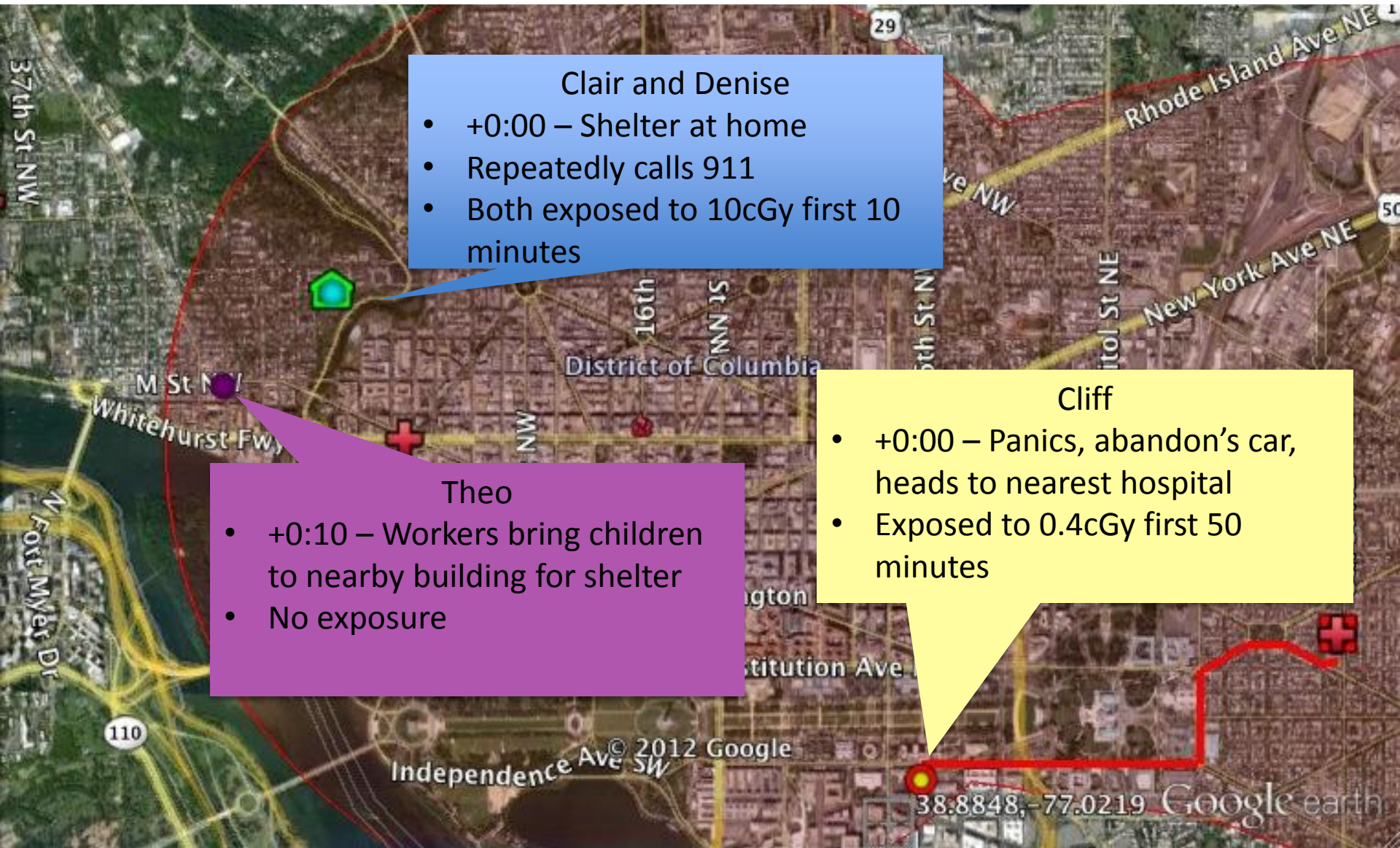
New use of
timeline:
detailed analysis
of
interdependent
individual
behaviors



A drama in machine intelligence: Reuniting a family after the disaster



Initial Panic



Clair and Denise

- +0:00 – Shelter at home
- Repeatedly calls 911
- Both exposed to 10cGy first 10 minutes

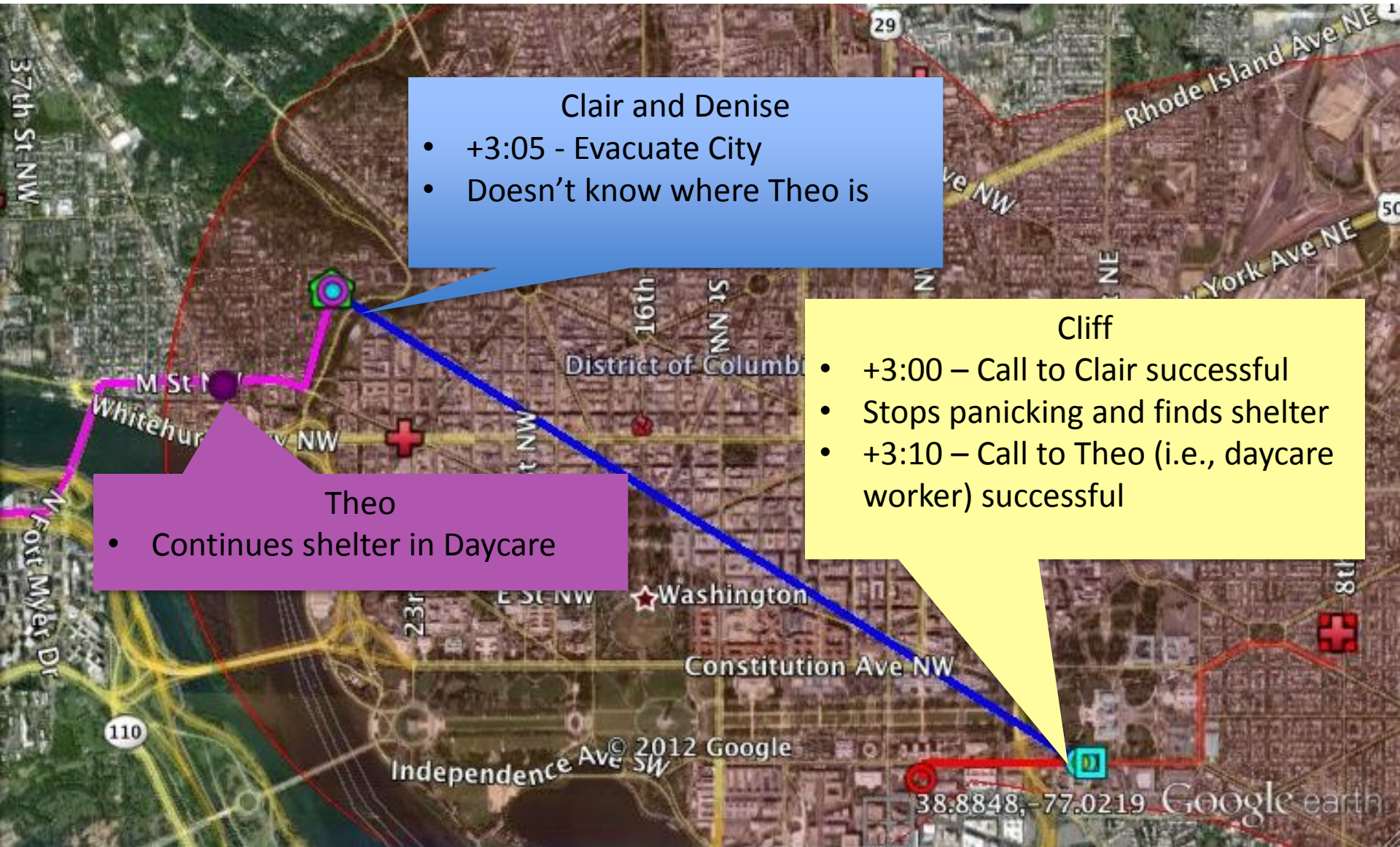
Theo

- +0:10 – Workers bring children to nearby building for shelter
- No exposure

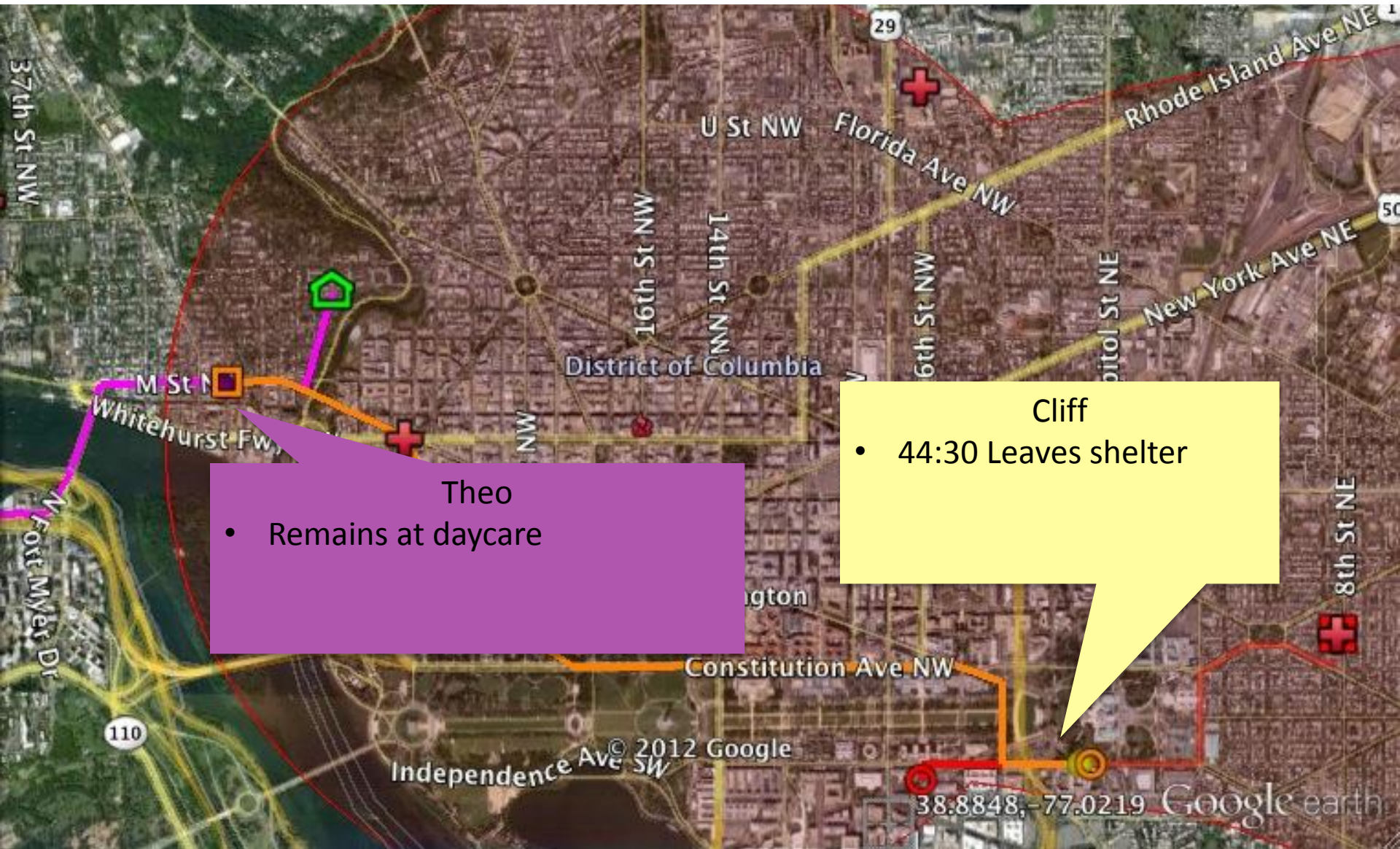
Cliff

- +0:00 – Panics, abandon's car, heads to nearest hospital
- Exposed to 0.4cGy first 50 minutes

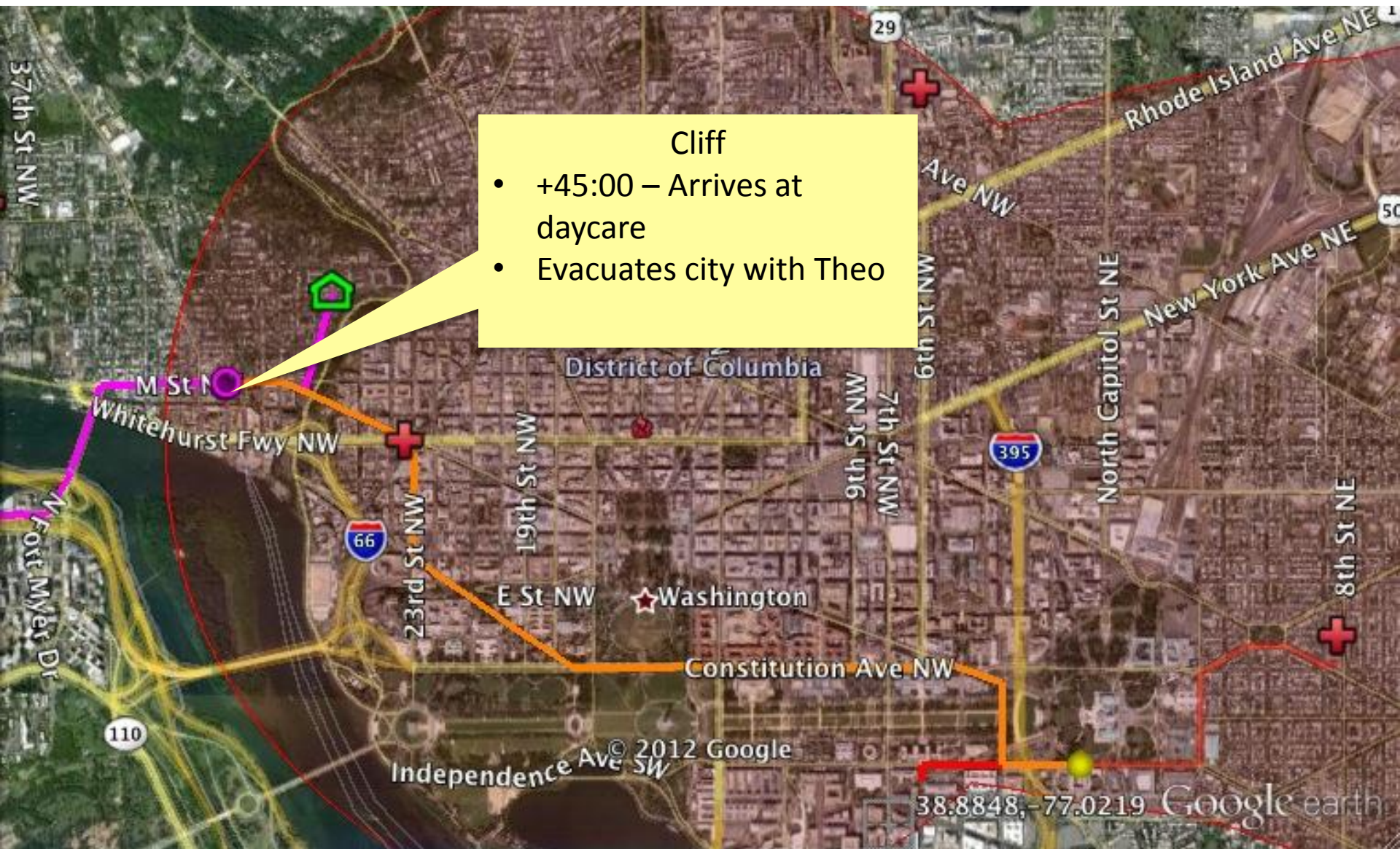
Calls finally go through



Family Reconstitution



Evacuation

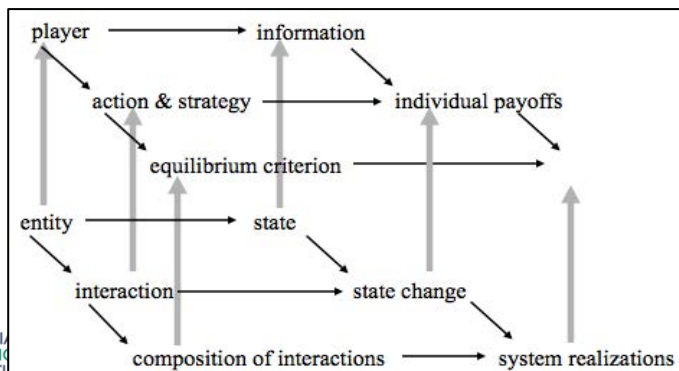
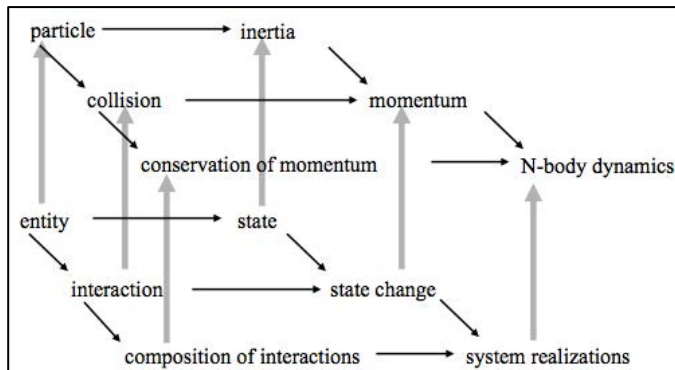
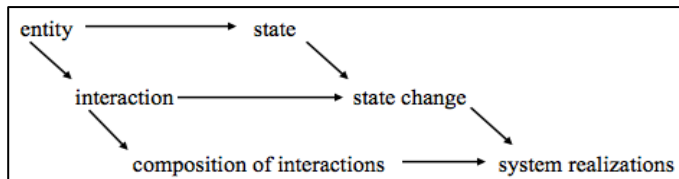


Socio-technical influences on individual behavior

- If communication is provided earlier and contact made, less panic unstructured behavior, more sheltering, less searching, etc.
- There are hundreds of thousands of these avatars and many different motivations, or different embodiments of similar motivations
- The composite effect on many things, including exposure to injury cannot be calculated in aggregate, the detail here is necessary.
- Supporting problem evolution and the extreme importance of sparse sequential analysis is a major conclusion of this study.
- The 1st 72 hrs is not the same problem as what follows. Saturated.
- **These methods do more than better answer a given question, they change the questions**

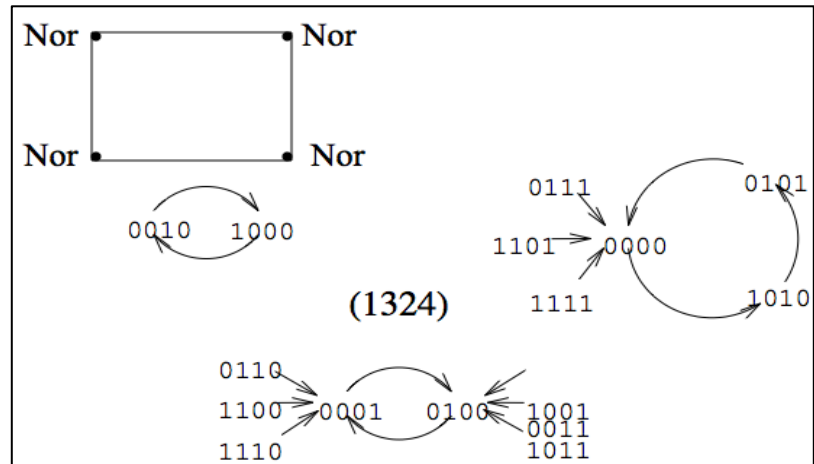
Unifying theory based in network science

- Graphical dynamical systems



- A finite undirected graph Y
- A sequence of local maps
- An ordering of the vertex set of Y

$$[F_Y, \pi] = \prod F_{\pi(i)}$$



Future

- State of the art, but the world is now engaging
- We intend to aggressively pursue this integrative informatics research and focus on the advances in information-based methods relative to both questions of basic science and translational applications

THANK YOU

RESOLUTION FOR THE APPROVAL OF APPOINTMENTS TO THE VIRGINIA COAL AND ENERGY RESEARCH AND DEVELOPMENT ADVISORY BOARD

WHEREAS, The Virginia Coal and Energy Research and Development Advisory Board was established in 1977 by the enabling legislation for the Virginia Center for Coal and Energy Research. The charter for the Center requires approval by the Board of Visitors for new appointments, reappointments and changes in the membership of the Advisory Board.

