Board of Visitors Retreat & Meeting Schedule
August 24-27, 2018

Friday, August 24:
Late afternoon  BOV arrives and checks into the Hotel Roanoke
6:30 p.m.  BOV & spouse/partner dinner at local restaurant (by invitation only)

Saturday, August 25:  [Those who need to attend the retreat will be contacted separately.]
7:00 – 7:45 a.m.  Breakfast at the Hotel Roanoke on your own.
8:00 – 8:45 a.m.  Transportation from Hotel Roanoke to Smith Mountain Lake 4-H Center
9:00 – 8:30 p.m.  BOV orientation session, retreat, tours, casual dinner  (refer to retreat agenda)
8:30 – 9:15 p.m.  Transportation from 4-H Center to Hotel Roanoke

Sunday, August 26:
8:30 – 9:15 a.m.  Compliance, Audit, and Risk Committee meets in Closed Session in the Blue Ridge Room at the Hotel Roanoke.
9:15 – 10:45 a.m.  Compliance, Audit, and Risk Committee meets in Open Session in the Appalachian Room at the Hotel Roanoke.
11:00 – 12:00 noon  Brunch, Hotel Roanoke  (by invitation only)
12:00 - 12:30 p.m.  Transportation from Hotel Roanoke to VTCRI/VTCSOM
12:45 – 2:15 p.m.  Information Session for the full Board, Room R3012 at VTC
Agenda includes:
1. Strategic plan – mission, vision, core values, strategic objectives (Pratt-Clarke)
2. Commonwealth Cyber Initiative (Mayer, Clancy)
3. Constituent Reports
2:30 – 4:30 p.m.  Academic, Research, and Student Affairs Committee, Room R3012 at VTC
4:30 – 5:30 p.m.  Tours of VTCRI and VTCSOM
5:30 – 6:00 p.m.  Transportation from VTC back to Hotel Roanoke
6:30 p.m.  Dinner for BOV and spouses/partners at the Taubman Museum  (by invitation only)

Monday, August 27:  All meetings on Monday morning will be held at the Roanoke Higher Ed Center.

Breakfast on your own at the Hotel Roanoke. Walk to Roanoke Higher Ed Center for morning meetings
8:15 - 8:45 a.m.  Academic, Research, and Student Affairs Committee and Finance and Resource Management Committee meets jointly in Closed Session in Room 715.
8:45 – 11:00 a.m.  Finance and Resource Management Committee meets in Open Session in Room 715.
9:30 – 11:00 a.m.  Buildings and Grounds Committee meets in Open Session in Room 716.
9:30 – 11:30 a.m.  Governance and Administration Committee meets in Open Session in Room 717.
11:00 – 11:15 a.m.  Buildings & Grounds Committee and Finance & Resource Management Committee meets jointly in Open Session in Room 715.
12:00 noon  Lunch for the Board in Pocahontas at the Hotel Roanoke
1:15 p.m.  Full Board Meeting in Shenandoah at the Hotel Roanoke
4:00 p.m.  (time approximate) Meeting concludes/depart Roanoke; transportation provided back to the Roanoke Airport.
INDEX - Board of Visitors Meeting – August 26-27, 2018

Cover Cover, Index, Membership Listing, Committee Assignments

Tab A Information Session – Sunday, August 26, 2018

Tab B Open Session Agenda – Monday, August 27, 2018

Tab C Full Board Meeting – Announcements
  • Introduction of New Board Members, Faculty Senate President, and Student Representatives

Tab D Approval of Consent Agenda Open Items
  • Approval of Minutes from June 4, 2018 BOV Meeting
  • Approval of Minutes from July 23, 2018 Task Force Meeting
  • Atlantic Coast Conference (ACC) Governing Board Annual Certification
  • Report of Research and Development Disclosures (no action required)
  • Report of BOV Retreat – Saturday, August 25, 2018
  • Report of Information Session – Sunday, August 26, 2018
  • Academic, Research, and Student Affairs Committee General Report – Sunday, August 26, 2018 Meeting
  • Buildings and Grounds Committee General Report – Monday, August 27, 2018 Meeting
  • Compliance, Audit, and Risk Committee General Report – Sunday, August 26, 2018 Meeting
  • Finance and Resource Management Committee General Report – Monday, August 27, 2018 Meeting
  • Governance and Administration Committee General Report – Thursday, July 19, 2018 Meeting
  • Governance and Administration Committee General Report – Monday, August 27, 2018 Meeting
  • Resolution for Ratification of Changes to the 2018-19 Faculty Handbook
  • Resolution for Ratification of the Student Code of Conduct
  • Resolution for Approval of Virginia Tech Extended Campus Site in Arlington
  • Resolution for Approval to Amend Policy to Comply with Governor’s Executive Order Regarding Paid Parental Leave for University Employees
  • Resolution for Approval to Update the Policy on the Awarding of Honorary Degrees
  • Resolution for Approval of O’Shaughnessy Hall Renovation 9(d) Debt Financing
  • Resolution for Approval of Virginia Tech Carilion Research Institute Biosciences Addition 9(d) Debt Financing

Tab E Report of Academic, Research, and Student Affairs Committee - Agenda/Briefing Report

Tab F Report of Buildings and Grounds Committee - Agenda/Briefing Report

Tab G Buildings and Grounds Agenda Items for Board Approval
  • Resolution for Approval to Increase the Width of a Virginia Electric and Power Company Easement
  • Resolution for Approval to Support the New River Valley (NRV) Water Authority Projects and the Related Issuance of Captioned Bonds
  • Resolution for Approval on the Demolition of University Building No. 0835
  • *Resolution for Approval for Capital Project Planning for the Athletics Weight Room Renovation and Expansion

Tab H Report of Compliance, Audit, and Risk Committee – Agenda/Briefing Report

Tab I Report of the Finance and Resource Management Committee – Agenda/Briefing Report

Tab J Finance and Resource Management Agenda Items for Board Approval
  • Resolution for Approval of the Year-to-Date Financial Performance Report (July 1, 2017 – June 30, 2018)
  • **Resolution for Approval for Capital Project Planning for the Athletics Weight Room Renovation and Expansion

Tab K Report of the Governance and Administration Committee – Agenda/Briefing Report
Governance and Administration

Tab L 
**Governance and Administration Agenda Items for Board Approval**
- Resolution for Approval of the University Succession Management Program
- Resolution for Approval to Revise the By-laws of the Virginia Tech Board of Visitors

Tab M 
**Report of Task Force on Board Structure and Governance**

Tab N 
**Open Session President’s Report Items for Board Approval and Information**
- Resolution Honoring U.S. Navy Ensign Sarah Mitchell
- Resolution of Appreciation Honoring Michael J. Quillen
- Resolution of Appreciation Honoring Wayne H. Robinson

Tab O 
**Constituent Reports – (No action required)**
- Ms. Rachel Iwicki, Undergraduate Student Representative to the Board
- Mr. Zo Amani, Graduate Student Representative to the Board
- Mr. Robert Sebek, Staff Representative to the Board
- Dr. John Ferris, Faculty Representative to the Board

Tab P 
**Motion to Begin Closed Session**

Tab Q 
**Closed Session Agenda – Monday, August 27, 2018**

Tab R 
**Approval of Consent Agenda Closed Items**
- ***Resolutions for Approval of Emeritus Requests (10)**
- ***Resolutions for Approval of Endowed Chairs, Professorships, or Fellowships (3)**
- ***Resolution for Approval for Exclusion of Certain Officers

Tab S 
**Closed Session Salary and Personnel Actions for Board Approval**
- ***Resolution for Ratification of the Personnel Changes Report
- ***Resolution for Approval of the 2018-19 Faculty Salary Program

Tab T 
**Closed Session President’s Report Items for Board Approval and Information**
- Resolutions on Naming University Facilities (4)

Tab U 
**Litigation Report – (Not for approval)**

Tab V 
**Motion to Return to Open Session**

*This item has been reviewed by the Academic, Research & Student Affairs Committee and the Governance and Administration Committee of the Board of Visitors.

**This item has been reviewed by the Buildings and Grounds Committee and the Finance and Resource Management Committee of the Board of Visitors.

***These items have been reviewed by the Academic, Research & Student Affairs Committee and the Finance and Resource Management Committee of the Board of Visitors.

There is no public comment period at this meeting.
CURRENT MEMBERS OF THE BOARD OF VISITORS:

Mr. Edward H. Baine  
Mr. Greta J. Harris  
Mr. Charles T. Hill  
Ms. Anna L. James  
Mr. Mehmood S. Kazmi  
Ms. Letitia A. Long  
Mr. Robert J. Mills  
Ms. Deborah Leigh Martin Petrine, Vice-Rector  
Mr. L. Chris Petersen  
Mr. Mehul P. Sanghani  
Mr. Dennis H. Treacy, Rector  
Mr. Horacio A. Valeiras  
Mr. Jeff E. Veatch  
Mr. Preston M. White

Undergraduate Student Representative: Ms. Rachel Iwicki  
Graduate Student Representative: Mr. Zo Amani  
Staff Senate Representative: Mr. Robert Sebek  
Faculty Senate Representative: Dr. John Ferris

ADMINISTRATIVE STAFF:

Dr. Timothy D. Sands: President  
Dr. Cyril R. Clarke: Interim Executive Vice President and Provost  
Dr. Dwayne L. Pinkney, Senior Vice President for Operations and Administration

Dr. Karen DePauw: Vice President and Dean for Graduate Education  
Dr. Michael J. Friedlander, Vice President for Health Sciences and Technology  
Dr. Guru Ghosh: Vice President for Outreach and International Affairs  
Dr. Theresa S. Mayer: Vice President for Research and Innovation  
Dr. Steven H. McKnight: Vice President for the National Capital Region  
Dr. Scott F. Midkiff: Vice President for Information Technology & Chief Information Officer  
Ms. Kim O’Rourke: Vice President for Policy and Governance & Secretary to the Board  
Dr. Patricia A. Perillo: Vice President for Student Affairs  
Mr. Charles D. Phlegar: Vice President for Advancement  
Dr. Menah Pratt-Clarke, Vice Provost for Inclusion and Diversity & Vice President for Strategic Affairs  
Mr. M. Dwight Shelton: Vice President for Finance and Chief Financial Officer  
Dr. Lisa J. Wilkes, Interim Vice President for Human Resources  
Dr. Sherwood Wilson: Vice President for Operations

Ms. Kay K. Heidbreder: University Legal Counsel  
Ms. Sharon M. Kurek: Executive Director of Audit, Risk, and Compliance  
Mr. Christopher J. Yianilos: Executive Director of Government Relations
BOARDS OF VISITORS
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
Committee Assignments for 2018-19

Academic, Research, and Student Affairs Committee
Debbie Petrine, Committee Chair
Anna James
Ed Baine
Chris Petersen

Buildings and Grounds Committee
C. T. Hill, Committee Chair
Robert Mills
Preston White

Compliance, Audit, and Risk Committee
Mehmood Kazmi, Committee Chair (also rep GA)
Anna James (rep ARSA)
Robert Mills (rep B&G)
Horacio Valeiras (rep FRM)

Finance and Resource Management Committee
Horacio Valeiras, Vice Rector, Committee Chair
Greta Harris
Tish Long

Governance and Administration Committee
Mehul Sanghani, Committee Chair
Mehmood Kazmi
Jeff Veatch

Executive Committee (6 members)
Dennis Treacy, Rector
Debbie Petrine, Academic, Research, and Student Affairs Committee Chair
C. T. Hill, Buildings & Grounds Committee Chair
Mehmood Kazmi, Compliance, Audit, and Risk Committee Chair
Horacio Valeiras, Vice Rector, Finance and Resource Management Committee Chair
Mehul Sanghani, Governance and Administration Committee Chair

The Rector is an ex officio member of all standing committees.

The constituent representatives will sit in on the committee meetings of their choice:
Faculty Senate President - Dr. John Ferris
Staff Senate President – Mr. Robert Sebek
Graduate Student Representative – Mr. Zo Amani
Undergraduate Student Representative – Ms. Rachel Iwicki
Virginia Tech Board of Visitors Meeting

Information Session

Sunday, August 26, 2018
12:45 – 2:15 p.m.

Virginia Tech Carilion School of Medicine
and Research Institute (VTC)
Room R3012
Roanoke, Virginia

Strategic Planning Update
- Dr. Menah Pratt-Clarke, Vice President for Strategic Affairs & Vice Provost for Inclusion and Diversity

Commonwealth Cyber Initiative
- Dr. Theresa Mayer, Vice President for Research and Innovation
- Dr. T. Charles Clancy, Director, Hume Center for National Security and Technology

Constituent Reports
- Ms. Rachel Iwicki, Undergraduate Student Representative to the Board
- Mr. Zo Amani, Graduate Student Representative to the Board
- Mr. Robert Sebek, Staff Representative to the Board
- Dr. John Ferris, Faculty Representative to the Board

Annual Cycle of BOV Agenda Items
- Mr. Dennis Treacy, BOV Rector
Board Members

Mr. Edward H. “Ed” Baine of Richmond, Virginia, is senior vice president—Distribution, Power Delivery Group, of Dominion Energy. He is responsible for all facets of Dominion Energy’s regulated electric distribution business that provides electricity to about 2.6 million customer accounts in Virginia and northeastern North Carolina. Mr. Baine joined the company in 1995 as an associate engineer and has held numerous engineering, operational, and management positions within the company. In 2006, he was named director—Electric Distribution Operations Centers. He was promoted to vice president—Shared Services, effective July 1, 2009, and was named vice president—Fossil & Hydro Merchant Operations in January 2012. He was named vice president—Power Generation System Operations in July 2013 and senior vice president—Transmission & Customer Service in June 2015. He assumed his current post in February 2016. Mr. Baine is a member of the boards of directors of the Dominion Energy Credit Union, ChamberRVA, Venture Richmond, and the Capital Region Collaborative. He also serves on the board of the Chesterfield Public Education Foundation and is a member of the Executive Advisory Council of the Robins School of Business at the University of Richmond. In addition, he serves on the boards of directors of the Southeastern Electric Exchange, the Virginia Tech Athletic Fund, MEGA Mentors, and the American Association of Blacks in Energy, and the Valentine, as well as the EEI National Response and AEIC Power Delivery Executive Committees. Mr. Baine earned his bachelor’s degree in electrical engineering from Virginia Tech and completed the advanced management program at Duke University’s Fuqua School of Business. He is a registered professional engineer in Virginia.

Mr. Preston M. White of Virginia Beach, Virginia, is CEO of Century Concrete. Just three years after graduating from Virginia Tech with a bachelor’s degree in building construction, Mr. White founded and has served as chief executive officer of Century Concrete since 1966. The company specializes in structural concrete for high rise buildings and infrastructure, concrete paving for airfields and industrial applications, sound barrier walls, all concrete for steel frame buildings, and various concrete foundation systems. Mr. White currently serves on the Virginia Business Higher Education Council, the Chesapeake Bay Foundation-HR Leadership Council, and on the executive council of Virginia Tech’s Myers Lawson School of Construction. In 2009, he was appointed to the Christopher Newport University Board of Visitors and served as rector for three years. He is currently a member of the board of trustees for The New E3 School in Norfolk, Virginia. In 2008, Mr. White and his wife, Catharine, established an endowment in support of the Myers Lawson School of Construction to support the Preston and Catharine White Faculty Fellowship Program.
Board Constituents

Dr. John Ferris is an Associate Professor in the Mechanical Engineering Department, investigating improvements to ground vehicle system performance by studying their interactions with terrain surfaces. Specifically, his research focuses on chassis design and development, vehicle dynamics, terrain topology (high-fidelity measurement, calibration, verification, characterization, statistical analysis, and stochastic modelling), driver-vehicle interactions, virtual proving ground development, vehicle performance (ride, handling, reliability, mobility), design for reliability, customer usage and correlation, and automated vehicle development. Dr. Ferris received his B.S. from Carnegie Mellon and his M.S. and Ph.D. degrees from the University of Michigan. He began this work in 1990 for Chrysler, then DaimlerChrysler and ZF Lemförder, before joining the Virginia Tech faculty in 2005 as an Associate Professor. Dr. Ferris has participated in dozens of sponsored research projects totaling over $11 million, publishing 29 peer reviewed journal papers, and 43 conference papers.

Ms. Rachel Iwicki is a junior majoring in both Mechanical Engineering and Russian from Springfield, Virginia. She is also a resident advisor and an undergraduate recruiter for the College of Engineering Dean’s Team. Ms. Iwicki said representing Virginia Tech’s undergraduates for the Board of Visitors was a natural progression from her role with the Student Engineers’ Council. Also, studying abroad in Russia, Moldova, and Estonia while speaking Russian sharpened her communication skills. “Sometimes the people who could offer the most valuable input are afraid to offer it or do not know how,” Ms. Iwicki wrote in a personal statement for her board application. “I enjoy sitting down with my peers to hone and sharpen their opinions, then help voice their experiences so that we can work together to make a change.” Through her work with the board, Ms. Iwicki said she wants to push for the expansion of mental health resources on campus and advocate for an inclusive environment at the university.

Mr. Lorenzo (Zo) Amani has two bachelor’s degrees from Virginia Tech, and after leaving for a few years to earn a master’s degree, he is back at his alma mater. He is on track to graduate in 2020 with a Ph.D. in public administration and public affairs, within the College of Architecture and Urban Studies. Mr. Amani is also gearing up to be the voice of graduate students for the Board of Visitors. Mr. Amani said he hopes to address several topics related to graduate students during his tenure, including recruitment, health and wellness, and funding for travel and scholarships. “Our graduate students’ academic, social, and financial needs should be adequately addressed if Virginia Tech desires to grow and positively impact the world through research,” he wrote in a personal statement for his board application. Along with his doctoral work, Mr. Amani is a graduate assistant in Virginia Tech’s Office of Budget and Financial Planning. He also enjoys guiding and mentoring Virginia Tech students. Mr. Amani is a graduate residential fellow in West Ambler Johnston Hall, and he mentors student athletes. As an undergraduate, he earned bachelor of science degrees in sociology and in apparel, housing, and resource management through the College of Liberal Arts and Human Sciences. Mr. Amani said his extensive campus network will help him to be an effective voice for graduate students. “I understand the importance of building sound relationships,” he said.
Approval of Consent Agenda Open Items

The Full Board will consider for approval and acceptance the items listed on the Consent Agenda as follows.

- Approval of Minutes from June 4, 2018 BOV Meeting
- Approval of Minutes from July 23, 2018 Task Force Meeting
- Atlantic Coast Conference (ACC) Governing Board Annual Certification
- Report of Research and Development Disclosures (no action required)
- Report of BOV Retreat – Saturday, August 25, 2018
- Report of Information Session – Sunday, August 26, 2018
- Academic, Research, and Student Affairs Committee General Report – Sunday, August 26, 2018 Meeting
- Buildings and Grounds Committee General Report – Monday, August 27, 2018 Meeting
- Compliance, Audit, and Risk Committee General Report – Sunday, August 26, 2018 Meeting
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- Resolution for Ratification of the Student Code of Conduct
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- Resolution for Approval to Update the Policy on the Awarding of Honorary Degrees
- Resolution for Approval of O’Shaughnessy Hall Renovation 9(d) Debt Financing
- Resolution for Approval of Virginia Tech Carilion Research Institute Biosciences Addition 9(d) Debt Financing
MINUTES

June 4, 2018

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, June 4, 2018, at 1:17 p.m. in Torgersen Boardroom (Room 2100), Virginia Tech Campus, Blacksburg, Virginia.

Present
Ms. Greta J. Harris
Mr. C. T. Hill
Ms. Anna L. James
Mr. Mehmood S. Kazmi
Ms. Letitia A. Long
Mr. Robert J. Mills
Mr. L. Chris Petersen
Ms. Deborah Leigh Martin Petrine (Vice Rector)
Mr. Michael J. Quillen
Mr. Wayne H. Robinson
Mr. Mehul P. Sanghani
Mr. Dennis H. Treacy (Rector)
Mr. Horacio A. Valeiras
Mr. Jeff Veatch

Absent

Constituent Representatives:
Dr. Hans Robinson, Faculty Representative
Mr. Robert Sebek, Staff Representative
Mr. Brett Netto, Graduate Student Representative
Mr. Seyi Olusina, Undergraduate Student Representative

Also present were the following: President Timothy Sands, Ms. Kim O’Rourke, Mr. Zo Amani, Deputy Chief William Babb, Ms. Lori Buchanan, Mr. Brock Burroughs, Mr. Ralph Byers, Ms. D’Elia Chandler, Dr. Cyril Clarke, Ms. Shelia Collins, Mr. Al Cooper, Mr. John Cusimano, Dr. John Dooley, Mr. Corey Earles, Dr. Lance Franklin, Dr. Michael Friedlander, Ms. Rachel Gabriele, Dr. Guru Ghosh, Mr. David Guerin, Ms. Dee Harris, Dr. Luisa Havens Gerardo, Dr. Lee Hawthorne, Ms. Kay Heidbreder, Mr. Tim Hodge, Dr. Rachel Holloway, Ms. Elizabeth Hooper, Ms. Rachel Iwicki, Dr. Chris Kiwus, Ms. Sharon Kurek, Dr. Theresa Mayer, Ms. Heidi McCoy, Dr. Steve McKnight, Ms. Nancy Meacham, Dr. Scott Midkiff, Dr. Sally Morton, Mr. Mike Mulhare, Ms. April Myers, Mr. Mark Owczarski, Dr. Patty Perillo, Mr. Charles Phlegar, Dr. Ellen Plummer, Dr. Menah Pratt-Clarke, Mr. Chris Rahmes, Dr. Scot Ransbottom, Ms. Savita Sharma, Mr. Dwight Shelton, Ms. Kayla Smith, Mr. Jon Clark Teglas, Ms. Tracy Vosburgh, Ms. Logan Wallace, Dr. Lisa Wilkes, Dr. Sherwood Wilson, Mr. Chris Yianilos, faculty, staff, students, guests, and reporters.

* * * * *

There was no public comment period.
Rector Treacy welcomed everyone to the Board meeting.

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APPROVAL/ACCEPTANCE OF THE CONSENT AGENDA OPEN ITEMS*
(Refer to Attachments A through T)

[*Note: Items on the consent agenda are matters of importance that have been reviewed carefully by members of the board in preparation for the meeting but have been determined not to require discussion by the board or its committees.]

Rector Treacy asked for a motion to approve/accept the consent agenda open session items as listed. The motion was made by Mr. Mills, seconded by Ms. Harris, and approved unanimously.

- Minutes of the Board of Visitors Meeting held March 26, 2018
- Report of the Academic, Research, and Student Affairs Committee (6/4/18) – Attachment A
- Report of the Compliance, Audit, and Risk Committee (6/3/18) – Attachment C
- Report of the Governance and Administration Committee (6/3/18) – Attachment E
- Report of Information Session—Attachment U

*From the Academic, Research, and Student Affairs Committee Consent Agenda and the Finance and Resource Management Committee Consent Agenda:

- Resolution to Approve the 2018-19 Pratt Fund Budgets – Attachment F

That the proposed 2018-19 allocation and use of Pratt Funds be approved.
From the Academic, Research, and Student Affairs Committee Consent Agenda:

- Resolution to Discontinue the Bachelor of Science Degree in Environmental Policy and Planning—Attachment G

  That discontinuing the bachelor of science degree in environmental policy and planning be approved effective fall 2021.

- Resolution to Adopt the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact—Attachment H

  That the Board of Visitors adopt the Virginia Tech Carilion School of Medicine Honor Code, Attributes of Professionalism, and Teacher-Learner Compact.

- Resolution to Revise the Graduate Honor System Constitution—Attachment I

  That the Board of Visitors approve the Revision of the Graduate Honor System Constitution.

- Resolution to Approve Faculty Handbook Clarifying Language on the Research Faculty Promotion Process—Attachment J

  That the Resolution to Clarify Faculty Handbook Language on the Research Faculty Promotion Process be approved.

- Resolution to Faculty Handbook Clarifying Language on Overload Compensation for Research Faculty Members Teaching Credit Classes—Attachment K

  That the Resolution to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes be approved.

- Resolution to Approve Faculty Handbook Clarifying Language on Removal Processes for Research Faculty Members—Attachment L

  That the Resolution to Clarify Faculty Handbook Language on Removal Processes for Research Faculty Members be approved.

- Resolution to Revise University Policies Regarding Textbooks and Create Guidelines for Open Educational Resources to Comply with Amended Code of Virginia §23.1-1308—Attachment M

  That the Board of Visitors approve the resolution regarding textbooks and open educational materials.
• Resolution to Approve New and Revised Language in Faculty Handbook Regarding Alumni Distinguished Professors—Attachment N

That the Board of Visitors approve the new and revised language in the Faculty Handbook regarding alumni distinguished professors.

**From the Buildings and Grounds Committee Consent Agenda:**

• Resolution to Approve an Ingress and Egress Easement to the New River Valley Regional Water Authority – Attachment O

That this resolution authorizing the Vice President for Operations to execute a non-exclusive easement for ingress and egress to the New River Valley Regional Water Authority be approved.

• Resolution to Approve the Appointment to the New River Valley Regional Water Authority—Attachment P

That this resolution appointing William R. Knocke as joint representative to the New River Valley Regional Water Authority through June 30, 2022, be approved.

**From the Finance and Resource Management Committee Consent Agenda:**

• Resolution to Approve the 2018-19 Hotel Roanoke Conference Center Commission Budget – Attachment Q

That the budget for The Hotel Roanoke Conference Center Commission for 2018-2019 be approved.

• Resolution to Approve the 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget—Attachment R

That the 2018-2019 budget for the Virginia Tech-Wake Forest School of Biomedical Engineering and Sciences be approved.

• Resolution to Reappoint the University Representative to the Hotel Roanoke Conference Center Commission—Attachment S

That this resolution to appoint the Vice President for Outreach and International Affairs as the university’s representative on the Hotel Roanoke Conference Center Commission be approved.

**Consent agenda information item; no Board of Visitors action required:**

• Report of Research and Development Disclosures – Attachment T
REPORT OF THE ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

Rector Treacy called on Ms. Petrine for the report of the Academic, Research, and Student Affairs Committee.

As part of the Academic, Research, and Student Affairs Committee report, approval of the following resolution was moved by Ms. Petrine, seconded by Ms. Long, and approved unanimously.

Resolution to Approve a New Degree:
Bachelor of Arts in Science, Technology and Society

That this resolution recommending the establishment of the bachelor of arts in science, technology, and society be approved.
(Copy filed with the permanent minutes and marked Attachment V.)

* * * * * * *

As part of the Academic, Research, and Student Affairs Committee report, approval of the following resolution was moved by Ms. Petrine, seconded by Ms. Long, and approved unanimously.

Resolution to Approve a New Degree:
Bachelor of Science in Science, Technology and Society

That this resolution recommending the establishment of the bachelor of science in science, technology, and society be approved.
(Copy filed with the permanent minutes and marked Attachment W.)

* * * * * * *

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

Rector Treacy called on Mr. Quillen for the report of the Buildings and Grounds Committee.

As part of the Buildings and Grounds Committee report, approval of the following resolution was moved by Mr. Quillen, seconded by Mr. Sanghani, and approved unanimously.
Resolution to Approve Agreement to Amend the Articles of Incorporation of the Montgomery Regional Solid Waste Authority and to Extend Term of User Agreement Between the Authority and the University

That this resolution authorizing the Vice President for Operations to execute the User Agreement and to execute and file the Articles of Incorporation Amendment for the Montgomery Regional Solid Waste Authority be approved. (Copy filed with the permanent minutes and marked Attachment X.)

* * * * *

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

Resolution to Approve Appointments to the Montgomery Regional Solid Waste Authority

That this resolution recommending that Al Bowman be reappointed as joint representative and that the Chief Facilities Officer be reappointed as the university’s representative to the Montgomery Regional Solid Waste Authority Board of Directors be approved. (Copy filed with the permanent minutes and marked Attachment Y.)

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REPORT OF THE COMPLIANCE, AUDIT, AND RISK COMMITTEE

Rector Treacy called on Mr. Kazmi for the report of the Compliance, Audit, and Risk Committee.

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REPORT OF THE FINANCE AND RESOURCE MANAGEMENT COMMITTEE

Rector Treacy called on Mr. Valeiras for the report of the Finance and Resource Management Committee.
As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Harris, and approved unanimously.

Resolution to Approve Report and Recommendation Regarding Quasi-Endowments

That this resolution reaffirming or designating as quasi-endowments the funds listed on Attachment A of the resolution be approved.

Reaffirm:
- Pratt Fund, funded by Estate of John L. Pratt

Designate:
- Donaldson Brown, funded by Donaldson Brown Gift
- Nationwide, funded by Medical Insurance Settlement from Nationwide
- Student Health Insurance, funded by Trigon Stock Conversion Settlement
- Gloria Smith Professorship, funded by Athletics Sugar Bowl Proceeds
- Multicultural Affairs, funded by Athletics Sugar Bowl Proceeds
- Chinese Geosciences, funded by People’s Republic of China
- Licensing and Trademark, funded by University Licensing & Trademark Agreements

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

* * * * *

As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Harris, and approved unanimously.

Resolution to Approve University Lines of Credit

That this resolution identifying the authorized officers; approving the terms of the proposals and the form of the credit agreement; and authorizing the authorized officers to enter into extensions of and amendments to the lines of credit and new lines of credit so long as such extensions and amendments and new lines of credit are consistent with the intent of this resolution and do not exceed the greater of $200 million or 45 days of operating expenditures, be approved. (Copy filed with the permanent minutes and marked Attachment AA.)

* * * * *
As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Long, and approved unanimously.

**Resolution to Approve the 2018-19 Faculty Compensation Plan**

That the proposed 2018-19 Faculty Compensation Plan be approved.
(Copy filed with the permanent minutes and marked Attachment BB.)

* * * * *

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

**Resolution to Approve the 2018-19 Auxiliary Systems Budgets**

a. Dormitory and Dining Hall System Budget  
b. Electric Service System Budget  
c. University Services System Budget  
d. Athletic Facilities System Budget

That the recommended budgets for fiscal year July 1, 2018, to June 30, 2019, for the operation of the Athletic Facility System, Dormitory and Dining Hall System, Electric Service Utility System, and the University Services System be approved.
(Copies filed with the permanent minutes and marked Attachment CC.)

* * * * *

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

**Resolution to Approve the 2018-19 University Budget: Operating and Capital**

That the proposed 2018-19 operating and capital budgets as displayed on Schedules 1, 2, and 3 of this resolution be approved.
(Copies filed with the permanent minutes and marked Attachment DD.)

* * * * *
As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Harris, and approved unanimously.

**Resolution to Approve the Year-to-Date Financial Performance Report (July 1, 2017 – March 31, 2018)**

That that report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017, through March 31, 2018, and the Capital Outlay report be approved. (Copy filed with the permanent minutes and marked Attachment EE.)

***

As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

**Resolution to Approve the Capital Project for Planning the Slusher Hall Replacement**

That the resolution authorizing Virginia Tech to plan the Slusher Hall replacement project be approved. (Copy filed with the permanent minutes and marked Attachment FF.)

***

As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

**Resolution to Approve the Capital Project to Supplement and Complete the Dietrick First Floor and Plaza Renovation**

That the resolution authorizing Virginia Tech to supplement and complete the Dietrick First Floor and Plaza Renovation project be approved. (Copy filed with the permanent minutes and marked Attachment GG.)

********
REPORT OF THE GOVERNANCE AND ADMINISTRATION COMMITTEE

Rector Treacy called on Mr. Sanghani for the report of the Governance and Administration Committee.

At the conclusion of Mr. Sanghani’s report, Mr. Treacy requested that future updates to the Strategic/Continuous Planning process (currently provided by Dr. Pratt-Clarke to the full Board at the Sunday information session) be provided to the Governance and Administration Committee.

**********

PRESIDENT’S REPORT

A copy of President Sands’ remarks to the Board of Visitors is filed with the permanent minutes and marked Attachment HH.

**********

Constituent Reports (no action required)
(Presented at BOV Information Session on June 3, 2018)

*PowerPoint presentation* by the Undergraduate Student Representative to the Board – Mr. Seyi Olusina
*Written reports provided by the:*
Graduate Student Representative to the Board – Mr. Brett Netto
Staff Representative to the Board – Mr. Robert Sebek
Faculty Representative to the Board – Dr. Hans Robinson

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

Rector Treacy presented certificates of appreciation to Dr. Robinson, Mr. Netto, and Mr. Olusina. Mr. Sebek was re-elected as president of the Staff Senate and will be returning next year to serve an additional year as Staff Representative to the Board.

**********
Motion to Begin Closed Session

Ms. Petrine moved that the Board convene in a closed meeting, pursuant to § 2.2-3711, Code of Virginia, as amended, for the purposes of discussing:

1. Appointment of faculty to Emeritus status, the consideration of individual salaries of faculty, consideration of Endowed Professors, review of departments where specific individuals’ performance will be discussed, and consideration of personnel changes including appointments, resignations, tenure, and salary adjustments of specific employees and faculty leave approvals;
2. The status of current litigation and briefing on actual or probable litigation;
3. Special Awards,

all pursuant to the following subparts of 2.2-3711 (A), Code of Virginia, as amended, .1, .7, and .10. The motion was seconded by Mr. Valeiras and passed unanimously.

* * * * *

LITIGATION REPORT

Rector Treacy called on Ms. Heidbreder for the litigation report. No Board action is required.

* * * * *

Motion to Return to Open Session

Following the Closed Session, members of the media, students, and the public were invited to return to the meeting. Rector Treacy called the meeting to order and asked Ms. Petrine to make the motion to return to open session. Ms. Petrine 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. Mills and passed unanimously.

* * * * * * * * *

APPROVAL/ACCEPTANCE OF CONSENT AGENDA CLOSED SESSION ITEMS*
(Refer to Attachments JJ through MM)

[*Note: Items on the consent agenda are matters of importance that have been reviewed carefully by members of the Board in preparation for the meeting and have been determined not to require discussion by the Board or its committees.]

Rector Treacy asked for a motion to approve/accept the consent agenda items that were considered in closed session, as listed. The motion was made by Ms. Petrine, seconded by Ms. Long, and approved unanimously.

- Resolutions for Approval of Emeritus Status (4) – Attachment JJ
- Resolution for Approval of Endowed Chairs, Professorships, and Fellowships (1) – Attachment KK
- Resolutions for Approval of the Exception to the Virginia Conflicts of Interest Act (2)—Attachment LL
- Resolution for Approval of Faculty Leave Request (1) – Attachment MM

(Copies of consent agenda items are filed with the permanent minutes and marked as noted above.)

* * * * *

Upon motion by Mr. Valeiras and second by Mr. Kazmi, unanimous approval was given to the resolution for ratification of the Personnel Changes Report as amended and considered in Closed Session, which included the extension of President Sands' contract through 2024. This item was reviewed by the Finance and Resource Management and the Academic, Research, and Student Affairs Committees. (Copy filed with the permanent minutes and marked Attachment NN.)

* * * * *

Upon motion by Mr. Valeiras and second by Mr. Kazmi, unanimous approval was given to the resolution for approval of the 2018-19 Promotion, Tenure, and Continued Appointment Program (125) as considered in Closed Session. This item was reviewed by the Finance and Resource Management and the Academic, Research, and Student Affairs Committees. (Copy filed with the permanent minutes and marked Attachment OO.)
Upon motion by Mr. Valeiras and second by Mr. Quillen, unanimous approval was given to the resolution to **Name a University Facility (1)** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment PP.)

Upon motion by Mr. Valeiras and second by Mr. Kazmi, unanimous approval was given to the resolutions of **Special Recognition (2)** for the retiring presidents of the University of Virginia (Teresa Sullivan) and the College of William and Mary (Taylor Reveley, III) as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment QQ.)

---

**REPORT ON THE INTEGRATION OF THE VIRGINIA TECH CARILION SCHOOL OF MEDICINE INTO VIRGINIA TECH**

The Rector called on Ms. Petrine for a report on the Medical School Integration. She serves as the BOV liaison to the Medical School Integration Steering Committee and provided the following update:

- Integration workshops continue to address successfully all the details associated with integration of the school of medicine.
- Agreements related to the integration of the school have been approved by all bodies.
- All employees who were supposed to transfer to Virginia Tech will have done so as of June 10. The final transfer will be Dean Cynda Johnson, who will transfer to Virginia Tech on July 1.
- Personnel orientation and training on university systems and processes (e.g., procurement) is on schedule.
- Some VTCSOM processes will continue with Carilion Clinic and Jefferson College and will be phased into Virginia Tech over the coming year. These processes include: Blackboard educational management system, library consortium, and building security. Some information technology processes will also be a dual responsibility for the foreseeable future.
- Review of contracts is being done by legal counsel.
- On-going communications continue with the two accrediting bodies: SACSCOC and the LCME; materials are being prepared for submission to each body in advance of their respective site visits.
- On-going communication with SCHEV continues.
The search for a new dean is under way with a search committee that includes representation from Virginia Tech and Carilion Clinic. The search is chaired by Cyril Clarke, Provost, and Patrice Weiss, Chief Medical Officer for Carilion Clinic, and assisted by the executive search firm of Issacson Miller. The committee will review all applicants in mid-June and will identify eight to ten candidates to screen at confidential interviews. Based on these interviews, a short list of finalists will be identified; on-campus visits by the finalists will take place in August with the hope of having the new dean in place by January 1.

Rector Treacy, along with President Sands, presented certificates of appreciation to the three representatives whose terms are ending: Seyi Olusina, Brett Netto, and Hans Robinson. Mr. Robert Sebek will continue next year as staff representative to the Board.

Election of Officers for 2018-2019

Rector Treacy thanked Mike Quillen, Wayne Robinson, Mehul Sanghani, and Horacio Valeiras for their service on the Board as their terms come to an end. These members are all eligible for reappointment with the exception of Mr. Quillen, who has served two terms. Mr. Robert Mills will remain on the Board for an additional year in his ex-officio capacity as president of the Virginia Board of Agriculture and Consumer Services.

He then called on Ms. Petrine for a report of the Nominating Committee for officers of the Board. On behalf of the Nominating Committee, which Ms. Petrine chaired and which also included Mr. Kazmi and Ms. James, Ms. Petrine presented the following nominees:

Rector: Dennis Treacy  
Vice Rector: Horacio Valeiras (contingent upon his reappointment by the Governor)  
Secretary: Kim O’Rourke

Mr. Treacy then temporarily transferred chairmanship of the Board meeting to Ms. Petrine (the Vice Rector). Additional nominations were invited from the floor. There being no additional nominations, a motion was made to close nominations; the motion was seconded and passed. Ms. James made a motion for approval of the nominees presented. The motion was seconded by Mr. Mills and passed.

Ms. Petrine then returned the chairmanship of the Board meeting to Mr. Treacy.
Rector Treacy appointed Ms. Harris and Ms. James to serve on a planning committee for the Board retreat with assistance from Kim O’Rourke. The retreat will be held on the Saturday preceding the upcoming August Board meeting.

Rector Treacy also appointed Mr. Hill as the Board liaison to the campus Master Plan team to continue the work that Mr. Quillen has been doing for quite some time.

Rector Treacy announced that the Task Force on Board Structure and Governance will meet again sometime this summer before the August meeting to conduct another assessment of the new committee structure. Members of the Task Force are Ms. Petrine (chair), Ms. Harris, Mr. Sanghani, Mr. Valeiras, Ms. Heidbreder, and Ms. O’Rourke. He asked the Board to provide feedback to any of the Task Force members.

Rector Treacy has asked Mr. Sanghani and the Governance and Administration Committee to review the selection process and governance of the student representatives and report those findings back to the Task Force. The Board will hear recommendations from the Task Force, if any, at the August meeting.

Rector Treacy concluded that the Board is very pleased with the progress of Virginia Tech. The Board is excited about the president’s vision and 100 percent committed to ensuring its success. The Board fully supports the President and is especially pleased with the president’s integrity and communication with this Board and all community stakeholders. Accordingly, the Board had voted unanimously in closed session as part of the Personnel Changes Report to extend the contract of President Sands through 2024. [Note: This action was ratified in open session.]

President Sands said it had been a real honor to be able to serve this institution for the past four years. He has high hopes for the future of the university and thanked the Board for their trust in allowing him to serve this university, which he takes very seriously. He described the university as a gem not only in Virginia but for the country as a whole. He looks forward to making the Board proud of this era of Virginia Tech.

* * * * * * * * * *

Upon a motion by Mr. Hill and second by Ms. Harris, the meeting adjourned at 3:25 p.m.

* * * * *

The date of the next regular meeting is August 26-27, 2018, location to be determined.

Dennis H. Treacy, Rector

Kim O’Rourke, Secretary
The Task Force on Board Structure and Governance of the Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, July 23, 2018, at 10:15 a.m. at the Hotel Roanoke and Conference Center, Brush Mountain Room, 110 Shenandoah Avenue, NW, Roanoke.

Present
Ms. Debbie Petrine (committee chair)
Ms. Greta Harris
Mr. Mehul Sanghani
Mr. Horacio Valeiras (by telephone)
Ms. Kay Heidbreder
Ms. Kim O’Rourke

Ms. Petrine convened the meeting at 10:15 a.m.

The primary purpose of the meeting was to assess the new committee structure and meeting format that was implemented in September. This review was planned when the Task Force conducted a mid-year assessment in January 2018. The Task Force considered feedback received from Board members, representatives, and members of the administration. In addition, the Task Force considered recommendations from the Governance and Administration Committee regarding the governance and selection of the student representatives.

Evaluation of New Committee Structure and Timeline:

The new committee structure and timeline are working well, generally. The use of consent agendas has been useful in enabling more time to be devoted to discussion of strategic issues. Presentations need further refinement, and each committee may need to experiment with rotating presentations rather than having standing presentations. There remains concern about the heavy agendas for the Academic, Research, and Student Affairs Committee and the Finance and Resource Management Committee.

- The Board wants to hear more about the Advancement function and is pleased that Charlie Phlegar has been providing written updates to the Finance and Resource Management Committee quarterly and speaking to that committee at its first meeting of the year. The chair of the FARM Committee would like to devote more of the committee’s time to management of revenue sources, particularly advancement and research. He will place more emphasis on the fundraising campaign in his reports at the full Board meeting.

- There was discussion about the change that was made to separate Athletics from Student Affairs when the committees were restructured last year. The Task Force reaffirmed the decision, reasoning that Athletics is also a business activity, and it was appropriate to move that to Governance and Administration. The student affairs matters that fall within the scope of the ARSA Committee apply to all students, including student-athletes.
**Recommendation:** Develop a year-long calendar for each committee with a goal of developing overarching themes for each meeting (rather than having standing agenda items for presentations from specific groups) that address a strategic element of the mission. Different aspects of the theme would be explored by the respective committees, and the committee chairs would report on his/her respective committee’s discussion at the full Board meeting. This approach can be piloted within the ARSA Committee in which a particular topic for a meeting can be considered from the perspectives of student affairs, faculty affairs, and research, etc. For example, perhaps ARSA could have a panel of several people present/discuss how research, graduate students, and student life fit together. Another area of interest is how student services will change with the location of medical and other VT students in Roanoke.

**Presentations:**

In general, presentations are improving in terms of being more concise and focused on strategic issues, but many presentations continue to be overly detailed. Presentations should impart information, provoke discussion, and generate feedback.

- **Guidance:** When considering whether to include a presentation on the agenda of a committee or Board meeting, ask what the purpose is of the presentation. If the purpose is to impart information and there is nothing to discuss, then the information should be posted as reading material only. The Board’s discussion time should be spent on matters to which the Board members can add value.

- **Recommendation:** Presentations should be limited to 10 slides plus the title slide. The first and last slides should list key take-away points. The eight slides in between should cover the entire content of the presentation. An optional appendix consisting of a narrative and graphics may be loaded into the portal in case Board members want additional information after reviewing the presentation; but the appendix would not be required reading for Board members. In most cases, presentations should be limited to five to ten minutes and then allow for questions and answers. To aid presenters in developing presentations that are focused and concise, it would be helpful for the Board to be as specific as possible when describing the requested agenda topic.

**Information Sessions:**

More flexibility is needed in the Sunday schedule; the typically full agenda leaves little time for discussion, and the Board would like some dedicated time for discussion. The Rector has already determined that updates about Strategic/Continuous Planning and InclusiveVT should be reported to the Governance and Administration Committee (rather than at the Information Session); at appropriate points once or twice a year, those updates can be provided to the full Board. At its last meeting, the Task Force suggested that a template be developed for indicating progress that is being made on those initiatives to facilitate regular reporting. More guidance is needed from the Board regarding topics they would like brought forward for discussion at the Information Sessions.

**Governance and Selection of Student Representatives:**

The chair of the Governance and Administration Committee, Mr. Sanghani, explained that at the March 2018 Board meeting, the Rector charged that committee with considering the governance and selection of the student representatives and making recommendations for changes, if any, to the Task Force on Board Structure and Governance. The committee sent a questionnaire to the 2017-18 student reps and
representatives for the previous five years and also to the Vice President for Student Affairs and Vice President for Graduate Studies. The committee met on July 19 to consider the feedback received. The committee made the following three recommendations to the Task Force, which the Task Force endorsed:

- **Recommendations:**

  1. To shift the organizational home for the student representatives to the recently created position of Vice President for Policy and Governance, who will serve in a neutral role to educate and train the students about the governance of the university, provide oversight for the students and the selection process, and assure the independence of the student representatives in their interactions and communications with the Board. Interactions between the student representatives and other student leaders and the Vice Presidents for Student Affairs and Graduate Studies should be preserved and will be facilitated and supported by the VPPG.

  2. To charge the Governance and Administration Committee with examining the student selection process. The committee will appoint a small task force consisting of one of its members, the VP for Policy and Governance and the two student reps, which will consult with stakeholders such as the SGA, GSA, and Vice Presidents for Student Affairs and Graduate Studies. Minor changes will be implemented in March 2019. Significant changes, if any, would be implemented in March 2020.

  3. To charge the task force also with collaborating with University Relations, Student Affairs, and the Graduate School on ways to increase the awareness of the BOV student representative positions among the student body.

  **Next steps:**

  It was the consensus of the Task Force members that Task Force had concluded its work and should be dissolved. If the need to reconsider committee structure or function arises in the future, that work would fall within the scope of the Governance and Administration Committee.

  The meeting was adjourned at 12:07 p.m.

__________________________
Deborah Petrine, Chair
Governing Board Certification Form
Academic Year 2018-19

As Chairman of the Governing Board at Virginia Polytechnic Institute and State University (institution name)

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, Conference and all other relevant rules and regulations.

3) The Chief Executive Officer, in consultation with the Faculty Athletics Representative and the Athletics Director, determines how the institutional vote shall be cast on issues of athletics policy presented to the NCAA and the Conference.

Date Presented to the Governing Board: August 27, 2018

Signed: (Chairman of the Governing Board)

Signed: (CEO of Member Institution)

Please return completed form before October 12, 2018 to:

Commissioner John D. Swofford
Atlantic Coast Conference
4512 Weybridge Lane
Greensboro, NC 27407
<table>
<thead>
<tr>
<th>Reason for Conflict</th>
<th>External Entity</th>
<th>Owner</th>
<th>Principal Investigator</th>
<th>Co - P.I.'s</th>
<th>College</th>
<th>Period of Performance</th>
<th>Award Amount</th>
<th>Project Description</th>
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<tbody>
<tr>
<td>Faculty-Employee</td>
<td>Li Industries Inc.</td>
<td>Zheng Li</td>
<td>Mechanical Engr.</td>
<td>May 1, 2018</td>
<td>Master Agreement up to $200,000</td>
<td>Li Industries seeks to develop a research partnership with Virginia Tech. The company continues to submit proposals and if awarded may subcontract a portion of the work to Virginia Tech. This work involves lithium-ion battery recycling processes. Management Plans will be developed for each project to be executed.</td>
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<tr>
<td>Faculty-Employee</td>
<td>FluxTeq LLC</td>
<td>Thomas Diller</td>
<td>Mechanical Engr.</td>
<td>TBD</td>
<td>$20,000</td>
<td>FluxTeq LLC has engaged with Dr. John Provo on the Catalyze VT project. The project is funded by US Economic Development Administration to assist small businesses. This project is to create a proof of concept to transform the traditional approach of teaching heat transfer courses with lab components to an integrated individual educational workshop approach.</td>
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<td>Lisa Sturtevant and Associates LLC</td>
<td>Lisa Sturtevant</td>
<td>Housing Research Center- (Adjunct Faculty)</td>
<td>TBD</td>
<td>Master Agreement up to $50,000</td>
<td>Lisa Sturtevant and Associates LLC is seeking to engage in research with Virginia Tech as both sponsor and possible subcontractor in the future. Current project involves data analysis for a comprehensive study of affordable and workforce housing needs in James City County.</td>
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<td>Faculty-Employee</td>
<td>RedShift Education Inc.</td>
<td>Dillon Cutaiar</td>
<td>VT Student Employee</td>
<td>June 1, 2018 thru June 30, 2019</td>
<td>$13,000</td>
<td>Dillon Cutaiar, a VT Student employee, serves as Chief Technology Officer of a startup company, RedShift Education Inc. The startup seeks to work with the Catalyze VT grant to help the small business with software development and other business commercialization processes.</td>
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<tr>
<td>Faculty-Employee</td>
<td>BEM Controls LLC</td>
<td>Saifur Rahman</td>
<td>Advanced Research Institute-Arlington</td>
<td>July 1, 2018 thru June 30, 2019</td>
<td>Master Agreement up to $200,000</td>
<td>Dr. Rahman holds equity interest in BEM Controls, LLC; a start-up company. The company is applying for federal funding and seeks to subcontract to VT. BEM received an award for a DOE STTR grant. A management plan to provide oversight and mitigation is under development. The work involves blockchain-enabled peer-to-peer transactions for kilowatts and negawatts.</td>
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## RESEARCH AND DEVELOPMENT DISCLOSURE REPORT

**May 19, 2018 through August 17, 2018**

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<th>Principal</th>
<th>Co - P.I.’s</th>
<th>College</th>
<th>Period of</th>
<th>Award</th>
<th>Project Description</th>
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<td>Faculty-Employee</td>
<td>CytoRecovery, Inc.</td>
<td>Rafael Davalos</td>
<td>BEAM</td>
<td></td>
<td>June 15, 2018 thru 31-Dec-19</td>
<td>Master Agreement up to $200,000</td>
<td>CytoRecovery was recently formed from an existing company named, PhenoCHIP, LLC. PhenoCHIP had licensed IP from Davalos and the newly created company, CytoRecovery plans to exclusively license developing technology of Dr. Davalos. The research will focus on development and advancement of multistage, contactless dielectrophoresis microfluidic chip technology.</td>
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<td>Owned Business</td>
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<td>HEAR, LLC</td>
<td>John Casali</td>
<td>Industrial and Systems Engineering</td>
<td>June 1, 2018 thru June 30, 2019</td>
<td>Master Agreement up to $235,000</td>
<td>HEAR, LLC, is small business that has performed research with Virginia Tech in the past and seeks to continue doing research with VT in the future. The company has received a DoD SBIR award and plans to subcontract to VT. Individual management plans will be developed for any projects undertaken. This current work involves auditory systems.</td>
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<tr>
<td>Owned Business</td>
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<td>Kichol Lee</td>
<td>Industrial and Systems Engineering</td>
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<td>FirstString Research, Inc.</td>
<td>Robert Gourdie</td>
<td>VTCRI</td>
<td></td>
<td>July 1, 2018 thru June 30, 2019</td>
<td>Master Agreement up to $150,000</td>
<td>FirstString Research has been a research partner with Virginia Tech in the past and is seeking to engage in research with VT on a variety of projects for the fiscal year ahead. Management Plans will be created for each individual project as it presents itself.</td>
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<tr>
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<td>Jane Jourdan</td>
<td>VTCRI</td>
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Report of BOV Retreat
Saturday, August 25, 2018

Filler Page
Virginia Tech Board of Visitors Retreat

Saturday, August 25, 2018

775 Hermitage Road, Wirtz, Virginia

9:00 – 11:30 a.m. Orientation for new BOV members (all members encouraged to attend)

11:30 – 12:30 p.m. Lunch

12:30 - 3:30 p.m. Revenue models to support Virginia Tech’s Priorities

3:30 - 3:45 p.m. Break

3:45 - 5:30 p.m. ERM Tabletop Exercise

5:30 – 5:45 p.m. Break-out sessions for committees to review agenda for the year

5:45 – 6:00 p.m. Wrap up

6:00 p.m. Meeting adjourns; tour begins followed by reception and casual dinner
LEGAL FRAMEWORK FOR NEW BOARD MEMBERS

Kay Heidbreder
University Legal Counsel
Three Key Statutes

Virginia Freedom of Information Act, §2.2-3700, Code of Virginia

State and Local Government Conflict of Interests Act, §2.2-3100, Code of Virginia, as amended

Virginia Polytechnic Institute and State University, §23.1-2600, Code of Virginia, as amended
VFOIA

TWO KEY COMPONENTS:

• Open Meetings

• Open Records

Public has a right to have government operate in the sunshine
OPEN MEETING DEFINITION:

• Three or more members discussing public business at the same time

• To hold a meeting, absent an emergency, must provide public notice of meeting at least three days in advance
Public Meetings

• Quorum of Board Members must be assembled in one location

• Electronic Meetings only permissible with:
  • Notice
  • Quorum in one physical location
  • Members of Public permitted to participate electronically
  • Electronic access must remain open during entire meeting
  • State Public Comment Form to be used
New Addition to Law July 1, 2018

Board Member Electronic Participation Conditions:

1. Temporary or permanent disability
2. Up to two meetings per year for personal reasons

Minutes to include location of Board Member participation, personal reason to attend remotely, but do not need to open location to public
At discretion of Board, may go into closed session – examples:

1. Personnel issues
2. Student issues
3. Legal Advice
4. Awards
5. Acquisition or Disposition of Real Property

After closed session, must certify only appropriate closed session topics discussed
OPEN RECORDS

All records in possession of Board Members which discuss public business are open to public inspection – This Includes:

1. Emails
2. Text messages
3. Cell phone records

Exclusions similar to closed session meetings apply
CONFLICT OF INTERESTS ACT

1. Every two years must complete on-line training

2. Annual Disclosure of Interests

3. Recuse yourself from the discussion if there is a matter before the Board in which you have a personal interest
Board Obligations (See By-Laws)
Highlights include:

> Attend training administered by SCHEV within two years of appointment
> Oversee University Property
> Make regulations and policies concerning the Institution
> Appoint Chief Executive Officer of the Institution
> Appoint Professors and fix salaries
> Set tuition and fees
> Regulate student discipline
> Operate Virginia Cooperative Extension
Higher Education Funding Principles
Board of Visitors
August 25, 2018

DWIGHT SHELTON
VICE PRESIDENT FOR FINANCE AND CFO
Programmatic Structure

VIRGINIA TECH

Capital Projects

University Division (208)

Educational and General Programs
- Instruction
- Research
- Public Service
- Academic Support
- Student Services
- Institutional Support
- Oper & Maint of Plant

Student Financial Assistance
- Scholarships
- Fellowships

Auxiliary Enterprises
- Residential Dining
- Parking & Transportation
- Telecommunication
- Student Health
- Recreational Programs
- Intercollegiate Athletics

Sponsored Programs
- Grants
- Contracts

Unique Military Activities
- Corps of Cadets

Cooperative Extension/Agriculture Experiment Station Division (229)

E&G Programs AES
- Ag & Natural Resources Research

E&G Programs Coop Ext
- Cooperative Extension

Corporations

Capital Projects
## Public & Private Resources

### 2018-19 Budget ($ in Millions)

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<td>208 E&amp;G</td>
<td>$164.4</td>
<td>$264.3</td>
<td>$288.1</td>
<td>$45.1</td>
<td>$762.0</td>
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<td>229 E&amp;G</td>
<td>72.3</td>
<td></td>
<td>16.5</td>
<td></td>
<td>88.8</td>
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<tr>
<td>Student Financial Aid</td>
<td>21.8</td>
<td></td>
<td>8.3</td>
<td></td>
<td>30.1</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>43.2</td>
<td>22.8</td>
<td>282.4</td>
<td></td>
<td>348.4</td>
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<tr>
<td>Sponsored Programs</td>
<td>5.4</td>
<td></td>
<td>316.7</td>
<td></td>
<td>322.1</td>
</tr>
<tr>
<td>All Other Programs (UMA)</td>
<td>2.3</td>
<td></td>
<td>5.2</td>
<td></td>
<td>7.5</td>
</tr>
</tbody>
</table>

Subtotal Public Resources: 266.2 307.5 310.9 674.2 1,559.0

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Virginia Tech Foundation</td>
<td>168.7</td>
</tr>
<tr>
<td>Other University-Related Entities</td>
<td>27.3</td>
</tr>
</tbody>
</table>

Total: 266.1 307.5 310.9 674.2 196.0 1,755.0

% of total: 15% 18% 18% 38% 11%

*estimated
Undergraduate Tuition Revenue

Undergraduate Tuition Revenue
$439.7 million

- In-State Tuition: 48%
- Out-of-State Tuition: 52%

Undergraduate Residency
Fall 2018 Budget

- In-State: 71%
- Out-of-State: 29%
Virginia Undergraduate Tuition and Fee Increase History

2018-19 Recommendation continues the trend of slowing increases.
Resources Per Student - HEPI

- Net Tuition and General Fund per student adjusted by HEPI inflation factor.
Major Categories of Self-Generated Revenue
($ in Millions)

- Sponsored Program Revenue
- Auxiliary Enterprise Revenue
- Net Tuition and Fee Revenue

New Gifts and Commitments
($ in Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Received</th>
<th>New Gifts and Commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>$101.5</td>
<td>$100.4</td>
</tr>
<tr>
<td>2016-17</td>
<td>$125.0</td>
<td>$162.3</td>
</tr>
<tr>
<td>2017-18</td>
<td>$134.4</td>
<td>$153.6</td>
</tr>
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</table>
2017 methodology from the American Council of Trustees and Alumni (ACTA) in a published report on administrative spending.

Using IPEDS data, the study calculates a ratio of Institutional Support (administrative) spending compared to Instruction and Academic Support (instructional) spending.

Virginia Tech’s ratio is 0.15, meaning VT spent $0.15 on Institutional Support for each $1.00 of spending on Instruction and Academic Support. This ratio is lower than peer averages.

Data Source: IPEDS
Discussion
Resources Per Student - CPI

- Net Tuition and General Fund per student adjusted by CPI inflation factor.

Inflation adjustment utilizing the Consumer Price Index (CPI).
The Academic Enterprise

CYRIL R. CLARKE & JACK W. FINNEY

BOV ORIENTATION SESSION, AUGUST 25, 2018
"Our team serves to promote academic quality and advance the strategic goals of Virginia Tech by providing academic leadership, service, and effective management of university resources."

Dr. Cyril Clarke, Interim Executive Vice President and Provost

- **Academic Colleges**
  - Agriculture and Life Sciences
  - Architecture and Urban Studies
  - Business
  - Engineering
  - Liberal Arts and Human Sciences
  - Natural Resources and Environment
  - Science
  - Veterinary Medicine
  - Virginia Tech Carilion School of Medicine

- **Honors College**
- **University Libraries**
- **Moss Arts Center**

- **Academic Vice Presidents**
  - Graduate Education
  - Health Sciences and Technology
  - Outreach and International Affairs
  - National Capital Region
  - Student Affairs

- **Vice Provosts**
  - Academic Resource Management
  - Enrollment Management
  - Faculty Affairs
  - Inclusion and Diversity
  - Learning Systems Innovation and Effectiveness
  - Undergraduate Academic Affairs
Tenure and Continued Appointment

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

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

Tenure and continued appointment ensure academic freedom in research and teaching.
Evaluation Process for Promotion & Tenure
Promotion & Tenure Success, 2010-2018

- 2010-11: 94%
- 2011-12: 95%
- 2012-13: 94%
- 2013-14: 86%
- 2014-15: 96%
- 2015-16: 84%
- 2016-17: 86%
- 2017-18: 92%
Research Leaves for Tenured Faculty Members

“…for research and/or advanced study necessary to enhance the competencies of those faculty members to carry out their obligations to the university.”

- Commonwealth’s *Educational Aid for State Employees*
  - At least six years of service
  - Additional six years of service before eligible again
  - A privilege, not a right
  - Approved by department head, dean, and provost
  - Approved by Board of Visitors at the March meeting

- **Study-research Leave**
  - Two semesters, half salary

- **Research Assignment**
  - One semester, full salary

For both:

- Obligation to return to Virginia Tech for one year or repay salary
- Letter of accomplishments
Shared Governance

- Commission on Faculty Affairs
- Commission on Staff Policies and Affairs
- Commission on Equal Opportunity and Diversity
- Commission on Outreach and International Affairs
- Commission on Research
- Commission on Graduate Studies and Policies
- Commission on Administrative and Professional Faculty Affairs
- Commission on Student Affairs
- Commission on Undergraduate Studies and Policies
- Commission on University Support

Representatives
Faculty
Staff
Undergraduate students
Graduate students
Administrators
New degrees, substantive changes to degrees, and organizational changes are reviewed and approved by the State Council on Higher Education for Virginia (SCHEV)
Southern Association of Colleges and Schools Commission on Colleges (SACSCOC)

- SACSCOC is the regional accrediting body for universities in Virginia and 10 other southern states; one of seven regional accrediting bodies.
- Regional accreditation ensures that an institution’s academic programs meet acceptable levels of quality.
- Institutions must be accredited by a federally recognized accrediting agency to qualify for participation in federal financial aid programs that provide low cost loans to students.
### Upcoming Accreditation Milestones

#### Substantive change related to the Virginia Tech Carilion School of Medicine

- **March 2018**: Prospectus submitted
- **June 2018**: Approval by SACSCOC
- **September 2018**: Compliance certificate to be submitted
- **October 2018**: Substantive Change Committee on-site review
- **December 2018**: Vote on compliance

#### Ten Year Reaffirmation of Accreditation

- 72 standards (principles) covering 13 topics

- **September 2020**: Compliance certificate to be submitted
- **November 2020**: Off-site Review Committee
- **March 2021**: On-site Review Committee
- **April 2021**: Additional reports may be requested
- **December 2021**: Vote on compliance
Questions?
Free Speech
Council of Presidents – Campus Speech and the Modern University. Written by Tim Zick, the Mills E. Godwin, Jr. Professor of Law at the William and Mary Law School. (PDF attached)

Remarks for Virginia Council of President’s Meeting on June 18, 2018. Posits that throughout the nation’s history the campus has been a flashpoint of activism and free speech contention. One of the most pressing challenges facing the modern university is the need to develop an approach to free speech on campus that both protects expression and ensures that the campus is a conducive learning environment for all students.

