

Approval of 2016-2017 University Budgets

**The Committee will review for approval the following
2016-2017 University Budgets:**

Proposed 2016-17 Operating and Capital Budgets

FINANCE AND AUDIT COMMITTEE

May 2, 2016

Each June, the university provides the Board of Visitors with an overview of the operating and capital budgets for the upcoming fiscal year.

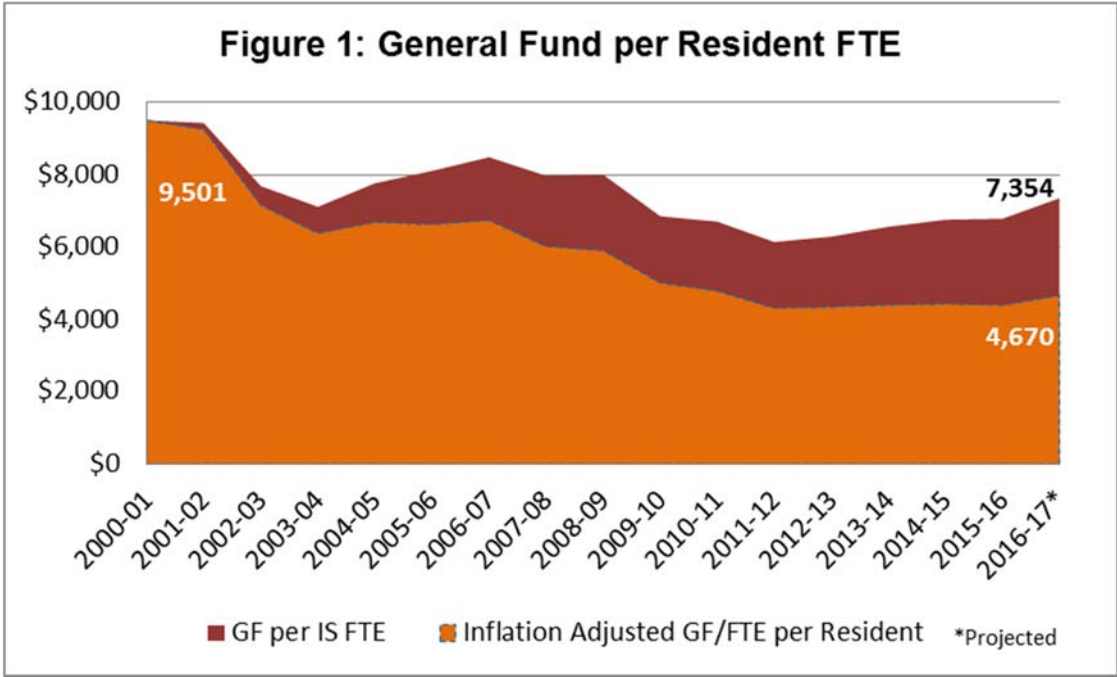
State Appropriations

With the close of the General Assembly session, the university is able to develop its internal budgets for the upcoming fiscal year. Virginia Tech anticipates an initial authorization of \$1.5 billion during 2016-17 to carry out all of its programs, based on the forecast of direct appropriations to the university. However, the annual internal budget varies from this external expenditure authorization for several reasons, some of which increase the annual expenditure authority while others reduce the expenditure plans. For example, the university's expenditure authorization will be adjusted during 2016-17 when the state transfers funds to clear the Central Appropriation accounts and distributes the appropriation for nongeneral fund increases. Additionally, under the sum sufficient authority granted as part of restructuring, nongeneral fund appropriations may be established as needed by the institution.