Proposed reappointments are A. George Mason, Jr., Kevin F. Wall, and Richard A. Wolfe.

Proposed new appointments are James Scott Kreuzter and Charles Snavelly.

WHEREAS, A. George Mason, Jr., has an established law practice specializing in oil, gas, coal and coalbed methane wells, and pipelines; Mr. Mason has two decades of experience working within the oil and gas industry, including serving as Assistant General Counsel and Assistant Secretary for Massey Energy Company, as Attorney for Columbia Gas Transmission Corp., and as Vice President, General Counsel and Assistant Secretary for Equitable Production Company; Mr. Mason serves on the boards of the Virginia Coalfield Economic Development Authority and the Energy & Mineral Law Foundation, and is a representative to the Interstate Oil and Gas Compact Commission, and Mr. Mason holds a J.D. degree from the University of Kentucky and is licensed to practice law in Virginia, Kentucky, Tennessee, West Virginia, and Pennsylvania; Mr. Mason's education and experience render him especially qualified to serve in an advisory capacity to the Virginia Center for Coal and Energy Research, providing representation for a key energy sector.

WHEREAS, Kevin F. Wall has served as Executive Vice President and Vice President-Engineering for GP Natural Resource Partners, as general partner of Western Pocahontas Properties Limited Partnership and of Great Northern Properties Limited Partnership, and as Vice President-Engineering of New Gauley Coal Corporation over a period of 10 years; Mr. Wall's experience in land management, project evaluation, acquisition and engineering extends back to 1981; Mr. Wall is a Registered Professional Engineering in West Virginia; and Mr. Wall serves on the Board of Directors of Leadership Tri-State and is a past president of the West Virginia Society of Professional Engineerings; Mr Wall's expertise in land management and project planning related to energy extraction make him particularly qualified to serve in an advisory capacity to the Virginia Center for Coal and Energy Research.

WHEREAS, Richard A. Wolfe has served as President and Founder of the Carbonite Corporation, as President and Founder of Wolfe Engineering and Consulting Services, as Chief Technical Officer of Eagle North America Corporation, as Technical and Business Consultant to the University of Kentucky's Center for Applied Energy Research; on the Advisory Committee for Energy and the Environment at the Los

Alamos National Laboratory, as Director of the Center for Applied Science at Lees McRae College and Director of the Applied Science and Research Program at Appalachian State University, as Vice President of United Coal Company, as Chief, Development Branch of the U.S. Department of Energy; and in numerous other positions in a career spanning five decades; and Dr. Wolfe holds a B.S. in Chemical Engineering from Virginia Tech and a Ph.D. in Nuclear Engineering from the University of Cincinnati; Dr. Wolfe is eminently suited to serve in an advisory capacity to the Virginia Center for Coal and Energy Research.

WHEREAS, James Scott Kreutzer has since 2001 served variously as Vice President-Land for Alpha Natural Resources Services, as Director of Business Development for TECO Coal Corporation, and as an Attorney in private practice, assisting coal companies in preparing coal and surface leases, mining agreements and easements; and Mr. Kreutzer holds a J.D. degree from Northern Kentucky University; Mr. Kreutzer is fully qualified to serve in an advisory capacity to the Virginia Center for Coal and Energy Research as a representative of the coal industry.

WHEREAS, Charles Snively has, in a career within the coal industry from 1978 to the present, served as Group President, App-Western and App-Northern Regions for Arch Coal, as President of a number of subsidiaries of James River Coal Company, as Senior Vice President, Executive Vice President of Operations, and Vice President of Acquisitions for International Coal Group, and as President of various A.T. Massey subsidiaries; and Mr. Snively holds a B.S. in Mining Engineering from Virginia Tech; Mr. Snively can provide authoritative representation for the coal industry to the Virginia Center for Coal and Energy Research.

NOW, THEREFORE, BE IT RESOLVED, that A. George Mason, Jr. and Kevin F. Wall be reappointed as members of the Virginia Center for Coal and Energy Research and Development Advisory Board for 2012-2016, that Richard A. Wolfe be reappointed as a member of the Virginia Center for Coal and Energy Research and Development Advisory Board for 2012-2015, and that James Scott Kreutzer and Charles Snively be appointed as new members of the of the Virginia Center for Coal and Energy Research and Development Advisory Board for 2012-2016.

RECOMMENDATION:

That A. George Mason, Jr. and Kevin F. Wall be reappointed as members of the Virginia Center for Coal and Energy Research and Development Advisory Board for 2012-2016, that Richard A. Wolfe be reappointed as a member of the Virginia Center for Coal and Energy Research and Development Advisory Board for 2012-2015, and that James Scott Kreutzer and Charles Snively be appointed as new members of the of the Virginia Center for Coal and Energy Research and Development Advisory Board for 2012-2016.

September 10, 2012

RESOLUTION FOR EXCLUSION OF CERTAIN OFFICERS/DIRECTORS

WHEREAS, Virginia Polytechnic Institute and State University ("Virginia Tech") was determined by the Department of Defense (DoD) to be a facility authorized to be eligible for access to classified information or award of classified contracts in 1960 and years following, with the most recent authorization in 2011, and

WHEREAS, in accordance with the National Industry Security Program Operating Manual (NISPOM), Cognizant Security Agencies (CSAs) require certain principal officers, directors, partners, regents, or trustees, and those occupying similar positions at institutions of higher education meet the personnel security clearance requirements established for the level of the institution's facility security clearance or be formally excluded; and

WHEREAS, the NISPOM permits the exclusion from the personnel clearance requirements of said principal officers et al. on the basis that these cited individuals shall not require, shall not have, and can be effectively excluded from access to all classified information disclosed to Virginia Tech, and do not occupy positions that would enable them to affect adversely corporate policies or practices in the performance of classified contracts, as determined by a CSA.

NOW THEREFORE BE IT DECLARED, that the Board of Visitors hereby formally appoints a managerial group with the authority and responsibility for the negotiation, execution, and administration of classified contracts ("Key Management Personnel"), consisting of the following principal officers within Virginia Tech: President, University Legal Counsel, Senior Research Compliance Officer, Senior Contracts Officer, and Facility Security Officer (specified by name in Attachment A).

BE IT RESOLVED, that the President and the said managerial group at the present time do possess, the required security clearance; and

BE IT RESOLVED FURTHER, that in the future, when any individual enters upon any duties as President, or as a replacement for one of the Key Management Personnel list of Virginia Tech described herein, such individual shall immediately make application for the required security clearance; and be excluded from access to classified information until such personnel clearance is granted and

BE IT RESOLVED FURTHER, that in the future, when a CSA determines that additional Virginia Tech officials must be added to said managerial group and be granted personnel clearances or excluded from classified access pursuant to the NISPOM, such requirements shall be made and approved by the Key Management Personnel, and not the Board of Visitors, unless approval by the Board of Visitors is formally required by the CSA, and

BE IT RESOLVED FURTHER, that the appended list of all members of the Board of Visitors (specified by name in Attachment B) shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of Virginia Tech, and do not occupy a position that would enable them to affect adversely Virginia Tech policies or practices in the performance of classified contracts. A copy of this resolution shall be provided to CSAs as required by the NISPOM.

RECOMMENDATION:

That the above resolution for the exclusion of certain officers/directors be approved.

September 10, 2012

ATTACHMENT A: List of Board of Key Management Personnel by name who must be granted personnel clearances or excluded from classified access pursuant to the NISPOM per Board of Visitors Resolution, September 10, 2012

President
Legal Counsel
Senior Research Compliance Officer
Senior Contracts Officer
Facility Security Officer

Dr. Charles W. Steger
Kay K. Heidbreder, Esq.
Dr. David M. Moore
John C. Rudd Jr.
David A. Brady

**ATTACHMENT B: List of Board of Visitors Members to be excluded per Board of
Visitors Resolution, September 10, 2012**

Ms. Michele Duke
Dr. Nancy V. Dye
Mr. William D. Fairchild, III
Mr. Cordel L. Faulk
Mr. B. Keith Fulton
Mr. William B. Holtzman
Mr. John C. Lee, IV
Mr. George C. Nolen
Ms. Suzanne S. Obenshain
Ms. Deborah Petrine
Mr. Michael Quillen
Mr. John G. Rocovich, Jr.
Mr. Paul W. Rogers, Jr.
Mr. Dennis H. Treacy

Committee Minutes

STUDENT AFFAIRS AND ATHLETICS COMMITTEE OF THE BOARD OF VISITORS

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

September 10, 2012

PRESENT: Mr. Cordel Faulk, Committee Chair
Ms. Nancy Dye
Mr. John C. Lee, IV
Mr. Nick Onopa

GUESTS: Mr. Tom Brown, Ms. Kimberle Badinelli, Ms. Kim Beisecker, Ms. Brittany Benton, Ms. Monica Borza, Ms. Heather Evans, Dr. Rick Ferraro, Mr. Dakota Farquhar-Coddell, Ms. Eleanor Finger, Gen. Randal Fullhart, Ms. Martha Glass, Mr. Hikmet Gursoy, Ms. Natalie Hart, Mr. Chris Helms, Mr. Jermaine Holmes, Dr. Jeff Kirwan, Dr. Mark McNamee, Ms. Rachel Parent, Dr. Patty Perillo, Mr. Mike Quillen, Dr. Donna Ratcliffe, Ms. Rhonda Rogers, Dr. Angela Simmons, Dr. Guy Sims, Mr. Rick Sparks, Dr. Charles Steger, Mr. Jim Weaver, Ms. Penny White,

Open Session

- 1. Opening remarks and approval of June 4, 2012 minutes:** Mr. Cordel Faulk, Chair, provided opening remarks and submitted the minutes of the June 4, 2012 Student Affairs and Athletics Committee meeting to the committee for review and acceptance. The minutes were accepted as written.
- 2. Introduction of Dr. Patty Perillo, Vice President for Student Affairs:** Dr. Mark McNamee welcomed and introduced Dr. Perillo, the new Vice President for Student Affairs, to the Committee.
- 3. Athletic Department Quarterly Report:** Mr. Jim Weaver, Athletic Director, introduced Mr. Chris Helms, Associate Athletic Director for Olympic Sports and Mr. Jermaine Holmes, Director of Academic Support. Mr. Helms talked about the new NCAA Academic Reform initiatives which include: the Graduate Success Rate (GSR) and the Academic Performance Rate (APR).
 - Graduation Success Rate (GSR) – The GSR gives students a six year window to graduate, but is reported as a four year cohort average for each men's and women's sports teams. GSR's range

from 79% to 100% graduate rates. Virginia Tech has come a long way in funding and creating the appropriate kind of environment for our students, plus is doing a better job recruiting the high school student athlete, which results in better numbers in our graduation success rate.

- The Academic Progress Rate (APR) – The APR looks at two measurements: 1) eligibility to compete and 2) retention rates. Virginia Tech is in good standing with regard to the APR rate and the 2010-2011 progress report comparing Virginia Tech to Atlantic Coast Conference and SCHEV-approved peer institutions, was shared with the committee.

Mr. Helms then introduced Mr. Jermaine Holmes who reported that his areas of focus are:

- Advisement, with a staff of 11, who work with student athletes.
- They provide tutorial support.
- They provide study hall, which is an environment for student athletes to study.

Mr. Holmes specifically pointed out:

- 49% of student athletes achieved a 3.0 or greater spring semester GPA
- 44% of student athletes maintain a cumulative 3.0 or greater GPA
- 134 student athletes made the Dean's List spring 2012
- 16 student athletes earned a 4.0 semester GPA
- 3 student athletes maintain a cumulative 4.0 GPA
- The average team spring semester GPA is a 2.98
- The average team cumulative GPA is a 3.0
- 11 teams achieved a 3.0 or greater spring semester GPA (women's tennis, women's soccer, women's volleyball, men's soccer, women's swim team)
- 11 teams maintain a 3.0 or greater cumulative GPA (women's tennis, softball, men's tennis, women's soccer, women's volleyball)

In regard to the football team: 15 football players have already graduated, five are on track to graduate in December, and nine are on track to graduate in spring.

A common goal is for our student athlete GPA's to be in line with that of the student population as a whole. Mr. Holmes complimented the University faculty and staff, who contribute a great deal to the success in the student athlete graduation rate.

Mr. Weaver noted that academic support reports to the Provost Office, not to the Athletic Department, which is a model that is embraced 100% by Athletics. They meet quarterly with the Provost's team to make sure communication lines are open.

4. **Orientation to Student Affairs in Higher Education and at Virginia Tech:**

Dr. Perillo thanked the committee for their service to Virginia Tech and for her warm welcome as Virginia Tech's new Vice President for Student Affairs. She then introduced her presentation and asked Dr. Donna Ratcliffe, Director of Career Services, to give a brief overview of the history of student affairs in higher education, tracing the nearly 90 years of research and scholarship in the field. Taking the focus to Virginia Tech, Dr. Perillo presented an overview of the Division of Student Affairs, including its mission, *Aspirations for Student Learning*, leadership structure, employees, budget, facilities, and departments. In addition, she outlined the current challenges and opportunities facing the division and its strategic goals for 2012-16.

5. **Highlights of Division of Student Affairs Achievements, 2011-12:** Dr. Perillo presented an overview of the key accomplishments of the Division of Student Affairs during 2011-12. Significant highlights included:

- Initiated an Alumni Advisory Committee to work with division on leadership programs
- Organized panels of alumni to meet with students in leadership programs
- Developed a student aspirations program that recognizes outstanding students and features them on the division's website
- Reconsidered Commission on Student Affairs membership structure
- Revised Commission on Student Affairs policies and procedures for the distribution of student activities fees
- Measured a 8.5% reduction in at-risk drinking and a 12.1% reduction in high risk drinking
- Laid the groundwork for a new Career Services living-learning community, REACH
- Recruited a class of 1,066 students in the Corps of Cadets for 2012-13.
- Increased participation at Hokie Camp to 750 participants
- Named 3rd in the nation for best dining program by the Princeton Review
- Opened Turner Place dining center in newly-constructed Lavery Hall
- Celebrated the groundbreaking of Sigma Phi epsilon fraternity house in Oak Lane, Phase IV
- Opened Honors Residential College in West Ambler Johnston Residence Hall
- Created a full-time LGBTQ coordinator position to serve the unique needs of the LGBTQ community and allies
- Instituted a pilot program to allow faculty and staff to purchase memberships to McComas Hall recreational facilities

- Enhanced clinical services in Schiffert health Center through the addition of a part-time orthopedic surgeon and digital radiography
- Celebrated the 75th anniversary of Squires Student Center

6. Update on New Student Programs, Hokie Camp, and Hokie Hi Orientation:

Orientation: Dean Brown and student leaders reviewed summary numbers for the summer 2012 Orientation programs. Sixteen Orientation sessions were conducted – twelve for first year students with 97% attending and four sessions for transfer students with 77% in attendance. 99% of new students attending rated the program as a positive experience, indicating they feel confident and comfortable about starting their first semester. New program efforts for 2012 included a new approach to informing students on how to get involved and an expanded tour of campus which highlighted locations of campus resources.

Hokie Camp: Dean Sparks and student leaders shared an overview of the 5th annual Hokie Camp. Four sessions were held with a total attendance of 870 students, an increase of 20% from 2011. The Hokie Camp curriculum was expanded to include additional small group time, an updated session on *Ut Prosim*, and a more comprehensive program on University history and tradition. Learning from four years of Hokie Camp experience, additional emphasis was placed on employing, training, and supporting student staff. Twelve student leaders were identified and played an integral role in program planning and implementation.

Hokie Hi: Dean Sparks reviewed the program efforts comprising the Hokie Hi Welcome Week including Gobblerfest, the Hokie Hi Welcome Back picnic, and the movie on the Drillfield.

7. Adjournment: The meeting was adjourned at 11:40 a.m.



Orientation to Student Affairs in Higher Education and at Virginia Tech

Student Affairs and Athletics Committee of the Board of Visitors

Patricia A. Perillo, Ph.D.
Vice President for Student Affairs
September 10, 2012



History of Student Affairs in Higher Education

Nearly 90 years of research and scholarship

- In loco parentis
- Student Services
- Student Development
- Student Learning



Virginia Tech Student Affairs Mission Statement

The mission of the Division of Student Affairs is to promote student learning, life skills, and personal growth through a strong focus on holistic student development and collaborative partnerships that deliver superior service to, and care for, students in the spirit of Ut Prosim (That I May Serve).



**Division of
Student Affairs**

Aspirations for Student Learning





*Commit to unwavering **Curiosity***

Virginia Tech students will be inspired to lead lives of curiosity, embracing a life-long commitment to intellectual development.



Pursue Self-Understanding & Integrity

Virginia Tech students will form a set of affirmative values and develop the self-understanding to integrate these values into their decision-making.



Practice Civility

Virginia Tech students will understand and commit to civility as a way of life in their interactions with others.



*Prepare for a life of **Courageous Leadership***

Virginia Tech students will be courageous leaders who serve as change agents and make the world more humane and just.



*Embrace **Ut Prosim** as a way of life*

Virginia Tech students will enrich their lives through service to others.



Division of Student Affairs Overview

Leadership

The Vice President for Student Affairs provides leadership to a division comprised of 15 departments. An Associate Vice President, two Assistant Vice Presidents, the Commandant of the Corps of Cadets, the Dean of Students, and the Chief of Staff provide daily oversight to specific departments and programs.

Employees

The division is one of the largest employers at Virginia Tech, with over 2,800 faculty, staff, wage, student employees, and graduate assistants.



Division of Student Affairs Overview

Budget

The 2012-13 revenue budget for the Division of Student Affairs totals approximately \$135 million, of which \$1.9 million are Education and General funds and \$1.5 million are Unique Military Activities funds. The remaining \$131.5 million in Auxiliary Enterprises accounts for 49% of the university's total Auxiliary Enterprise funds.

Facilities


The Division of Student Affairs is responsible for an extensive physical plant consisting of nearly 1.6 million assignable square feet and over 60 buildings across the campus. This represents approximately 28% of the total assignable square feet on the Virginia Tech campus. These include 10 dining facilities and 47 residence halls.