Mental Health
New York Times - The real campus scourge Frank Bruni, an Op-Ed columnist for The New York Times since June 2011, joined the newspaper in 1995 and has ranged broadly across its pages. (PDF attached)

Looks at the increasing loneliness experienced by college students, the potential connection of technological availability and use towards this loneliness, and the potential self-destructive behaviors this may cause for students.

Institutional Culture and the Michigan State Case
Chronicle of Higher Ed - Can Michigan State get its public-relations nightmare under control? Written by Sarah Brown, who writes about a range of higher-education topics, including sexual assault, race on campus, and Greek life. (PDF attached)

After criticisms of how the former president and now interim president for Michigan State have handled the situation of Larry Nassar’s abuse of over 250 girls and young women, the article asks why is the communication strategy for Michigan State so off, and what will it take to get it right?
Campus Speech and the Modern University

Remarks for Meeting of the Council of Presidents
June 18, 2018

Tim Zick
Mills E. Godwin, Jr. Professor of Law
William & Mary Law School

Thanks to Taylor Reveley, the once and still, for a few more days at least, President of the College of William & Mary, for inviting me to speak to you today. I can think of no more appropriate audience, save perhaps for the students at your respective institutions, for my remarks on campus speech. Taylor tells me that you are a naturally inquisitive group, and likely to have some questions. So I will keep my prepared remarks brief. I will also necessarily keep them rather general, but would be happy to address more specific issues as time permits.

In recent years, the subject of campus speech has been prominently in the news and on the minds of campus administrators, faculty, commentators, and students. Contentious, and sometime even violent, incidents have roiled a few of the nation’s campuses — including my own. There have been campus speech controversies regarding trigger warnings, micro-aggressions, safe spaces, disinvited speakers, and heckled speakers. These controversies have generated a new vocabulary. More importantly, they have raised concerns about free speech on the nation’s campuses.

The stakes are high. As some of you may know, the Department of Justice last week filed a “statement of interest” on behalf of the United States, in a federal lawsuit challenging the University of Michigan’s rules on harassment, bullying, and bias. (Incidentally, this is the fourth time the Trump Administration has weighed in against campus speech rules — a clear and unmistakable signal of the federal government’s interest in such matters). States, too, have begun to legislate on campus speech issues — in particular, regarding disciplinary measures against students who interrupt or interfere with invited speakers. In its brief in the Michigan case, the United States claims that “[i]nstead of protecting free speech, the university imposes a system of arbitrary censorship of, and punishment for, constitutionally protected speech.” Among other things, the student plaintiffs, who seek to
communicate a variety of conservative views, claim that their speech has been chilled as a result of Michigan’s Bias Response Policy, which authorizes disciplinary action for certain misconduct – including harassing and bullying communications.

Policies like Michigan’s are related, in part, to students’ attitudes regarding free speech. A 2015 Yale study showed that 72% of students surveyed supported disciplinary action against “any student or faculty member who uses language that is considered racist, sexist, homophobic or otherwise offensive.” In general, polling data suggests that many of today’s students are willing to trade off free speech rights, in the interest of things such as diversity, equality, or dignity.

Many view these policies and data as warning signs that freedom of speech, both as a right and as a treasured American tradition, is currently under siege on our nation’s campuses. Whether or not the situation is as dire as some have suggested, recent events have indeed raised serious questions concerning how students, faculty, administrators, and campus visitors fit into the American free speech tradition.

Alas, there are few clear guidelines concerning free speech on campus. As I have studied and taught campus speech controversies, I have been struck by the lack of clear and authoritative First Amendment standards for student speech, faculty speech, social media communications, and the regulation of speech and assembly in campus spaces. To be clear, general First Amendment standards and principles can help us navigate many campus free speech issues. However, with regard to specific applications of the First Amendment on university campuses, there are some significant gray areas.

In dealing with campus speech concerns, it is important to have some historical perspective. Some commentators and critics have characterized recent campus controversies as unique – an aberration from the tradition of free speech on campus. But as Keith Whittington, a Princeton political scientist, recently observed in a book on campus speech:

There was no golden age. Free speech on American college campuses has always been controversial and contested. The proper boundaries of free speech have never been clear, and the basic commitment to the principle of free speech has rarely been unwavering.
Throughout our history, the campus has been a flashpoint of activism and free speech contention: During the 1950s, when communists and radicals were singled out for exclusion and punishment; during the Civil Rights and Vietnam War eras, when protesters were expelled or displaced; and today, when conservative speakers claim to be targeted and chilled, as in the Michigan lawsuit. Further, polling data suggests that prior generations have indeed supported free speech rights — except when they haven’t; for instance, when speech caused disruption, speakers communicated certain offensive ideas or beliefs, or speech otherwise affected some other preferred interest. In short, what we are experiencing today is largely a rerun, not a new series.

Our approach to campus speech can, and I suggest should, be informed by two venerable and related ideals: (1) the mission of the modern university, and (2) the American free speech tradition.

Although universities are not monolithic, in general terms, the central mission of the modern university is to produce and disseminate knowledge. Our learning communities are incubators of ideas. They shelter dissidents, idealists, and critics. In pursuing their central mission, colleges and universities also prepare students for the duties and obligations of democratic citizenship, as future leaders and voters. Universities are also places where students learn the value of autonomy, including with respect to the communication and consumption of ideas.

These functions coincide with general First Amendment values and principles. Thus, protection for the freedom of speech is typically justified on the grounds that it furthers “marketplace of ideas,” “self-government,” and “autonomy” values. As the Supreme Court has observed, “the university classroom and its environs are peculiarly the marketplace of ideas.” In that marketplace, principles of free speech, free trade in ideas, and academic freedom must all be respected. Protecting speech on matters of public concern, which is the primary concern of the free speech guarantee’s self-government value, is particularly important in terms of educating future leaders and voters. And free speech autonomy concerns apply with (at least) equal force on the campus as they do outside its gates.

Past campus speech controversies have highlighted and magnified the connection between the modern university’s mission and our free speech tradition. For example, in response to a free speech controversy on the Yale campus during the 1960s, involving a Nobel-Prize-winning physicist who was also a vocal exponent of the genetic inferiority of blacks, Yale University issued a report on “Freedom of
Expression at Yale.” The report declared that “the history of intellectual growth and discovery clearly demonstrates the need for unfettered freedom, the right to think the unthinkable, discuss the unmentionable, and challenge the unchallengeable.” It stated that universities had a special responsibility “to provide a forum for the new, the provocative, the disturbing, and the unorthodox.” The report’s authors also concluded that members of the campus community had an overriding duty to preserve and respect freedom of speech, and had no right to obstruct others from exercising that freedom or from hearing the views of controversial speakers.

More recently, the University of Chicago provoked public controversy when it issued a similar report in the aftermath of student protests on its campus and on campuses across the nation. The Chicago report concluded: “It is not the proper role of the university to attempt to shield individuals from ideas and opinions they find unwelcome, disagreeable, or even deeply offensive.” It cited the university’s “fundamental commitment to the principle that debate or deliberation may not be suppressed because the ideas put forth are thought by some or even most members of the university community to be offensive, unwise, immoral, or wrong-headed.”

The Yale and Chicago reports emphasized that the mission of the modern university, and the tradition of free speech, generally go hand in hand. Of course, the incidents that gave rise to the reports showed that tensions can also arise between them. The students at Yale did not want to hear what the physicist had to say, and shouted him down. Chicago students were offended by certain ideas they considered offensive and disrespectful.

It is important to recognize that although campus speech controversies are not new, campuses themselves have changed markedly. For one thing, they are more diverse than they were when past speech controversies arose. Moreover, in many instances, the impetus for censoring speech now comes from students themselves rather than from administrators, as in past conflicts. Those students have been raised in a culture that prizes diversity, and treats offensive speech as a form of bullying or harassment.

The mission of the modern university, to produce and disseminate knowledge, assumes an inclusive learning community where all who are open to reasoned debate are welcome. Universities have a duty to protect students from injury, including those caused by certain types of speech. The First Amendment allows universities to take certain measures in this regard. Campuses can proscribe certain categories of expression that are not covered by the First Amendment’s free speech guarantee.
These include threats, so-called “fighting words” (communications that cause a reasonable person to react violently, or more colloquially “invitations to brawl”), incitements to unlawful action, and communications that create a hostile learning environment.

More broadly, campuses can regulate speech in ways that further their central mission. For example, they can establish content-neutral rules for the time, place, and manner of expression. They can discipline students for disrupting university activities and events. Campuses can also enforce rules prohibiting the destruction of property. And they can prevent discrimination by official campus organizations. University officials can also communicate institutional values and ideals in response to speech that occurs on campus.

In sum, modern universities need not, and indeed should not, abandon their commitments to diversity and inclusive learning communities. However, they cannot pursue those commitments by targeting only certain speakers or groups, disinviting speakers owing to the viewpoints or messages they intend to communicate, or suppress speech on the ground that it is offensive, upsetting, hateful, or unorthodox.

As all of you are well aware, one of the most pressing challenges facing the modern university is the need to develop an approach to free speech on campus that both protects expression and ensures that the campus is a conducive learning environment for all students. I do not have a blueprint guaranteeing your – indeed, our – success in this regard. The First Amendment does not provide one. Meeting this critical challenge will require that universities understand and embrace their central mission, educate students about the importance of free speech, and take actions, consistent with free speech rights and principles, which create a conducive learning environment for everyone.
The Real Campus Scourge

By Frank Bruni

Sept. 2, 2017

Across the country, college freshmen are settling into their new lives and grappling with something that doesn’t compete with protests and political correctness for the media’s attention, something that no one prepared them for, something that has nothing to do with being “snowflakes” and everything to do with being human.

They’re lonely.

In a sea of people, they find themselves adrift. The technology that keeps them connected to parents and high school friends only reminds them of their physical separation from just about everyone they know best. That estrangement can be a gateway to binge drinking and other self-destructive behavior. And it’s as likely to derail their ambitions as almost anything else.

Brett Epstein felt it. “I spent my first night in the dorm and it hit me like a pile of bricks: It’s just me here,” Epstein, a 21-year-old senior at the College of Charleston, told me about his start there three years ago. “I was completely freaked out.”

Clara Nguyen felt it, too. “It’s a lot more difficult to make friends than people make it out to be,” Nguyen, a 19-year-old sophomore at U.C.L.A., told me about her experience last year. “I didn’t know how to be someone new while at the same time being who I always was.”

The problem sounds so ordinary, so obvious: People in an unfamiliar location confront dislocation. On their own two legs for the first time, they’re wobbly. Who would expect otherwise?
Well, most of them did, because college isn’t sold to teenagers as just any place or passage. It’s a gaudily painted promise. The time of their lives! The disparity between myth and reality stuns many of them, and various facets of youth today — from social media to a secondary-school narrative that frames admission to college as the end of all worry — worsen the impact.

Harry Rockland-Miller, who just retired as the director for the Center for Counseling and Psychological Health at the University of Massachusetts at Amherst, told me the emblematic story of a freshman he treated:

“He was 18. He came to school and was invited to a party his first weekend, and he didn’t know anybody. So he started to drink. He drank way too much and ended up lying on a bench in his residential hall, feeling very sick. Nobody stopped and said, ‘How are you doing? Are you O.K.?’ And he felt so isolated. When he came in to speak with me the next day, the thing that struck him — what he said — was, ‘There I was, alone, with all these people around.’ ”

**Alone, with all these people around.** In a survey of nearly 28,000 students on 51 campuses by the American College Health Association last year, more than 50 percent said that they had “felt very lonely” in the previous 12 months. Nearly 30 percent said that they had felt that way in the previous two weeks.

Victor Schwartz, the medical director of the Jed Foundation, which is one of the nation’s leading advocacy groups for the mental health of teenagers and young adults, said that those findings were consistent with his own observation of college students today.

“While they expected that academics and finances would be sources of stress,” he told me, “many students were lonely and thought this was sort of unique to them, because no one talked about it.”

Their peers in fact do something that mine couldn’t back in the 1980s, when I attended college: use Facebook and Instagram to perform pantomimes of uninterrupted fun and unalloyed fabulousness. And these “highly curated selves,” as the U.C.L.A. psychologist Elizabeth Gong-Guy called them, “amplify the fact that you’re sitting in your residence hall alone.”
Gong-Guy runs her university’s Campus and Student Resilience program, which helps students with emotional struggles and exemplifies many schools’ intensifying efforts to address loneliness, among other mental health issues.

Extended, elaborate freshmen orientation schedules are another intended prophylactic against loneliness, which is a common reason for dropping out. And as Lawrence Biemiller recently noted in an article in The Chronicle of Higher Education, there’s even a push to place and design freshmen dormitories so that solitary time is minimized and interaction maximized.

Three new residence halls at Goucher College, one of which opened last fall and two of which are nearing completion, typify this trend. Goucher’s president, José Antonio Bowen, said that the center-of-hall situation of bathrooms, the glass walls of laundry rooms and even the speed of the wireless connection in common areas — much faster than in the rooms — are deliberate pushbacks against forces that can isolate students.

“Students are arriving on college campuses with all of their high school friends on their phones,” Bowen told me, referring to the technological quirks of today. They too easily substitute virtual interactions for physical ones, withdrawing from their immediate circumstances and winding up lonely as a result.

That’s why the solution isn’t hourly messages from concerned moms and dads, whose stubborn attentiveness, no matter how well meant, can leave their children psychologically frail. Mental health experts and college administrators recommend a more thoughtful organization of campus life and more candid conversations about the tricky transition to college.

Nguyen, the U.C.L.A. sophomore, said that in her Vietnamese-American family in Southern California, all the talk was of doing well enough in high school to get to college and not about the challenges college itself might present. Epstein, the College of Charleston senior, said that his popularity in high school in the suburbs of New York City perhaps distracted him from any awareness that “I was going 700 miles away and being dropped in a place of 10,000 people and wasn’t going to know anybody.” What followed, he added, was “a long battle with anxiety and depression.”
One of the narrators of Tom Perrotta's superb new novel, "Mrs. Fletcher," is a former high school lacrosse star who arrives on campus "after all the endless buildup" and develops a "queasy feeling" that his world has become at once more populous and a whole lot colder. "There I was, people-watching and eating my omelet," he says of one morning in the dining hall, "and the next thing I knew my throat swelled up. And then my eyes started to water."

We urge new college students not to party too hard. We warn them of weight gain ("the freshman 15"). We also need to tell them that what's often behind all that drinking and eating isn't celebration but sadness, which is normal, survivable and shared by many of the people around them, no matter how sunny their faces or their Facebook posts.

**Correction: September 2, 2017**

An earlier version of this column misstated the first name of the retired director of the Center for Counseling and Psychological Health at the University of Massachusetts at Amherst. He is Harry Rockland-Miller (not Henry).

I invite you to follow me on Twitter (@FrankBruni) and join me on Facebook.

*Follow The New York Times Opinion section on Facebook and Twitter (@NYTopinion), and sign up for the Opinion Today newsletter.*

A version of this article appears in print on Sept. 3, 2017, on Page SR3 of the New York edition with the headline: The Real Campus Scourge
Can Michigan State Get Its Public-Relations Nightmare Under Control?

By Sarah Brown  |  March 20, 2018

For Michigan State University, the revelation that Larry Nassar abused more than 250 girls and young women was harrowing. It was also a big public-relations problem.

That problem was made worse, in the eyes of many, by the repeated attempts of Lou Anna K. Simon’s administration to deflect responsibility instead of empathizing with Nassar’s victims.

Now, as the university’s interim president faces widespread criticism for his defiant comments to state lawmakers and reporters in recent days, many observers are wondering what’s amiss with Michigan State’s communications strategy — and what might be done about it, if the institution is to regain the public’s trust.
John Engler, the interim leader and a former Michigan governor, appeared at a legislative committee hearing last week, where lawmakers asked him to update them on how the university was moving forward from the Nassar scandal.

The Nassar Scandal and the Crisis of Michigan State’s President

During a week of scathing, heart-rending testimony by the physician’s scores of victims, Lou Anna K. Simon’s once-strong support rapidly eroded. On the same day Larry Nassar was sentenced to 40 to 175 years in prison, Simon resigned. Her successor, John M. Engler, has fared little better as interim president, and now faces calls for his own resignation. Here’s how the scandal came about — and persisted.

- At a Brutal Meeting of Trustees, Michigan State’s Wounds Are Laid Bare
- Salmon, Awkward Tweets, and ‘Hell No,’ I Wouldn’t Fire Him: A Reporter’s Notes From Outside Michigan State’s Trustee Dinner
- Michigan State Chief Apologizes for Saying Abuse Victim Would Get ‘Kickback’

But Engler spent much of the hearing lambasting lawmakers for approving a package of bills designed to help prevent sexual assault, saying the state Senate had “interfered” in the university’s continuing settlement negotiations with Nassar’s victims by giving their lawyers greater leverage.

Engler then attacked ESPN on Saturday at a news conference. After saying that the university was “making significant progress” in terms of making the campus safer, he switched gears and called out ESPN for its own recent allegations of sexual harassment.
“Look at the sexual assaults you guys are dealing with as a company,” he said, adding that “in many ways, their company is one of the worst in the nation.” ESPN published a scathing article last month suggesting that a culture of sweeping sexual assault under the rug ran deep within Michigan State’s athletic department.

Engler immediately faced rebuke from Nassar’s victims. One of them, Rachael Denhollander, had this to say: “Clear evidence, once again, the MSU Board and President Engler have not listened to a word we have said, nor do they understand or care about the impact of sexual assault or making sure this doesn’t happen again.”

The negative headlines continued on Monday, as The Wall Street Journal reported that Nassar’s former boss, William Strampel, said in October 2016 that he didn’t believe the sexual-abuse allegations against the sports doctor. “I don’t think any of these women were actually assaulted by Larry,” he told a group of administrators and students, according to the Journal.

Emily Guerrant, a Michigan State spokeswoman, wrote in an email that "the university is prepared to be accountable for its role in the tragedy that happened." Guerrant also said that Engler "has been committed to supporting the survivors that suffered at the hands of Larry Nassar." The university hopes to reach settlements with the victims this summer, she said.

Featured prominently on the university’s website is a new "Go Teal" campaign, spearheaded by students, that seeks to support sexual-assault victims and raise awareness.

Given that Engler is a longtime politician who has spent decades in public life, Gene Grabowski, a public-relations consultant who works with colleges, said he’s surprised that the former governor has handled the situation so poorly given the intensity of the spotlight on Michigan State.
“Either MSU doesn’t have a communications plan with regard to this issue,” Grabowski said, “or it has a plan and it has talking points but people are ignoring them, or people are going off script.”

“The thing I’m ruling out,” he added, “is that this is their strategy.”

The first step for Michigan State officials? “Stop. Stop the bleeding,” Grabowski said. “I don’t think an apology is in order,” he continued, but officials should quickly reframe their message.

In the coming days, when Engler is asked about his comments, Grabowski said, the interim president will need a quick answer. He suggests something along these lines: “We were under extreme pressure as anybody would be in this situation. I love this school, and I said things that were intemperate.”

Then Engler can continue with a newly focused message that should include three key tenets: that campus officials regret what happened with Nassar, that they are cooperating with the various investigations, and that there will be more accountability going forward. He and the board of trustees should stick as closely as possible to that script, Grabowski said.

Michigan State officials have said that pending litigation has made it more difficult to respond publicly to the crisis. But at this point, Grabowski said, improving the university’s communications strategy is more important than fending off lawsuits.

“As bad as legal jeopardy is, for a major school, legal jeopardy is not as damaging as hurting your reputation in the court of public opinion,” he said. “Parents are watching. It’s possible that future students are watching this.”

_update (3/21/2018, 4:52 p.m.):_ This article has been updated with a response from Michigan State’s spokeswoman.
Sarah Brown writes about a range of higher-education topics, including sexual assault, race on campus, and Greek life. Follow her on Twitter @Brown_e_Points, or email her at sarah.brown@chronicle.com.

This article is part of:
The Nassar Scandal and the Crisis of Michigan State’s President

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Free Speech

- New York Times - [Colleges grapple with where — or whether — to draw the line on free speech](#) Written by Alina Tugend. (PDF attached)

Looking at recent campus incidents involving public speakers (e.g. Charles Murray), the article considers the balancing act in higher education to protect students from offensive speech and protecting freedom of speech for others.

- New Yorker - [How social-media trolls turned U.C. Berkeley into a free-speech circus](#) Written by Andrew Marantz, a contributing editor to the The New Yorker since 2011.

Reflects on potential differences from the Free Speech Movement surrounding U.C. Berkeley in the 1960s to the potential exploitation by “trolls” like Milo Yiannopoulos on campuses today.

- Wall Street Journal - [A Free Speech To-Do List for College Administrators](#)

A short piece that shares smart preparation for issues related to Free-Speech.

- The Conversation - [Four campus free speech problems solved](#) Written by David Moshman, Emeritus Professor of Educational Psychology, University of Nebraska-Lincoln.

Suggests four points to help with free speech on campuses: Shun ‘free speech zones;’ Challenge hateful speech with more speech; don’t disinvite or disrupt speakers; and respect faculty and student rights.

Related:

- Vox - [Data shows a surprising campus free speech problem: left-wingers being fired for their opinions](#). Written by Zack Beauchamp.

Does "political correctness" crush conservative speech on campus? The data suggests no.

- University of Kansas - [Research shows prejudice, not principle, often underpins 'free-speech defense' of racist language](#) ... also a podcast NPR's Hidden Brain

Overviews a psychological study by a UK faculty and graduate student, which found a positive correlation between individuals with racial prejudice and the use of the “free speech argument.”
C-SPAN had a panel discussion that provides some good insights:
Campus Speech and the First Amendment: A group of panelists examined the state of free speech at colleges and universities. They explored issues such as whether so-called “hate speech” is protected by the First Amendment, the Trump administration’s role in fostering free speech, and who should pay for security costs associated with controversial speakers. Speakers included a former student leader at the University of Texas, Austin and the chancellor of the University of California, Irvine. The event was co-hosted by the Association for Land-grant Universities and the Fund for American Studies.

Mental Health

Chronicle of Higher Education - How we can help students survive in an age of anxiety
Written by Brian Rosenberg, president of Macalester College.

Reflecting on the world of current high school students, including post 9/11 fear, school shootings, the recession, and ubiquity of the internet, the article suggests what might be done in the future to help relieve younger generations of increased anxiety as a mental health concern as well as the apparent causes.

Related:

University of Maryland student paper The Diamondback - Universities must stop alienating students with mental illness
Written by Liyanga de Silva, a rising junior English major.

Responds to the saying, “College isn’t for everyone,” and suggests instead that higher education could do more to accommodate students, including those with mental health concerns. The article notes that even without preexisting conditions, students are often faced with the choice of mental health or success.

Inside Higher Ed - Mental health crisis for grad students
Written by Colleen Flaherty, Reporter, covers faculty issues for Inside Higher Ed.
Reviews a study in Nature Biotechnology that found graduate students are at greater risk for mental health concerns, including anxiety and depression than the general population. Potential causes are attributed to social isolation, abstract work, feelings of inadequacy, and a bleak job market for tenure-track jobs. These numbers increase with transgender, gender-nonconforming, and women graduate students.

The Guardian - Student mental health is suffering as universities burst at the seams
Written by Anonymous academic.
Looks at the potential difficulties that both universities and students could face as admission numbers increase, including the continued rise of isolation and loneliness amongst college students, particularly in overcrowded degrees and courses.
• PBS Newshour - **Opinion: Students are pushing themselves to unhealthy limits. Here’s how teachers can help** (AB high school students) *Written by David Cutler, who teaches American history, government and journalism at Brimmer and May, an independent school in Chestnut Hill, Mass. His writing has appeared in the National Association of Independent Schools, Edutopia, The Atlantic and Independent School Magazine.*

Looks at the increase of depression, anxiety, and stress among high school students and the expectations to balance grades, extracurricular, a social life, and preparation for college. The author suggests three things for teachers: give frequent low-stakes assessments, allow for full-credit retakes, and promote healthy amounts of stress.

**Institutional Culture and the Michigan State Case**

• Chronicle of Higher Ed - **After Michigan State: ‘Could we be next?’** *Written by Donald E. Heller He is provost and vice president for academic affairs, and a professor of education at the University of San Francisco.*

Heller reflects on his time both at Penn State and Michigan State, and the differences between the Jerry Sandusky and Larry Nassar scandals, but also their similarities. In both cases, the abuse came from a position of leadership in a college who targeted vulnerable groups, and the warning signs in each case were raised but ignored or downplayed. Although there is now a lot of work being done including policies, trainings, initiatives, etc., the author stresses to positions of power (presidents, provost, etc.) to not be so “naive” to think it could not happen at their institutions.

• Inside Higher Ed - **Creating a culture of Cronyism** *Written by James Finkelstein and Judith Wilde. James Finkelstein is professor emeritus at George Mason University. Judith Wilde is the chief operating officer and a professor at George Mason’s Schar School of Policy and Government.*

The article follows current Michigan State interim president, John Engler and his past and current positions as a micro example of larger changes to the institution of higher education, which the authors claim is now one of cronyism and patronage.

• New York Times - **It’s time for Michigan State to clean house** *Written by editorial board.*

The authors stress that although Larry Nassar was found guilty and subsequently will spend life in prison, the officials at Michigan State have not yet taken responsibility or put forth an investigation into how the abuse was allowed for so long. The editorial board further suggests that the Board of Trustees should resign or be removed to give accountability and to start gaining trust of the public once more.
Related:

- Chronicle of Higher Ed - Michigan State’s trustees owe the public some sound judgment
  Written by Richard Legon is president of the Association of Governing Boards of Universities and Colleges. He serves as a board member of Spelman College, and he previously served on the board of Virginia State University.

Posits that universities can no longer assume public support, but events at Michigan State and the ways in which officials handled Nassar’s trial and accusations indicate that a renewal of trust and confidence in these institutions is needed.
Enabling Beyond Boundaries – General Fund Revenue Priorities
August 25, 2018
Beyond Boundaries Themes - A Next-Gen Vision for Virginia Tech

- VT-shaped experience for all students – experiential learning; transdisciplinary problem solving; disciplinary depth; Ut Prosim difference.

- Access and affordability – broaden and deepen pool of talent; enhance access and pathways; eliminate disparities in student success; ensure affordability.

- Transdisciplinary research that matters – organizing around grand challenges; attracting global talent; deep partnerships.

- Catalyzing economic growth across Virginia – rural and urban; innovation, translation and commercialization; engagement.
**Major Milestones and Goals**

- Double FY14 endowment by FY22 – **on track.**
- Increase URM and URM+USS (Pell+1stGen) in entering class (including transfers) to 25% and 40% by Fall 2022 – **16%/36% estimated for Fall 2018.**
- Increase alumni giving participation from 9% in 2014 to 22% in 2022 - **currently 13%.**
- Grow annual fundraising from $80M in FY15 to $175M in FY22 – **ahead of pace.**
- Grow undergraduate enrollment from 24,247 in Fall 2014 to 30,000 in Fall 2022 – **ahead of pace.**
- Top 100 global ranking (consistent with top 10 public land-grants and AAU membership) – **long-term goal.**
- Every graduating student will have had a high-impact experiential learning opportunity – **long-term goal.**
- Strategic Planning process will add to and prioritize these milestones and goals.
**Major Beyond Boundaries Initiatives**

- InclusiveVT
- Destination Areas and Strategic Growth Areas
- Partnership for an Incentive-Based Budget (PIBB)
- VTC Health Science and Technology campus in the Roanoke Innovation Corridor
- Binary Star – Connecting Blacksburg/Roanoke to the NCR
- Agriculture and Natural Resources Initiative
- Commonwealth Cyber Initiative and NCR growth
- Master Plan
What will it take to get us there?

FOCUS ON BASE OPERATING BUDGET
- Competitive compensation for world-class faculty - \(~$25\text{M recurring}\)
- Financial aid to reduce debt for low- and middle-income Virginia students, to retain the best students in Virginia, and attract talent from outside Virginia - \(~$25\text{M recurring}\)
- Other recurring needs include:
  - Competitive staff and A/P faculty compensation
  - Start-up funds for faculty
  - Innovation ecosystem (seed, prototyping, IP)
  - Operation of core research facilities
Sources

- Efficiency and effectiveness
  - Co-op 2.0 (matching resources from employers)
  - Math Emporium 2.0 – adaptive learning (AI assisted)
  - ANR Initiative for Agency 229 (partner resources)
  - PIBB–informed academic program decisions
  - Procurement programs

- Tuition revenue
  - Rates (net); program fees; residency mix; growth

- Philanthropy
  - Faculty endowments; capital project support; scholarships

- (State appropriations)
  - Declined by ~50% since FY01 in real dollars, per-VA student
Issues – Faculty Talent

- Recruiting at market leads to compression, inversion, and retention challenges.
- Competitive faculty start-up packages are difficult to assemble under current budget limitations.
Issues - Student Talent

- Resident undergraduates are underfunded by ~$2,000 per student.
- At 29% non-VA-resident, we are at the cap on residency mix.
- Virginia Tech’s discount rate is far below peers, presenting affordability challenges for low- and middle-income students.
- Studies show that non-resident net price is at the inelastic point.
Discussion
Advancing Strategic Initiatives:
Resource Discussion

August 25, 2018

DWIGHT SHELTON
VICE PRESIDENT FOR FINANCE AND CFO
Advancing Strategic Objectives

As a Global Land Grant, Virginia Tech is in a fierce competition to acquire and retain talent. Our people are our greatest asset.

- **Students:** VT should be within reach for all highly qualified Virginians, regardless of financial resources.

- **Faculty:** Progress towards the market is critical to retain current top-performing faculty and attract new faculty in high demand.

- **Staff:** Staff support faculty productivity. Ensuring market competitiveness improves retention and recruitment of quality staff.
Attracting Talented Students

VT should be an option for all talented Virginia undergraduates.

Retreat background materials outline student financial Aid (SFA) needs

The university plans to:

- Work to close “Net Price” deficit as compared to UVA and CWM
  - AGB - Institutional Aid deficit as compared to national peers
- Enhance pricing predictability: Expand Funds for the Future
- Pursue private support for SFA gifts and endowments
- Mitigate Student Debt: Net price reduction should reduce debt
  - Enhance measures of debt to income relationship
Attracting and Retaining Talented Employees

FACULTY:
- Specific disciplines have unique competitive markets and rankings
  - VT disciplines lag peer discipline averages (SCHEV Peers, Land Grants, R1s)
- Market disparity affects current faculty and reduces the capacity to attract new faculty, especially those who are in high-demand
- Merit and National Distinction processes provide colleges the tools to differentiate
- Peers projected to move at 2.8% per year (SCHEV); VT must do more to gain ground

STAFF:
- US Department of Labor June 2018 report: wages up 2.8% year over year
- Salaries are 3% below market, and the market is moving faster than VT
Resource Requirements to Move Toward Best in Class

Resource plan should reflect resource targets to pursue talent goals:

- **SFA: Access and Affordability of Virginia undergraduates**
  - Net Price Gap: At current enrollment, based on UVa/W&M $25M
  - Improve Funds for the Future to full coverage at $100K $1M

- **Compensation: Attracting and Retaining Talented Employees**
  - Faculty Compensation
    - 50th percentile (average) of peers: $25M
    - 60th percentile of peers: $40M
  - University Staff Compensation
    - 3% market gap: $5M

Each market is moving: resources needed to keep pace and make progress. These figures represent current cost to achieve goals.
Major Revenue Sources

- Direct State investment
- Nonresident and international student enrollment
  - Resident enrollment growth has negative impact on budget unless price is reset or state makes major instructional investment
- Tuition and fees, including differential charges for high-cost, high-demand disciplines
  - In March, Board implemented and/or enhanced differential rates
- Increased philanthropy
- Enhanced efficiency and partnerships
- Leverage industry partners, e.g., our Land Grant business partners
Financial Outlook

One-time General Fund surplus may support statewide initiatives

- Higher Ed holds a shrinking share of the overall General Fund budget and competes with many other agencies
- Resource requests need to be differentiated
- VT’s multiple years of low tuition increases may be beneficial

Opportunity to rebase tuition and fees revenue budget

- Growing reliance on self-generated revenue; tuition is largest component
- Some VA and national peers have “reset” tuition to address new financial reality
- Window of opportunity may be closing
Potential Opportunities for State Support

University requests need to be differentiated from other institutions and support state goals:

- **Research**
  - Specific programs with state-wide, economic development appeal
  - Faculty startup
- **Innovation Ecosystem**
  - Entrepreneurship & Commercialization Fund
  - Smart Agriculture & Natural Resources Initiative
- **Capital Projects**
- **Enrollment Growth** in key areas - consistent with state budget language
The Opportunity For Enrollment Flexibility

- Nonresident enrollment flexibility can capitalize on unmet demand and contribute net revenue to university priorities

- Current legal environment limits nonresident growth to a cap of 29%
  - Nonresident undergraduates must fund own financial aid and cost of education
  - Growing enrollment at the current residency mix does not generate a net surplus of revenue to help with critical needs

- VT can offer to guarantee current in-state undergraduate enrollment levels and potentially grow high-demand areas critical to state economy

- Lawmakers may be receptive to potential nonresident growth in areas that can contribute to Virginia economy
Potential Elements of an Updated State Partnership

- Guaranteed in-state undergraduate enrollment level (could have STEM-H goal)
- Limiting in-state undergraduate tuition and fee increases (e.g. inflation/2.9%)
- State commitment to basic support (e.g. inflationary increases)
- Significant increase in Student Financial Aid from both parties
  - Prospective state aid model to help attract students with financial need
- Advance additional operational autonomies (restructuring)
  - Opportunities exist in human resources, finance, capital outlay, and procurement
  - Delegation of Academic Program Approval to BOV
  - Eliminate nonresident enrollment caps, consistent with Virginia undergraduate enrollment commitment
- Leverage SFA to grow internship opportunities with corporate support
- Continued access to state support for non-instructional programs (research, SFA, land grant programs, and capital outlay)
Tuition Revenue Growth Strategies

Advance reading material provides background on tuition revenue growth strategies used by various Virginia universities.

- Four-year fixed rate, tuition rate “resets”, and the traditional incremental rate model

The traditional tuition model, as deployed by VT:

- Can maintain current funding levels, and perhaps make modest investments in program quality
- Is not able to generate major revenue to meet our vision of the future, unless coupled with nonresident undergraduate enrollment growth

The university has modeled revenue growth options with several major elements:

- Undergraduate enrollment growth to 30,000 by FY23
- Revenue growth through tuition resets for Virginia undergraduates
- Revenue growth through nonresident enrollment growth (to 35%)
- Continued state support for mandated/inflationary costs and 2% annual compensation program
- Inflationary tuition rate increases to address traditional instructional cost increases
- Sufficient investments in the PIBB budget model to ensure quality along with enrollment growth
# Modeling Tuition/Enrollment Scenarios

**Primary goals**
- Competitive Virginia Undergraduate Net Price (Increased SFA)  
  $25M
- Competitive Faculty & University Staff Salaries  
  $30M
- Each year the university loses ground, the more expensive these become.
- Scenarios apportion incremental revenue is across each initiative.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Annual Revenue beyond Base Costs - FY23 *</th>
<th>Faculty &amp; Staff Salary Progress</th>
<th>Net Price Reduction Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status Quo (2.9% tuition / inflationary costs)</td>
<td>$(2.2m)</td>
<td>No progress 35th</td>
<td>No progress</td>
</tr>
<tr>
<td>A) $1,000 In-State Undergraduate Reset (twice)</td>
<td>$29.1m</td>
<td>From 35th to 43rd</td>
<td>58% to goal</td>
</tr>
<tr>
<td>B) Out-of-State growth to 30k total undergraduates</td>
<td>$19.7m</td>
<td>From 35th to 40th</td>
<td>39% to goal</td>
</tr>
<tr>
<td>C) Scenario A + B</td>
<td>$48.8m</td>
<td>From 35th to 47th</td>
<td>98% to goal</td>
</tr>
</tbody>
</table>

* Net revenue after discounting, both resident and nonresident undergraduates, and covering the cost of PIBB for enrollment growth.
Next Steps

- Consider revenue options and window of opportunity
- Advocate for incremental General Fund support as economy improves
- Continue to advance Partnership opportunity with state officials, including:
  - Increased autonomy, with emphasis on enrollment mix flexibility
  - Tuition and General Fund support for shared goals
  - Prospective Student Financial Aid model
  - Support for enhanced internship programs
- Based on level of state support, finalize tuition proposal at future meeting
Report of Information Session
Sunday, August 26, 2018

Filler Page
Academic, Research, and Student Affairs General Report of August 26, 2018 will be presented at Monday’s meeting of the Board
Buildings and Grounds General Report
of August 27, 2018
will be presented at
Monday’s meeting of the Board
Compliance, Audit, and Risk
General Report
of August 26, 2018
will be presented at
Monday’s meeting of the Board
Finance and Resource Management

General Report

of August 27, 2018

will be presented at

Monday’s meeting of the Board
Minutes

GOVERNANCE AND ADMINISTRATION COMMITTEE
July 19, 2018

Board Members: Mehul Sanghani (Chair), Mehmood Kazmi, Jeff Veatch (by telephone).

VPI & SU Staff (by telephone): Kay Heidbreder, Kim O'Rourke

Mr. Sanghani convened this special meeting of the Governance & Administration Committee at 3:50 p.m. at 10780 Parkridge Boulevard in Reston, Virginia, for the purpose of considering the governance and selection of the student representatives to the Board, as charged by the Rector.

Mr. Sanghani summarized what had transpired to date. During winter 2018, one of the student representatives raised the issue of the governance and selection of student representatives with the Rector of the Board, who in turn raised the matter at a meeting of the Executive Committee in March 2018. The Executive Committee recommended that the matter be referred to the Governance and Administration (G&A) Committee. Subsequently, at the March Board meeting, the Rector charged the G&A Committee to bring recommendations to the Task Force on Board Structure and Governance. Accordingly, Mr. Sanghani distributed a survey to those who served as student representatives in 2017-18 and the five preceding years, as well as to the Vice President for Student Affairs (VPSA) and the Vice President for Graduate Studies (VPGS). Responses were received from four undergraduate representatives, two graduate representatives, and both vice presidents. The members of the G&A Committee individually had conversations over the course of the June 2018 Board meeting with the student who had raised the matter. Subsequently, another student representative proposed to a member of the committee an idea to compensate the student representatives to the Board for their service.

The committee identified four issues for discussion:

- The governance or organizational home of the student representatives.
- The selection process for the student representatives and integration with the Student Government Association (SGA) and Graduate Student Assembly (GSA).
- The need to promote greater awareness within the student body of the positions of undergraduate and graduate student representatives to the Board in part to attract more interest in the position and more candidates.
- Compensation proposal.
By consensus after discussion, the Governance and Administration Committee agreed:

1. To recommend to the Task Force for Board Structure and Governance that the organizational home for the student representatives be shifted to the Vice President for Governance and Administration (VPPG) effective with the 2018-19 academic year. Currently, the organizational home for the undergraduate student representative is with the Vice President for Student Affairs, and for the graduate student representative is with the Vice President for Graduate Studies. The position of Vice President for Governance and Policy was created in August 2017 and seems a natural “home” for the student representatives. The committee recommends further that the Vice President for Policy and Governance together with the current student representatives develop an addendum to the Handbook for Student Representatives that describes the role and responsibilities of the VPPG with regard to the student representatives within six months. The committee envisions that the VPPG will serve in a neutral role to educate and train the students about the governance of the university, provide oversight for the students and the selection process, and assure the independence of the student representatives in their interactions and communications with the Board. Further, the student representatives’ existing level of interaction with other student leaders as well as with the Vice President for Student Affairs and Vice President for Graduate Studies should be preserved if not increased, and the VPPG would support and facilitate these interactions.

2. To recommend that the Governance and Administration Committee be charged with examining the student selection process over the course of the coming year. The G&A Committee would plan to create a small task force consisting of one of its members, the VPPG, and the student representatives that would consult with stakeholders such as the SGA, GSA, VPSA, VPGS, and others that they deem appropriate to develop recommendations for changes to the student selection process. Any minor changes recommended during the fall semester 2018 would be implemented for the 2019-20 student selection process. Recommendations developed over the course of the year for major changes, if any, would be implemented for the 2020-21 student selection process.

3. To recommend that the new task force identified above collaborate with Tracy Vosburgh, Hunter Gresham, the VPSA, and the VPGS on ways to increase the awareness of the BOV student representative positions among the student body.

4. That they were not supportive of the proposal for compensation and would not bring forward such a recommendation to the Task Force.

The three recommendations enumerated above will be provided to the Task Force on Board Structure and Governance for consideration at their July 23 meeting.

There being no further business, the meeting was adjourned at 4:50 p.m.
Governance and Administration
General Report
of August 27, 2018
will be presented at
Monday’s meeting of the Board
RESOLUTION TO RATIFY THE 2018-19 FACULTY HANDBOOK

Documents included:

1. Resolution to ratify the 2018-19 faculty handbook.
2. Table of revisions made to faculty handbook.
3. Redlined version of changes to faculty handbook.
RESOLUTION TO RATIFY THE 2018-19 FACULTY HANDBOOK

WHEREAS, the Faculty Handbook is the record for policies pertaining to all types of faculty employees; and

WHEREAS, the oversight of policies governing all types of faculty employees at the university is the responsibility of the Board of Visitors; and

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

WHEREAS, the Faculty Handbook includes the mission statement of the university; and

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

NOW, THEREFORE, BE IT RESOLVED that the Virginia Tech Board of Visitors hereby ratifies the August 27, 2018 version of the Faculty Handbook that incorporates the revisions summarized in the attachment.

RECOMMENDATION:

That the 2018-19 Faculty Handbook be ratified.

August 27, 2018
<table>
<thead>
<tr>
<th>GLOBAL CHANGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revision</td>
</tr>
<tr>
<td>Used the title of “provost” rather than the longer title of “executive vice president and provost” where use of lengthy title is awkward. For example, “the executive vice president and provost’s website” became “the provost’s website.”</td>
</tr>
<tr>
<td>“Vice president for administrative services” changed to “senior vice president for operations and administration” throughout</td>
</tr>
<tr>
<td>“Curriculum vita” changed to “curriculum vitae.”</td>
</tr>
<tr>
<td>“Division of Continuing and Professional Education” changed to “Continuing and Professional Education.”</td>
</tr>
<tr>
<td>“University Policy ####” changed to “Policy ####.”</td>
</tr>
<tr>
<td>All references to CIDER changed to Center for Excellence in Teaching and Learning.</td>
</tr>
<tr>
<td>Revised titles of all policies, as needed throughout handbook.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COVER PAGE</th>
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</thead>
<tbody>
<tr>
<td>Section No.</td>
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</table>

<table>
<thead>
<tr>
<th>CHAPTER ONE: MISSION AND GOVERNANCE OF THE UNIVERSITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section No.</td>
</tr>
<tr>
<td>1.2.1</td>
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<tr>
<td>1.2.2</td>
</tr>
<tr>
<td>1.2.3</td>
</tr>
<tr>
<td>1.2.6</td>
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<tr>
<td>1.2.7</td>
</tr>
<tr>
<td>1.2.8</td>
</tr>
<tr>
<td>1.3.1</td>
</tr>
</tbody>
</table>
| 1.3.4        | Graduate Student | clarified that the GSA serves both on and off-campus graduate students | GSA website, description and mission: https://graduateschool.vt.edu/student-
CHAPTER TWO: EMPLOYMENT POLICIES AND PROCEDURES FOR ALL FACULTY

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Types of Positions at the University</td>
<td>clarified for redundancy; clarified that faculty employment and policies is under the purview of the BOV</td>
</tr>
<tr>
<td>2.3.1</td>
<td>The College Faculty</td>
<td>clarified language</td>
</tr>
<tr>
<td>2.3.7</td>
<td>The Faculty of Health Sciences</td>
<td>clarified language</td>
</tr>
<tr>
<td>2.3.8</td>
<td>The Faculty of the Virginia Tech Carilion School of Medicine (VTCSOM)</td>
<td>replaced language in 2.18; added language regarding types of faculty members of VTCSOM</td>
</tr>
<tr>
<td>2.18</td>
<td>Faculty Involvement with the Virginia Tech Carilion School of Medicine</td>
<td>removed section; language incorporated into new section, 2.3.8.1 &quot;Cross-college Involvement of Faculty with the Virginia Tech Carilion School of Medicine&quot;</td>
</tr>
<tr>
<td>2.3.8.1</td>
<td>Cross-college Involvement of Faculty with the Virginia Tech Carilion School of Medicine</td>
<td>section added to encapsulate faculty involvement across Virginia Tech and VTCSOM from old 2.18; adds language for appointments from VTCRI</td>
</tr>
<tr>
<td>2.3.8.2</td>
<td>Faculty Buyout Agreements with Virginia Tech Carilion School of Medicine</td>
<td>removes section 2.18.1; adds language regarding faculty buyout agreements</td>
</tr>
<tr>
<td>2.3.8.3</td>
<td>Faculty Overload Payment Agreements with Virginia Tech Carilion School of Medicine</td>
<td>removes section 2.18.2; adds language regarding payout agreements with VTCSOM</td>
</tr>
<tr>
<td>2.5.1</td>
<td>Faculty Search Procedures</td>
<td>added &quot;university promotion and tenure subcommittee&quot; to paragraph 3</td>
</tr>
<tr>
<td>2.5.7</td>
<td>Conviction and Driving Recording Investigation for Employment</td>
<td>paragraph 1: revisions from Policy 4060</td>
</tr>
<tr>
<td>2.5.10</td>
<td>Faculty Credentialing Guidelines</td>
<td>added paragraph 3 regarding pointing individuals to Ch. 12 for VTCSOM faculty credentialing and accreditation</td>
</tr>
</tbody>
</table>

Review by Kris Bush
### Restricted Appointments

- **2.6.4**: Sentence added for clarification regarding VTCSOM regular appointments. 
  - Source: Provost Office Review.

### Policy on Non-Discrimination and Harassment Prevention

- **2.7.7**: Revised paragraph 15 per Policy 1025.
  - Source: Policy 1025, Harassment, Discrimination, and Sexual Assault, revised 02/12/2018.

### Guidelines for Acceptable Use of Information Systems

- **2.7.9.2**: Edited to reflect revised language in Policy 7000.
  - Source: https://vt.edu/about/acceptable-use.html.

### Sick Leave

- **2.9.6**: Added paragraph regarding disallowance of VSDP opt-out election.
  - Source: VRS email, dated 08/24/2017, from Mike Pote, Managed Disabilities Program Administrator.

### Voluntary Transitional Retirement Program

- **2.11.1.1**: Revisions per Policy 4410, approved by BOV in April 2017.
  - Source: Policy 4410, Voluntary Transitional Retirement Program for Faculty with Tenure.

### Additional/Outside Employment Policy

- **2.16.3**: Added name of Policy 4070.
  - Source: Policy 4070, Additional/Outside Employment Policy for Salaried Classified and Classified Staff.

### Social Media

- **2.20.1**: New section added.
  - Source: Policy 1030 Effective 5/23/2018 (need to add to table of contents).

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

- **3.2.2**: Alumni Distinguished Professor revision per resolution regarding ADPs.
  - Source: resolution approved BOV at 06/04/2018 meeting.

- **3.2.3**: University Distinguished Professor paragraph 7: review revised language (check with Jack Finney).

- **3.3.1.2**: Permanent Part-Time revised title; edited for clarity—PT tenure appointments are only for tenured individuals, not for pre-tenure faculty.

- **3.7**: Faculty Grievance Policy revised title; edited for clarity—PT tenure appointments are only for tenured individuals, not for pre-tenure faculty.

- **3.7.2**: The Formal Grievance Procedure added: "The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university."

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

- **4.4.1.2**: Permanent Part-Time Continued Appointments and Continued Appointment-Track Appointments revised title; edited for clarity—PT tenure appointments are only for tenured individuals, not for pre-tenure faculty.

- **4.5.4**: Evaluation Procedures 1. first paragraph is moved from later in this section to match order of sub-sections.

- **4.6.5**: Periodic Review of replaced language with language from 3.5.5 for consistency.

- **4.7.3**: Dismissal for Cause replaced "termination" with "dismissal" per legal counsel.

- **4.8.2**: The Formal Grievance Procedure added: "The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university."

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

- **5.1.3**: Professor of Practice Ranks revised paragraph 4, per PPM 282, "Professors of Practice."

- **5.2.4**: Promotion Guidelines for 1. revised section title; 2. edited language regarding external evaluations.

### Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.6.4</td>
<td>Restricted Appointments</td>
<td>sentence added for clarification regarding VTCSOM regular appointments</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>2.7.7</td>
<td>Policy on Non-Discrimination and Harassment Prevention</td>
<td>revised paragraph 15 per Policy 1025</td>
<td>Policy 1025, Harassment, Discrimination, and Sexual Assault, revised 02/12/2018</td>
</tr>
<tr>
<td>2.7.9.2</td>
<td>Guidelines for Acceptable Use of Information Systems</td>
<td>edited to reflect revised language in Policy 7000</td>
<td><a href="https://vt.edu/about/acceptable-use.html">https://vt.edu/about/acceptable-use.html</a></td>
</tr>
<tr>
<td>2.9.6</td>
<td>Sick Leave</td>
<td>added paragraph regarding disallowance of VSDP opt-out election</td>
<td>VRS email, dated 08/24/2017, from Mike Pote, Managed Disabilities Program Administrator</td>
</tr>
<tr>
<td>2.11.1.1</td>
<td>Voluntary Transitional Retirement Program</td>
<td>revisions per Policy 4410, approved by BOV in April 2017</td>
<td>Policy 4410, Voluntary Transitional Retirement Program for Faculty with Tenure</td>
</tr>
<tr>
<td>2.16.3</td>
<td>Related Policies</td>
<td>added name of Policy 4070</td>
<td>Policy 4070, Additional/Outside Employment Policy for Salaried Classified and Classified Staff</td>
</tr>
<tr>
<td>2.16.4.1</td>
<td>Disclosure of External</td>
<td>correction to name of Policy 4070</td>
<td>Policy 4070, Additional/Outside Employment Policy for Salaried Classified and Classified Staff</td>
</tr>
<tr>
<td>2.18-2.18.2</td>
<td>various</td>
<td>all deleted and are now incorporated in section 2.3.8</td>
<td></td>
</tr>
<tr>
<td>2.20.1</td>
<td>Social Media</td>
<td>new section added</td>
<td>Policy 1030 Effective 5/23/2018 (need to add to table of contents)</td>
</tr>
<tr>
<td>3.2.2</td>
<td>Alumni Distinguished Professor</td>
<td>revision per resolution regarding ADPs</td>
<td>resolution approved BOV at 06/04/2018 meeting</td>
</tr>
<tr>
<td>3.2.3</td>
<td>University Distinguished Professor</td>
<td>paragraph 7: review revised language (check with Jack Finney)</td>
<td></td>
</tr>
<tr>
<td>3.3.1.2</td>
<td>Permanent Part-Time</td>
<td>revised title; edited for clarity—PT tenure appointments are only for tenured individuals, not for pre-tenure faculty</td>
<td></td>
</tr>
<tr>
<td>3.7</td>
<td>Faculty Grievance Policy</td>
<td>added: &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
<tr>
<td>3.7.2</td>
<td>The Formal Grievance Procedure</td>
<td>added &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
<tr>
<td>4.4.1.2</td>
<td>Permanent Part-Time Continued Appointments and Continued Appointment-Track Appointments</td>
<td>revised title; edited for clarity—PT tenure appointments are only for tenured individuals, not for pre-tenure faculty</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>4.5.4</td>
<td>Evaluation Procedures</td>
<td>1. first paragraph is moved from later in this section to match order of sub-sections</td>
<td></td>
</tr>
<tr>
<td>4.6.5</td>
<td>Periodic Review of</td>
<td>replaced language with language from 3.5.5 for consistency</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>4.7.3</td>
<td>Dismissal for Cause</td>
<td>replaced &quot;termination&quot; with &quot;dismissal&quot; per legal counsel</td>
<td>Legal Counsel</td>
</tr>
<tr>
<td>4.8.2</td>
<td>The Formal Grievance Procedure</td>
<td>added: &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
<tr>
<td>5.1.3</td>
<td>Professor of Practice Ranks</td>
<td>revised paragraph 4, per PPM 282, &quot;Professors of Practice.&quot;</td>
<td>PPM 282, issued 05/09/2013</td>
</tr>
<tr>
<td>5.2.4</td>
<td>Promotion Guidelines for</td>
<td>1. revised section title; 2. edited language regarding external evaluations</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>Section No.</td>
<td>Section Name</td>
<td>Revision</td>
<td>Source</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>5.2.4.1</td>
<td>Promotion Guidelines for College Professor Rank</td>
<td>paragraph 1, revision per BOV resolution &quot;Promotion Guidelines for Non Tenure Track Collegiate Faculty Appointments&quot; approved June 2017</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Dismissal for Cause</td>
<td>clarified language; replaced &quot;termination&quot; with &quot;dismissal&quot;</td>
<td>Per Legal Counsel</td>
</tr>
<tr>
<td>5.7.2</td>
<td>The Formal Grievance Procedure</td>
<td>added &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
</tbody>
</table>

### CHAPTER SIX: EMPLOYMENT POLICIES AND PROCEDURES FOR RESEARCH FACULTY

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Office of the Vice President for Research</td>
<td>revised listing of units to match current organization</td>
<td><a href="https://www.research.vt.edu/staff-directory">https://www.research.vt.edu/staff-directory</a></td>
</tr>
<tr>
<td>6.2</td>
<td>Research Faculty Appointments</td>
<td>removed paragraph 4</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.2.1</td>
<td>Research Faculty Ranks</td>
<td>new section added</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.5</td>
<td>Research Professor Ranks</td>
<td>added language regarding committee service</td>
<td>Per PPM 277, issued 05/07/2012</td>
</tr>
<tr>
<td>6.5.1</td>
<td>Research Assistant Professor</td>
<td>last paragraph edited for clarity, added the word &quot;reappointment&quot;</td>
<td>Provost office Review</td>
</tr>
<tr>
<td>6.14.1</td>
<td>Dismissal for Cause</td>
<td>edited to reflect revised language in Policy 7000</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Removal Processes for Research Faculty Members,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.14.2</td>
<td>Non-Reappointment of Research Professor</td>
<td>new section added</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Removal Processes for Research Faculty Members,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.14.3</td>
<td>Termination of Positions Because of Insufficient Funds or No Further Need for Services</td>
<td>new section added</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Removal Processes for Research Faculty Members,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.16</td>
<td>Instructional Responsibilities for Research Faculty Members</td>
<td>added paragraph 3; moved final paragraph to be third from last paragraph</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes&quot; which passed UC on 04/16/2018 and the BOV on 06/04/2018.</td>
</tr>
<tr>
<td>6.17.3</td>
<td>Timeliness of Grievance and Procedural Compliance</td>
<td>added &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
</tbody>
</table>

### CHAPTER SEVEN: EMPLOYMENT POLICIES AND PROCEDURES FOR ADMINISTRATIVE AND PROFESSIONAL FACULTY

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.2.2</td>
<td>Initial Appointment and Reappointment</td>
<td>added sentence regarding review and approval by university P&amp;T subcommittee for appointment with tenure</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>7.6.4</td>
<td>Dismissal for Cause</td>
<td>1. replaced &quot;termination&quot; with &quot;dismissal&quot; per legal counsel; 2. added &quot;Filing a grievance does not constitute cause for dismissal.&quot;</td>
<td>1. Legal Counsel; 2. consistent with other chapters</td>
</tr>
<tr>
<td>7.7.5</td>
<td>Particular Concerns and Definitions</td>
<td>added &quot;senior vice president for operations and administration&quot;</td>
<td>Provost Office Review</td>
</tr>
</tbody>
</table>

### CHAPTER EIGHT: EMPLOYMENT POLICIES AND PROCEDURES FOR GRADUATE ASSISTANTS
### Chapter Nine: Instruction-Related Policies

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.1</td>
<td>Graduate Student Appointments</td>
<td>clarified teaching requirements for GTAs to align with Graduate Dean and Graduate School policy</td>
<td>Approved by Graduate Dean</td>
</tr>
<tr>
<td>8.3</td>
<td>Additional Employment by Graduate Students with a Full-Time Assistantship Contract</td>
<td>added that &quot;conflicts regarding graduate student additional employment should be handled at the departmental level first, and then escalated, if necessary to the Graduate School/Graduate Ombudsperson&quot;</td>
<td>Approved by Graduate Dean</td>
</tr>
</tbody>
</table>

### Chapter Ten: Research, Creative, and Scholarly Activities

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1.2</td>
<td>Independent Study and Undergraduate</td>
<td>clarification on approval</td>
<td>University Registrar</td>
</tr>
<tr>
<td>9.4</td>
<td>Textbooks and Other Instructional Materials</td>
<td>Edited per state legislation passed in 2018 and adopted by the BOV in June 2018</td>
<td>Provost Office Review; BOV Approval</td>
</tr>
<tr>
<td>9.5</td>
<td>Grading Systems</td>
<td>in the section, &quot;Mid-term grade reports&quot; changed &quot;term&quot; to &quot;semester&quot; and removed first semester transfer students receiving a mid-term grade report review by University Registrar-updated to current Registrar practice</td>
<td></td>
</tr>
<tr>
<td>9.6.5.1</td>
<td>Student Academic Complaints</td>
<td>added VTCSOM to list of systems not included in academic complaints</td>
<td>Per BOV directive, June 2018</td>
</tr>
<tr>
<td>9.9</td>
<td>Honor System for Graduate Students, Students in the College of Veterinary Medicine, and Students in the Virginia Tech Carilion School of Medicine</td>
<td>1. added VTCSOM to title; 2. BOV approved VTCSOM Honor Code, June 2017</td>
<td>1 and 2. Per BOV directive, June 2018</td>
</tr>
<tr>
<td>9.12.1</td>
<td>Academic Records</td>
<td>added &quot;suppressed&quot; to the phrase &quot;not marked confidential&quot;</td>
<td>Review by University Registrar-changes in procedure based on the passage of HB 1 that changed state code, 23.1-405, effective 7/1/18</td>
</tr>
<tr>
<td>9.15</td>
<td>Faculty Awards for Teaching, Advising, Research, and Outreach</td>
<td>needs review</td>
<td>Provost Office Review</td>
</tr>
</tbody>
</table>

### Chapter Eleven: Faculty Benefits Program

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.2.2</td>
<td>Activities Covered</td>
<td>added that &quot;Professional students in the Virginia-Maryland College of Veterinary Medicine or the Virginia Tech Carilion School of Medicine must consult the honor code for their college/school&quot; to paragraph 2</td>
<td>Provost Office Review and BOV directive, June 2018</td>
</tr>
<tr>
<td>10.3</td>
<td>Removal of a Principal, Co-Principal, Lead Investigator, or Equivalent</td>
<td>added &quot;established cases of research misconduct (see Policy 13025 &quot;Policy on Misconduct in Research&quot; to paragraph 1</td>
<td>Per Policy 13025, &quot;Removal of PI&quot;, updated 03/10/2017</td>
</tr>
<tr>
<td>11.1.4</td>
<td>Short-Term Disability Income Protection</td>
<td>added final 2 sentences to final paragraph concerning disallowance of VSDP opt-out election</td>
<td>HR review--VRS email, dated 08/25/2017 from Mike Pote, Managed Disabilities Program Administrator</td>
</tr>
<tr>
<td>Section No.</td>
<td>Section Name</td>
<td>Revision</td>
<td>Source</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------</td>
<td>----------</td>
<td>--------</td>
</tr>
<tr>
<td>11.2.5</td>
<td>Employee Assistance Program</td>
<td>revised paragraphs 1 and 3 per Policy 4345</td>
<td>Policy 4345, &quot;Employee Assistance Program,&quot; revised 02/13/2017</td>
</tr>
<tr>
<td>11.3.3</td>
<td>Worker's Compensation Program</td>
<td>revised title and paragraph per Policy 4415</td>
<td>Policy 4415, &quot;Worker's Compensation,&quot; revised 01/03/2017</td>
</tr>
</tbody>
</table>

**CHAPTER TWELVE: EMPLOYMENT POLICIES AND PROCEDURES FOR VIRGINIA TECH CARILION SCHOOL OF MEDICINE FACULTY**

- **12.0 Virginia Tech Carilion School of Medicine (VTCSOM) Faculty**
  - 1. added paragraph describing types of faculty members from VTCSOM; same paragraph as in 2.3.8; 2. added paragraph 3
  - 1 and 2. Per BOV directive, June 2018

**[NEW CHAPTER] CHAPTER THIRTEEN: FACULTY PREPAREDNESS FOR EMERGENCIES**

- Updated VT logo, department name, contact information, and added QR code for students and faculty to more easily get contact information
  - Emergency Management updates

- revised name to Division of Operations
  - Emergency Management updates
RESOLUTION TO RATIFY THE STUDENT CODE OF CONDUCT

WHEREAS, by state statute, the Virginia Tech Board of Visitors is charged with regulating the government and discipline of students; and

WHEREAS, the Virginia Tech Student Code of Conduct reflects best practices for the education of students about appropriate behavior and fostering a community in which academic success can occur; and

WHEREAS, the student conduct system is based on the assumption that students and groups have the capacity to assume responsibility for their own behavior and that the university has the authority to establish an internal structure for the enforcement of its policies and procedures, which students have agreed to accept by enrolling in the university; and

WHEREAS, periodically, the board reviews and approves those portions of the student Hokie Handbook including the Student Code of Conduct to ensure that they reflect the policies passed by the Board and that any changes that have been made are appropriate and accurate;

NOW, THEREFORE, BE IT RESOLVED that the Virginia Tech Board of Visitors hereby ratifies the August 27, 2018, version of the Student Code of Conduct, which is attached.

RECOMMENDATION:

That the Board of Visitors approves the resolution to ratify the attached version of the Virginia Tech Student Code of Conduct.

August 27, 2018
SECTION III: THE UNIVERSITY STUDENT CONDUCT SYSTEM

Overview
The University Student Conduct System affects and applies to all currently enrolled students and to all registered student organizations. Its major purpose is to help create a fair, just, and disciplined university community. The University Student Conduct System supports the educational mission of the university by educating students about appropriate behavior and by fostering a community in which academic success can occur. The system is based on the assumption that students and groups have the capacity to assume responsibility for their own behavior and that the university has the authority to establish an internal structure for the enforcement of its policies and procedures, which students have agreed to accept by enrolling in the university.

The mission of Student Conduct at Virginia Tech is to partner with Virginia Tech community members to address a student’s conduct inconsistent with university expectations and resolve interpersonal, organizational, and community conflicts. Through a student-focused and learning-centered lens, we utilize a comprehensive approach of informal and formal options to uphold community standards, foster personal growth and development of life skills, and promote a civil learning environment.

Jurisdiction
The president of Virginia Tech is ultimately responsible for the discipline of all students at the university. Administrative authority and responsibility for Student Conduct policies and procedures is delegated to the Vice President for Student Affairs. Within the Student Affairs, direct supervisory jurisdiction of disciplinary matters involving violations of University Policies for Student Life and the Student Code of Conduct is assumed by Student Conduct. The director of Student Conduct serves as the chief student conduct officer for the university.