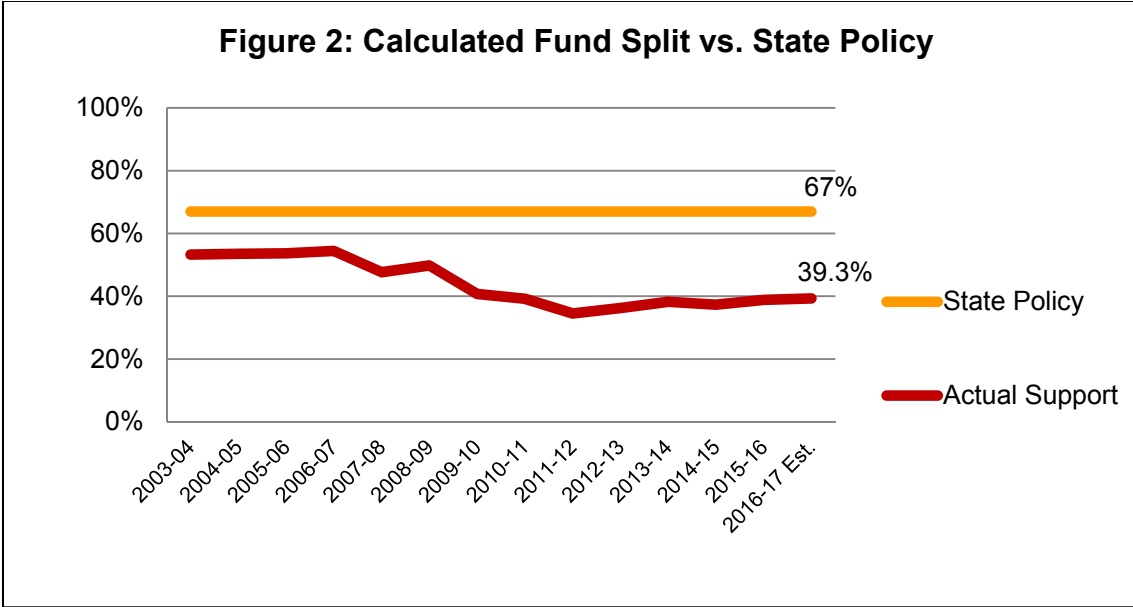
Impact of State Budget Revenue Changes

For 2016-17, the state increased the university's General Fund appropriation \$15.2 million from the adjusted 2015-16 budget. This includes \$12.7 million for the University Division's Educational and General program, \$1.8 million for the land-grant programs in Cooperative Extension and Agricultural Experiment Station (Agency 229), \$0.2 million for Unique Military Activities and \$0.5 million for Student Financial Aid. This includes direct appropriations as well as the university estimate of Central Appropriation fund transfers during the fiscal year. State support includes funding for access, affordability, quality and increased degrees, enrollment support for Virginia undergraduates, cyber security range, the restoration of interest earnings and credit card rebates, extension agent pay equity, operating support for new facilities in agency 229, and the state's share of faculty and staff salary and benefit increases. The details of the state support are described further in each budget section.

With these state resources, the state support per Virginia student will increase in 2016-17. Unfortunately, total state support per Virginia student for 2016-17 is projected to remain 23 percent below the funding of 2001. The university enrolls over 3,200 additional Virginia undergraduates as compared to 2005. Inflation adjusted, the university will receive 51 percent less General Fund support per student than in fiscal year 2001, as seen in Figure 1. It is important to note that this analysis presents the state support in the most favorable light since it includes all General Fund resources allocated to E&G, including support for activities beyond instruction such as research and public service. Figure 1 below is presented in this manner because it is a commonly utilized perspective by external groups.