Student Affairs Departments

- Campus Alcohol Abuse Prevention Center
- Career Services
- Cook Counseling Center
- Corps of Cadets
- Cranwell International Center
- Dean of Students Office
- Dining Services
- Fraternity and Sorority Life
- Housing and Residence Life
- Multicultural Programs and Services
- Recreational Sports
- Schiffert Health Center
- Services for Students with Disabilities
- Student Centers and Activities
- Student Conduct

**VICE PRESIDENT FOR
STUDENT AFFAIRS**
Patricia Penillo




The mission of the Division of Student Affairs is to promote student learning, life skills, and personal growth through a strong focus on holistic student development and collaborative partnerships that deliver superior service to, and care for, students in the spirit of Ut Prosim.

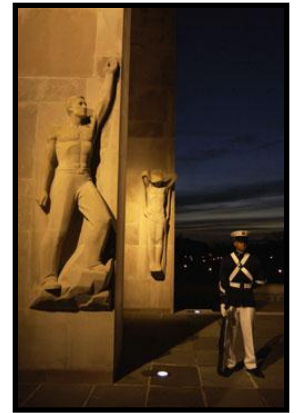


Division of Student Affairs Strategic Goals (2012-2018 as part of University Strategic Plan)

- Impacting Learning Environments
- Fostering Globalization and Inclusive Excellence
- Creating a Culture of Collaboration and Organizational Efficiency
- Embracing a Networked Society
- Enhancing our Facilities



Observations, Reflections, Questions?





Highlights from the Division of Student Affairs 2011-2012 Annual Report

Board of Visitors Student Affairs and Athletics Committee



Vice President for Student Affairs Office

- Initiated an Alumni Advisory Committee to work with division on leadership programs
- Organized panels of alumni to meet with students in leadership programs
- Developed a student aspirations program that recognizes outstanding students and features them on the division's website
- Initiated design competition for re-envisioning of Upper Quad buildings (Lane, Brodie, and Rasche Halls)



Vice President for Student Affairs Office

- Implemented needed changes in University Policies for Student Life
- Reconsidered Commission on Student Affairs membership structure
- Revised Commission on Student Affairs policies and procedures for the distribution of student activities fees
- Reached accord between Commission on Student Affairs and Collegiate Times on anonymous comment policy



Campus Alcohol Abuse Prevention Center

- Evaluated biannual alcohol use survey with results indicating an 8.5% reduction in at-risk drinking and 12.1% reduction in high-risk drinking
- Completed an evaluation of the “Party Positive” marketing campaign which reached 92% of on-campus students
- 99.6% of incoming first-year students completed the Alcohol-Wise online alcohol education class
- Noted a significant increase in the use of preventive behaviors that reduce alcohol-related negative outcomes



Career Services

- Integrated the DSA Aspirations for Student Learning throughout the Smith Career Center and incorporated them into the 3-credit Career Decision Making courses
- Laid the groundwork for the Career Services Living-Learning Community REACH: Imagine Your Future * Ignite Your Passion * Astound Yourself
- Enhanced Health Professions Advising program resulting in 136% increase in student participation
- Increased the number of campus and local job listings in Hokies4Hire database through active partnerships with Montgomery County Chamber of Commerce and the Office of University Scholarships & Financial Aid



Corps of Cadets

- Achieved strong 10% growth in first-year class of 2016 over the first-year class of 2015. The fall 2012 Corps class totals 1,075.
- Set record high academic success with an overall GPA of 2.98 and 486 cadets earning recognition on the Commandant's List with a term GPA of 3.0 or higher
- Showed dedication to the university's motto by performing more than 10,000 hours of community service in this past academic year



Cook Counseling Center

- Enhanced group therapy offerings with an increase of 35% in the number of students served
- Added more psychiatric hours resulting in an increase in the number of appointments by 9% over the past year. Over the past 5 years, appointments have increased 61%
- Continued accredited status with the International Association of Counseling Services, Inc.



Cranwell International Center

- Celebrated global culture with 15,000 members of the community during the 53rd annual International Street Fair
- Saw 28 global ambassadors welcome more than 600 new international students, share their experiences and develop their intercultural understanding
- Made Valentine's Day cards for Meals on Wheels with over 100 members of the international community



Dean of Students Office

- Welcomed more than 13,000 students and guests in 2011 through New Student Programs
- Increased participation at Hokie Camp for the 4th year in a row with 750 participants and 158 student leaders
- Provided more than 2,846 hours of advocacy services to more than 1,750 students who were in crisis or had emergencies
- Collaborated with university departments to host the new peer mentor position in support of the Summer Academy Program



Dining Services

- Served 6.3 million meals generating \$47.15 million in revenue
- Employed more than 1500 staff members, making Dining the largest employer on campus
- Named 3rd best campus food in the nation and 16th in the nation for Green Honor Roll Award for Sustainability by the Princeton Review
- Completed renovation of West End Market adding more seating and enhancing sustainability efforts



Dining Services continued

- Completed the construction of the new Academic and Student Affairs Building that replaces Shultz Dining Hall in summer 2012
- Opened Turner Place with the newly-constructed Lavery Hall, an 8 restaurant facility on two floors with three national brands – Jamba Juice, Qdoba and Brueggers Bagels
- Sold nearly 20,000 meal plans – 9,778 off-campus (non-required) and 8,564 on campus (required)



Fraternity and Sorority Life

- Served approximately 3200 students (14% of undergraduate population) for fall 2011 and approximately 3900 students (18% of population) for spring 2012
- Celebrated the groundbreaking of the first facility in Phase IV Oak Lane (Sigma Phi Epsilon fraternity) in September 2011
- Formed the Fraternal Leaders Institute Advisory Committee in fall 2011 to develop leadership institutes for the interfraternal community



Housing and Residence Life

- Merged Housing with Residence Life to better align the organization to build campus-wide partnerships and community
- Opened the Honors Residential College at East Ambler Johnston as well as completed and opened the 2nd Residential College in West AJ in the fall of 2012
- Implemented the Housing and Residence Life Community Resource Officers program



Housing and Residence Life continued

- Opened Pritchard Academic Resource Center in partnership with the Center for Academic Enrichment and Excellence as well as Academic Advising to offer advising, tutoring and classes in the residence halls



Multicultural Programs and Services

- Supported alternative spring breaks for approximately 100 students over winter and spring breaks
- Engaged more than 100 student coaches and peer advisors through the “Each One Reach One” Multicultural Peer Connection
- Created the full-time position of LGBTQ coordinator to address the unique needs of the LGBTQ community and its allies



Recreational Sports

- Instituted a pilot program to allow faculty and staff to purchase memberships so they can use the McComas Hall Recreational Facilities
- Made additional improvements to War Memorial Hall including creating a spin studio space, replacing wall pads and began the project to replace lockers, benches and flooring in locker rooms
- Managed the “3.2 Run in Remembrance” with more than 7000 participants



Schiffert Health Center

- Enhanced clinical services by adding an orthopedic surgeon and state-of-the-art digital radiography machinery
- Managed more than 38,000 patient visits during the academic year
- Conducted patient satisfaction survey revealing a satisfaction rate of more than 93%
- Sponsored five events for “Eating Issues and Body Awareness Week” with more than 600 participants



Services for Students with Disabilities

- Served 106 prospective students and their families providing guidance, orientation and transition services for first-year, transfer, and graduate students
- Recruited 357 volunteer note takers to assist students with disabilities in acquiring their accommodations resulting in over 8400 hours of volunteer time
- Completed the SSD online testing reservations process in conjunction with DSA Communications & Marketing team



Student Centers and Activities

- Celebrated the 75th anniversary of Squires Student Center
- Completed 3,593 hours of community service (an increase of over 1000 hours) via Leadership Tech students
- Increased focus on the arts program by establishing a new faculty director resulting in a 32% increase in Perspective Gallery attendance
- Booked a sold-out Bill Cosby show, The Avett Brothers and Preservation Hall Jazz Band as part of Lively Arts Series



Student Conduct

- Received and processed 1,779 individual student incidents, of which 1,320 (74%) involved male students and 459 (26%) involved female students
- Adjudicated six student organization cases (student organization cases decreased this past year)
- Handed out 133 suspensions for 2011- 2012: 48 drug violations; 50 alcohol violations; 8 for both and 27 for other and/or multiple violations
- Handled 23 Student Conduct appeals, a decrease of 63 %

New Student Programs

New Student Orientation · Hokie Camp · Hokie Hi



Orientation Attendance

	2010	2012
First-Year Students	5311	5443
Attended	5054	5022
%	98%*	97%*
Guests	7904	7818
Transfer	1055	1058
Attended	900	814
%	85%	77%

Orientation Evaluation



Positive Experience?

Students

99.24%

Enough Information?

77.56%

Confident &
Comfortable?

98.00%

New in 2012

🦋 ***Getting Involved* session for students**

🦋 **Tour of campus to highlight university resources**







HOKIECAMP First-Year and Transfer Students
HOKIECAMP Supplement Orientation
HOKIECAMP Traditions Camp – Extended Orientation

HOKIECAMP **Mission** - *Hokie Camp strives to welcome new students into the Hokie Family by creating a support system that allows them to build relationships, foster the principles of community and share in the Hokie Spirit.*





**HOKIECAMP W.E. Skelton 4-H Educational
Conference Center at Smith Mt.
Lake**

HOKIECAMP 3 day – 2 night

HOKIECAMP Bused from Virginia Tech



HOKIECAMP

Building Groups

14 new Hokies – 1 HCC's

Color Groups – 6 BGs

 Black

 Green

 Red

 Yellow

 Blue



HOKIECAMP

Topics

- Traditions
- Low Ropes
- BG Rec Sports
- Getting Involved
- Principles of Community
- Ut Prosim



Mentoring – Fall Semester

HOKIE Hi!

- First few weeks of semester
 - Hokie Helpers
 - Beach Bash
 - Movie on Drillfield
 - Welcome Back Picnic
 - Gobblerfest



[illegible]



Atlantic Coast Conference

Governing Board Certification Form Academic Year 2012-13

As Chairman of the Governing Board at ***Virginia Polytechnic Institute & State University***, I attest that:

- 1) Responsibility for the administration of the athletics program has been delegated to the Chief Executive Officer of the Institution.
- 2) The Chief Executive Officer has the mandate and support of the board to operate a program of integrity in full compliance with NCAA, ACC and all other relevant rules and regulations.
- 3) The Chief Executive Officer, in consultation with the Faculty Athletics Representative and the Director of Athletics, determines how the institutional vote shall be cast on issues of athletic policy presented to the NCAA and the ACC.

Date Presented to the Governing Board: _____

Signed: _____
(Chairman of the Governing Board)

Signed: _____
(CEO of Member Institution)

Please return completed form before **October 19, 2012** to:

Commissioner John D. Swofford
Atlantic Coast Conference
4512 Weybridge Lane
Greensboro, NC 27407

RESOLUTION TO DELEGATE AUTHORITY FOR THE DESIGNATION OF CHARITABLE GIFTS AND RATIFYING PREVIOUS DESIGNATIONS OF GIFTS

WHEREAS, in accordance with the By-laws of the Virginia Tech Board of Visitors, the Board, as the governing body of the university, delegates to the President of the university the authority to oversee and to administer the policies of the Board and to manage the administrative, instructional, research, and public service programs of the university; and

WHEREAS, although most charitable gifts for the benefit of the university are made by the donor to the Virginia Tech Foundation, Inc. with a specific use designated by the donor or without restriction, occasionally however, a donor will make a gift to the Foundation carrying instructions for the governing board of the university to designate the gift to be used as it deems appropriate; and

WHEREAS, the Board of Visitors wishes to delegate to the President of the university the authority to designate the use of such gifts;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors of Virginia Polytechnic Institute and State University hereby delegates to the President of the university the authority to designate the purpose of any gifts that are received by the Virginia Tech Foundation, Inc. carrying instructions from the donor that the use of the gift should be designated by the governing board; and

BE IT FURTHER RESOLVED that the Board of Visitors hereby ratifies and approves all actions previously taken and further actions to be taken by the President of the university as he/she deems necessary and appropriate to implement the foregoing resolution.

RECOMMENDATION:

That the above resolution delegating to the President of the university the authority to designate the purpose of charitable gifts carrying instructions from the donor to have the governing board designate the use of the gift, and also ratifying any prior or future actions taken by the President to implement the foregoing resolution, be approved.

September 10, 2012

2012-18 Six-Year Plan Update

BOARD OF VISITORS

August 3, 2012

The Higher Education Opportunity Act of 2011 (HEOA) initiated an updated six-year planning process for public institutions of higher education in Virginia that included biennial submissions of detailed plans in odd years and an opportunity to update progress and revisions to those plans in even years. The process requires Board of Visitors approval of the university's six-year plans and the revisions thereto.

Background

Based upon the recommendations of the Governor's Commission on Higher Education Reform, Innovation, and Investment, the HEOA legislation affects most aspects of the university's operation, funding, enrollment, and performance. The final passage of the legislation created a new Higher Education Advisory Committee (HEAC) to review the performance of institutions and policy issues (such as further restructuring), a new funding model, and refocused the six-year planning process around statewide goals.

In support of those goals, the State Council of Higher Education requested institutional six-year plans in order to better understand the resource needs of Virginia's public institutions of higher education in advance of the Commonwealth's biennial budget development process. This new process has shifted the traditional planning timeline and requires institutions to identify academic initiatives, cost drivers, and nongeneral fund estimates in advance of the state budget process in the fall and winter.

Six-Year Planning Process

The HEOA revised the six-year planning process for academic, financial, and enrollment plans. In contrast with the prior planning process (which had two scenarios of General Fund support and sought to achieve broad financial goals: 60th percentile of faculty salaries and full base budget adequacy), the HEOA focused the six-year plan on the outcome of defined state objectives and the cost and resources needed to achieve those goals. The process is designed to include a submission and review process.

The HEOA included four objectives. Consistent with this, the plans of all institutions are required to include efforts toward the following state goals: 1) plans for providing financial aid to help mitigate the impact of tuition and fee increases on low-income and middle-income students and their families, including the projected mix of grants and loans, 2) plans for optimal year-round use of facilities and instructional resources to improve student completions and cost efficiencies, 3) plans for the development of instructional resource sharing programs with other institutions of higher education in the

Commonwealth, and 4) new programs or initiatives including quality improvements. Virginia Tech's plan covers all four of these areas.

Other potentially incentivized goals of the Commonwealth include: increased enrollment of Virginia students, increased degree completion for Virginia residents who have partial credit, increased degree completion in a timely manner, increased community college transfer programs and other enhanced degree programs, improved retention and graduation rates, increased degree production (in the area of science, technology, engineering, mathematics, and other high need areas such as health care-related professions), new programs the institution might consider to further the Commonwealth's objectives, increased research (including regional and public-private collaborations), efficiency reforms designed to reduce total cost, technology enhanced instruction including course redesign, online instruction, economic opportunity initiatives, innovation and continuous improvement, and other initiatives to further the Commonwealth's objectives. The university's plan strived to be comprehensive in covering these areas.

To develop these plans, the university conducted a thorough assessment of its strategic plans, critical needs, and opportunities to both support the goals and objectives envisioned in the HEOA, and to strengthen the university's instructional and research programs in support of the state's goals for higher education.

Within the provided template, the university summarized the various academic initiatives across campus into high-level, overarching strategies that encompass the broad goals of the institution, and also included a complete and comprehensive outlook on cost drivers and critical needs. The university's plans are not balanced with projected nongeneral fund revenue. Rather, the difference between projected costs and forecasted revenues is an implicit request for state support. These plans should be viewed as a precursor to the General Fund request process through the Executive branch and General Assembly. Further, it is the university's expectation that the state will seek to provide feedback on the university's future activities and costs, consider the investment of General Funds, and seek to influence future tuition rates. Without the resources envisioned, the university will not be able to deliver the comprehensive set of programs and initiatives proposed in the academic plan. In such a circumstance, the university would reassess and prioritize the listing of initiatives possible given available resources.

In addition to the University Division six-year plan, the university also submitted a plan for the Cooperative Extension and Agricultural Experiment Station Division (CE/AES). Unfortunately, CE/AES has virtually no ability to generate incremental nongeneral funds. The major source of the agency's existing nongeneral funds is from federal funds, and the current national fiscal environment indicates a very real possibility of future reductions in federal support. The second source of nongeneral fund resources is from localities. Unfortunately, numerous Virginia localities are not able to provide additional support for CE/AES as they are undergoing their own budgetary challenges in the current economic environment. Thus, continuation of the high quality programming and support for Virginia's citizens, especially in agriculture and 4-H programs, is highly

dependent upon the Commonwealth for financial support through increases in General Fund appropriations.

Revision Process

The Commonwealth requires institutions to revise their six-year plans in even numbered years to demonstrate progress towards university and state goals, display General Fund investment from the previous General Assembly session, and include any additional initiatives not included in the originally submitted plan. This 2012 revision to the original 2011 plan (submitted in summer of 2011), enabled the university to update progress to the plan as well as incorporate new initiatives that support the university's recently completed long-range strategic plan.

Current Environment

In order to address new activities for the coming years, it is important to understand the current environment in which the university operates. Since the beginning of the recession in 2007, Virginia Tech has absorbed in excess of \$74 million in General Funds reductions that supported the institution's operating activities in both the University Division and the CE/AES Division. These reductions, combined with undergraduate enrollment increases, have resulted in a \$46.7 million Base Budget Adequacy shortfall for the instructional division, as calculated by SCHEV in 2011. This shortfall results in stressed resources across all areas of campus and reflects the need for reinvestments in additional faculty to address teaching loads and class size and to provide adequate compensation levels. The level of Base Budget Adequacy funding varies across institutions in the state, but Virginia Tech carries one of the largest shortfalls in the state.

Despite these fiscal challenges, the university has enrolled 2,200 additional instate students since 2003-04 and graduated 3,127 students in STEM fields in 2010-11 (33 percent of the state's public four-year institution total and more than twice the amount of any other public institution in Virginia).

While the university has taken many actions to improve efficiencies in both academic and administrative programs, the significant shortfall in resources has challenged Virginia Tech's ability to maintain the integrity and quality of our academic and support programs while reinvesting in strategic areas that support both the university and economic development in the Commonwealth. Restoration of resources to maintain and advance existing activities must be considered in any discussion of the undertaking of new activities.

Virginia Tech's Six-Year Plan

In accordance with the HEOA, the State Council on Higher Education for Virginia provided a template in July 2012 for institutions to revise their strategic plans to include new General Fund resources, array the usage of incremental tuition revenue, and allocate mandated reallocations to support the plan initiatives.

Financial Plan

Financial and Operating Initiatives: The primary usage of incremental revenue was the support of financial obligation increases and required assignments by the General Assembly such as fringe benefits and the statewide three percent bonus. These items account for \$21.8 million of the total \$33.1 million of expenditures included in the plan for 2012-13.