Students and student organizations will be considered for disciplinary action whether violations are committed on or off university property. For the purposes of disciplinary action only, a student is defined as any individual who has accepted an offer of admission as an undergraduate, graduate, or professional student and who has not yet graduated or officially transferred to another institution. If a student’s enrollment lapses for more than one calendar year, the student will no longer be subject to disciplinary action under this policy. In this policy, a lapse refers to a voluntary decision by the student not to enroll. Students who are separated for disciplinary and/or academic reasons are still considered students for disciplinary purposes.
For violations that do not occur on university property, action will be considered if university officials decide that university interests are involved. Disciplinary action may be taken by the university against any act constituting a violation of the law when the act is contrary to the university’s interests as an academic community. For example, the university may act on information received from other higher education institutions and other agencies from across the Commonwealth of Virginia. Additionally, Virginia Tech will share information about individuals visiting our campus who engage in misconduct with other institutions as appropriate. The university is especially concerned about high-risk behavior which threatens the lives, health, safety, and academic success of our students and has deemed off-campus violations to be actionable in the university Student Conduct system. Behaviors deemed high-risk include but are not limited to major alcohol violations, illegal drug violations, hazing violations, major theft, abusive conduct, and gender-based violence. When conduct violates both criminal law and the policies found in University Policies for Student Life and the Student Code of Conduct, disciplinary action may be taken by the university, irrespective of and separate from any criminal action. The university may proceed with disciplinary action before a trial or postpone action until after a trial, at the discretion of the university. Student Conduct uses the preponderance of the evidence standard when determining responsibility for a violation of the Student Code of Conduct.

The Commandant of Cadets administers those elements of the Student Conduct system that adjudicate alleged violations of cadet regulations, directives, policies, and the Cadet Honor Code. Student Conduct, in conjunction with the appropriate office (Fraternity and Sorority Life for Greek letter organizations and Student Engagement and Campus Life for all other student organizations), will administer those elements of the Student Conduct system that adjudicate allegations of misconduct related to student organizations.

Direct supervisory jurisdiction is assumed by Student Conduct. It is the responsibility of Student Conduct to coordinate the adjudication process among the various adjudicating agencies. The following criteria will be used to determine if an incident may be organizational activity, for which a student organization itself may be disciplined. This determination would not remove potential responsibility for the violation by the participating individuals. A student organization can be considered for disciplinary action, if any two of the following characteristics are present:

- The faculty advisor (if applicable) or any executive officer of the organization is aware of the incident sufficiently in advance of its
occurrence to prohibit its taking place, and takes no action to prohibit it.

- The faculty advisor (if applicable) or any executive officer of the organization knows the identity of the members involved in the incident and refuses to divulge that information to the appropriate university authorities or the police.
- The incident takes place in any public area within a chapter house or in any public place.
- The incident involves the expenditure of any organizational funds.
- The incident involves or is actively or passively endorsed by a majority of the members of the organization.
- The incident involves six or more members of the organization.

**Student Conduct Procedures**

Any student, faculty member, staff member, administrator or concerned party may bring a complaint to the attention of the Student Conduct Office for resolution. Persons who plan to bring a complaint against a Virginia Tech student should notify Student Conduct of their intention to do so as quickly and as prudently possible.

The university Student Conduct system is supported by a number of student affairs faculty members who are certified by the Director of Student Conduct as university Student Conduct Officers. These individuals have been specifically trained in student conduct and are knowledgeable about university policies and student conduct system precedent. Student Conduct Committees are comprised of students who are specifically trained and certified by the director of student conduct in the university student conduct process.

Alleged conduct violations by cadets of university policies and/or Corps of Cadets regulations are adjudicated either by the Cadet Executive Committee or a Deputy Commandant hearing. The Cadet Executive Committee consists of a panel of cadets in senior class standing trained by Student Conduct and the Commandant’s staff. For cases involving the most serious alleged misconduct or misconduct by senior cadets, a Deputy Commandant hearing is convened. In these serious cases the Deputy Commandant, who is trained by Student Conduct and certified by the Commandant, makes findings and can assign sanctions. The responsible Deputy Commandant or the Executive Committee Advisor (a Deputy Commandant) coordinates with the appropriate representative in Student Conduct to determine the procedure for adjudication. The Commandant is the final appellate authority for findings and assigned sanctions for violations of corps regulations. Cadet regulations stipulate the detailed process of adjudicating alleged cadet misconduct. The appeals process outlined in the Formal Conduct Hearing Appeals section applies to any university sanctions.
When a complaint is received, it is reviewed to determine if there is a conflict to be resolved or if there is a potential violation of the Student Code of Conduct. The involved student(s)/organization is/are contacted for a meeting with a Student Conduct designee to discuss the incident in question. The purpose of the meeting is to review the contents of the complaint and discuss options for resolution.

Possible outcomes of this meeting include:

- The complaint will be considered resolved if the Student Conduct designee believes that the complaint is unsupported by the available information.
- All identified parties impacted by the conflict can agree to proceed via an adaptable conflict resolution (ACR) process.
- There may be a potential violation of the student code of conduct and the complaint may be resolved through an agreed resolution.
- The complaint is referred to a formal hearing and the student or organization is notified of Student Code of Conduct charges and the hearing date.

Adaptable Conflict Resolution
Adaptable conflict resolution (ACR) processes allow individuals involved in a conflict to have significant influence over the resolution process and the outcome. If (1) all identified parties impacted by the conflict agree to attempt resolution through one of these processes, and (2) the Student Conduct designee believes that the process is an appropriate form of resolution, then arrangements will be made for resolution via ACR. The nature of some complaints, especially those involving abusive conduct and gender-based violence, may render ACR inappropriate.

Participation in an ACR process is voluntary and may or may not result in an agreement or resolution. When a mutually satisfactory resolution is reached by the parties, the matter is resolved. By resolving the matter through ACR, the student or organization agrees to fulfill any outcomes that are developed during the meeting. Resolutions reached through ACR may not be appealed. If a resolution is not achieved through an attempt at ACR or there is a failure to complete the agreed upon outcomes and the matter involved a potential Student Code of Conduct violation, the director of Student Conduct, or designee, will determine if the complaint will be resolved through an Agreed Resolution or a Formal Hearing.

Agreed Resolution
The student or organization will meet with a conduct officer to discuss the specific
incident in question. The conduct officer will provide a copy of the complaint and ask
the student or organization to make a statement regarding their involvement in the
reported incident. If the student or organization accepts responsibility for the
violation(s) of the Student Code of Conduct, the student or organization has the
option of resolving the case through an agreed resolution. By resolving the case
through an agreed resolution, the student or organization accepts responsibility for the
alleged violation(s) and agrees to fulfill any sanctions or educational assignments that
are developed during the meeting. By entering into an agreed resolution, the student
or organization waives the right to a formal hearing and the outcome is final. If the
student or organization rejects the agreed resolution, the case will be referred to a
formal hearing. A student or organization may indicate their preference of an
administrator or student conduct committee hearing, absent special circumstances.
Not receiving the preferred hearing body is not a basis for a formal appeal. The
director of Student Conduct, or designee, reserves the right to refer cases to a formal
hearing without the opportunity to handle the case through an agreed resolution.

Bias-Related Case Resolution
When a complaint alleging a bias-related incident is received, the involved parties
will be contacted for a meeting with a Student Conduct designee to discuss the
incident the options for conduct resolution, and to determine next steps for moving
forward. The pathway to resolve the case will be determined by the nature of the
complaint, whether a potential policy violation exists, and the requests of all parties
involved, including the University. Some incidents may not be suitable for Adaptable
Conflict Resolution or an Agreed Resolution.

Formal Hearings
The student or student organization will be notified in advance of the conduct charges
he/she has allegedly violated, and the time, date, and location of the hearing. During
the formal hearing, the conduct officer(s)/committee will determine responsibility for
the alleged violations, including sanctions, if necessary. The outcome of that formal
hearing will be final unless the hearing results in certain outcomes (see Student
Conduct Formal Hearing Appeals).

Provisions for Procedural Guarantees
In formal conduct hearings, a student or organization is entitled to the
following procedural guarantees:

1. The student or organization will be provided with a written statement of
   charges sufficiently in advance of the hearing and in reasonable detail to
   allow the student or organization to prepare a case for the formal hearing.
2. Although students or organizational representatives may remain silent
during a formal hearing, they may choose to refute or question any information or witnesses and will be given an opportunity to present a rebuttal to the charges and to produce witnesses or written statements on their own behalf.

3. To help them prepare their response, students or organizational representatives may choose an advisor, who may be present at the formal hearing but may not participate in the proceedings. The advisor’s role is specifically limited to conferring with their advisee. When the formal hearing involves an assault or any complaint where a student is the referral agent, and/or an alleged victim, the complainant and accused student may have a support person or advisor present throughout the formal hearing, but the support person may not participate in the process.

4. At a formal hearing, the student or organizational representative may challenge the objectivity of any committee member or administrator, given reasonable cause to believe that the member may be biased or have a conflict of interest. (In the case of a committee formal hearing, the committee advisor will make a final ruling on any such challenge.)

5. After the formal hearing, the student or organization may appeal the decision of the hearing officer or committee, provided there are appropriate grounds as found in the Student Conduct Formal Hearing Appeals section.

Gender-Based Violence Hearings
These incidents will be reviewed and/or investigated by the university's Deputy Title IX coordinator (or designee) and the information gathered by the Deputy Title IX coordinator will be the basis of the complaint. The Deputy Title IX coordinator is Katie Polidoro. She can be reached at - 540-231-1824 or polidoro@vt.edu.

Both students will be advised of their procedural guarantees in an informational meeting with a representative from Student Conduct. A formal hearing will occur within 30 days of receipt of information from the Deputy Title IX coordinator. Hearings involving alleged gender-based violence will be adjudicated by a mixed-gender team of university student conduct officers. For incidents that occur at the end of the fall or spring semester or during breaks, the 30 day timeframe for a hearing may be adjusted at the discretion of the director of Student Conduct. The Student Conduct officers will request witnesses that they believe are necessary to the hearing. Both
students will have the option to bring any additional witnesses. For gender-based violence cases both the complainant and the charged student have the same procedural guarantees and can file an appeal (see Student Conduct Formal Hearing Appeals).

Formal Hearing Appeals
When the outcome of a formal hearing results in suspension, dismissal or denial of athletic privileges/housing/network access, the charged student or organization may appeal. A written request for an appeal, stating the specific grounds upon which the appeal is based, must be received in the Student Conduct office by the end of the seventh business day following notification of the decision regarding the case. The day the decision is given is considered the first day of the appeal period.

Appeals submitted after the seventh business day will not be accepted except in extenuating circumstances as determined by Student Conduct. For gender-based violence cases both the complainant and the respondent can file an appeal regardless of the outcome. Both students have the same grounds to appeal and the same timeframe in which to submit an appeal.

An appeal is defined as a written request for review of the original case. The burden is on the appealing student or organization to demonstrate why the finding or sanction should be altered. Sanctions do not typically take effect until the Appellate Officer decision is final.

Students or organizations may appeal their cases using forms available from Student Conduct. Appeals must be based only on the following grounds: (1) denial of procedural guarantees, (2) significant and relevant new evidence that was not available at the time of the hearing, and/or (3) sanctions/findings that are unduly harsh or arbitrary. Appeal requests will be denied in cases not having sufficient grounds in one or more of these areas.

Student Conduct Records
To comply with the provisions of the Family Educational Rights and Privacy Act of 1974 (as amended), Virginia Tech will not release educational records or personally identifiable information contained therein, other than directory information, without students’ written consent. For more information, visit the University Registrar’s website. Student Conduct case records are private and will not be released without a student's written consent or by order of a court of law. A copy of Student Conduct case materials will stay on file in Student Conduct for a period of five years from the date of the incident, after which time it will no
longer be considered available for release.

Student conduct sanctions from previous cases will be considered by the hearing officer when appropriate.

Notification of student conduct outcomes or decisions is given on a need-to-know basis and includes but is not limited to the Dean of Students, the Commandant of Cadets in cases involving cadets, the Office of the Graduate School in cases involving graduate students, the director of Cranwell International Center in cases involving international students, the Athletic Department in cases involving varsity athletes, the director of Housing and Residence Life in cases involving residence hall students, and victims of crimes of violence (including abusive conduct and gender-based violence) involving student respondents. Parents/guardians of students under age 21 will be notified if their student is found responsible for a violation of the alcoholic beverage or illegal drug policies. Other university agencies or organizations may be required to obtain written release before they can receive notification. Student conduct cases involving student organizations are not private. Accordingly, hearing notification and sanction letters are sent to organizational advisors and national headquarters (if applicable).

In the case of suspension or dismissal, notification is sent to the Office of the University Registrar, the chief of the Virginia Tech Police, and the student's academic dean. In the case of suspension, a temporary notation is placed on the student's official transcript: “suspended for a violation of the Student Code of Conduct.” Upon the request of the student, this notation may be removed at the end of the suspension period and once all sanctions are complete. These requests should be made to the director of Student Conduct. In the case of dismissal, a permanent notation is made on the student's transcript: “dismissed for a violation of the Student Code of Conduct.” Lesser sanctions, such as warning and probation, do not affect a student's academic standing and do not appear on the official transcript.

**Student Code of Conduct**

The following acts are prohibited for all students and student organizations:

**Abusive Conduct:** Any use of words or acts that cause physical injury, or threaten any individual, or interfere with any individual’s rightful actions, including but not limited to the following:

1. **Assault -- Verbal/Non-verbal:** Words or actions that would cause an individual to fear for their immediate safety. Words can constitute assault
when they are accompanied by the ability to inflict immediate harm.

2. **Battery**: The use of physical force against an individual or acts that cause physical injury.

3. **Harassment**: Conduct not of a sexual nature (including but not limited to physical, verbal, graphic, written or electronic) that is sufficiently severe, pervasive or persistent so as to threaten an individual or limit the ability of an individual to work, study or participate in the activities of the university.

4. **Hazing -- Individual/Group Behavior**: Hazing is a criminal offense in the Commonwealth of Virginia. Hazing is prohibited in all forms. This policy is based on the proposition that students are entitled to be treated with consideration and respect at all times. It applies to all student organizations and individuals. Specifically, hazing is defined as any mental or physical requirement, request or obligation placed upon any person which could cause discomfort, pain, fright, disgrace or injury, is personally degrading or violates any federal, state, local statute or university policy, the willingness of an individual to participate in such activity notwithstanding. Concurrently, the national Interfraternity Conference, the National Panhellenic conference, and the National Panhellenic council state unequivocally that hazing has no place in the collegiate fraternity and sorority system. In addition, the members of the Corps of Cadets are subject to the Virginia Tech Corps of Cadets Regulations Manual. In determining whether a specific behavior violates the hazing policy, consideration will be given to how the behavior relates to the university’s mission and purpose. Please refer to the expanded Hazing section for additional information.

5. **Recording and/or Distribution of Audio/Visual Material Without Consent**: Making, attempting to make, sharing or distributing an audio or visual recording of any person(s); without the knowledge and consent of all participants subject to such recordings, in locations where there is a reasonable expectation of privacy, and when the action is likely to cause injury, distress, or damage to one's reputation.

6. **Stalking**: Repeatedly contacting another person when the contact is unwanted. Additionally the conduct may cause the other person reasonable apprehension of imminent physical harm or cause substantial impairment of the other person’s ability to perform the activities of daily life. Contact includes but is not limited to communicating with (either in person, by phone or computer) or remaining in the physical presence of the other person.

**Actions Leading to the Conviction of Criminal Offenses**: Any student convicted of a criminal offense is subject to university disciplinary action.

**Alcoholic Beverage**: Each student is expected to comply with the alcohol regulations of the Commonwealth of Virginia and the University. Members of the university community are accountable for their decisions regarding the use of alcohol as well as behavior that occurs as a result of these decisions. All state and international laws apply to Virginia Tech students. Please refer to the
Climbing: Unauthorized climbing inside or outside campus buildings or structures.

Damage or Destruction: Damage and/or destruction of property.

Disorderly or Disruptive Conduct: Engaging in disorderly or disruptive conduct that:
1. Disturbs the peace.
2. Interferes with the performance of the duties of public/civil officials.
3. Interferes with the rights and/or activities of others.
   Interferes with the orderly functioning of the university and/or the performance of the duties of university personnel, including but not limited to studying, teaching, research, university administration and blocking entrances and egress.

Failure to Comply: Failure to comply with a request and directives of university officials acting within the scope of their authority. This includes, but is not limited to: failure of a student to present their university identification card, failure to keep or attend a required meeting and failure to leave an area when requested by an authorized university official. Upon the request of the student questioned, university officials must identify themselves and state the source of their authority.

Failure to Observe Rules and Regulations: Failure to observe rules and regulations issued by the university, including all publications and notices pertaining to student life and student services. (Publications for which all students are accountable include University Policies for Student Life, Parking and Traffic Regulations, the housing and dining contract and any written policies distributed to affected students by the university administration. Residence hall students are accountable for the housing contract and the information in the Housing, Residence Hall, and Dining Policies and Procedures section of the Hokie Handbook; cadets are accountable for cadet regulations, directives, and policies; affected fraternities/sororities are responsible for the Fraternity and Sorority Life Manual.)

Fire Safety: The misuse of fire-fighting equipment, unauthorized burning, disregarding fire alarm signals, and tampering with equipment is prohibited. Specifically:

1. Misuse of Fire-Fighting Equipment: Misuse of fire-fighting equipment, including tampering, removing or discharging a fire extinguisher or any
other fire emergency equipment except when there is a real need for such equipment.

2. **Unauthorized Burning**: Unauthorized burning of any material in any university building or on university property, including arson.

3. **Disregard of Fire Alarm Signals**: The disregard of a fire alarm signal or refusal to evacuate a building or a section of a building when a fire alarm is sounding.

4. **Tampering with Equipment**: Tampering with detection or suppression equipment, including deliberately initiating false alarm or creating conditions that result in a false alarm, or any tampering that would cause a malfunction or non-function.

**Forgery or Fraud**: Forgery or fraud, including attempts to obtain any item of value under false pretenses, or falsification of official university documents.

**Furnishing False Information**:

1. **Perjury in a Conduct Meeting**: Knowingly giving false information in a university student conduct meeting.

2. **Furnishing False Information**: Knowingly giving false information to a university official who is performing their official duties.

**Gambling**: Participation in any form of illegal gambling.

**Gender-Based Violence**:

1. **Sexual Violence**: Physical sexual acts perpetrated against a person’s will or where a person is incapable of giving consent due to the victim’s use of drugs or alcohol, or is unable to give consent due to an intellectual or other disability, or is not of legal age to consent as defined by law. Sexual violence includes rape, sexual assault, sexual battery and sexual coercion.
   
a. **Sexual Assault**: Actual or attempted sexual contact with another person without that person’s consent.

   b. **Sexual Battery**: Intentional touching of another person’s intimate parts without the person’s consent; or other intentional sexual contact with another person without that person’s consent.

   c. **Sexual Coercion**: Using physical or verbal aggression or pressure to force or attempt to force a person to touch another person’s intimate parts without that person’s consent.

   d. **Rape**: Penetration, no matter how slight, of (1) the vagina or anus of a person by any body part of another person or by an object, or
(2) the mouth of a person by a sex organ of another person, without that person’s consent.

2. **Gender-based Harassment**: Acts of verbal, nonverbal, or physical aggression, intimidation, or hostility based on sex or sex-stereotyping, even if those acts do not involve conduct of a sexual nature.

3. **Sexual Exploitation**: An act or acts committed through non-consensual abuse or exploitation of another person’s sexuality for the purpose of sexual gratification, financial gain, personal benefit or advantage, or any other non-legitimate purpose. The act or acts of sexual exploitation are prohibited even though the behavior does not constitute one of the other sexual misconduct offenses.

4. **Domestic Violence**: A pattern of abusive behavior that is used by an intimate partner to gain or maintain power and control over the other intimate partner. Domestic violence can be physical, sexual, emotional, economic or psychological actions or threats of actions that influence another person. This includes any behaviors that intimidate, manipulate, humiliate, isolate, frighten, terrorize, coerce, threaten, blame, hurt, injure or wound someone.

5. **Dating Violence**: Acts of physical or sexual abuse committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim.
   a. The existence of such a relationship shall be determined based on the reporting party's statement and with consideration of the length of the relationship, the type of relationship and the frequency of interaction between the persons involved in the relationship.
   b. Dating violence includes, but is not limited to, sexual or physical abuse or the threat of such abuse, but does not include acts covered under the definition of domestic violence.

**Gender-Based Stalking**: Repeatedly contacting another person when the contact is unwanted. Additionally, the contact may cause the other person reasonable apprehension of imminent physical harm or cause substantial impairment of the other person’s ability to perform the activities of daily life. Contact includes but is not limited to communicating with (either in person, by phone or by computer) or remaining in the physical presence of the other person.

**Hazardous Materials**: Unauthorized possession or use of fireworks, explosives or hazardous materials. Hazardous materials that could pose a health risk are also prohibited from the campus, including chemicals that when combined with other substances could be hazardous or present a danger to others. Specifically:
   1. **Fireworks**: Unauthorized possession or use of fireworks is prohibited.
2. **Explosives:** Unauthorized possession or use of explosives is prohibited.
3. **Hazardous Materials:** Hazardous materials that could pose a health risk are also prohibited from the campus, including chemicals that when combined with other substances could be hazardous or present a danger to others.

**Illegal Drugs:** The illegal use or possession of any controlled substance is strictly prohibited by the university. The illegal use of controlled substances is incompatible with the goals of the academic community. Illegally possessing, using, manufacturing, possessing with intent to manufacture, selling, dispensing or distributing any substance controlled under state or federal law is prohibited. Possession of used or unused drug paraphernalia is also prohibited (unless there is a documented medical need). Additionally, misusing and abusing medications or prescribed medications (controlled under state or federal law) is prohibited. Students can be suspended or dismissed from the university for a first offense. Students who are also university employees are also subject to employee discipline. Please refer to the [expanded Controlled Substances section](#) for additional information.

**Improper Use of Identification Cards:** The possession or manufacturing of any false or altered form of identification, the improper use of any identification card, including knowingly altering or mutilating a university student identification card, or using the identification card of another, or allowing one’s own card to be used by another.

**Interference with the Student Conduct Process:** Attempting or actively influencing, impeding, intimidating, interfering or coercing any person involved in a potential, actual or past student complaint. This includes, but is not limited to, encouraging or influencing another person to commit an abuse of a university conduct system, discouraging an individual’s proper participation in, or use of, the university conduct process, or distributing or interfering with the orderly process of a conduct proceeding.

**Involvement in a University Violation:** Presence during any violation of the Student Code of Conduct and/or the University Policies for Student Life in such a way as to condone, support or encourage that violation. (Note: Students who anticipate or observe a violation of university policy are expected to remove themselves from participation and are encouraged to report the violation.)

**Public Urination/Nudity:** Any act or attempted act of public nudity, including but not limited to streaking, mooning and urinating in public.
**Tampering With University Equipment:** Tampering with university equipment, including but not limited to any elevator, wiring, plumbing, doors, locking mechanisms or other university equipment without prior authority from the appropriate university official. Tampering with equipment so as to endanger oneself or others may result in serious disciplinary action for a first offense.

**Theft:** Theft, attempted theft or possession of stolen property. Theft of property having substantial value may result in serious disciplinary action for a first offense.

**Throwing Objects:** Throwing, dropping or projecting objects or substances out of or onto vehicles, buildings or other university structures. This includes, but is not limited to food, garbage, snowballs, water or water balloons.

**Unauthorized Entry:** Entering, attempting to enter or being present in buildings, residences, public or private property and/or facilities or other areas without proper authority.

**Visitation/Guest Policies:** Students or organizations will be held responsible for the conduct of their guests. Students or organizations who invite guests to campus and the residence halls are expected to inform them of all university rules and regulations. Refer to the housing contract and Housing, Residence Hall, and Dining policies and procedures for additional information regarding residence hall visitation rules and regulations.

**Weapons:** Unauthorized possession, storage, or control of firearms, weapons, on university property, including storing weapons in vehicles on campus as well as in the residence halls. Furthermore, ammunition cannot be stored in any residence hall on campus. (Note: Virginia Tech Corps of Cadets weapons are governed by the Virginia Administrative Codes. Please refer to 8VAC105-20.) Refer to the expanded Weapons section for additional information.

**Expanded Policy Information**

**Alcoholic Beverage**
Misuse and abuse of alcohol and controlled substances is in direct conflict with the goals and objectives of any educational institution. Virginia Tech does not condone the misuse or abuse of alcohol and controlled substances.

At Virginia Tech, members of the university community recognize that the possession and consumption of alcoholic beverages by those under the age of 21 and the illegal possession and use of controlled substances by any member of the
university community violate laws of the Commonwealth of Virginia and university policy. Further, members of the university community recognize that the misuse or illegal use and possession of alcoholic beverages or controlled substances may pose serious health and safety risks to those engaged in such behavior. Accordingly, students, staff, and faculty are asked to support the following statement of responsibility:

As a member of the Virginia Tech community, I agree to:

1. Abide by all state laws and university policies regulating alcoholic beverages and controlled substances.
2. Encourage the development of an environment in which individuals can make informed, healthy, and responsible decisions about alcohol and controlled substances.
3. Discourage the illegal or irresponsible behavior of others.
4. Assume responsibility for my decisions and behaviors and accept the consequences resulting from those decisions and behaviors.

Statement on Self-Reporting and Bystander Intervention
Virginia Tech recognizes that the health and safety of students is of utmost importance. Therefore, it is a collective desire that students will seek medical assistance for themselves or others who are significantly intoxicated as a result of alcohol or other substances. We do not want students to feel as though they are choosing between conduct consequences and seeking assistance. If someone requires assistance, we want them to seek assistance for their health and safety. If medical assistance is sought, Student Conduct will not pursue conduct charges against the individual or organization who sought assistance, or the individual in need of assistance.

Actively assisting requires that an individual:

- Call the rescue squad or the police or seek other individuals qualified to assess the student’s condition, such as a professional or student staff member in Housing and Residence Life.
- Stay with the intoxicated student until help arrives.

Egregious alcohol/illegal drug violations, violations having a significant individual or community impact, and prior violations that demonstrate an actual, potential or perceived pattern of behavior are not likely to have outcomes that are mitigated and are not likely to be protected under this policy.

Those behaviors not covered under this statement include violations of the Code of Conduct other than the alcohol/drugs policy, such as the following:
Abusive conduct (i.e. assault, battery, harassment, stalking, recording/distributing images without consent)  
Sexual and gender-based violence  
Hazing  
Damage to property  
Fake ID  
Disorderly or disruptive conduct (i.e. behavior that interferes with the duties of a public/civil official, the rights and/or activities of others, or the orderly functioning of the university and/or the performance of the duties of university personnel)  
Endangering others through use, possession, or providing alcohol or the controlled substance  
Providing alcohol/drugs to minors under the age of 18  
Providing alcohol/drugs in bulk  
Bias related incidents  
Distribution or possession with the intent to distribute drugs  
Students who have prior alcohol/drug related conduct history or have engaged in high-risk alcohol/substance use before  
Action by police or other law enforcement personnel

Actions to be taken by Student Conduct:

- The assistance seeker and the individual in need of assistance will be required to meet with a member of Student Conduct if they met any of the current criteria for a violation of the alcohol beverage and/or illegal drug policies.
- Those persons will likely be issued substance-related educational requirements that may include, but are not limited to alcohol and/or drug education, counseling, and/or a substance abuse assessment.
- Document the actions taken by the student and the office.
- Failure to complete the educational assignments or treatment recommendations will typically result in further conduct action.

**Accountability**

Virginia Tech recognizes that the misuse and abuse of alcohol is a persistent social and health problem in our society and that it interferes with the goals and objectives of any educational institution. Accordingly, members of the university community who decide to serve or consume alcoholic beverages are reminded that they are personally responsible for their conduct under all circumstances.
Intoxication or ignorance of the law does not release an individual from that responsibility. Violations of university policy occurring under such circumstances will be treated in the same manner as any other violation. Violations of the Alcoholic Beverage Policy and any associated guidelines will result in disciplinary action. Students who violate this policy will likely be required to complete substance-related educational requirements as described above as part of their Student Conduct sanction.

Violations of state law also may be referred to the Virginia Tech Police. Students who are university employees are subject to disciplinary job action.

Virginia Tech does not encourage the use of alcoholic beverages and strongly discourages illegal or otherwise irresponsible use of alcohol, including the illegal sale of alcohol and distribution of alcohol to those not of legal drinking age; for students and student organizations, the illegal sale of alcohol will likely be considered a serious violation of the alcohol policy. Illegal sale is defined as any time money changes hands and there is unlimited access to alcohol, including but not limited to selling cups and cover charges for entertainment when alcohol is available. Members of the university community are accountable for their decisions regarding use of alcohol and the behavior that occurs as a result of those decisions. Virginia Tech fully complies with the alcohol regulations of the Commonwealth of Virginia. All state laws apply to Virginia Tech students and student organizations. These laws prohibit possession and consumption of all alcoholic beverages by persons under 21 years of age on all university grounds and buildings.

The university community is reminded of the following information:

*State Statutes*

The Commonwealth of Virginia and the Virginia State Alcoholic Beverage Control Board have enacted a variety of laws and regulations that govern alcoholic beverages. They are summarized as follows:

1. Persons under the age of 21 are prohibited from possessing or consuming beer, wine, liquor or other alcoholic beverages. Persons found in violation of this statute may be fined up to $2,500 and imprisoned for a period of not more than 12 months. In addition, such person's Virginia driver's license may be suspended for a period of not more than one year. Those found guilty of a violation of this statute shall be ordered to pay a mandatory minimum fine of $500 or ordered to perform 50 hours of community service as a condition of their probation.
2. Persons may be fined up to $100 for drinking in public.
3. Persons found in possession of a false driver's license (also includes possession of another individual’s identification to make them appear to be 21 in order to purchase or consume alcohol) may be fined up to $1,000 and imprisoned for a period not to exceed six months. Driving privileges may be revoked for 30 to 365 days. Manufacture of a fake identification is a Class 1 misdemeanor violation, which may result in up to 12 months imprisonment and/or up to a $2,500 fine.
4. It is illegal for intoxicated persons, regardless of age, to purchase or to possess alcoholic beverages. Persons in violation of this statute may be fined up to $1,000 and imprisoned for a period not to exceed 12 months.
5. It is illegal to serve or sell alcoholic beverages to persons who are intoxicated or suspected of being under the legal drinking age. It is also illegal to purchase alcoholic beverages for such persons. Individuals believed to be intoxicated are prohibited from remaining in an area where alcoholic beverages are served. Persons found in violation of these statutes may be fined up to $1,000 and imprisoned for a period not to exceed 12 months.
6. It is illegal to drive while under the influence of alcohol. Individuals are considered impaired if their blood alcohol content (BAC) exceeds 0.08 percent. Persons under the age of 21 who drive with a BAC of at least 0.02 percent but less than 0.08 percent may be fined up to $500 and have their driver's license suspended for up to six months. Persons with a BAC of 0.08 percent or higher or persons refusing a breath test will have their driver's license automatically revoked. Those who refuse a breath test may have their license suspended for up to 12 months. If a person is found to have a BAC of 0.15 percent or over, a minimum jail time of five days may be imposed. If they wish to have a restricted driver’s license during their suspension, they will be required to attend VASAP classes and have an ignition interlock. For a juvenile who is in violation, they can receive a minimum fine of $500 or 50 hours of community service. A person may be charged with a DUI for driving under the influence of narcotics.
7. It is illegal to purchase alcoholic beverages from any person not licensed to sell them, to sell alcoholic beverages without the appropriate license, and to consume alcoholic beverages in any unlicensed public area.

**Regulations**

In compliance with the laws of the Commonwealth, and to maintain conditions conducive to learning, possession or consumption of alcoholic beverages is only permitted according to the following provisions:
1. In the privacy of a student room, alcoholic beverages are permitted for those persons 21 years of age or older in accordance with state law, provided that at least one of the 21-year old residents of the room is present. Possession or consumption of alcoholic beverages in any other area of the residence halls, including suite living rooms, is forbidden except at events authorized by residence life. Legal consumption of alcoholic beverages in living areas other than private student rooms (e.g., hallways and lounges) will be allowed only when specifically authorized by Housing and Residence life.

2. Kegs of any description in student rooms or residence halls, including Oak Lane, are prohibited.

3. The director of Fraternity and Sorority Life, in conjunction with the director of Housing and Residence Life, determines regulations concerning the use of alcoholic beverages in “Oak Lane Community” (also known as Special Purpose Housing) during parties. This information is published in the Oak Lane community guide, which is available online at https://fsl.vt.edu/housing_information/oak_lane_community_guide.html

4. The Commandant of Cadets establishes and publishes regulations to be observed by cadets regarding the possession and consumption of alcoholic beverages. This information is published in the Cadet Regulations Manual, which is available online at https://vtcc.vt.edu/content/dam/vtcc_vt_edu/resources/manuals/Regulations_Fall_2017-Nov17.pdf

5. The possession and use of alcoholic beverages is prohibited on all other university property except in certain facilities that are fully registered with the Virginia Alcoholic Beverage Control Board (ABC). Alcoholic beverages may be served in other facilities as specified in this policy with an appropriate banquet license issued by the ABC Board. Private residences are subject to ABC regulation, and those who hold university events in private residences are subject to state laws concerning the sale, possession and consumption of alcoholic beverages.
   a. Alcoholic beverages may be served in accordance with ABC Board rules and regulations at approved functions located in the Inn at Virginia Tech and Owens Banquet Hall.
   b. Facilities that may be approved with an appropriate banquet license from the ABC Board include the Bowman Room in the Jamerson Athletic Center, the Commonwealth Ballroom, other banquet or meeting rooms in Squires Student Center, the
Multipurpose Room and Graduate Student Lounge in the Graduate Life Center and other self-contained rooms or areas in facilities that may, from time to time, by the specific designated university official.

c. Alcoholic beverages may be served only at functions where the majority of attendees are of legal age for the consumption of alcoholic beverages.

d. Alcoholic beverages may be served only at functions confined to areas that are not open to the public or that have public access. Typical areas where alcoholic beverages may not be served are outdoor plazas and patios, unfenced lawns, lobbies and reception areas.

e. Alcoholic beverages may be served only as a complement to food service. Food service includes hors d'oeuvres or any food served within the context of receptions, dinners or other meals.

f. Sponsors of events to be held on campus at which alcohol is to be served must complete a registration request for space and submit the Beverage Request and Security Form. An ABC Banquet License may also be required. These forms must be received at least 30 days prior to the event to allow time for processing. All event approval forms shall indicate whether alcoholic beverages will be served. Approval confirmation must be obtained before alcoholic beverages can be served.

g. The event sponsor is responsible for the cost of a banquet license obtained through either a private or university registered caterer.

h. The Virginia Tech Police shall be notified by copy of the approval form of all events on campus at which alcoholic beverages will be served.

i. Sponsors of university events held at off-campus locations are responsible for ensuring that the rules and regulations of this policy are followed. Events held off-campus are exempted from the requirement to request event approval.

j. If an event sponsor fails to secure event approval or a banquet license, future event approval requests from that sponsor will not be approved. If an event sponsor fails to obtain the appropriate ABC license, alcoholic beverages may be seized while the event is in progress, and service of alcoholic beverages will cease immediately. Additionally, the event is subject to cancellation at the discretion of the Virginia Tech Police, and the event sponsor could be charged with criminal violations of the ABC Code.
Alcoholic beverages are further governed by Virginia Polytechnic Institute and State University Policy and Procedures No. 1015. This policy is available at http://www.policies.vt.edu/1015.pdf.

**Controlled Substances**

Misuse and abuse of controlled substances is in direct conflict with the goals and objectives of any educational institution. Virginia Tech does not condone the misuse or abuse of controlled substances.

The term “controlled substance” is used instead of the term “drugs” for two reasons. First, the term “drugs” refers to any chemical substance that, when taken into the body, changes the chemistry and functioning of the body. These changes may be positive or negative. Drugs that have a positive therapeutic effect are generally called “medicine.” Those with negative effects are often called “drugs.” For many people in society, the term “drug” carries a negative connotation. Second, “controlled substances” is a term that refers to chemical substances whose distribution and use is controlled or prohibited by some law or statute or whose distribution and use is permitted by a prescription issued by a licensed practitioner. This term is useful in that it also distinguishes so-called over-the-counter drugs from prescription and illegal drugs, which in essence make up the “controlled substances.”

In compliance with the Drug-Free Workplace Act of 1988, the Drug-Free Communities and Schools Act Amendments of 1989, and the Commonwealth of Virginia’s Policy on Alcohol and Other Drugs of 1991, the following summary is provided for your information.

Controlled substances are classified under the Controlled Substances Act into “schedules” that indicate their relative medicinal use and probability of abuse and dependence (addiction). Virginia Tech's policy addresses these controlled substances.

**Controlled Substances Schedules**

Schedule I: The drug or other substance has a high potential for abuse. The drug or other substance has no currently accepted medical use in treatment in the United States. There is a lack of accepted safety for use of the drug or other substance under medical supervision. Some Schedule I substances are heroin, LSD, marijuana, GHB, MDMA (Ecstasy) and methaqualone.
Schedule II: The drug or other substance has a high potential for abuse. The drug or other substance has a currently accepted medical use in treatment in the United States or a currently accepted medical use with severe restrictions. Abuse of the drug or other substance may lead to severe psychological or physical dependence. Schedule II substances include morphine, PCP, cocaine, methadone, Ritalin and methamphetamine.

Schedule III: The drug or other substance has a potential for abuse less than the drugs or other substances in Schedules I and II. The drug or other substance has a currently accepted medical use in treatment in the United States. Abuse of the drug or other substance may lead to moderate or low physical dependence or high psychological dependence. Anabolic steroids, codeine and hydrocodone with aspirin or Tylenol, Ketamine and some barbiturates are Schedule III substances.

Schedule IV: The drug or other substance has a low potential for abuse relative to the drugs or other substances in Schedule III. The drug or other substance has a currently accepted medical use in treatment in the United States. Abuse of the drug or other substance may lead to limited physical dependence or psychological dependence relative to the drugs or other substances in Schedule III. Included in Schedule IV are Darvon, Talwin, Equanil, Valium, Rohypnol and Xanax.

Schedule V: The drug or other substance has a low potential for abuse relative to the drugs or other substances in Schedule IV. The drug or other substance has a currently accepted medical use in treatment in the United States. Abuse of the drug or other substances may lead to limited physical dependence or psychological dependence relative to the drugs or other substances in Schedule IV. Over-the-counter cough medicines with codeine are classified in Schedule V.

**Penalties**

The law prescribes ranges of permissible penalties upon conviction. As required by the Federal Safe and Drug-Free Communities and Schools Act of 1994, the pertinent state laws, including sanctions for their violation, are summarized below:

1. Possession of a controlled substance classified in Schedule I or II of the Drug Control Act, upon conviction, exposes the violator to a felony conviction for which the punishment is a term of imprisonment ranging from one to 10 years, or in the discretion of the jury or the court trying the case without a jury, confinement in jail for up to 12 months and a fine up to $2,500, either or both.
2. Possession of a controlled substance classified in Schedule III of the Drug Control Act, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to 12 months and a fine up to $2,500, either or both.

3. Possession of a controlled substance classified in Schedule IV of the Drug Control Act, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to six months and fine up to $1,000, either or both.

4. Possession of a controlled substance classified in Schedule V of the Drug Control Act, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is a fine up to $500.

5. Possession of a controlled substance classified in Schedule I or II of the Drug Control Act with the intent to sell or otherwise distribute, upon conviction, exposes the violator to a felony conviction for which the punishment is imprisonment from five to 40 years and a fine up to $500,000. Upon conviction, the violator must be imprisoned for not less than five years, but may suffer life imprisonment and a fine up to $500,000.

6. Possession of a controlled substance classified in Schedules III, IV or V of the Drug Control Act or an imitation controlled substance which imitates a controlled substance classified in Schedule III, IV or V, except for an anabolic steroid classified in Schedule III constituting a violation of Virginia Code §18.2-248.5, with the intent to sell or otherwise distribute, upon conviction exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to one year and a fine up to $2,500, either or both.

7. Possession of marijuana, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to 30 days and a fine up to $500, either or both. Upon a second conviction, punishment is confinement in jail for up to one year and fine up to $2,500, either or both.

8. Possession of less than one-half ounce of marijuana with the intent to sell or otherwise distribute, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to one year and a fine up to $2,500, either or both. If the amount of marijuana involved is more than one-half ounce to five pounds, the crime is a felony with a sanction of imprisonment from one to 10 years, or in the discretion of the jury or court trying the case without jury, confinement in jail for up to one year and a fine up to $2,500, either or both. If the amount of marijuana involved is more than five pounds, the crime is a felony with a sanction of imprisonment from five to 30 years.
9. Notwithstanding the aforesaid provisions, Rohypnol shall be deemed to be listed on Schedule I for the purposes of penalties for violations of the Drug Control Act. Any person knowingly manufacturing, selling, giving, distributing or possessing Rohypnol shall be punished under the penalties prescribed for other Schedule I controlled substances.

Policy
The illegal use or possession of any controlled substance is strictly prohibited by the university. The illegal use of controlled substances is incompatible with the goals of the academic community. Illegally possessing, using, manufacturing, possessing with intent to manufacture, selling, dispensing or distributing any substance controlled under state or federal law is prohibited. Possession of used or unused drug paraphernalia is also prohibited (unless there is a documented medical need). Additionally, misusing and abusing medications or prescribed medications (controlled under state or federal law) is prohibited. Students can be suspended or dismissed from the university for a first offense. Students who are also university employees are also subject to employee discipline.

Education
Throughout the year, the university provides a wide variety of educational programs designed to increase student, staff and faculty awareness and knowledge about alcohol and other controlled substances. Most of these programs are offered free of charge and are open to members of the university community and surrounding locale. The university’s programming efforts have received recognition as some of the most comprehensive in the Commonwealth of Virginia. Other information on federal drug trafficking laws and the effects of various drugs on the body is available from the Office of Student Conduct.

Intervention and Prevention
The university provides a variety of resources for those with questions and concerns about the use or misuse of alcoholic beverages and controlled substances. Support groups are available to members of the university community. These resources are:

- Hokie Wellness, 540-231-2233, 195 McComas Hall
- Cook Counseling Center, 540-231-6557, 240 McComas Hall

Confidential inquiries about community support groups and treatment programs can be made by contacting Hokie Wellness. As an on-campus resource, The Recovery Community at Virginia Tech is a student organization for those who are seeking a
positive, sober, and social environment that supports life without substance use. Student identities are kept anonymous. For more information, you may contact Hokie Wellness, or visit their website: www.hokiewellness.vt.edu/recovery. Several community groups also meet regularly, including Alcoholics Anonymous, Adult Children of Alcoholics, Al Anon, and Narcotics Anonymous.

**Hazing**

1. Code of Virginia on Hazing

   §18.2-56. Hazing unlawful; civil and criminal liability; duty of school, etc., officials; penalty.

   It shall be unlawful to haze so as to cause bodily injury, to any student at any school, college, or university.

   Any person found guilty thereof shall be guilty of a Class 1 misdemeanor.

   Any person receiving bodily injury by hazing shall have a right to sue, civilly, the person or persons guilty thereof, whether adults or infants.

   The president, or other presiding official of any school, college or university receiving appropriations from the state treasury shall, upon satisfactory proof of the guilt of any student of hazing another student, sanction and discipline such student in accordance with the institution's policies and procedures. The institution's policies and procedures shall provide for expulsions or other appropriate discipline based on the facts and circumstances of each case. The president or other presiding official of any school, college or university receiving appropriations from the state treasury shall report hazing which causes bodily injury to the attorney for the Commonwealth of the county or city in which such school, college or university is, who shall take such action as he deems appropriate.

   For the purposes of this section, "hazing " means to recklessly or intentionally endanger the health or safety of a student or students or to inflict bodily injury on a student or students in connection with, or for the purpose of initiation, admission into or affiliation with or as a condition for continued membership in a club, organization, association, fraternity, sorority or student body regardless of whether the student or students so endangered or injured participated voluntarily in the relevant activity.
2. Preamble

The purpose of this policy is to ensure that students at Virginia Tech are not subjected to any type of hazing. It is the responsibility of all individuals associated with Virginia Tech to encourage an atmosphere of learning, social responsibility and respect for human dignity.

Hazing is a criminal offense in the Commonwealth of Virginia. Hazing is considered a serious violation of university policy and is prohibited in all forms. This policy is based on the proposition that students are entitled to be treated with consideration and respect at all times and it applies to all student organizations and individuals. Concurrently, the Inter/National governing bodies for fraternities and sororities state unequivocally that hazing has no place in the collegiate experience. In addition, the members of the Corps of Cadets are subject to the Virginia Tech Corps of Cadets Regulations manual. In determining whether a specific behavior violates the hazing policy, consideration will be given to how the behavior relates to the university’s mission and purpose.

Hazing is an unproductive and hazardous activity that is incongruous with this responsibility and has no place at this institution, either on or off campus. It is the opinion of this academic community that this kind of behavior is injurious to the individuals involved and the institution itself.

Virginia Tech shall designate a formal and consistent process for receiving hazing complaints, require investigations into such reports and ensure compliance with this policy.

3. Definitions

“Administrator” means a president, vice president, dean, head of a school, director of a program or campus office, or designee of one of the aforementioned individuals.

“Organization” means association, athletic team, band, club, cooperative, corps, fraternity, order, society, sorority or other similar group whose members primarily are students of the institution.

“Staff” means any person employed directly by or retained through a contract with the institution, including a coach or supervisor of an organization, professor or intern.

“Student” means any person who is enrolled in or matriculating
from the institution, registered or in attendance in a program operated by the institution, or who has been accepted for admission into any program operated by the institution.

A “person” is defined as a university student, any associate member, member, affiliate, alumnus, guest of any campus organization or other individual.

Virginia Tech defines hazing as any mental or physical requirement, request, or obligation placed upon any person that could cause discomfort, pain, fright, disgrace or injury; that is personally degrading; or that violates any federal, state or local statute or university policy, the willingness of an individual to participate in such activity notwithstanding.

4. Institutional Guidelines

As it is impossible to anticipate every situation that could involve hazing, this list does not, and cannot, encompass every circumstance that will cause the institution to discipline for hazing. This policy is not intended to prohibit the following conduct:

a. Customary athletic events, contests, or competitions that are sponsored by the institution or the organized and supervised practices associated with such events; or

b. Any activity or conduct that furthers the goals of a legitimate educational curriculum, extracurricular program or military training program, as approved by the institution.

Hazing shall include, but not be limited to forcing, compelling, requiring, encouraging or expecting, whether direct or implied, any individual to participate in any of the following actions or activities:

**Physical**

a. Encouraging or requiring persons to consume alcohol or other substances regardless of the age of the participant.

b. Encouraging or requiring that a person do or submit to any act that will alter his or her physical appearance in any significant degree for any substantial period of time (e.g. burning, branding, tattooing, using makeup, paint or markers on a person, or shaving the head or body).

c. Encouraging or requiring activities that disrupt a person’s normal schedule. A normal schedule includes three reasonably spaced
meals per day, the opportunity for sufficient rest at night (at least six full hours) and reasonable time for personal hygiene.

d. Encouraging or requiring a person to engage in physical activity of unusual kind or duration, such as: calisthenics, overly difficult work assignments, activities that may be excessive for a person, activities that require a person to remain in a fixed position for an extended period of time, binding or restricting an individual in any way that would prohibit them from moving on their own, confining a person or exposing participants to uncomfortable elements like in environments that are too hot, cold, noisy, small or threatening/intimidating.

e. Hitting, pretending or misleading a prospective member into believing that they will be hit, hurt or physically altered.

f. Encouraging or requiring acts that are or seem to be dangerous.

**Psychological**

g. Encouraging or requiring a person to pretend to or actually violate a law.

h. Encouraging or requiring an individual to obtain or possess items or complete tasks in an unlawful manner (i.e. for a scavenger hunt).

i. Verbally abusing prospective members. Examples include but are not limited to yelling or screaming, calling individuals demeaning names, booing, hissing or demeaning individuals when they make mistakes.

j. Encouraging or requiring a person to perform acts of servitude, perform personal errands for others or engage in activities that are demeaning.

k. Misleading prospective members in an effort to convince them that they will not become members unless they complete tasks, follow instructions or act in a certain way.

l. Misleading prospective members into believing that they will be hurt during induction or initiation.

m. Encouraging or requiring a person to publicly carry objects or wear apparel, or appear in public that is abnormal, not normally in good taste, conspicuous and/or indecent.

n. Encouraging or requiring a person to appear nude or reveal body parts.

o. Encouraging or requiring an individual or group to remain in a certain place or transporting them to a location without their knowledge (e.g. taking a person on a road trip or excursion to an unknown destination or kidnapping).

p. Parading individuals in public areas, transporting individuals
in a motor vehicle while blindfolded or privately conducting blindfolding activities that serve no constructive purpose.

q. Requiring an individual to “pledge” or “associate” for a period of unusual length (more than 10-12 weeks) for reasons other than achieving academic requirements or extraordinary circumstances.

r. Hazing also includes soliciting, directing, aiding or otherwise participating actively or passively in the above acts.

5. Location
   This policy encompasses all acts of hazing that occur whether on or off campus. As such, an act of hazing by an individual or organization will be viewed by the institution as a violation of the institution’s hazing policy, regardless of where the act of hazing took place.

6. Consent
   An individual may not consent to being hazed, and their voluntary or willful participation in hazing activities will not be considered as a defense against a violation of the institution’s hazing policy by an individual or organization.

7. Reporting
   Any suspected violation of this policy should be reported in accordance with the institution’s reporting system. The initial report of a suspected violation may be reported in person, by phone or by electronic communication, and may be done anonymously.
   Alleged violations of this policy can be reported to the Virginia Tech Police Department, Student Engagement and Campus Life, Fraternity and Sorority Life or Student Conduct.

8. Distinction between Hazing by Organizations and by Individuals
   Hazing may be an individual act, organizational act, or both. The following statement will help distinguish hazing violations by individuals from hazing violations by student organizations.

   a. It is presumed that hazing incidents involve only those persons directly participating in the incident and those who are present at the time it occurs and who do nothing to stop its occurrence.
   b. A hazing incident may also be an organizational activity, for which the organization itself may be disciplined, if any of the following characteristics are present:
      i. The faculty advisor, any executive officer of the
organization or the person charged with the administration of an orientation or pledge program is aware of the incident sufficiently in advance of its occurrence to prohibit its taking place, and takes no action to prohibit it.

ii. The faculty advisor, any executive officer of the organization or the person charged with the administration of an orientation or pledge program knows the identity of the members involved in the incident and refuses to divulge that information to the appropriate university authorities or the police.

iii. The incident takes place in any public area within a chapter house or in any public place.

iv. The incident involves the expenditure of any organizational funds.

v. The incident involves or is actively or passively endorsed by a majority of the members of the organization.

vi. The incident involves six or more members of the organization.

**Hazing Education**

The officers, principally the president or chairperson, of each organization are responsible for informing members and prospective members of this hazing policy. Student Engagement and Campus Life and Fraternity and Sorority Life will do hazing education, as well as keep the university community informed on the issue of hazing.

**Gender-Based Violence**

Gender-based violence includes the following prohibited acts: sexual violence-assault, sexual violence-battery, sexual violence-sexual coercion, sexual violence-rape, gender-based harassment, sexual exploitation, dating and domestic violence and stalking.

Consent: Knowing, voluntary, and clear permission by word or action, to engage in mutually agreed upon sexual activity. The existence of consent is based on the totality of circumstances, including the context in which the alleged consent occurred. Silence does not necessarily constitute consent and coercion, force or threat of either party invalidates consent.

- Consent cannot be given where a person is incapacitated due to drugs or alcohol; or where a person has a disability; or is not of legal age to consent as defined by law.
- Consent to any one form of sexual activity cannot automatically imply consent to any other forms of sexual activity. Consent can be withdrawn at any time.
- Previous relationships or prior consent cannot imply consent to future sexual acts.
Incapacitation: Includes but is not limited to being asleep, drugged, intoxicated or unconscious.

We encourage victims of sexual violence, including rape, sexual assault, sexual battery, stalking, and dating and domestic violence, to exercise their right to file a complaint with the Virginia Tech Police Department if the crime occurs on Virginia Tech’s property, regardless of the status of the complainant. For crimes occurring away from Virginia Tech’s property, victims may contact the local law enforcement in the appropriate jurisdiction.

*Responsible Employee*: a person employed by Virginia Tech who has the authority to take action to redress sexual violence, who has been given the duty of reporting acts of sexual violence or any other misconduct by employees or students to the Title IX coordinator or other appropriate institution designee, or whom an employee or student could reasonably believe has this authority or duty.

Information regarding where an individual can go to file a discrimination or harassment complaint including Title IX:

The Executive Director for Equity and Access  
Title IX Coordinator Virginia Tech North End Center  
300 Turner St.  
Blacksburg, VA 24061  
Phone: 540-231-2010  
equityandaccess@vt.edu

Discrimination and harassment are further governed by Virginia Polytechnic Institute and State University Policy and Procedures No. 1025, which is available at [http://www.policies.vt.edu/1025.pdf](http://www.policies.vt.edu/1025.pdf).

**Weapons**

Unauthorized possession, storage, or control of firearms or weapons on university property, including storing weapons in vehicles on campus as well as in the residence halls. Furthermore, ammunition cannot be stored in any residence halls on campus. (Note: Virginia Tech Corps of Cadets weapons are governed by the Virginia Administrative Codes. Please refer to 8VAC105-20.)

Firearms: defined as any gun, rifle, pistol or handgun designed to fire any projectile including but not limited to bullets, pellets or shots, regardless of the propellant used.
Ammunition: defined as any material intended for use in a firearm, capable of being projected by a weapon and/or makes the weapon operational.

Other weapons: defined as any instrument of combat or any object not designed as an instrument of combat but carried for the purpose of inflicting or threatening bodily injury. Examples include but are not limited to knives with blades longer than four inches, razors, metal knuckles, blackjacks, hatchets, bows and arrows, nun chukkas, foils, stun weapons or any explosive or incendiary device. Possession of realistic replicas of weapons on campus is prohibited.

Stun weapons: defined as any device that emits a momentary or pulsed output, which is electrical, audible, optical or electromagnetic in nature and which is designed to temporarily incapacitate a person. Students who store weapons in residence hall rooms, who brandish weapons or who use a weapon in a reckless manner may face disciplinary action, which may include suspension or dismissal from the university. Students who store ammunition in the residence halls will face disciplinary action. Exceptions to possessing weapons may be made in the case of university functions or activities and for educational exhibitions or displays. Exceptions must be approved by the vice president for administrative services in consultation with appropriate university offices. This policy does not prohibit the possession of firearms by persons, such as law enforcement officers, who are authorized by law to do so in the performance of their duties. A weapons storage program is available. The storage program applies to the weapon and ammunition. Ammunition that will not be stored includes Air Soft projectiles, Nerf gun projectiles, and CO2 Cartridges. Interested persons should contact the Virginia Tech Police (Southgate Center, 540-231-6411.)

Weapons are further governed by Virginia Polytechnic Institute and State University Policy and Procedures No. 5616. This policy is available at http://www.policies.vt.edu/5616.pdf.

University Student Conduct Sanctions

The following student conduct sanctions may be imposed upon a student or student organization for violation of university policy. Student conduct sanctions are generally cumulative in nature. This information will only be relevant after a student accepts or is found responsible for the violation. When multiple incidents occur over a short period of time, student conduct hearings are usually scheduled in chronological order according to the date of the incident(s), and all student conduct records are considered in determining an appropriate sanction. Scholarship and student aid committee policy states that university scholarships are withdrawn for students on suspension or deferred suspension, where acceptable university citizenship is a condition of the aid. This
policy affects private and some state awards but does not affect federal aid such as BEOG, SEOG, NDSL, SSIG work study and guaranteed student loans. Student conduct sanctions may affect a student’s employment with the university such as, undergraduate or graduate teaching assistants, graduate assistantship or other forms of employment.

**Status Sanctions**

*Formal Warning*
Student or organization is officially notified that their actions have constituted a violation of university policies and are, therefore, inappropriate. Further violations may result in more serious disciplinary action.

*Probation*
Student or organization is notified that their status with the university for a specified period of time is such that further violations of university policies will result in being considered for suspension from the university. If at the end of the specified time period no further violations have occurred, the student is removed from probationary status. Student organizations are notified that their status with the university for a specified period of time is such that further violations of university policy will result in being considered for loss of recognition from the university.

*Deferred Sanction*
In some cases, a sanction of suspension, dismissal or a denial of privilege may be held in abeyance for a specified period. This means that, if the student or organization is found responsible for any violation during that period, they will be subject to the deferred sanction without further review in addition to the disciplinary action appropriate to the new violation. During this time, the certain student organizations may be prohibited from participating in any social functions. For students involved in serious misconduct, the conferring of an academic degree will be deferred for the duration of the sanction.

*Suspension from the University*
Student is notified that they are separated from the university for a specified period of time. Students who are suspended must leave campus within the time prescribed by the hearing/appeal officer. Permission to return to Virginia Tech may be required by the director of Student Conduct.

Permission must be granted before a student will be permitted to re-enroll. If the decision to suspend a student is made, imposition of the suspension may be delayed until the following semester at the discretion of the university, for example if the
decision occurs very late in the semester. Suspensions effective for the subsequent semester will be effective immediately following the conclusion of the current semester. However, if the hearing officer feels that the health and safety of the student or the university community is at risk, the suspension may be effective immediately. A notation is placed on the student's academic transcript: “suspended for a violation of the Student Code of Conduct.” For student organizations, recognition with the university is withdrawn for a specified period of time. Permissions to regain status may be required by the director of Student Conduct and other appropriate university officials. For students involved in serious misconduct that could result in suspension and have completed their academic course work, the conferring of an academic degree will be withheld for a specified period of time.

**Dismissal**

Student is notified that they are permanently separated from the university. A notation is placed on the academic transcript: “dismissed for a violation of the Student Code of Conduct.” For student organizations, the organization is notified that the university is permanently removing recognition of the organization. If the decision to dismiss a student is made, imposition of the dismissal may be delayed until the following semester at the discretion of the university, for example if the decision occurs very late in the semester. Dismissals effective for the subsequent semester will be effective immediately following the conclusion of the current semester. However, if the hearing officer feels that the health and safety of the student or the university community is at risk, the dismissal may be effective immediately.

**Educational Sanctions**

**Educational and Community Activity**

Student or organization is required to demonstrate their responsibility as a member of the university community by performing certain reasonable and relevant educational activities. Failure to complete the educational activity by the time prescribed by the student conduct officer/committee will result in one semester of suspension from the university (excluding summer). Failure of student organizations to complete the educational activity by the time prescribed by the student conduct officer/committee will result in withdrawal of university recognition for one semester (excluding summer).

**Restitution**

Student or organization is required to make restitution for damage to university property. Restitution may be in the form of monetary payment or community service.

**Privilege Sanctions**
Denial of Privileges or Associations
Student or organization is notified that, for a specified period of time, certain privileges or associations within the university are withdrawn. This sanction includes, but is not limited to termination of residence hall contract, removal from athletic events, removal from the Corps of Cadets, denial of the privilege of participating in recreational sports activities, revocation of the privilege of accessing certain university facilities and revocation of social function privileges for student organizations.

Interim Suspension Policy
The university retains the authority to impose an interim (immediate) suspension if such action is necessary to preserve the safety of persons or property. In this instance, the students will be afforded an interim suspension hearing and the opportunity to show why their continued presence on campus does not constitute a threat to themselves, others or property. The interim suspension hearing is separate from a formal student conduct hearing. A formal student conduct hearing will be provided as soon as possible. Students may receive an interim suspension from the university or selected campus facilities with proper notice. The following steps explain the procedure for imposing an interim suspension:

When a situation, as defined above, occurs, the responding university official contacts the Threat Assessment Team or the Associate Vice President for Student Affairs or designee to assess the situation. If the situation is sufficiently serious, the Threat Assessment Team or the Associate Vice President for Student Affairs or their designee will determine if an interim suspension is appropriate.

The student will be sent an interim suspension letter immediately, which states that the student is suspended from the university and/or banned from all or selected campus residential facilities until a formal student conduct hearing can be convened. The Virginia Tech Chief of Police will be contacted to determine if a ban from campus is needed. Upon receipt of the interim suspension, if the student is on campus or in university facilities, the student will be escorted out of the facility and/or off campus by a Virginia Tech police officer.

The student can immediately request an interim suspension review to be conducted by the Associate Vice President for Student Affairs or their designee. The interim suspension letter will contain instructions on how to request a review. Those present at the meeting may include the responding university official and other witnesses as deemed appropriate by the Associate Vice President for Student Affairs.
Affairs. During the review, the student will be given an opportunity to demonstrate why his or her continued presence on campus does not constitute a threat to themselves, others or property. As part of the review, the student may be required to submit to an immediate medical/psychological evaluation. The student will be evaluated by the director of the Cook Counseling Center or their designee.

The decision of the interim suspension review will be final. There will be no appeal. If the student does not request a review, the interim suspension and/or ban from campus residential facilities will remain in effect until the formal student conduct hearing is resolved.

Interim suspension information will be shared with Student Conduct. That office will schedule a formal student conduct hearing as soon as possible to determine the final consequences of the initiating behavior.
RESOLUTION TO ESTABLISH AN EXTENDED CAMPUS SITE IN ARLINGTON

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

WHEREAS, in 2011 the Virginia Tech Foundation opened the Virginia Tech Research Center at 900 Glebe Road in Arlington, Virginia (VTRC-A) to further the university's research mission; and

WHEREAS, as the VTRC-A continued to expand, in November 2016, the Virginia Tech Board of Visitors approved a simple organizational change as required by the State Council for Higher Education in Virginia (SCHEV); and

WHEREAS, in 2017, the second floor of the VTRC-A was approved by SCHEV to deliver self-supporting instructional programs, including undergraduate experiential learning, professional graduate education, and executive academic programs; and

WHEREAS, the university intends to relocate from Alexandria, Virginia to the VTRC-A the educational programs offered by the College of Architecture and Urban Studies in the School of Public and International Affairs (SPIA); and

WHEREAS, in addition to relocating the SPIA programs, the university plans to expand academic programs currently offered at the VTCR-A including the executive master's degree in business administration offered by the Pamplin College of Business and the executive master's degree in natural resources offered by the College of Natural Resources and Environment; and

WHEREAS, the university’s expansion at the VTRC-A includes academic programs in support of the state's Commonwealth Cyber Initiative; and

WHEREAS, expanding the instructional mission of the VTRC-A will allow it to serve as a fully capable dual purpose (instructional and research) facility in support of the commonwealth’s workforce needs; and

WHEREAS, at this stage of the VTRC-A’s growth, the additional expansion of instructional programming may be classified by SCHEV as a complex organizational change that requires approval by the Board of Visitors;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approves the establishment of an extended campus site in Arlington at the Virginia Tech Research Center building.