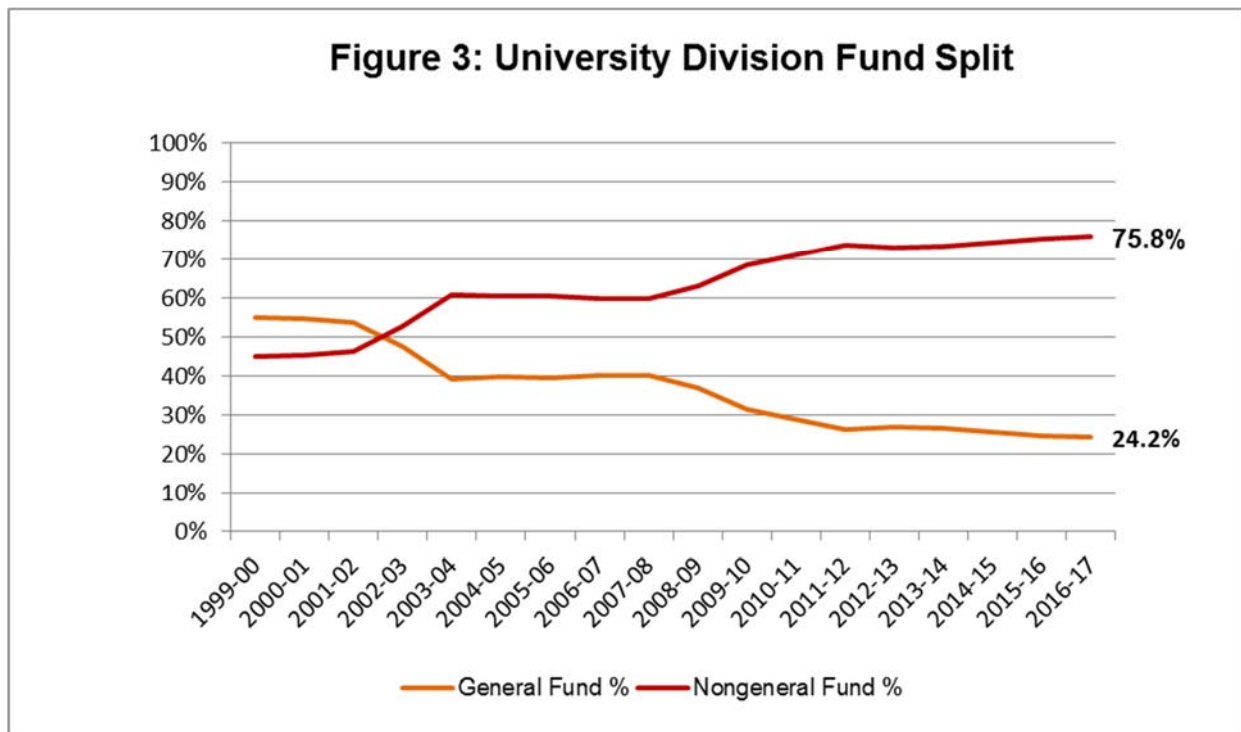


The state policy for funding higher education is to fund 67 percent of the cost of education of each Virginia resident at the institution. Figure 2 below displays the status of actual funding for instruction in relation to this policy over time. In 2016-17, the state will provide an estimated 39.3 percent of this cost. In response, the university has worked to reduce costs and streamline operations, but the shortfall in General Fund support has also created pressure to grow nongeneral fund resources.



Proposed Budgets for 2016-17

For 2016-17, the recommended internal budget for all operations is \$1.47 billion. This is an increase of \$41.6 million, approximately 2.9 percent, over the adjusted 2015-16 budget. This increase reflects changes in nongeneral fund revenues for 2016-17 and actions of the 2016 General Assembly sessions that will impact the 2016-17 General Fund appropriation. The overall change includes an increase of \$31.1 million attributable to the Educational and General program and \$4.8 million of projected growth in auxiliary enterprises. The total General Fund allocation is estimated to be approximately \$265.3 million, an increase of \$15.2 million from the 2015-16 adjusted budget. General Fund revenues will provide \$242.2 million in support for the instructional, research, and extension programs, \$20.8 million for student financial assistance, and \$2.3 million for the Unique Military Activities program. As shown in Figure 3 below, the General Fund appropriation represents 24.2 percent of the University Division's Educational and General budget (as compared to 53.6 percent in the 2001-02 budget) and 18.1 percent of the total budget. (See Schedule 1)



Schedule 1 displays the proposed operating budgets for 2016-17, by major program and revenue and expense category. Schedule 2 is an expansion of the projected auxiliary operations budgets, categorized by major activity. These schedules also display the 2015-16 budget, as approved in June 2015, and the current adjusted 2015-16 budget for comparison purposes. This report provides a brief discussion of the changes in the operating budget for each of the major programs.

Educational and General

The university's Educational and General budget will be \$774.9 million in 2016-17. The Educational and General budgets for the University Division (Agency 208) and the Cooperative Extension/Agricultural Experiment Station Division (Agency 229) are presented below by source of funding.

	(Dollars in Thousands)		
	University Division	CE/AES Division	Total
Educational and General Budget			
General Fund	\$166,480	\$70,301	\$236,781
Tuition and Fees	480,035	0	480,035
Federal Funds	0	15,640	15,640
Other	41,544	933	42,477
Total Educational and General	<u>\$688,059</u>	<u>\$86,874</u>	<u>\$774,933</u>
Percent of Total			
General Fund	24.2%	80.9%	30.6%
Tuition and Fees	69.8%	0.0%	61.9%
Federal Funds	0.0%	18.0%	2.0%
Other	6.0%	1.1%	5.5%
Total Percentage	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

The year-to-year comparison of the budget in Schedule 1 shows an overall revenue increase in the Educational and General program of \$31.1 million, or 4.2 percent, over the adjusted 2015-16 budget.