Financial Obligation Increases (\$ in millions)

	2012-13
Statewide 3% Bonus	\$9.3
Fringe Benefit Rate Increase	\$7.1
Library	\$0.9
O&M of New Facilities	\$2.0
Utility and Lease Cost Increases	\$1.7
Additional Faculty	\$0.8
<i>Total Fixed Cost Increases</i>	<i>\$21.8</i>

Academic Plan

Academic and Support Service Strategies: Due to SCHEV's process and format, strategies encompassing academic, student support, research, and operations areas are included within the university's academic plan. This revision displays the original goal, as submitted to the state in 2011, and the actual progress towards that goal with the limited resources available to the university. As part of the 2012 Appropriation Act, institutions of higher education were assigned a reallocation target to reprogram existing resources to support the goals of the HEOA. Total resources available for the Academic plan, as summarized below, are cumulative of incremental General Fund, tuition revenue, and these reallocations. Further detail regarding each initiative is included on the attached template for each agency.

University Division (\$ in millions)

	Original 2012-13	Revised 2012-13*
Advance strategic research opportunities.	\$8.3	\$0.8
Support existing Virginia student enrollment growth and degree attainment.	\$3.5	\$2.9
Expand and enhance STEM-Health degree production.	\$3.3	\$2.6
Support faculty startup packages, particularly for new faculty in the STEM-Health fields.	\$1.9	\$0.5
Increase Virginia undergraduate enrollment, consistent with the existing agreement with the General Assembly to add 50 resident undergraduates per year for four years.	\$0.8	\$0.8
Expand enrollment in the university's veterinary medicine program.	\$1.6	\$1.3
New or expanded summer academic opportunities that accelerate degree completion.	\$1.7	\$1.4
Ensure access for low and middle-income families by continuing to expand need-based financial aid to undergraduate students.	\$1.3	\$0.7
Enhance student advising services and degree completion.	\$0.6	\$0.5
Enhance creative technologies programming and degree attainment.	\$2.0	\$0.4
Advance institutional efficiencies and effectiveness.	\$1.4	\$0.7
Increase support for Unique Military Activities.	\$0.9	\$0.2
Expand effective statewide economic development programming.	\$0.4	\$0
Increase administrative efficiency through relief from State requirements.	(\$0.3)	(\$0)
<i>Total Academic Initiatives</i>	\$27.4	\$12.8

* Includes GF, NGF, and strategic reallocations.

Cooperative Extension and Agricultural Experiment Station Division (\$ in millions)

	Original 2012-13	Revised 2012-13
Basic & Applied Science Integration	\$1.7	\$0.5

Additional Initiatives

When the university submitted the original plans to the Commonwealth in Summer 2011, the university was undergoing the development of the 2012-18 long-range strategic plan. While many existing initiatives within the university's six-year plan remain aligned with the goals of the university's new long-range plan, some initiatives have been revised or added to the six-year plan to reflect additions to the university's long-range plan for specific focus during the 2013 General Assembly session. These include the focused goals of:

- Advancing Neuroscience and Life Science Research,
- Supporting increased graduate student enrollment and assistantships,
- Expanding and enhancing E-learning and distance education, and
- Supporting the creation of a Faculty of Health Sciences.

Nongeneral Fund Revenue Projections: The third component of the SCHEV template projects nongeneral fund revenues for the six years of the plan. The revised plan updates actual 2011-12 tuition and fee revenue, and summarizes the budgeted tuition and fee revenue for 2012-13. Also included are projected revenues and rate increases for 2013-14. Considerable effort has been taken in moderating nongeneral fund revenue increases for 2013-14 that are sensitive to the needs of our students while also seeking to manage fixed cost increases and allowing modest progress towards the six-year plan initiatives. The difference between the total estimated costs and estimated revenue in this plan represents the need for General Fund support. As strategies generate expenses in excess of the realistic self-generated revenue estimate, this provides an opportunity for collaboration with the Commonwealth in areas that benefit the goals espoused by the Higher Education Opportunity Act of 2011. The following tuition rates are contained within the revised plan for 2013-14:

	Resident	Nonresident
Undergraduate	3.9%	3.9%
Graduate	3.9%	3.9%

However, it is important to recognize that the university is not recommending or committing to a specific set of tuition rates at this point of the process. Establishment of tuition and fee rates remains under the purview of the Board of Visitors, and proposed tuition rates for each academic year will be brought to the Board of Visitors in the preceding spring as a part of the normal cycle. This submission is information for the Commonwealth's consideration for the state budget process and for providing feedback to institutions. Estimated tuition and fee rates and revenue are outlined as part of the iterative planning process established by the Higher Education Opportunity Act of 2011, and are expected to provide a basis for discussion of potential investments, costs and fund split between institutions and the state.

The projected incremental nongeneral fund revenue is not intended to fully address the additional expense of the total six-year expenditure plans. The university provided targeted initiatives to support the comprehensive goals of the Commonwealth, expecting the process to lead to priorities where the Commonwealth and the university can collaborate to promote the shared goals of enhancing higher education in Virginia.

Revised Six-Year Plan Submission

In accordance with the Higher Education Opportunity Act of 2011, the university submitted the revised six-year plan to the State Council on Higher Education for Virginia (SCHEV) on August 3, 2012. The SCHEV templates that were submitted are attached for the Board's review. Attachment 1 is for the University Division and Attachment 2 is for Cooperative Extension and Agricultural Experiment Station Division. The university envisions the development of these plans as a joint planning exercise with the Commonwealth. As a result, the accompanying plans are designed to facilitate a discussion about how the university and Commonwealth can work in concert to best resource these strategies to advance both the university and the Commonwealth of Virginia.

Next Steps

The university currently envisions utilizing the final plan as a framework for the development of the university's submission of requests within the Executive Budget development process, as may be allowed by guidance to be provided by the Commonwealth.

RECOMMENDATION:

That the Board of Visitors approve the revisions to the 2012-18 six-year plan.

September 10, 2012

§ 23-38.87:17. Institutional six-year plans.

A. The governing board of each public institution of higher education shall develop and adopt biennially and amend or affirm annually a six-year plan for the institution and shall submit that plan to the Council, the Governor, and the Chairs of the House Committee on Appropriations and the Senate Committee on Finance no later than July 1 of each odd-numbered year, and shall submit amendments to or an affirmation of that plan no later than July 1 of each even-numbered year or at any other time permitted by the Governor or General Assembly.

B. The Secretary of Finance, Secretary of Education, Director of the Department of Planning and Budget, Executive Director of the Council, Staff Director of the House Committee on Appropriations, and Staff Director of the Senate Committee on Finance, or their designees, shall review each institution's plan or amendments and provide comments to the institution on that plan by September 1 of the relevant year. Each institution shall respond to any such comments by October 1 of that year.

C. Each plan shall be structured in accordance with, and be consistent with, the purposes of this chapter set forth in § 23-38.87:10 and the criteria developed pursuant to § 23-38.87:20, and shall be in a form and manner prescribed by the Council, in consultation with the Secretary of Finance, Secretary of Education, Director of the Department of Planning and Budget, Executive Director of the Council, Staff Director of the House Committee on Appropriations, and Staff Director of the Senate Committee on Finance, or their designees.

D. Each plan shall address the institution's academic, financial, and enrollment plans, to include the number of Virginia and out-of-state students, for the six-year period and shall include:

- 1. Financial planning reflecting the institution's anticipated level of general fund, tuition, and other nongeneral fund support for each year of the next biennium. The plan also shall include the institution's anticipated annual tuition and educational and general fee charges required by (i) degree level and (ii) domiciliary status, as provided in § 23-38.87:18, and shall indicate the planned use of any projected increase in general fund, tuition, or other nongeneral fund revenues. The plan shall be based upon any assumptions provided by the Council, following consultation with the Department of Planning and Budget and the staffs of the House Committee on Appropriations and the Senate Committee on Finance, for funding related to state general fund support pursuant to §§ 23-38.87:13, 23-38.87:14, 23-38.87:15, and 23-38.87:16, and shall be aligned with the institution's six-year enrollment projections;*
- 2. Plans for providing financial aid to help mitigate the impact of tuition and fee increases on low-income and middle-income students and their families as described in § 23-38.87:15, including the projected mix of grants and loans;*

- 3. Degree conferral targets for Virginia undergraduate students;*
- 4. Plans for optimal year-round use of the institution's facilities and instructional resources;*
- 5. Plans for the development of an instructional resource sharing program with other institutions of higher education in the Commonwealth;*
- 6. Plans with regard to any other incentives set forth in § 23-38.87:16 or to any other matters the institution deems appropriate; and*
- 7. The identification of (i) new programs or initiatives including quality improvements and (ii) institution-specific funding based on particular state policies or institution-specific programs, or both, as provided in subsection C of § 23-38.87:18.*

E. In developing such plans, each public institution of higher education shall give consideration to potential future impacts of tuition increases on the Virginia College Savings Plan (§ 23-38.75 et seq.) and shall discuss such potential impacts with the Virginia College Savings Plan. The chief executive officer of the Virginia College Savings Plan shall provide to each institution the Plan's assumptions underlying the contract pricing of the program.

Six-Year Plans (2012) 2012-14 through 2016-18**Due Date: August 3, 2012****Institution:**

<i>Virginia Polytechnic Institute & State University, Agency 208</i>
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Institution UNITID:

233921

Individual responsible for plan**Name:**

M. Dwight Shelton, Jr.

Email address:

mdsjr@vt.edu
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Telephone number:

540-231-8775

Six-Year Plans (2012)
Virginia Polytechnic Institute & State University, Agency 208
ACADEMIC AND FINANCIAL PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the *Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011*. The information provided should be macro-level information with sufficient detail for the reader to understand your general approach.

ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR TWO-YEAR PERIOD (2012-2014)												
Delete Initiative	Biennium 2012-2014 (7/1/12-6/30/14)											
	Strategies	TJ21 Objectives	Cost: Incremental, Savings, Reallocation								Comments	
			2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)			
			Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase		
No	Advance Neuroscience and Life Science Research. The growth of complex interdisciplinary research has resulted in an environment that is more capital intensive than ever. Funding agencies have moved away from supporting the individual investigator and are more interested in investing in large scale interdisciplinary teams working over periods of years. The ability to compete for awards in the current research environment requires flexible support that allows institutions to be nimble in landing large competitive grants. Investments will be made in programs and infrastructure in emerging research areas, especially in the university's neuroscience research in Roanoke. Life Science research that leverages the technological and engineering experience of Virginia Tech offers the Commonwealth the best opportunity to position itself to compete globally in health-related translational research, promoting economic development in the Commonwealth.	E8, E13	Incremental:	\$8,307,632	\$0	\$15,952,998	\$0	\$750,000	\$0	\$7,500,000	\$0	Chapter 3, Item 225.D: \$750,000 GF to "support and enhance brain disorder research."
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Support Existing Virginia Student Enrollment Growth and Degree Attainment. Virginia Tech has grown by more than 2,200 undergraduate students over the past 6 years. During that same period the number of tenure/tenure track faculty employed by the university has decreased as state support has declined. The institution has become stressed in its instructional delivery through the use of larger class sizes and the use of adjuncts, graduate students, and professional instructors in the delivery of curriculum and the availability of course sections. Continued growth in high demand areas such as engineering, architecture, business, and life sciences has strained student to faculty ratios. Additional support for faculty costs will allow the university to maintain the quality and access to courses that students need for timely graduation. This Base Adequacy support is critical to ensure that Virginia Tech instructional programs are among the best internationally, and supports capacity for enhanced global education and foreign language competencies. (Section 23-38.87:14.B of the Code of Virginia: "The Governor shall consider and recommend as he deems appropriate and the General Assembly shall consider and provide as it deems appropriate additional general fund appropriations to address the unfunded enrollment growth that occurred between the 2005-06 fiscal year and the enactment of this chapter.")	E1, E13	Incremental:	\$3,466,490	\$0	\$6,932,979	\$0	\$2,851,491	\$2,155,212	\$6,932,979	\$2,155,212	Chapter 3, Item 223.K1: \$1,725,992 GF to support "base operating support", of which \$696,279 GF was allocated to this strategy.
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Six-Year Plans (2012)
Virginia Polytechnic Institute & State University, Agency 208
ACADEMIC AND FINANCIAL PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the *Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011*. The information provided should be macro-level information with sufficient detail for the reader to understand your general approach.

ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR TWO-YEAR PERIOD (2012-2014)												
Delete Initiative	Biennium 2012-2014 (7/1/12-6/30/14)											
	Strategies	TJ21 Objectives		Cost: Incremental, Savings, Reallocation								Comments
				2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)		
				Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	
No	Expand and Enhance STEM-H Degree Production. Building upon Virginia Tech's current excellence in STEM instruction, the university is developing innovative instructional models and new degree opportunities in emerging and high-demand STEM-H fields to advance the educational and economic competitiveness of graduates and the Commonwealth. Science has become increasingly interdisciplinary and collaborative in nature in order to address complex problems. New interdisciplinary undergraduate degree programs in Nanoscience <u>Neuroscience Systems Biology</u> and several new interdisciplinary graduate degree programs in Regenerative Medicine and Computational Tissue Engineering will provide the 21st century STEM-H student with a breadth of knowledge that spans traditional science disciplines. The university will expand health science instruction through the addition of an undergraduate Biomedical Engineering <u>Population Health Sciences</u> degree, and through strengthening pre-med instruction and advising that prepares undergraduates for medical school. This strategy also includes the addition of a Meteorology degree program. Further, Virginia Tech's goal is to ensure competency in data analysis and computational methods for all students, as well as offer experiential learning opportunities through a "hands-on, minds-on" philosophy.	E6, E7	Incremental:	\$3,261,521	\$1,891,681	\$6,603,571	\$3,830,073	\$879,420		\$4,223,473	\$2,491,849	Chapter 3, Item 223.L1: \$1,175, 420 to "achieve the goals of the six-year academic plan", of which \$879,420 was allocated to this initiative to "expand and enhance STEM degree production."
			Savings:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$1,716,923	\$0	\$2,380,098	\$0	
No	Support Faculty Startup Packages, Particularly for New Faculty in the STEM-H Fields. The ability to offer competitive start-up packages, including appropriate research facilities and equipment, allows the Commonwealth to attract and retain the best and most qualified faculty, including established investigators with international reputations. The success of these faculty benefits students and the Commonwealth's economy through increased research and cutting-edge instruction in STEM-H fields.	E6	Incremental:	\$1,875,000	\$1,087,500	\$1,875,000	\$1,087,500	\$483,143	\$483,143	\$1,440,519	\$849,906	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0				\$0	
No	Increase Virginia Undergraduate Enrollment. In partnership with the Commonwealth, the university will continue to enroll an additional 50 Virginia undergraduates each year through 2014-15, for a total of 200, honoring an existing agreement with the 2011 General Assembly.	E1	Incremental:	\$746,277	\$246,272	\$1,492,548	\$492,540	\$746,277	\$246,277	\$1,492,554	\$492,554	Chapter 3, Item 223.K2: \$685,667 GF, of which \$500,000 GF was for continuing the "increase in access for in-state undergraduate students begun in the 2011 Session."
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Increase Graduate Enrollment. Recognizing industry and societal need for advanced degree-holders to support economic innovation and expansion, the university will increase graduate student enrollment, focusing on doctoral level science, technology, engineering, mathematics, and health sciences (STEM-H). Graduate enrollment growth is supported through expanded tuition remission opportunities through graduate research and teaching assistantships. The program will enroll approximately 1,000 additional students over 6 years, or 166 additional students per year. These students will meet industry demand for highly trained specialists to support advanced research and development activities.	E1, E3, E6, E8, E13	Incremental:	\$0	\$0	\$0	\$0	\$0	\$0	\$1,793,580	\$1,058,212	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Six-Year Plans (2012)
Virginia Polytechnic Institute & State University, Agency 208
ACADEMIC AND FINANCIAL PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the *Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011*. The information provided should be macro-level information with sufficient detail for the reader to understand your general approach.

ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR TWO-YEAR PERIOD (2012-2014)												
Delete Initiative	Strategies	TJ21 Objectives	Biennium 2012-2014 (7/1/12-6/30/14)									
			Cost: Incremental, Savings, Reallocation									
				2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)		Comments
				Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	
No	Expand Enrollment in the University's Veterinary Medicine Program. Creating additional Virginia graduate students seats will help to ensure that the Commonwealth's residents have access to the program and the veterinary services that graduates offer the community, addressing the industry's projected demand for veterinary services. The program will enroll an additional 30 students per year for a total of 120 additional students.	E1	Incremental:	\$1,567,860	\$517,398	\$3,135,720	\$1,034,796	\$1,274,730	\$1,274,730	\$2,842,590	\$1,792,128	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	New or Expanded Summer Academic Opportunities to Accelerate Degree Completion. Virginia Tech has successfully undertaken a strategy of increasing the number of on-line courses available in the summer so that students away from campus can continue progress toward their degree or take additional courses toward a second major or additional minor over the summer. To accelerate degree completion, incentives to increase on-campus instruction and facility use over the summer must also address student financial barriers. The university is exploring other strategies to increase the utilization of summer instruction at the Blacksburg Campus: (1) Lowering costs for students who take seat based courses in Blacksburg over the summer will allow students to weigh the choice of returning home to work with the opportunity to take advantage of summer cost savings, (2) creating a summer undergraduate research program to provide meaningful, resume building employment for students to encourage them to remain in Blacksburg, work and take seat based instruction, (3) expanding course offerings to meet the needs of students seeking to advance their plans of study toward early degree completion, (4) increasing available student financial aid for summer enrollment, and (5) creating summer bridge programs for entering freshmen.	A, B, D, E3, E5,	Incremental:	\$1,709,614	\$875,576	\$2,406,084	\$1,221,530	\$1,277,170	\$1,277,170	\$2,263,484	\$1,335,456	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$142,600	\$0	\$142,600	\$0	
No	Ensure Access for Low and Middle-Income Families by Continuing to Expand Need-based Financial Aid to Undergraduate Students. The university's Funds for the Future financial aid program protects students from tuition increases during their academic careers. The university's financial aid initiatives also address the enrollment of first generation Virginians and other underrepresented student populations, and the overall reduction of unmet need.	A	Incremental:	\$1,250,000	\$1,000,000	\$2,500,000	\$2,000,000	\$745,420	\$300,000	\$1,745,420	\$800,000	Chapter 3, Item 224: \$445,420 GF to support need-based aid for resident undergraduates.
			Savings:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Enhance Student Advising Services and Degree Completion.To expedite degree completion and promote academic success, student support services will be bolstered through strategies that include pathway to degree attainment assistance for students, a Center for Transfer and Veteran Students to aid in the transition to a four-year academic environment, student crisis counseling, additional support for students with disabilities, and maintain the student health insurance program.	E3, E5	Incremental:	\$580,736	\$391,531	\$780,918	\$507,533	\$504,685	\$319,018	\$780,918	\$460,742	Chapter 3, Item 223.K2: \$685,667 GF, of which \$185,667 GF was allocated towards "efforts to improve retention and graduation through enhanced student advising services."
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000		\$130,000	\$0	
No	Enhance Creative Technologies Programming and Degree Attainment. The university is on the leading edge of a new PK-12 educational paradigm that merges technology, creative arts, and learning to enrich PK-12 learning environments and strengthen student achievement. Programs developed within the creative technology field will allow the transfer of research and innovative learning technologies to the classroom, both within the university and through linkages with the Commonwealth's PK-12 system. This strategy includes support for new degree programs in creative technologies and visual communication design.	E6, E7, E10	Incremental:	\$1,995,580	\$0	\$3,362,695	\$0	\$369,050	\$369,050	\$3,362,695	\$1,983,990	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Expand and Enhance E-learning and Distance Education.With advances in technology dramatically reshaping the educational paradigm, the university will take efforts to create unique opportunities to enhance classroom environments and online education to expand the range of essential skills students must acquire to excel in complex and rapidly-changing digital and networked environments. This includes expansion of online and hybrid courses, increased access to affordable and high-quality education to residents of the Commonwealth, expanded experiential learning opportunities, and continued investigation, development, and utilization of current and emerging technologies to enhance traditional classrooms, provide mobile access, and expand high-quality learning opportunities.	B, D, E1, E3, E6, E10.	Incremental:	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$590,000	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Support Creation of Faculty of Health Science.Enhancing the connection of existing faculty across traditional academic disciplines to enhance academic and scholarly work, thereby increasing faculty productivity and interdisciplinary outcomes is needed to support innovation demanded for high quality health science programs.	E9, E12	Incremental:	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$590,000	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Six-Year Plans (2012)**Virginia Polytechnic Institute & State University, Agency 208****ACADEMIC AND FINANCIAL PLAN**

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the *Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011*. The information provided should be macro-level information with sufficient detail for the reader to understand your general approach.