RECOMMENDATION:

That the resolution to establish a Virginia Tech extended campus site in Arlington be approved.

August 26, 2018
RESOLUTION TO AMEND POLICY
TO COMPLY WITH GOVERNOR’S EXECUTIVE ORDER
REGARDING PAID PARENTAL LEAVE FOR UNIVERSITY EMPLOYEES

WHEREAS, on June 25, 2018, Governor Ralph Northam issued Executive Order Number Twelve; and

WHEREAS, the Executive Order authorizes the creation of paid parental leave for employees of executive branch agencies in the Commonwealth of Virginia; and

WHEREAS, the state’s Department of Human Resource Management shall establish policy and guidance documents to support the implementation of the Executive Order for classified employees; and

WHEREAS, the Virginia Tech Board of Visitors has the authority over university staff and faculty employment policies; and

WHEREAS, the administration will engage the appropriate constituencies in creating a university policy and related procedures;

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors directs the administration to articulate a paid parental leave policy and appropriate related procedures in compliance with the Governor’s Executive Order Number Twelve.

RECOMMENDATION:
That the Board of Visitors approve the Resolution to Amend Policy to Comply with Governor’s Executive Order Regarding Paid Parental Leave for University Employees.

August 27, 2018
Importance of the Initiative

The Commonwealth of Virginia is the best place to work, live, and raise a family because of its commitment to providing opportunities for success in both the workplace and at home. The creation of this leave policy will not only provide benefits for children and parents, but also strengthen the Commonwealth’s ability to recruit and retain a talented workforce.

Research shows paid time-off provides benefits for both children and parents. Access to parental leave has a positive impact on children’s health and development and decreases infant mortality rates. For parents, paid time-off increases the likelihood they will return to the labor force and benefits health and well-being.

The Commonwealth’s employees are dedicated public servants. They work hard to keep Virginia strong. The creation of this leave policy will provide them with the support they need in the workplace and at home. The paid parental leave policy is in addition to other leave benefits available to Commonwealth employees, such as Virginia Sickness and Disability Program leave (VSDP), sick leave, annual leave, and leave under the federal Family Medical Leave Act (29 U.S.C. §§ 2601-2654).

Parental Leave for Employees of the Commonwealth

By virtue of the authority vested in me as Governor under Article V of the Constitution of Virginia and under the laws of the Commonwealth, I hereby authorize the creation of Paid Parental Leave for employees of executive branch agencies (Agencies) in the Commonwealth under the following parameters:

1. A classified or at-will employee who has been employed by the Commonwealth for a minimum of twelve (12) consecutive months is eligible for parental leave (Eligible Employee).
2. Following the birth, adoption, or foster placement of a child younger than 18 years of age:
   - An Eligible Employee will receive eight (8) weeks (320 hours) of parental leave; and
   - If both parents are Eligible Employees, each shall receive parental leave, which may be taken concurrently, consecutively, or at different times.

3. Parental leave shall be taken within six (6) months following the birth, adoption, or foster placement of the child.

4. Parental leave shall only be taken once in a 12-month period and only once per child.

5. Parental leave shall be provided at 100% of the Eligible Employee’s regular salary.

6. Parental leave shall not be counted against an Eligible Employee’s annual or sick leave.

7. Legal holidays listed in § 2.2-3300 of the Code of Virginia shall not be counted against parental leave.

8. Parental leave shall run concurrently with leave provided under the Family and Medical Leave Act, if the employee is eligible.

9. Parental leave may run concurrently or sequentially with VSDP, if the employee is eligible for VSDP.

The Department of Human Resource Management (DHRM or Department) shall establish policy and guidance documents to support implementation of this Executive Order.

**Exceptions for Classified and At-Will Employees**

Requests for exceptions to this policy must be directed to the Eligible Employee’s Human Resource Manager. If the Human Resource Manager at the Agency level approves the exception, then a request must be made to DHRM for final approval. DHRM will then notify the Human Resource Manager of its decision. The Human Resource Manager will subsequently inform the Eligible Employee of the final decision reached by DHRM and will process the leave request accordingly.

**Agency Reporting**

On July 1, 2019, and every July 1 thereafter, the Human Resource Manager for each Agency shall submit to DHRM a report regarding the usage of parental leave by Agency employees for the preceding fiscal year. The report shall be in a form and contain such data as prescribed by the Department.
**Effective Date of the Executive Order**

This Executive Order shall be effective upon signing and shall remain in full force and effect unless amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 25\textsuperscript{th} Day of June, 2018.

\begin{center}
\includegraphics[width=0.5\textwidth]{seal}
\end{center}

Ralph S. Northam, Governor

Attest:

\begin{center}
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\end{center}

Kelly Thomasson, Secretary of the Commonwealth
RESOLUTION TO UPDATE THE POLICY  
ON THE AWARDING OF HONORARY DEGREES

WHEREAS, the conferral of an honorary degree is an extraordinary distinction at Virginia Tech, which as of 2018, has awarded only 10 honorary degrees in its 146-year history; and

WHEREAS, in 1986, the Board of Visitors passed a resolution formalizing the criteria and process for the approval of honorary degrees and established a University Honorifics Committee as a standing committee of the university and prescribed its membership; and

WHEREAS, the University Honorifics Committee became the Faculty Honorifics Committee in the early 1990s when the university’s system of shared governance was restructured, and the charge and membership of the committee was incorporated into the University Council Constitution and By-laws at that time; and

WHEREAS, the university and the board wish to preserve the award of an honorary degree at Virginia Tech as a rare and extraordinary distinction;

NOW, THEREFORE, BE IT RESOLVED that to ensure that the award of an honorary degree at Virginia Tech remains a rare and extraordinary distinction, the Board of Visitors of Virginia Polytechnic Institute and State University hereby approves the awarding of honorary degrees according to the process described as follows:

1. The honorary degree awarded on approval of the Board of Visitors is not one obtained “in course” but is a GRADUM HONORS CAUSA awarded for professional or scholarly distinction not in the standard course of professional service to the university. Unless the president approves an exception to award an alternate degree, the degree awarded shall be one of:

   • Litt.D. Letters
   • Sc.D. Science

2. The entire nomination and decision process for honorary degrees should be treated in strict confidence by all persons involved to the extent permitted by law.

3. The Faculty Honorifics Committee will review all nominations for honorary degrees.

   a. Nominees may be alumni or other persons who have had a significant association with Virginia Tech and whose professional achievements merit substantial recognition by the university.

   b. Any member of the university community may submit a nomination for an honorary degree to the Faculty Honorifics Committee.

   c. The nominator should compile a dossier that includes:
i. A summary of the distinguished contributions made by the nominee to scholarly fields, to the arts, to technology, to the professions, or to public service.

ii. An indication of the extent to which the nominee has been associated with Virginia Tech.

iii. Letters of recommendation from three to five persons detailing the nominee’s contributions accompanied by an introduction describing the credentials and relationship of the reference to the nominee.

d. The Faculty Honorifics Committee will make a recommendation to the provost.

4. The provost will review the committee’s recommendation and provide to the president the nominee’s dossier and recommendation of the Faculty Honorifics Committee along with the provost’s recommendation.

5. The president will review the dossier and consider the recommendations of the committee and the provost in determining whether to advance the nomination to the Board of Visitors for approval. There is no appeal process for a negative decision by the president.

6. If the president supports the nomination, the president will advance the nomination to the Board of Visitors for consideration.

7. On the approval of the Board of Visitors, the president will report the board’s action to the nominator and the Faculty Honorifics Committee. The president will invite the nominee to attend the spring University Commencement Ceremony to receive the honorary degree. Only under the most unusual circumstances will the honorary degree be awarded at another venue or in absentia;

AND, BE IT FURTHER RESOLVED that this resolution supersedes any and all previous policies pertaining to the conferral of honorary degrees;

AND, BE IT FURTHER RESOLVED that this resolution does not apply to the awarding of a posthumous degree to a student who was deceased before completing course work towards a degree and/or before receiving the degree.

RECOMMENDATION:

That the above resolution describing the criteria and process for the award of honorary degrees be approved and supersede any and all previous policies pertaining to the conferral of honorary degrees.

August 27, 2018
Approval of O'Shaughnessy Hall Renovation 9(d) Debt Financing

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

July 26, 2018

The O'Shaughnessy Hall Renovation (Capital Outlay Project #P18356) has been authorized by the state to be financed pursuant to Article X, Section 9(d) of the Constitution of Virginia for up to $12,634,000 plus amounts needed to fund issuance costs, reserve funds and other financing expenses.

The project will convert O'Shaughnessy Hall into a living-learning residential college format to modernize program space within the building. The programmatic changes include the creation of a faculty apartment, five-to-seven faculty/staff offices, a classroom, and common meeting rooms for student activities. The project also includes updating the building’s interior, residential rooms, bathrooms, mechanical, electrical, and plumbing systems, elevators, addressing other deferred maintenance items, as needed, and installing air conditioning. The total $21.5 million project cost will be funded with approximately $12.6 million of debt and $8.9 million of cash. Debt service will be paid from self-generated funds derived from the residential program’s auxiliary revenues.

The bonds will be issued through the Virginia College Building Authority, and the university will enter into a loan agreement and promissory note with the Authority. The loan agreement and note are subject to the following parameters: (a) the principal amount shall not be greater than the amount authorized by the General Assembly of Virginia, (b) the aggregate principal amount shall not exceed $12,634,000 plus amounts needed to fund issuance costs and other financing expenses, (c) the interest rate payable shall not exceed a true interest cost more than 50 basis points higher than the interest rate for “AA” rated securities with comparable maturities, (d) the weighted average maturity of the principal payments shall not be in excess of 20 years, (e) the last principal payment date shall not extend beyond the expected economic life of the project, and (f) the actual amount, interest rates, principal maturities, and date of the note shall be approved by an Authorized Officer.

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 O'SHAUGHNESSY HALL RENOVATION
9(d) FINANCING

WHEREAS, pursuant to and in furtherance of Chapter 12, Title 23.1 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”);

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;

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 the Act 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;

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 Project authorized for bond financing by the General Assembly: the Renovate O'Shaughnessy Hall – Capital Outlay Project Number 18356 (the “Project”); and

WHEREAS the Board desires to designate certain Institution officers (i) delegated the 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) responsible for monitoring post-issuance compliance with covenants of
the Institution 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 (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 authorized and 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, and to notify Virginia Department of Treasury representatives serving as Authority staff at least 60 days in advance of a pledge of any amounts pledged to the payment of the Note in accordance with Section 1 hereof to, or as security for, the payment of any other Institution obligations issued or entered into after the date hereof for so long as the Note and any amendments thereto remain outstanding.

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 $12,634,000 as the same may be so increased.
(c) the aggregate 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, as of the date that the interest rates on the Authority’s Pooled Bonds 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 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 23.1-1211 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 Capital Projects for the Institution 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.
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 O'Shaughnessy Hall Renovation – Capital Outlay Project Number 18356 be approved.

August 27, 2018
Approval of VTC Research Institute Biosciences Addition 9(d) Debt Financing

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

The VT Carilion Research Institute Biosciences Addition (Capital Outlay Project #18269) has been authorized by the state to be financed pursuant to Article X, Section 9(d) of the Constitution of Virginia for up to $41,558,000 plus amounts needed to fund issuance costs, reserve funds and other financing expenses. The name has evolved since inception and is now commonly known as the VT Carilion Health Sciences and Technology building.

The $91.7 million project will construct a 139,300 gross square foot facility on land owned by the Carilion Clinic in the Riverside Center in Roanoke, Virginia. The project will be developed and constructed under a public-private partnership between Virginia Tech and the Carilion Clinic to provide approximately 105,000 gross square feet for health science and technology research, 16,800 gross square feet for comparative oncology research, and 17,500 gross square feet for professional development, training, and education.

Of the $91.7 million, $51.6 million will be funded with General Fund appropriations with the remaining $40.1 million consisting of $27.6 million of debt and $12.5 million of cash and donations. Within the $27.6 of debt, $23.8 million was issued last fall through the Virginia College Building Authority (VCBA), and we estimate issuing slightly more than $3.8 million of debt through the VCBA this fall. As a result, we are seeking authorization to issue up to $4.0 million of additional debt at this time. Debt service will be paid from self-generated revenues from the research program and private gifts.

The bonds will be issued through the Virginia College Building Authority, and the university will enter into a loan agreement and promissory note with the Authority. The loan agreement and note are subject to the following parameters: (a) the principal amount shall not be greater than the amount authorized by the General Assembly of Virginia, (b) the aggregate principal amount shall not exceed $4 million plus amounts needed to fund issuance costs and other financing expenses, (c) the interest rate payable shall not exceed a true interest cost more than 50 basis points higher than the interest rate for applicable “AA” rated securities with comparable maturities, (d) the weighted average maturity of the principal payments shall not be in excess of 20 years, (e) the last principal payment date shall not extend beyond the expected economic life of the project, and (f) the actual amount, interest rates, principal maturities, and date of the note shall be approved by an Authorized Officer.

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 VTC RESEARCH INSTITUTE BIOSCIENCES ADDITION
9(d) FINANCING

WHEREAS, pursuant to and in furtherance of Chapter 12, Title 23.1 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”);

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;

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 the Act 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;

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 Project authorized for bond financing by the General Assembly: the Construct VT Carilion Research Institute Biosciences Addition – Capital Outlay Project Number 18269 (the “Project”);

WHEREAS, as of the date of this resolution the General Assembly has approved $91.696 million for the Project, $23.793 million of which was financed in 2017 through the Authority's Pooled Bond Program; and

WHEREAS the Board desires to designate certain Institution officers (i) delegated the authority to approve the forms of and to execute and deliver the Loan Agreement, 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 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 (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 authorized and 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, and to notify Virginia Department of Treasury representatives serving as Authority staff at least 60 days in advance of a pledge of any amounts pledged to the payment of the Note in accordance with Section 1 hereof to, or as security for, the payment of any other Institution obligations issued or entered into after the date hereof for so long as the Note and any amendments thereto remain outstanding.

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 $4,000,000 as the same may be so increased; (c) the aggregate 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 for applicable taxable or tax-exempt yields, as of the date that the interest rates on the Authority’s Pooled Bonds 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 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 23.1-1211 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 Capital Projects for the Institution 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.
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 VT Carilion Research Institute Biosciences Addition – Capital Outlay Project Number 18269 be approved.

August 27, 2018
Open Session Agenda

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

VTC School of Medicine and Research Institute
Room R3012
2:30 - 4:30 p.m.
Sunday, August 26, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
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<tbody>
<tr>
<td>1. Welcome and Acceptance of Agenda</td>
<td>D. Petrine</td>
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<tr>
<td>2. Consent Agenda</td>
<td>D. Petrine</td>
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<td>A. Approval of June 4, 2018 Meeting Minutes</td>
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<td>B. Report of Reappointments to Endowed Chairs, Professorships and</td>
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<td>Fellowships (9)</td>
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<td>*C. Ratification of 2018-19 Faculty Handbook</td>
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<td>*D. Approval for Virginia Tech Extended Campus Site in Arlington</td>
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<td>*E. Ratification of Student Code of Conduct</td>
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<td>*F. Resolution to Amend Policy to Comply with Governor’s Executive</td>
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<td>Order Regarding Paid Parental Leave for University Employees</td>
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<td>*G. Resolution to Update the Policy of the Awarding of Honorary Degrees</td>
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<td>3. Provost’s Update</td>
<td>C. Clarke</td>
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<td>4. Understanding Students’ Experiences and Perceptions of Virginia Tech</td>
<td>P. Perillo</td>
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<td>(Gallup Survey)</td>
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<td>5. College Update: College of Science</td>
<td>S. Morton</td>
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<td>6. Virginia Tech Carilion Research Institute and Related Health Sciences</td>
<td>M. Friedlander</td>
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<td>and Technology Initiatives</td>
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<td>7. Council of College Deans Update</td>
<td>S. Morton</td>
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<td>8. Agenda Items for November 2018 Committee Meeting</td>
<td>D. Petrine</td>
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<td>9. Adjourn</td>
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* Requires Full Board Approval
<table>
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<tbody>
<tr>
<td>1. Welcome and Acceptance of Agenda</td>
<td>D. Petrine</td>
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<tr>
<td>Debbie Petrine, chair of the committee, will convene the meeting, and review the agenda for acceptance by committee members.</td>
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<tr>
<td>2. Consent Agenda</td>
<td>D. Petrine</td>
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<td>The committee will consider approval of the consent agenda, including meeting minutes, a report on nine reappointments to endowed chairs, professorships, or fellowships, ratification of the faculty handbook, approval of an extended campus site in Arlington, VA, ratification of student code of conduct, a resolution to amend policy related to the Governor's Executive Order regarding paid parental leave for university employees, and a resolution to update the policy of awarding honorary degrees.</td>
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<td>3. Provost’s Update</td>
<td>C. Clarke</td>
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<td>Cyril Clarke, interim executive vice president and provost will provide an update to the committee.</td>
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<td>4. Student Affairs Update</td>
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<td>Patty Perillo, vice president for student affairs, will lead a discussion on understanding students’ experiences and perceptions of Virginia Tech using results from the Gallup Survey.</td>
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<td>5. College Update: College of Science</td>
<td>S. Morton</td>
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<td>Sally Morton, dean of the College of Science, will highlight the college’s academic programs, scholarship, research, and significant contributions to the university’s mission.</td>
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<tr>
<td>6. Virginia Tech Carilion Research Institute and Related Health Sciences and Technology Initiatives</td>
<td>M. Friedlander</td>
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<td>Mike Friedlander, executive director of the Virginia Tech Carilion Research Institute (VTCRI) and vice president for Health Sciences and Technology will update the committee on the progress of the VTCRI and the role of the institute in the university’s health sciences and technology initiatives.</td>
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</table>
7. Council of College Deans Update
   
   Sally Morton, dean of the College of Science and representative to the committee from the university’s Council of College Deans, will offer remarks.

8. Agenda Items for November 2018 Committee Meeting

   The committee will discuss items for possible consideration at the November 2018 meeting of the Board of Visitors.

9. Adjourn
Closed Session Agenda

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
and
ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

Roanoke Higher Education Center
Room 715
8:15 a.m. – 8:45 a.m.

August 27, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Begin Closed Session</td>
<td>Tish Long</td>
</tr>
<tr>
<td>2. Consent Agenda</td>
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</tr>
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<td>*A. Resolutions to Approve Appointments to Emeritus/a Status (10)</td>
<td></td>
</tr>
<tr>
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<td></td>
</tr>
<tr>
<td>Professorships, or Fellowships (3)</td>
<td></td>
</tr>
<tr>
<td>*C. Resolution for Exclusion of Certain Officers</td>
<td></td>
</tr>
<tr>
<td>*3. Ratification of Personnel Changes Report</td>
<td>Cyril Clarke, Dwight Shelton</td>
</tr>
<tr>
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</tbody>
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*Requires Full Board Approval
Closed Session Briefing Report

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
and
ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

August 27, 2018

Agenda Item                          Reporting Responsibility

1. Motion to Begin Closed Session    T. Long

*Tish Long, member of the committee, will make a motion to take the committee into closed session.

2. Consent Agenda                    D. Petrine

   *A. Resolutions to Approve Appointments to Emeritus/a Status (10)
       The committee will consider 10 resolutions for appointments to emeritus/a status.

   *B. Resolutions to Approve Appointments to Endowed Chairs, Professorships, or Fellowships (3)
       The committee will consider three resolutions for appointments to endowed chair, professorship, or fellowship.

   *C. Resolutions for Exclusion of Certain Officers
       The committee will consider a resolution excluding members of the Board of Visitors and selected members of the administration from personnel security clearance requirements required by the U.S. Department of Defense in accordance with the National Industry Security Program Operating Manual, Cognizant Security Agencies.

3. Ratification of Faculty Personnel Changes Report C. Clarke, D. Shelton

   The Faculty Personnel Changes Report is considered at each board meeting by the Academic, Research, and Student Affairs Committee and the Finance and Resource Management Committee. The report includes new faculty appointments and adjustments in salaries for faculty through the quarter ending June 30, 2018.

4. Ratification of 2018-19 Faculty Salary Program C. Clarke, D. Shelton

   The Committees will review and take action on the 2018-19 Faculty Salary Program. The report outlines merit adjustments for faculty for the 2018-19

*Requires Full Board Approval
fiscal year. In addition, the report includes adjustments for faculty with demonstrated national distinction and exceptional performance in their role.

*Requires Full Board Approval
Open Session Agenda

BUILDINGS AND GROUNDS COMMITTEE

9:30 a.m. Open Session meeting begins
in Room 716 at the Higher Education Center - Roanoke

Monday, August 27, 2018

<table>
<thead>
<tr>
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</tr>
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<td>1. Welcome</td>
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</tr>
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<td>2. Consent Agenda</td>
<td>Mr. C.T. Hill, Chair</td>
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<tr>
<td>a. Approval of the minutes from the June 4, 2018 meeting</td>
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<tr>
<td>b. Acceptance of the capital project status report</td>
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<tr>
<td>3. Buildings and Grounds Committee Overview</td>
<td>Dr. Sherwood Wilson</td>
</tr>
</tbody>
</table>
| 4. Satellite Location Safety, Security & Preparedness Presentation | Mr. Mike Mulhare  
Chief Kevin Foust  
Dr. Lance Franklin |
| 5. Resolution to Increase the Width of a Virginia Electric and  
Power Company Easement | Dr. Sherwood Wilson |
| 6. Resolution to support the NRV Water Authority Projects and the  
Related Issuance of Captioned Bonds | Dr. Sherwood Wilson |
| 7. Resolution on the Demolition of University Building No. 0835 | Ms. Liza Morris |
| 8. Design Preview for the Livestock and Poultry Research Facilities  
Phase I | Ms. Liza Morris |
| 9. Design Review for the Student-Athlete Performance Center | Ms. Liza Morris |
| 10. November Agenda Discussion | Mr. C.T. Hill, Chair |

* Requires full Board approval.
Open Session

1. Welcome

2. Consent Agenda: The Committee will consider for approval and acceptance the items listed on the Consent Agenda:

   a. Approval of the Minutes for the June 4, 2018.
   
   b. Acceptance of Capital Project Status Report: The Committee will review for acceptance the quarterly capital project status report.

3. Overview of the Buildings and Grounds Committee: The Committee will receive an overview of Buildings and Grounds Committee oversight and responsibilities.

4. Satellite Location Safety, Security and Preparedness Presentation: The Committee will receive an overview from Mr. Mike Mulhare, Assistant Vice President for Emergency Management, Virginia Tech Police Chief, Kevin Foust and Lance Franklin, Assistant Vice President for Environmental Health and Safety.

5. Resolution to Increase the Width of a Virginia Electric and Power Company Easement: Virginia Electric Power Company (VEPCO), a subsidiary of Dominion Energy, Inc., has requested Virginia Polytechnic Institute and State University (Virginia Tech) grant an increase in the width of VEPCO’s overhead electric transmission lines easement by thirty feet (30’) for a total width of one hundred feet (100’) on Virginia Tech’s Norther Piedmont Center.

6. Resolution to Support the NRV Water Authority Projects and the Related Issuance of Captioned Bonds: The Committee will review for approval a resolution in support of the acquisition, construction, equipping, occupation, operation and use of projects that will enhance regional water treatment and distribution, and the related issuance of captioned bonds.

7. Resolution on Demolition of University Building No. 0835: The Committee will review for approval the university’s request to demolish the Tenant House, Obenshain Building No. 0835, which is a 935 gross square foot (GSF) concrete masonry unit and wooden room structure with a basement on university property located on the Northern Piedmont Center in Orange County, Virginia.
8. **Design Preview for Livestock and Poultry Research Facilities – Phase I:** The Committee will receive for approval the design preview for the Livestock and Poultry Research Facilities – Phase I. LPRFI seeks to improve fourteen (14) facilities through both renovation and new construction.

9. **Design Review for the Student-Athlete Performance Center:** The Committee will receive for approval the design review the Student-Athlete Performance Center. This approximately 28,800 gross square foot renovation and new construction project is intended to provide a competitive advantage for athletics.

10. **November Agenda Discussion:** The Committee will discuss potential topics for inclusion on the November meeting agenda.
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<td>Sherwood Wilson</td>
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* Requires full Board approval.
Open Session

* 1. Approval of Resolution for Planning the Athletics Weight Room Renovation and Expansion: The Committees will review for approval a resolution for planning the capital project for the Athletics Room Renovation and Expansion.

The Merryman Center was built in 1998 and is approximately 42,000 gross square feet. The facility has received few improvements since its original construction, and requires an update to meet the Athletic department’s expectations within the highly competitive environment for NCAA Division I college football. The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package.

Based on a feasibility study completed in January 2018, the university has determined that the desired athletics program can be accommodated with an approximately 22,520 gross square foot project. This includes a 17,640 gross square foot renovation of the first two floors of the Merryman Center and a 4,880 gross square foot expansion of the second floor team meeting rooms.

This request is for a $700,000 planning authorization to complete working drawings for the Athletics Weight Room Renovation and Expansion project.

The Athletics program is raising private funds to support the project and has received gifts and commitments sufficient to support the planning phase of the project.

* Requires full Board approval.
RESOLUTION TO INCREASE WIDTH OF VIRGINIA ELECTRIC AND POWER COMPANY EASEMENT

Virginia Electric and Power Company ("VEPCO"), a subsidiary of Dominion Energy, Inc., has requested Virginia Polytechnic Institute and State University ("Virginia Tech") grant an increase in the width of VEPCO’s overhead electric transmission lines easement by thirty feet (30’) for a total width of one hundred feet (100’) on Virginia Tech’s Northern Piedmont Center.
RESOLUTION TO INCREASE WIDTH
OF VIRGINIA ELECTRIC AND POWER COMPANY EASEMENT

WHEREAS, Virginia Electric and Power Company ("VEPCO"), a subsidiary of Dominion Energy, Inc., has secured Virginia State Corporation Commission ("SCC") approval and authorization for upgrades to the Remington Pratts Gordonsville 230 kV Transmission Line to increase available electric power, improve reliability, and realize cost efficiencies relative to the transmission line upgrade project; and

WHEREAS, Virginia Polytechnic Institute and State University ("Virginia Tech") is the fee simple owner of the Northern Piedmont Center (formerly known as the Northern Piedmont Agricultural Research and Extension Center) containing approximately 43 acres in Orange County, Virginia; and

WHEREAS, by easements created and recorded prior to Virginia Tech's ownership of the Northern Piedmont Center, VEPCO's overhead electric power transmission lines easement width is seventy feet (70') and traverses the entire length of the Northern Piedmont Center; and

WHEREAS, in keeping with SCC requirements and standards, VEPCO is requesting Virginia Tech increase the width of the existing seventy feet (70') easement by thirty feet (30') for a total width of one hundred feet (100'); and

WHEREAS, the proposed one hundred feet (100') wide easement is more particularly shown and described on a drawing entitled "VIRGINIA ELECTRIC AND POWER CO. REMINGTON-GORDONSVILLE PLAT TO ACCOMPANY AGREEMENT WITH COMMONWEALTH OF VIRGINIA-VIRGINIA AGRICULTURAL AND MECHANICAL COLLEGE AND POLYTECHNIC INSTITUTE," dated January 24, 2018, a copy of which drawing is attached hereto as Exhibit A; and

WHEREAS, VEPCO has confirmed that the land encumbered by the easement, which land lays below the overhead electric power transmission lines and around the electric pole structures, can continue to be used for crops with VEPCO being responsible for damages to crops, fences or buildings caused by VEPCO or its contractor(s) in the installation or maintenance of the overhead electric power lines and related structures; and

WHEREAS, Virginia Tech desires to grant said thirty feet (30') additional easement width to VEPCO;
NOW, THEREFORE BE IT RESOLVED, that the Vice President for Operations, his successors and/or assigns, be authorized to execute a Deed of Easement, or Amendment to Deeds of Easement, to VEPCO as described herein, in accordance with applicable university policies and procedures as permitted by the Higher Education Restructuring Act and Management Agreement with the Commonwealth of Virginia, and the Code of Virginia (1950), as amended.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Operations to execute the easement, or amendment to deeds of easement, to VEPCO be approved.

August 27, 2018
RESOLUTION TO SUPPORT NRV WATER AUTHORITY PROJECTS AND THE RELATED ISSUANCE OF CAPTIONED BONDS

The university is requesting approval of a Resolution supporting projects that will enhance regional water treatment and distribution as outlined in the 2013 NRV Water Authority Joinder Agreement and by the long range plan approved by the Water Authority Board. This action has been requested by the Authority’s bond financing agency.
RESOLUTION TO SUPPORT NRV WATER AUTHORITY PROJECTS AND THE RELATED ISSUANCE OF CAPTIONED BONDS

WHEREAS, the New River Valley Regional Water Authority (the “Authority”) has received commitments from the Virginia Resources Authority (the “VRA”) as administrator of the Virginia Water Supply Revolving Fund (the “Fund”) committing to loans from the Fund to the Authority in the amounts of up to $27,760,000, $3,031,000 and $6,137,000 (the “Bond Financing”); and,

WHEREAS, the Bond Financing will provide funds for (1) modernization of the Authority’s water treatment plant consisting of improvements to the raw water pump station, the intermediate raw water pump station, the water treatment plant and other improvements to the Authority’s water system; (2) Plum Creek System Connection Phase I transmission line consisting of 9,034 linear feet of 20-inch diameter and 4,450 linear feet of 12-inch diameter waterline with associated appurtenances and other improvements to the Authority’s water system; and (3) Plum Creek Connection Phase II consisting of 18,566 linear feet of 20-inch diameter waterline and a 7.2MGD booster pump station with associated appurtenances and other improvements to the Authority’s water system (the “Projects”); and,

WHEREAS, the Board of Visitors of Virginia Polytechnic Institute and State University has been asked by the VRA, along with all of the other parties to the Water Agreement, to adopt and provide a resolution affirming its support of the acquisition, construction, equipping, occupation, operation and use of the Projects and the related Bond Financing by the Authority;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Visitors of Virginia Polytechnic Institute and State University that it affirms its support of the acquisition, construction, equipping, occupation, operation and use of the Projects and the related Bond Financing by the Authority; and,

BE IT FURTHER RESOLVED, The Secretary to the Board of Visitors is authorized to certify a copy of the Water Agreement to the VRA; and

BE IT FURTHER RESOLVED, this resolution shall take effect immediately upon its adoption.

RECOMMENDATION:

That the resolution recommending support of the acquisition, construction, equipping, occupation, operation and use of the Projects and the related issuance of captioned bonds be approved; that the Secretary to the Board be authorized to certify a copy of the Water Agreement; and that these actions become effective immediately.

August 27, 2018
RESOLUTION ON DEMOLITION OF UNIVERSITY BUILDING –
TENANT HOUSE, OBENSHAIN BUILDING NO. 0835

The university requests approval to demolish the Tenant House, Obenshain Building No. 0835. The facility is a 935 gross square foot gross square foot structure located at the Northern Piedmont Center in Orange County, Virginia. It is a concrete masonry unit and wooden-roof structure with a basement. Constructed in 1941, it has been used as a family residence, office building, and storage space. The building has fallen into disrepair and is beyond its useful life. As such, the university seeks to demolish the structure due to safety and environmental concerns. The university will also obtain approval from the Department of Historic Resources and the Art and Architecture Review Board prior to demolition of this structure.
RESOLUTION ON DEMOLITION OF UNIVERSITY BUILDING –
TENANT HOUSE, OBENSHAIN BUILDING NO. 0835

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

WHEREAS, the Tenant House, Obenshain Building No. 0835, is beyond its useful life as a concrete masonry unit and wooden roof structure with a basement; and

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors approve the demolition of building number 0835, located at the Northern Piedmont Center in Orange County, in accordance with the applicable statues of the Code of Virginia (1950), as amended.

RECOMMENDATION:

That the above resolution authorizing the demolition of building number 0835 be approved.

August 27, 2018
The Merryman Center is a 42,000 gross square foot athletic facility that was built and placed in service in 1998. The facility has received few improvements since its original construction, and requires an update to meet the Athletic department’s expectations within the ultra-competitive environment for NCAA Division I college football. As a member of the Atlantic Coast Conference, Virginia Tech competes among the highest level of competition in the NCAA. Proper facilities are a critical element to attract and maintain high caliber student athletes and coaches. A renovation and expansion to the football program’s weight facility and team meeting rooms will further enhance the football program to compete at the highest level.

The Athletics department completed a feasibility study for the program in January 2018. The study shows the desired program can be accommodated with an approximately 22,520 gross square foot project including a 17,640 gross square foot renovation of the first two floors of the Merryman Center and a 4,880 gross square foot expansion of the second floor team meeting rooms. The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package. This project will enhance the student athlete experience within the football program for both physical and mental preparation.

The Athletics program is raising private funds to support the project and has received gifts and commitments sufficient to support the planning phase of the project. The planning budget is $700,000, and Athletics desires to move forward with a planning project while continuing to raise funds for the entire project.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, and funding of nongeneral fund capital outlay projects. This request is for a $700,000 planning authorization to complete working drawings for the Athletics Weight Room Renovation and Expansion project. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding plan, and schedule for the entire project are determined.
RESOLUTION OF A CAPITAL PROJECT FOR
PLANNING THE ATHLETICS WEIGHT ROOM RENOVATION AND EXPANSION

WHEREAS, as a member of the Atlantic Coast Conference, Virginia Tech competes among the highest level of competition in the NCAA; and,

WHEREAS, proper facilities are a critical element to attract and maintain high caliber student athletes and coaches; and,

WHEREAS, a feasibility shows the football weight room requires renovation and expansion to meet the expectations of athletes and coaches; and,

WHEREAS, the envisioned project scope includes a 22,520 gross square foot total project including 17,640 gross square foot renovation of the first two floors of the Merryman Center and 4,880 gross square foot expansion of the second floor; and,

WHEREAS, the Athletics program is raising private funds for the project and has received gifts and commitments sufficient to support the planning phase of the project; and,

WHEREAS, the planning budget is $700,000, and Athletics desires to move forward with a planning project while continuing to raise funds for the entire project; and,

WHEREAS, the university is requesting a $700,000 planning authorization to complete working drawings and to fund the planning project with 100 percent nongeneral fund resources derived from private gifts; and,

WHEREAS, the university may submit a subsequent request for full project funding after designs are underway and a firm scope, cost, funding plan, and schedule for the entire project are determined; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, and funding of nongeneral funded major capital outlay projects; and,

NOW THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $700,000 planning authorization for the Athletics Weight Room Renovation and Expansion project.

RECOMMENDATION:

That the above resolution authorizing Virginia Tech to plan the Athletics Weight Room Renovation and Expansion project be approved.

August 27, 2018
Compliance, Audit, and Risk Closed Session

1. **Motion for Closed Session**: Motion to begin closed session.

2. **Update on Fraud, Waste, and Abuse Cases**: The Committee will receive an update on outstanding fraud, waste, and abuse cases.

3. **Annual Performance Review of the Executive Director of Audit, Risk, and Compliance**: The Committee will provide an annual performance review to the Executive Director of Audit, Risk, and Compliance.

4. **Discussion with the Executive Director of Audit, Risk, and Compliance**: The Executive Director will discuss audits of specific departments and units where individual employees were identified.
## Open Session Agenda

**COMPLIANCE, AUDIT, AND RISK COMMITTEE**

Appalachian Room – Hotel Roanoke  
9:15 a.m. – 10:45 a.m.  
August 26, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Reconvene in Open Session</td>
<td>Ms. James</td>
</tr>
<tr>
<td>2. Welcome and Introductory Remarks</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>a. Approval of Minutes of the June 3, 2018 Meeting</td>
<td></td>
</tr>
<tr>
<td>b. Update of Responses to Open Internal Audit Comments</td>
<td></td>
</tr>
<tr>
<td>c. Internal Audit Reports</td>
<td></td>
</tr>
<tr>
<td>i. Advancement Compliance Review</td>
<td></td>
</tr>
<tr>
<td>ii. IT: Employee Access Life Cycle</td>
<td></td>
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<tr>
<td>iii. University Scholarships and Financial Aid</td>
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<tr>
<td>d. Status Update of the Audit of the University’s Financial Statements</td>
<td></td>
</tr>
<tr>
<td>e. Statewide Reviews and Special Reports</td>
<td></td>
</tr>
<tr>
<td>4. OARC Annual Report</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>5. Internal Audit Reports</td>
<td>Mr. Daniels</td>
</tr>
<tr>
<td>a. Global Activities</td>
<td></td>
</tr>
<tr>
<td>b. Athletics Compliance Review</td>
<td></td>
</tr>
<tr>
<td>6. Audit Plan for Fiscal Year 2018-19</td>
<td>Mr. Daniels</td>
</tr>
<tr>
<td>7. Enterprise Risk Management Program</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>8. Institutional Compliance Program</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>9. Discussion of Future Topics</td>
<td>Mr. Kazmi</td>
</tr>
</tbody>
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Compliance, Audit, and Risk Open Session

1. **Motion to Reconvene in Open Session**: Motion to begin open session.

2. **Welcome and Introductory Remarks**: The chair of the Compliance, Audit, and Risk Committee will provide opening remarks.

3. **Consent Agenda**: The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

   a. **Approval of Minutes of the June 3, 2018 Meeting**: The Committee will review and approve the minutes of the June 3, 2018 meeting.

   b. **Update of Responses to Open Internal Audit Comments**: The Committee will review the university’s update of responses to all previously issued internal audit reports. As of March 31, 2018, the university had eight open recommendations. Three audit comments have been issued during the second quarter of the fiscal year. As of June 30, 2018, the university has addressed seven comments, leaving four open recommendations in progress.

   c. **Internal Audit Reports**: The following internal audit reports were issued by the Office of Audit, Risk, and Compliance (OARC) since the June 3, 2018 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.

   i. **Advancement Compliance Review**: Our audit indicated that Advancement has designed and implemented controls that are often effective at ensuring compliance with university policies and procedures, but improvements are recommended to achieve a fully effective system of internal controls. Audit recommendations were issued to management.
where opportunities for further improvement were noted in the areas of leave reporting, expenditures, and funds handling.

ii. IT: Employee Access Life Cycle: Our audit of controls over employee access life cycle indicated that management has designed and implemented controls that are often effective at reducing exposure to many of the business risks that are faced, but improvements are recommended to achieve a fully effective system of internal controls. An observation with university-wide impact was noted with respect to controls and processes for provisioning and deprovisioning employees for the Enterprise Directory and Banner.

iii. University Scholarships and Financial Aid: Our audit indicated that management of the Office of University Scholarships and Financial Aid (USFA) has designed and implemented controls that are effective at reducing exposure to several of the business risks that are faced.

d. Status Update of the Audit of the University’s Financial Statements: This report provides the current status of the audit of the university’s financial statements for 2017-18.

e. Statewide Reviews and Special Reports: This report is related to ongoing and forthcoming statewide reviews. Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts, Office of the State Inspector General, and Virginia Department of Veterans Services.

4. OARC Annual Report: The Committee will review the Annual Report for OARC. This acceptance of 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 Charter. In addition to conducting scheduled audits, policy compliance reviews, and advisory services, the department participated in annual audit activities, fraud investigations, and professional development activities. Twenty-six audit projects, or 92 percent of the audits on the fiscal year 2017-18 amended audit plan, have been completed.

In addition to operating the audit function, OARC designed and implemented an Enterprise Risk Management (ERM) framework and Institutional Compliance Program (ICP).
5. **Internal Audit Reports:** The following internal audit report was issued by OARC since the June 3, 2018 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.

   a. Global Activities: Our audit of global activities indicated that management has designed and implemented controls that are often effective at reducing exposure to many of the business risks that are faced, but improvements are recommended to achieve a fully effective system of internal controls. An observation with university-wide impact was noted with respect to the organizational structure of providing immigration and visa services to students and employees. Additionally, a low-priority recommendation of a less significant nature was noted in the area of contingency plans and incident management.

   b. Athletics Compliance Review: Our audit identified certain significant business risks for which the Department of Athletics has not designed or implemented effective controls. Significant improvements are needed to achieve an adequate system of internal controls and effectively manage the associated business risk. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of fiscal responsibility, wage payroll, leave reporting, P14 appointments, expenditures, fixed assets, and funds handling.

6. **Audit Plan for Fiscal Year 2018-19:** The Committee will review the annual audit plan for fiscal year 2018-19. OARC conducted the annual risk assessment after reviewing financial and operational data and seeking input from senior management. In addition, a university-wide information technology risk assessment and audit plan were created in accordance with industry standards. For fiscal year 2018-19, more than 20 audit projects are proposed given current staffing levels, with approximately 75 percent of available resources committed to the completion of planned projects.

7. **Enterprise Risk Management Program:** The Committee will receive an update on the Enterprise Risk Management (ERM) program, including planned activities for the next several years and the long-term vision for ERM.
8. **Institutional Compliance Program:** The Committee will receive an update on the institutional compliance program, including convening the newly-established compliance oversight committee to coordinate best practices regarding maintenance of a compliance matrix of applicable regulations and authoritative guidance with responsible parties, risk assessment, and monitoring activities.

9. **Discussion of Future Topics:** The Committee will discuss topics to be covered in future committee meetings.
Closed Session Agenda

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND
ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

Roanoke Higher Education Center
Room 715
8:15 a.m. – 8:45 a.m.

August 27, 2018

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Briefing Report

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND
ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

August 27, 2018

Closed Session

1. **Motion for Closed Session:** Motion to begin closed session.

2. **Consent Agenda:** The Committee will consider for approval the items listed on the Consent Agenda.
   
   * a. Resolutions to Approve Appointments to Emeritus/a Status (10): The Committee will consider 10 resolutions for appointments to emeritus/a status.
   
   * b. Resolutions to Approve Appointments to Endowed Chairs, Professorships, or Fellowships (3): The Committee will consider three resolutions for appointments to endowed chair, professorship, or fellowship.
   
   * c. Resolutions for Exclusion of Certain Officers: The Committee will consider a resolution excluding members of the Board of Visitors and selected members of the administration from personnel security clearance requirements required by the U.S. Department of Defense in accordance with the National Industry Security Program Operating Manual, Cognizant Security Agencies.

3. **Ratification of Personnel Changes Report:** The Committees will review and take action on the quarterly Personnel Changes Report. The report includes new faculty appointments and adjustments in salaries for select faculty through the quarter ending June 30, 2018.

4. **Approval of 2018-19 Faculty Salary Program:** The Committees will review and take action on the 2018-19 Faculty Salary Program. The report outlines merit adjustments for faculty for the 2018-19 fiscal year. In addition, the report for this year includes adjustments for faculty with demonstrated national distinction and exceptional performance in their role.

*R Requires full Board approval.
Open Session Agenda
FINANCE AND RESOURCE MANAGEMENT COMMITTEE

Roanoke Higher Education Center
Room 715
8:45 a.m. – 11:00 a.m.
August 27, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Reconvene in Open Session</td>
<td>Greta Harris</td>
</tr>
<tr>
<td>2. Opening Remarks</td>
<td>Horacio Valeiras</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Horacio Valeiras</td>
</tr>
<tr>
<td>a. Approval of Items Discussed in Closed Session</td>
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<tr>
<td>b. Approval of Minutes of the June 4, 2018 Meeting</td>
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<tr>
<td>* d. Approval of O'Shaughnessy Hall Renovation 9(d) Debt Financing Resolution</td>
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<tr>
<td>* e. Approval of VT Carilion Research Institute Biosciences Addition 9(d) Debt Financing Resolution</td>
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<tr>
<td>4. Discussion on Resource Development</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td>5. Comprehensive Annual Report on Advancement</td>
<td>Charlie Phlegar</td>
</tr>
<tr>
<td>6. Assessment of Operational Best Practices, Efficiencies, and Future Opportunities</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td>* 7. Approval of Year-to-Date Financial Performance Report</td>
<td>Tim Hodge</td>
</tr>
<tr>
<td>(July 1, 2017 – June 30, 2018)</td>
<td>Bob Broyden</td>
</tr>
<tr>
<td>8. Other Business</td>
<td>Horacio Valeiras</td>
</tr>
</tbody>
</table>

* Requires full Board approval.
Open Session

1. Motion to Reconvene in Open Session

2. Opening Remarks

3. Consent Agenda: The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

   a. Approval of Items Discussed in Closed Session: The Committee will review and take action on items discussed in closed session.

   b. Approval of Minutes of the June 4, 2018 meeting: The Committee will review and approve the minutes of the June 4, 2018 meeting.


      This report will provide information on the 17 finance and administrative measures and the university’s performance for each of those measures. The report will also provide information on SCHEV’s assessment of the six academic measures. The university is in full compliance with all 17 finance and administrative measures and six academic measures reported.

   d. Approval of O’Shaughnessy Hall Renovation 9(d) Debt Financing Resolution: The Committee will review for approval a debt financing resolution for the renovation of O’Shaughnessy Hall through the State’s 9(d) Virginia College Building Authority pooled bond program. The O’Shaughnessy Hall Renovation has been authorized by the State to be financed for up to $12.634 million plus amounts needed to fund issuance costs, reserve funds, and other financing expenses.
e. **Approval of VT Carilion Research Institute Biosciences Addition 9(d) Debt Financing Resolution:** The Committee will review for approval a debt financing resolution for the Virginia Tech Carilion Research Institute Biosciences Addition (commonly known as the VT Carilion Health Sciences and Technology building) through the State’s 9(d) Virginia College Building Authority (VCBA) pooled bond program. The Virginia Tech Carilion Research Institute Biosciences Addition has been authorized by the State to be financed for up to $41.558 million, plus amounts needed to fund the issuance costs, reserve funds, and other expenses. The $91.7 million project will be funded with $51.6 million of General Fund appropriations with the remaining $40.1 million consisting of $27.6 million of debt and $12.5 million of cash and donations. Within the $27.6 million of debt, $23.8 million was issued last fall through the VCBA. This resolution seeks authorization to issue up to $4.0 million of additional debt.

4. **Discussion on Resource Development:** The Committee will have an opportunity for follow-up discussion on information presented at the Board of Visitors Retreat.

5. **Comprehensive Report on Advancement:** The Committee will receive a comprehensive report from University Advancement providing an update on the achievements from fiscal year 2018, including a comparison of results since the launch of the new Advancement model. This report also includes an overview of the preliminary plans for the upcoming fundraising campaign and strategic focus for fiscal year 2019.

6. **Assessment of Operational Best Practices, Efficiencies, and Future Opportunities:** The university remains committed to seeking additional opportunities to increase efficiencies and continues to evaluate the current status of the financial and operational processes. With this in mind, the Vice President for Finance and CFO requested a benchmarking study of key administrative and financial processes in the Controller’s Office against peer institutions and industry to provide comparative analysis and to identify additional opportunities for process improvements.

   Overall, the Ernst and Young study reports that the “Controller’s Office has continued to improve process and systems to lift the overall quality and efficiency of the University’s finance practices.” The study concludes that for a majority of the benchmarking metrics reviewed, Virginia Tech outperforms other higher education institutions, but lags behind commercial entities on certain metrics. This report provides a summary of findings and recommendations from the Ernst and Young study.
7. **Approval of Year-to-Date Financial Performance Report (July 1, 2017 – June 30, 2018):** The Committee will review for approval the Year-to-Date Financial Performance Report for July 1, 2017 – June 30, 2018. The university successfully closed its fiscal year in accordance with guidance and requirements of the Commonwealth. The Education and General budgets were balanced at year-end, with no operating deficit incurred. The Auxiliary Enterprises revenues were higher than projected due to Athletics higher than forecasted ticket sales and ACC revenue, interest savings, and student fees, while expenditures were lower than projected due to the timing of operating expenditures and personnel savings.

For year-ended June 30, 2018, $45.6 million has been expended for Educational and General capital projects, and $61.4 million has been expended for Auxiliary Enterprises capital projects. Total capital outlay expenditures for year-ended June 30, 2018 was $107 million against an annual budget of $135.9 million.

8. **Other Business:** The Committee will discuss other topics as needed.

*Requires full Board approval.*
Open Joint Session Agenda
FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND
BUILDINGS AND GROUNDS COMMITTEE

Roanoke Higher Education Center
Room 715
11:00 a.m. – 11:15 a.m.

August 27, 2018

Agenda Item

* 1. Approval of Resolution for Planning the Athletics Weight Room Renovation and Expansion

Reporting Responsibility
Dwight Shelton
Sherwood Wilson

* Requires full Board approval.
Open Session

* 1. Approval of Resolution for Planning the Athletics Weight Room Renovation and Expansion: The Committees will review for approval a resolution for planning the capital project for the Athletics Room Renovation and Expansion.

The Merryman Center was built in 1998 and is approximately 42,000 gross square feet. The facility has received few improvements since its original construction, and requires an update to meet the Athletic department’s expectations within the highly competitive environment for NCAA Division I college football. The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package.

Based on a feasibility study completed in January 2018, the university has determined that the desired athletics program can be accommodated with an approximately 22,520 gross square foot project. This includes a 17,640 gross square foot renovation of the first two floors of the Merryman Center and a 4,880 gross square foot expansion of the second floor team meeting rooms.

This request is for a $700,000 planning authorization to complete working drawings for the Athletics Weight Room Renovation and Expansion project.

The Athletics program is raising private funds to support the project and has received gifts and commitments sufficient to support the planning phase of the project.

* Requires full Board approval.
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 commitments to buy goods and services as encumbrances when obligated and as an expenditure 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 Resource Management 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 2017-18 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.
### Educational and General Programs

#### University Division

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<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
<th>Original</th>
<th>Adjusted</th>
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#### Auxiliary Enterprises

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<td><strong>Expenses</strong></td>
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#### Sponsored Programs

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#### Student Financial Assistance

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#### All Other Programs *

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#### Total University

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* All Other Programs include federal work study, surplus property, and unique military activities.
1. Lower than projected revenues in Continuing Education programs are lower than anticipated Language and Culture Institute business volume.

2. Support program expenditures are lower than projected due to timing of expenses and fixed cost savings.

3. While the Commonwealth requires that revenue and expenses be balanced for Educational and General Programs, year-end balances are possible for continuing education programs.

4. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division was greater than the projected budget due to the timing of federal draw that were requested in 2016-17, but received in 2017-18.

5. 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.

6. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.

7. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored research revenues and expenses are less than the annual budget, but total sponsored program expenditures are 2.0% greater than June 30, 2017. The 2018-19 budget, approved by the Board of Visitors in June 2018, recalibrated the annual budget.

8. Expenses for All Other Programs were less than projected partially due to timing of VTCSOM integration. University had tentatively planned to support VTCSOM partnership in 2017-18. Due to timing of integration, resources are being reviewed for potential reinvestment.

9. The University Division General Fund revenue budget was increased $0.3 million for Health Insurance and other central fund adjustments.

10. At the beginning of the year, the annual budget for Tuition and Fees had been increased $1.7 million for the finalization of the budgets for tuition and Education & General fees. During the second quarter, the budget for Tuition and Fees had been increased $8.6 million due to higher than projected undergraduate enrollment for fall semester, lower than projected enrollment in the graduate programs, and a decrease in Summer session revenues. The budget for Tuition and Fees has been increased $3.2 million in the third quarter for stronger than projected spring retention and winter session revenues and decreased in the fourth quarter $0.3 million for a technical accounting change. The corresponding expenditure budgets have been adjusted accordingly.

11. The All Other Income revenue budget for the University Division has been decreased $1.8 million for budget finalizations in Sales and Services and Continuing Education. The budget for Earmarked Sales and Services has been increased $0.2 million for stronger than projected activity in the Equine Medical Center, $0.15 million for milk sales, $0.06 million for VA Racing Revenue and decreased $0.03 million for miscellaneous self-supporting activities. The corresponding expenditure budgets have been adjusted accordingly.

12. The Cooperative Extension/Agriculture Experiment State Division General Fund revenue budget was increased $0.05 million for adjustments to the to the state central fund distribution. Federal funds revenue budget was increased $0.1 million for carryover of unexpended federal Hatch funds. The self-generated revenue budget increased $0.24 million for greater than projected self-generated revenues. The corresponding expenditure budgets have been adjusted accordingly.

13. The Sponsored Programs revenue and expense budgets were increased $0.7 million to finalize budgets.

14. During budget finalizations, the Student Financial Assistance general funds revenue and expense budgets were increased $0.7 million. In the first quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased $0.4 million to support enrollment growth beyond the original enrollment plan. In the fourth quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased $0.1 million for a technical accounting change.

15. The projected annual budget for All Other Programs was increased $1.7 million to finalize budgets and alignment for activity. The expense budgets were increased $0.5 million for outstanding 2016-17 commitments that were initiated but not completed before June 30, 2017.
<table>
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<tr>
<th><strong>Residence and Dining Halls</strong> *</th>
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<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
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<th><strong>Adjusted</strong></th>
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<thead>
<tr>
<th><strong>Parking and Transportation</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
<th><strong>Adjusted</strong></th>
<th><strong>Change</strong></th>
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</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$14,197</td>
<td>$13,903</td>
<td>$294</td>
<td>$13,704</td>
<td>$13,903</td>
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<tr>
<td>Expenses</td>
<td>-12,993</td>
<td>-13,854</td>
<td>861</td>
<td>-13,266</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>-1,204</td>
<td>-49</td>
<td>-1,155</td>
<td>-438</td>
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<td>389 (9,10,11)</td>
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<thead>
<tr>
<th><strong>Telecommunications Services</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
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<tbody>
<tr>
<td>Revenues</td>
<td>$20,466</td>
<td>$22,087</td>
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<td>Expenses</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
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<td>2,613</td>
<td>-2,559 (2)</td>
<td>1,074</td>
<td>2,613</td>
<td>1,539 (9,10,12)</td>
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<table>
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<tr>
<th><strong>University Services</strong> * **</th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
<th><strong>Adjusted</strong></th>
<th><strong>Change</strong></th>
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<tbody>
<tr>
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<td>$48,548</td>
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<td>$48,548</td>
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<td>Expenses</td>
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<td>3,858 (3)</td>
<td>-47,655</td>
<td>-49,936</td>
<td>-2,281 (6,9,10,13)</td>
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<td>Reserve Drawdown (Deposit)</td>
<td>-3,387</td>
<td>1,388</td>
<td>-4,755 (3)</td>
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<td>1,388</td>
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<table>
<thead>
<tr>
<th><strong>Intercollegiate Athletics</strong> *</th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
<th><strong>Adjusted</strong></th>
<th><strong>Change</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$77,172</td>
<td>$76,039</td>
<td>$1,133 (4)</td>
<td>$69,283</td>
<td>$76,039</td>
<td>$6,756 (14)</td>
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<tr>
<td>Expenses</td>
<td>-74,000</td>
<td>-75,680</td>
<td>1,680 (4)</td>
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<td>-75,680</td>
<td>-6,776 (6,9,10,14)</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>-3,172</td>
<td>-359</td>
<td>-2,813 (4)</td>
<td>-380</td>
<td>-359</td>
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<td>$0</td>
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<table>
<thead>
<tr>
<th><strong>Electric Service</strong> *</th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
<th><strong>Adjusted</strong></th>
<th><strong>Change</strong></th>
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<tbody>
<tr>
<td>Revenues</td>
<td>$33,479</td>
<td>$34,720</td>
<td>$-1,241 (5)</td>
<td>$36,061</td>
<td>$34,720</td>
<td>$-1,341 (15)</td>
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<tr>
<td>Expenses</td>
<td>-31,181</td>
<td>-34,562</td>
<td>3,381 (5)</td>
<td>-35,531</td>
<td>-34,562</td>
<td>969 (9,10,15)</td>
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<td>Reserve Drawdown (Deposit)</td>
<td>-2,298</td>
<td>-158</td>
<td>-2,140 (5)</td>
<td>-530</td>
<td>-158</td>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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</table>

<table>
<thead>
<tr>
<th><strong>Inn at Virginia Tech/Skelton Conf. Center</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
<th><strong>Adjusted</strong></th>
<th><strong>Change</strong></th>
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</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$12,989</td>
<td>$12,337</td>
<td>$652</td>
<td>$11,855</td>
<td>$12,337</td>
<td>$482 (16)</td>
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<tr>
<td>Expenses</td>
<td>-11,854</td>
<td>-12,299</td>
<td>445</td>
<td>-11,799</td>
<td>-12,299</td>
<td>-500 (9,9,10,16)</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>-1,135</td>
<td>-38</td>
<td>-1,097</td>
<td>-56</td>
<td>-38</td>
<td>18 (9,9,10,16)</td>
</tr>
<tr>
<td>Net</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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</table>

<table>
<thead>
<tr>
<th><strong>Other Enterprise Functions</strong>*</th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
<th><strong>Adjusted</strong></th>
<th><strong>Change</strong></th>
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</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$11,662</td>
<td>$11,134</td>
<td>$528</td>
<td>$11,645</td>
<td>$11,134</td>
<td>$511 (17)</td>
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<td>1,656 (6)</td>
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<td>-34,069</td>
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<td>Reserve Drawdown (Deposit)</td>
<td>20,751</td>
<td>22,935</td>
<td>-2,184 (6)</td>
<td>-2,707</td>
<td>22,935</td>
<td>25,642 (9,9,10,17)</td>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
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<table>
<thead>
<tr>
<th><strong>TOTAL AUXILIARIES</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Change</strong></th>
<th><strong>Original</strong></th>
<th><strong>Adjusted</strong></th>
<th><strong>Change</strong></th>
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</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$343,401</td>
<td>$341,307</td>
<td>$2,094</td>
<td>$333,313</td>
<td>$341,307</td>
<td>$7,994</td>
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<tr>
<td>Expenses</td>
<td>-346,816</td>
<td>-369,479</td>
<td>22,663</td>
<td>-326,617</td>
<td>-369,479</td>
<td>-42,861</td>
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<tr>
<td>Reserve Drawdown (Deposit)</td>
<td>3,415</td>
<td>28,172</td>
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<td>-6,696</td>
<td>28,172</td>
<td>34,867</td>
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<tr>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

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* University Systems include Dormitory and Dining Hall System, University Services System, Intercollegiate Athletics System, and Electric Service System. The Systems were created to provide assurance to bond holders that system revenues are pledged for the payment of debt service and to allow for dedicated repair and replacement that are not subject to liens of any creditor of the university.

** University Services System includes Career Services, Center for the Arts, Health Services, Recreational Sports, Student Centers & Activities, Student Organizations, and the VT Rescue Squad.

*** Other Enterprise Functions include Golf Course, Hokie Passport, Library Café, Library Photocopy, Licensing & Trademark, Little Hokie Hangout, New Student and Family Programs, Pouring Rights, Printing Services, Software Sales, Student Athlete Academic Support Services (SAASS), Tailor Shop and Clearing Accounts.
AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls are higher than projected due to residence hall occupancy and self-generated revenue being greater than planned. Expenses are lower than projected due to timing of operating and project expenses, one time facility improvement projects, and replacement of furniture and equipment normally scheduled during the summer months.

2. Revenues and expenses for Telecommunications Services are lower than projected due to lower than anticipated volume of installations for new buildings under construction during the current fiscal year.

3. Expenses for the University Services System are lower than projected due to the timing of certain expenses, Recreational Sports projects, and union facility projects scheduled for summer months.

4. Revenues for Intercollegiate Athletics are higher than projected due to higher than forecasted ticket sales and ACC revenue. Expenses are lower than projected due to the timing of expenses and one-time projects.

5. Revenue and expenses for the Electric Service auxiliary are lower than projected due to lower than anticipated electricity consumption. Expenses are also lower than projected due to lower than forecasted total cost of purchased electricity, as well as timing of items ordered but not yet received thus not paid at fiscal year-end.

6. Expenses for Other Enterprise Functions are lower than projected due to timing of facility related projects.

7. The projected annual revenue, expense, and reserve budgets for Residence and Dining Halls were increased for residential and dining business volume, $0.7 million in Dining equipment, $1.3 million in Residential facility projects, and sustainability projects. Revenue and expense budgets were decreased for reduced Steger Center activity level.

8. The projected annual expense and reserve budgets for Auxiliary Enterprises were increased $0.1 million for state compensation actions for high-turnover positions.

9. The projected annual expense budget for Auxiliary Enterprises was increased $5.9 million for outstanding 2016-17 commitments and projects that were initiated but not completed before June 30, 2017. This amount includes $1.0 million for Residence Halls, $3.2 million in Dining Hall commitments and projects, and $0.3 million for Electric Service. The remainder is spread across the other auxiliary programs.

10. The projected annual expense and reserve draw budgets for the Auxiliary Enterprises were increased $0.5 million for the auxiliary share of the state’s assessment of a one-time Virginia Retirement System (VRS) investment in 2015 which help contain future VRS actuarial rates.

11. The projected annual revenue, expense, and reserve budgets for Parking and Transportation Services were increased for parking permit sales and operating expenses.

12. The projected annual expense and reserve budgets for Telecommunications Services were increased for enhancement of network security software and Roanoke campus network infrastructure.

13. The projected annual expense and reserve budgets for the University Services System were increased for two additional counseling positions and psychiatric nurse practitioner for Cook Counseling Center, Career and Professional Development personnel, health and recreation sports services in Roanoke, Recreational Sports challenge course, additional music rights contracts, and growth in self-generated revenues.

14. The projected annual revenue budget for Intercollegiate Athletics was increased $6.8 million to accommodate additional revenue of $1 million for the football team’s participation in the Camping World Bowl, $3.3 million in self-generated revenue, and $2.5 million in private fundraising for the Cassell seating project, men’s basketball locker room, athlete meals, and indoor practice facility. Annual expense and reserve draw budgets were increased $7.4 million to accommodate increases of $0.9 million for coaching staff transitions, athletic contracts, and competitive compensation, $2.1 million for Camping World Bowl expenses, $4.2 million for sports expenses, $0.3 million for operating expenses, $0.1 million for English Field astroturf, $0.6 million for Cassell seating project, $0.5 million for men’s basketball locker room project, $1.4 million for indoor practice facility capital project, and $0.9 million for videoboards and audio projects. The budget was decreased $1.1 million for the technical realignment of Student Athlete Academic Support Services and decreased $2.5 million for alignment of scholarship expenses to private fundraising associated with successful scholarship campaign.

15. The projected annual revenue and expense budgets for the Electric Services auxiliary were decreased due to lower than projected cost of wholesale electricity.

16. The projected annual revenue, expense, and reserve budgets for the Inn at Virginia Tech and Skelton Conference Center were increased for business volume and facility maintenance.