The university has developed its 2016-17 operating and capital budget utilizing the approved state funding support for the university in 2016-17. The 2016 General Assembly session supported the university through new allocations of state General Fund support in the amounts of \$2.9 million for access, affordability, quality and increased degrees, \$2.2 million for undergraduate resident enrollment growth, \$2.0 million to support a cybersecurity test range, \$0.5 million in student financial assistance, \$0.4 million for the restoration of interest earnings and credit card rebate, \$0.2 million in Unique Military Affairs support, and \$0.1 million Agency 229 support for agent salary and facility operation. In addition, the General Fund support includes:

- \$2.7 million for the state share of a 3.0 percent faculty salary increase (\$2.2 million in Agency 208 and \$0.5 million in Agency 229),
- \$0.8 million for the estimated state share of the a 3.0 percent staff salary increase (\$0.6 million in Agency 208 and \$0.2 million in Agency 229),
- \$0.4 million for the annualization of the state share of the 2015-16 2.0 percent faculty merit increase (\$0.3 million in Agency 208 and \$0.1 million in Agency 229),

- \$0.4 million for the estimated state share of the annualization of the state share of the 2015-16 2.0 percent staff salary increase and compression action (\$0.3 million in Agency 208 and \$0.1 million in Agency 229), and
- \$2.6 million for the estimated state share of prospective fringe benefit rate changes (\$1.8 million in Agency 208 and \$0.8 million in Agency 229).

The percentage of the Educational and General budget for the University Division provided by the General Fund increased from 23.4 percent in the 2015-16 adjusted budget to 24.2 percent in 2016-17.

The 2016-17 tuition and fee budget increased by \$17.8 million, or 3.8 percent, over the adjusted 2015-16 budget. The difference in the tuition and fee budget reflects the increase in the tuition rates (approved by the Board of Visitors in March) including Veterinary Medicine, specialized program fees, the library fee, the technology fee, as well as strategic undergraduate enrollment growth, unfunded and tuition funded scholarships to student aid programs, and adjustments to the other E&G fee budgets. Unfunded scholarships support both undergraduate need based aid and a portion of the graduate tuition remission program. Tuition and Fee funded scholarships are targeted to support the institution's strategic priorities, including enrollment growth. Additionally, the revenue from the Facility and Equipment fee will be transferred to the Commonwealth for debt service on new facilities and equipment; thus, it is not reflected in the net revenue total.

Enrollment Growth

The university is experiencing a significant increase in student demand. Applications have reached a new high for fall 2016, increasing 12 percent from the previous year. Demand is broad-based and includes several areas where Virginia Tech is in a strong or unique position to provide additional access to qualified students. To meet demand for undergraduate enrollment, particularly in the STEM-H disciplines, the university is planning the strategic addition of freshman for 2016-17 by 684 students.

Auxiliary Enterprises

The total 2016-17 auxiliary revenue budget is \$320.2 million, a growth of \$4.8 million or 1.5 percent over the adjusted 2015-16 budget, with a significant portion of the increase attributable to growth in Residential and Dining Programs, Student Health Services, and Recreational Sports. This increase includes resources to cover legislated changes in compensation and benefits, enrollment growth, enhancements to student health and counseling services, student programming, maintenance of existing facilities, and the cost of new facilities.

Financial Assistance for Educational and General Programs

The projected annual budget for Financial Assistance for Educational and General Programs is \$342 million, a growth of \$4 million or 1.2 percent over the adjusted 2015-16 budget. This is comprised primarily of sponsored program activities, the Eminent

Scholars program, the Enterprise Fund for distance and distributed learning, and the Commonwealth's General Fund support for research. The most significant activity in this category is externally sponsored research. The General Fund support of \$5.4 million for research is forecasted to remain unchanged in 2016-17. Although Sponsored Programs activity is expected to grow 4.0 percent over 2015-16 actuals, the 2016-17 budget accommodates much of the growth within existing budget capacity.

Appropriated Student Financial Assistance

The projected annual 2016-17 appropriation for Student Financial Assistance Program is \$21.8 million, a growth of \$0.7 million over the adjusted 2015-16 budget. This includes state General Fund support for Undergraduate Scholarships, Graduate Fellowships, Soil Scientist Scholarships, and the Multicultural Academic Opportunity Program in 2016-17. The 2016-17 budget reflects an increase of \$0.5 million over the 2015-16 adjusted budget in additional undergraduate and graduate financial aid. The projected annual nongeneral fund student financial assistance budget reflects an increase of \$0.2 million to a total projected budget of 1.0 million in 2016-17. The university plans to utilize the nongeneral fund student financial assistance to advance strategic initiatives such as access, study abroad, and enrollment growth.