Delete Initiative	ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR TWO-YEAR PERIOD (2012-2014)											
	Biennium 2012-2014 (7/1/12-6/30/14)											
	Strategies	TJ21 Objectives	Cost: Incremental, Savings, Reallocation								Comments	
				2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)		
Total Amount				Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase		
	Increasing demand for high-quality health science programs		Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Advance Institutional Efficiencies and Effectiveness. Continuous improvement of the university's processes and infrastructure requires new investments in systems to reduce costs and address future capacity needs, classroom and equipment upgrades to modernize instructional and other university facilities, and to address issues such as health and safety, sustainability, and regulatory mandates.	E9, E12	Incremental:	\$1,400,011	\$812,006	\$1,447,110	\$853,795	\$684,861	\$684,861	\$1,447,110	\$853,795	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Increase Support for Unique Military Activities.As one of the nation's senior military colleges, the Corps of Cadets at Virginia Tech requires increased support for the Unique Military Activities program to an amount that is equivalent to per student support at other public UMA programs within the Commonwealth, and incremental support for planned enrollment increases. 2012-13 General Fund support per cadet at Virginia Tech is \$1,564. This is \$489 less per cadet than state funding for UMA at VMI.	E13	Incremental:	\$842,371	\$0	\$947,021	\$0	\$150,000	\$0	\$613,852	\$0	Chapter 3, Item 226: \$150,000 GF to support Unique Military Activities.
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Expand Effective Statewide Economic Development Program.To better serve the needs of the Commonwealth, the university will provide opportunities for students to apply and expand upon classroom learning in real world service opportunities in the local community and extend the campus expertise across the Commonwealth.	E13	Incremental:	\$396,420	\$0	\$396,420	\$0	\$0	\$0	\$396,420	\$0	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Increase Administrative Efficiency Through Relief From State Requirements: Reducing or eliminating statewide requirements on several identified administrative activities will result in significant savings that can be reallocated to other university activities. Examples include relief from eVA fee assessments, elimination of the requirement to purchase from the Virginia Correctional Enterprise, relief from SWaM requirements, relief from user fees for state central administrative systems such as Cardinal, and moving to a post-audit review rather than a pre-approval process for Equipment Trust Fund purchases.	E13	Incremental:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Savings:	\$250,000	\$0	\$250,000	\$0	\$0	\$0	\$250,000	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	General Fund Contingency: The university believes that the fund splits used for strategies included in this plan appropriately reflect required General Fund revenue needs. Assuming the Commonwealth fully funds the General Fund portion of each, the university's realistic tuition capacity would exceed the total nongeneral fund component of all included strategies. If, however, the Commonwealth does not fully fund the General Fund portion of each of the strategies included in this plan, the university would be forced to apply the remaining tuition capacity to fully fund the following critical activities: utility cost increases, operation and maintenance of new facilities, hiring of new faculty, library inflation, and a portion of the cost of existing resident enrollment growth.		Incremental:	\$0	\$6,431,846	\$0	\$13,056,041	\$0	\$0	\$0	\$0	
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	General Assembly Assignment: "Support the Virginia Vital Information for Education and Work (VIEW) Program to provide students, parents, counselors and teachers with access to resources for career exploration, college and work force readiness, and STEM career preparation." 2012 Acts of the Assembly, Chapter 3, Item 223 L.1.		Incremental:	\$0	\$0	\$0	\$0	\$296,000	\$0	\$296,000	\$0	Chapter 3, Item 223.L1: \$1,175,420 GF, of which \$296,000 GF was directed to "support the Virginia Vital Information for Education and Work (VIEW) Program."
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	General Assembly Assignment: "300,000 each year from the general fund is designated to develop a STEM Industry Internship program in partnership with the Virginia Space Grant Consortium, Virginia Regional Technology Councils and industry. The program will provide 75 undergraduate students across the Commonwealth an opportunity to centrally apply for real world work experience and provide Virginia's industries with access to qualified interns. Virginia Tech will partner with the Virginia Space Grant Consortium and work with Virginia's Regional Technology Councils who will serve as the program's conduit to industry, advertising the program and linking with interested industry partners. The funding in L.3. will not be considered as a resource for the purposes of funding guidelines." 2012 Acts of the Assembly, Chapter 3, Item 223 L.3.		Incremental:	\$0		\$0		\$300,000	\$0	\$300,000	\$0	Chapter 3, Item 223.L3: \$300,000 GF is "designated to develop a STEM Industry Internship program in partnership with the Virginia Space Grant Consortium, Virginia Regional Technology Councils and industry."
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Total 2012-2014 Costs											
	Incremental (Included in Financial Plan line 17)			\$27,399,512	\$13,253,810	\$47,833,064	\$24,083,808	\$11,312,247	\$7,109,461	\$39,431,594	\$15,453,843	

Six-Year Plans (2012)
Virginia Polytechnic Institute & State University, Agency 208
ACADEMIC AND FINANCIAL PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the*Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011.*" The information provided should be macro-level information with sufficient detail for the reader to understand your general approach.

Delete Initiative	ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR TWO-YEAR PERIOD (2012-2014)											
	Biennium 2012-2014 (7/1/12-6/30/14)											
	Strategies	TJ21 Objectives		Cost: Incremental, Savings, Reallocation								Comments
				2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)		
Total Amount				Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase		
	Savings			\$250,000	\$0	\$250,000	\$0	\$0	\$0	\$250,000	\$0	
	Reallocation			\$130,000	\$130,000	\$130,000	\$130,000	\$1,989,523	\$0	\$2,652,698	\$0	
	(a) 2013-14 represents a cumulative number for the biennium.											
	Six-Year Financial Plan for Educational and General Programs, Incremental Operating Budget Need											
	2012-2014 Biennium											
	(Assuming No Additional General Fund)											
				2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)		Comments
				Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	
		Items										
		Total Incremental Cost from Academic Plan ¹			\$27,399,512	\$13,253,810	\$47,833,064	\$24,083,808	\$11,312,247	\$7,109,461	\$39,431,594	\$15,453,843
No	Increase Faculty Salaries ²			\$11,663,203	\$6,764,658	\$23,854,993	\$13,835,896	\$0	\$0	\$4,742,227	\$2,797,914	
No	Faculty Salary Increase Rate ³			4.50%	2.61%	4.50%	2.61%	0.00%	0.00%	2.00%	1.18%	
No	Increase Number of Full-Time Faculty ⁴ (\$)			\$1,607,699	\$932,465	\$3,215,397	\$1,864,930	\$815,967	\$815,967	\$815,967	\$815,967	
No	Increase Number of Full-Time Faculty ⁵ (FTE)			14.00	0.00	28.00	0.00	7.00	7.00	7.00	7.00	
No	Increase Number of Part-Time Faculty ⁶			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Increase Number of Support Staff			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	Library			\$1,000,000	\$0	\$2,000,000	\$0	\$846,221	\$499,270	\$1,292,442	\$659,145	Chapter 3, Item 223.K1: \$1,725,992 GF base operating support, of which \$346,951 is allocated to support the library.
No	Technology Enhancement			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
No	O&M for New Facilities			\$2,015,575	\$1,048,556	\$5,334,075	\$2,940,768	\$2,016,552	\$2,016,552	\$3,864,736	\$2,076,499	
No	Fixed Cost Increase			\$1,200,000	\$0	\$2,600,000	\$0	\$1,665,273	\$982,511	\$2,865,273	\$2,865,273	Chapter 3, Item 223.K1: \$1,725,992 GF base operating support, of which \$682,762 is allocated to support fixed operating cost increases.
No	Add'l In-State Student Financial Aid From Tuition Revenue ⁷			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Others (Specify, insert lines below)											
No	Staff Salary Increases ⁸			\$2,921,391	\$1,694,407	\$5,930,425	\$3,439,647	\$0	\$0	\$1,548,330	\$913,515	
No	Statewide 3% Bonus, Contingent Upon FY12 Revenues							\$9,321,478		\$0	\$0	
No	Additional Fringe Rate Support			\$1,000,000	\$580,000	\$2,000,000	\$1,160,000	\$7,145,607	\$4,367,364	\$8,145,607	\$4,805,908	
	Total Additional Funding Need			\$48,807,380	\$24,273,896	\$92,767,954	\$47,325,049	\$33,123,345	\$15,791,125	\$62,706,176	\$30,388,064	

Notes:
(1) Enter staff FTE change over the FY2012 level in appropriate columns.
(2) If planned, enter the cost of any institution-wide increase.
(3) Please ensure that these items shall not be double counted if they are already included in the incremental cost of the academic plan.
(4) In-state financial aid expenses are included in the itemized Academic Plan initiatives.
(5) Amount shown is estimate for statewide contingent 2% salary increase.
(6) Enter planned annual faculty salary increase rate in Cell B22 and D22. Any salary increase entered here will be counted when calculating the gap to reach the 60th percentile in the future.
(7) Enter planned annual faculty salary increase rate in Cell B22 and D22. Any salary increase entered here will be counted when calculating the gap to reach the 60th percentile in the future.

Six-Year Plans (2012)

Virginia Polytechnic Institute & State University, Agency 208

FINANCIAL AID PLAN

Instructions: Complete the table for the Actual 2010-11 and Estimate 2011-12 distribution of financial aid by category. The planned distributions for 2012-13 and 2013-14 will be automatically calculated based on the estimated 2011-12 distribution. Adjust the 2012-13 and 2013-14 distributions, as necessary, by entering values instead of using the formulas.

Allocation of Tuition Revenue Used for Student Financial Aid			
2010-11 (Actual)			
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$140,832,264	N/A (1)	\$5,434,340
Out-of-State Undergraduate	\$122,110,405	N/A (1)	\$5,937,659
In-State Graduate	\$18,283,497	N/A (1)	N/A (2)
Out-of-State Graduate	\$23,636,815	N/A (1)	N/A (2)
In-State 1st Professional	\$5,404,448	N/A (1)	N/A (2)
Out-of-State 1st Professional	\$1,962,200	N/A (1)	N/A (2)
Total	\$312,229,629	N/A (1)	\$11,371,999
In-State Sub-Total	\$164,520,209	N/A (1)	\$5,434,340

2011-12 (Estimated)				2011-12 Actual (Revised)		
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$153,789,450	N/A (1)	\$7,413,161	\$149,596,189	N/A (1)	\$7,234,788
Out-of-State Undergraduate	\$127,892,896	N/A (1)	\$5,889,789	\$130,235,660	N/A (1)	\$5,614,731
In-State Graduate	\$19,588,071	N/A (1)	N/A (2)	\$22,641,448	N/A (1)	N/A (2)
Out-of-State Graduate	\$25,456,069	N/A (1)	N/A (2)	\$22,291,966	N/A (1)	N/A (2)
In-State 1st Professional	\$6,038,392	N/A (1)	N/A (2)	\$5,699,083	N/A (1)	N/A (2)
Out-of-State 1st Professional	\$2,288,628	N/A (1)	N/A (2)	\$2,201,614	N/A (1)	N/A (2)
Total	\$335,053,506	N/A (1)	\$13,302,950	\$332,665,960	N/A (1)	\$12,849,519
In-State Sub-Total	\$179,415,913	N/A (1)	\$7,413,161	\$177,936,720	N/A (1)	\$7,234,788

2012-13 (Planned)				2012-13 Planned (Revised)		
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$166,419,962	N/A (1)	\$7,413,161	\$158,509,567	N/A (1)	\$7,875,315
Out-of-State Undergraduate	\$135,787,503	N/A (1)	\$5,889,789	\$135,557,756	N/A (1)	\$5,728,613
In-State Graduate	\$20,888,138	N/A (1)	N/A (2)	\$19,615,911	N/A (1)	N/A (2)
Out-of-State Graduate	\$27,141,757	N/A (1)	N/A (2)	\$25,392,447	N/A (1)	N/A (2)
In-State 1st Professional	\$6,495,800	N/A (1)	N/A (2)	\$5,812,160	N/A (1)	N/A (2)
Out-of-State 1st Professional	\$2,380,173	N/A (1)	N/A (2)	\$3,569,244	N/A (1)	N/A (2)
Total	\$359,113,333	N/A (1)	\$13,302,950	\$348,457,085	N/A (1)	\$13,603,928
In-State Sub-Total	\$193,803,900	N/A (1)	\$7,413,161	\$183,937,638	N/A (1)	\$7,875,315
Additional In-State	\$14,387,987	N/A (1)	\$0	\$6,000,918	N/A (1)	\$640,527
Additional In-State from Fin Plan		\$0			\$0	

2013-14 (Planned) (3)				2013-14 Planned (Revised) (3)		
T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid	Distribution of Financial Aid
In-State Undergraduate	\$178,443,392	N/A (1)	\$7,413,161	\$165,464,660	N/A (1)	\$8,125,315
Out-of-State Undergraduate	\$144,633,924	N/A (1)	\$5,889,789	\$139,200,380	N/A (1)	\$5,978,613
In-State Graduate	\$21,844,348	N/A (1)	N/A (2)	\$20,567,441	N/A (1)	N/A (2)
Out-of-State Graduate	\$28,947,270	N/A (1)	N/A (2)	\$26,573,359	N/A (1)	N/A (2)
In-State 1st Professional	\$7,246,252	N/A (1)	N/A (2)	\$6,038,720	N/A (1)	N/A (2)
Out-of-State 1st Professional	\$2,475,380	N/A (1)	N/A (2)	\$5,209,464	N/A (1)	N/A (2)
Total	\$383,590,566	N/A (1)	\$13,302,950	\$363,054,024	N/A (1)	\$14,103,928
In-State Sub-Total	\$207,533,992	N/A (1)	\$7,413,161	\$192,070,821	N/A (1)	\$8,125,315
Additional In-State	\$13,730,092	N/A (1)	\$0	\$8,133,183	N/A (1)	\$250,000
Additional In-State from Fin Plan		\$0			\$0	

(1) The university pools E&G resources in order to fund the highest priority needs of the institution. As a result, financial aid expenses are not linked to revenue from a specific student category.

(2) The university supports graduate and professional students on assistantship with tuition remission as part of a compensation package for their efforts in graduate teaching, research, and general assistance.

(3) Aid distribution by student category for future years has yet to be determined, and will be based upon actual demonstrated need of the aggregate student population of each year.

Six-Year Plans (2012)

Virginia Polytechnic Institute & State University, Agency 208

Six-Year Financial Plan for Tuition and Fee Increases and Nongeneral Fund Revenue Estimates

Six-Year Financial Plan for Tuition and Fee Increases and Nongeneral Fund Revenue Estimates									Revised						
2011-2012		2012-2013		2013-2014			2011-12		2012-2013			Attachment 14			
Items	Student Charge	Total Revenue	Student Charge	Rate Increase	Total Revenue	Student Charge	Rate Increase	Total Revenue	Total Revenue	Student Charge	Rate Increase	Total Revenue	Student Charge	Rate Increase	Total Revenue
E&G Programs															
In-State Undergraduate	\$8,899	\$153,789,450	\$9,655	8.5%	\$166,419,962	\$10,380	7.5%	\$178,443,392	\$149,596,189	\$9,250	3.9%	\$158,509,567	\$9,610	3.9%	\$165,464,660
Out-Of-State Undergraduate	\$22,870	\$127,892,896	\$24,242	6.0%	\$135,787,503	\$25,697	6.0%	\$144,633,924	\$130,235,660	\$24,242	6.0%	\$135,557,756	\$25,187	3.9%	\$139,200,380
In-State Graduate	\$10,095	\$19,588,071	\$10,701	6.0%	\$20,888,138	\$11,343	6.0%	\$21,844,348	\$22,641,448	\$10,740	6.4%	\$19,615,911	\$11,158	3.9%	\$20,567,441
Out-Of-State Graduate	\$20,113	\$25,456,069	\$21,923	9.0%	\$27,141,757	\$23,896	9.0%	\$28,947,270	\$22,291,966	\$21,593	7.4%	\$25,392,447	\$22,435	3.9%	\$26,573,359
In-State Law	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Law	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Medicine	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Medicine	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Dentistry	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Dentistry	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State PharmD	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State PharmD	\$0			%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Veterinary Medicine	\$17,491	\$6,038,392	\$18,191	4.0%	\$6,495,800	\$18,918	4.0%	\$7,246,252	\$5,699,083	\$18,226	4.2%	\$5,812,160	\$18,936	3.9%	\$6,038,720
Out-Of-State Veterinary Medicine	\$40,941	\$2,288,628	\$42,579	4.0%	\$2,380,173	\$44,282	4.0%	\$2,475,380	\$2,201,614	\$43,158	5.4%	\$3,569,244	\$44,841	3.9%	\$5,209,464
Other NGF		\$42,813,867			\$43,027,936			\$43,243,076	\$49,658,124			\$45,729,367			\$45,958,014
Total E&G Revenue (a)		\$377,867,373			\$402,141,269			\$426,833,642	\$382,324,084			\$394,186,452			\$409,012,038
Auxiliary Program (b)															
Undergraduate	\$1,610		\$1,723	7.0%		\$1,827	6.0%			\$1,673	3.9%		\$1,738	3.9%	
Graduate	\$1,610		\$1,723	7.0%		\$1,827	6.0%			\$1,673	3.9%		\$1,738	3.9%	
Law	\$0			%			%			\$0	%		\$0	%	
Medicine	\$0			%			%			\$0	%		\$0	%	
Dentistry	\$0			%			%			\$0	%		\$0	%	
PharmD	\$0			%			%			\$0	%		\$0	%	
Veterinary Medicine	\$1,610		\$1,723	7.0%		\$1,827	6.0%			\$1,673	3.9%		\$1,738	3.9%	
Total Auxiliary Revenue		\$246,265,596			\$272,838,036			\$295,463,662	\$260,244,394			\$273,480,046			\$283,867,635
Total Tuition and Fees															
In-State Undergraduate	\$10,509		\$11,378	8.3%		\$12,207	7.3%			\$10,923	3.9%		\$11,348	3.9%	
Out-Of-State Undergraduate	\$24,480		\$25,965	6.1%		\$27,524	6.0%			\$25,915	5.9%		\$26,925	3.9%	
In-State Graduate	\$11,705		\$12,424	6.1%		\$13,170	6.0%			\$12,413	6.0%		\$12,896	3.9%	
Out-Of-State Graduate	\$21,723		\$23,646	8.9%		\$25,723	8.8%			\$23,266	7.1%		\$24,173	3.9%	
In-State Law	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Law	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Medicine	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Medicine	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Dentistry	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Dentistry	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State PharmD	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State PharmD	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Veterinary Medicine	\$19,101		\$19,914	4.3%		\$20,745	4.2%			\$19,899	4.2%		\$20,674	3.9%	
Out-Of-State Veterinary Medicine	\$42,551		\$44,302	4.1%		\$46,109	4.1%			\$44,831	5.4%		\$46,579	3.9%	
Student Financial Aid (Program 108)															
Sponsored Programs (Program 110) (c)		283,188,248			\$301,736,591			\$321,499,818	\$276,621,343			\$287,011,044			\$307,773,958
Unique Military Activities									\$0			\$0			\$0
Workforce Development									\$0			\$0			\$0
Other (Specify)									\$0			\$0			\$0

Footnotes:

(a) Total E&G NGF Revenue is not equal to "Total Additional Funding Needed" on "Finance-Operating" tab. Rather, Total E&G NGF revenue represents what the University currently believes to be a realistic level of self-generated E&G NGF Revenue in our current economic environment. General Fund support will be required to fill the gap between projected revenues and expenses to accomplish the plan as currently envisioned.