17. The projected annual revenue, expense, and reserve budget for Other Enterprise Functions were increased for additional business volume in Licensing and Trademark and Software Sales, student affairs operating support, $24.5 million internal financing of board approved Athletics facilities improvements project, scholarship expenses in Licensing and Trademark, health care plan participation, and sustainability projects. The revenue budget was decreased for lower than projected Printing Services business volume.
## Educational and General Projects

### Design Phase

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Initiated</th>
<th>Annual Budget</th>
<th>YTD Support</th>
<th>Nongeneral Revenue</th>
<th>Total Budget</th>
<th>Cumulative Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Kentland Facilities</td>
<td>Sep 2013</td>
<td>$6,000</td>
<td>34</td>
<td>$9,363</td>
<td>$9,363</td>
<td>$923 (1)</td>
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<tr>
<td>Renovate Undergraduate Science Laboratories</td>
<td>Jul 2016</td>
<td>$6,250</td>
<td>953</td>
<td>-</td>
<td>$10,000</td>
<td>$2,716 (2)</td>
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<tr>
<td>Agriculture Production Facilities</td>
<td>Oct 2016</td>
<td>$1,080</td>
<td>361</td>
<td>22,136</td>
<td>$22,136</td>
<td>382 (3)</td>
</tr>
<tr>
<td>Chiller Plant Phase II</td>
<td>Oct 2016</td>
<td>$4,040</td>
<td>1,337</td>
<td>31,024</td>
<td>$31,024</td>
<td>1,392 (4)</td>
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<tr>
<td>Holden Hall Renovation</td>
<td>Oct 2016</td>
<td>$3,840</td>
<td>1,288</td>
<td>-</td>
<td>$17,500</td>
<td>2,189 (5)</td>
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<tr>
<td>Gas-Fired Boiler at the Central Steam Plant</td>
<td>Apr 2017</td>
<td>$3,375</td>
<td>24</td>
<td>6,800</td>
<td>$6,800</td>
<td>24 (6)</td>
</tr>
<tr>
<td>Planning: Intelligent Infrastructure and Construction Complex</td>
<td>Apr 2017</td>
<td>$2,880</td>
<td>97</td>
<td>6,000</td>
<td>$6,000</td>
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<tr>
<td>Planning: Undergraduate Science Laboratory Building</td>
<td>Jul 2017</td>
<td>$2,500</td>
<td>1,407</td>
<td>-</td>
<td>$3,084</td>
<td>1,407 (8)</td>
</tr>
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</table>

### Construction Phase

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Initiated</th>
<th>Annual Budget</th>
<th>YTD Support</th>
<th>Nongeneral Revenue</th>
<th>Total Budget</th>
<th>Cumulative Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance Reserve</td>
<td>On-going</td>
<td>$12,860</td>
<td>13,032</td>
<td>20,297</td>
<td>$20,297</td>
<td>18,439 (9)</td>
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<tr>
<td>Academic Buildings Renewal</td>
<td>Sep 2013</td>
<td>$18,600</td>
<td>$18,265</td>
<td>35,029</td>
<td>$35,029</td>
<td>24,039 (10)</td>
</tr>
<tr>
<td>Address Fire Alarm Systems and Access</td>
<td>Jun 2014</td>
<td>$1,265</td>
<td>357</td>
<td>4,891</td>
<td>$4,891</td>
<td>3,581 (11)</td>
</tr>
<tr>
<td>Health Sciences &amp; Technology</td>
<td>Oct 2016</td>
<td>$10,200</td>
<td>6,912</td>
<td>16,349</td>
<td>23,793</td>
<td>6,912 (12)</td>
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### Close-Out

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Initiated</th>
<th>Annual Budget</th>
<th>YTD Support</th>
<th>Nongeneral Revenue</th>
<th>Total Budget</th>
<th>Cumulative Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Building</td>
<td>Dec 2012</td>
<td>$1,050</td>
<td>792</td>
<td>42,652</td>
<td>$42,652</td>
<td>42,394 (13)</td>
</tr>
<tr>
<td>Biocomplexity Data Center</td>
<td>Sep 2015</td>
<td>$900</td>
<td>502</td>
<td>-</td>
<td>$5,900</td>
<td>5,252 (14)</td>
</tr>
<tr>
<td>Eastern Shore AREC Storage Building</td>
<td>Apr 2016</td>
<td>$381</td>
<td>324</td>
<td>-</td>
<td>$535</td>
<td>478 (15)</td>
</tr>
</tbody>
</table>

### Total Educational and General Projects

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Annual Budget</th>
<th>YTD Support</th>
<th>Nongeneral Revenue</th>
<th>Total Budget</th>
<th>Cumulative Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$75,221</td>
<td>45,685</td>
<td>$261,332</td>
<td>$48,668</td>
<td>$361,090</td>
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</table>
CAPITAL OUTLAY BUDGET

**Educational and General Projects**

1. This project is to provide a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. Bid efforts in 2016 and 2017 were more than ten percent over budget. The university will rebid in June 2018 under a modified bid package and more aggressive outreach effort. The annual budget will be underspent because it anticipated a construction start in fall 2017.

2. This project will renovate seven laboratories within Derring Hall and Hahn Hall for undergraduate science laboratory classes in biology, chemistry, physics, and microbiology. The initial bid effort in December 2017 received no responses. The project was successfully rebid in June 2018 and a construction contract will be awarded in July. The annual budget will be underspent because it anticipated a construction start in January 2018.

3. This project is for the first of two phases to renew the existing facilities for the livestock and poultry programs. This first phase includes an approximate total scope of 126,000 gross square feet of new and renovated facilities at the Blacksburg campus and three nearby university production and research farms. Schematic design is nearing completion with preliminary design starting in July 2018. The annual budget will be underspent because design has progressed slower than projected.

4. This project continues the strategic infrastructure advancements initiated by the Chiller Plant, Phase I project. Phase II includes the upgrade of campus utility systems and addresses several strategic needs for shifting the campus to a lower resource consuming cooling service with improved redundancies. Preliminary design is underway with working drawings expected to start June 2018. The annual budget will be underspent because design has progressed slower than projected.

5. This project will renovate 20,000 gross square feet, demolish 21,000 gross square feet, and construct an 80,000 gross square foot expansion of Holden Hall to accommodate the instruction and research programs of Materials Science and Engineering, Mining and Minerals Engineering, and Computer Science Engineering. Preliminary design is underway with working drawings expected to start June 2018.

6. This project will design, purchase, and install a new Gas-Fired Boiler within the Central Steam Plant. Preliminary design is underway with working drawings expected to start June 2018. The annual budget will be underspent because design has progressed slower than projected.

7. This planning project is for Hitt Hall, the Fusion Laboratories, and the Smart Dining Center. The total project funding plan calls for $50 million to cover the three programs. Criteria document development for Design-Build is underway. The annual budget will be underspent because design has progressed slower than projected.

8. This planning project is for an entirely state funded 102,000 gross square foot science laboratory building adjacent to the new classroom building. The university is temporarily funding the project and will be reimbursed by the state once construction funding is appropriated. Schematic design is underway with preliminary design expected to start June 2018. The annual budget will be underspent because design has progressed slower than projected.

9. The state maintenance reserve program requires a biennial budget expenditure of 85 percent, which is $17.3 million of cumulative expenses by June 30, 2018. The annual budget amount reflects the spending level required to slightly exceed the performance requirement.

10. This project is for the renovation of Davidson Hall-Front Section, Sandy Hall, and the Liberal Arts Building. The project is under construction with substantial completion expected in summer 2018.

11. This project supports progress on fire alarm systems and accessibility improvements for E&G buildings. The final two projects, Norris Hall and Litton Reaves Hall, are underway with anticipated completion fall 2018.

12. This project is being delivered under a Public Private Partnership with Carilion Clinic and is located adjacent to the existing Virginia Tech-Carilion Research Institute facility in Roanoke, Virginia. Construction is underway and on schedule for an expected completion date of March 2019. The annual budget will be underspent because construction invoices are slower than expected. The total budget increased because the state authorized an additional $3.247 million of General Fund support to ensure all laboratory spaces are completed.

13. The project was closed in June 2018. The total cost was $42.394 million and the authorization was underspent.

14. The project is complete and occupied since July 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.

15. The project is complete and occupied since August 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.
### Capital Outlay Projects Authorized as of June 30, 2018 (Continued)

Dollars in Thousands

<table>
<thead>
<tr>
<th>PROJECT)</th>
<th>ANNUAL BUDGET</th>
<th>YTD EXPENSES</th>
<th>STATE SUPPORT</th>
<th>NONGENERAL FUND</th>
<th>REVENUE BOND</th>
<th>TOTAL BUDGET</th>
<th>CUMULATIVE EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>**INITIATED</td>
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<td><strong>$</strong></td>
<td><strong>$</strong></td>
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<tr>
<td><strong>FISCAL YEAR ACTIVITY</strong></td>
<td><strong>TOTAL PROJECT BUDGET</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>AUXILIARY ENTERPRISE PROJECTS</strong></td>
<td></td>
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<tr>
<td><strong>Design Phase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Wellness Improvements</td>
<td>Jun 2016</td>
<td>2,259</td>
<td>1,037</td>
<td>-</td>
<td>-</td>
<td>6,010</td>
<td>56,990</td>
</tr>
<tr>
<td>Creativity &amp; Innovation District Residence Hall</td>
<td>Oct 2016</td>
<td>3,200</td>
<td>894</td>
<td>-</td>
<td>26,818</td>
<td>26,818</td>
<td>1,149</td>
</tr>
<tr>
<td>Dietrick First Floor and Plaza Renovation</td>
<td>Sept 2017</td>
<td>500</td>
<td>139</td>
<td>-</td>
<td>3,300</td>
<td>8,300</td>
<td>139</td>
</tr>
<tr>
<td>ACC Network Studio</td>
<td>Mar 2018</td>
<td>250</td>
<td>133</td>
<td>-</td>
<td>10,000</td>
<td>10,000</td>
<td>133</td>
</tr>
<tr>
<td>Student-Athlete Performance Center</td>
<td>Mar 2018</td>
<td>250</td>
<td>322</td>
<td>-</td>
<td>16,682</td>
<td>16,682</td>
<td>322</td>
</tr>
<tr>
<td>Commonwealth Ballroom Improvements</td>
<td>Mar 2018</td>
<td>200</td>
<td>132</td>
<td>-</td>
<td>3,246</td>
<td>3,246</td>
<td>132</td>
</tr>
<tr>
<td>Slusher Replacement Planning</td>
<td>June 2018</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,500</td>
<td>3,500</td>
<td>3,500</td>
</tr>
<tr>
<td><strong>Construction Phase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>On-going</td>
<td>7,000</td>
<td>9,289</td>
<td>-</td>
<td>7,000</td>
<td>7,000</td>
<td>9,289</td>
</tr>
<tr>
<td>Lane Substation Expansion</td>
<td>Sept 2015</td>
<td>4,000</td>
<td>1,893</td>
<td>-</td>
<td>2,000</td>
<td>4,500</td>
<td>6,500</td>
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<tr>
<td><strong>Close-Out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Unified Communications &amp; Network Renewal</td>
<td>Apr 2012</td>
<td>1,637</td>
<td>1,085</td>
<td>-</td>
<td>9,564</td>
<td>6,944</td>
<td>16,508</td>
</tr>
<tr>
<td>Upper Quad Residential Facilities</td>
<td>May 2013</td>
<td>4,668</td>
<td>4,984</td>
<td>-</td>
<td>35,671</td>
<td>53,729</td>
<td>89,400</td>
</tr>
<tr>
<td>Residential Door Access Improvements</td>
<td>Dec 2015</td>
<td>757</td>
<td>462</td>
<td>-</td>
<td>7,735</td>
<td>7,735</td>
<td>7,440</td>
</tr>
<tr>
<td>O'Shaughnessy Renovation</td>
<td>Apr 2016</td>
<td>16,000</td>
<td>14,443</td>
<td>-</td>
<td>8,867</td>
<td>12,633</td>
<td>21,500</td>
</tr>
<tr>
<td>Athletic Facilities Improvements</td>
<td>Aug 2016</td>
<td>20,000</td>
<td>26,599</td>
<td>-</td>
<td>37,500</td>
<td>37,500</td>
<td>32,696</td>
</tr>
<tr>
<td><strong>TOTAL AUXILIARY ENTERPRISE PROJECTS</strong></td>
<td>60,721</td>
<td>61,413</td>
<td>-</td>
<td>142,775</td>
<td>174,913</td>
<td>317,688</td>
<td>285,081</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>135,942</td>
<td>107,098</td>
<td>-</td>
<td>261,332</td>
<td>226,003</td>
<td>678,778</td>
<td>285,081</td>
</tr>
</tbody>
</table>

**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, 2017 through June 30, 2018 and the Capital Outlay report be approved.

August 27, 2018
CAPITAL OUTLAY BUDGET (Continued)

Auxiliary Enterprises Projects

1. This project includes improvements to War Memorial Hall for deferred maintenance, code requirements, and installing air conditioning. Renovations to Schiffert Health Center in McComas Hall are included to convert the area vacated by counseling services to accommodate student health services. Schematic design is underway.

2. This project is planning a new residential community with approximately 596 beds, including 176 beds for student-athletes, and academic collaborative spaces to support creativity and innovation programs. Schematic design is underway to finalize the scope, size, and shape to fit within a $105.5 million total project budget and schedule for a summer 2021 opening. The current project authorization reflects a traditional 350 bed residential program. The authorization will need a future adjustment based on the results of the programming study.

3. This project includes refurbishing the first floor of Dietrick Hall, inserting a modern food service venue, enclosing a portion of the overhang, and improvements to the outdoor plaza. A $1.3 million supplement was approved at the June 2018 Board of Visitors meeting increasing the total project authorization from $7 million to $8.3 million. Schematic design is underway with occupancy expected fall 2019.

4. This project includes improvements and expansion of broadcasting facilities to support the new ACC Network channel to be launched fall 2019. Demolition and equipment purchases are underway with occupancy expected spring 2019.

5. This project includes a complete renovation of the fourth floor of the Jamerson Center, construction of a balcony cantilevered from the fourth floor, and a new elevator tower. The project authorization included a provision for increasing the total project budget up to 10 percent for additional designated gifts which was executed during the fourth quarter. The total project budget increased by $1.517 million from $15.516 million to $16.682 million. Schematic design is underway with occupancy expected in the first calendar quarter of 2021.

6. This project refurbishes and updates outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers. Instillation of a Skyfold dividing wall will increase usage capabilities of the Commonwealth Ballroom. The project was authorized March 26, 2018 and inserted as a new item in the report for the third quarter. Construction is expected to start October 2018 with occupancy expected March 2019.

7. This project includes planning for the replacement of Slusher Hall through the preliminary design phase. The project was authorized June 4, 2018 and inserted as a new item in the report for the fourth quarter. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined.

8. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget and total project budget reflect the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2018. The auxiliary maintenance reserve program covers 104 assets with a total replacement value of $1.1 billion. Year-to-date expenses exceeded the annual budget because several projects were added after the start of the financial year and invoices expected in fiscal year 2019 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

9. This project expands the Substation on Innovation Drive. The project includes the purchase and installation of two 28,000 kilovolt-amps (kVA) transformers, two circuit switchers, six distribution reclosers with space for an additional four reclosers, a control house and associated relay, and control equipment. Construction is underway with completion expected summer 2019.

10. The project was closed in June 2018. The total cost was $15.956 million and the authorization was underspent.

11. This project is substantially complete. The total cost is expected to be $89.4 million. The project may be closed and financial accounts terminated when final invoices are received and paid. Year-to-date expenses exceeded the annual budget because invoices expected in fiscal year 2017 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

12. The project was closed in June 2018. The total cost was $7.440 million and the authorization was underspent.

13. This project is substantially complete. The total cost is expected to be $21.5 million. The project may be closed and financial accounts terminated when final invoices are received and paid.

14. This project is substantially complete. The total cost is expected to be $37.5 million. The project may be closed and financial accounts terminated when final invoices are received and paid.
Annual Project Expenditures by Activity
Through June 30, 2018

Year to Date Expenses: $107,098
Annual Budget: $135,942
CAPITAL PROGRAM PROJECTS
Total Number of Active Capital Projects
Fiscal Year 1990 - Fiscal Year 2018

Number of Projects

- Total Number of Projects Excluding Maintenance Reserve
- E&G - Excluding Maintenance Reserve
- Aux - Excluding Maintenance Reserve

Presentation Date: August 27, 2018
CAPITAL PROGRAM TOTAL BUDGET
Total Budget Level of Active Projects
Fiscal Year 1990 - Fiscal Year 2018
CAPITAL PROGRAM EXPENDITURE TREND
Total Annual Expenditures for Active Capital Projects
Fiscal Year 1990 - Fiscal Year 2018

$ in Thousands

$0
$20,000
$40,000
$60,000
$80,000
$100,000
$120,000
$140,000
$160,000
$180,000
$200,000


Total YTD Expenses
E&G
Aux

Presentation Date: August 27, 2018
<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome and Opening Remarks</td>
<td>Mr. Mehul Sanghani, Chair</td>
</tr>
<tr>
<td>2. Consent Agenda</td>
<td></td>
</tr>
<tr>
<td>a. Approval of Minutes of June 3, 2018 Meeting</td>
<td>Mr. Mehul Sanghani</td>
</tr>
<tr>
<td>b. Approval of Minutes of July 19, 2018 Meeting</td>
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<tr>
<td>* c. Approval of Parental Leave Policy</td>
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</tr>
<tr>
<td>3. Introduction of new Senior Vice President for Operations and Administration</td>
<td>Dr. Dwayne Pinkney</td>
</tr>
<tr>
<td>4. Approval of the University Succession Management Program</td>
<td>Dr. Lisa Wilkes</td>
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<tr>
<td>* 4. Approval of the University Succession Management Program</td>
<td>Mr. Martin Daniel</td>
</tr>
<tr>
<td>5. Pamplin College of Business Diversity and Inclusion Plan</td>
<td>Dr. Menah Pratt-Clarke</td>
</tr>
<tr>
<td>Dr. Robert Sumichrast</td>
<td></td>
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<tr>
<td>6. Sensitive Data Protection</td>
<td>Mr. Randy Marchany</td>
</tr>
<tr>
<td>7. Approval of BOV By-Laws Revision</td>
<td>Mr. Mehul Sanghani</td>
</tr>
<tr>
<td>* 7. Approval of BOV By-Laws Revision</td>
<td>Ms. Kim O'Rourke</td>
</tr>
<tr>
<td>8. Board Self-Evaluation Process</td>
<td>Mr. Mehul Sanghani</td>
</tr>
<tr>
<td>Ms. Kim O'Rourke</td>
<td></td>
</tr>
<tr>
<td>9. Future Agenda Items and Closing Remarks</td>
<td>Mr. Mehul Sanghani</td>
</tr>
<tr>
<td>a. Annual Meeting Cycle</td>
<td></td>
</tr>
</tbody>
</table>

* Requires Full Board Approval
Committee Briefing Report

GOVERNANCE AND ADMINISTRATION COMMITTEE
9:30 a.m. – 11:30 a.m.
August 27, 2018

OPEN SESSION

1. Welcome and Opening Remarks. Mr. Mehul Sanghani, Chair of the Governance and Administration Committee, will welcome committee members, guests, and invited participants.

2. Consent Agenda. The committee will consider for approval and acceptance the items listed on the Consent Agenda.

   a. Approval of Minutes of the June 3, 2018, Meeting
   b. Approval of Minutes of the July 19, 2018, Meeting
   c. Approval of Parental Leave Policy

3. Introduction of new Senior Vice President for Operations and Administration. Dr. Dwayne Pinkney, newly appointed Senior Vice President for Operations and Administration, will address the committee on his first weeks at Virginia Tech and future plans regarding the position and the university.

4. Approval of the University Succession Management Plan. Dr. Lisa Wilkes, Interim Vice President for Human Resources, and Mr. Martin Daniel, Associate Vice President, Human Resources Strategic Engagement, will discuss with the committee a succession planning framework for the changing workforce, approaches to leadership development, and strategies for “critical positions.” They will then introduce a resolution for the approval and implementation of the proposed succession management program based upon the framework presented.

5. Pamplin College of Business Diversity and Inclusion Plan. Dr. Menah Pratt-Clarke, Vice President for Strategic Affairs and Vice Provost for Inclusion and Diversity, will introduce Dr. Robert Sumichrast, Dean of the Pamplin College of Business, to present to the committee the college’s diversity and inclusion successes and initiatives.

6. Sensitive Data Protection. Dr. Randy Marchany, University Information Technology and Security Officer, will speak to the committee on the topic of sensitive data protection and the security framework put in place by Virginia Tech’s Information Technology Department to protect university data.
7. **Approval of BOV By-laws Revision.** Mr. Mehul Sanghani and Ms. Kim O’Rourke, Secretary to the Board, will introduce a resolution proposing changes to BOV by-laws to comply with changes in the Code of Virginia and accreditation requirements and to address a board governance matter.

7. **Board Self-Assessment Process.** Mr. Mehul Sanghani and Ms. Kim O’Rourke will discuss the new accreditation requirement for Board Self-Assessment and the process that Virginia Tech’s Board will employ.

8. **Future Agenda Items and Closing Remarks.** Mr. Mehul Sanghani will discuss future agenda items for the committee.

   a. Annual Meeting Cycle

   He will then offer closing remarks and request a motion for adjournment.
RESOLUTION TO APPROVE THE UNIVERSITY SUCCESSION
MANAGEMENT PROGRAM

WHEREAS, the Code of Virginia §2.2-1209 directs each public institution of higher education to prepare a succession plan for presentation to the board of visitors; and

WHEREAS, the Code always requires each agency to participate in a succession management training program offered by the state department of human resources; and

WHEREAS, the university’s Division of Human Resources, through its HR Transformation Initiative, has developed a conceptual framework for a university succession management program; and

WHEREAS, the program consists of three planning domains: workforce development, leadership and executive development, and critical position planning; and

WHEREAS, the Division of Human Resources, during FY19, will refine the program components and begin implementation of the succession management program; now

THEREFORE, BE IT RESOLVED, that the Board of Visitors directs the President of the University, through the Vice President for Human Resources, to implement a university succession management program based upon the framework presented; and

BE IT FURTHER RESOLVED, that the Board of Visitors requests an annual update of the university succession management program and the university’s progress towards implementing a program that addresses workforce development, critical position planning, and leadership and executive development.

RECOMMENDATION:

That the Board of Visitors approve the Resolution to the University Succession Management Program.

August 27, 2018
RESOLUTION TO REVISE THE BY-LAWS OF
THE VIRGINIA TECH BOARD OF VISITORS

WHEREAS, legislation passed by the 2018 Virginia General Assembly and signed into law by Governor Northam (§2.2-3708.2 Code of Virginia, as amended) makes significant changes to the Freedom of Information Act with respect to meetings held through electronic means by public bodies, and said changes apply to Virginia Tech’s Board of Visitors; and

WHEREAS, the university’s accrediting body, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), has instituted a new standard for accreditation requiring that an institution’s governing board regularly conduct a self-evaluation of its responsibilities and expectations, effective January 1, 2018; and

WHEREAS, the position of Vice President for Policy and Governance was created in 2017, and the incumbent will serve as Secretary to the Board of Visitors unless the Board votes to elect a separate Secretary;

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors of Virginia Polytechnic Institute and State University hereby approves the proposed revisions to the “By-laws of the Board of Visitors of Virginia Polytechnic Institute and State University,” as stated in the attached addendum, effective immediately.

RECOMMENDATION:

That the proposed revisions to the By-laws of the Virginia Tech Board of Visitors be approved, effective immediately.

August 27, 2018
ADDENDUM TO THE
RESOLUTION TO REVISE THE BY-LAWS OF
THE VIRGINIA TECH BOARD OF VISITORS

August 27, 2018

The Board of Visitors Bylaws

Article I

Section 3a. Electronic Meetings

Current: In accordance with the Freedom of Information Act, the Board may employ audio and/or video technology to conduct meetings of the Board or any of its committees, but only if a quorum is physically present in one location and the physical locations of other Board members who are participating electronically are disclosed in the public notice of the meeting. Any votes taken must be conducted by roll call vote.

Proposed: In accordance with the Freedom of Information Act, the Board may employ audio and/or video technology electronic communication means to conduct meetings of the Board or any of its committees, but only if a quorum is physically present in one location and the electronic communication means by which members of the public may witness the meeting is disclosed in the public notice of the meeting. Any votes taken must be conducted by roll call vote and recorded by name in the minutes. Any interruption in the means of electronic communication shall result in a suspension of action at the meeting until repairs are made and public access is restored. Members of the public must be provided a substantially equivalent electronic communication means through which to observe or listen to the meeting.

Additionally, providing that a quorum is physically present in one location, electronic communication means may be employed if on or before the day of a meeting, a Board member notifies the Rector or respective committee chair and Board Secretary that the Board member is unable to attend the meeting due to either (a) a disability or medical condition or (b) a personal matter. The minutes must include the remote location of the Board member and the reason that the Board member was unable to attend; if the reason is a personal matter, the specific nature of the personal matter must be cited in the minutes. If a Board member’s request to participate remotely due to a personal matter is disapproved, such disapproval shall be recorded in the minutes with specificity. A Board member may participate remotely due to a personal matter no more than twice in a calendar year.

At least one meeting must be held annually at which no members participate through electronic communication means. (§2.2-3708.2 Code of Virginia, as amended)
Article I

Section 4. Officers

**Current:**
The Board elects annually from among its members a Rector to preside at meetings and a Vice Rector to serve as President pro tempore in the absence of the Rector. By statute (§23.1-1300 Code of Virginia, as amended), either the Rector or the Vice Rector must be a Virginia resident. The Board appoints a Secretary to the Board, who shall also serve as a resource on questions of parliamentary procedure. The University legal counsel serves as the counsel to the Board.

The Rector and Vice Rector may serve a maximum of two one-year terms. The terms of the Rector, Vice Rector, and Secretary take effect July 1. The Vice Rector will also serve as the chair of one of the standing committees.

**Proposed:**
The Board elects annually from among its members a Rector to preside at meetings and a Vice Rector to serve as President pro tempore in the absence of the Rector. By statute (§23.1-1300 Code of Virginia, as amended), either the Rector or the Vice Rector must be a Virginia resident. The Board appoints a Secretary to the Board, who shall also serve as a resource on questions of parliamentary procedure unless the Board votes to elect a separate Secretary as a resource on questions of parliamentary procedure. The University legal counsel serves as the counsel to the Board.

The Rector and Vice Rector may serve a maximum of two one-year terms. The terms of the Rector, and Vice Rector, and Secretary take effect July 1. The Vice Rector will also serve as the chair of one of the standing committees.

Article I

Section 6f. Governance and Administration Committee

**Current:**
This committee is responsible for Board engagement, the Board’s protocols, by-laws, and annual self-evaluation. This committee is also responsible for oversight of various administrative functions and non-academic areas of the university, including but not limited to human resources, communications and marketing, administrative computing, and athletics.

In addition, this committee is responsible for reviewing new or revised charters of all committees prior to their adoption (refer to Section 6).

**Proposed:**
This committee is responsible for Board engagement, the Board’s protocols, by-laws, and annual periodic self-evaluation. This committee is also responsible for oversight of various administrative functions and non-academic areas of the university, including but not limited to human resources, communications and marketing, administrative computing, and athletics.
In addition, this committee is responsible for reviewing new or revised charters of all committees prior to their adoption (refer to Section 6).

**Article VI. Miscellaneous Provisions**

**Section 6. Board Self-Evaluation (new)**

**Proposed:**

The Board periodically should conduct a formal evaluation of its committee structure, processes, procedures, and performance. Candid feedback should be sought from the Board members themselves, constituent representatives to the Board, the University President, and others as deemed appropriate by the Board, which may include the Board Secretary, Legal Counsel, and/or the administrators who serve as liaisons to the Board’s committees. The Governance and Administration Committee is responsible for developing and recommending to the full Board the evaluation procedure to be employed, including whether to retain an external consultant to conduct the evaluation, and for developing a plan to address any issues identified by the evaluation.
President Sands will provide an update to the Board on Monday, August 27, 2018.
RESOLUTION HONORING

Ensign Sarah Mitchell

WHEREAS, United States Navy Ensign Sarah Mitchell was a 2017 graduate of Virginia Polytechnic Institute and State University and the Virginia Tech Corps of Cadets, having earned a Bachelor of Science degree in Biochemistry while minoring in Chemistry and Leadership Studies; and

WHEREAS, while a student at Virginia Tech and member of the Virginia Tech Corps of Cadets, Sarah Mitchell was a member of the Surface Warfare Society, the Scabbard and Blade Honor Society, and the Virginia Tech Corps of Cadets Ordnance Staff; and

WHEREAS, Ensign Mitchell demonstrated exceptional leadership traits from her first year as a cadet, leading to her appointments as the Naval ROTC Platoon Commander in the spring of 2016 and Commander of Alpha Company the fall of her senior year; and

WHEREAS, upon graduation, Sarah Mitchell was commissioned as a Surface Warfare Officer in the United States Navy, and reported for duty on June 5, 2017 to the Arleigh Burke-class guided-missile destroyer USS Jason Dunham, based in Norfolk, Virginia; and

WHEREAS, on July 9, 2018, Sarah Mitchell tragically lost her life due to injuries sustained from a small boat incident that occurred during training exercises in the Red Sea; and

WHEREAS, Sarah Mitchell was well respected by her peers, subordinates, and superiors, and epitomized the university’s motto, Ut Prosim (That I May Serve), along with all other core values that are inherent to Virginia Tech – Brotherhood, Honor, Leadership, Sacrifice, Service, Loyalty, and Duty; and

WHEREAS, Ensign Mitchell made the ultimate sacrifice for her country, and will be remembered in perpetuity for her unwavering courage and valor;

NOW, THEREFORE BE IT RESOLVED, that the Virginia Polytechnic Institute and State University Board of Visitors proudly honors Ensign Sarah Mitchell for her steadfast loyalty to her country and the ideals of “Ut Prosim,” and for making the ultimate sacrifice in service to her country.

RECOMMENDATION:
That the resolution honoring Ensign Sarah Mitchell be approved.

August 27, 2018
RESOLUTION OF APPRECIATION HONORING MICHAEL J. QUILLEN

WHEREAS, Mr. Michael J. Quillen, an alumnus of Virginia Tech with bachelor’s and master’s degrees in Civil Engineering, was appointed by Governor Bob McDonnell to the Board of Visitors of Virginia Polytechnic Institute and State University in July 2010; and

WHEREAS, Mr. Quillen has dedicated significant time and effort in support of the Board of Visitors during his eight years of service, as a member and chair of the Executive Committee and the Finance and Audit Committee, as well as a member of the Buildings and Grounds Committee and the Research Committee. Most notably, he was Rector of the Board from 2012 to 2014, and oversaw the search that resulted in Tim Sands being named the 16th President of Virginia Tech, succeeding President Charles Steger; and

WHEREAS, a staunch supporter of higher education and Virginia Tech, Mr. Quillen is a member of the Ut Prosim Society President’s Circle, and has served not only on the Board of Visitors, but also as a member of the Virginia Tech College of Engineering Advisory Board, the Via Department of Civil Engineering Advisory Board, and the College of Engineering’s Committee of 100; and

WHEREAS, Mr. Quillen possesses over forty years of experience in the mining industry. In 2002, he founded Alpha Natural Resources, which became one of the nation’s leading coal producers, and served as the CEO and then Chairman of the Board until his retirement. He has also served as the Chairman of the Board of Commissioners for the Virginia Port Authority, as well as on the Board of Martin Marietta Materials, Inc.; and

WHEREAS, in recognition of his unwavering support and career achievement, Mr. Quillen received the College of Engineering’s Distinguished Alumnus Award in 2006 and was inducted into the College’s Academy of Engineering Excellence in 2013; and

WHEREAS, the members of the Board have thoroughly enjoyed getting to know Mike and his wife, Debbie, 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 hereby extend their sincere appreciation to Michael J. Quillen for his outstanding loyalty and devoted service, and for his faithful dedication to the university and its missions.

RECOMMENDATION:
That the resolution recognizing Michael J. Quillen for his service as a member and Rector of the Board of Visitors be approved.

August 27, 2018
RESOLUTION OF APPRECIATION HONORING WAYNE H. ROBINSON

WHEREAS, Mr. Wayne H. Robinson was appointed by Governor Terry McAuliffe to the Board of Visitors of Virginia Polytechnic Institute and State University in July 2014; and

WHEREAS, Mr. Robinson is an alumnus of the Class of 1980, having earned his bachelor’s degree in finance from the Pamplin College of Business; and

WHEREAS, a member of the Virginia Tech Sports Hall of Fame and an Atlantic Coast Conference Basketball Legend who played professional basketball in the NBA and Europe after college, Mr. Robinson has utilized his influence as a college and professional basketball player to make substantial impacts in many professional, cultural, and Christian settings; and

WHEREAS, Mr. Robinson lives his life in service to others. He is the founder and Senior Pastor of New Millennium Christian Center of Greensboro, North Carolina, and the North Carolina Triad Area Director for the Fellowship of Christian Athletes; and

WHEREAS, in addition, Mr. Robinson possesses more than fifteen years’ experience in career development and recruiting, most recently as CEO and founder of Career Path Management and Associates; and

WHEREAS, Mr. Robinson is a benefactor of Virginia Tech and received the Alumni Distinguished Service Award in 2014 for his continued dedication to his alma mater, having served on the Alumni Association Board of Directors and the Multicultural Alumni Advisory Board; and

WHEREAS, during his four-year term on the Board of Visitors, Mr. Robinson has served as a member and chair of the Student Affairs and Athletics Committee; and as a member of the Executive Committee; the Finance and Audit Committee; and the Academic, Research, and Student Affairs Committee; and

WHEREAS, the members of the board have thoroughly enjoyed getting to know Wayne and his wife, Renee, 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 hereby extend their sincere appreciation to Wayne H. Robinson for his outstanding loyalty and devoted service, and for his faithful dedication to the university and its missions.

RECOMMENDATION:

That the resolution recognizing Wayne H. Robinson for his service as a member of the Board of Visitors be approved.

August 27, 2018
Open Session Agenda

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

VTC School of Medicine and Research Institute
Room R3012
2:30 - 4:30 p.m.
Sunday, August 26, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome and Acceptance of Agenda</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>2. Consent Agenda</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>A. Approval of June 4, 2018 Meeting Minutes</td>
<td></td>
</tr>
<tr>
<td>B. Report of Reappointments to Endowed Chairs, Professorships and Fellowships (9)</td>
<td></td>
</tr>
<tr>
<td>*C. Ratification of 2018-19 Faculty Handbook</td>
<td></td>
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<tr>
<td>*D. Approval for Virginia Tech Extended Campus Site in Arlington</td>
<td></td>
</tr>
<tr>
<td>*E. Ratification of Student Code of Conduct</td>
<td></td>
</tr>
<tr>
<td>*F. Resolution to Amend Policy to Comply with Governor’s Executive Order Regarding Paid Parental Leave for University Employees</td>
<td></td>
</tr>
<tr>
<td>*G. Resolution to Update the Policy of the Awarding of Honorary Degrees</td>
<td></td>
</tr>
<tr>
<td>3. Provost’s Update</td>
<td>C. Clarke</td>
</tr>
<tr>
<td>4. Understanding Students’ Experiences and Perceptions of Virginia Tech (Gallup Survey)</td>
<td>P. Perillo</td>
</tr>
<tr>
<td>5. College Update: College of Science</td>
<td>S. Morton</td>
</tr>
<tr>
<td>6. Virginia Tech Carilion Research Institute and Related Health Sciences and Technology Initiatives</td>
<td>M. Friedlander</td>
</tr>
<tr>
<td>7. Council of College Deans Update</td>
<td>S. Morton</td>
</tr>
<tr>
<td>8. Agenda Items for November 2018 Committee Meeting</td>
<td>D. Petrine</td>
</tr>
<tr>
<td>9. Adjourn</td>
<td></td>
</tr>
</tbody>
</table>

* Requires Full Board Approval
Agenda Item                                Reporting Responsibility

1. Welcome and Acceptance of Agenda
   
   *Debbie Petrine, chair of the committee, will convene the meeting, and review the agenda for acceptance by committee members.*

2. Consent Agenda
   
   *The committee will consider approval of the consent agenda, including meeting minutes, a report on nine reappointments to endowed chairs, professorships, or fellowships, ratification of the faculty handbook, approval of an extended campus site in Arlington, VA, ratification of student code of conduct, a resolution to amend policy related to the Governor’s Executive Order regarding paid parental leave for university employees, and a resolution to update the policy of awarding honorary degrees.*

3. Provost’s Update
   
   *Cyril Clarke, interim executive vice president and provost will provide an update to the committee.*

4. Student Affairs Update
   
   *Patty Perillo, vice president for student affairs, will lead a discussion on understanding students’ experiences and perceptions of Virginia Tech using results from the Gallup Survey.*

5. College Update: College of Science
   
   *Sally Morton, dean of the College of Science, will highlight the college’s academic programs, scholarship, research, and significant contributions to the university’s mission.*

6. Virginia Tech Carilion Research Institute and Related Health Sciences and Technology Initiatives
   
   *Mike Friedlander, executive director of the Virginia Tech Carilion Research Institute (VTCRI) and vice president for Health Sciences and Technology will update the committee on the progress of the VTCRI and the role of the institute in the university’s health sciences and technology initiatives.*
7. Council of College Deans Update

Sally Morton, dean of the College of Science and representative to the committee from the university’s Council of College Deans, will offer remarks.

8. Agenda Items for November 2018 Committee Meeting

The committee will discuss items for possible consideration at the November 2018 meeting of the Board of Visitors.

9. Adjourn
The committee will consider for approval and acceptance the items listed on the Open Session Consent Agenda:

A. Approval of June 4, 2018 Meeting Minutes
B. Report of Reappointments to Endowed Chairs, Professorships and Fellowships (9)
*C. Ratification of 2018-19 Faculty Handbook
*D. Approval for Virginia Tech Extended Campus Site in Arlington
*E. Ratification of Student Code of Conduct
*F. Resolution to Amend Policy to Comply with Governor’s Executive Order Regarding Paid Parental Leave for University Employees
*G. Resolution to Update the Policy of the Awarding of Honorary Degrees

* Requires Full Board Approval
Minutes

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

New Classroom Building, Room 120
9:00 – 11:30 a.m.
Monday, June 4, 2018

Committee Members
Debbie Petrine, chair, Tish Long, Brett Netto (graduate student representative), Chris Peterson, Hans Robinson (faculty representative), Wayne Robinson, Rector Dennis Treacy.

Guests

1. Welcome and Acceptance of Agenda. D. Petrine, chair of the committee, welcomed committee members and guests. The committee reviewed the agenda and consent agenda. A request to move the presentation regarding enrollment management to later in the meeting was accepted and the committee approved the agenda.

2. Consent Agenda. The committee unanimously approved the consent agenda, including: March 26, 2018 meeting minutes, two reappointments to endowed chairs, professorships, or fellowships; the 2018-19 Pratt Fund Budgets (shared with the Finance and Resource Management Committee); the discontinuance of a degree in environmental policy and planning; adoption of the Virginia Tech Carilion School of Medicine Student Honor Code, Attributes of Professionalism, and Teacher-Learner Compact; revisions to the Graduate Honor System Constitution; resolutions clarifying language in the Faculty Handbook pertaining to research faculty on: promotion processes, overload compensation for teaching credit classes, and research faculty removal processes, and a resolution to revise language in the Faculty Handbook pertaining to the appointment of Alumni Distinguished Professors; a resolution to comply with amended Code of Virginia

* Requires Full Board Approval
§23.1-1308 regarding textbooks and open educational resources; language for the Faculty Handbook pertaining to Alumni Distinguished Professors, and reviewed the Report of 2018-19 Faculty Compensation Plan (shared for information purposes, by the Finance and Resource Management Committee).

The consent agenda was approved unanimously.

3. Report of Closed Session Items. D. Petrine reported on the items approved by the committee in its closed session: four appointments to emeritus/a status; one appointment to an endowed chair, professorship, or fellowship; two exceptions to the Virginia Conflict of Interests Act; one faculty special leave request; promotions and tenure of 125 faculty members; and ratification of the faculty personnel changes report (shared with the Finance and Resource Management Committee), which will be addressed in the full board meeting closed meeting.

4. Provost's Update. C. Clarke, interim executive vice president and provost, provided updates on several items:

Beyond Boundaries and Foundational Initiatives: Virginia Tech continues to advance development and implementation of foundational initiatives arising from the Beyond Boundaries vision. These include a commitment to the VT-shaped model of discovery and learning that highlights the importance of disciplinary strength consistent with the university's comprehensive land grant mission; transdisciplinary areas of excellence represented by Destination Areas (DAs) and Strategic Growth Areas, the research institutes, Interdisciplinary Graduate Education Programs (IGEPs); and the university’s commitment to community engagement and experiential learning (hands-on, minds-on). The university’s commitment to advancing experiential learning remains high and is on the cusp of developing a university wide model to highlight this commitment.

Partnership for an Incentive Based Budget (PIBB). The university’s budget model supports the implementation of Beyond Boundaries foundational initiatives and continues to be rolled out across the academic areas.

Destination Areas: The university is in the second year of implementing the Destination Areas and faculty recruitment is proceeding well through cluster hiring strategies, with only four of 54 positions not yet filled. The university anticipates additional new faculty lines for the next fiscal year. The provost’s office and colleges use recruitment and hiring strategies designed to support and accomplish broad and diverse hires.
Global Systems Science is an example of a DA that converges factors that affect public health, animal health (domestic and wild animals), and environmental health in rural environments, both in the US and internationally. Emerging programs include (1) rural environments in Appalachia and (2) ecology of disease in Botswana. When fully developed, an undergraduate student interested in the epidemiology of infectious diseases will enroll in new and existing undergraduate courses in Blacksburg that establish foundational knowledge regarding the principles of ecology, biostatistics and epidemiology, and transmission of infectious diseases. The student might then enroll in a summer session course offered in Kasane, Botswana that demonstrates these principles using real-life situations and conduct undergraduate research under the mentorship of faculty and graduate students working in the area of public and animal health, ecology, decision modeling, community service and policy development. The student would then come away with knowledge and skills relevant to these disciplines and a deep appreciation of the value of listening to and collaborating with rural communities in the spirit of Ut Prosim.

**Faculty Retention:** In response to a question raised during the committee’s March meeting regarding the retention of faculty, the office of the provost collected data and will continue to analyze retention information to determine a more robust understanding of the university’s retention needs. The university participates in the Collaborative On Academic Careers in Higher Education (COACHE) data collection efforts which provide Virginia Tech with information related to tenure track and tenured faculty. This fall, the university will expand its relationship with COACHE to include opportunities for participation in the COACHE-administered faculty retention and exit survey.

In 2016-17, 29 faculty left the university, representing 2% of the total faculty (in a range of 1% to 4% over a five-year period). In 2016-17, the university’s loss of underrepresented and minority faculty was similar with a loss of 2% Black and 3% Hispanic faculty. Data interpretation should take into account small numbers and individuals who classify themselves as representing more than one race. In 2016-17, the losses of female and male faculty were 3% and 2%, respectively. While the loss of faculty may represent a small proportion of faculty, each loss has significant impact.

**Faculty Retention Strategies:** In 2017-18 there were 27 retention actions (these actions varied from 44 to 15 over five years). The cost of salary enhancement in 2017-18 was $133K (it varied from $310 to $88K over five years), with an average of $10K. Faculty retention strategies include additional matching salary enhancement funded at the college level in addition to faculty research packages.

* Requires Full Board Approval
Faculty retention is a concern and low compositional representation across the university is the most important issue. The university and colleges employ many strategies to reach students who might complete graduate degrees and consider academic careers.

**Virginia Tech Carilion School of Medicine (VTCSOM) integration.** The university is on schedule for integration of the VTCSOM by July 1, 2018. Personnel have transferred to Virginia Tech and the Human Resources team, and Curtis Mabry are to be commended for achieving this complicated task. The university’s application has been submitted to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) and the SACSCOC’s decision regarding integration will be announced to the university on June 15, 2018.

**Virginia Tech Research Center – Arlington (VTRC-Arlington).** The university will be submitting for approval to the State Council of Higher Education for Virginia (SCHEV) approval for the Arlington (VTRC-Arlington) as a mixed-use, instructional and research facility. The Board of Visitors will be invited to approve a resolution to this effect in August, 2018.

5. **Student Affairs – Living and Learning Communities.** P. Perillo, vice president for student affairs introduced F. Keene, interim director of residence life. F. Keene updated the committee on the university’s Living and Learning Communities (LLC). An LLC is a residential community organized around a common experience, course, interest, or goal including disciplinary interests (e.g. science), academic interests (e.g. global learning), or a residential college model. Students apply to participate and the community is led by a program director from academic or student affairs supported by residence life. LLCs currently serve 37% of on-campus undergraduate students. Student Affairs intends to continue to grow the percentage of students participating in LLCs and residential colleges.

6. **Academic Affairs**

   **A. New Degrees: Bachelor of Arts and Bachelor of Science in Science, Technology, and Society.** R. Blieszner, dean of the College of Liberal Arts and Human Sciences, and D. Breslau, associate professor of science, technology, and science provided information regarding the new bachelor of arts and bachelor of science in science, technology, and society. Completing the degree prepares graduates to identify ways in which science, medicine, and technology influence society. Graduates evaluate and formulate policies within science, technology, and medicine fields. STS graduates will be employed in public sectors such as

*Requires Full Board Approval*
environmental research and advocacy, research analysis, and pursue graduate education in law, health, information science, and environmental policy.

The committee unanimously approved the two resolutions to establish the new degrees in science, technology, and society.

B. Enrollment Management Report. L. Havens-Gerardo, vice provost for enrollment management, offered the committee a report on enrollment management. Successful enrollment management includes evaluating capacity, budgeting, and setting enrollment goals. Actions are to set the university’s offer rate, optimal yield, and a wait list strategy. In 2018 undergraduate applications were up across all categories and up 18.7% over 2017 (32,103). Admission benchmarks are on schedule to be met including underserved and underrepresented in and out-of-state students (in state up 2.8%, total of 1,534 and out-of-state is up 12.2%, total of 475). The freshman class profile includes 56% of students with a GPA over 4.0. First-Year Scholars across all categories are increasing. Summary and Next Steps: Enrollment target was set to 6,426 with an assumption of no more than 3% melt to achieve an entering cohort of 6,237 for Fall 2018. Strategic conversations and planning to start June and July this year to set enrollment goals for fall 2019. Strategic recruitment planning for the class of 2023 is already underway, focusing on accelerating 2022 goals and on optimizing strategies for veterans, corps, legacy and transfer populations. Redesigning the recruitment viewbook, communication plan, and visitor experience is in progress. Implementing new admissions platforms and integrating non-cognitive factors in the admissions review process will be active next year. The scholarship platform Raise.me as been launched, focusing effort on all Virginia high schools with at least 70% free or reduced lunch enrollments.

The committee voted unanimously to accept the Enrollment Management Group report.

C. College Update: College of Engineering. Julia Ross, dean of the College of Engineering, provided an update on the college. The college benefits from the work of 222 staff employees, 367 tenure-track and tenured faculty members, 8,331 undergraduate students, and 2,227 graduate students. The college has a focus on experiential learning with a theme of “hands on minds on.” The college ranks 8th in research expenditures and enjoyed a record-breaking year in gifts and philanthropy, a 69% increase over fiscal year 2016 for a total of $43.57M in new gifts and commitments. Commitments to inclusive excellence include the Center for the Enhancement of Engineering Diversity, a $5M gift creating a pathway for 60 first-generation students, and the New Horizon Graduate Scholars program.

* Requires Full Board Approval
7. **Council of College Deans Update.** R. Sumichrast, dean of the Pamplin College of Business, and representative to the committee from the Council of College Deans, offered remarks to the committee. The deans continue to appreciate partnering with the new VP for Enrollment Management and her team to enroll a class that is on target for the university’s desired size and characteristics. The enrollment team is a great help in planning our instructional, classroom, and other college needs. The deans continue to discuss the possible impact of a smaller freshman class on budget as the university’s PIBB is implemented. The deans continue to discuss college collaborations in the National Capital Region and the university’s participation in the state’s Commonwealth Cybersecurity Initiative (CyberX) with Virginia Tech as the anchoring institution. Conversations continue regarding a funding model for professional master’s programs. The college deans continue to participate exploring plans for academic space including space dedicated to CyberX. Deans have discussed ways in which to increase the numbers of underrepresented and minority faculty, for example the accounting firm KPMG has sponsored a Ph.D. project to increase underrepresented and minority faculty in the business disciplines.

8. **Agenda Items for August 2018 Committee Meeting**

   **D. Petrine**

   The committee discussed the possibility of updates on the university’s international initiatives, graduate education, information on how the university uses peer and other benchmarks, and student services in distributed campus locations including Roanoke and the National Capital Region.

9. **Adjourn**
Reappointments to Endowed Chairs, Professorships, or Fellowships (9)

August 26, 2018

College of Agriculture and Life Sciences (4)

Richard “Dick” Crowder  C. G. Thornhill Professor of Agricultural Trade
Sally Johnson  Paul B. Mellon Distinguished Professor of Agriculture
Kimberly Morgan  David M. Kohl Junior Faculty Fellowship
Eric Wong  John W. Hancock Professor of Animal and Poultry Sciences

College of Engineering (4)

Roberto Leon  Burrows Professorship of Construction Engineering
John Little  Charles E. Via, Jr Professorship
Naren Ramakrishnan  Thomas L. Phillips Endowed Professorship
Gary Whiting  Joseph H. Collie Professorship of Chemical Engineering

College of Liberal Arts and Human Sciences (1)

Paul Quigley  James I. Robertson, Jr. Professorship in Civil War Studies
The Thornhill Professorship for Agricultural Trade was established by C. Gordon Thornhill, Jr., owner of T.K. Exports, Incorporated, to emphasize teaching and Extension activities that increase profitability of global market opportunities for Virginia's food, agricultural, and natural resource products.

In concurrence with the recommendation of the college honorifics committee, the Agricultural and Applied Economics Department honorifics committee, and department head Dr. Matthew Holt, Dean Alan Grant nominates Ambassador, Dr. Richard "Dick" T. Crowder for reappointment to the Thornhill Professorship.

Dr. Crowder brings the world into Virginia Tech's classrooms and administrative offices, corporate and non-profit boards, and to workshops and conferences across Virginia and the United States. His résumé tells a story of being at the intersection of commerce, government, policy, academics, and practice, that is, the real world of diplomacy. Dr. Crowder's experience of serving with Fortune 500 companies, shepherding a revolutionary change in U.S. farm policy with the 1990 farm bill, advising Prime Minister Mikhail Gorbachev on important structural changes to the agricultural economy of the former Soviet Union, and negotiating multi-lateral, regional and bilateral trade agreements are all impressive accomplishments. But it is his unique ability to translate these experiences into effective learning opportunities, inside and outside of the classroom, that qualify him to define the standard for the Thornhill Professorship for Agricultural Trade.

Early in his career, Dr. Crowder was engaged in the international trade of agricultural goods and services by establishing relationships with corporations, governments, nonprofit and nongovernmental organizations (NGOs), and other agencies that facilitated exchange. This experience culminated in his appointment as Ambassador, Chief Agricultural Negotiator in the Office of The United States Trade Representative, Executive Office of the President. Since joining Virginia Tech's Department of Agricultural and Applied Economics in 2008, Dr. Crowder has embraced the challenge of creating and organizing an annual conference on international trade to educate Virginians, citizens of the United States, and others around the world about the role of importance of international trade for food, natural resource, and agricultural products. This conference, now called "Virginia’s Governor’s Conference on Agricultural Trade," has quickly become a world-class symposium, with Governor Bob McDonnell recognizing the strong partnership among Virginia’s agencies, NGOs, and Virginia Tech. A succession of Virginia’s Governors, including the honorable Bob McDonnell, the honorable Terry McAuliffe, and now Governor Ralph Northam have each openly embraced and participated in the Governor’s Conference. It is apparent that only someone with Dr. Crowder’s depth of experience in business, academia, and national service could consistently organize and execute a conference of this type, which routinely garners the attention, participation, visibility, and support of such a wide array of industry, government, and academic leaders. In addition, Dr. Crowder created and continues to teach a capstone course that highlights important skills related to negotiation and leadership and the role they play in business and government. We frequently hear from his students statements similar to this one: “Dr. Crowder’s is hands down the best class
I've had during my time at Virginia Tech.” He has received numerous awards for his work and service. A select subset of them are the Virginia Tech Alumnus of the Millennium in 2000, the Distinguished Service Award, the Distinguished Service Award from the American Farm Bureau Federation, Virginia Tech’s Alumni Award for Outreach Excellence, the Virginia Agribusiness Council’s Alvin W. Blaha Distinguished Service Award, and United States Trade Representative, Executive Office of the President.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Richard Crowder as the Thornhill Professor of Agricultural Trade for a five-year term through June 30, 2023 with a salary supplement provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
ENDOWED PROFESSORSHIP
Paul B. Mellon Distinguished Professor of Agriculture

The Paul B. Mellon Distinguished Professor of Agriculture was established in 1986 by a gift from Mr. Mellon. The purpose of the Professorship is to lead and enhance the research program in equine nutrition, physiology, growth and locomotion. The position involves close collaboration with equine-focused faculty on the Blacksburg campus and the Middleburg Agricultural Research and Extension (MARE) Center.

Dean Alan Grant nominates Dr. Sally Johnson, professor in the Department of Animal and Poultry Sciences (APSC), for reappointment as the Paul B. Mellon Distinguished Professor of Agriculture with the support of Dr. David Gerrard, head of the department, and the college honorifics committee.

Dr. Johnson’s research program has three main areas of focus: 1.) Identification of transcriptional networks that regulate stem cell plasticity; 2.) Development of directed differentiation protocols for repair of tendons; and 3.) Dietary modification of muscle stem cell activity during myofiber hypertrophy and post-exercise recovery.

Dr. Johnson has a stellar reputation nationally and internationally as a leading scholar in her areas of research. She has an excellent record of publications in high impact journals. She has also been successful at obtaining funding for her research program and collaborations. Among these grants are a number highly competitive U.S. Department of Agriculture-National Institute of Food and Agriculture (USDA-NIFA) grants which attests to the scientific merit of her research program. A significant number of her extramural grants have been funded by industry groups which attest to the importance and relevance of her research program to the equine industry.

Dr. Johnson has provided outstanding service to the APSC department as graduate program director. Both the size and overall quality of the APSC graduate program have increased since she became chair in 2014. Dr. Johnson has also enhanced the recruitment of minority students into the APSC graduate program. Finally, Dr. Johnson has provided outstanding leadership to our overall equine programing and operations, both on campus and at the MARE Center.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Sally Johnson as the Paul B. Mellon Distinguished Professor of Agriculture for a five-year term through June 30, 2023 with a salary supplement provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
The David H. Burrows Professorship was established in 1986 through a generous gift to the Virginia Tech Foundation from Mr. David H. Burrows, a 1942 graduate of Virginia Tech. The professorship is awarded to an outstanding professor in construction engineering within the College of Engineering. Dean Julia Ross nominates Dr. Roberto T. Leon for re-appointment to the David H. Burrows Professorship in Construction Engineering in the Via Department of Civil Engineering (CEE). The nomination is likewise recommended by the Honorifics Committee of the CEE Department as well as by CEE Department Head, Dr. W. Samuel Easterling.

Dr. Leon is a multi-talented, nationally and internationally recognized faculty member who brings a number of significant strengths in his research, teaching, and service to Virginia Tech. He is acknowledged to be one of the leading researchers in the world in the field of steel-concrete composite structures and seismic design and performance of new and existing steel and composite structures. His work has beneficially impacted numerous national and international design codes. His work as senior author is currently the second most cited one in the commentary to the latest (2016) steel building specification; it was the most cited in the previous version (2010). Dr. Leon has published over 150 peer-reviewed papers, books and book chapters and he has directed or co-directed nearly $7 million of external research funding at Georgia Tech, the University of Minnesota, and Virginia Tech. Additionally, he has been part of large, multidisciplinary teams that have collectively conducted over $120 million in research. The quality of his research has been recognized several times, including his selection by the American Society of Civil Engineers for the Norman Medal and the State-of-the-Art of Civil Engineering Award on two occasions, and his selection to be the 1993 T.R. Higgins Lecturer by the American Institute of Steel Construction. His contributions were also recognized by his election to Distinguished Member of the American Society of Civil Engineers in 2015; this is the highest recognition the profession confers.

Dr. Leon has established himself as a dedicated classroom instructor and research advisor. Over the past 7 years at Virginia Tech, he demonstrated his strong commitment to undergraduate teaching through his work to completely revamp the laboratory course on construction materials, including adding new materials and non-destructive testing topics into the curriculum. Dr. Leon is also well respected and sought out as a graduate advisor as reflected by the number of students that he has advised or co-advised. These include having advised or co-advised to completion 30 Ph.D. students, 33 master’s students and over 20 undergraduate research students.

Dr. Leon is a true leader in the field and he clearly understands the importance of service and has exhibited our motto of *Ut Prosim* for many years. He is a past president of the American Society of Civil Engineers Structural Engineering Institute Board of Governors, a past president of the Consortium of Universities for Research on Earthquake Engineering and serves on the American Institute of Steel Construction Committee on Specifications. He has also served in leadership positions on numerous technical committees and currently serves as one of six members of the Advisory Committee on
Structural Safety of the Department of Veterans Affairs Facilities. Dr. Leon has served on the editorial boards of four journals in the field of structural engineering and has chaired or co-chaired the organization and delivery of six international conferences.

**REAPPOINTMENT:**

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Roberto T. Leon to the David H. Burrows Professorship in Construction Engineering, effective August 10, 2018 with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
The Joseph H. Collie Professorship was established by a generous gift from Joseph H. Collie, a 1950 graduate of Virginia Tech’s Department of Chemical Engineering. It was created to attract and retain an eminent scholar in the field of chemicals distribution management for instruction and research. In concurrence with the recommendation of the chemical engineering honorifics committee and Department Head David F. Cox, Dean Julia M. Ross nominates Dr. Gary K. Whiting for re-appointment to the Joseph H. Collie Professorship for a period of five years. Dr. Whiting holds a Bachelor of Science degree in chemistry from Lebanon Valley College, a Master Degree in chemistry from Virginia Tech and a Ph.D. in chemical engineering from Virginia Tech.

Dr. Whiting has more than 30 years of experience in the chemical industry and 25 years of experience as a small business owner and entrepreneur. He retired from DuPont in 2015, with significant experience in marketing, new business development, process and product development, and project engineering. During the first half of his career with DuPont, he worked largely in Research and Development implementing process improvements resulting in patents in the area of reactor design and control. Dr. Whiting was a prolific contributor to the internal DuPont knowledge base, having written well over one hundred technical reports of various types, resulting in technical report of the year honors within DuPont Chemicals. During this period he rose through the technical ranks and was named as a DuPont Titanium Technologies Research/Engineering Fellow in 2004.

As Business Venture Manager leading DuPont Titanium Technologies’ effort in the area of nanomaterials, Dr. Whiting’s team created a novel nano-titanium dioxide product that was launched as a specialty product useful in UV absorption and scattering in polymer systems. Dr. Whiting is a co-author of the highly regarded Nano Risk Framework, a collaborative effort between DuPont and Environmental Defense Fund for the responsible development, production, use and disposal of nano-scale materials. For this work, he was awarded the DuPont Sustainable Growth Excellence Award in 2008.

Dr. Whiting’s most recent role of seven years was Global Product Manager for DuPont Titanium Technologies (now Chemours Titanium Technologies) where he was responsible for the profitability, competitiveness, quality, and sustainability of a more than half-billion dollar global product portfolio. In this role, Dr. Whiting worked daily with team members from many different counties and cultures, including those in Asia, Europe, North America, Latin America, and South America, which provided him with a global perspective and key global contracts.

In March 2016, Dr. Whiting was appointed “Professor of Practice” in the Department of Chemical Engineering. In August 2016, he was appointed as the Joseph H. Collie Professor of Chemical Engineering for a period of two years. Over the past two years, Dr. Whiting has developed and taught a yearly course, “Business and Marketing Strategies in the Process Industries” that is unique among chemical engineering and marketing departments worldwide; he continues to serve as an undergraduate academic and career advisor, and to offer a non-credit course on “Chemical Engineering Job
Search”. His outstanding performance in classroom instruction with average student teaching scores of 5.50 out of 6.0 and in academic and career advising has far exceeded the original expectations of his faculty appointment in 2016. Our students have provided overwhelmingly positive, written recommendations for his re-appointment. The Department of Chemical Engineering and the College of Engineering strongly believe that Dr. Whiting’s breadth and depth of chemical industry knowledge, including technical, business, and marketing, together with his dedication and patience in helping our undergraduates, will greatly benefit future students in chemical engineering.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Gary K. Whiting to the Joseph H. Collie Professorship, effective August 10, 2018, for a renewable period of five years, with salary and operating funds given in accordance with the provisions of the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
ENDOWED PROFESSORSHIP
John W. Hancock, Jr. Professor of Animal and Poultry Sciences

The John W. Hancock, Jr. Professor of Animal and Poultry Sciences was established in 1985 by John W. Hancock, Jr. to honor the services and assistance provided to him by Gary Minish, George Litton, and Dan Kite, former animal sciences faculty members. The endowment supports a professorship in the college to recognize a faculty member who is making significant contributions to research and teaching in animal-related programs in the College of Agriculture and Life Sciences.

Dean Alan Grant nominates Dr. Eric Wong for reappointment as the John W. Hancock, Jr. Professor of Animal and Poultry Sciences with the support of Dr. David Gerrard, Head of the Department of Animal and Poultry Sciences, and the College Honorifics Committee.

Dr. Wong’s research interests include a molecular analysis of genes that play an important role in regulating growth of farm animals, with an emphasis on poultry. One of his major projects involves an analysis of the development-specific expression of nutrient (amino acids, peptides, sugars) transporters and host defense genes in the yolk sac and small intestine of chickens during the transition from the embryonic to post-hatch stages.

Dr. Wong has an international reputation and is widely recognized as a leader in molecular nutrition in poultry. He has published his research results in numerous high impact journals. Dr. Wong has secured significant amounts of external funds in support of his research program and has consistently demonstrated outstanding achievements in undergraduate teaching, graduate student training and outreach.

Dr. Wong received his bachelor’s degree from the Massachusetts Institute of Technology and a Ph.D. from the University of California at San Diego. He completed postdoctoral work at the University of Utah with Dr. Mario Capecchi, Professor of Human Genetics and recipient of the 2007 Nobel Prize in Physiology or Medicine.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Eric Wong as the John W. Hancock, Jr. Professor of Animal and Poultry Sciences for a five-year term through June 30, 2023 with a salary supplement provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
ENDOWED PROFESSORSHIP
Charles E. Via, Jr Professorship

This Charles E. Via, Jr Professorship was funded through an endowment established in 1987 by Mrs. Marion Via Bradley and subsequently supplemented by the Via family. Dean Julia Ross, nominates Dr. John C. Little for re-appointment to hold a Charles E. Via, Jr Professorship in the Via Department of Civil Engineering (CEE). The nomination is likewise recommended by the Honorifics Committee of the CEE Department as well as by CEE Department Head, Dr. W. Samuel Easterling.