All Other Programs

The All Other Programs component is comprised of the Unique Military Activities appropriation, surplus property, federal work study program, local funds, and Alumni Relations. The annual budget for these funds is based on historic trends and projections of activity levels by program managers. These programs are funded by resources that are designated for specific purposes. The 2016-17 budget for Unique Military Activities of \$2.3 million reflects an increase of \$0.2 million over the 2016-17 adjusted budget of \$2.1 million. For All Other Programs, the recommended budget is \$9.2 million, and reflects an increase of \$1.0 million over the adjusted budget for 2015-16.

Planned Change in Reserves

Existing state requirements, along with the university's budgeting and financial management strategies, generally result in the establishment of breakeven budgets for the major budget components, with the exception of auxiliary enterprises. That is the case for 2016-17, where only the auxiliary budgets project an addition to the reserves as of June 30, 2017. The projected addition of \$8.9 million is the result of the intentional rebuilding of reserves in specific auxiliaries where expenditures in prior years created the need for restoring the reserves so that it may operate as a revolving fund. In other cases, the projected addition to reserves reflects the temporary positive impact of planning activities for new capital projects. The 2016-17 budget for auxiliary enterprises is also designed to ensure that the reserve levels remain in compliance with the tenets of bond covenants as well as SCHEV reserve targets.

Compensation Plan

Contingent upon state revenue target achievement and approval of the 2016-17 operating budget, the 2016 General Assembly authorized institutions to implement a 3.0 percent statewide compensation program for faculty and staff for fiscal year 2016-17. The attached operating budget includes funding for the 3.0 percent compensation program effective November 10, 2016.

National Distinction Pool

As reviewed at the March 2016 Board of Visitors meeting, a National Distinction pool is created for 2016-17 to allow the university the capacity to retain faculty members that have achieved national distinction and excellence in their field and provide valuable contributions to the university. Limited E&G resources are planned and can be supplemented by reallocations or self-generated funding. It is expected that the adjustments will be limited in number of faculty yet meaningful in size. Specific adjustments will come back to the Board of Visitors through the personnel changes process, as appropriate.

Budget Allocations

The process of finalizing the 2016-17 operating budget allocations for the colleges and major operating units is currently underway. This process will be completed during June 2016 and issued to the university community by the Vice President for Finance and Chief Financial Officer. The Office of Budget and Financial Planning will allocate these budgets to the colleges and vice presidential areas in time for the departments to open the new fiscal year with the allocations in place in the university accounting system. The university develops the annual budget as a one year quantification of the university's strategic plan. The strategic plan is the framework for enacting the university's mission.

Capital Outlay Projects

Virginia Tech's capital outlay program includes projects for the University Division and the Cooperative Extension/Agricultural Experiment Station Division. Initiation of a capital project requires authorization of a budget and funding sources from the state and/or the Board of Visitors. The state authorizes projects supported entirely or partially with General Fund revenues. Under the restructuring legislation and the 2006 Management Agreement between the Commonwealth and the university, the Board of Visitors has the authority to approve capital projects funded entirely with nongeneral fund resources. New state authorized projects are requested as part of the state budget cycle, with authorizations approved in the Appropriation Act or through special action by the Governor. These projects normally become effective and are added to the program at the beginning of a fiscal year. New projects approved by the Board of Visitors become effective upon approval of a university resolution and are reflected on the subsequent Financial Performance Report. Existing capital projects carry forward to the

next fiscal year until the projects are closed. Completed projects are closed and removed from the program at the end of a fiscal year. Schedule 3 shows the total capital authorization by fund source and an estimated annual budget for each capital outlay project that will be active in fiscal year 2016-17. The program includes only projects appropriated by the state or authorized by the Board of Visitors. Each project for fiscal year 2016-17 is listed with expected amounts for the total authorization by revenue source, available balance for the fiscal year, estimated budget, and estimated balance at the close of the fiscal year.

The portfolio of the capital outlay program for fiscal year 2016-17 (Schedule 3) is comprised of 12 Educational and General projects and 12 Auxiliary Enterprise projects for a total of 24 projects. The projects are in various phases of design and construction with a life span normally lasting two to four years, depending on the size and complexity of the facility. The total capital outlay budget for fiscal year 2016-17 includes approximately \$510 million of authorizations with an estimated available balance of about \$392 million. Of the available balance, the university plans to spend about \$105 million in fiscal year 2016-17.

The revenues to support capital outlay expenses are a mix of state support, university supported debt, and self-generated resources. When projects have multiple sources of funding, the university generally utilizes the resources in the following order: state support, bond proceeds, and then nongeneral funds. This order allows the most effective use of the university's nongeneral fund resources.