(b) Auxiliary Program Student Charges are based on the university's mandatory non-E&G Comprehensive fee, paid by all students.

(c) Sponsored Program Growth projections assume leveraging additional General Fund investment in research activities.

Six-Year Plans (2012)

Virginia Polytechnic Institute & State University, Agency 208

Foregone Tuition Revenue As A Result of Tuition Waivers

Educational and General Programs

(Please provide information and add programs to the list as appropriate)

Program	2012-13 (Original)					2013-14 (Original)				
	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total
Academic Common Market	\$0	\$0	\$2,946,574	\$89,776	\$3,036,350	\$0	\$0	\$3,094,034	\$100,424	\$3,194,458
VMSDEP	\$627,595	\$114,167	\$0	\$0	\$741,761	\$829,907	\$148,850	\$0	\$0	\$978,756
Senior Citizens	\$20,898	\$10,872	\$0	\$0	\$31,770	\$22,468	\$11,524	\$0	\$0	\$33,992
International Student Exchange	\$0	\$0	\$1,512,194	\$723,110	\$2,235,304	\$0	\$0	\$1,587,804	\$759,265	\$2,347,069
Graduate O/S Differential	\$0	\$0	\$0	\$21,974,750	\$21,974,750	\$0	\$0	\$0	\$23,073,487	\$23,073,487
Total	\$648,493	\$125,038	\$4,458,768	\$22,787,635	\$28,019,935	\$852,374	\$160,373	\$4,681,838	\$23,933,176	\$29,627,762

Program	2012-13 (Revised)					2013-14 (Revised)				
	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total
Academic Common Market	\$0	\$0	\$2,651,917	\$80,798	\$2,732,715	\$0	\$0	\$2,117,445	\$68,727	\$2,186,172
VMSDEP	\$489,851	\$89,110	\$0	\$0	\$578,961	\$508,956	\$92,585	\$0	\$0	\$601,540
Senior Citizens	\$20,152	\$10,483	\$0	\$0	\$30,635	\$20,938	\$10,892	\$0	\$0	\$31,830
International Student Exchange	\$0	\$0	\$1,530,535	\$731,880	\$2,262,415	\$0	\$0	\$1,590,226	\$760,423	\$2,350,649
Graduate O/S Differential	\$0	\$0	\$0	\$22,363,342	\$22,363,342	\$0	\$0	\$0	\$23,235,512	\$23,235,512
Total	\$510,003	\$99,593	\$4,182,452	\$23,176,020	\$27,968,068	\$529,893	\$103,477	\$3,707,671	\$24,064,662	\$28,405,704

Six-Year Plans (2012) Virginia Cooperative Extension and Agriculture Experiment Station, Agency 229

ACADEMIC PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the "Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011." The information provided should be macro-level information with sufficient detail for the reader to

Delete Initiative	ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR TWO-YEAR PERIOD (2012-2014)										
	Biennium 2012-2014 (7/1/12-6/30/14)										
	Strategies	TJ21 Objectives		Cost: Incremental, Savings, Reallocation							
				2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)	
Total Amount				Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	
No	Basic & Applied Science Integration: This strategy will enhance the integration of basic and applied science, Extension education, and technology transfer in strategic areas that lead to new products, new practices, and commercialization of new technologies, driving increased profitability and job creation in Virginia. Initiatives will integrate research and Extension in agriculture, forestry and natural resources, and other STEM-related areas by strategically adding specialists and agents who conduct programs in animal and plant health and disease including drought and pathogen resistance, water quality and resource management, environmentally-sustainable production of food, watershed management and nutrient reduction including the development of TMDLs, bioprocessing and biomass conversion into value-added products, and up-scaling and transfer of new technologies that benefit the Commonwealth.	E6, E7, E8, E13	Incremental:	\$1,725,000	\$0	\$3,500,000	\$0	\$500,000	\$0	\$2,000,000	\$0
			Savings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
			Reallocation:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total 2012-2014 Costs										
	Incremental (Included in Financial Plan line 17)			\$1,725,000	\$0	\$3,500,000	\$0	\$500,000	\$0	\$2,000,000	\$0
	Savings			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Reallocation			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Items			2012-2013 (Original)		2013-2014 (Original)		2012-2013 (Revised)		2013-2014 (Revised)	
				Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase	Total Amount	Amount Within Tuition Increase
No	Increase Faculty Salaries ²			\$2,509,250	\$0	\$5,132,222	\$0	\$0	\$0	\$729,225	\$0
No	Increase Number of Full-Time Faculty ³			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
No	Increase Number of Part-Time Faculty ³			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
No	Increase Number of Support Staff			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
No	Library Enhancement			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
No	Technology Enhancement			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
No	O&M for New Facilities			\$0	\$0	\$917,292	\$0	\$0	\$0	\$685,488	\$0
No	Utility Cost Increase			\$208,000	\$0	\$416,000	\$0	\$106,473	\$0	\$212,946	\$0
	Total Incremental Cost from Academic Plan ³			\$1,725,000	\$0	\$3,500,000	\$0	\$500,000	\$0	\$2,000,000	\$0
No	Add'l In-State Student Financial Aid From Tuition Revenue			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
No	Others (Specify, insert lines below)			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
No	Staff Salary Increases			\$643,192	\$0	\$1,305,681	\$0	\$0	\$0	\$349,202	\$0
No	Additional Fringe Rate Support ⁵			\$200,000	\$0	\$400,000	\$0	\$1,446,505	\$0	\$2,000,000	\$0
	Statewide 3% Bonus			\$0	\$0	\$0	\$0	\$1,665,674	\$0	\$0	\$0
	Total Additional Funding Need			\$5,285,442	\$0	\$11,671,195	\$0	\$3,718,652	\$0	\$5,976,861	\$0
No	Faculty Salary Increase Rate ⁴			4.5%		4.5%		0.0%		2.0%	

Six-Year Plans (2012)
Virginia Cooperative Extension and Agriculture Experiment Station, Agency 229

ACADEMIC PLAN

Instructions: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2012-2018)," please provide 2-3 sentences detailing strategies (for the three biennia of this six-year period) associated with each objective of the "Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011." The information provided should be macro-level information with sufficient detail for the reader to

Delete Initiative	ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR TWO-YEAR PERIOD (2012-2014)						
	Biennium 2012-2014 (7/1/12-6/30/14)						
	Strategies	TJ21	Cost: Incremental, Savings, Reallocation				
			2012-2013 (Original)	2013-2014 (Original)	2012-2013 (Revised)	2013-2014 (Revised)	

- Notes:
- (a) 2013-14 represents a cumulative number for the biennium.
 - (1) Enter staff FTE change over the FY2012 level in appropriate columns.
 - (2) If planned, enter the cost of any institution-wide increase.
 - (3) Please ensure that these items shall not be double counted if they are already included in the incremental cost of the academic plan.**
 - (4) Enter planned annual faculty salary increase rate in Cell B22 and D22. Any salary increase entered here will be counted when calculating the gap to reach the 60th percentile in the future.
 - (5) Amount shown is placeholder for unknown but anticipated increases in fringe rate assessments.

Six-Year Plans (2012)

Virginia Cooperative Extension and Agriculture Experiment Station, Agency 2.

Six-Year Financial Plan for Tuition and Fee Increases and Nongeneral Fund Revenue Estimates

Six-Year Financial Plan for Tuition and Fee Increases and Nongeneral Fund Revenue Estimates									Revised Attachment T						
Items	2011-2012		2012-2013			2013-2014			2011-12	2012-2013			2013-2014		
	Student Charge	Total Revenue	Student Charge	Rate Increase	Total Revenue	Student Charge	Rate Increase	Total Revenue	Total Revenue	Student Charge	Rate Increase	Total Revenue	Student Charge	Rate Increase	Total Revenue
E&G Programs															
In-State Undergraduate				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Undergraduate				%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Graduate				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Graduate				%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Law				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Law				%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Medicine				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Medicine				%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Dentistry				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Dentistry				%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State PharmD				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State PharmD				%			%		\$0	\$0	%	\$0	\$0	%	\$0
In-State Veterinary Medicine				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Out-Of-State Veterinary Medicine				%			%		\$0	\$0	%	\$0	\$0	%	\$0
Other NGF ¹		\$15,133,500			\$12,651,606			\$12,651,606	\$18,162,171			\$15,034,000			\$13,711,008
Total E&G Revenue		\$15,133,500			\$12,651,606			\$12,651,606	\$18,162,171			\$15,034,000			\$13,711,008
Auxiliary Program															
Undergraduate				%			%			\$0	%		\$0	%	
Graduate				%			%			\$0	%		\$0	%	
Law				%			%			\$0	%		\$0	%	
Medicine				%			%			\$0	%		\$0	%	
Dentistry				%			%			\$0	%		\$0	%	
PharmD				%			%			\$0	%		\$0	%	
Veterinary Medicine				%			%			\$0	%		\$0	%	
Total Auxiliary Revenue									\$0			\$0			\$0
Total Tuition and Fees															
In-State Undergraduate	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Undergraduate	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Graduate	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Graduate	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Law	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Law	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Medicine	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Medicine	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Dentistry	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Dentistry	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State PharmD	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State PharmD	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
In-State Veterinary Medicine	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Out-Of-State Veterinary Medicine	\$0		\$0	%		\$0	%			\$0	%		\$0	%	
Student Financial Aid (Program 108)									\$0			\$0			\$0
Sponsored Programs (Program 110)									\$0			\$0			\$0
Unique Military Activities									\$0			\$0			\$0
Workforce Development									\$0			\$0			\$0
Other (Specify)									\$0			\$0			

(1) FY12 includes Federal Stimulus funding not available in subsequent years.

Six-Year Plans (2012)**Virginia Cooperative Extension and Agriculture Experiment Station, Agency 229**

Foregone Tuition Revenue As A Result of Tuition Waivers

Educational and General Programs

(Please provide information and add programs to the list as appropriate)

Program	2012-13 (Original)					2013-14 (Original)				
	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total
Academic Common Market	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Out-of-State Graduates	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(Add Programs as Appropriate)					\$0					\$0
					\$0					\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Program	2012-13 (Revised)					2013-14 (Revised)				
	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total	In-State Undergraduates	In-State Graduates	Out-of-State Undergraduates	Out-of-State Graduates	Total
Academic Common Market	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Out-of-State Graduates	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(Add Programs as Appropriate)					\$0					\$0
					\$0					\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

RESOLUTION OF APPRECIATION HONORING FREDERICK J. COBB

WHEREAS, Mr. Frederick (Freddy) J. Cobb was appointed by the Governor of Virginia to Virginia Polytechnic Institute and State University's Board of Visitors on July 1, 2008, for a term ending June 30, 2012; and,

WHEREAS, Mr. Cobb is a loyal and dedicated alumnus, and a member of the Class of 1979, having earned a Bachelor of Arts degree in Communications; and,

WHEREAS, during his years of service on the Board of Visitors, Mr. Cobb was a member of both the Academic Affairs Committee and the Student Affairs and Athletics Committee; and,

WHEREAS, Mr. Cobb has exhibited his commitment to the development and future of his alma mater, displayed by his service as a member of the Regional Campaign Committee in Richmond for the most recent campaign, and his designation as a Golden Hokie Champion; and,

WHEREAS, the members of the Board have thoroughly enjoyed getting to know Freddy and his wife, Amy, and have enjoyed their company at Board meetings, football games, and other university events;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University do hereby extend their sincere appreciation to Frederick J. Cobb for his outstanding loyalty and devoted service to his alma mater, and for his faithful dedication to the university and its missions.

RECOMMENDATION:

That the above resolution recognizing Mr. Frederick (Freddy) J. Cobb for his service as a member of the Board of Visitors be approved.

September 10, 2012

RESOLUTION OF APPRECIATION HONORING BEVERLEY DALTON

WHEREAS, Ms. Beverley (Bev) Dalton was appointed by the Governor of Virginia to Virginia Polytechnic Institute and State University's Board of Visitors on July 1, 2004, and reappointed in 2008 for a second term ending June 30, 2012; and,

WHEREAS, Ms. Dalton is a loyal and dedicated Hokie, and has a long family history with Virginia Tech, spanning over eight decades; and,

WHEREAS, during her years of service on the Board of Visitors, Ms. Dalton served as a member and Chair of both the Research Committee and the Student Affairs and Athletics Committee, and was a member of the Academic Affairs Committee, Building and Grounds Committee, Executive Committee, and Finance and Audit Committee; and,

WHEREAS, Ms. Dalton served on the Board during one of the most challenging periods in the university's history – during the tragedy of April 16, 2007, and its aftermath; and,

WHEREAS, Ms. Dalton demonstrated her dedication to higher education through her many years of involvement with the Hokies for Higher Education initiative; and

WHEREAS, Ms. Dalton has exhibited her commitment to the development and future of Virginia Tech through her significant philanthropic contributions to the university; and,

WHEREAS, the members of the Board have thoroughly enjoyed getting to know Bev and her husband, Doug, and have enjoyed their company at Board meetings, football games, and other university events;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University do hereby extend their sincere appreciation to Beverley Dalton for her outstanding loyalty and devoted service, and for her faithful dedication to the university and its missions.

RECOMMENDATION:

That the above resolution recognizing Ms. Beverley (Bev) Dalton for her service as a member of the Board of Visitors be approved.

September 10, 2012

RESOLUTION OF APPRECIATION HONORING DOUGLAS R. FAHL

WHEREAS, Mr. Douglas (Doug) R. Fahl was appointed by the Governor of Virginia to Virginia Polytechnic Institute and State University's Board of Visitors on July 1, 2008 for a term ending June 30, 2012; and,

WHEREAS, Mr. Fahl is a loyal and dedicated alumnus, and a member of the Class of 1967, having earned a Bachelor of Science degree in Civil Engineering; and,

WHEREAS, during his years of service on the Board of Visitors, Mr. Fahl served as a member and Chair of the Buildings and Grounds Committee, and as a member of the Academic Affairs Committee, Executive Committee, Research Committee, and Student Affairs and Athletics Committee; and,

WHEREAS, Mr. Fahl has shown his dedication to the university and its programs through his many years of involvement with the Hokies for Higher Education initiative, his membership on the Alumni Association Board, and his service on the Engineering Committee of 100; and

WHEREAS, Mr. Fahl has exhibited his commitment to the development and future of his alma mater through his engagement in garnering financial support for the university as a member of the Regional Campaign Committee for Northern Virginia; and,

WHEREAS, the members of the Board have thoroughly enjoyed getting to know Doug and his wife, Laurie, and have enjoyed their company at Board meetings, football games, and other university events;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University do hereby extend their sincere appreciation to Douglas R. Fahl for his outstanding loyalty and devoted service to his alma mater, and for his faithful dedication to the university and its missions.

RECOMMENDATION:

That the above resolution recognizing Douglas (Doug) R. Fahl for his service as a member of the Board of Visitors be approved.

September 10, 2012

RESOLUTION OF APPRECIATION HONORING CALVIN D. JAMISON, SR.

WHEREAS, Dr. Calvin D. Jamison, Sr. was appointed by the Governor of Virginia to Virginia Polytechnic Institute and State University's Board of Visitors on July 1, 2008 for a term ending June 30, 2012; and,

WHEREAS, Dr. Jamison is a loyal and dedicated alumnus, receiving three degrees from Virginia Tech, including a Bachelor of Science in Education, a Master of Arts in Student Personnel Services, and a Doctor of Education Degree in Student Personnel Services; and,

WHEREAS, during his years of service on the Board of Visitors, Dr. Jamison was a member and Chair of the Student Affairs and Athletics Committee, and a member of the Building and Grounds, Executive, and Finance and Audit Committees; and,

WHEREAS, demonstrative of his dedication to his alma mater and its programs, Dr. Jamison received the Alumni Distinguished Service Award in 2006; and,

WHEREAS, Dr. Jamison served as a member of the Alumni Association Board, Pamplin Advisory Board, and the Multicultural Alumni Advisory Board; and,

WHEREAS, Dr. Jamison has been a leader in promoting and garnering support for diversity initiatives at the university, and worked tirelessly throughout the recent campaign to engage a broad spectrum of alumni; and,

WHEREAS, the members of the Board have thoroughly enjoyed getting to know Calvin, and have enjoyed his company at Board meetings, football games, and other university events;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University do hereby extend their sincere appreciation to Calvin D. Jamison, Sr. for his outstanding loyalty and devoted service to his alma mater, and for his faithful dedication to the university and its missions.

RECOMMENDATION:

That the above resolution recognizing Dr. Calvin D. Jamison, Sr. for his service as a member of the Board of Visitors be approved.