Dr. Little is a multi-talented, nationally and internationally recognized faculty member who brings significant visibility to Virginia Tech. He is widely published with approximately 140 refereed papers to his credit. Most of his papers are published in journals with a high impact factor with 22 papers in Environmental Science and Technology (impact factor of 6.2) and eight papers in Water Research (impact factor of 6.9) and 6 papers in Water Resources Research (impact factor 4.4), all considered top journals in the environmental and water resources fields. Dr. Little has focused his research in two main areas, indoor air pollution and management of oxygen in reservoirs. Both areas deal with mass transfer processes in environmental systems and Dr. Little is recognized as one of the world’s experts in both areas.

Dr. Little has been active in interdisciplinary research and has collaborated extensively with leading experts in China, Switzerland, Taiwan, Australia, and Spain. On campus, he played a central role in securing a $3.1M National Science Foundation IGERT award, serving as Director for half the project period. He also served as co-chair of the Interdisciplinary Program in Environmental Biogeochemistry. This GAANN program was funded for $1.1M and supported 12 PhD students in 3 departments and 3 colleges. Overall, Dr. Little has participated in over $11.8M in funded research, with a personal share of $4.9M. In 1996, he received a National Science Foundation CAREER Award.

Dr. Little has been the advisor for 11 Ph.D. students (three co-advised), seven postdoctoral scholars (three co-advised) and 22 master’s students (four co-advised) and is currently advising three Ph.D. students, 1 postdoctoral scholar, and one research associate. One of his Ph.D. advisees was awarded the best dissertation by the Association of Environmental Engineering and Science Professors and another was awarded the Yaglou Award from the Academy of Indoor Air Sciences for being the most promising young researcher in the indoor air sciences (awarded every three years). Three of his Ph.D. students and four of his postdoctoral scholars are in well-respected academic positions.

Dr. Little is a valued colleague and dedicated departmental citizen. He is committed to his teaching and student advising. Dr. Little likewise contributes in significant ways to the service mission of the department and university. In summary, Dr. Little is an internationally recognized scholar and has been very successful in securing interdisciplinary funding which has benefitted the greater university.

REAPPOINTMENT:
The president and interim executive vice president and provost have confirmed the reappointment of Dr. John C. Little to the Charles E. Via, Jr. Professorship, effective August 10, 2018, with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
ENDOWED FELLOWSHIP
David M. Kohl Junior Faculty Fellowship

The Kohl Centre was founded to honor Dr. David M. Kohl for his 25 years as a professor of agricultural finance and small business management/entrepreneurship in the Department of Agricultural and Applied Economics. The hallmark of Dr. Kohl’s academic career was to engage students in hands-on research and problem-solving while simultaneously addressing the needs of agricultural and rural entrepreneurs. The David M. Kohl Junior Faculty Fellowship was established to lead the effort through mentoring undergraduate experiential learning opportunities that integrate research and extension to solve real-world business problems. The fellowship recipient will work with the department head and undergraduate program director to implement the program, consistent with the center’s vision.

In concurrence with the recommendations of the department head, Dr. Matt Holt, the honorifics committee of the Department of Agricultural and Applied Economics, and Alan Grant, dean of the College of Agriculture and Life Sciences, Dr. Kimberly Morgan is nominated for reappointment to the David M. Kohl Junior Faculty Fellowship for a three-year, renewable term.

Dr. Morgan has years of experience in working with students, producers, and industry groups from the Southern region. She currently serves as an assistant professor with teaching and extension responsibilities. Her teaching and extension programs in the areas of small business management, entrepreneurship, risk management, and marketing, work to improve Virginia agriculture. Dr. Morgan has dedicated her teaching career to providing students with practical applications of economic and business principles. Aside from incorporating real-world case studies into her courses, she regularly invites students to participate in extension programs. The students provide farm and agribusiness managers with creative solutions to a variety of business issues based on what they have learned in academic courses, original research they conduct, and a team approach that is based on the experience, knowledge, and skills of diverse student groups.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Kimberly Morgan as the David M. Kohl Junior Faculty Fellowship, effective October 1, 2018, for a period of three years with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
Funded through a bequest from Vicki Heilig, the James I. Robertson, Jr. Professorship was established to honor the career of Dr. Robertson, who spent more than four decades at Virginia Tech bringing the American Civil War to life not only for thousands of students in his popular classes, but also for millions of others through his award-winning books, television appearances, radio essays, and public speaking engagements. The Department of History honorifics committee and Dean Rosemary Blieszner recommend reappointment of Dr. Quigley to this eminent scholar position and directorship.

Dr. Quigley has continued his scholarship on the Civil War, resulting in publications and conference presentations, while providing leadership for numerous outreach and engagement programs for the Center. These include the annual Civil War Weekend, presentations for community groups, and development of a digital archive for teachers, students, and the public.

Dr. Quigley also supervises the work of a graduate assistant and a postdoctoral associate of the Center and provides professional service to the History Department, Virginia Tech, University of Edinburgh, and professional organizations. In support of and acknowledgement of his outstanding scholarship, Dr. Quigley has received external funding and a number of awards and recognitions.

Dr. Quigley is performing his duties with tireless dedication, contributing to increased understanding of many dimensions of Civil War studies among Virginia Tech's students and external audiences.

**REAPPOINTMENT:**

The president and executive vice president and provost have confirmed the reappointment of Dr. Quigley to the James I. Robertson, Jr. Professorship in Civil War Studies for a five-year renewable term effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
The Raytheon Corporation created the Thomas L. Phillips Professorship in 1992 in honor of its retired chief executive officer (1968 – 1991) and chair of its board of directors (1975 – 1991). Thomas L. Phillips received his bachelor’s and master’s degrees in electrical engineering from Virginia Tech in 1947 and in 1948, respectively. He joined Raytheon upon his graduation as an electronics design engineer. Dean Julia Ross nominates Dr. Naren Ramakrishnan for renewal as the Thomas L. Phillips Professor in Engineering.

Dr. Ramakrishnan earned his Ph.D. in Computer Sciences from Purdue University in 1997. He received a M.S. in Computer Science and Engineering from Anna University in India in 1993, and a B.S. in Engineering in Electronics and Instrumentation from Annamalai University, India in 1992. He joined the Department of Computer Science in 1998. He was promoted to associate professor with tenure in 2003 and to professor in 2008.

Dr. Ramakrishnan is one of the top researchers in the theory and practice of data mining, the science of finding interesting and actionable patterns hidden in massive data sets. He has published 17 edited books/proceedings and book chapters, 150 journal articles and 194 peer-reviewed conference/workshop papers. He has been PI or co-PI on over 70 grants with combined funding of $78.7 M ($37.2M as PI). Moreover, Dr. Ramakrishnan is an outstanding teacher and research mentor; he has served as advisor for 22 Ph.D. graduates and 16 master's graduates.

Dr. Ramakrishnan served as associate department head for graduate studies in the Department of Computer Science from 2008 to 2012. In 2011 he became the founding director of the Discovery Analytics Center at Virginia Tech. He has served on the editorial boards of six journals in his field and serves on the Editorial Advisory Panel of IEEE Computer, the flagship publication of the IEEE Computer Society. He has served on numerous program committees for top conferences, including as program chair of the IEEE International Conference on Data Mining (2007) and general chair for that conference in 2008.

Dr. Ramakrishnan has received numerous honors and professional recognitions, including Virginia Tech’s Alumni Award for Excellence in Research (2011), and Dean’s awards for Excellence in Teaching (2005) and Research (2010). In 2009, Dr. Ramakrishnan was named an Association for Computing Machinery (ACM) Distinguished Scientist. Dr. Ramakrishnan is a rare faculty member—an excellent researcher, a strong mentor, a respected leader, and a consensus-building colleague.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Naren Ramakrishnan be reappointed to the Thomas L. Phillips Endowed Professorship, effective August 10, 2018, with a salary supplement and operating budget provided by the endowment and, if available, with funds from the eminent scholars match program.

August 27, 2018
RESOLUTION TO RATIFY THE 2018-19 FACULTY HANDBOOK

Documents included:

1. Resolution to ratify the 2018-19 faculty handbook.
2. Table of revisions made to faculty handbook.
3. Redlined version of changes to faculty handbook.
WHEREAS, the Faculty Handbook is the record for policies pertaining to all types of faculty employees; and

WHEREAS, the oversight of policies governing all types of faculty employees at the university is the responsibility of the Board of Visitors; and

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

WHEREAS, the Faculty Handbook includes the mission statement of the university; and

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

NOW, THEREFORE, BE IT RESOLVED that the Virginia Tech Board of Visitors hereby ratifies the August 27, 2018 version of the Faculty Handbook that incorporates the revisions summarized in the attachment.

RECOMMENDATION:

That the 2018-19 Faculty Handbook be ratified.

August 27, 2018
**GLOBAL CHANGES**

<table>
<thead>
<tr>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Used the title of “provost” rather than the longer title of “executive vice president and provost” where use of lengthy title is awkward. For example, “the executive vice president and provost’s website” became “the provost’s website.”</td>
<td>For consistency.</td>
</tr>
<tr>
<td>“Vice president for administrative services” changed to “senior vice president for operations and administration” throughout</td>
<td>Change in title. This change occurred last year, but the title was not consistently changed throughout the handbook in 2017-18.</td>
</tr>
<tr>
<td>“Curriculum vita” changed to “curriculum vitae.”</td>
<td></td>
</tr>
<tr>
<td>“Division of Continuing and Professional Education” changed to “Continuing and Professional Education.”</td>
<td>CPE is no longer referred to as the “Division of CPE.” See <a href="https://connect.cpe.vt.edu/">https://connect.cpe.vt.edu/</a></td>
</tr>
<tr>
<td>“University Policy ####” changed to “Policy ####.”</td>
<td>For consistency throughout handbook.</td>
</tr>
<tr>
<td>All references to CIDER changed to Center for Excellence in Teaching and Learning.</td>
<td>CIDER renamed Center for Excellence in Teaching and Learning</td>
</tr>
</tbody>
</table>

**COVER PAGE**

<table>
<thead>
<tr>
<th>Section</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Date to 08/27/18 if approved by BOV</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inserted university’s revised EO/AA statement</td>
<td></td>
<td>University’s EO/AA statement revised per Governor Northam’s Executive Order Number 1, which adds “sex (including pregnancy)” to the protected classes.</td>
</tr>
</tbody>
</table>

**CHAPTER ONE: MISSION AND GOVERNANCE OF THE UNIVERSITY**

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2.1</td>
<td>Governance Structure</td>
<td>updated governance chart</td>
<td>review by Kim O’Rourke</td>
</tr>
<tr>
<td>1.2.2</td>
<td>Board of Visitors</td>
<td>1. revised description of composition of the BOV 2. revised statutory responsibilities of BOV 3. revised examples of BOV’s responsibilities</td>
<td>revised language follows BOV bylaws</td>
</tr>
<tr>
<td>1.2.3</td>
<td>Governance by Shared Responsibility</td>
<td>Office of the VP for Policy and Governance maintains policies and membership lists of University Council, commissions, and committees</td>
<td>Policy 1000, Policy on Policies, revised 05/01/2018</td>
</tr>
<tr>
<td>1.2.6</td>
<td>University Commissions</td>
<td>Updated commission names</td>
<td>review by Kim O’Rourke</td>
</tr>
<tr>
<td>1.2.7</td>
<td>University Committees</td>
<td>1. added that each standing committee reports to at least one commission, reflecting that committees may report to multiple commissions; 2. added “committee” to all standing committees for consistency; 3. changed name of the Computing and Communication Resources Committee to Information Technology Services and Systems Committee; 4. removed SVPOA as they are included with other VPs who help appoint committee and updated role of UC secretary</td>
<td>1. review by Kim O’Rourke; 2. consistency; 3. Per CUS Resolution 2017-18A, passed by University Council; 4. reflection of UC Constitution</td>
</tr>
<tr>
<td>1.2.8</td>
<td>University Policies, Administrative Polices, and Presidential Policy Memoranda</td>
<td>1. second paragraph added—administrative policies paragraph remains, but made into separate (3rd) paragraph; 2. reviews are now conducted at least every four years—Office of the VP for Policy and Governance maintains university policies and presidential policy memos</td>
<td>1. review by Kim O’Rourke; 2. University Policy 1000, Policy on Policies, revised 05/01/2018</td>
</tr>
<tr>
<td>1.3.1</td>
<td>College Faculty Associations</td>
<td>added 2nd paragraph regarding VTCSOM Faculty Assembly</td>
<td>Per VTCSOM Faculty Bylaws approved 02/27/2018, section 3.1, “Faculty Assembly”</td>
</tr>
</tbody>
</table>
| 1.3.4 | Graduate Student | clarified that the GSA serves both on and off-campus graduate students | GSA website, description and mission: https://graduateschool.vt.edu/student-
### 1.3.5.1 Committee on Reconciliation

- added, in 2nd paragraph that the Committee can help facilitate conversations between faculty and supervisors to reach agreeable solution

**Source:**
Faculty Senate Website, Committee on Reconciliation: https://www.facultysenate.vt.edu/about/faculty-senate-committee-on-reconciliation.html

### 1.3.5.2 Faculty Review Committee

- added paragraph 4

**Source:**
PPM 243, issued 10/12/2007

### 1.4.1 President

- 1. Paragraph 2 and 3, and lists of executive leadership team revised; 2. executive leadership team in alphabetical order

**Source:**
1. See Office of the President website, Executive Leadership, Leadership Team, and Org. Chart (https://www.president.vt.edu); 2. Consistency

### 1.4.2 Executive Vice President

- 1. In paragraph 1, corrected title of Vice Provost for Academic Resource

**Source:**
1 and 2. Provost's Org. Chart; 3. Consistency

### 1.4.3 Senior Vice President for Operations and Administration

- updated titles of vice presidents who report to SVPOA

**Source:**
consistency

### 1.5.1 College Deans

- added VTCSOM

**Source:**
Per BOV resolution to incorporate VTCSOM as a VT College (03/26/2018)

### CHAPTER TWO: EMPLOYMENT POLICIES AND PROCEDURES FOR ALL FACULTY

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Types of Positions at the University</td>
<td>clarified for redundancy; clarified that faculty employment and policies is under the purview of the BOV</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>2.3.1</td>
<td>The College Faculty</td>
<td>clarified language</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>2.3.7</td>
<td>The Faculty of Health Sciences</td>
<td>clarified language</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>2.3.8</td>
<td>The Faculty of the Virginia Tech Carilion School of Medicine (VTCSOM)</td>
<td>replaced language in 2.18; added language regarding types of faculty members of VTCSOM</td>
<td>addition of VTCSOM 07/01/2018</td>
</tr>
<tr>
<td>2.18</td>
<td>Faculty Involvement with the Virginia Tech Carilion School of Medicine</td>
<td>removed section; language incorporated into new section, 2.3.8.1 &quot;Cross-college Involvement of Faculty with the Virginia Tech Carilion School of Medicine&quot;</td>
<td>addition of VTCSOM 07/01/2018</td>
</tr>
<tr>
<td>2.3.8.1</td>
<td>Cross-college Involvement of Faculty with the Virginia Tech Carilion School of Medicine</td>
<td>section added to encapsulate faculty involvement across Virginia Tech and VTCSOM from old 2.18; adds language for appointments from VTCRI</td>
<td>ELEN, check sources! addition of VTCSOM 07/01/2018</td>
</tr>
<tr>
<td>2.3.8.2</td>
<td>Faculty Buyout Agreements with Virginia Tech Carilion School of Medicine</td>
<td>removes section 2.18.1; adds language regarding faculty buyout agreements</td>
<td>addition of VTCSOM 07/01/2018</td>
</tr>
<tr>
<td>2.3.8.3</td>
<td>Faculty Overload Payment Agreements with Virginia Tech Carilion School of Medicine</td>
<td>removes section 2.18.2; adds language regarding payout agreements with VTCSOM</td>
<td></td>
</tr>
<tr>
<td>2.5.1</td>
<td>Faculty Search Procedures</td>
<td>added &quot;a university promotion and tenure subcommittee&quot; to paragraph 3</td>
<td>Per revised procedures in section 3.3, &quot;Procedures for Faculty Appointment with Tenure&quot;</td>
</tr>
<tr>
<td>2.5.7</td>
<td>Conviction and Driving Recording Investigation for Employment</td>
<td>paragraph 1: revisions from Policy 4060</td>
<td>Policy 4060, &quot;Conviction and Driving Record Investigation for Employment,&quot; revised 02/03/2017</td>
</tr>
<tr>
<td>2.5.10</td>
<td>Faculty Credentialing Guidelines</td>
<td>added paragraph 3 regarding pointing individuals to Ch. 12 for VTCSOM faculty credentialing and accreditation</td>
<td>Review by Kris Bush</td>
</tr>
</tbody>
</table>
2.6.4 Restricted Appointments sentence added for clarification regarding VTCSOM regular appointments  
Provost Office Review

2.7.4 Campus and Workplace Violence Prevention revisions per Policy 5616  
Policy 5616, Campus and Workplace Violence Prevention, revised 02/12/2018

2.7.7 Policy on Non-Discrimination and Harassment Prevention revised paragraph 15 per Policy 1025  
Policy 1025, Harassment, Discrimination, and Sexual Assault, revised 02/12/2018

2.7.9.2 Guidelines for Acceptable Use of Information Systems edited to reflect revised language in Policy 7000  
https://vt.edu/about/acceptable-use.html

2.9.6 Sick Leave added paragraph regarding disallowance of VSDP opt-out election  
VRS email, dated 08/24/2017, from Mike Pote, Managed Disabilities Program Administrator

2.11.1 Voluntary Transitional Retirement Program revisions per Policy 4410, approved by BOV in April 2017  
Policy 4410, Voluntary Transitional Retirement Program for Faculty with Tenure, approved by BOV in April 2017

2.16.3 Related Policies added name of Policy 4070  
Policy 4070, Additional/Outside Employment Policy for Salaried Classified and Staff, 01/06/2017

2.16.4.1 Disclosure of External At issue correction to name of Policy 4070  
Policy 4070, Additional/Outside Employment Policy for Salaried Classified and Staff, 01/06/2017

2.18-2.18.2 various all deleted and are now incorporated in section 2.3.8

2.20.1 Social Media new section added Policy 1030 Effective 5/23/2018 (need to add to table of contents)

CHAPTER THREE: EMPLOYMENT POLICIES AND PROCEDURES FOR TENURED AND TENURE-TRACK FACULTY

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
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</tr>
</thead>
<tbody>
<tr>
<td>3.2.2</td>
<td>Alumni Distinguished Professor</td>
<td>revision per resolution regarding ADPs</td>
<td>resolution approved BOV at 06/04/2018 meeting</td>
</tr>
<tr>
<td>3.2.3</td>
<td>University Distinguished Professor</td>
<td>paragraph 7: review revised language (check with Jack Finney)</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>3.3.1.2</td>
<td>Permanent Part-Time</td>
<td>revised title; edited for clarity--PT tenure appointments are only for tenured individuals, not for pre-tenure faculty</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>3.7</td>
<td>Faculty Grievance Policy</td>
<td>added language &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>This sentence appears in Chapters 4 and 5, but was not included here</td>
</tr>
<tr>
<td>3.7.2</td>
<td>The Formal Grievance Procedure</td>
<td>added &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
</tbody>
</table>

CHAPTER FOUR: EMPLOYMENT POLICIES AND PROCEDURES FOR FACULTY WITH CONTINUED APPOINTMENT OR ON CONTINUED-APPOINTMENT-TRACK

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.4.1.2</td>
<td>Permanent Part-Time Continued Appointments and Continued Appointment-Track Appointments</td>
<td>revised title; edited for clarity--PT tenure appointments are only for tenured individuals, not for pre-tenure faculty</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>4.5.4</td>
<td>Evaluation Procedures</td>
<td>1. first paragraph is moved from later in this section to match order of 3.5.5 for consistency; 2 and 3. University Libraries review</td>
<td></td>
</tr>
<tr>
<td>4.6.5</td>
<td>Periodic Review of Promotion Guidelines for Permanent Part-Time Continued Appointments and Continued Appointment-Track Appointments</td>
<td>replaced language with language from 3.5.5 for consistency</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>4.7.3</td>
<td>Dismissal for Cause</td>
<td>replaced &quot;termination&quot; with &quot;dismissal&quot; per legal counsel</td>
<td>Legal Counsel</td>
</tr>
<tr>
<td>4.8.2</td>
<td>The Formal Grievance Procedure</td>
<td>added &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
</tbody>
</table>

CHAPTER FIVE: EMPLOYMENT POLICIES AND PROCEDURES FOR NON-TENURE-TRACK INSTRUCTIONAL FACULTY

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.3</td>
<td>Professor of Practice Ranks</td>
<td>revised paragraph 4, per PPM 282, &quot;Professors of Practice&quot;</td>
<td>PPM 282, issued 05/09/2013</td>
</tr>
<tr>
<td>5.2.4</td>
<td>Promotion Guidelines for Faculty with Continued Appointments or on Continued-Appointment-Track</td>
<td>1. revised section title; 2. edited language regarding external evaluations</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>Section No.</td>
<td>Section Name</td>
<td>Revision</td>
<td>Source</td>
</tr>
<tr>
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</tr>
<tr>
<td>5.2.4.1</td>
<td>Promotion Guidelines for College Professor Rank</td>
<td>paragraph 1, revision per BOV resolution &quot;Promotion Guidelines for Non Tenure Track Collegiate Faculty Appointments&quot; approved June 2017</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Dismissal for Cause</td>
<td>clarified language; replaced &quot;termination&quot; with &quot;dismissal&quot;</td>
<td>Per Legal Counsel</td>
</tr>
<tr>
<td>5.7.2</td>
<td>The Formal Grievance Procedure</td>
<td>added &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
</tbody>
</table>

**CHAPTER SIX: EMPLOYMENT POLICIES AND PROCEDURES FOR RESEARCH FACULTY**

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Office of the Vice President for Research</td>
<td>revised listing of units to match current organization</td>
<td><a href="https://www.research.vt.edu/staff-directory">https://www.research.vt.edu/staff-directory</a></td>
</tr>
<tr>
<td>6.2</td>
<td>Research Faculty Appointments</td>
<td>removed paragraph 4</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.2.1</td>
<td>Research Faculty</td>
<td>new section added</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.2.2</td>
<td>Research Faculty Promotions: Professorial Ranks</td>
<td>new section added</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.5</td>
<td>Research Professor Ranks</td>
<td>added language regarding committee service</td>
<td>Per PPM 277, issued 05/07/2012</td>
</tr>
<tr>
<td>6.5.1</td>
<td>Research Assistant Professor</td>
<td>last paragraph edited for clarity, added the word &quot;reappointment&quot;</td>
<td>Provost office Review</td>
</tr>
<tr>
<td>6.14.1</td>
<td>Dismissal for Cause</td>
<td>edited to reflect revised language in Policy 7000</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Removal Processes for Research Faculty Members,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.14.2</td>
<td>Non-Reappointment of Ranks</td>
<td>new section added</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Removal Processes for Research Faculty Members,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.14.3</td>
<td>Termination of Positions Because of Insufficient Funds or No Further Need for Services</td>
<td>new section added</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Removal Processes for Research Faculty Members,&quot; which passed University Council on 04/16/2018 and the BOV on 06/04/2018 meeting.</td>
</tr>
<tr>
<td>6.16</td>
<td>Instructional Responsibilities for Research Faculty Members</td>
<td>added paragraph 3; moved final paragraph to be third from last paragraph</td>
<td>Per &quot;Resolution to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes&quot; which passed UC on 04/16/2018 and the BOV on 06/04/2018.</td>
</tr>
<tr>
<td>6.17.3</td>
<td>Timeliness of Grievance and Procedural Compliance</td>
<td>added &quot;The Faculty Review Committee does not normally consider the subject of a grievance while it is simultaneously under review by another committee or panel of the university.&quot;</td>
<td>PPM 243, issued 10/12/2007</td>
</tr>
</tbody>
</table>

**CHAPTER SEVEN: EMPLOYMENT POLICIES AND PROCEDURES FOR ADMINISTRATIVE AND PROFESSIONAL FACULTY**

<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
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<tbody>
<tr>
<td>7.2.2</td>
<td>Initial Appointment and Reappointment</td>
<td>added sentence regarding review and approval by university P&amp;T subcommittee for appointment with tenure</td>
<td>Provost Office Review</td>
</tr>
<tr>
<td>7.6.4</td>
<td>Dismissal for Cause</td>
<td>1. replaced &quot;termination&quot; with &quot;dismissal&quot; per legal counsel; 2. added &quot;Filing a grievance does not constitute cause for dismissal.&quot;</td>
<td>1. Legal Counsel; 2. consistent with other chapters</td>
</tr>
<tr>
<td>7.7.5</td>
<td>Particular Concerns and Definitions</td>
<td>added &quot;senior vice president for operations and administration&quot;</td>
<td>Provost Office Review</td>
</tr>
</tbody>
</table>

**CHAPTER EIGHT: EMPLOYMENT POLICIES AND PROCEDURES FOR GRADUATE ASSISTANTS**
<table>
<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
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<tbody>
<tr>
<td>8.1</td>
<td>Graduate Student Appointments</td>
<td>clarified teaching requirements for GTAs to align with Graduate Dean and Graduate School policy</td>
<td>Approved by Graduate Dean</td>
</tr>
<tr>
<td>8.3</td>
<td>Additional Employment by Graduate Students with a Full-Time Assistantship Contract</td>
<td>added that &quot;conflicts regarding graduate student additional employment should be handled at the departmental level first, and then escalated, if necessary to the Graduate School/Graduate Ombudsperson&quot;</td>
<td>Approved by Graduate Dean</td>
</tr>
</tbody>
</table>

**CHAPTER NINE: INSTRUCTION-RELATED POLICIES**

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<thead>
<tr>
<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
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<tbody>
<tr>
<td>9.1.2</td>
<td>Independent Study and Undergraduate</td>
<td>clarification on approval</td>
<td>University Registrar</td>
</tr>
<tr>
<td>9.4</td>
<td>Textbooks and Other Instructional Materials</td>
<td>Edited per state legislation passed in 2018 and adopted by the BOV in June 2018</td>
<td>Provost Office Review; BOV Approval</td>
</tr>
<tr>
<td>9.5</td>
<td>Grading Systems</td>
<td>in the section, &quot;Mid-term grade reports&quot; changed &quot;term&quot; to &quot;semester&quot; and removed first semester transfer students receiving a mid-term grade report.review by University Registrar-updated to current Registrar practice</td>
<td></td>
</tr>
<tr>
<td>9.6.5.1</td>
<td>Student Academic Complaints</td>
<td>added VTCSOM to list of systems not included in academic complaints</td>
<td>Per BOV directive, June 2018</td>
</tr>
<tr>
<td>9.9</td>
<td>Honor System for Graduate Students, Students in the College of Veterinary Medicine, and Students in the Virginia Tech Carilion School of Medicine</td>
<td>1. added VTCSOM to title; 2. BOV approved VTCSOM Honor Code, June 2017 1 and 2. Per BOV directive, June 2018</td>
<td></td>
</tr>
<tr>
<td>9.12.1</td>
<td>Academic Records</td>
<td>added &quot;suppressed&quot; to the phrase &quot;not marked confidential&quot;</td>
<td>Review by University Registrar-changes in procedure based on the passage of HB 1 that changed state code, 23.1-405, effective 7/1/18</td>
</tr>
<tr>
<td>9.15</td>
<td>Faculty Awards for Teaching, Advising, Research, and Outreach</td>
<td>needs review</td>
<td>Provost Office Review</td>
</tr>
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**CHAPTER TEN: RESEARCH, CREATIVE, AND SCHOLARLY ACTIVITES**

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<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
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<tbody>
<tr>
<td>10.2.2</td>
<td>Activities Covered</td>
<td>added that &quot;Professional students in the Virginia-Maryland College of Veterinary Medicine or the Virginia Tech Carilion School of Medicine must consult the honor code for their college/school&quot; to paragraph 2</td>
<td>Provost Office Review and BOV directive, June 2018</td>
</tr>
<tr>
<td>10.3</td>
<td>Removal of a Principal, Co-Principal, Lead Investigator, or Equivalent</td>
<td>added &quot;established cases of research misconduct (see Policy 13025 &quot;Policy on Misconduct in Research&quot; to paragraph 1&quot;</td>
<td>Per Policy 13025, &quot;Removal of PI&quot;, updated 03/10/2017</td>
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**CHAPTER ELEVEN: FACULTY BENEFITS PROGRAM**

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<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
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<tbody>
<tr>
<td>11.1.4</td>
<td>Short-Term Disability Income Protection</td>
<td>added final 2 sentences to final paragraph concerning disallowance of VSDP opt-out election</td>
<td>HR review--VRS email, dated 08/25/2017 from Mike Pote, Managed Disabilities Program Administrator</td>
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<td>Section No.</td>
<td>Section Name</td>
<td>Revision</td>
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<tr>
<td>11.2.5</td>
<td>Employee Assistance Program</td>
<td>revised paragraphs 1 and 3 per Policy 4345</td>
<td>Policy 4345, &quot;Employee Assistance Program,&quot; revised 02/13/2017</td>
</tr>
<tr>
<td>11.3.3</td>
<td>Worker’s Compensation Program</td>
<td>revised title and paragraph per Policy 4415</td>
<td>Policy 4415, &quot;Worker’s Compensation,&quot; revised 01/03/2017</td>
</tr>
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CHAPTER TWELVE: EMPLOYMENT POLICIES AND PROCEDURES FOR VIRGINIA TECH CARILION SCHOOL OF MEDICINE FACULTY

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<th>Section No.</th>
<th>Section Name</th>
<th>Revision</th>
<th>Source</th>
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<tbody>
<tr>
<td>12.0</td>
<td>Virginia Tech Carilion School of Medicine (VTCSOM) Faculty</td>
<td>1. added paragraph describing types of faculty members from VTCSOM; same paragraph as in 2.3.8; 2. added paragraph 3</td>
<td>1 and 2. Per BOV directive, June 2018</td>
</tr>
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</table>

(NEW CHAPTER) CHAPTER THIRTEEN: FACULTY PREPAREDNESS FOR EMERGENCIES

<table>
<thead>
<tr>
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<th>Revision</th>
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<tr>
<td></td>
<td></td>
<td>Updated VT logo, department name, contact information, and added QR code for students and faculty to more easily get contact information</td>
<td>Emergency Management updates</td>
</tr>
<tr>
<td></td>
<td></td>
<td>revised name to Division of Operations</td>
<td>Emergency Management updates</td>
</tr>
</tbody>
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RESOLUTION TO ESTABLISH AN EXTENDED CAMPUS SITE IN ARLINGTON

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

WHEREAS, in 2011 the Virginia Tech Foundation opened the Virginia Tech Research Center at 900 Glebe Road in Arlington, Virginia (VTRC-A) to further the university’s research mission; and

WHEREAS, as the VTRC-A continued to expand, in November 2016, the Virginia Tech Board of Visitors approved a simple organizational change as required by the State Council for Higher Education in Virginia (SCHEV); and

WHEREAS, in 2017, the second floor of the VTRC-A was approved by SCHEV to deliver self-supporting instructional programs, including undergraduate experiential learning, professional graduate education, and executive academic programs; and

WHEREAS, the university intends to relocate from Alexandria, Virginia to the VTRC-A the educational programs offered by the College of Architecture and Urban Studies in the School of Public and International Affairs (SPIA); and

WHEREAS, in addition to relocating the SPIA programs, the university plans to expand academic programs currently offered at the VTCR-A including the executive master’s degree in business administration offered by the Pamplin College of Business and the executive master’s degree in natural resources offered by the College of Natural Resources and Environment; and

WHEREAS, the university’s expansion at the VTRC-A includes academic programs in support of the state’s Commonwealth Cyber Initiative; and

WHEREAS, expanding the instructional mission of the VTRC-A will allow it to serve as a fully capable dual purpose (instructional and research) facility in support of the commonwealth’s workforce needs; and

WHEREAS, at this stage of the VTRC-A’s growth, the additional expansion of instructional programming may be classified by SCHEV as a complex organizational change that requires approval by the Board of Visitors;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approves the establishment of an extended campus site in Arlington at the Virginia Tech Research Center building.

RECOMMENDATION:

That the resolution to establish a Virginia Tech extended campus site in Arlington be approved.

August 26, 2018
RESOLUTION TO RATIFY THE STUDENT CODE OF CONDUCT

WHEREAS, by state statute, the Virginia Tech Board of Visitors is charged with regulating the government and discipline of students; and

WHEREAS, the Virginia Tech Student Code of Conduct reflects best practices for the education of students about appropriate behavior and fostering a community in which academic success can occur; and

WHEREAS, the student conduct system is based on the assumption that students and groups have the capacity to assume responsibility for their own behavior and that the university has the authority to establish an internal structure for the enforcement of its policies and procedures, which students have agreed to accept by enrolling in the university; and

WHEREAS, periodically, the board reviews and approves those portions of the student Hokie Handbook including the Student Code of Conduct to ensure that they reflect the policies passed by the Board and that any changes that have been made are appropriate and accurate;

NOW, THEREFORE, BE IT RESOLVED that the Virginia Tech Board of Visitors hereby ratifies the August 27, 2018, version of the Student Code of Conduct, which is attached.

RECOMMENDATION:

That the Board of Visitors approves the resolution to ratify the attached version of the Virginia Tech Student Code of Conduct.

August 27, 2018
SECTION III: THE UNIVERSITY STUDENT CONDUCT SYSTEM

Overview
The University Student Conduct System affects and applies to all currently enrolled students and to all registered student organizations. Its major purpose is to help create a fair, just, and disciplined university community. The University Student Conduct System supports the educational mission of the university by educating students about appropriate behavior and by fostering a community in which academic success can occur. The system is based on the assumption that students and groups have the capacity to assume responsibility for their own behavior and that the university has the authority to establish an internal structure for the enforcement of its policies and procedures, which students have agreed to accept by enrolling in the university.

The mission of Student Conduct at Virginia Tech is to partner with Virginia Tech community members to address a student’s conduct inconsistent with university expectations and resolve interpersonal, organizational, and community conflicts. Through a student-focused and learning-centered lens, we utilize a comprehensive approach of informal and formal options to uphold community standards, foster personal growth and development of life skills, and promote a civil learning environment.

Jurisdiction
The president of Virginia Tech is ultimately responsible for the discipline of all students at the university. Administrative authority and responsibility for Student Conduct policies and procedures is delegated to the Vice President for Student Affairs. Within the Student Affairs, direct supervisory jurisdiction of disciplinary matters involving violations of University Policies for Student Life and the Student Code of Conduct is assumed by Student Conduct. The director of Student Conduct serves as the chief student conduct officer for the university.

Students and student organizations will be considered for disciplinary action whether violations are committed on or off university property. For the purposes of disciplinary action only, a student is defined as any individual who has accepted an offer of admission as an undergraduate, graduate, or professional student and who has not yet graduated or officially transferred to another institution. If a student’s enrollment lapses for more than one calendar year, the student will no longer be subject to disciplinary action under this policy. In this policy, a lapse refers to a voluntary decision by the student not to enroll. Students who are separated for disciplinary and/or academic reasons are still considered students for disciplinary purposes.
For violations that do not occur on university property, action will be considered if university officials decide that university interests are involved. Disciplinary action may be taken by the university against any act constituting a violation of the law when the act is contrary to the university’s interests as an academic community. For example, the university may act on information received from other higher education institutions and other agencies from across the Commonwealth of Virginia. Additionally, Virginia Tech will share information about individuals visiting our campus who engage in misconduct with other institutions as appropriate. The university is especially concerned about high-risk behavior which threatens the lives, health, safety, and academic success of our students and has deemed off-campus violations to be actionable in the university Student Conduct system. Behaviors deemed high-risk include but are not limited to major alcohol violations, illegal drug violations, hazing violations, major theft, abusive conduct, and gender-based violence. When conduct violates both criminal law and the policies found in University Policies for Student Life and the Student Code of Conduct, disciplinary action may be taken by the university, irrespective of and separate from any criminal action. The university may proceed with disciplinary action before a trial or postpone action until after a trial, at the discretion of the university. Student Conduct uses the preponderance of the evidence standard when determining responsibility for a violation of the Student Code of Conduct.

The Commandant of Cadets administers those elements of the Student Conduct system that adjudicate alleged violations of cadet regulations, directives, policies, and the Cadet Honor Code. Student Conduct, in conjunction with the appropriate office (Fraternity and Sorority Life for Greek letter organizations and Student Engagement and Campus Life for all other student organizations), will administer those elements of the Student Conduct system that adjudicate allegations of misconduct related to student organizations.

Direct supervisory jurisdiction is assumed by Student Conduct. It is the responsibility of Student Conduct to coordinate the adjudication process among the various adjudicating agencies. The following criteria will be used to determine if an incident may be organizational activity, for which a student organization itself may be disciplined. This determination would not remove potential responsibility for the violation by the participating individuals. A student organization can be considered for disciplinary action, if any two of the following characteristics are present:

- The faculty advisor (if applicable) or any executive officer of the organization is aware of the incident sufficiently in advance of its
occurrence to prohibit its taking place, and takes no action to prohibit it.

- The faculty advisor (if applicable) or any executive officer of the organization knows the identity of the members involved in the incident and refuses to divulge that information to the appropriate university authorities or the police.
- The incident takes place in any public area within a chapter house or in any public place.
- The incident involves the expenditure of any organizational funds.
- The incident involves or is actively or passively endorsed by a majority of the members of the organization.
- The incident involves six or more members of the organization.

**Student Conduct Procedures**

Any student, faculty member, staff member, administrator or concerned party may bring a complaint to the attention of the Student Conduct Office for resolution. Persons who plan to bring a complaint against a Virginia Tech student should notify Student Conduct of their intention to do so as quickly and as prudently possible.

The university Student Conduct system is supported by a number of student affairs faculty members who are certified by the Director of Student Conduct as university Student Conduct Officers. These individuals have been specifically trained in student conduct and are knowledgeable about university policies and student conduct system precedent. Student Conduct Committees are comprised of students who are specifically trained and certified by the director of student conduct in the university student conduct process.

Alleged conduct violations by cadets of university policies and/or Corps of Cadets regulations are adjudicated either by the Cadet Executive Committee or a Deputy Commandant hearing. The Cadet Executive Committee consists of a panel of cadets in senior class standing trained by Student Conduct and the Commandant’s staff. For cases involving the most serious alleged misconduct or misconduct by senior cadets, a Deputy Commandant hearing is convened. In these serious cases the Deputy Commandant, who is trained by Student Conduct and certified by the Commandant, makes findings and can assign sanctions. The responsible Deputy Commandant or the Executive Committee Advisor (a Deputy Commandant) coordinates with the appropriate representative in Student Conduct to determine the procedure for adjudication. The Commandant is the final appellate authority for findings and assigned sanctions for violations of corps regulations. Cadet regulations stipulate the detailed process of adjudicating alleged cadet misconduct. The appeals process outlined in the Formal Conduct Hearing Appeals section applies to any university sanctions.
When a complaint is received, it is reviewed to determine if there is a conflict to be resolved or if there is a potential violation of the Student Code of Conduct. The involved student(s)/organization is/are contacted for a meeting with a Student Conduct designee to discuss the incident in question. The purpose of the meeting is to review the contents of the complaint and discuss options for resolution.

Possible outcomes of this meeting include:

- The complaint will be considered resolved if the Student Conduct designee believes that the complaint is unsupported by the available information.
- All identified parties impacted by the conflict can agree to proceed via an adaptable conflict resolution (ACR) process.
- There may be a potential violation of the student code of conduct and the complaint may be resolved through an agreed resolution.
- The complaint is referred to a formal hearing and the student or organization is notified of Student Code of Conduct charges and the hearing date.

Adaptable Conflict Resolution
Adaptable conflict resolution (ACR) processes allow individuals involved in a conflict to have significant influence over the resolution process and the outcome. If (1) all identified parties impacted by the conflict agree to attempt resolution through one of these processes, and (2) the Student Conduct designee believes that the process is an appropriate form of resolution, then arrangements will be made for resolution via ACR. The nature of some complaints, especially those involving abusive conduct and gender-based violence, may render ACR inappropriate.

Participation in an ACR process is voluntary and may or may not result in an agreement or resolution. When a mutually satisfactory resolution is reached by the parties, the matter is resolved. By resolving the matter through ACR, the student or organization agrees to fulfill any outcomes that are developed during the meeting. Resolutions reached through ACR may not be appealed. If a resolution is not achieved through an attempt at ACR or there is a failure to complete the agreed upon outcomes and the matter involved a potential Student Code of Conduct violation, the director of Student Conduct, or designee, will determine if the complaint will be resolved through an Agreed Resolution or a Formal Hearing.

Agreed Resolution
The student or organization will meet with a conduct officer to discuss the specific
incident in question. The conduct officer will provide a copy of the complaint and ask the student or organization to make a statement regarding their involvement in the reported incident. If the student or organization accepts responsibility for the violation(s) of the Student Code of Conduct, the student or organization has the option of resolving the case through an agreed resolution. By resolving the case through an agreed resolution, the student or organization accepts responsibility for the alleged violation(s) and agrees to fulfill any sanctions or educational assignments that are developed during the meeting. By entering into an agreed resolution, the student or organization waives the right to a formal hearing and the outcome is final. If the student or organization rejects the agreed resolution, the case will be referred to a formal hearing. A student or organization may indicate their preference of an administrator or student conduct committee hearing, absent special circumstances. Not receiving the preferred hearing body is not a basis for a formal appeal. The director of Student Conduct, or designee, reserves the right to refer cases to a formal hearing without the opportunity to handle the case through an agreed resolution.

Bias-Related Case Resolution
When a complaint alleging a bias-related incident is received, the involved parties will be contacted for a meeting with a Student Conduct designee to discuss the incident the options for conduct resolution, and to determine next steps for moving forward. The pathway to resolve the case will be determined by the nature of the complaint, whether a potential policy violation exists, and the requests of all parties involved, including the University. Some incidents may not be suitable for Adaptable Conflict Resolution or an Agreed Resolution.

Formal Hearings
The student or student organization will be notified in advance of the conduct charges he/she has allegedly violated, and the time, date, and location of the hearing. During the formal hearing, the conduct officer(s)/committee will determine responsibility for the alleged violations, including sanctions, if necessary. The outcome of that formal hearing will be final unless the hearing results in certain outcomes (see Student Conduct Formal Hearing Appeals).

Provisions for Procedural Guarantees
In formal conduct hearings, a student or organization is entitled to the following procedural guarantees:

1. The student or organization will be provided with a written statement of charges sufficiently in advance of the hearing and in reasonable detail to allow the student or organization to prepare a case for the formal hearing.
2. Although students or organizational representatives may remain silent
during a formal hearing, they may choose to refute or question any information or witnesses and will be given an opportunity to present a rebuttal to the charges and to produce witnesses or written statements on their own behalf.

3. To help them prepare their response, students or organizational representatives may choose an advisor, who may be present at the formal hearing but may not participate in the proceedings. The advisor’s role is specifically limited to conferring with their advisee. When the formal hearing involves an assault or any complaint where a student is the referral agent, and/or an alleged victim, the complainant and accused student may have a support person or advisor present throughout the formal hearing, but the support person may not participate in the process.

4. At a formal hearing, the student or organizational representative may challenge the objectivity of any committee member or administrator, given reasonable cause to believe that the member may be biased or have a conflict of interest. (In the case of a committee formal hearing, the committee advisor will make a final ruling on any such challenge.)

5. After the formal hearing, the student or organization may appeal the decision of the hearing officer or committee, provided there are appropriate grounds as found in the Student Conduct Formal Hearing Appeals section.

Gender-Based Violence Hearings
These incidents will be reviewed and/or investigated by the university's Deputy Title IX coordinator (or designee) and the information gathered by the Deputy Title IX coordinator will be the basis of the complaint. The Deputy Title IX coordinator is Katie Polidoro. She can be reached at - 540-231-1824 or polidoro@vt.edu.

Both students will be advised of their procedural guarantees in an informational meeting with a representative from Student Conduct. A formal hearing will occur within 30 days of receipt of information from the Deputy Title IX coordinator. Hearings involving alleged gender-based violence will be adjudicated by a mixed-gender team of university student conduct officers. For incidents that occur at the end of the fall or spring semester or during breaks, the 30 day timeframe for a hearing may be adjusted at the discretion of the director of Student Conduct. The Student Conduct officers will request witnesses that they believe are necessary to the hearing. Both
students will have the option to bring any additional witnesses. For gender-based violence cases both the complainant and the charged student have the same procedural guarantees and can file an appeal (see Student Conduct Formal Hearing Appeals).

**Formal Hearing Appeals**

When the outcome of a formal hearing results in suspension, dismissal or denial of athletic privileges/housing/network access, the charged student or organization may appeal. A written request for an appeal, stating the specific grounds upon which the appeal is based, must be received in the Student Conduct office by the end of the seventh business day following notification of the decision regarding the case. The day the decision is given is considered the first day of the appeal period.

Appeals submitted after the seventh business day will not be accepted except in extenuating circumstances as determined by Student Conduct. For gender-based violence cases both the complainant and the respondent can file an appeal regardless of the outcome. Both students have the same grounds to appeal and the same timeframe in which to submit an appeal.

An appeal is defined as a written request for review of the original case. The burden is on the appealing student or organization to demonstrate why the finding or sanction should be altered. Sanctions do not typically take effect until the Appellate Officer decision is final.

Students or organizations may appeal their cases using forms available from Student Conduct. Appeals must be based only on the following grounds: (1) denial of procedural guarantees, (2) significant and relevant new evidence that was not available at the time of the hearing, and/or (3) sanctions/findings that are unduly harsh or arbitrary. Appeal requests will be denied in cases not having sufficient grounds in one or more of these areas.

**Student Conduct Records**

To comply with the provisions of the Family Educational Rights and Privacy Act of 1974 (as amended), Virginia Tech will not release educational records or personally identifiable information contained therein, other than directory information, without students’ written consent. For more information, visit the [University Registrar’s website](http://www.registrar.vt.edu). Student Conduct case records are private and will not be released without a student’s written consent or by order of a court of law. A copy of Student Conduct case materials will stay on file in Student Conduct for a period of five years from the date of the incident, after which time it will no
longer be considered available for release.

Student conduct sanctions from previous cases will be considered by the hearing officer when appropriate.

Notification of student conduct outcomes or decisions is given on a need-to-know basis and includes but is not limited to the Dean of Students, the Commandant of Cadets in cases involving cadets, the Office of the Graduate School in cases involving graduate students, the director of Cranwell International Center in cases involving international students, the Athletic Department in cases involving varsity athletes, the director of Housing and Residence Life in cases involving residence hall students, and victims of crimes of violence (including abusive conduct and gender-based violence) involving student respondents.

Parents/guardians of students under age 21 will be notified if their student is found responsible for a violation of the alcoholic beverage or illegal drug policies. Other university agencies or organizations may be required to obtain written release before they can receive notification. Student conduct cases involving student organizations are not private. Accordingly, hearing notification and sanction letters are sent to organizational advisors and national headquarters (if applicable).

In the case of suspension or dismissal, notification is sent to the Office of the University Registrar, the chief of the Virginia Tech Police, and the student's academic dean. In the case of suspension, a temporary notation is placed on the student's official transcript: “suspended for a violation of the Student Code of Conduct.” Upon the request of the student, this notation may be removed at the end of the suspension period and once all sanctions are complete. These requests should be made to the director of Student Conduct. In the case of dismissal, a permanent notation is made on the student's transcript: “dismissed for a violation of the Student Code of Conduct.”

Lesser sanctions, such as warning and probation, do not affect a student's academic standing and do not appear on the official transcript.

**Student Code of Conduct**

The following acts are prohibited for all students and student organizations:

**Abusive Conduct**: Any use of words or acts that cause physical injury, or threaten any individual, or interfere with any individual’s rightful actions, including but not limited to the following:

1. **Assault -- Verbal/Non-verbal**: Words or actions that would cause an individual to fear for their immediate safety. Words can constitute assault
when they are accompanied by the ability to inflict immediate harm.

2. **Battery**: The use of physical force against an individual or acts that cause physical injury.

3. **Harassment**: Conduct not of a sexual nature (including but not limited to physical, verbal, graphic, written or electronic) that is sufficiently severe, pervasive or persistent so as to threaten an individual or limit the ability of an individual to work, study or participate in the activities of the university.

4. **Hazing -- Individual/Group Behavior**: Hazing is a criminal offense in the Commonwealth of Virginia. Hazing is prohibited in all forms. This policy is based on the proposition that students are entitled to be treated with consideration and respect at all times. It applies to all student organizations and individuals. Specifically, hazing is defined as any mental or physical requirement, request or obligation placed upon any person which could cause discomfort, pain, fright, disgrace or injury, is personally degrading or violates any federal, state, local statute or university policy, the willingness of an individual to participate in such activity notwithstanding. Concurrently, the national Interfraternity Conference, the National Panhellenic conference, and the National Panhellenic council state unequivocally that hazing has no place in the collegiate fraternity and sorority system. In addition, the members of the Corps of Cadets are subject to the Virginia Tech Corps of Cadets Regulations Manual. In determining whether a specific behavior violates the hazing policy, consideration will be given to how the behavior relates to the university’s mission and purpose. Please refer to the expanded Hazing section for additional information.

5. **Recording and/or Distribution of Audio/Visual Material Without Consent**: Making, attempting to make, sharing or distributing an audio or visual recording of any person(s); without the knowledge and consent of all participants subject to such recordings, in locations where there is a reasonable expectation of privacy, and when the action is likely to cause injury, distress, or damage to one's reputation.

6. **Stalking**: Repeatedly contacting another person when the contact is unwanted. Additionally the conduct may cause the other person reasonable apprehension of imminent physical harm or cause substantial impairment of the other person’s ability to perform the activities of daily life. Contact includes but is not limited to communicating with (either in person, by phone or computer) or remaining in the physical presence of the other person.

**Actions Leading to the Conviction of Criminal Offenses**: Any student convicted of a criminal offense is subject to university disciplinary action.

**Alcoholic Beverage**: Each student is expected to comply with the alcohol regulations of the Commonwealth of Virginia and the University. Members of the university community are accountable for their decisions regarding the use of alcohol as well as behavior that occurs as a result of these decisions. All state and international laws apply to Virginia Tech students. Please refer to the
Climbing: Unauthorized climbing inside or outside campus buildings or structures.

Damage or Destruction: Damage and/or destruction of property.

Disorderly or Disruptive Conduct: Engaging in disorderly or disruptive conduct that:
1. Disturbs the peace.
2. Interferes with the performance of the duties of public/civil officials.
3. Interferes with the rights and/or activities of others.

Interferes with the orderly functioning of the university and/or the performance of the duties of university personnel, including but not limited to studying, teaching, research, university administration and blocking entrances and egress.

Failure to Comply: Failure to comply with a request and directives of university officials acting within the scope of their authority. This includes, but is not limited to: failure of a student to present their university identification card, failure to keep or attend a required meeting and failure to leave an area when requested by an authorized university official. Upon the request of the student questioned, university officials must identify themselves and state the source of their authority.

Failure to Observe Rules and Regulations: Failure to observe rules and regulations issued by the university, including all publications and notices pertaining to student life and student services. (Publications for which all students are accountable include University Policies for Student Life, Parking and Traffic Regulations, the housing and dining contract and any written policies distributed to affected students by the university administration. Residence hall students are accountable for the housing contract and the information in the Housing, Residence Hall, and Dining Policies and Procedures section of the Hokie Handbook; cadets are accountable for cadet regulations, directives, and policies; affected fraternities/sororities are responsible for the Fraternity and Sorority Life Manual.)

Fire Safety: The misuse of fire-fighting equipment, unauthorized burning, disregarding fire alarm signals, and tampering with equipment is prohibited. Specifically:

1. Misuse of Fire-Fighting Equipment: Misuse of fire-fighting equipment, including tampering, removing or discharging a fire extinguisher or any
other fire emergency equipment except when there is a real need for such equipment.

2. **Unauthorized Burning**: Unauthorized burning of any material in any university building or on university property, including arson.

3. **Disregard of Fire Alarm Signals**: The disregard of a fire alarm signal or refusal to evacuate a building or a section of a building when a fire alarm is sounding.

4. **Tampering with Equipment**: Tampering with detection or suppression equipment, including deliberately initiating false alarm or creating conditions that result in a false alarm, or any tampering that would cause a malfunction or non-function.

**Forgery or Fraud**: Forgery or fraud, including attempts to obtain any item of value under false pretenses, or falsification of official university documents.

**Furnishing False Information**:  
1. Perjury in a Conduct Meeting: Knowingly giving false information in a university student conduct meeting.  
2. Furnishing False Information: Knowingly giving false information to a university official who is performing their official duties.

**Gambling**: Participation in any form of illegal gambling.

**Gender-Based Violence**:  
1. **Sexual Violence**: Physical sexual acts perpetrated against a person’s will or where a person is incapable of giving consent due to the victim’s use of drugs or alcohol, or is unable to give consent due to an intellectual or other disability, or is not of legal age to consent as defined by law. Sexual violence includes rape, sexual assault, sexual battery and sexual coercion.  
   a. **Sexual Assault**: Actual or attempted sexual contact with another person without that person’s consent.  
   b. **Sexual Battery**: Intentional touching of another person’s intimate parts without the person’s consent; or other intentional sexual contact with another person without that person’s consent.  
   c. **Sexual Coercion**: Using physical or verbal aggression or pressure to force or attempt to force a person to touch another person’s intimate parts without that person’s consent.  
   d. **Rape**: Penetration, no matter how slight, of (1) the vagina or anus of a person by any body part of another person or by an object, or
(2) the mouth of a person by a sex organ of another person, without that person’s consent.

2. **Gender-based Harassment:** Acts of verbal, nonverbal, or physical aggression, intimidation, or hostility based on sex or sex-stereotyping, even if those acts do not involve conduct of a sexual nature.

3. **Sexual Exploitation:** An act or acts committed through non-consensual abuse or exploitation of another person’s sexuality for the purpose of sexual gratification, financial gain, personal benefit or advantage, or any other non-legitimate purpose. The act or acts of sexual exploitation are prohibited even though the behavior does not constitute one of the other sexual misconduct offenses.

4. **Domestic Violence:** A pattern of abusive behavior that is used by an intimate partner to gain or maintain power and control over the other intimate partner. Domestic violence can be physical, sexual, emotional, economic or psychological actions or threats of actions that influence another person. This includes any behaviors that intimidate, manipulate, humiliate, isolate, frighten, terrorize, coerce, threaten, blame, hurt, injure or wound someone.

5. **Dating Violence:** Acts of physical or sexual abuse committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim.
   a. The existence of such a relationship shall be determined based on the reporting party's statement and with consideration of the length of the relationship, the type of relationship and the frequency of interaction between the persons involved in the relationship.
   b. Dating violence includes, but is not limited to, sexual or physical abuse or the threat of such abuse, but does not include acts covered under the definition of domestic violence.

**Gender-Based Stalking:** Repeatedly contacting another person when the contact is unwanted. Additionally, the contact may cause the other person reasonable apprehension of imminent physical harm or cause substantial impairment of the other person’s ability to perform the activities of daily life. Contact includes but is not limited to communicating with (either in person, by phone or by computer) or remaining in the physical presence of the other person.

**Hazardous Materials:** Unauthorized possession or use of fireworks, explosives or hazardous materials. Hazardous materials that could pose a health risk are also prohibited from the campus, including chemicals that when combined with other substances could be hazardous or present a danger to others. Specifically:
   1. **Fireworks:** Unauthorized possession or use of fireworks is prohibited.
2. **Explosives:** Unauthorized possession or use of explosives is prohibited.

3. **Hazardous Materials:** Hazardous materials that could pose a health risk are also prohibited from the campus, including chemicals that when combined with other substances could be hazardous or present a danger to others.

**Illegal Drugs:** The illegal use or possession of any controlled substance is strictly prohibited by the university. The illegal use of controlled substances is incompatible with the goals of the academic community. Illegally possessing, using, manufacturing, possessing with intent to manufacture, selling, dispensing or distributing any substance controlled under state or federal law is prohibited. Possession of used or unused drug paraphernalia is also prohibited (unless there is a documented medical need). Additionally, misusing and abusing medications or prescribed medications (controlled under state or federal law) is prohibited. Students can be suspended or dismissed from the university for a first offense. Students who are also university employees are also subject to employee discipline. Please refer to the expanded Controlled Substances section for additional information.

**Improper Use of Identification Cards:** The possession or manufacturing of any false or altered form of identification, the improper use of any identification card, including knowingly altering or mutilating a university student identification card, or using the identification card of another, or allowing one’s own card to be used by another.

**Interference with the Student Conduct Process:** Attempting or actively influencing, impeding, intimidating, interfering or coercing any person involved in a potential, actual or past student complaint. This includes, but is not limited to, encouraging or influencing another person to commit an abuse of a university conduct system, discouraging an individual’s proper participation in, or use of, the university conduct process, or distributing or interfering with the orderly process of a conduct proceeding.

**Involvement in a University Violation:** Presence during any violation of the Student Code of Conduct and/or the University Policies for Student Life in such a way as to condone, support or encourage that violation. (Note: Students who anticipate or observe a violation of university policy are expected to remove themselves from participation and are encouraged to report the violation.)

**Public Urination/Nudity:** Any act or attempted act of public nudity, including but not limited to streaking, mooning and urinating in public.
**Tampering With University Equipment:** Tampering with university equipment, including but not limited to any elevator, wiring, plumbing, doors, locking mechanisms or other university equipment without prior authority from the appropriate university official. Tampering with equipment so as to endanger oneself or others may result in serious disciplinary action for a first offense.

**Theft:** Theft, attempted theft or possession of stolen property. Theft of property having substantial value may result in serious disciplinary action for a first offense.

**Throwing Objects:** Throwing, dropping or projecting objects or substances out of or onto vehicles, buildings or other university structures. This includes, but is not limited to food, garbage, snowballs, water or water balloons.

**Unauthorized Entry:** Entering, attempting to enter or being present in buildings, residences, public or private property and/or facilities or other areas without proper authority.

**Visitation\Guest Policies:** Students or organizations will be held responsible for the conduct of their guests. Students or organizations who invite guests to campus and the residence halls are expected to inform them of all university rules and regulations. Refer to the housing contract and Housing, Residence Hall, and Dining policies and procedures for additional information regarding residence hall visitation rules and regulations.

**Weapons:** Unauthorized possession, storage, or control of firearms, weapons, on university property, including storing weapons in vehicles on campus as well as in the residence halls. Furthermore, ammunition cannot be stored in any residence hall on campus. (Note: Virginia Tech Corps of Cadets weapons are governed by the Virginia Administrative Codes. Please refer to 8VAC105-20.) Refer to the [expanded Weapons section](#) for additional information.

**Expanded Policy Information**

**Alcoholic Beverage**

Misuse and abuse of alcohol and controlled substances is in direct conflict with the goals and objectives of any educational institution. Virginia Tech does not condone the misuse or abuse of alcohol and controlled substances.

At Virginia Tech, members of the university community recognize that the possession and consumption of alcoholic beverages by those under the age of 21 and the illegal possession and use of controlled substances by any member of the
university community violate laws of the Commonwealth of Virginia and university policy. Further, members of the university community recognize that the misuse or illegal use and possession of alcoholic beverages or controlled substances may pose serious health and safety risks to those engaged in such behavior. Accordingly, students, staff, and faculty are asked to support the following statement of responsibility:

As a member of the Virginia Tech community, I agree to:

1. Abide by all state laws and university policies regulating alcoholic beverages and controlled substances.
2. Encourage the development of an environment in which individuals can make informed, healthy, and responsible decisions about alcohol and controlled substances.
3. Discourage the illegal or irresponsible behavior of others.
4. Assume responsibility for my decisions and behaviors and accept the consequences resulting from those decisions and behaviors.

Statement on Self-Reporting and Bystander Intervention

Virginia Tech recognizes that the health and safety of students is of utmost importance. Therefore, it is a collective desire that students will seek medical assistance for themselves or others who are significantly intoxicated as a result of alcohol or other substances. We do not want students to feel as though they are choosing between conduct consequences and seeking assistance. If someone requires assistance, we want them to seek assistance for their health and safety. If medical assistance is sought, Student Conduct will not pursue conduct charges against the individual or organization who sought assistance, or the individual in need of assistance.

Actively assisting requires that an individual:

- Call the rescue squad or the police or seek other individuals qualified to assess the student’s condition, such as a professional or student staff member in Housing and Residence Life.
- Stay with the intoxicated student until help arrives.

Egregious alcohol/illegal drug violations, violations having a significant individual or community impact, and prior violations that demonstrate an actual, potential or perceived pattern of behavior are not likely to have outcomes that are mitigated and are not likely to be protected under this policy.

Those behaviors not covered under this statement include violations of the Code of Conduct other than the alcohol/drugs policy, such as the following:
• Abusive conduct (i.e. assault, battery, harassment, stalking, recording/distributing images without consent)
• Sexual and gender-based violence
• Hazing
• Damage to property
• Fake ID
• Disorderly or disruptive conduct (i.e. behavior that interferes with the duties of a public/civil official, the rights and/or activities of others, or the orderly functioning of the university and/or the performance of the duties of university personnel)
• Endangering others through use, possession, or providing alcohol or the controlled substance
• Providing alcohol/drugs to minors under the age of 18
• Providing alcohol/drugs in bulk
• Bias related incidents
• Distribution or possession with the intent to distribute drugs
• Students who have prior alcohol/drug related conduct history or have engaged in high-risk alcohol/substance use before
• Action by police or other law enforcement personnel

Actions to be taken by Student Conduct:

• The assistance seeker and the individual in need of assistance will be required to meet with a member of Student Conduct if they met any of the current criteria for a violation of the alcohol beverage and/or illegal drug policies.
• Those persons will likely be issued substance-related educational requirements that may include, but are not limited to alcohol and/or drug education, counseling, and/or a substance abuse assessment.
• Document the actions taken by the student and the office.
• Failure to complete the educational assignments or treatment recommendations will typically result in further conduct action.

Accountability
Virginia Tech recognizes that the misuse and abuse of alcohol is a persistent social and health problem in our society and that it interferes with the goals and objectives of any educational institution. Accordingly, members of the university community who decide to serve or consume alcoholic beverages are reminded that they are personally responsible for their conduct under all circumstances.
Intoxication or ignorance of the law does not release an individual from that responsibility. Violations of university policy occurring under such circumstances will be treated in the same manner as any other violation. Violations of the Alcoholic Beverage Policy and any associated guidelines will result in disciplinary action. Students who violate this policy will likely be required to complete substance-related educational requirements as described above as part of their Student Conduct sanction.