RECOMMENDATION:

That the proposed 2016-17 operating and capital budgets, as displayed on Schedules 1, 2, and 3, be approved.

June 6, 2016

TOTAL OPERATING BUDGET FOR VIRGINIA TECHFiscal Year 2016-17
(Dollars in Thousands)

	2015-16 Original Budget	2015-16 Adjusted Budget	2016-17 Recommended Budget
<u>Revenues</u>			
Educational and General			
University Division			
General Fund	\$153,336	\$153,817	\$166,480
Tuition and Fees	445,747	462,241	480,035
All Other Income	40,333	41,134	41,544
Subtotal	<u>639,416</u>	<u>657,192</u>	<u>688,059</u>
CE/AES Division			
General Fund	68,509	68,519	70,301
Federal Funds	15,643	17,176	15,640
All Other Income	893	921	933
Subtotal	<u>85,045</u>	<u>86,616</u>	<u>86,874</u>
Total Educational and General	<u>724,461</u>	<u>743,808</u>	<u>774,933</u>
Auxiliary Enterprises	308,818	315,379	320,174
Financial Assistance for E&G Programs ^(a)			
General Fund	5,389	5,389	5,389
Nongeneral Fund	332,583	332,583	336,563
Total	<u>337,972</u>	<u>337,972</u>	<u>341,952</u>
Appropriated Student Financial Assistance			
General Fund	19,806	20,279	20,801
Nongeneral Fund	710	854	911
Total	<u>20,516</u>	<u>21,133</u>	<u>21,712</u>
All Other Programs ^(b)			
General Fund	2,084	2,084	2,284
Nongeneral Fund	5,857	6,142	6,969
Total	<u>7,941</u>	<u>8,226</u>	<u>9,253</u>
Total	<u>\$1,399,708</u>	<u>\$1,426,518</u>	<u>\$1,468,024</u>
<u>Expense</u>			
Educational and General			
University Division	\$639,416	\$657,192	\$688,059
CE/AES Division	85,045	86,616	86,874
Subtotal	<u>724,461</u>	<u>743,808</u>	<u>774,933</u>
Auxiliary Enterprises	303,366	337,875	311,277
Financial Assistance for E&G Programs ^(a)	337,972	337,972	341,952
Student Financial Assistance	20,516	21,133	21,712
All Other Programs ^(b)	7,941	8,881	9,253
Total	<u>\$1,394,256</u>	<u>\$1,449,668</u>	<u>\$1,459,127</u>
<u>Planned Change in Reserve</u>			
Reserve Drawdown/(Deposit) ^(c)	(5,452)	23,150	(8,897)
Net	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

(a) Financial Assistance for E&G Programs includes Sponsored Programs, the Eminent Scholars Program, and General Fund Research Initiative.

(b) All Other Programs include Unique Military Activities, Surplus Property, Local Funds, Federal Work Study, and Alumni Affairs.

(c) Reserve contributions are based on the budget plans of Auxiliary Enterprise units.

Presentation Date: June 6, 2016

TOTAL OPERATING BUDGETS FOR AUXILIARY ENTERPRISES

Fiscal Year 2016-17
(Dollars in Thousands)

	2015-16 Original Budget	2015-16 Adjusted Budget	2016-17 Recommended Budget
Residence and Dining Hall System*			
Revenues	\$112,712	\$114,590	\$116,762
Expenses	-109,647	-126,933	-111,989
Reserve Drawdown (Addition)	-3,065	12,343	-4,773
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Parking and Transportation			
Revenues	\$13,353	\$13,353	\$13,858
Expenses	-13,595	-14,649	-13,585
Reserve Drawdown (Addition)	242	1,296	-273
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Telecommunications Services			
Revenues	\$19,110	\$20,632	\$19,498
Expenses	-18,977	-22,011	-18,494
Reserve Drawdown (Addition)	-133	1,379	-1,004
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
University Services System*			
Revenues	\$43,489	\$43,629	\$46,680
Expenses	-42,571	-44,178	-45,875
Reserve Drawdown (Addition)	-918	549	-805
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Intercollegiate Athletics*			
Revenues	\$60,659	\$66,145	\$66,146
Expenses	-58,320	-71,441	-65,848
Reserve Drawdown (Addition)	-2,339	5,296	-298
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Electric Service System*			
Revenues	\$37,962	\$35,176	\$34,627
Expenses	-39,790	-36,070	-34,067
Reserve Drawdown (Addition)	1,828	894	-560
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Inn at Virginia Tech and Skelton Conference Center			
Revenues	\$11,249	\$11,574	\$11,728
Expenses	-11,205	-11,684	-11,638
Reserve Drawdown (Addition)	-44	110	-90
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Other Enterprise Functions			
Revenues	\$10,284	\$10,280	\$10,876
Expenses	-9,261	-10,908	-9,782
Reserve Drawdown (Addition)	-1,023	628	-1,094
Net	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL			
Revenues	\$308,818	\$315,379	\$320,175
Expenses	-303,366	-337,874	-311,278
Reserve Drawdown (Addition)	-5,452	22,495	-8,897
Net	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