September 10, 2012

President's Report to Board of Visitors



September 10, 2012

University Issues Agenda- Items linked to Long-range Plan

1. Research Program Growth and Development
 - High-performance computing/integration of computational thinking into new research paradigm.
2. Implementing Global Strategy
 - Center in Chennai, India
3. Strategy and Next Steps for Distance Learning

University Issues Agenda — Attachment V

Items linked to organization and resource development

1. Analysis of Business Processes to Enhance Operating Efficiency
 - Outsourcing of Renovations unit is a result.
2. Implementation of Interim Fundraising Strategies
 - Plan has been developed in consultation with deans and departments.
3. Refocusing on Implementing Restructuring

University Issues Agenda — Attachment V

Items linked to organization and resource development

4. Establish Subsidiary Corporations and Remove Impediments to Implementation
5. Succession Planning for Key Personnel
6. Government and Legislative Relations
 - State, Regional, and Local
 - Federal
7. Year-round Use of Facilities

Council of Presidents Agenda 2012-13

Attachment V

1. Policy implications for colleges and universities in Virginia resulting from Virginia Tech litigation.
 - Liability of university officers
 - Liability tied to counseling centers
2. Status of Restructuring
 - Compliance by schools
 - Compliance by the state

Council of Presidents Agenda 2012-13

Attachment V

3. Accessibility and Tuition

- Funding financial aid through tuition revenue
- Defining “reasonable” tuition increases
- Cost shifting from state to universities
- Accessibility goals

4. JLARC Efficiency Study

Council of Presidents Agenda 2012-13

Attachment V

5. Evaluation of Progress on TJ21 and Grow by Degrees Initiatives
6. Prospects for Bond Issue
7. Research/Economic Development
8. Distance Learning

Summary

Emeriti Faculty Resolutions (05)

September 10, 2012

Pamplin College of Business

James A. Yardley	Professor Emeritus of Accounting and Information Systems
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College of Engineering

Thomas D.L. Walker	Associate Professor Emeritus of Engineering Education
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College of Liberal Arts and Sciences

Daisy Stewart Cartwright	Associate Professor Emerita of Career and Technical Education
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Office of the President

Erv Blythe	Vice President Emeritus of Information Technology
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Office of the Senior Vice President and Provost

Edward Spencer	Vice President Emeritus of Student Affairs
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RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. James A. Yardley served Virginia Tech for 26 years in the Department of Accounting and Information Systems in the Pamplin College of Business beginning in 1986; and

WHEREAS, as a member of the faculty in the Department of Accounting and Information Systems, and in its predecessor, the Department of Accounting, he was a dedicated teacher of courses at the undergraduate and graduate levels; and

WHEREAS, he served as Accounting Advisor for United States Aid to International Development in Ethiopia from 1996 to 2003; and

WHEREAS, he served as Resident Accounting Advisor for United States Department of Treasury in Afghanistan from 2009 to 2010; and

WHEREAS, he served as Accounting Advisor for the Asian Development Bank in Mongolia during 2005; and

WHEREAS, he served as Accounting Professor for the American University of Iraq in Suliamaniyah, Kurdish Region, Iraq during 2007; and

WHEREAS, he published numerous refereed journal articles in both academic and practice related journals, and refereed proceedings in the accounting and auditing area; and

WHEREAS, he served on numerous dissertation committees and made numerous presentations at academic meetings;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. James A. Yardley for his service to the university with the title of Professor Emeritus of Accounting and Information Systems.

RECOMMENDATION:

That the above resolution recommending Dr. James A. Yardley for emeritus status be approved.

September 10, 2012

RESOLUTION FOR EMERITUS STATUS

WHEREAS, beginning in 1988 and continuing for 24 years, Mr. Thomas D. L. Walker faithfully served Virginia Tech as a faculty member in the Department of Engineering Education (formerly the Division of Engineering Fundamentals) in the College of Engineering; and

WHEREAS, he has championed the use of appropriate educational technologies and pedagogies to empower student learning and respond to a changing world, receiving both the XCaliber and W.S. "Pete" White Innovation in Engineering Education Awards; and

WHEREAS, with dedication, he has developed and taught a wide variety of undergraduate general engineering courses, critically rethinking his teaching methods to incorporate more active learning strategies in his course, and being recognized as a Diggs Teaching Scholar; and

WHEREAS, he has held leadership roles in professional organizations including the American Society for Engineering Education; and

WHEREAS, he has provided many years of distinguished contributions to the department, college, and university through dedicated service on numerous commissions and committees; especially the College Curriculum Committee where he provided outstanding leadership as Chair for at least the last 15 years.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Mr. Tom Walker for his distinguished service to the university with the title of Associate Professor Emeritus of Engineering Education.

RECOMMENDATION:

That the above resolution recommending Mr. Thomas D. L. Walker for emeritus status be approved.

September 10, 2012

RESOLUTION FOR EMERITA STATUS

WHEREAS, beginning in 1980 and continuing for 32 years, Dr. Daisy Stewart Cartwright faithfully served Virginia Tech as a faculty member in the College of Education, the College of Human Resources and Education, and the College of Liberal Arts and Human Sciences in the School of Education – all in the field of Career and Technical Education (CTE); and,

WHEREAS, with dedication, she taught and advised undergraduate and graduate students, and directed or served on 265 master's, 12 educational specialist, and 98 doctoral students' committees; and

WHEREAS, she advanced the field of Career and Technical Education through publication of seven books, 34 book chapters and articles, over 200 presentations, and \$1.14 million in grants and contracts; and

WHEREAS, she made significant contributions to the School of Education by faithfully serving as the Associate Director of the Office of Academic Programs and enabled the School to achieve re-accreditation by the National Council for Accreditation of Teacher Education; and

WHEREAS, she served as division director for the Department of Vocational and Technical Education and program leader for Family and Consumer Sciences; and

WHEREAS, she led the national CTE community by serving in leadership roles including President and Past President of the Association for Career and Technical Education over a six-year span; and

WHEREAS, she made significant contributions in Family and Consumer Sciences (FCS) through her work to develop national standards, as well as educating pre-service and practicing FCS teachers for our nation's schools, garnering increased government resources for the profession; and

WHEREAS, she received numerous national, state, and local professional honors and awards including the Association for Career and Technical Education Arch of Fame Award, the American Association of Family and Consumer Sciences Educator of the Year Award, National Association of Teacher Educators for Family and Consumer Sciences Distinguished Leader Award, the National Omicron Tau Theta Honorary Professional Society for Career and Technical Education Outstanding Professional Service Award; and

WHEREAS, she enacted all of her duties with the utmost professionalism and collegiality;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Daisy Stewart Cartwright for her distinguished service to the university with the title of Associate Professor Emerita of Career and Technical Education.

RECOMMENDATION:

That the above resolution recommending Dr. Daisy Stewart Cartwright for emerita status be approved.

September 10, 2012

RESOLUTION FOR EMERITUS STATUS

WHEREAS, beginning as a student at VPI, graduating with the class of 1968, and in 1977 returning to the university, eventually rising to the position of Vice President for Information Technology and Chief Information Officer, Erv Blythe has faithfully served Virginia Tech for 35 years; and

WHEREAS, he proposed an intensive faculty development program, the Faculty Development Initiative (FDI), which leverages the university's robust technology infrastructure to invest in the creativity and initiative of Virginia Tech's faculty; and

WHEREAS, in the 1980s, he was asked to propose a new model for investment in strategic communications infrastructure and delivery of services. In a radical departure from the status quo, his team built a fully self-contained, cost recovery based technology services organization called Communications Network Services (CNS); and

WHEREAS, he provided vision and executive leadership in the creation of the Blacksburg Electronic Village (BEV), which may have been the first instance in the world where citizens and businesses were able to use the emerging Internet. BEV enabled research on the social and economic potential of the internet and drew worldwide attention to Virginia Tech and the community; and

WHEREAS, he initiated and led the implementation of the NetworkVirginia program, which has provided ubiquitous broadband services statewide since 1996. This public-private partnership has provided internet access to more than 1.5 million people across every community in Virginia; and

WHEREAS, he established the eCorridors program to facilitate technology and business practices that would enable commodity-priced, multi-gigabit per second communications access to communities. eCorridors was highly influential in bringing statewide attention and investment in developing open-access fiberoptic infrastructure as a tool for economic development; and

WHEREAS, he provided executive sponsorship and support for the university's entry into the high performance computing arena through its System X project and has continued to promote the investment in computational computing to support ongoing research;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Mr. Erv Blythe for his distinguished service to the university with the title Vice President Emeritus for Information Technology.

RECOMMENDATION:

That the above resolution recommending Mr. Erv Blythe for emeritus status be approved.

September 10, 2012

RESOLUTION FOR EMERITUS STATUS

WHEREAS, Dr. Edward Spencer has devoted his professional career to advancing the personal development and academic achievements of students; and

WHEREAS, Dr. Spencer is nationally and internationally recognized for his scholarship on the development of students and has numerous scholarly publications and hundreds of presentations outlining best practices for supporting students in higher education; and

WHEREAS, Dr. Spencer has served as associate professor in the higher education program in the College of Liberal Arts and Human Sciences in the School of Education, teaching hundreds of graduate students and serving on masters and doctoral committees; and

WHEREAS, since 1983, Dr. Spencer has contributed significantly to the national and international prominence of the university's Division of Student Affairs; and

WHEREAS, under his leadership, Virginia Tech's dining program achieved international recognition as one of the top campus dining programs in the U.S.; and

WHEREAS, under his stewardship, the university completed multiple residence halls and all four phases of the Oak Lane Greek community, implemented several living/learning communities, supported the growth and professionalism in fifteen departments within the Division including 2,600 employees and managing budgets of over \$100M; and

WHEREAS, Dr. Spencer has been honored with many national and international awards including the Pillar of the Profession award from the national Association of Student Personnel Administrators, the inaugural Zenobia Lawrence Hikes Leadership Award from the Virginia Tech Student Government Association, several awards from the Sigma Chi International Fraternity; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Edward Spencer for his 29 years of distinguished service to the university with the title Vice President Emeritus for Student Affairs.

RECOMMENDATION:

That the above resolution recommending Dr. Edward Spencer for emeritus status be approved.

September 10, 2012

Summary
Endowed Chairs, Fellowships, Professorships
September 10, 2012

College of Engineering

Brian Kleiner

Ralph H. Bogle, Jr. Professorship in Industrial and Systems
Engineering

ENDOWED PROFESSORSHIP FELLOWSHIP

The Ralph H. Bogle, Jr. Professorship in Industrial and Systems Engineering

In 2010, the Industrial and Systems Engineering Department Head, with the support and consent of the Industrial and Systems Engineering faculty and Honorifics Committee, nominated Professor Brian Kleiner to hold the Ralph H. Bogle, Jr. Professor Fellowship. He has held this distinguished post since August 10, 2010. This 2-year honor is currently scheduled to end on August 9, 2012. It is now proposed by the Industrial and Systems Engineering Department Head, again with the support and consent of the Industrial and Systems Engineering Honorifics Committee, that this appointment be continued for one additional year, until August 9, 2013.

Dr. Brian Kleiner has faithfully served Virginia Tech as a faculty member for 21 years, having joined the University in 1991 as an Assistant Professor. He currently holds the rank of Professor of Industrial and Systems Engineering.

Dr. Kleiner has developed and taught innovative courses in Industrial and Systems Engineering to hundreds of students and has established a world-class research program in the analysis and design of work systems and work systems interfaces with a specialization in 'macro' or 'systems' ergonomics.

He also works in socio-technical systems, function allocation in automation and systems design, safety, health and performance management. Dr. Kleiner has advised more than 35 graduate students, has authored or co-authored more than 125 refereed papers, and has participated in more than \$10 million in funded research projects.

Dr. Kleiner is active in service and outreach activities and is deemed an outstanding citizen of his department, college, university and profession.

RECOMMENDATION:

That Dr. Brian Kleiner be reappointed as the Ralph H. Bogle, Jr. Professor Fellow in Industrial and Systems Engineering until August 9, 2012 with a salary supplement as provided by the endowed funds of the Ralph H. Bogle Professorship and the eminent scholar match if available.

September 10, 2012

FACULTY PERSONNEL CHANGES

September 10, 2012

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Agriculture & Life Sciences</u>								
Dorshorst, Ben	Assistant Professor	Animal and Poultry Sciences	Reg	9	10-Aug-12	100	\$	78,000
El-Kadi, Samer	Assistant Professor	Animal and Poultry Sciences	Reg	9	10-Aug-12	100	\$	75,000
Ruder, Warren	Assistant Professor	Biological Systems Engineering	Reg	9	10-Aug-12	100	\$	82,000
<u>Architecture & Urban Studies</u>								
Blanchard, Sam	Assistant Professor	School of Visual Arts	Reg	9	10-Aug-12	100	\$	65,000
Heavers, Nathan	Assistant Professor	School of Architecture and Design	Reg	9	10-Aug-12	100	\$	72,500
Hulling, Lindy Balls	Assistant Professor	School of Architecture and Design	Reg	9	10-Aug-12	100	\$	66,000
Kennedy, Brook	Associate Professor	School of Architecture and Design	Reg	9	10-Aug-12	100	\$	72,500
Widmer, Jocelyn	Assistant Professor	School of Public and International Affairs	Reg	9	10-Aug-12	100	\$	68,000
<u>Business</u>								
Dlugosz, Jennifer	Assistant Professor	Finance, Insurance and Business Law	Reg	9	10-Aug-12	100	\$	190,000
<u>Engineering</u>								
Das, Sanmay	Associate Professor	Computer Science	Reg	9	10-Aug-12	100	\$	100,000
Liu, Yang	Assistant Professor	Mechanical Engineering	Reg	9	10-Aug-12	100	\$	85,000
Paterson, Eric	Professor - Tenured	Aerospace and Ocean Engineering	Reg	12	10-Aug-12	100	\$	190,000
Raj, Pradeep	Professor	Aerospace and Ocean Engineering	Reg	9	10-Aug-12	100	\$	120,000
Van Dyke, Mark	Associate Professor	School of Biomedical Engineering and Sciences	Reg	9	10-Aug-12	100	\$	98,000
<u>Liberal Arts and Human Sciences</u>								
Hwang, Eunju	Assistant Professor	Apparel, Housing and Resource Management	Reg	9	10-Aug-12	100	\$	58,000
Millett, Joseph	Assistant Professor	Theatre and Cinema	Reg	9	10-Aug-12	100	\$	52,000
Solis, Oscar	Assistant Professor	Apparel, Housing and Resource Management	Reg	9	10-Aug-12	100	\$	58,000
<u>Natural Resources</u>								
Baird, Timothy	Assistant Professor	Geography	Reg	9	10-Aug-12	100	\$	65,000

continued

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Science</u>								
Chung, Matthias	Assistant Professor	Mathematics	Reg	9	10-Aug-12	100	\$	72,000
Mather, William	Assistant Professor	Physics	Reg	9	10-Aug-12	100	\$	70,000
Mariani, Camillo	Assistant Professor	Physics	Reg	9	10-Aug-12	100	\$	70,000
Strickland, Michael	Assistant Professor	Biological Sciences	Reg	9	10-Aug-12	100	\$	70,000
<u>Veterinary Medicine</u>								
Bertke, Andrea	Assistant Professor	Population Health Sciences	Reg	12	1-Aug-12	100	\$	95,000
<u>Vice President for Research</u>								
Poelzing, Steven	Associate Professor	Virginia Tech Carilion Research Institute	Reg	12	1-Aug-12	100	\$	120,000

TEACHING AND RESEARCH FACULTY

ADJUSTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Engineering</u>								
Devenport, William	Professor	Aerospace and Ocean Engineering	Reg	12	25-Jun-12	100	\$	204,443
<u>Liberal Arts and Human Sciences</u>								
Reisinger, Suzanne	Instructor	English	Reg	12	10-Jun-12	100	\$	65,163
<u>Veterinary Medicine</u>								
Boes, Katie	Clinical Assistant Professor	Biomedical Sciences & Pathobiology	Reg	12	10-Jun-12	100	\$	92,800
Elvinger, Francois	Professor	Population Health Sciences	Reg	12	25-Mar-12	100	\$	148,522
Leib, Michael	Professor	Small Animal Clinical Sciences	Reg	9	10-Aug-12	100	\$	120,913
McKenzie, Harold	Associate Professor	Equine Medical Ancillary	Reg	12	1-May-12	100	\$	126,017

ADMINISTRATIVE AND PROFESSIONAL FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Agriculture & Life Sciences</u>								
Jones, Edwin	Associate Dean & Director, Virginia Cooperative Extension, Professor - Tenured	CALS Extension	Reg	12	1-Apr-11	100	\$	185,000
<u>Dean of Libraries</u>								
Hall, Tracy	Instructional Services Librarian	Library	Reg	12	10-Jun-12	100	\$	48,000
<u>President</u>								
Hoffman, David	Assistant Wrestling Coach	Athletics	Reg	12	25-Jun-12	100	\$	40,000
Kopp, Andrew	Assistant Women's Soccer Coach	Athletics	Reg	12	25-Jun-12	100	\$	45,000
Moore, Andrew	Director of Men's Basketball Operations	Athletics	Reg	12	10-Jun-12	100	\$	57,025

ADMINISTRATIVE AND PROFESSIONAL FACULTY***ADJUSTMENTS***

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Agriculture & Life Sciences</u>								
Farmer, Erin	Associate Extension Agent, 4H Youth Development	Grayson County Cooperative Extension	Reg	12	10-May-12	100	\$	38,500
Fisher, Sandra	Associate Extension Specialist, 4H Camping	4H General & Admin	Reg	12	10-Jun-12	100	\$	65,000
<u>Business</u>								
Loving, Jessica	Assistant Director of the Executive MBA Program	Executive MBA Program	Reg	12	1-Jun-12	100	\$	58,000
<u>Dean of Libraries</u>								
Bailey, Annette	Assistant Director for Electronic Resources and Emerging Technologies Services	University Libraries	Reg	12	10-May-12	100	\$	63,405
<u>Engineering</u>								
Nelson, Edward	Associate Dean of Administration and Chief of Staff	Engineering - Dean's Office	Reg	12	25-May-12	100	\$	160,000
Verbrugge, Ross	Facilities and Operations Manager	Mechanical Engineering	Reg	12	10-Jun-12	100	\$	70,000
<u>Liberal Arts and Human Sciences</u>								
Shabanowitz, Brian	Associate Dean for Finance & Administration/Director of Information Technology	College of Liberal Arts and Human Sciences - Dean's Office	Reg	12	25-May-12	100	\$	154,675
					25-Jun-12	100	\$	133,675
<u>Natural Resources</u>								
Olson, Thomas	Assistant Dean	College of Natural Resources	Reg	12	10-Apr-12	100	\$	110,000
<u>President</u>								
Bell, Aaron	Assistant Swim Coach	Athletics	Reg	12	10-Apr-12	100		\$ 2,000
Brauns, Alfred	Associate Head Softball Coach	Athletics	Reg	12	25-May-12	100		\$ 1,000
Capaldo, Stephen	Associate University Legal Counsel	Legal Counsel	Reg	12	25-Apr-12	100	\$	74,000

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
Cavanaugh, James	Director of Recruiting and High School Relations	Athletics	Reg	12	1-Apr-12	100	\$ 150,000	
Cianelli, David	Director of Track, Field & Cross Country Programs	Athletics	Reg	12	10-Jun-12	100		\$ 8,000
					10-Jun-12	100		\$ 1,500
					10-Jun-12	100		\$ 4,000
Foster, Charles	Assistant Coach, Track and Field	Athletics	Reg	12	10-Jun-12	100		\$ 4,000
					10-Jun-12	100		\$ 2,000
Gess, Mark	Associate University Legal Counsel	Legal Counsel	Reg	12	25-Apr-12	100	\$ 70,000	
Heidbreder, Kay	University Counsel	Legal Counsel	Reg	12	25-Apr-12	100		\$ 3,000
Hite, William	Assistant to the Head Football Coach	Athletics	Reg	12	1-Apr-12	100	\$ 150,000	
Jack, Gregory	Associate Track & Field Coach	Athletics	Reg	12	10-Apr-12	100		\$ 2,500
					10-Jun-12	100		\$ 4,000
					10-Jun-12	100		\$ 1,500
					10-Jun-12	100		\$ 2,000
Nash, Mary Beth	Associate University Legal Counsel	Legal Counsel	Reg	12	25-Apr-12	100	\$ 110,000	
Piemonte, Ronald	Head Diving Coach	Athletics	Reg	12	10-Apr-12	100		\$ 4,000
Robelot, Reed	Assistant Swim Coach	Athletics	Reg	12	10-Apr-12	100		\$ 2,000
Sherwood, Barbara	Assistant Softball Coach	Athletics	Reg	12	25-May-12	100		\$ 1,000
Skinner, Ned	Director, Swimming & Diving	Athletics	Reg	12	10-Apr-12	100		\$ 4,000
Stockwell, Sarah	Assistant Swim Coach	Athletics	Reg	12	10-Apr-12	100		\$ 2,000
Thomas, Benjamin	Cross Country and Distance Coach	Athletics	Reg	12	10-Jun-12	100		\$ 4,000
					10-Jun-12	100		\$ 2,000
Thomas, Nelson	Head Softball Coach	Athletics	Reg	12	25-May-12	100		\$ 2,000
Thompson, James	Head Men's Tennis Coach	Athletics	Reg	12	25-May-12	100		\$ 2,000