Violations of state law also may be referred to the Virginia Tech Police. Students who are university employees are subject to disciplinary job action.

Virginia Tech does not encourage the use of alcoholic beverages and strongly discourages illegal or otherwise irresponsible use of alcohol, including the illegal sale of alcohol and distribution of alcohol to those not of legal drinking age; for students and student organizations, the illegal sale of alcohol will likely be considered a serious violation of the alcohol policy. Illegal sale is defined as any time money changes hands and there is unlimited access to alcohol, including but not limited to selling cups and cover charges for entertainment when alcohol is available. Members of the university community are accountable for their decisions regarding use of alcohol and the behavior that occurs as a result of those decisions. Virginia Tech fully complies with the alcohol regulations of the Commonwealth of Virginia. All state laws apply to Virginia Tech students and student organizations. These laws prohibit possession and consumption of all alcoholic beverages by persons under 21 years of age on all university grounds and buildings.

The university community is reminded of the following information:

State Statutes
The Commonwealth of Virginia and the Virginia State Alcoholic Beverage Control Board have enacted a variety of laws and regulations that govern alcoholic beverages. They are summarized as follows:

1. Persons under the age of 21 are prohibited from possessing or consuming beer, wine, liquor or other alcoholic beverages. Persons found in violation of this statute may be fined up to $2,500 and imprisoned for a period of not more than 12 months. In addition, such person's Virginia driver's license may be suspended for a period of not more than one year. Those found guilty of a violation of this statute shall be ordered to pay a mandatory minimum fine of $500 or ordered to perform 50 hours of community service as a condition of their probation.
2. Persons may be fined up to $100 for drinking in public.

3. Persons found in possession of a false driver's license (also includes possession of another individual’s identification to make them appear to be 21 in order to purchase or consume alcohol) may be fined up to $1,000 and imprisoned for a period not to exceed six months. Driving privileges may be revoked for 30 to 365 days. Manufacture of a fake identification is a Class 1 misdemeanor violation, which may result in up to 12 months imprisonment and/or up to a $2,500 fine.

4. It is illegal for intoxicated persons, regardless of age, to purchase or to possess alcoholic beverages. Persons in violation of this statute may be fined up to $1,000 and imprisoned for a period not to exceed 12 months.

5. It is illegal to serve or sell alcoholic beverages to persons who are intoxicated or suspected of being under the legal drinking age. It is also illegal to purchase alcoholic beverages for such persons. Individuals believed to be intoxicated are prohibited from remaining in an area where alcoholic beverages are served. Persons found in violation of these statutes may be fined up to $1,000 and imprisoned for a period not to exceed 12 months.

6. It is illegal to drive while under the influence of alcohol. Individuals are considered impaired if their blood alcohol content (BAC) exceeds 0.08 percent. Persons under the age of 21 who drive with a BAC of at least 0.02 percent but less than 0.08 percent may be fined up to $500 and have their driver's license suspended for up to six months. Persons with a BAC of 0.08 percent or higher or persons refusing a breath test will have their driver's license automatically revoked. Those who refuse a breath test may have their license suspended for up to 12 months. If a person is found to have a BAC of 0.15 percent or over, a minimum jail time of five days may be imposed. If they wish to have a restricted driver’s license during their suspension, they will be required to attend VASAP classes and have an ignition interlock. For a juvenile who is in violation, they can receive a minimum fine of $500 or 50 hours of community service. A person may be charged with a DUI for driving under the influence of narcotics.

7. It is illegal to purchase alcoholic beverages from any person not licensed to sell them, to sell alcoholic beverages without the appropriate license, and to consume alcoholic beverages in any unlicensed public area.

Regulations

In compliance with the laws of the Commonwealth, and to maintain conditions conducive to learning, possession or consumption of alcoholic beverages is only permitted according to the following provisions:
1. In the privacy of a student room, alcoholic beverages are permitted for those persons 21 years of age or older in accordance with state law, provided that at least one of the 21-year old residents of the room is present. Possession or consumption of alcoholic beverages in any other area of the residence halls, including suite living rooms, is forbidden except at events authorized by residence life. Legal consumption of alcoholic beverages in living areas other than private student rooms (e.g., hallways and lounges) will be allowed only when specifically authorized by Housing and Residence life.

2. Kegs of any description in student rooms or residence halls, including Oak Lane, are prohibited.

3. The director of Fraternity and Sorority Life, in conjunction with the director of Housing and Residence Life, determines regulations concerning the use of alcoholic beverages in “Oak Lane Community” (also known as Special Purpose Housing) during parties. This information is published in the Oak Lane community guide, which is available online at https://fsl.vt.edu/housing_information/oak_lane_community_guide.html

4. The Commandant of Cadets establishes and publishes regulations to be observed by cadets regarding the possession and consumption of alcoholic beverages. This information is published in the Cadet Regulations Manual, which is available online at https://vtcc.vt.edu/content/dam/vtcc_vt_edu/resources/manuals/Regulations_Fall_2017-Nov17.pdf

5. The possession and use of alcoholic beverages is prohibited on all other university property except in certain facilities that are fully registered with the Virginia Alcoholic Beverage Control Board (ABC). Alcoholic beverages may be served in other facilities as specified in this policy with an appropriate banquet license issued by the ABC Board. Private residences are subject to ABC regulation, and those who hold university events in private residences are subject to state laws concerning the sale, possession and consumption of alcoholic beverages.
   a. Alcoholic beverages may be served in accordance with ABC Board rules and regulations at approved functions located in the Inn at Virginia Tech and Owens Banquet Hall.
   b. Facilities that may be approved with an appropriate banquet license from the ABC Board include the Bowman Room in the Jamerson Athletic Center, the Commonwealth Ballroom, other banquet or meeting rooms in Squires Student Center, the
c. Alcoholic beverages may be served only at functions where the majority of attendees are of legal age for the consumption of alcoholic beverages.

d. Alcoholic beverages may be served only at functions confined to areas that are not open to the public or that have public access. Typical areas where alcoholic beverages may not be served are outdoor plazas and patios, unfenced lawns, lobbies and reception areas.

e. Alcoholic beverages may be served only as a complement to food service. Food service includes hors d'oeuvres or any food served within the context of receptions, dinners or other meals.

f. Sponsors of events to be held on campus at which alcohol is to be served must complete a registration request for space and submit the Beverage Request and Security Form. An ABC Banquet License may also be required. These forms must be received at least 30 days prior to the event to allow time for processing. All event approval forms shall indicate whether alcoholic beverages will be served. Approval confirmation must be obtained before alcoholic beverages can be served.

g. The event sponsor is responsible for the cost of a banquet license obtained through either a private or university registered caterer.

h. The Virginia Tech Police shall be notified by copy of the approval form of all events on campus at which alcoholic beverages will be served.

i. Sponsors of university events held at off-campus locations are responsible for ensuring that the rules and regulations of this policy are followed. Events held off-campus are exempted from the requirement to request event approval.

j. If an event sponsor fails to secure event approval or a banquet license, future event approval requests from that sponsor will not be approved. If an event sponsor fails to obtain the appropriate ABC license, alcoholic beverages may be seized while the event is in progress, and service of alcoholic beverages will cease immediately. Additionally, the event is subject to cancellation at the discretion of the Virginia Tech Police, and the event sponsor could be charged with criminal violations of the ABC Code.
Alcoholic beverages are further governed by Virginia Polytechnic Institute and State University Policy and Procedures No. 1015. This policy is available at http://www.policies.vt.edu/1015.pdf.

**Controlled Substances**

Misuse and abuse of controlled substances is in direct conflict with the goals and objectives of any educational institution. Virginia Tech does not condone the misuse or abuse of controlled substances.

The term “controlled substance” is used instead of the term “drugs” for two reasons. First, the term “drugs” refers to any chemical substance that, when taken into the body, changes the chemistry and functioning of the body. These changes may be positive or negative. Drugs that have a positive therapeutic effect are generally called “medicine.” Those with negative effects are often called “drugs.” For many people in society, the term “drug” carries a negative connotation. Second, “controlled substances” is a term that refers to chemical substances whose distribution and use is controlled or prohibited by some law or statute or whose distribution and use is permitted by a prescription issued by a licensed practitioner. This term is useful in that it also distinguishes so-called over-the-counter drugs from prescription and illegal drugs, which in essence make up the “controlled substances.”

In compliance with the Drug-Free Workplace Act of 1988, the Drug-Free Communities and Schools Act Amendments of 1989, and the Commonwealth of Virginia’s Policy on Alcohol and Other Drugs of 1991, the following summary is provided for your information.

Controlled substances are classified under the Controlled Substances Act into “schedules” that indicate their relative medicinal use and probability of abuse and dependence (addiction). Virginia Tech's policy addresses these controlled substances.

**Controlled Substances Schedules**

Schedule I: The drug or other substance has a high potential for abuse. The drug or other substance has no currently accepted medical use in treatment in the United States. There is a lack of accepted safety for use of the drug or other substance under medical supervision. Some Schedule I substances are heroin, LSD, marijuana, GHB, MDMA (Ecstasy) and methaqualone.
Schedule II: The drug or other substance has a high potential for abuse. The drug or other substance has a currently accepted medical use in treatment in the United States or a currently accepted medical use with severe restrictions. Abuse of the drug or other substance may lead to severe psychological or physical dependence. Schedule II substances include morphine, PCP, cocaine, methadone, Ritalin and methamphetamine.

Schedule III: The drug or other substance has a potential for abuse less than the drugs or other substances in Schedules I and II. The drug or other substance has a currently accepted medical use in treatment in the United States. Abuse of the drug or other substance may lead to moderate or low physical dependence or high psychological dependence. Anabolic steroids, codeine and hydrocodone with aspirin or Tylenol, Ketamine and some barbiturates are Schedule III substances.

Schedule IV: The drug or other substance has a low potential for abuse relative to the drugs or other substances in Schedule III. The drug or other substance has a currently accepted medical use in treatment in the United States. Abuse of the drug or other substance may lead to limited physical dependence or psychological dependence relative to the drugs or other substances in Schedule III. Included in Schedule IV are Darvon, Talwin, Equanil, Valium, Rohypnol and Xanax.

Schedule V: The drug or other substance has a low potential for abuse relative to the drugs or other substances in Schedule IV. The drug or other substance has a currently accepted medical use in treatment in the United States. Abuse of the drug or other substances may lead to limited physical dependence or psychological dependence relative to the drugs or other substances in Schedule IV. Over-the-counter cough medicines with codeine are classified in Schedule V.

**Penalties**

The law prescribes ranges of permissible penalties upon conviction. As required by the Federal Safe and Drug-Free Communities and Schools Act of 1994, the pertinent state laws, including sanctions for their violation, are summarized below:

1. Possession of a controlled substance classified in Schedule I or II of the Drug Control Act, upon conviction, exposes the violator to a felony conviction for which the punishment is a term of imprisonment ranging from one to 10 years, or in the discretion of the jury or the court trying the case without a jury, confinement in jail for up to 12 months and a fine up to $2,500, either or both.
2. Possession of a controlled substance classified in Schedule III of the Drug Control Act, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to 12 months and a fine up to $2,500, either or both.

3. Possession of a controlled substance classified in Schedule IV of the Drug Control Act, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to six months and fine up to $1,000, either or both.

4. Possession of a controlled substance classified in Schedule V of the Drug Control Act, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is a fine up to $500.

5. Possession of a controlled substance classified in Schedule I or II of the Drug Control Act with the intent to sell or otherwise distribute, upon conviction, exposes the violator to a felony conviction for which the punishment is imprisonment from five to 40 years and a fine up to $500,000. Upon conviction, the violator must be imprisoned for not less than five years, but may suffer life imprisonment and a fine up to $500,000.

6. Possession of a controlled substance classified in Schedules III, IV or V of the Drug Control Act or an imitation controlled substance which imitates a controlled substance classified in Schedule III, IV or V, except for an anabolic steroid classified in Schedule III constituting a violation of Virginia Code §18.2-248.5, with the intent to sell or otherwise distribute, upon conviction exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to one year and a fine up to $2,500, either or both.

7. Possession of marijuana, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to 30 days and a fine up to $500, either or both. Upon a second conviction, punishment is confinement in jail for up to one year and fine up to $2,500, either or both.

8. Possession of less than one-half ounce of marijuana with the intent to sell or otherwise distribute, upon conviction, exposes the violator to a misdemeanor conviction for which the punishment is confinement in jail for up to one year and a fine up to $2,500, either or both. If the amount of marijuana involved is more than one-half ounce to five pounds, the crime is a felony with a sanction of imprisonment from one to 10 years, or in the discretion of the jury or court trying the case without jury, confinement in jail for up to one year and a fine up to $2,500, either or both. If the amount of marijuana involved is more than five pounds, the crime is a felony with a sanction of imprisonment from five to 30 years.
9. Notwithstanding the aforesaid provisions, Rohypnol shall be deemed to be listed on Schedule I for the purposes of penalties for violations of the Drug Control Act. Any person knowingly manufacturing, selling, giving, distributing or possessing Rohypnol shall be punished under the penalties prescribed for other Schedule I controlled substances.

*Policy*

The illegal use or possession of any controlled substance is strictly prohibited by the university. The illegal use of controlled substances is incompatible with the goals of the academic community.

Illegally possessing, using, manufacturing, possessing with intent to manufacture, selling, dispensing or distributing any substance controlled under state or federal law is prohibited. Possession of used or unused drug paraphernalia is also prohibited (unless there is a documented medical need). Additionally, misusing and abusing medications or prescribed medications (controlled under state or federal law) is prohibited. Students can be suspended or dismissed from the university for a first offense. Students who are also university employees are also subject to employee discipline.

*Education*

Throughout the year, the university provides a wide variety of educational programs designed to increase student, staff and faculty awareness and knowledge about alcohol and other controlled substances. Most of these programs are offered free of charge and are open to members of the university community and surrounding locale. The university’s programming efforts have received recognition as some of the most comprehensive in the Commonwealth of Virginia. Other information on federal drug trafficking laws and the effects of various drugs on the body is available from the Office of Student Conduct.

*Intervention and Prevention*

The university provides a variety of resources for those with questions and concerns about the use or misuse of alcoholic beverages and controlled substances. Support groups are available to members of the university community. These resources are:

- Hokie Wellness, 540-231-2233, 195 McComas Hall
- Cook Counseling Center, 540-231-6557, 240 McComas Hall

Confidential inquiries about community support groups and treatment programs can be made by contacting Hokie Wellness. As an on-campus resource, The Recovery Community at Virginia Tech is a student organization for those who are seeking a
positive, sober, and social environment that supports life without substance use. Student identities are kept anonymous. For more information, you may contact Hokie Wellness, or visit their website: www.hokiewellness.vt.edu/recovery. Several community groups also meet regularly, including Alcoholics Anonymous, Adult Children of Alcoholics, Al Anon, and Narcotics Anonymous.

**Hazing**

1. Code of Virginia on Hazing

§18.2-56. Hazing unlawful; civil and criminal liability; duty of school, etc., officials; penalty.

   It shall be unlawful to haze so as to cause bodily injury, to any student at any school, college, or university.

   Any person found guilty thereof shall be guilty of a Class 1 misdemeanor.

   Any person receiving bodily injury by hazing shall have a right to sue, civilly, the person or persons guilty thereof, whether adults or infants.

   The president, or other presiding official of any school, college or university receiving appropriations from the state treasury shall, upon satisfactory proof of the guilt of any student of hazing another student, sanction and discipline such student in accordance with the institution's policies and procedures. The institution's policies and procedures shall provide for expulsions or other appropriate discipline based on the facts and circumstances of each case. The president or other presiding official of any school, college or university receiving appropriations from the state treasury shall report hazing which causes bodily injury to the attorney for the Commonwealth of the county or city in which such school, college or university is, who shall take such action as he deems appropriate.

   For the purposes of this section, "hazing " means to recklessly or intentionally endanger the health or safety of a student or students or to inflict bodily injury on a student or students in connection with, or for the purpose of initiation, admission into or affiliation with or as a condition for continued membership in a club, organization, association, fraternity, sorority or student body regardless of whether the student or students so endangered or injured participated voluntarily in the relevant activity.
2. Preamble

The purpose of this policy is to ensure that students at Virginia Tech are not subjected to any type of hazing. It is the responsibility of all individuals associated with Virginia Tech to encourage an atmosphere of learning, social responsibility and respect for human dignity.

Hazing is a criminal offense in the Commonwealth of Virginia. Hazing is considered a serious violation of university policy and is prohibited in all forms. This policy is based on the proposition that students are entitled to be treated with consideration and respect at all times and it applies to all student organizations and individuals. Concurrently, the Inter/National governing bodies for fraternities and sororities state unequivocally that hazing has no place in the collegiate experience. In addition, the members of the Corps of Cadets are subject to the Virginia Tech Corps of Cadets Regulations manual. In determining whether a specific behavior violates the hazing policy, consideration will be given to how the behavior relates to the university’s mission and purpose.

Hazing is an unproductive and hazardous activity that is incongruous with this responsibility and has no place at this institution, either on or off campus. It is the opinion of this academic community that this kind of behavior is injurious to the individuals involved and the institution itself.

Virginia Tech shall designate a formal and consistent process for receiving hazing complaints, require investigations into such reports and ensure compliance with this policy.

3. Definitions

“Administrator” means a president, vice president, dean, head of a school, director of a program or campus office, or designee of one of the aforementioned individuals.

“Organization” means association, athletic team, band, club, cooperative, corps, fraternity, order, society, sorority or other similar group whose members primarily are students of the institution.

“Staff” means any person employed directly by or retained through a contract with the institution, including a coach or supervisor of an organization, professor or intern.

“Student” means any person who is enrolled in or matriculating
from the institution, registered or in attendance in a program operated by the institution, or who has been accepted for admission into any program operated by the institution.

A “person” is defined as a university student, any associate member, member, affiliate, alumnus, guest of any campus organization or other individual.

Virginia Tech defines hazing as any mental or physical requirement, request, or obligation placed upon any person that could cause discomfort, pain, fright, disgrace or injury; that is personally degrading; or that violates any federal, state or local statute or university policy, the willingness of an individual to participate in such activity notwithstanding.

4. Institutional Guidelines
   As it is impossible to anticipate every situation that could involve hazing, this list does not, and cannot, encompass every circumstance that will cause the institution to discipline for hazing. This policy is not intended to prohibit the following conduct:
   a. Customary athletic events, contests, or competitions that are sponsored by the institution or the organized and supervised practices associated with such events; or
   b. Any activity or conduct that furthers the goals of a legitimate educational curriculum, extracurricular program or military training program, as approved by the institution.

Hazing shall include, but not be limited to forcing, compelling, requiring, encouraging or expecting, whether direct or implied, any individual to participate in any of the following actions or activities:

Physical
   a. Encouraging or requiring persons to consume alcohol or other substances regardless of the age of the participant.
   b. Encouraging or requiring that a person do or submit to any act that will alter his or her physical appearance in any significant degree for any substantial period of time (e.g. burning, branding, tattooing, using makeup, paint or markers on a person, or shaving the head or body).
   c. Encouraging or requiring activities that disrupt a person’s normal schedule. A normal schedule includes three reasonably spaced
meals per day, the opportunity for sufficient rest at night (at least six full hours) and reasonable time for personal hygiene.

d. Encouraging or requiring a person to engage in physical activity of unusual kind or duration, such as: calisthenics, overly difficult work assignments, activities that may be excessive for a person, activities that require a person to remain in a fixed position for an extended period of time, binding or restricting an individual in any way that would prohibit them from moving on their own, confining a person or exposing participants to uncomfortable elements like in environments that are too hot, cold, noisy, small or threatening/intimidating.

e. Hitting, pretending or misleading a prospective member into believing that they will be hit, hurt or physically altered.

f. Encouraging or requiring acts that are or seem to be dangerous.

Psychological

g. Encouraging or requiring a person to pretend to or actually violate a law.

h. Encouraging or requiring an individual to obtain or possess items or complete tasks in an unlawful manner (i.e. for a scavenger hunt).

i. Verbally abusing prospective members. Examples include but are not limited to yelling or screaming, calling individuals demeaning names, booing, hissing or demeaning individuals when they make mistakes.

j. Encouraging or requiring a person to perform acts of servitude, perform personal errands for others or engage in activities that are demeaning.

k. Misleading prospective members in an effort to convince them that they will not become members unless they complete tasks, follow instructions or act in a certain way.

l. Misleading prospective members into believing that they will be hurt during induction or initiation.

m. Encouraging or requiring a person to publicly carry objects or wear apparel, or appear in public that is abnormal, not normally in good taste, conspicuous and/or indecent.

n. Encouraging or requiring a person to appear nude or reveal body parts.

o. Encouraging or requiring an individual or group to remain in a certain place or transporting them to a location without their knowledge (e.g. taking a person on a road trip or excursion to an unknown destination or kidnapping).

p. Parading individuals in public areas, transporting individuals
in a motor vehicle while blindfolded or privately conducting blindfolding activities that serve no constructive purpose.

q. Requiring an individual to “pledge” or “associate” for a period of unusual length (more than 10-12 weeks) for reasons other than achieving academic requirements or extraordinary circumstances.

r. Hazing also includes soliciting, directing, aiding or otherwise participating actively or passively in the above acts.

5. Location
This policy encompasses all acts of hazing that occur whether on or off campus. As such, an act of hazing by an individual or organization will be viewed by the institution as a violation of the institution’s hazing policy, regardless of where the act of hazing took place.

6. Consent
An individual may not consent to being hazed, and their voluntary or willful participation in hazing activities will not be considered as a defense against a violation of the institution’s hazing policy by an individual or organization.

7. Reporting
Any suspected violation of this policy should be reported in accordance with the institution’s reporting system. The initial report of a suspected violation may be reported in person, by phone or by electronic communication, and may be done anonymously. Alleged violations of this policy can be reported to the Virginia Tech Police Department, Student Engagement and Campus Life, Fraternity and Sorority Life or Student Conduct.

8. Distinction between Hazing by Organizations and by Individuals
Hazing may be an individual act, organizational act, or both. The following statement will help distinguish hazing violations by individuals from hazing violations by student organizations.

a. It is presumed that hazing incidents involve only those persons directly participating in the incident and those who are present at the time it occurs and who do nothing to stop its occurrence.

b. A hazing incident may also be an organizational activity, for which the organization itself may be disciplined, if any of the following characteristics are present:
   i. The faculty advisor, any executive officer of the
organization or the person charged with the administration of an orientation or pledge program is aware of the incident sufficiently in advance of its occurrence to prohibit its taking place, and takes no action to prohibit it.

ii. The faculty advisor, any executive officer of the organization or the person charged with the administration of an orientation or pledge program knows the identity of the members involved in the incident and refuses to divulge that information to the appropriate university authorities or the police.

iii. The incident takes place in any public area within a chapter house or in any public place.

iv. The incident involves the expenditure of any organizational funds.

v. The incident involves or is actively or passively endorsed by a majority of the members of the organization.

vi. The incident involves six or more members of the organization.

Hazing Education
The officers, principally the president or chairperson, of each organization are responsible for informing members and prospective members of this hazing policy. Student Engagement and Campus Life and Fraternity and Sorority Life will do hazing education, as well as keep the university community informed on the issue of hazing.

Gender-Based Violence
Gender-based violence includes the following prohibited acts: sexual violence-assault, sexual violence-battery, sexual violence-sexual coercion, sexual violence-rape, gender-based harassment, sexual exploitation, dating and domestic violence and stalking.

Consent: Knowing, voluntary, and clear permission by word or action, to engage in mutually agreed upon sexual activity. The existence of consent is based on the totality of circumstances, including the context in which the alleged consent occurred. Silence does not necessarily constitute consent and coercion, force or threat of either party invalidates consent.

• Consent cannot be given where a person is incapacitated due to drugs or alcohol; or where a person has a disability; or is not of legal age to consent as defined by law.

• Consent to any one form of sexual activity cannot automatically imply consent to any other forms of sexual activity. Consent can be withdrawn at any time.

• Previous relationships or prior consent cannot imply consent to future sexual acts.
Incapacitation: Includes but is not limited to being asleep, drugged, intoxicated or unconscious.

We encourage victims of sexual violence, including rape, sexual assault, sexual battery, stalking, and dating and domestic violence, to exercise their right to file a complaint with the Virginia Tech Police Department if the crime occurs on Virginia Tech’s property, regardless of the status of the complainant. For crimes occurring away from Virginia Tech’s property, victims may contact the local law enforcement in the appropriate jurisdiction.

*Responsible Employee:* a person employed by Virginia Tech who has the authority to take action to redress sexual violence, who has been given the duty of reporting acts of sexual violence or any other misconduct by employees or students to the Title IX coordinator or other appropriate institution designee, or whom an employee or student could reasonably believe has this authority or duty.

Information regarding where an individual can go to file a discrimination or harassment complaint including Title IX:

The Executive Director for Equity and Access
Title IX Coordinator Virginia Tech North End Center
300 Turner St.
Blacksburg, VA 24061
Phone: 540-231-2010
equityandaccess@vt.edu

Discrimination and harassment are further governed by Virginia Polytechnic Institute and State University Policy and Procedures No. 1025, which is available at [http://www.policies.vt.edu/1025.pdf](http://www.policies.vt.edu/1025.pdf).

**Weapons**
Unauthorized possession, storage, or control of firearms or weapons on university property, including storing weapons in vehicles on campus as well as in the residence halls. Furthermore, ammunition cannot be stored in any residence halls on campus. (Note: Virginia Tech Corps of Cadets weapons are governed by the Virginia Administrative Codes. Please refer to 8VAC105- 20.)

Firearms: defined as any gun, rifle, pistol or handgun designed to fire any projectile including but not limited to bullets, pellets or shots, regardless of the propellant used.
Ammunition: defined as any material intended for use in a firearm, capable of being projected by a weapon and/or makes the weapon operational.

Other weapons: defined as any instrument of combat or any object not designed as an instrument of combat but carried for the purpose of inflicting or threatening bodily injury. Examples include but are not limited to knives with blades longer than four inches, razors, metal knuckles, blackjacks, hatchets, bows and arrows, nun chukkas, foils, stun weapons or any explosive or incendiary device. Possession of realistic replicas of weapons on campus is prohibited.

Stun weapons: defined as any device that emits a momentary or pulsed output, which is electrical, audible, optical or electromagnetic in nature and which is designed to temporarily incapacitate a person. Students who store weapons in residence hall rooms, who brandish weapons or who use a weapon in a reckless manner may face disciplinary action, which may include suspension or dismissal from the university. Students who store ammunition in the residence halls will face disciplinary action. Exceptions to possessing weapons may be made in the case of university functions or activities and for educational exhibitions or displays. Exceptions must be approved by the vice president for administrative services in consultation with appropriate university offices. This policy does not prohibit the possession of firearms by persons, such as law enforcement officers, who are authorized by law to do so in the performance of their duties. A weapons storage program is available. The storage program applies to the weapon and ammunition. Ammunition that will not be stored includes Air Soft projectiles, Nerf gun projectiles, and CO2 Cartridges. Interested persons should contact the Virginia Tech Police (Southgate Center, 540-231-6411.)

Weapons are further governed by Virginia Polytechnic Institute and State University Policy and Procedures No. 5616. This policy is available at http://www.policies.vt.edu/5616.pdf.

University Student Conduct Sanctions

The following student conduct sanctions may be imposed upon a student or student organization for violation of university policy. Student conduct sanctions are generally cumulative in nature. This information will only be relevant after a student accepts or is found responsible for the violation. When multiple incidents occur over a short period of time, student conduct hearings are usually scheduled in chronological order according to the date of the incident(s), and all student conduct records are considered in determining an appropriate sanction. Scholarship and student aid committee policy states that university scholarships are withdrawn for students on suspension or deferred suspension, where acceptable university citizenship is a condition of the aid. This
policy affects private and some state awards but does not affect federal aid such as BEOG, SEOG, NDSL, SSIG work study and guaranteed student loans. Student conduct sanctions may affect a student’s employment with the university such as, undergraduate or graduate teaching assistants, graduate assistantship or other forms of employment.

**Status Sanctions**

*Formal Warning*
Student or organization is officially notified that their actions have constituted a violation of university policies and are, therefore, inappropriate. Further violations may result in more serious disciplinary action.

*Probation*
Student or organization is notified that their status with the university for a specified period of time is such that further violations of university policies will result in being considered for suspension from the university. If at the end of the specified time period no further violations have occurred, the student is removed from probationary status. Student organizations are notified that their status with the university for a specified period of time is such that further violations of university policy will result in being considered for loss of recognition from the university.

*Deferred Sanction*
In some cases, a sanction of suspension, dismissal or a denial of privilege may be held in abeyance for a specified period. This means that, if the student or organization is found responsible for any violation during that period, they will be subject to the deferred sanction without further review in addition to the disciplinary action appropriate to the new violation. During this time, the certain student organizations may be prohibited from participating in any social functions. For students involved in serious misconduct, the conferring of an academic degree will be deferred for the duration of the sanction.

*Suspension from the University*
Student is notified that they are separated from the university for a specified period of time. Students who are suspended must leave campus within the time prescribed by the hearing/appeal officer. Permission to return to Virginia Tech may be required by the director of Student Conduct.

Permission must be granted before a student will be permitted to re-enroll. If the decision to suspend a student is made, imposition of the suspension may be delayed until the following semester at the discretion of the university, for example if the
decision occurs very late in the semester. Suspensions effective for the subsequent semester will be effective immediately following the conclusion of the current semester. However, if the hearing officer feels that the health and safety of the student or the university community is at risk, the suspension may be effective immediately. A notation is placed on the student's academic transcript: “suspended for a violation of the Student Code of Conduct.” For student organizations, recognition with the university is withdrawn for a specified period of time. Permissions to regain status may be required by the director of Student Conduct and other appropriate university officials. For students involved in serious misconduct that could result in suspension and have completed their academic course work, the conferring of an academic degree will be withheld for a specified period of time.

Dismissal

Student is notified that they are permanently separated from the university. A notation is placed on the academic transcript: “dismissed for a violation of the Student Code of Conduct.” For student organizations, the organization is notified that the university is permanently removing recognition of the organization. If the decision to dismiss a student is made, imposition of the dismissal may be delayed until the following semester at the discretion of the university, for example if the decision occurs very late in the semester. Dismissals effective for the subsequent semester will be effective immediately following the conclusion of the current semester. However, if the hearing officer feels that the health and safety of the student or the university community is at risk, the dismissal may be effective immediately.

Educational Sanctions

Educational and Community Activity

Student or organization is required to demonstrate their responsibility as a member of the university community by performing certain reasonable and relevant educational activities. Failure to complete the educational activity by the time prescribed by the student conduct officer/committee will result in one semester of suspension from the university (excluding summer). Failure of student organizations to complete the educational activity by the time prescribed by the student conduct officer/committee will result in withdrawal of university recognition for one semester (excluding summer).

Restitution

Student or organization is required to make restitution for damage to university property. Restitution may be in the form of monetary payment or community service.

Privilege Sanctions
**Denial of Privileges or Associations**

Student or organization is notified that, for a specified period of time, certain privileges or associations within the university are withdrawn. This sanction includes, but is not limited to termination of residence hall contract, removal from athletic events, removal from the Corps of Cadets, denial of the privilege of participating in recreational sports activities, revocation of the privilege of accessing certain university facilities and revocation of social function privileges for student organizations.

**Interim Suspension Policy**

The university retains the authority to impose an interim (immediate) suspension if such action is necessary to preserve the safety of persons or property. In this instance, the students will be afforded an interim suspension hearing and the opportunity to show why their continued presence on campus does not constitute a threat to themselves, others or property. The interim suspension hearing is separate from a formal student conduct hearing. A formal student conduct hearing will be provided as soon as possible. Students may receive an interim suspension from the university or selected campus facilities with proper notice. The following steps explain the procedure for imposing an interim suspension:

When a situation, as defined above, occurs, the responding university official contacts the Threat Assessment Team or the Associate Vice President for Student Affairs or designee to assess the situation. If the situation is sufficiently serious, the Threat Assessment Team or the Associate Vice President for Student Affairs or their designee will determine if an interim suspension is appropriate.

The student will be sent an interim suspension letter immediately, which states that the student is suspended from the university and/or banned from all or selected campus residential facilities until a formal student conduct hearing can be convened. The Virginia Tech Chief of Police will be contacted to determine if a ban from campus is needed. Upon receipt of the interim suspension, if the student is on campus or in university facilities, the student will be escorted out of the facility and/or off campus by a Virginia Tech police officer.

The student can immediately request an interim suspension review to be conducted by the Associate Vice President for Student Affairs or their designee. The interim suspension letter will contain instructions on how to request a review. Those present at the meeting may include the responding university official and other witnesses as deemed appropriate by the Associate Vice President for Student Affairs.
Affairs. During the review, the student will be given an opportunity to demonstrate why his or her continued presence on campus does not constitute a threat to themselves, others or property. As part of the review, the student may be required to submit to an immediate medical/psychological evaluation. The student will be evaluated by the director of the Cook Counseling Center or their designee.

The decision of the interim suspension review will be final. There will be no appeal. If the student does not request a review, the interim suspension and/or ban from campus residential facilities will remain in effect until the formal student conduct hearing is resolved.

Interim suspension information will be shared with Student Conduct. That office will schedule a formal student conduct hearing as soon as possible to determine the final consequences of the initiating behavior.
RESOLUTION TO AMEND POLICY
TO COMPLY WITH GOVERNOR’S EXECUTIVE ORDER
REGARDING PAID PARENTAL LEAVE FOR UNIVERSITY EMPLOYEES

WHEREAS, on June 25, 2018, Governor Ralph Northam issued Executive Order Number Twelve; and

WHEREAS, the Executive Order authorizes the creation of paid parental leave for employees of executive branch agencies in the Commonwealth of Virginia; and

WHEREAS, the state’s Department of Human Resource Management shall establish policy and guidance documents to support the implementation of the Executive Order for classified employees; and

WHEREAS, the Virginia Tech Board of Visitors has the authority over university staff and faculty employment policies; and

WHEREAS, the administration will engage the appropriate constituencies in creating a university policy and related procedures;

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors directs the administration to articulate a paid parental leave policy and appropriate related procedures in compliance with the Governor’s Executive Order Number Twelve.

RECOMMENDATION:
That the Board of Visitors approve the Resolution to Amend Policy to Comply with Governor’s Executive Order Regarding Paid Parental Leave for University Employees.

August 27, 2018
Importance of the Initiative

The Commonwealth of Virginia is the best place to work, live, and raise a family because of its commitment to providing opportunities for success in both the workplace and at home. The creation of this leave policy will not only provide benefits for children and parents, but also strengthen the Commonwealth’s ability to recruit and retain a talented workforce.

Research shows paid time-off provides benefits for both children and parents. Access to parental leave has a positive impact on children’s health and development and decreases infant mortality rates. For parents, paid time-off increases the likelihood they will return to the labor force and benefits health and well-being.

The Commonwealth’s employees are dedicated public servants. They work hard to keep Virginia strong. The creation of this leave policy will provide them with the support they need in the workplace and at home. The paid parental leave policy is in addition to other leave benefits available to Commonwealth employees, such as Virginia Sickness and Disability Program leave (VSDP), sick leave, annual leave, and leave under the federal Family Medical Leave Act (29 U.S.C. §§ 2601-2654).

Parental Leave for Employees of the Commonwealth

By virtue of the authority vested in me as Governor under Article V of the Constitution of Virginia and under the laws of the Commonwealth, I hereby authorize the creation of Paid Parental Leave for employees of executive branch agencies (Agencies) in the Commonwealth under the following parameters:

1. A classified or at-will employee who has been employed by the Commonwealth for a minimum of twelve (12) consecutive months is eligible for parental leave (Eligible Employee).
2. Following the birth, adoption, or foster placement of a child younger than 18 years of age:
   - An Eligible Employee will receive eight (8) weeks (320 hours) of parental leave; and
   - If both parents are Eligible Employees, each shall receive parental leave, which may be taken concurrently, consecutively, or at different times.

3. Parental leave shall be taken within six (6) months following the birth, adoption, or foster placement of the child.

4. Parental leave shall only be taken once in a 12-month period and only once per child.

5. Parental leave shall be provided at 100% of the Eligible Employee’s regular salary.

6. Parental leave shall not be counted against an Eligible Employee’s annual or sick leave.

7. Legal holidays listed in § 2.2-3300 of the Code of Virginia shall not be counted against parental leave.

8. Parental leave shall run concurrently with leave provided under the Family and Medical Leave Act, if the employee is eligible.

9. Parental leave may run concurrently or sequentially with VSDP, if the employee is eligible for VSDP.

   The Department of Human Resource Management (DHRM or Department) shall establish policy and guidance documents to support implementation of this Executive Order.

**Exceptions for Classified and At-Will Employees**

Requests for exceptions to this policy must be directed to the Eligible Employee’s Human Resource Manager. If the Human Resource Manager at the Agency level approves the exception, then a request must be made to DHRM for final approval. DHRM will then notify the Human Resource Manager of its decision. The Human Resource Manager will subsequently inform the Eligible Employee of the final decision reached by DHRM and will process the leave request accordingly.

**Agency Reporting**

On July 1, 2019, and every July 1 thereafter, the Human Resource Manager for each Agency shall submit to DHRM a report regarding the usage of parental leave by Agency employees for the preceding fiscal year. The report shall be in a form and contain such data as prescribed by the Department.
Effective Date of the Executive Order

This Executive Order shall be effective upon signing and shall remain in full force and effect unless amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 25th Day of June, 2018.

Ralph S. Northam, Governor

Attest:

Kelly Thomasson, Secretary of the Commonwealth
RESOLUTION TO UPDATE THE POLICY  
ON THE AWARDING OF HONORARY DEGREES  

WHEREAS, the conferral of an honorary degree is an extraordinary distinction at Virginia Tech, which as of 2018, has awarded only 10 honorary degrees in its 146-year history; and

WHEREAS, in 1986, the Board of Visitors passed a resolution formalizing the criteria and process for the approval of honorary degrees and established a University Honorifics Committee as a standing committee of the university and prescribed its membership; and

WHEREAS, the University Honorifics Committee became the Faculty Honorifics Committee in the early 1990s when the university’s system of shared governance was restructured, and the charge and membership of the committee was incorporated into the University Council Constitution and By-laws at that time; and

WHEREAS, the university and the board wish to preserve the award of an honorary degree at Virginia Tech as a rare and extraordinary distinction;

NOW, THEREFORE, BE IT RESOLVED that to ensure that the award of an honorary degree at Virginia Tech remains a rare and extraordinary distinction, the Board of Visitors of Virginia Polytechnic Institute and State University hereby approves the awarding of honorary degrees according to the process described as follows:

1. The honorary degree awarded on approval of the Board of Visitors is not one obtained “in course” but is a GRADUM HONORS CAUSA awarded for professional or scholarly distinction not in the standard course of professional service to the university. Unless the president approves an exception to award an alternate degree, the degree awarded shall be one of:
   - Litt.D. Letters
   - Sc.D. Science

2. The entire nomination and decision process for honorary degrees should be treated in strict confidence by all persons involved to the extent permitted by law.

3. The Faculty Honorifics Committee will review all nominations for honorary degrees.

   a. Nominees may be alumni or other persons who have had a significant association with Virginia Tech and whose professional achievements merit substantial recognition by the university.
   
   b. Any member of the university community may submit a nomination for an honorary degree to the Faculty Honorifics Committee.
   
   c. The nominator should compile a dossier that includes:
i. A summary of the distinguished contributions made by the nominee to scholarly fields, to the arts, to technology, to the professions, or to public service.

ii. An indication of the extent to which the nominee has been associated with Virginia Tech.

iii. Letters of recommendation from three to five persons detailing the nominee’s contributions accompanied by an introduction describing the credentials and relationship of the reference to the nominee.

d. The Faculty Honorifics Committee will make a recommendation to the provost.

4. The provost will review the committee’s recommendation and provide to the president the nominee’s dossier and recommendation of the Faculty Honorifics Committee along with the provost’s recommendation.

5. The president will review the dossier and consider the recommendations of the committee and the provost in determining whether to advance the nomination to the Board of Visitors for approval. There is no appeal process for a negative decision by the president.

6. If the president supports the nomination, the president will advance the nomination to the Board of Visitors for consideration.

7. On the approval of the Board of Visitors, the president will report the board’s action to the nominator and the Faculty Honorifics Committee. The president will invite the nominee to attend the spring University Commencement Ceremony to receive the honorary degree. Only under the most unusual circumstances will the honorary degree be awarded at another venue or in absentia;

AND, BE IT FURTHER RESOLVED that this resolution supersedes any and all previous policies pertaining to the conferral of honorary degrees;

AND, BE IT FURTHER RESOLVED that this resolution does not apply to the awarding of a posthumous degree to a student who was deceased before completing course work towards a degree and/or before receiving the degree.

RECOMMENDATION:

That the above resolution describing the criteria and process for the award of honorary degrees be approved and supersedes any and all previous policies pertaining to the conferral of honorary degrees.

August 27, 2018
Understanding Students’ Experiences and Perceptions of Virginia Tech (Gallup Survey)

PATRICIA A PERILLO
Vice President for Student Affairs
What is the Gallup Survey?

In fall 2017, Virginia Tech partnered with Gallup to examine a range of topics including:

• Student well-being;
• Student engagement;
• Student experiences;
• Campus climate; and,
• Perceptions about educational value and quality.
Key Finding

Virginia Tech students are more likely than students nationally to be thriving in each well-being element; particularly related to purpose and community.
DRIVERS OF WELL-BEING

Purpose

- Support factors:
  - Professors make them excited about learning
  - Faculty/staff are committed to helping students find rewarding careers
  - Professors care about them as individuals

- Experiential learning factors:
  - Significant involvement in co-curricular activities
  - Developed sense of strengths

Community

- Support factors:
  - Students look out for one another
  - Have inspiring professor or mentor who encourages goals and dreams
  - Perceptions of campus climate

- Experiential learning factors:
  - Significant involvement in co-curricular activities
  - Developed sense of strengths
**Key Finding & Drivers**

**Student Engagement**
- Virginia Tech students are more likely than students nationally to be engaged. *(Surpassing national average by 15% and large institutions by 18%)*

**Drivers**
- Students’ relationships with their professors, faculty, staff and mentors
- Students’ interactions with other students
Key Finding

Virginia Tech excels in providing experiential learning opportunities, and its students are extremely involved in co-curricular activities.

(13 percentage points higher than college students nationally and doubles that of students at other large institutions)
Key Finding

Virginia Tech students believe fellow students look out for one another.

(More than doubles national average and that of students at large institutions)
Key Finding

Majority of students say Virginia Tech is a good place for racial/ethnic minorities and lesbian, gay, bisexual and transgender students; for some, it is clear that we still have work to do.
Virginia Tech students hold more positive views than college students nationally about the quality of their education. (16 percentage points higher than college students nationally and 14 points ahead of students at other large institutions)

**Primary Driver:** Faculty and staff at Virginia Tech are committed to helping students find a rewarding career.
Summary

- Students are well and engaged
- We are a caring community
- We are deeply invested in holistic learning (curricular and co-curricular)
- Our current plans align with the data
VIRGINIA TECH STUDENT SURVEY

Understanding students’ experiences and perceptions of Virginia Tech
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INTRODUCTION

Although alumni salaries and graduate placement rates have some merit for measuring the value of a college education, these factors do not holistically convey the experience and impact of a college education, nor do they reflect the primary reasons students attend college: to secure a career in which they are truly engaged and to prepare for meaningful and lifelong contribution to society.

Gallup’s research in higher education has found that where you go to college matters far less than how you go to college — that is, students’ experiences during their time in college shape their lives after graduation. Gallup finds that high-impact support and experiential learning opportunities are linked with long-term outcomes including lifelong well-being, workplace engagement and alumni’s attachment to their alma mater.

Because experiences during college are so closely related to critical outcomes after college, assessing the experiences and attitudes of current students can help institutions better understand how they are promoting their students’ success now and preparing them to succeed after college.

This study explores the experiences of Virginia Tech’s undergraduate students (sophomores, juniors and seniors) and how those experiences relate to important outcomes and attitudes, such as student well-being, student engagement, views about campus climate, and perceptions about the value and quality of their education.

This study reports the results of a Gallup survey of Virginia Tech’s sophomore, junior and senior students, administered via internet from Sept. 19-Oct. 24, 2017. A total of 2,041 students completed the survey, representing a participation rate of 10% of Virginia Tech’s sophomore, junior and senior students.

Comparison Groups

Results of this study of Virginia Tech students are compared with college students who participated in the 2017 Strada-Gallup Student Survey. The Strada-Gallup Student Survey is representative of four-year, degree-granting U.S. institutions with respect to institutional control (public vs. private institutions), enrollment size and region. In this report, Virginia Tech students are compared with the following groups:

› College students nationally (first-year students excluded): The results for this group were collected in the Strada-Gallup Student Survey and include 25,364 students from 43 institutions.

› Students from large higher education institutions (first-year students excluded): This comparison group — denoted in the report as “large IHEs” — is a subset of college students nationally and only includes students from institutions that enroll at least 20,000 undergraduate students. This group includes 8,259 students from the Strada-Gallup Student Survey.

1 The study excludes private, for-profit institutions.
EXECUTIVE SUMMARY

In 2017, Virginia Tech partnered with Gallup to examine the experiences and perceptions of its sophomore, junior, and senior undergraduate students — comparing them with the perceptions and experiences of key groups from Strada-Gallup’s nationally representative survey of college graduates. Specifically, the study examines a range of topics including student well-being, student engagement, student experiences, campus climate, and perceptions about educational value and quality.

**Key findings of the study include:**

**Virginia Tech students are more likely than students nationally to be thriving in each well-being element**

- In each of the five elements of well-being that Gallup measures, Virginia Tech students are more likely than college students nationally and students at other large institutions to be thriving.
- Key support and experiential learning experiences — like believing professors care about them and being extremely active in co-curricular activities — drive student well-being among Virginia Tech students.

**Virginia Tech students are more likely than students nationally to be engaged with school**

- Nearly half of Virginia Tech students are classified as engaged — surpassing college students nationally by 15 percentage points and students at other large institutions by 18 percentage points.
- Four of the top eight predictors of student engagement center on students’ relationships with their professors, faculty, staff and mentors.

**Virginia Tech excels in providing experiential learning opportunities, and its students are extremely involved in co-curricular activities**

- The 32% of Virginia Tech students who strongly agree that they are extremely active in co-curricular activities and organizations surpasses the rate among college students nationally by 13 percentage points and doubles the rate of students at other large institutions.
- Virginia Tech’s first-generation college students are more likely than their peers nationally and at other large institutions to strongly agree to having each of the key experiential learning opportunities Gallup measures.
Virginia Tech students believe fellow students look out for one another

› The 42% of Virginia Tech students who strongly agree that their fellow students look out for one another more than doubles the percentage of college students nationally and students at other large institutions who say the same.

Majority of students say Virginia Tech is a good place for racial/ethnic minorities and lesbian, gay, bisexual and transgender students

› When asked if the university is a good place for students who are members of racial and ethnic minority groups, two-thirds of Virginia Tech students say that it is a “good place.”

› When asked if the university is a good place for lesbian, gay, bisexual or transgender students, almost six in 10 Virginia Tech students say that it is a “good place.”

Virginia Tech students hold more positive views than college students nationally about the quality of their education

› Half of Virginia Tech students strongly agree that they are receiving a high-quality education — 16 percentage points higher than college students nationally and 14 points ahead of students at other large institutions.

› The 31% of Virginia Tech students who strongly agree that their education is worth the cost is about on par with the sentiments of college students nationally (27%) and students at large institutions (28%).
STUDENT WELL-BEING

Virginia Tech students are more likely than students nationally to be thriving in each well-being element

Gallup has conducted decades of research on measuring and understanding human well-being. Well-being is measured in five distinct, but interconnected, elements: purpose, social, financial, community and physical.

Gallup categorizes individuals as “thriving,” “struggling” or “suffering” in each element according to how they respond to long-tested questions that relate to each facet of their well-being. “Thriving” in a well-being element means that an individual is strong and consistent in that element, while those who are “struggling” in an element are moderate and less consistent in that element. Those classified as “suffering” are low and inconsistent in that particular element.

In each of the five elements of well-being, Virginia Tech students are more likely than college students nationally and students at other large institutions to be thriving. Virginia Tech students particularly excel in purpose well-being, meaning they enjoy what they do each day and are motivated to achieve their goals. The 42% of Virginia Tech students thriving in purpose well-being outpaces college students nationally and students at large institutions by seven and eight percentage points, respectively.

Virginia Tech students are also particularly likely to be thriving in community well-being — they lead college students nationally and students at large institutions in this element by 18 and 15 percentage points, respectively. The nearly six in 10 Virginia Tech students who are thriving in community well-being are highly engaged with people around them, feel safe in their environment and take pride in where they live. That Virginia Tech students have especially high community well-being aligns directly with the school’s core motto of Ut Prosim (“That I May Serve”), which emphasizes self-development through a dedication to serving others.
Student Well-Being

The well-being of first-generation college students (FGCS) is the subject of increased attention at colleges and universities in the U.S., with studies finding that this student group reports higher levels of stress and depression and a lower sense of belonging on campus than do non-first-generation students. Virginia Tech’s own first-generation college students are about as likely as Virginia Tech students overall to be thriving in purpose, community and physical well-being. However, Virginia Tech’s first-generation college students are less likely than Virginia Tech students overall to be thriving in social and financial well-being.

Compared with FGCS nationally and at other large institutions, Virginia Tech’s FGCS are more likely to be thriving in purpose, community and physical well-being. Given research showing that first-generation students are more likely than their peers to feel out of place during college, the high level of community well-being among Virginia Tech’s first-generation students is particularly notable. More than half of the school’s first-generation students are thriving in community well-being, compared with 38% of college students nationally and 40% of college students at other large institutions.

Student Well-Being: FGCS

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DRIVERS OF PURPOSE AND COMMUNITY WELL-BEING AT VIRGINIA TECH

Among Virginia Tech students, key support and experiential learning experiences drive well-being

Given that Virginia Tech students particularly excel in purpose and community well-being relative to their peers, understanding the experiences and perceptions that drive “thriving” in those elements can illustrate how the Virginia Tech experience promotes well-being among its students. Logistic regression models predicting the likelihood that students are thriving in each of those well-being elements reveal that, after accounting for student demographics and characteristics, a key set of experiences and attitudes drive purpose and community well-being.

The models in this section and throughout the report focus on a series of predictors that fall into six thematic categories represented in the following chart. The items they represent are included as inputs that can help explain key outcomes, such as students’ well-being.

The **SUPPORT-BASED EXPERIENCES** focus on meaningful relationships between students, faculty and mentors.

The **EXPERIENTIAL LEARNING EXPERIENCES** are focused on opportunities to learn through projects, internships and co-curricular activities.

The **SELF-AWARENESS** items measure students’ awareness and application of their own strengths.

The **CAMPUS CLIMATE** items gauge students’ perceptions about the environment on campus with respect to openness and beliefs about the university’s commitment to safety.

The **DEMOGRAPHIC CHARACTERISTICS** measure key student characteristics such as gender, race, year in school and others.

The **SKILL DEVELOPMENT** items measure students’ beliefs about the degree to which their education is preparing them to succeed in their careers after college.

Among Virginia Tech students, the top drivers of purpose well-being center on distinct but interrelated supportive experiences from professors and fellow students. Three of the top six drivers of purpose well-being relate to support from faculty and staff — strongly agreeing that they have a professor who makes them excited about learning, that the faculty and staff are committed to helping students find rewarding careers, and that their professors care about them as individuals. Additionally, the third-strongest driver of purpose well-being is strongly agreeing that students at Virginia Tech look out for one another.

In addition to supportive relationships, involvement in co-curricular activities and a developed sense of their own strengths also represent significant drivers of purpose well-being among Virginia Tech students. These insights underscore the importance of meaningful interactions — with professors, faculty and fellow students — and self-awareness to students’ purpose well-being.
Drivers of Purpose Well-Being Among Virginia Tech Students

1. I have at least one professor at Virginia Tech who makes me excited about learning.

2. The faculty and staff at Virginia Tech are committed to helping students find a rewarding career.

3. Students at Virginia Tech look out for one another.

4. I am extremely active in co-curricular activities and organizations.

5. I accomplish a lot by using my strengths.

6. My professors at Virginia Tech care about me as a person.

7. I find ways to use my strengths at school every day.

Community well-being among Virginia Tech students is also related to supportive experiences. The top driver of community well-being is strongly agreeing that students look out for one another, while the third and sixth drivers relate to having an inspiring professor and a mentor who encourages goals and dreams.

Two of the top seven drivers of community well-being relate to perceptions of campus climate. Students who believe that Virginia Tech is a good place for students who are members of racial and ethnic minorities and are confident that the school would do the right thing in an instance of discrimination on campus are significantly more likely to be thriving in community well-being. These findings highlight the importance of an institutional commitment to creating a welcoming campus environment for students of all backgrounds.
Drivers of Community Well-Being Among Virginia Tech Students

1. Students at Virginia Tech look out for one another.

2. Is Virginia Tech a good place or not a good place for students who are members of racial and ethnic minorities?

3. I have at least one professor at Virginia Tech who makes me excited about learning.

4. I know my strengths.

5. White vs. minority

6. I have a mentor at Virginia Tech who encourages me to pursue my goals and dreams.

7. If I raised an issue about discrimination on campus, I am confident Virginia Tech would do what is right.

8. I am extremely active in co-curricular activities and organizations.
STUDENT ENGAGEMENT
**STUDENT ENGAGEMENT**

**Virginia Tech students are more likely than students nationally to be engaged with school**

Gallup defines student engagement as involvement in and enthusiasm for school. The index is generated using a series of measures that assess how students feel about their environment, their classes and whether they have the chance to do what they do best every day. Engaged students feel safe on campus, are plugged into their community, believe their coursework is important and have received positive feedback in their classes.

Nearly half of Virginia Tech students are classified as engaged, which far outpaces their peer groups. In fact, the 46% of Virginia Tech students who are engaged surpasses college students nationally by 15 percentage points and exceeds the rate of students at other large institutions by 18 percentage points.

**Student Engagement**

The substantial gap in the rate of engagement between Virginia Tech students and students at comparison group schools remains when considering each group’s first-generation college students. Forty-three percent of Virginia Tech’s first-generation students are engaged at school, compared with 28% of FGCS nationally and 25% of FGCS at other large institutions.

**Student Engagement: FGCS**
Among Virginia Tech students, professor and student interactions drive student engagement

Engagement among Virginia Tech students is driven by supportive experiences — to an even greater degree than supportive experiences drive well-being. Four of the top eight predictors of student engagement center on students' relationships with their professors, faculty, staff and mentors. Students who strongly agree that the faculty and staff are committed to helping them find a rewarding career, that they have at least one professor who inspires them, that they have a mentor who encourages their goals and dreams, and that their professors care about them as individuals have elevated odds of being classified as engaged.

Interactions with other students also drive student engagement among Virginia Tech students and account for three of the eight engagement predictors. Students who strongly agree that their fellow students look out for each other are more likely to be engaged, as are those who are actively involved on campus in organizations and intramural sports. Fostering an environment at Virginia Tech that encourages and creates meaningful interactions between students and professors — whether inside or outside of the classroom — increases the chances that students will be engaged in their college experience.

Drivers of Student Engagement Among Virginia Tech Students

1. The faculty and staff at Virginia Tech are committed to helping students find a rewarding career.
2. I have at least one professor at Virginia Tech who makes me excited about learning.
3. I have a mentor at Virginia Tech who encourages me to pursue my goals and dreams.
4. Students at Virginia Tech look out for one another.
5. Do you participate in intramural sports?
6. Female vs. male
7. My professors at Virginia Tech care about me as a person.
8. I am extremely active in co-curricular activities and organizations.
STUDENT EXPERIENCES
STUDENT EXPERIENCES

A variety of supportive experiences and experiential learning opportunities have consistently emerged as some of the strongest drivers of well-being and student engagement among Virginia Tech students. Gallup’s examination of college students and college graduates at a national level has demonstrated that six particular college experiences are consistently linked to a host of critical outcomes, like well-being and beliefs about the value and quality of their education.

An understanding of institution-level performance on these measures provides leaders with insights about where their institution excels and where it can improve the student experience. While the findings in this report have already established the link many of these experiences have to well-being and engagement among Virginia Tech students, this section provides a broader view of these supportive experiences and experimental learning opportunities.

Virginia Tech students are about as likely as college students nationally to have had key support experiences

Overall, Virginia Tech students are about as likely as college students nationally and students at large institutions to have had each of the three core supportive experiences: having professors who care about them, a professor who makes them excited about learning and an encouraging mentor. Twenty-three percent of Virginia Tech students strongly agree that their professors care about them as a person — on par with students at other large institutions (23%) and slightly lower than college students nationally (28%). Just more than six in 10 Virginia Tech students (62%) strongly agree that they have at least one professor who makes them excited about learning, on par with college students nationally (59%) and slightly higher than students at other large institutions (57%). Additionally, 23% of Virginia Tech students strongly agree that they have a mentor who encourages their goals and dreams, compared with 25% and 21% of college students nationally and students at large institutions, respectively.
### Support Experiences

**My professors at Virginia Tech care about me as a person.**

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<th>1 (STRONGLY DISAGREE)</th>
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<th>5 (STRONGLY AGREE)</th>
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<tbody>
<tr>
<td><strong>Virginia Tech Students (Overall)</strong></td>
<td>9%</td>
<td>26%</td>
<td>38%</td>
<td>23%</td>
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<tr>
<td><strong>College Students Nationally</strong></td>
<td>10%</td>
<td>23%</td>
<td>34%</td>
<td>28%</td>
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<tr>
<td><strong>College Students at Large IHEs</strong></td>
<td>6%</td>
<td>12%</td>
<td>26%</td>
<td>33%</td>
<td>23%</td>
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**I have at least one professor at Virginia Tech who makes me excited about learning.**

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<tbody>
<tr>
<td><strong>Virginia Tech Students (Overall)</strong></td>
<td>7%</td>
<td>25%</td>
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<tr>
<td><strong>College Students Nationally</strong></td>
<td>9%</td>
<td>26%</td>
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<tr>
<td><strong>College Students at Large IHEs</strong></td>
<td>9%</td>
<td>27%</td>
<td>57%</td>
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**I have a mentor at Virginia Tech who encourages me to pursue my goals and dreams.**

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<tr>
<td><strong>Virginia Tech Students (Overall)</strong></td>
<td>14%</td>
<td>21%</td>
<td>22%</td>
<td>20%</td>
<td>23%</td>
</tr>
<tr>
<td><strong>College Students Nationally</strong></td>
<td>18%</td>
<td>17%</td>
<td>21%</td>
<td>19%</td>
<td>25%</td>
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<tr>
<td><strong>College Students at Large IHEs</strong></td>
<td>21%</td>
<td>19%</td>
<td>21%</td>
<td>17%</td>
<td>21%</td>
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</table>

Virginia Tech’s first-generation college students have these supportive experiences at similar rates as the school’s overall student population. Additionally, Virginia Tech’s first-generation students compare similarly with other first-generation college students on these experiences.
Support Experiences: FGCS

My professors at Virginia Tech care about me as a person.

- Virginia Tech FGCS: 4% (1), 24% (2), 35% (3), 29% (4), 8% (5)
- FGCS Nationally: 4% (1), 29% (2), 33% (3), 24% (4), 11% (5)
- FGCS at Large IHEs: 12% (1), 27% (2), 32% (3), 24% (4), 5% (5)

I have at least one professor at Virginia Tech who makes me excited about learning.

- Virginia Tech FGCS: 3% (1), 7% (2), 27% (3), 60% (4), 8% (5)
- FGCS Nationally: 4% (1), 10% (2), 26% (3), 58% (4), 3% (5)
- FGCS at Large IHEs: 5% (1), 10% (2), 26% (3), 56% (4), 3% (5)

I have a mentor at Virginia Tech who encourages me to pursue my goals and dreams.

- Virginia Tech FGCS: 15% (1), 24% (2), 24% (3), 16% (4), 20% (5)
- FGCS Nationally: 20% (1), 20% (2), 21% (3), 18% (4), 25% (5)
- FGCS at Large IHEs: 23% (1), 18% (2), 22% (3), 16% (4), 20% (5)

Virginia Tech excels in providing experiential learning opportunities, and its students are extremely involved in co-curricular activities

Relative to their peers, Virginia Tech students are particularly likely to have had experiential learning opportunities. More than half of Virginia Tech’s students (52%) — including 72% of its seniors — have had a job or internship where they could apply what they were learning in the classroom, about six or seven percentage points higher than college students nationally and students at other large institutions.

Just more than a third of Virginia Tech’s students (34%) — including 44% of its seniors — strongly agree that they have worked on a project that took a semester or more to complete, compared with 28% of college students nationally and 25% of students at other large institutions.

Virginia Tech students are particularly active in co-curricular activities. The 32% of Virginia Tech students who strongly agree that they are extremely active in co-curricular activities and organizations surpasses the rate among college students nationally by 13 percentage points and doubles the rate of students at other large institutions.
Experiential Learning Opportunities

While attending Virginia Tech I have worked on a project that took a semester or more to complete.

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<th>Virginia Tech Students (Overall)</th>
<th>College Students Nationally</th>
<th>College Students at Large IHEs</th>
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<td>25%</td>
<td>29%</td>
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<td>1 (STRONGLY DISAGREE)</td>
<td>13%</td>
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<td>18%</td>
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I am extremely active in co-curricular activities and organizations.

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<th>Virginia Tech Students (Overall)</th>
<th>College Students Nationally</th>
<th>College Students at Large IHEs</th>
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<tbody>
<tr>
<td></td>
<td>7%</td>
<td>25%</td>
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<tr>
<td>1 (STRONGLY DISAGREE)</td>
<td>14%</td>
<td>19%</td>
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<td>2</td>
<td>22%</td>
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<td>5 (STRONGLY AGREE)</td>
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Have Had Applied Job or Internship (% Yes)

- **Virginia Tech Students (Overall):** 52%
- **College Students Nationally:** 46%
- **College Students at Large IHEs:** 45%

At the national level, first-generation college students are slightly less likely to have had these key experiential learning opportunities. This could be partly attributable to FGCS being more likely than non-first-generation students to work while enrolled (76% vs. 62% among Virginia Tech’s students). Given the competing demands on their time, first-generation college students are often unable to commit additional time and effort to participate in experiential learning and co-curricular activities. However, engaging in these opportunities may be particularly important for first-generation college students, as studies have linked involvement in co-curricular activities with persistence in college.¹

While Virginia Tech’s first-generation college students are more likely than FGCS nationally and at other large institutions to strongly agree to having each of these experiential learning opportunities, Virginia Tech’s FGCS have worked on long-term projects and have had applied jobs/internships at slightly lower rates compared with Virginia Tech students overall.