* University Systems include Dormitory and Dining Hall System, University Service System, Intercollegiate Athletics System, and Electric Service System. The University Service System includes Health Services, Career Services, Student Centers & Activities, Recreational Sports, Center for the Arts, Student Organizations and VT Rescue Squad.

Presentation Date: June 6, 2016

EDUCATIONAL AND GENERAL CAPITAL PROJECT AUTHORIZATIONS FOR FISCAL YEAR 2017

(Dollars in Thousands)

as of April 30, 2016

	TOTAL PROJECT AUTHORIZATION					ESTIMATED TOTAL EXPENSES June 30, 2016	ESTIMATED BALANCE AVAILABLE FOR FY2017	ESTIMATED ANNUAL BUDGET FY2017	ESTIMATED BALANCE AT CLOSE OF FY2017
	STATE SUPPORT	GENERAL OBLIGATION BONDS	NONGENERAL FUND	AGENCY DEBT	TOTAL				
<u>Educational and General Projects</u>									
<u>Educational and General Maintenance Reserve</u>									
Maintenance Reserve	\$10,705	\$0	\$0	\$0	\$10,705	\$0	\$10,705	\$9,100	\$1,605
<u>Design Phase</u>									
Planning: Corps Leadership & Military Science Building	0	0	2,100	0	2,100	180	1,920	1,920	0
Planning: Eastern Shore AREC Storage Building	0	0	46	0	46	20	26	26	0
Academic Buildings Renewal	27,389	0	0	0	27,389	2,680	24,709	13,500	11,209
Improve Kentland Facilities	8,618	0	0	0	8,618	850	7,768	4,500	3,268
VBI Data Center Expansion	0	0	5,900	0	5,900	400	5,500	4,800	700
Agriculture Production Facilities *	22,500	0	0	0	22,500	0	22,500	1,120	21,380
Chiller Plant Phase II *	35,200	0	4,800	0	40,000	0	40,000	2,000	38,000
Holden Hall Renovation *	61,000	0	12,500	0	73,500	0	73,500	3,670	69,830
VTC Health Sciences & Technology Expansion *	46,700	0	21,000	0	67,700	0	67,700	3,380	64,320
<u>Construction Phase</u>									
Address Fire Alarms and Access	4,891	0	0	0	4,891	2,140	2,751	2,751	0
Classroom Building	42,652	0	0	0	42,652	32,000	10,652	8,530	2,121
<u>Close-Out</u>									
<u>On Hold and Not Funded</u>									
Total Educational and General Projects	\$259,655	\$0	\$46,346	\$0	\$306,001	\$38,270	\$267,731	\$55,297	\$212,433

Footnote:

* Under the projects listed within the Design Phase includes the four projects that were approved for capital funding in Chapter 759 of the 2016 General Assembly Session. It is assumed that the full capital project amounts that were submitted to the State (including FF&E) are the approved capital project budgets.