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY***ADJUSTMENTS***

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Senior Vice President & Provost</u>								
Hogan, Amy	Assistant Provost	Provost - Administration	Reg	12	10-May-12	100	\$	95,000
McNamee, Mark	Senior Vice President & Provost	Provost - Administration	Reg	12	10-Apr-12	100	\$	359,496
<u>Vice President for Administrative Services</u>								
Foust, Kevin	Deputy Chief of Police and Assistant Director of Security	Police	Reg	12	10-May-12	100	\$	97,920
Garst, Winfred	Flight Department Manager/Chief Pilot	Air Transportation Services	Reg	12	25-May-12	100	\$	94,837
LaClair, Leigh	Deputy Chief Facilities Officer	Facilities Services	Reg	12	26-Apr-12	100	\$	169,488
McElroy, Tracy	Director, Information Technology Services	VPAS Information Technology Services	Reg	12	21-May-12	100	\$	97,000
Rice, Henry	Occupational Safety Compliance Officer	Environmental Health & Safety	Reg	12	10-Jun-12	100	\$	45,000
Smith, Steven	Project Manager	University Building Official	Reg	12	10-Apr-12	100	\$	75,000
Wilson, Sherwood	Vice President for Administrative Services	Vice President for Administrative Services	Reg	12	10-Apr-12	100	\$	276,685
<u>Vice President for Development & University Relations</u>								
Martin, Karina	Director of Gift Accounting	University Development	Reg	12	25-Apr-12	100	\$	61,554
Sanders, Jocelyn	Director of Development, College of Architecture and Urban Studies	University Development	Reg	12	10-Apr-12	100	\$	76,774
<u>Vice President for Finance and CFO</u>								
Greer, Deborah	Business Manager	Vice President for Finance and CFO	Reg	12	25-Jun-12	100	\$	57,000
Shelton, Millard Dwight	Vice President for Finance & CFO	Vice President for Finance & CFO	Reg	12	10-Apr-12	100	\$	288,466
<u>Vice President for Information Technology</u>								
Bowman, Steven	IT Security Analyst	IT Management	Reg	12	1-May-12	100	\$	45,000
Midkiff, Scott	Vice President for Information Technology and Chief Information Officer	Vice President for Information Technology	Reg	12	1-Oct-12	100	\$	280,000
Shrestha, Jitendra	Document Management Systems Developer	IT Management	Reg	12	25-Jun-12	100	\$	61,402

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY

ADJUSTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Vice President for Outreach & International Affairs</u>								
Grohs, Jacob	Associate Director, Student Engagement	Center for Student Engagement & Community Partnerships	Reg	12	10-Apr-12	100	\$	45,000
<u>Vice President for Research</u>								
Cook, Sherri	Sr. Associate Director for Administration & Finance	Virginia Tech Carilion Research Institute	Reg	12	1-Apr-12	100	\$	150,000
Daniel, Martin	Associate Vice President for Research Operations	Research/Interdisciplinary Programs Administration	Reg	12	25-Jun-12	100	\$	160,000
Friedlander, Michael	Executive Director, Virginia Tech Carilion Research Institute	Virginia Tech Carilion Research Institute	Reg	12	25-Jun-12	100	\$	437,700
<u>Vice President for Student Affairs</u>								
Keene, Frances	Chief of Operations and Deputy to the Associate Vice President for Student Affairs	Planning & Business Services	Reg	12	25-May-12	100	\$	81,000

SPECIAL RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	MONTHS	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME

Vice President for Research

Xie, Hehuang David	Research Associate Professor	Virginia Bioinformatics Institute	Reg	12	29-Jun-12	100	\$	100,000
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Analysis of Salary Adjustments by Category September 2012

<u>Category</u>	<u>Total</u>	<u>Original Base</u>	<u>Increase/ (Decrease)</u>	<u>New Base</u>	<u>Average Increase/ (Decrease)</u>
Retention ¹	4	\$387,929	\$84,919	\$472,848	21.89%
Market Competitiveness ²	9	\$1,366,487	\$79,917	\$1,446,404	5.85%
Increased Responsibilities ²	5	\$540,648	\$83,379	\$624,027	15.42%
Promotion	9	\$846,882	\$215,246	\$1,062,128	25.42%
Staff to Faculty	7	\$318,343	\$83,559	\$401,902	26.25%
Academic Year To Calendar Year Conversion	1	\$49,020	\$16,143	\$65,163	32.93%
Contractual Increase	1	\$392,700	\$45,000	\$437,700	11.46%
Special Appointment/ Academic Year	1	\$146,370	(\$25,457)	\$120,913	(21.05%)
Decreased Responsibilities	2	\$525,257	(\$225,257)	\$300,000	(42.89%)
TOTAL:	39	4,573,636	357,449	4,931,085	7.82%

Overall, University employees salaries are funded from multiple sources which include E&G, Auxiliary, and Sponsored Programs.

¹ Funding strategies for retention increases include internal re-allocations, departmental salary savings, resources from Dean and/or Provost Office, VP Office, and utilization of retention pools through President's approval.

² Funding strategies for salary changes for market competitiveness and increased responsibilities include salary savings, internal re-allocations and resources from Dean, VP's, and Provost Office, as approved.

Nicholas A. Onopa – Undergraduate Student Representative
Constituency Report to the Board of Visitors

Rector Quillen, President Steger, distinguished members of the board, administration, and guests, thank you for the opportunity to represent the undergraduate student body and, on their behalf, thank you for your commitment to our university motto, *Ut Prosim*, by serving this community with your time and energy. It is truly an honor to work with people, such as your-selves, who share in the love and spirit of Virginia Tech.

Since the board's last meeting in June, many events have occurred that I am proud to share with you today. Over 5,000 new freshman and 1,000 transfer students went through orientation to prepare for the upcoming school year. Some took their preparations even further by enrolling in STEP, the Summer Bridge Program, Gateway, or the Summer Academy to forgo part of their summers to take introductory classes, make new friends, and experience college life before the fall semester. Nearly 900 freshman and transfer students attended the fifth annual Hokie Camp to learn about Tech Traditions, *Ut Prosim*, Hokie Spirit, getting involved on campus, and experience first-hand the community that is uniquely Virginia Tech.

When students arrived on campus just over two weeks ago they were greeted by Hokie Helpers, volunteers from throughout the university who helped on-campus move-in. That first Friday, the first spirit rally and fall kick off concert hosted by the Student Alumni Associates and the Class of 2014 Leadership Team took place. Then this past Friday, nearly all of our 700 student organizations and local businesses blanketed the drillfield for the annual Gobblerfest to showcase themselves to the thousands of students who attended. However, nothing could excite students more for a new school year than 66,000 hokie faithful jumping to Enter Sandman as the football team took the field to defeat Georgia Tech in Lane Stadium's first ever overtime game.

Indeed, much has happened in the past three months; however, much is going on at this very moment. The university is currently hard at work revamping academic advising so that every student will be properly guided to attain their academic and career goals. A committee of faculty, administration, and students has been formed to discuss the issues of the Curriculum for Liberal Education and formulate a new general education system and, in June, the Provost stated that a change will occur in the instruction of introductory classes in the near future. Other things going on include, construction of new parking facilities, academic buildings, Phase 4 of Oak Lane, and College Avenue, a feasibility study on War Memorial Gym is under way, students are living in the newly completed residential college in West Ambler Johnston and, as some of you have seen this morning, students enjoy the ever improving dining services at Turner Place in Lavery Hall.

Even with these projects, we continue to face several challenges that will require much of our attention. The demand for space in academic, residential, and recreational facilities is ever increasing as more students and cadets attend Virginia Tech each year, the costs to build and maintain such facilities is also rising. Textbook prices and other non-tuition expenses such as computers continue to be a financial burden on students. Some students have spent up to eight or nine hundred dollars on textbooks in one semester. The safety of our students in this "alcohol culture" continues to concern all of us as more

students partake in high risk alcohol consumption. The stresses students face in school, at home, or in their personal lives, fills the Cook's Counseling Center every semester; while one of the best counseling services in the country, if these services are booked, how can we be certain that students will receive the attention they need in a timely manner? Finally, state funding continues to not match the university's ever increasing costs. We must find other ways to fund our endeavors or focus our efforts so that the financial burden is not placed on the students and their families.

In my role as the undergraduate representative, I am formulating a student advisory committee to serve as a sounding board for administration, gather student opinion through survey or other means, and work on tasks that connect students to administration, address student needs, and symbolize our university's values. These efforts will primarily take form in the planning for the new student center discussed by the university over the past few years: where it should be located? What resources should be available? How it can best fulfill the needs of the entire university and how it can best represent what it means to be a Hokie? It is my hope that the new student center will be the one of the places that will alleviate some of the concerns I have mentioned, then provide that input to administration.

While there are many issues, there has never been a more exciting time to be a Virginia Tech student. Each student creates their own unique path through Virginia Tech and looks to all of us to provide the foundation and resources they need to reach their dreams. Thank you again for this opportunity, your attention, and your service to Virginia Tech, which all of us recognise is more than just a university, but our home. Thank you.

**Graduate Student Representative Constituency Report to
The Virginia Tech Board of Visitors**

Robyn Jones, Graduate Student Representative
September 10, 2012

Good afternoon Mr. Rector, members of the Board, President Steger, and distinguished guests. I would like to begin by thanking you all for the opportunity to be here and serve my peers as a non-voting member of the Board this academic year.

As the campus community geared up for the Fall Semester, I had the pleasure of speaking at several orientation events for graduate students, including taking a day trip to the National Capitol Region campus's orientation, with other graduate leaders and members from the graduate school. I also attended a luncheon for new graduate students, hosted by Dean DePauw. These events were filled with students full of anticipation, as they prepared to embark upon a new era in their lives.

Graduate students are far from a homogeneous group. Many of the students at orientation were fresh out of undergraduate studies or a brief stint in the work force. Other graduate students, are non-traditional students-students with spouses, significant others, partners and children, and a growing group of returning veterans.

There are two areas I would like to focus on this year. The first is what I will refer to as graduate morale. Graduate morale encompasses several areas that I believe add to the overall graduate experience in a higher education setting, ranging from graduate student participation in the campus community, advisor concerns, and mental health.

Last year I was a member of the Graduate Representative to the Board of Visitors Think Tank formed by my predecessor Michelle Mcleese, in which we touched on some of the areas I have mentioned. With the support of the office of Diversity and Inclusion the Think Tank was able to formulate an assessment plan that we hope will give us an accurate evaluation of the graduate student climate. In the coming months, the Think Tank looks forward to developing the assessment tools for the evaluations process.

The Think Tank is comprised of graduate students from various degree programs. We will continue this trans-disciplinary dialogue, as I believe it is a fundamental element to the growth we are committed to as individuals, a graduate student body, and an Institution.

The second area is Child Care, which is not an issue that is unique to graduate students. Dean Rowlands spoke with the Board yesterday about a need for childcare for faculty as well. The Graduate Student Assembly has long been a sounding board for graduate students in need of graduate housing or childcare that will allow them to better balance the demands of graduate school with the demands of family. I spent a considerable amount of time this summer researching ways that the university can offer more support to these students and their families. It is my intent to share what I have learned as we will continue to have dialogue about solutions.

I also welcome the concerns of graduate students as they are brought to my attention. Recently, I had the opportunity to meet with two Veterinary Medicine students. These students spoke candidly about an institution that they love, and a program that they value and are committed to. With the recent loss of subsidized

federal loans for graduate and professional students, they spoke of the increasing financial challenges associated with being a student of the Veterinary school. Prior to the loss of subsidized loans, the average veterinary student graduated with just under \$107,000 worth of student loans. The students in the Veterinary Medicine College would like to see changes made to the fee structure in order to finish the education they have started, without staggering debt or mental hardships. It is my hope, as Board members, we can stimulate dialogue about the concerns of these students, and of graduate students in other degree programs, who are feeling the constraints of budget shortfalls.

Our University's strategic plan states that “We will expand our ability to attract high-quality graduate students....by continuing to address the intellectual and social environment for our students.” I am hopeful that we will meet our goals while keeping in mind the concerns afore mentioned.

In the coming weeks, I will facilitate a graduate student luncheon with President Steger, Provost MacNamee and Dean DePauw, as well as an informal gathering of graduate students with Rector Quillen in the Graduate Life Center. I am confident that these gatherings will serve as a catalyst for intriguing and informative dialogue among a group of vibrant graduate students and some of our Institutions leaders.

I would like to say thank you to the individuals who have offered their encouragement and support. Particularly, I would like to thank, Michelle McCleese, for her dedication to graduate students, and her willingness to assist me during my transition. I would also like to extend my thanks to Nick Onopa, my undergraduate colleague, for his shared belief in undergraduate-graduate student collaboration and his commitment to the fostering of a community, in which

undergraduate and graduate students, can continue to thrive. I look forward to working with you this year, Nick. A thank you also to Dean Depauw for her invaluable guidance and expertise in regards to the graduate student community.

It is an honor to serve on behalf of graduate students at Virginia Tech. I do not take the role of Graduate Representative lightly, and I am committed to being a representative worthy of the responsibility that has been entrusted to me.

Thank you.

Staff Senate Constituency Report
Virginia Tech Board of Visitors
September 9-10, 2012
Sue Teel, Staff Senate President

Rector Quillen, members of the Board of Visitors, President Steger, administrators, and guests: Thank you for this opportunity to share with you about Virginia Tech's staff. I am looking forward to and excited about this coming year as President of Staff Senate, and it is truly an honor and privilege to bring this information to you today.

Most every support position on campus is a staff position. Our group includes housekeepers, grounds keepers, farm workers, program support technicians, fiscal technicians, undergraduate and graduate advisors, departmental business managers; "staff" includes occupations for all levels within the University. Because there are varied roles among staff here, many of which are non-academic, there is normally less activity with the Staff Senate during the summer months. Taking this into consideration, there was no Staff Senate meeting in July.

In August, we resumed our normal meeting schedule and welcomed Kim O'Rourke as our speaker. Kim explained the governance process and how all the pieces fit together. She talked specifically about how staff is represented in the governance system and the types of issues that can or cannot be decided through governance. She talked about the difference between administrative policies, like parking fees, and other policies that we do have a voice in, like the implementation of the new Staff Career Achievement Award. There also was discussion of the new Conflict of Interest Policy, as it had just posted that morning on the Virginia Tech daily news. Policy 4070 is part of the Conflict of Interest Policy that requires staff to receive permission to work any jobs outside their Virginia Tech job. There were many concerns raised about this change. The Senators were excited to hear at the end of the meeting that Rector Quillen will join us at our September meeting.

We continue to videoconference the Northern Capital Region staff into our meetings. Information is disseminated to staff in that region through email and their Staff Senator.

As we move forward, the Staff Senate Executive Board is reviewing the numbers of staff in each Senior Management area and their representation. While there is just one Senior Management area with no representation in Staff Senate, there are several staff associations that have become inactive. The Executive Board will look to the more successful staff associations for ways to increase participation of staff across the University in their associations.

The Staff Senate is actively involved in University governance and we are honored to have the opportunity to serve on the many committees and commissions of this University. I appreciate the opportunity to speak to the Board on behalf of the staff at Virginia Tech and I welcome any questions or comments that you might have regarding the staff.

Respectfully,
Sue Teel
President, Staff Senate

Faculty Senate Constituency Report

September 10th, 2012

Sarah M. Karpanty, Faculty Senate President

Thank you Rector Quillen, President Steger, the entire Board, and guests:

Thank you for the unique opportunity to have a seat at this table. I recognize, along with the entire Virginia Tech Faculty, the privilege that is bestowed upon us by this gesture, and I intend to represent the faculty on this Board mindful of that privilege and the responsibility that goes with it.

In preparing for my role as Faculty Senate President, I have been asked on several occasions whether the Virginia Tech Faculty is united on any given topic. I sense the real question is whether one person, or one Senate, can adequately represent such a diverse faculty.

In answering this question, I cannot help but think back to my childhood, during which I never had imagined that I would become a professor. On several occasions, I remember my mom, a nurse, talking about the interesting professors she was taking care of on her floor. She used to joke that she could spot a professor from the other end of the hall by the meandering way they walked, and I have to admit, that I now agree with her observation that the absent-minded stroll seems to be a requirement of the Ph.D. Well, I am here to say, with confidence, that the Faculty share a few things in common in addition to our absent-minded nature.

So, in line with the themes of our recent Common Books, this is what I believe unites Virginia Tech faculty.

We are united in our shared passion for the tripartite mission of the land grant institution, and the values inherent in that mission. We believe that Virginia Tech should continue to strive to be a comprehensive university that excels in teaching, research and engagement. Our students, our research, and our community matter to us.

First, we are determined to serve as quality advisors to our graduate and undergraduate students, and we are committed to using the best pedagogical practices to engage our students in and out of the classroom in hands on, minds on education.

We are challenged to reach more students, and to integrate technology into our pedagogy, without losing the human touch that we know is so crucial to student success.

Second, we are dedicated to maintaining excellence in our own research disciplines while always innovating and exploring new areas. Our research is driven, in part, by an individual professor's curiosity and research interests, but also by the needs facing our students, our university, and our community.

We are challenged to grow and diversify our funding portfolios in the face of serious uncertainties in the trajectory of federal and state funds.

Third, we are committed to engaging not only our students, but the citizens of our Commonwealth, nation, and the global community. While many, if not most of us, engage in research on a global stage, we also never forget the local level.

On that note, I want to thank our administrative leaders for responding to faculty calls last year to leave the Stadium Woods area as a designated campus green space. We very much appreciate that the administration heard the faculty on that issue, and in response, please know that faculty from across the university are committed to continuing to engage our students in teaching, research, and engagement related to the management and continued protections of that old growth forest.

And finally, we are united as a faculty in valuing your service to our university. What you do as a Board matters. The decisions you make affect the daily lives of the faculty. And while our favorite decisions may be those that result in generous pay raises, we recognize that your job is to make the tough decisions.

In closing, I look forward to working closely with you this coming year. I will strive to offer the broad perspectives of our faculty that are relevant to the decisions you will make. As needed, I will rely on the assistance of my fellow Faculty Senate officers (Joe Merola, Chemistry) and Mayuresh Patil (Aerospace and Ocean Engineering) and the larger Faculty Senate.

Thank you again for your willingness to engage the faculty.