EDUCATIONAL AND GENERAL CAPITAL PROJECT AUTHORIZATIONS FOR FISCAL YEAR 2017

(Dollars in Thousands)
as of April 30, 2016

	TOTAL PROJECT AUTHORIZATION					ESTIMATED TOTAL EXPENSES June 30, 2016	ESTIMATED BALANCE AVAILABLE FOR FY2017	ESTIMATED ANNUAL BUDGET FY2017	ESTIMATED BALANCE AT CLOSE OF FY2017
	STATE SUPPORT	GENERAL OBLIGATION BONDS	NONGENERAL FUND	AGENCY DEBT	TOTAL				
<u>Auxiliary Enterprises Projects</u>									
<u>Auxiliary Maintenance Reserve</u>									
Maintenance Reserve	\$0	\$0	\$10,464	\$0	\$10,464	\$0	\$10,464	\$7,000	\$3,464
<u>Design Phase</u>									
Planning: Student Wellness Services	0	0	0	3,071	3,071	307	2,764	2,000	764
Planning: Athletic Improvements	0	0	3,500	0	3,500	800	2,700	2,700	0
Planning: O' Shaughnessy Renovation	0	0	1,750	0	1,750	30	1,720	1,720	0
<u>Construction Phase</u>									
Lane Substation Expansion	0	0	2,000	4,500	6,500	500	6,000	4,000	2,000
Residential Door Access Improvements	0	0	7,735	0	7,735	1,000	6,735	3,368	3,368
Unified Communications and Network Renewal	0	0	9,564	6,944	16,508	13,122	3,386	3,386	0
Upper Quad Residential Facilities	0	0	28,620	62,380	91,000	61,700	29,300	24,905	4,395
<u>Close-Out Phase</u>									
Airport Hangar Replacement	0	0	2,520	0	2,520	2,006	514	514	0
<u>On Hold and Not Funded</u>									
New Residence Hall II	0	0	0	27,000	27,000	182	26,818	0	26,818
Parking Blanket Authorizations Balance	0	0	0	16,547	16,547	0	16,547	0	16,547
Phase IV Oak Lane Community	0	0	0	17,518	17,518	0	17,518	0	17,518
Total Auxiliary Enterprise Projects	\$0	\$0	\$66,154	\$137,960	\$204,114	\$79,647	\$124,467	\$49,592	\$74,875
GRAND TOTAL ALL CAPITAL PROJECTS	\$259,655	\$0	\$112,500	\$137,960	\$510,114	\$117,917	\$392,198	\$104,890	\$287,308

Hotel Roanoke Conference Center Commission Budget

FINANCE AND AUDIT COMMITTEE

May 4, 2016

The Hotel Roanoke Conference Center Commission was established by resolutions adopted by Virginia Tech on November 18, 1991 and by the City Council of the City of Roanoke, Virginia on April 14, 1992, pursuant to Chapter 440 of the 1991 Acts of Assembly of the Commonwealth of Virginia, adopted March 20, 1991. Section 21 B of the enabling legislation provided that the Commission shall annually prepare and submit to both the City of Roanoke and Virginia Tech (the "Participating Parties") a proposed operating budget showing its estimated revenues and expenses on an accrual basis for the forthcoming fiscal year and if such estimated expenses exceed such estimated revenues, the portion of the deficit proposed to be borne by each Participating Party.

The Commission has adopted and approved its operating budget for the fiscal year 2016-17. Virginia Tech and the City of Roanoke will make equal contributions of \$80,000 to the Commission for fiscal year 2016-17. The recommended budget is shown on the following page.

**HOTEL ROANOKE CONFERENCE CENTER COMMISSION
BUDGET
JULY 2016 - JUNE 2017**

Revenues

City of Roanoke	\$ 80,000
Virginia Tech	<u>80,000</u>
	\$ 160,000

Expenses

Personal Services for part-time director	\$ 76,958
Professional fees and services	77,000
Technology support services and equipment	3,042
Commission Operations- Admin	3,000
	<u>160,000</u>
	\$ 160,000

RECOMMENDATION:

That the budget for The Hotel Roanoke Conference Center Commission for 2016-2017 be approved.

June 6, 2016

**Virginia Tech-Wake Forest University
School of Biomedical Engineering and Sciences
2016-17 Operating Budget**

FINANCE AND AUDIT COMMITTEE

April 30, 2016

The Board of Visitors of Virginia Tech adopted a resolution that authorized the establishment of the Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences on August 26, 2002. Subsequently, Virginia Tech and Wake Forest University entered into a collaboration agreement which outlines the relationship and responsibilities of each party. As stated in the collaboration agreement, the annual operating budget for the School of Biomedical Engineering and Sciences requires approval by the governing boards of each university.

The 2016-17 recommended budget of \$4,773,517 for Virginia Tech's contribution to the School of Biomedical Engineering and Sciences is shown on the following page.

**Virginia Tech-Wake Forest University
School of Biomedical Engineering and Sciences
2016-17 Operating Budget**

FINANCE AND AUDIT COMMITTEE

April 30, 2016

Revenues

University Allocation	\$	4,773,517
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Expenses

Faculty	\$	2,932,115
Staff		158,374
Graduate Students		311,030
Fringes		1,099,380
Subtotal Personnel Costs		4,500,899
Operating Costs		272,618
Total Expenses	\$	4,773,517
Net		-

RECOMMENDATION:

That the 2016-17 budget for the Virginia Tech - Wake Forest School of Biomedical Engineering and Sciences be approved.

June 6, 2016