Experiential Learning Opportunities: FGCS

While attending Virginia Tech I have worked on a project that took a semester or more to complete.

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<tr>
<th></th>
<th>Virginia Tech FGCS</th>
<th>FGCS Nationally</th>
<th>FGCS at Large IHEs</th>
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<tr>
<td></td>
<td>32% 12% 12% 14% 29%</td>
<td>31% 14% 13% 17% 25%</td>
<td>35% 15% 11% 17% 22%</td>
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I am extremely active in co-curricular activities and organizations.

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<th>Virginia Tech FGCS</th>
<th>FGCS Nationally</th>
<th>FGCS at Large IHEs</th>
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<td></td>
<td>8% 18% 22% 20% 32%</td>
<td>31% 20% 20% 15% 14%</td>
<td>36% 21% 19% 14% 10%</td>
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</table>

Have Had Applied Job or Internship: FGCS (% Yes)

- Virginia Tech FGCS: 46%
- FGCS Nationally: 43%
- FGCS at Large IHEs: 40%

The high rate of co-curricular activity among Virginia Tech students can also be seen through the lens of particular types of co-curricular opportunities. Virginia Tech students are more than twice as likely as college students nationally and students at large institutions to participate in intramural sports. Additionally, the 82% of Virginia Tech students who participate in a student club or organization exceeds the rate of college students nationally by 30 percentage points and surpasses the rate among students at other large institutions by 33 points.

Virginia Tech students aren’t just highly involved in clubs and organizations — they also take on leadership roles in those organizations at higher rates than do their national and large school peers. Nearly half of Virginia Tech’s students (48%) hold a leadership position in a club or organization, compared with 29% of college students nationally and 25% of students at other large institutions.
Activities on Campus

<table>
<thead>
<tr>
<th>Activity</th>
<th>Virginia Tech Students (Overall)</th>
<th>College Students Nationally</th>
<th>College Students at Large IHEs</th>
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<tbody>
<tr>
<td>Do you participate in intramural sports?</td>
<td>35%</td>
<td>17%</td>
<td>16%</td>
</tr>
<tr>
<td>Do you participate in a student club or organization?</td>
<td>82%</td>
<td>52%</td>
<td>49%</td>
</tr>
<tr>
<td>Do you hold a leadership position in a club or organization such as your student government, fraternity, sorority or athletic team?</td>
<td>46%</td>
<td>29%</td>
<td>25%</td>
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</table>

Following the overall pattern of co-curricular involvement, Virginia Tech’s first-generation college students are slightly less likely than its students overall to participate in each of these activities. However, they are substantially more likely than first-generation students in their comparison groups to play intramural sports, be members of student organizations and hold leadership positions in those clubs.

Activities on Campus: FGCS

<table>
<thead>
<tr>
<th>Activity</th>
<th>FGCS at Virginia Tech</th>
<th>FGCS Nationally</th>
<th>FGCS at Large IHEs</th>
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<tbody>
<tr>
<td>Do you participate in intramural sports?</td>
<td>28%</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Do you participate in a student club or organization?</td>
<td>75%</td>
<td>43%</td>
<td>38%</td>
</tr>
<tr>
<td>Do you hold a leadership position in a club or organization such as your student government, fraternity, sorority or athletic team?</td>
<td>44%</td>
<td>21%</td>
<td>16%</td>
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CAMPUS CLIMATE
CAMPUS CLIMATE

In recent years, colleges and universities in the U.S. have been giving increased attention to creating an open and welcoming campus environment for students of all backgrounds. Recent high-profile incidents about issues of discrimination, speech on campus and other related issues have only underscored the importance of understanding how students perceive the climate on college campuses. To that end, the Strada-Gallup survey of college students introduced a series of questions aimed at understanding campus climate.

**Virginia Tech students believe fellow students look out for one another**

When faced with issues of discrimination or sexual assault on campus, Virginia Tech students are more likely than their peers to be confident that their university would do what is right. In fact, Virginia Tech students are, on average, six percentage points more likely than students in the comparison groups to strongly agree the university would do what is right in instances of discrimination on campus. They are, on average, 12 percentage points more likely than college students nationally and students at large institutions to strongly agree the university would do what is right in instances of sexual assault on campus.

Virginia Tech students are particularly likely to believe that their fellow students look out for one another. The 42% of Virginia Tech students who strongly agree that their fellow students look out for one another more than doubles the percentage of college students nationally and students at other large institutions who say the same.

Like college students nationally and college students at large institutions, Virginia Tech students do express some reservations about offering minority opinions in class. About two in 10 Virginia Tech students (20%), students nationally (22%) and students at large institutions (20%) strongly agree that they feel very comfortable sharing ideas or opinions in class that are probably held by a minority of people.
Institutional Response

If I raised an issue about discrimination on campus, I am confident Virginia Tech would do what is right.

<table>
<thead>
<tr>
<th></th>
<th>Virginia Tech Students (Overall)</th>
<th>College Students Nationally</th>
<th>College Students at Large IHEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (STRONGLY DISAGREE)</td>
<td>5%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>2</td>
<td>9%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>3</td>
<td>22%</td>
<td>25%</td>
<td>27%</td>
</tr>
<tr>
<td>4</td>
<td>33%</td>
<td>33%</td>
<td>32%</td>
</tr>
<tr>
<td>5 (STRONGLY AGREE)</td>
<td>31%</td>
<td>26%</td>
<td>25%</td>
</tr>
</tbody>
</table>

If I raised an issue about sexual assault on campus, I am confident Virginia Tech would do what is right.

<table>
<thead>
<tr>
<th></th>
<th>Virginia Tech Students (Overall)</th>
<th>College Students Nationally</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1 (STRONGLY DISAGREE)</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>2</td>
<td>16%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>3</td>
<td>29%</td>
<td>20%</td>
<td>22%</td>
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<tr>
<td>4</td>
<td>45%</td>
<td>35%</td>
<td>32%</td>
</tr>
<tr>
<td>5 (STRONGLY AGREE)</td>
<td>29%</td>
<td>35%</td>
<td>32%</td>
</tr>
</tbody>
</table>

Campus Climate

Students at Virginia Tech look out for one another.

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<th>College Students at Large IHEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (STRONGLY DISAGREE)</td>
<td>14%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>2</td>
<td>39%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>3</td>
<td>42%</td>
<td>35%</td>
<td>34%</td>
</tr>
<tr>
<td>4</td>
<td>2%</td>
<td>19%</td>
<td>20%</td>
</tr>
<tr>
<td>5 (STRONGLY AGREE)</td>
<td>3%</td>
<td>19%</td>
<td>20%</td>
</tr>
</tbody>
</table>

I feel very comfortable sharing ideas or opinions in class that are probably only held by a minority of people.

<table>
<thead>
<tr>
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<th>College Students Nationally</th>
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</tr>
<tr>
<td>2</td>
<td>16%</td>
<td>14%</td>
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</tr>
<tr>
<td>3</td>
<td>28%</td>
<td>25%</td>
<td>26%</td>
</tr>
<tr>
<td>4</td>
<td>30%</td>
<td>31%</td>
<td>30%</td>
</tr>
<tr>
<td>5 (STRONGLY AGREE)</td>
<td>20%</td>
<td>22%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Confidence in how the university would respond to issues of sexual assault and discrimination do, however, vary somewhat by key student demographics. For example, Virginia Tech’s LGBTQ+ students express less confidence than other groups in how the university would respond to issues of sexual assault (34%), as do female (40%) and nonwhite students (38%). On issues of discrimination on campus, Virginia Tech’s LGBTQ+ students (24%) also report a somewhat lower level of confidence than other groups in how the institution would respond.
### How Institutions Address Issues on Campus, by Demographic Groups (% Strongly Agree)

**If I raised an issue about sexual assault on campus, I am confident Virginia Tech would do what is right.**

<table>
<thead>
<tr>
<th>Group</th>
<th>% Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia Tech (Overall)</td>
<td>45</td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>35</td>
</tr>
<tr>
<td>White Virginia Tech Students</td>
<td>47</td>
</tr>
<tr>
<td>Nonwhite Virginia Tech Students</td>
<td>38</td>
</tr>
<tr>
<td>Male Virginia Tech Students</td>
<td>53</td>
</tr>
<tr>
<td>Female Virginia Tech Students</td>
<td>40</td>
</tr>
<tr>
<td>LGBTQ+ Virginia Tech Students</td>
<td>34</td>
</tr>
<tr>
<td>Virginia Tech FGCS</td>
<td>54</td>
</tr>
</tbody>
</table>

**If I raised an issue about discrimination on campus, I am confident Virginia Tech would do what is right.**

<table>
<thead>
<tr>
<th>Group</th>
<th>% Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia Tech (Overall)</td>
<td>31</td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>26</td>
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<tr>
<td>White Virginia Tech Students</td>
<td>32</td>
</tr>
<tr>
<td>Nonwhite Virginia Tech Students</td>
<td>29</td>
</tr>
<tr>
<td>Male Virginia Tech Students</td>
<td>32</td>
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<tr>
<td>Female Virginia Tech Students</td>
<td>31</td>
</tr>
<tr>
<td>LGBTQ+ Virginia Tech Students</td>
<td>24</td>
</tr>
<tr>
<td>Virginia Tech FGCS</td>
<td>39</td>
</tr>
</tbody>
</table>

Perceptions about institutional response to discrimination on campus among Virginia Tech’s minority populations compare similarly with those among similar populations nationally. Virginia Tech’s white, Asian and Hispanic students are somewhat more likely than their peers nationally to believe their school would do what is right in response to an issue of discrimination on campus. Among black students, perceptions about institutional response to issues of discrimination on campus are similar for Virginia Tech students and college students nationally.
Institutional Response, by Race (% Strongly Agree)

If I raised an issue about discrimination on campus, I am confident Virginia Tech would do what is right.

Female students at Virginia Tech are somewhat more likely than female students nationally to believe that the institution would do what is right concerning issues of discrimination on campus. In response to sexual assault issues on campus, Virginia Tech men and women are both more likely than their peers nationally to believe their school would do the right thing.
Institutional Response, by Gender (% Strongly Agree)

If I raised an issue about discrimination on campus, I am confident Virginia Tech would do what is right.

- Male: 32% (Virginia Tech) vs. 29% (College Students Nationally)
- Female: 31% (Virginia Tech) vs. 25% (College Students Nationally)

If I raised an issue about sexual assault on campus, I am confident Virginia Tech would do what is right.

- Male: 53% (Virginia Tech) vs. 40% (College Students Nationally)
- Female: 40% (Virginia Tech) vs. 33% (College Students Nationally)

The strong belief among Virginia Tech students, overall, that fellow students look out for one another remains fairly consistent across student subgroups, with only nonwhite students (29%) and LGBTQ+ students (32%) reporting a somewhat lower level of agreement. Virginia Tech students also hold fairly consistent views about their level of comfort sharing opinions in class that are probably only held by a minority of people, with the exception of female students who, at 16%, express the lowest level of comfort of all subgroups.
Campus Climate, by Demographic Groups (% Strongly Agree)

Students at Virginia Tech look out for one another.

<table>
<thead>
<tr>
<th></th>
<th>% Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia Tech (Overall)</td>
<td>42</td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>19</td>
</tr>
<tr>
<td>White Virginia Tech Students</td>
<td>45</td>
</tr>
<tr>
<td>Nonwhite Virginia Tech Students</td>
<td>29</td>
</tr>
<tr>
<td>Male Virginia Tech Students</td>
<td>41</td>
</tr>
<tr>
<td>Female Virginia Tech Students</td>
<td>43</td>
</tr>
<tr>
<td>LGBTQ+ Virginia Tech Students</td>
<td>32</td>
</tr>
<tr>
<td>Virginia Tech FGCS</td>
<td>41</td>
</tr>
</tbody>
</table>

I feel very comfortable sharing ideas or opinions in class that are probably only held by a minority of people.

<table>
<thead>
<tr>
<th></th>
<th>% Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia Tech (Overall)</td>
<td>20</td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>22</td>
</tr>
<tr>
<td>White Virginia Tech Students</td>
<td>20</td>
</tr>
<tr>
<td>Nonwhite Virginia Tech Students</td>
<td>21</td>
</tr>
<tr>
<td>Male Virginia Tech Students</td>
<td>24</td>
</tr>
<tr>
<td>Female Virginia Tech Students</td>
<td>16</td>
</tr>
<tr>
<td>LGBTQ+ Virginia Tech Students</td>
<td>21</td>
</tr>
<tr>
<td>Virginia Tech FGCS</td>
<td>21</td>
</tr>
</tbody>
</table>

Across all race and ethnicity groups, Virginia Tech students are more likely than their peers nationally to believe that their fellow students look out for one another. Across all groups, Virginia Tech students are, on average, 14 percentage points more likely than their peers nationally to strongly agree to that statement. Virginia Tech’s white, Asian and Hispanic students compare similarly with their peers nationally in their level of comfort sharing ideas or opinions in class that are probably only held by a minority of people. However, Virginia Tech’s black students are seven percentage points less likely than black students nationally to strongly agree that they feel comfortable sharing such ideas or opinions in class.
**Campus Climate, by Race (% Strongly Agree)**

**Students at Virginia Tech look out for one another.**

<table>
<thead>
<tr>
<th>Race</th>
<th>VIRGINIA TECH STUDENTS</th>
<th>COLLEGE STUDENTS NATIONALLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>Hispanic</td>
<td>33%</td>
<td></td>
</tr>
</tbody>
</table>

**I feel very comfortable sharing ideas or opinions in class that are probably only held by a minority of people.**

<table>
<thead>
<tr>
<th>Race</th>
<th>VIRGINIA TECH STUDENTS</th>
<th>COLLEGE STUDENTS NATIONALLY</th>
</tr>
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<tbody>
<tr>
<td>White</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>19%</td>
<td>26%</td>
</tr>
<tr>
<td>Asian</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>26%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Male and female students at Virginia Tech are about twice as likely as their peers nationally to strongly agree that their fellow students look out for one another. Additionally, while Virginia Tech’s male students are on par with male students nationally in their level of comfort sharing ideas or opinions in class that are probably only held by a minority of people, Virginia Tech’s female students express somewhat less comfort than their peers nationally.
Campus Climate, by Gender (% Strongly Agree)

Students at Virginia Tech look out for one another.

- Male: 41% (Virginia Tech), 21% (College Students Nationally)
- Female: 43% (Virginia Tech), 19% (College Students Nationally)

I feel very comfortable sharing ideas or opinions in class that are probably only held by a minority of people.

- Male: 24% (Virginia Tech), 25% (College Students Nationally)
- Female: 16% (Virginia Tech), 21% (College Students Nationally)

Majority of students say Virginia Tech is a good place for racial and ethnic minorities

When asked if the university is a good place for students who are members of racial and ethnic minority groups, two-thirds of Virginia Tech students say that it is a “good place,” 6% say it is “not a good place” and 28% say they “don’t know.” This distribution of answers among Virginia Tech students mirrors — almost exactly — the distribution of answers among college students nationally and among students at other large institutions.

Is Virginia Tech a good place or not a good place for students who are members of racial and ethnic minorities?

- Virginia Tech Students (Overall): 28% (Good Place), 6% (Not a Good Place), 66% (Don’t Know)
- College Students Nationally: 26% (Good Place), 7% (Not a Good Place), 68% (Don’t Know)
- College Students at Large IHEs: 27% (Good Place), 7% (Not a Good Place), 68% (Don’t Know)
The percentages of Virginia Tech’s Hispanic (74%), Asian (78%) and white (64%) students who say the school is a “good place” are on par with their peers nationally and at other large institutions. However, Virginia Tech’s black students (52%) are less likely to say the university is a good place for students of racial/ethnic minorities than Virginia Tech students overall (66%), black students nationally (74%) and black students at large institutions (65%).

**Is Virginia Tech a good place or not a good place for students who are members of racial and ethnic minorities?**

<table>
<thead>
<tr>
<th></th>
<th>% Good Place</th>
<th>% Not a Good Place</th>
<th>% Don’t Know</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>White</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Virginia Tech</td>
<td>64</td>
<td>5</td>
<td>32</td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>64</td>
<td>5</td>
<td>31</td>
</tr>
<tr>
<td>Large IHEs</td>
<td>61</td>
<td>5</td>
<td>34</td>
</tr>
<tr>
<td><strong>Black</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Virginia Tech</td>
<td>52</td>
<td>25</td>
<td>22</td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>74</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Large IHEs</td>
<td>65</td>
<td>17</td>
<td>19</td>
</tr>
<tr>
<td><strong>Asian</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Virginia Tech</td>
<td>78</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>79</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Large IHEs</td>
<td>79</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td><strong>Hispanic</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Virginia Tech</td>
<td>74</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>College Students Nationally</td>
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<td>7</td>
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</tr>
<tr>
<td>Large IHEs</td>
<td>79</td>
<td>8</td>
<td>13</td>
</tr>
</tbody>
</table>
Majority of students say Virginia Tech is a good place for lesbian, gay, bisexual or transgender students

When asked if the university is a good place for lesbian, gay, bisexual or transgender students, almost six in 10 Virginia Tech students say that it is a “good place,” 5% say it is “not a good place” and 36% say they “don’t know.” These perceptions among Virginia Tech students compare similarly to those of college students nationally and students at other large institutions.

Is Virginia Tech a good place or not a good place for lesbian, gay, bisexual or transgender students?

The percentage of Virginia Tech’s straight/heterosexual students who say the school is a “good place” for lesbian, gay, bisexual or transgender students (59%) is on par with their peers nationally and at other large institutions. However, Virginia Tech’s LGBTQ+ students are less likely to say the university is a good place for lesbian, gay, bisexual or transgender students (63%) than LGBTQ+ students nationally (73%) and LGBTQ+ students at other large institutions (78%).

Is Virginia Tech a good place or not a good place for lesbian, gay, bisexual or transgender students?

<table>
<thead>
<tr>
<th>Virginia Tech Students</th>
<th>College Students Nationally</th>
<th>College Students at Large IHEs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Straight/Heterosexual Students</strong></td>
<td><strong>38%</strong></td>
<td><strong>36%</strong></td>
</tr>
<tr>
<td><strong>LGBTQ+ Students</strong></td>
<td><strong>22%</strong></td>
<td><strong>15%</strong></td>
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<td><strong>LGBTQ+ Students</strong></td>
<td><strong>13%</strong></td>
<td><strong>14%</strong></td>
</tr>
</tbody>
</table>
EDUCATIONAL VALUE AND QUALITY

Having detailed a variety of their specific experiences and attitudes, what remains is to understand Virginia Tech students’ broader perceptions about the quality and value of their education. To assess those views, students were asked to respond to three statements:

› I am receiving a high-quality education at Virginia Tech.
› The education I am receiving at Virginia Tech is worth the cost.
› If I had to do it all over again, I would still enroll at Virginia Tech.

Virginia Tech students hold more positive views than college students nationally about the quality of their education

Half of Virginia Tech students strongly agree that they are receiving a high-quality education — 16 percentage points higher than college students nationally and 14 points ahead of students at other large institutions. In terms of the value of the education they are receiving, the 31% of Virginia Tech students who strongly agree that their education is worth the cost is about on par with the sentiments of college students nationally (27%) and students at other large institutions (28%).

Taken together, though, the vast majority of Virginia Tech students believe they made the right decision by choosing Virginia Tech and would do it again. While about half of college students nationally (47%) and students at large institutions (52%) strongly agree that they would enroll at the same institution if they had to start again, 67% of Virginia Tech students say they would choose Virginia Tech again.
**Perceptions of Education Quality and Value**

**I am receiving a high-quality education at Virginia Tech.**

<table>
<thead>
<tr>
<th>Group</th>
<th>1 (STRONGLY DISAGREE)</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 (STRONGLY AGREE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia Tech Students (Overall)</td>
<td>9%</td>
<td>37%</td>
<td>50%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>6%</td>
<td>19%</td>
<td>37%</td>
<td>34%</td>
<td></td>
</tr>
<tr>
<td>College Students at Large IHEs</td>
<td>6%</td>
<td>18%</td>
<td>37%</td>
<td>36%</td>
<td></td>
</tr>
</tbody>
</table>

**The education I am receiving at Virginia Tech is worth the cost.**

<table>
<thead>
<tr>
<th>Group</th>
<th>1 (STRONGLY DISAGREE)</th>
<th>2</th>
<th>3</th>
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<tr>
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<td>33%</td>
<td>27%</td>
</tr>
<tr>
<td>College Students at Large IHEs</td>
<td>7%</td>
<td>10%</td>
<td>23%</td>
<td>34%</td>
<td>28%</td>
</tr>
</tbody>
</table>

**If I had to do it all over again, I would still enroll at Virginia Tech.**

<table>
<thead>
<tr>
<th>Group</th>
<th>1 (STRONGLY DISAGREE)</th>
<th>2</th>
<th>3</th>
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<tbody>
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<td></td>
<td></td>
</tr>
<tr>
<td>College Students Nationally</td>
<td>7%</td>
<td>7%</td>
<td>24%</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>College Students at Large IHEs</td>
<td>6%</td>
<td>13%</td>
<td>23%</td>
<td>52%</td>
<td></td>
</tr>
</tbody>
</table>

**Among Virginia Tech students, attitudes about preparation for the workforce drive views about education value and quality**

For Virginia Tech students, several of the top drivers of the perception that their education is worth the cost relate to career preparation. In fact, the top predictor is the belief that the faculty and staff at Virginia Tech are committed to helping students find rewarding careers. Additionally, students who are confident that they will graduate from Virginia Tech with the knowledge and skills they need to be successful in the job market and workplace are particularly likely to believe their education is worth the cost.
The education I am receiving at Virginia Tech is worth the cost

1. The faculty and staff at Virginia Tech are committed to helping students find a rewarding career.

2. I am confident I will graduate from Virginia Tech with the knowledge and skills I need to be successful in the job market.

3. My professors at Virginia Tech make me feel my coursework is important.

4. At Virginia Tech, I have the opportunity to do what I do best every day.

5. In the last seven days, I have received recognition or praise for doing good school work.

6. I am confident I will graduate from Virginia Tech with the knowledge and skills I need to be successful in the workplace.

7. I feel safe at Virginia Tech.

8. Have you participated in a study-abroad or exchange program while attending Virginia Tech?

A nearly identical theme emerges when considering the drivers of students’ perceptions about the quality of their education. In fact, here too, the top predictor of students’ beliefs about the quality of their education is whether the faculty and staff at Virginia Tech are committed to helping students find a rewarding career. And, similar to beliefs about the value of their education, students who believe that they will graduate from Virginia Tech with the knowledge and skills they need to be successful in the job market and workplace are also particularly likely to say they are receiving a high-quality education.
Virginia Tech students’ perceptions about the value and quality of their education are closely linked to how well they believe the university is preparing them to succeed after college. Students value the development of skills that will allow them to obtain and thrive in their careers, but they also value guidance and support from the institution — and faculty in particular — about how to navigate those career-related considerations.

**I am receiving a high-quality education at Virginia Tech**

1. The faculty and staff at Virginia Tech are committed to helping students find a rewarding career.

2. My professors at Virginia Tech make me feel my coursework is important.

3. I am confident I will graduate from Virginia Tech with the knowledge and skills I need to be successful in the workplace.

4. I am confident I will graduate from Virginia Tech with the knowledge and skills I need to be successful in the job market.

5. At Virginia Tech, I have the opportunity to do what I do best every day.

6. Students at Virginia Tech look out for one another.

7. Has at least one professor, faculty or staff member at Virginia Tech initiated a conversation with you about your career options?
METHODOLOGY

The 2017 Virginia Tech undergraduate student survey was administered Sept. 19 through Oct. 24, 2017, to all currently enrolled sophomore, junior and senior undergraduate students. The results in this report reflect 2,041 completed surveys. Virginia Tech provided the list of email addresses for all currently enrolled sophomore, junior and senior undergraduate students. Students were included in the study if the institution had an email address on file. The survey was administered via the web in English only, and students received the invitation to participate directly from Gallup. Gallup sent three reminder emails to nonresponders to encourage students to participate in the survey. Virginia Tech also sent a prenotification email to all students to encourage participation.

Strada-Gallup Student Survey

Results for this Gallup College Student Survey are based on web surveys conducted March 21-May 8, 2017, as part of the Strada-Gallup study of currently enrolled college students. Gallup randomly selected colleges and universities to participate in the study from the Integrated Postsecondary Education Data System (IPEDS). Colleges and universities were eligible for selection if they were degree-granting institutions awarding four-year degrees and if they were private not-for-profit and public colleges and universities. Forty-three universities participated in the study and provided Gallup email addresses for a random sample of all students enrolled either part or full time at their institution. Gallup sent an email invitation and a series of reminders to students to encourage participation.

The data are weighted to correct for unequal selection probability and nonresponse. The data are weighted to match institution characteristics by enrollment size, census region and institution control. Institution weighting targets are based on the most recent IPEDS database.

For results based on the total sample of 25,364 currently enrolled sophomore, junior and senior college students, the margin of sampling error is ±0.9 percentage points at the 95% confidence level. All reported margins of sampling error include computed design effects for weighting.

For results based on the total sample of 8,259 currently enrolled sophomore, junior and senior students at large institutions of higher education, the margin of sampling error is ±1.5 percentage points at the 95% confidence level. All reported margins of sampling error include computed design effects for weighting.
ABOUT VIRGINIA TECH

Virginia Polytechnic Institute and State University, better known as Virginia Tech, is a public land-grant university with a 2,600-acre main campus in Blacksburg, Virginia. Virginia Tech pushes the boundaries of knowledge by taking a hands-on, transdisciplinary approach to preparing students to be leaders and problem-solvers. As the commonwealth’s most comprehensive university and its leading research institution, Virginia Tech offers about 280 undergraduate and graduate degree programs to more than 34,000 students and manages a research portfolio of more than $521 million. The university fulfills its role as a land-grant by fostering a collaborative environment that integrates technology into all disciplines, so that the Virginia Tech community can serve as a force for positive change around the commonwealth, the country, and the world.

As a public land-grant university serving the Commonwealth of Virginia, the nation and the world community, the discovery and dissemination of new knowledge are central to its mission. Through its focus on teaching and learning, research and discovery, and outreach and engagement, the university creates, conveys and applies knowledge to expand personal growth and opportunity, advance social and community development, foster economic competitiveness and improve the quality of life.

Virginia Tech attracts motivated, high-achieving students, staff and faculty who excel in an academically energized, technologically creative and culturally inclusive learning community. The university’s bold spirit, climate of innovation and service, open boundaries of study and research, and entrepreneurial approach positively transform lives and communities.

ABOUT GALLUP

Gallup delivers analytics and advice to help leaders and organizations solve their most pressing problems. Combining more than 80 years of experience with its global reach, Gallup knows more about the attitudes and behaviors of employees, customers, students and citizens than any other organization in the world.
WHO WE ARE

116 Staff
419 Faculty
4,305 Undergraduate
600 Graduate
WHAT WE DO

DISCOVER

CREATE

INSPIRE

INFORM
Research on the Rise

- $25.5M (2016)
- $28.6M (2017)
- $35.8M (2018)

AWARDS

- NASA
- GM
- United Technologies
- NIH
- ExxonMobil
- U.S. Department of Energy
- USDA
SCIENCE RE-IMAGINED

INTEGRATED SCIENCE

QUANTUM COMPUTING

WOMEN IN THE SCIENCES

COASTAL MITIGATION
The Virginia Tech Carilion Research Institute and Related Health Sciences and Technology Initiatives

- Role and impact of VTCRI faculty on the Roanoke HS&T campus
- VTCRI’s first 8 years – extramural grant portfolio growth
- Industry partnerships and commercialization
- Biomedical technology-health science innovation
- Next generation of biomedical/health scientists
- Growing the HS&T campus and innovation corridor
What VTCRI faculty do

- Carry out and publish fundamental and translational biomedical research
- Cover at least 50% (up to 80%) of salary from extramural grants
- Collect pilot data, write and submit multiple grant proposals
- Teach in graduate programs, mentor graduate, medical, undergraduate, high school students, residents, postdocs
- Develop intellectual property and start up companies
- Departmental, college, university, institute committee service

Newest VTCRI Faculty

Sharon Swanger, Ph.D.
Emory University
Began 8/1/18
VTCRI and DBSP, CVM

Shannon Farris, Ph.D.
NIEHS
Begins 10/18
VTCRI and DBSP, CVM
Stockholm, Sweden, July 14, 2018
The VTCRI’s Warren Bickel delivers a Keynote address at the 27th International Joint Conference on Artificial Intelligence and the 23rd European Conference on Artificial Intelligence.

Previous Dorcas Cummings Memorial lecturers include:
Francis Crick: Nobel laureate - structure of DNA
Francis Collins: Director, National Institutes of Health
Rene Dubos: Pulitzer winning microbiologist
948 grants submitted

6.14 = average # of grant submissions per year per faculty member
28% = average success rate
1.7 = average # grants awarded per year per faculty member
Total value of VTCRI extramural grant portfolio: average 23% increase per year over last 5 years

Fiscal Year End Values of the VTCRI Grant Portfolio

- Grant Indirects
- Grant Directs

Federal – 93%
(NIH – 88%)

*19 grants currently slated to be awarded in FY19 @ $33.9M

* Includes 2 grants for which fundable scores and verbal affirmation of funding were received
VTCRI faculty translate & commercialize discoveries; develop industry partnerships

- VTCRI spinoff brain cancer therapy company recognized by APLU and AAU; wins STTR technology transfer grant
- VTCRI partners with Israeli company Insightec to develop focused ultrasound technology
- FirstString Research, received a Tibbett’s award from the U.S. small business administration in ceremony at the White House

VTCRI’s Samy Lamouille, CEO of Acomhal Research Inc.
VTCRI’s Stephen LaConte working with Israeli industry partners integrating FUS into Siemens MRI
VTCRI’s Rob Gourdie FirstString Co-founder
Health technology innovation at VTCRI

VTCRI OPM facility will be first in U.S.
VTCRI’s Read Montague

VTCRI’s Deb Kelly wins third National Cancer Institute grant ($6M total active); launches structural oncology

On the Horizon
Key changes to mutated BRCA1 could restore cancer-fighting abilities
“VOICE” (Virginia Opioid Integrated Crisis Enterprise)

Coordination of treatment, education and research with the judicial system

(RFI submission to NIH/SAMHSA, July 18, 2018)

Mike Friedlander, PhD VT VP HS&T
Bob Trestman, MD/PhD, VTCSOM Chair of Psychiatry
Warren Bickel, PhD Professor and Director, VT CRI Addiction Recovery Research Center
Read Montague, PhD, Professor and Director, VTCRI Computational Psychiatry Unit
Gerald Moeller, MD, VCU Addiction Center Director
Robert Balou, Federal Magistrate
Michael Urbanski, Chief US District Judge, US District Court for Western Virginia
James L. Olds Ph.D. – University Professor of Neuroscience and Public Policy, George Mason University
William A. Hazel, Jr. M.D. – Senior Advisor for Strategic Initiatives and Policy for Office of the Provost, George Mason U.
David L. Driscoll, Ph.D. – Director of Research Development, University of Virginia
Robert H. Lipsky, Ph.D. – Director, Translational Research, Inova Neuroscience Institute
Virginia Bioscience Health Research Corporation (The Catalyst)
Doug Culling, DO, MS, CPE – Corporate VP, Sentara Healthcare / President, Sentara Medical Group
Translational Biology, Medicine and Health (TBMH) PhD Program
Selected as one of the 7 original National NIH BEST Program Sites; Recipient of AAMC Innovative Biomedical Research Training Award

TBMH Students’ Achievements in first 4 years
39 publications
31 national/international presentations; 21 awards; 8 fellowships
2 American Association of Immunologists Career Fellow Awards
American Association of Cancer Research Scholars in Training Award
NSF Fellows East Asia Award
American Association for Virology Award
American Association for Neural Therapy and Repair Award
Microscopy and Microanalysis Society Scholar’s Award

First TBMH doctoral degrees awarded
May, 2018

Nithya Ramalingam
Postdoctoral position
Community-Family Medicine
Oregon Health Sciences University

Kevin Pridham
Novel therapeutics for brain cancer and leukemia
Pharma industry

Audra Van Wart
Program Co-Director

Steve Poelzing
Program Co-Director

Nithya Ramalingam
Postdoctoral position
Community-Family Medicine
Oregon Health Sciences University

Kevin Pridham
Novel therapeutics for brain cancer and leukemia
Pharma industry

Audra Van Wart
Program Co-Director

Steve Poelzing
Program Co-Director
Experiential learning through biomedical research: mentorship of medical students & undergraduate students

Global reach of VTCRI cerebral palsy neurorehabilitation research
Hue, Vietnam May, 2018

VTCRI NIH funded ($500K) undergraduate summer research fellows program
The VTC Biomedical Research Addition
Health Sciences and Technology Campus

Opening April, 2020; 25-30 new research teams; 300-400 employees and students

HS&T program focus areas
Economist says Tech, Carilion Roanoke campus will contribute at least $465 million to economy within 8 years

The Roanoke Innovation Corridor

- VTCRI research teams are changing the science of medicine/health while receiving global recognition
- ROI on initial investments is strong with strong impact on VT extramural portfolio
- Keys to success: entrepreneurial researchers and students, translational science, industry partnerships, spinoffs
- HS&T campus entering major growth with enhanced connectivity to Bburg campus, economic impact on valleys
Council of College Deans Update

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

Sally Morton, dean of the College of Science, serving as a liaison with the council of college deans will update the committee on behalf of the council.
Open Session Agenda

BUILDINGS AND GROUNDS COMMITTEE

9:30 a.m. Open Session meeting begins in Room 716 at the Higher Education Center - Roanoke

Monday, August 27, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Welcome</td>
<td>Mr. C.T. Hill, Chair</td>
</tr>
<tr>
<td>2. Consent Agenda</td>
<td>Mr. C.T. Hill, Chair</td>
</tr>
<tr>
<td>a. Approval of the minutes from the June 4, 2018 meeting</td>
<td></td>
</tr>
<tr>
<td>b. Acceptance of the capital project status report</td>
<td></td>
</tr>
<tr>
<td>3. Buildings and Grounds Committee Overview</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>4. Satellite Location Safety, Security &amp; Preparedness Presentation</td>
<td>Mr. Mike Mulhare</td>
</tr>
<tr>
<td></td>
<td>Chief Kevin Foust</td>
</tr>
<tr>
<td></td>
<td>Dr. Lance Franklin</td>
</tr>
<tr>
<td>5. Resolution to Increase the Width of a Virginia Electric and Power Company Easement</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>6. Resolution to support the NRV Water Authority Projects and the Related Issuance of Captioned Bonds</td>
<td>Dr. Sherwood Wilson</td>
</tr>
<tr>
<td>7. Resolution on the Demolition of University Building No. 0835</td>
<td>Ms. Liza Morris</td>
</tr>
<tr>
<td>8. Design Preview for the Livestock and Poultry Research Facilities Phase I</td>
<td>Ms. Liza Morris</td>
</tr>
<tr>
<td>9. Design Review for the Student-Athlete Performance Center</td>
<td>Ms. Liza Morris</td>
</tr>
<tr>
<td>10. November Agenda Discussion</td>
<td>Mr. C.T. Hill, Chair</td>
</tr>
</tbody>
</table>

* Requires full Board approval.
Open Session

1. Welcome

2. Consent Agenda: The Committee will consider for approval and acceptance the items listed on the Consent Agenda:
   a. Approval of the Minutes for the June 4, 2018.
   b. Acceptance of Capital Project Status Report: The Committee will review for acceptance the quarterly capital project status report.

3. Overview of the Buildings and Grounds Committee: The Committee will receive an overview of Buildings and Grounds Committee oversight and responsibilities.

4. Satellite Location Safety, Security and Preparedness Presentation: The Committee will receive an overview from Mr. Mike Mulhare, Assistant Vice President for Emergency Management, Virginia Tech Police Chief, Kevin Foust and Lance Franklin, Assistant Vice President for Environmental Health and Safety.

5. Resolution to Increase the Width of a Virginia Electric and Power Company Easement: Virginia Electric Power Company (VEPCO), a subsidiary of Dominion Energy, Inc., has requested Virginia Polytechnic Institute and State University (Virginia Tech) grant an increase in the width of VEPCO’s overhead electric transmission lines easement by thirty feet (30’) for a total width of one hundred feet (100’) on Virginia Tech’s Norther Piedmont Center.

6. Resolution to Support the NRV Water Authority Projects and the Related Issuance of Captioned Bonds: The Committee will review for approval a resolution in support of the acquisition, construction, equipping, occupation, operation and use of projects that will enhance regional water treatment and distribution, and the related issuance of captioned bonds.

7. Resolution on Demolition of University Building No. 0835: The Committee will review for approval the university’s request to demolish the Tenant House, Obenshain Building No. 0835, which is a 935 gross square foot (GSF) concrete masonry unit and wooden room structure with a basement on university property located on the Northern Piedmont Center in Orange County, Virginia.
8. **Design Preview for Livestock and Poultry Research Facilities – Phase I:** The Committee will receive for approval the design preview for the Livestock and Poultry Research Facilities – Phase I. LPRFI seeks to improve fourteen (14) facilities through both renovation and new construction.

9. **Design Review for the Student-Athlete Performance Center:** The Committee will receive for approval the design review the Student-Athlete Performance Center. This approximately 28,800 gross square foot renovation and new construction project is intended to provide a competitive advantage for athletics.

10. **November Agenda Discussion:** The Committee will discuss potential topics for inclusion on the November meeting agenda.
CONSENT AGENDA

The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

Consent Agenda

C.T. Hill, Chair

a. Approval of the Minutes from the June 4, 2018 meeting.


* Requires full Board approval.
Open Session

Board Members Present: Mike Quillen, C.T. Hill, Robert Mills, Jeff Veatch

VPI & SU Staff: Bill Abplanalp, Jennifer Altman, Mac Babb, Van Coble, Joe Crane, Robbie Farley, Lance Franklin, Elaine Gall, Mark Gess, Alan Grant, Chris Kiwus, Heidi McCoy, Robin McCoy, Sarah McCoy, Grant Morris, Mike Mulhare, April Myers, Ed Nelson, Robert Sebek, Kayla Smith, Steven Smith, Heather Snidow, Jason Soileau, Jon Clark Teglas, Sherwood Wilson, Alison Wolfe

1. Tour: The Committee toured English Field at Union Park, Rector Field House, and O’Shaughnessy Hall.

2. Welcome

3. Consent Agenda: The Committee approved and accepted the items listed on the Consent Agenda:
   
a. Approval of the Minutes for the March 26, 2018 meeting: The Committee approved the minutes from the last meeting.

* b. Resolution for an Ingress and Egress Easement to the New River Valley Regional Water Authority: The Committee reviewed and approved a resolution authorizing the Vice President for Operations to execute a non-exclusive easement for ingress and egress to the New River Valley (NRV) Regional Water Authority. The NRV Regional Water Authority requested that the university grant this easement along a roadway partially located on university owned property to provide access to a Montgomery County Public Service Authority water tank.

* c. Resolution on Appointment to the New River Valley Regional Water Authority: The Committee reviewed and approved a resolution recommending William R. Knocke as the new at-large member to the Authority. Dr. Knocke is the W.C. English Professor and Program Coordinator in the Charles E. Via, Jr. Department of Civil and Environmental Engineering at Virginia Tech.

   d. Acceptance of Capital Project Status Report: The Committee reviewed and accepted the quarterly capital project status report.

4. Overview of Environmental Health and Safety: The Committee received an overview of the university’s environmental health and safety function from Dr. Lance Franklin, Assistant Vice President for Environmental Health and Safety.
5. **Report on Public Hearing for Solid Waste Authority Amendment:** The Vice President for Operations was appointed by the Board of Visitors at its March 2018 meeting to serve as the university’s representative at any public hearings required for changes to the governing documents of the Authority. A public hearing regarding a proposed amendment to the Authority’s Articles of Incorporation, which will provide staggered terms of office for the Authority’s Board members, was held on May 10, 2018. Dr. Sherwood G. Wilson reported to the Committee that no public comments were received at the public hearing.

6. **Resolution to Amend Solid Waste Authority Articles of Incorporation:** The Committee reviewed and approved an agreement to amend the articles of incorporation, to provide staggered terms of office for the members of the Authority’s Board of Directors, and to extend the User Agreement with the Authority.

7. **Resolution on Appointments to Solid Waste Authority:** The Committee reviewed and approved two reappointments - one joint member and one university representative - to the Montgomery Regional Solid Waste Authority Board of Directors, as a result of changes to the Articles of Incorporation.

8. **Design Review for Holden Hall Renovation:** The Committee received and approved the design review of the Holden Hall Renovation. This approximately 101,000 gross square foot renovation and new construction project includes renovation of the 1940s-era southern wing and the demolition and replacement of the existing, dilapidated north and east wings. The facility will support the College of Engineering and create a showcase venue for the Department of Materials Science and Engineering and the Department of Mining and Minerals Engineering.

9. **Design Review for Bovine Extension, Teaching, and Research Facility:** The Committee received and approved the design review of the Bovine Extension, Teaching, and Research (BETR) Facility. Part of the three-building Improve Kentland Facilities project, the BETR Facility provides approximately 10,200 gross square feet of additional classroom, animal interaction, and demonstration space for the College of Agriculture and Life Sciences. While the BETR Facility’s design was approved in August 2015, a redesign effort is underway as part of a cost-management effort.

10. **Annual Report of the University Building Official:** The Committee reviewed and accepted the annual summary report of activities from the University Building Official. As set forth in university policy 5407, the annual report identifies the code enforcement and building permit activities performed during the prior year.

11. **August Agenda Discussion:** The Committee discussed potential topics for inclusion on the August meeting agenda.

* Requires full Board approval.
Joint Open Session with the Buildings and Grounds Committee

Board Members Present: Greta Harris, C. T. Hill, Anna James, Robert Mills, Mike Quillen, Robert Sebek – staff representative, Dennis Treacy, Horacio Valeiras, Jeff Veatch

VPI & SU Staff: Mac Babb, Bob Broyden, Van Coble, John Cusimano, John Dooley, Ted Faulkner, Lance Franklin, Mary Helmick, Jim Hillman, Tim Hodge, Robin Jones, Chris Kiwus, Nancy Meacham, Ken Miller, Grant Morris, Mike Mulhare, Mark Owczarski, Charlie Phlegar, Scot Ransbottom, Lisa Royal, Savita Sharma, Dwight Shelton, Kayla Smith, Ken Smith, Jason Soileau, Brad Sumpter, Tracy Vosburgh, Sherwood Wilson

1. Approval of Resolution for Planning the Slusher Residence Hall Replacement: The Committees reviewed for approval a resolution for planning the capital project for Slusher Residence Hall Replacement.

Slusher Residence Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. The university will first build and occupy a new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical. This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project.

The Committees recommended the Resolution for Planning the Slusher Residence Hall Replacement to the full Board for approval.

2. Approval of Resolution for Dietrick First Floor and Plaza Renovation Supplement: The Committees reviewed for approval a resolution for Dietrick First Floor and Plaza Renovation Supplement.

The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.
The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget. The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work. This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.

The Committees recommended the Resolution for Dietrick First Floor and Plaza Renovation Supplement to the full Board for approval.

There being no further business, the meeting adjourned at 11:32 a.m.

* Requires full Board approval.
## BUILDINGS AND GROUNDS COMMITTEE
### August 27, 2018
#### Capital Project Status Report

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Description</th>
<th>Estimated Total Project Cost</th>
<th>Project Teams</th>
<th>Non-General Funds</th>
<th>Contract Completion Date</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>G. Burke Johnston (GBJ) Student Center Programming Study</td>
<td>The Feasibility Study will provide a high level review of options to repurpose GBJ as a Student Success Center upon completion of the dining facility envisioned for the Intelligent Infrastructure for Human-Centered Communities Destination Area.</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>December 2018. Feasibility Study is underway and on track.</td>
</tr>
<tr>
<td>Global Business Analytics Complex (G-BAC)</td>
<td>The Feasibility Study will investigate facility options for up to four buildings comprising a replacement for the Pamplin College of Business, creation of a Data Analytics and Decision Sciences facility, and two living-learning communities.</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>Feasibility Study is complete. Fundraising efforts by Pamplin College of Business are ongoing. Pro Forma cost analysis for the living/learning communities is under development.</td>
</tr>
<tr>
<td>Global System Sciences</td>
<td>The Feasibility Study will investigate a facility that will support disciplinary and interdisciplinary faculty of the College of Science, College of Natural Resources and Environment, College of Agriculture and Life Sciences, Virginia-Maryland Regional College of Veterinary Medicine, and university research institutes to facilitate education and research focused on solving critical regional and global problems, including environmental, animal, and human health.</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>Feasibility Study is underway and on track.</td>
</tr>
<tr>
<td>Media Building Feasibility Study</td>
<td>The Media Building is a 2-story structure that was constructed in 1934 at the intersection of Draper Road and Roanoke Street. The purpose of this feasibility study is to evaluate the repurposing of the facility to support and further the work of the Institute for Creativity, Arts, and Technology (ICAT). The study intends to provide an overall vision for the facility with the A/E providing high-level budget and phasing analysis.</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>July 2018. Feasibility Study is complete.</td>
</tr>
<tr>
<td>Newman Library Feasibility Study</td>
<td>The Feasibility Study will evaluate the existing building’s infrastructure, code compliance requirements for egress, change of building use, and restroom facilities.</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>April 2018. Feasibility study is complete. Project is not envisioned to be approved for state funding prior to July 2019.</td>
</tr>
<tr>
<td>Phi Gamma Delta (Fiji) Fraternity House</td>
<td>The Feasibility Study will develop initial programming, exterior renderings, fundraising materials, and a cost estimate of a new fraternity house that can accommodate 30-44 beds.</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>Feasibility Study is underway.</td>
</tr>
<tr>
<td>Southgate Dining Food Production Center</td>
<td>The Feasibility Study will provide Dining Services with information to determine the most desirable option for the future growth of the Food Processing Facility. Three options being explored are: 1. renovation/additions to existing facility; 2. renovation/addition &amp; new building; 3. new building.</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>December 2018. Feasibility Study is underway and on track.</td>
</tr>
<tr>
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<tr>
<td>Slusher Hall Replacement</td>
<td>This project envisions the demolition of Slusher Hall and construction of replacement residence hall(s) that will equal or exceed 630 beds. Planning documents and designs will be developed to execute the project in phases to avoid unnecessary reduction in bed inventory during the project.</td>
<td>$3,500,000</td>
<td>$3,500,000</td>
<td>TBD</td>
<td>TBD</td>
<td>A/E contract procurement initiated; Requests for Proposals (RFP) issued in July 2018.</td>
</tr>
<tr>
<td>Boiler Package 12</td>
<td>Demolition and disposal of decommissioned coal fired boiler (No. 4) and installation of a new 100 lbs./hour natural gas/oil fired packaged boiler (No. 12).</td>
<td>$6,800,000</td>
<td>$6,800,000</td>
<td>Affiliated Engineers, Inc. (AEI) Atlanta, GA</td>
<td>TBD</td>
<td>Late Fall 2019</td>
</tr>
<tr>
<td>Chiller Plant Phase II</td>
<td>This project includes the replacement and upgrade of plant equipment in the existing campus chiller plants and the expansion of the underground distribution infrastructure to link campus chiller substations and bring additional existing campus buildings online. Improvements include the replacement of two outdated chillers in the North Plant with two new, upgraded larger capacity chillers totaling 6,000 tons; and the addition of two new 1,500 ton chillers in the Southwest Plant. The project also includes the replacement and upgrade of auxiliary equipment with state-of-the-art, optimally sized pumping and system support equipment.</td>
<td>$39,286,000</td>
<td>$9,797,040</td>
<td>Affiliated Engineers, Inc. (AEI) Chapel Hill, NC</td>
<td>TBD</td>
<td>Summer 2021</td>
</tr>
<tr>
<td>Corps Leadership &amp; Military Science</td>
<td>Three story structure that provides a centralized and consolidated home to the Corps of Cadets administration and ROTC programs.</td>
<td>TBD</td>
<td>TBD</td>
<td>Clark Nexsen</td>
<td>TBD</td>
<td>Preliminary Design (50% design) documents completed. Project on hold pending state authorization for general fund for development of working drawings and construction.</td>
</tr>
<tr>
<td>Creativity &amp; Innovation District</td>
<td>This project involves the provision of a new residential life building in the emerging Creativity &amp; Innovation District. The proposed 203,000 gross square feet (GSF) and approximately 600-bed facility will support the growing living-learning community anticipated for this key area of campus and supports the university’s Beyond Boundaries initiative.</td>
<td>$105,500,000</td>
<td>$105,500,000</td>
<td>Vmgo Charlottesville, VA</td>
<td>TBD</td>
<td>Design-Build project. Criteria/Bridging Document phase is underway and on track. Procurement of the Design-Build team is targeted for first quarter of calendar year 2019.</td>
</tr>
<tr>
<td>Dietrick Hall Enclosure &amp; Spirit Plaza</td>
<td>This project will expand Dining Services by enclosing approximately 6,400 GSF of overhang area to create new interior dining space. The exterior plaza area will be renovated to create an outdoor venue that can provide an enhanced environment to study and host outdoor events and gatherings.</td>
<td>$8,300,000</td>
<td>$8,300,000</td>
<td>Aecom Roanoke, VA</td>
<td>TBD</td>
<td>Project is under design. Procurement of construction contract is targeted for late fall 2018/early winter 2019 with planned completion in fall 2019.</td>
</tr>
<tr>
<td>HITT Hall &amp; the Intelligent Infrastructure Complex</td>
<td>Program elements envision a 30,000 GSF HITT Hall connected to Bishop-Favrao Hall, a 15,000 GSF Fusion Lab, 5,000 GSF Data for the Massey student activity space, and a dining facility. Project intent is to showcase technology and innovation as a key component of the Intelligent Infrastructure Destination Area.</td>
<td>$50,000,000</td>
<td>$50,000,000</td>
<td>Lord Aeck Sargent (LAS) Atlanta, GA</td>
<td>TBD</td>
<td>Design-Build project. Criteria/Bridging Document phase is underway. Procurement of the Design-Build team is targeted for first quarter of calendar year 2019.</td>
</tr>
<tr>
<td>Project Name</td>
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<tr>
<td>Hidden Hall Renovation</td>
<td>This project includes the renovation of an approximately 71,000 GSF portion of Hidden Hall fronting the Drillfield. The remaining 21,000 GSF of the existing building will be demolished and replaced with approximately 60,000 GSF of new engineering and research space for a total building size of 101,000 GSF.</td>
<td>$66,314,000</td>
<td>$17,500,000</td>
<td>Mosley Architects, Virginia Beach, VA</td>
<td>Fall 2021</td>
<td>Project is under design and on track. Construction start scheduled for summer 2019.</td>
</tr>
<tr>
<td>Improve Kentland Facilities (Phase II)</td>
<td>This project includes new construction of three buildings totaling approximately 28,000 GSF including a metabolic research laboratory, an applied reproduction facility, and a bovine extension teaching/research facility to serve Agency 229, Virginia Cooperative Extension, and the Virginia Agricultural Experiment Station.</td>
<td>$9,363,000</td>
<td>$0</td>
<td>Spectrum Design, PC, Roanoke, VA</td>
<td>Fall 2019</td>
<td>Re-design is complete. Construction contract procurement/re-bid underway; targeting construction start in early fall 2018.</td>
</tr>
<tr>
<td>Livestock &amp; Poultry Research Facilities (Phase I)</td>
<td>This project is the first of two phases to renew existing facilities for the College of Agriculture and Life Sciences' livestock and poultry programs. This first phase includes approximately 154,100 GSF of new and renovated facilities located at existing Virginia Tech sites on the Plantation Road Corridor, at Smithfield Horse Center, at Kentland Farm, and at the Glade Road Poultry Research Center.</td>
<td>$22,500,000</td>
<td>$0</td>
<td>Spectrum Design, PC, Roanoke, VA</td>
<td>Summer 2020</td>
<td>Project is under design and on track. Procurement of construction contract is targeted for early winter 2019.</td>
</tr>
<tr>
<td>Multi-Modal Transit Facility</td>
<td>The Multi-Modal Transit Facility project is a partnership with the Town of Blacksburg under which the Town will obtain funding, hold contracts, and own the building that will be located and operated on Virginia Tech land.</td>
<td>$44,000,000</td>
<td>N/A</td>
<td>Wendel Associates, Buffalo, NY</td>
<td>Summer 2021</td>
<td>Design is underway with planned conclusion in August 2018. Project faces a budgetary shortfall of $8 million. Construction phase on hold pending outcome of Town of Blacksburg efforts to garner additional project funds via VDOT Smart-Scale Grant. If funds are obtained, construction phase is targeted to begin in spring/summer 2019.</td>
</tr>
<tr>
<td>Student-Athlete Performance Center</td>
<td>This project includes a complete renovation and expansion of the fourth floor of the Jamerson Center, construction of a balcony cantilevered from the fourth floor, and a new elevator tower. The project will provide approximately 17,000 square feet for dining, nutrition, recruiting, donor hospitality, and allow for a seamless transition to the Cassell Coliseum concourse.</td>
<td>$16,680,000</td>
<td>$16,680,000</td>
<td>Hanbury, Norfolk, VA</td>
<td>TBD</td>
<td>Project is under design. Procurement of construction contract is targeted for early 2019 with planned completion by fall 2020.</td>
</tr>
<tr>
<td>Student Wellness Improvements</td>
<td>The project provides a comprehensive solution for student wellness services through upgrades to McCormick Hall and major renovations to War Memorial Hall to meet the programming needs of the Schiffert Health Center, Cook Counseling Center, Recreational Sports, College of Liberal Arts and Human Sciences, and the College of Agriculture and Life Sciences.</td>
<td>$63,000,000</td>
<td>$63,000,000</td>
<td>CannonDesign, Baltimore, MD</td>
<td>Spring 2022</td>
<td>Design is underway; options to optimize programmatic needs specific to Cook Counseling Center are under consideration. Procurement of Construction Manager at Risk (CMaR) targeted for fall 2018.</td>
</tr>
<tr>
<td>Undergraduate Science Laboratories Renovations</td>
<td>The project will repurpose multiple laboratory/teaching spaces in Dermer and Hahn Halls to meet growing demand for course sections in biology, chemistry, organic chemistry, and microbiology.</td>
<td>$10,000,000</td>
<td>$10,000,000</td>
<td>Studio Twenty Seven, Architecture, Washington, DC</td>
<td>August 2019</td>
<td>Construction contract awarded in July 2018; construction start targeted to begin in August 2018 with planned completion by August 2019.</td>
</tr>
<tr>
<td>Undergraduate Science Laboratory</td>
<td>The project will construct a new undergraduate science laboratory facility of 102,000 GSF to accommodate the growing demand for STEM-H degrees at Virginia Tech.</td>
<td>$71,700,000</td>
<td>$0</td>
<td>ZGF Architects, Washington, DC</td>
<td>Fall 2021</td>
<td>Project is currently in design and on track. Earliest possible date for approval of state funding for working drawings development and construction is July 2019.</td>
</tr>
</tbody>
</table>
## CONSTRUCTION

<table>
<thead>
<tr>
<th>Project Name</th>
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</thead>
<tbody>
<tr>
<td>ACC Network Studio</td>
<td>The project will establish the necessary broadcast facilities including interior renovations to an existing control room; construction of two new control rooms; installation of fiber, infrastructure, and equipment to support the broadcast of Virginia Tech intercollegiate athletic events on the ACC Network.</td>
<td>$10,000,000</td>
<td>$0</td>
<td>Multiple A/E Firms, Multiple Contractors</td>
<td>Fall 2019</td>
<td>Demolition of existing spaces in Lane Stadium is complete; procurement of construction contracts to support installation of infrastructure is underway; equipment procurement (via the Department of Athletics) is underway.</td>
</tr>
<tr>
<td>Athletic Facilities Improvements</td>
<td>This is an umbrella project for improvements to multiple athletics facilities, including Rector Field House, Baseball, and Tennis.</td>
<td>$37,500,000</td>
<td>$37,500,000</td>
<td>Rector: Cannon Design, Baseball: Cannon Design, Tennis: TKA Architects (Carena Documents)</td>
<td>Rector: May 2018, Baseball: May 2018, Tennis: TBD</td>
<td>Sub-projects as follows: 1) Rector Field House - Construction reached Substantial Completion in March 2018, 2) Baseball - Construction reached Substantial Completion in May 2018, 3) Tennis - Project on hold pending funding.</td>
</tr>
<tr>
<td>Commonwealth Ballroom Improvements</td>
<td>The scope of work includes replacing outdated and non-functioning lighting systems, stage systems, ceiling tiles, and air handlers for the Commonwealth Ballroom in Squires Student Center. An acoustical dividing wall will be added to increase usage capabilities by student organizations and the campus community.</td>
<td>$3,246,000</td>
<td>$3,246,000</td>
<td>Dewberry Engineers, Glass &amp; Associates, Inc.</td>
<td>March 2019</td>
<td>Construction contract awarded in July 2018; construction start targeted to begin in October 2018 with planned completion in time for Spring 2019 Commencement.</td>
</tr>
<tr>
<td>Fire Alarm Systems &amp; Access</td>
<td>This project provides for critical life safety improvements in several educational and general facilities on campus. Fire alarm systems will be installed or expanded in as many campus buildings as funding allows, including Architecture Annex, Food Science &amp; Technology, Lane Hall, Litton-Reaves Hall, Norris Hall, Patton Hall, Randolph Hall, War Memorial Hall (Gym), Wallace Annex, and Whitemore Hall.</td>
<td>$4,900,000</td>
<td>$0</td>
<td>Multiple A/E Firms, Multiple Contractors</td>
<td>Fall 2018</td>
<td>Installation of Fire Alarm System completed in all buildings except Norris Hall and Litton Reaves Hall which are scheduled to be completed in August and October 2018, respectively.</td>
</tr>
<tr>
<td>Lane Electric Substation Expansion</td>
<td>This project will expand the existing electrical sub-station to add approximately 37 percent additional power capacity to serve the campus Life Sciences and Northwest Precincts and the Corporate Research Center’s proposed expansion.</td>
<td>$6,500,000</td>
<td>$6,500,000</td>
<td>Appalachian Electric Power and Virginia Tech Electric Service</td>
<td>Summer 2019</td>
<td>Project is administrated by Virginia Tech Electric Service in coordination with Appalachian Power Company and Appalachian Electric Power. Project is currently on track for completion in summer 2019.</td>
</tr>
<tr>
<td>O'Shaughnessy Hall Renovation</td>
<td>This project includes major renovation of a 72,000 GSF student residence building into a living-learning community. The residence hall originally housed 350 students and upon completion will house 344 students.</td>
<td>$21,500,000</td>
<td>$21,500,000</td>
<td>Mosely Architects, Virginia Beach, VA</td>
<td>August 2018</td>
<td>Project is on schedule for completion in summer 2018 and occupancy in August.</td>
</tr>
<tr>
<td>Project Name</td>
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<tr>
<td>Renovate/Renew Academic Buildings</td>
<td>This project will renovate three existing campus buildings - Sandy Hall, the Liberal Arts Building, and the original portion of Davidson Hall. Collectively, these renovations will increase the functionality of these underutilized building assets, address several deferred maintenance issues, and reduce critical space deficiencies. Small additions are planned for Sandy Hall and the Liberal Arts Building to meet current emergency egress code requirements. New elevators in Sandy Hall and the Liberal Arts Building will provide ADA access.</td>
<td>$35,029,000</td>
<td>$0</td>
<td>Glavé &amp; Holmes Architects Richmond, VA</td>
<td>August 2018</td>
<td>Construction is underway on all three buildings. Davidson Hall and the Liberal Arts Building are on track for completion in time for start of Fall Semester 2018. Sandy Hall encountered delays and is targeted for completion in time for start of Spring Semester 2019.</td>
</tr>
<tr>
<td>Slegar Hall Hokie Stone Repairs &amp; Betterments</td>
<td>The scope of work includes repair of Hokie Stone facade as well as cleaning and removal of efflorescence from the stone, precast, and glass surfaces.</td>
<td>$1,100,000</td>
<td>$1,100,000</td>
<td>Wiss, Janney, Elstner Associates, Inc.</td>
<td>December 2018</td>
<td>Project is under construction; targeted for completion in late fall 2018.</td>
</tr>
<tr>
<td>Unified Communications &amp; Network Renewal Project</td>
<td>This project replaces outdated equipment and upgrades campus communications systems, providing infrastructure and equipment enhancements over a five-year period. The project scope includes upgrades to the Internet Protocol (IP) Network, the cable plant, and equipment rooms in buildings throughout campus.</td>
<td>$16,508,000</td>
<td>$16,508,000</td>
<td>Various A/E Firms</td>
<td>December 2017</td>
<td>Project is complete. Final report.</td>
</tr>
<tr>
<td>Upper Quad Residential Facilities</td>
<td>This project provides for the demolition and construction of replacements for Brodie and Rasche residence halls to serve the Corps of Cadets. The new residence halls (totaling approximately 210,000 GSF) will provide over 1,000 beds in double and triple rooms sharing hall community bathrooms. These new residence halls will be constructed at the approximate location of the original Rasche Hall and Brodie Hall. Both buildings will provide double and triple occupancy rooms that meet the residence and in-room storage space needs of the cadets. Both new residence halls will provide dedicated meeting, community, and group spaces, specifically designed to meet Corps of Cadets program and organization needs. Thomas Hall and Montelle Hall will also be demolished as part of this project.</td>
<td>$91,000,000</td>
<td>$91,000,000</td>
<td>Barton Malow Company Charlottesville, VA</td>
<td>Pearson Hall - August 2015 New Cadet Hall - April 2017</td>
<td>Project is complete; contract close-out actions underway.</td>
</tr>
<tr>
<td>Virginia Tech Carilion Biomedical Research Expansion</td>
<td>This project, executed under the Public-Private Education Facilities and Infrastructure Act of 2002 (PPEIA), will construct an approximately 139,000 GSF building adjacent to the Virginia Tech Carilion Research Institute in Roanoke. The new facility will include high intensity biomedical research capable laboratories with surgical-type suites, Bio-safety Level Three laboratories, and animal imaging facilities that require high-field magnetic resonance imaging. The remaining space will include high-intensity dry laboratory research and training spaces including computational facilities, offices, procedural/training rooms, and technical training space.</td>
<td>$89,865,000</td>
<td>$0</td>
<td>AECOM</td>
<td>Skanska</td>
<td>January 2020</td>
</tr>
</tbody>
</table>

This project will renovate three existing campus buildings - Sandy Hall, the Liberal Arts Building, and the original portion of Davidson Hall. Collectively, these renovations will increase the functionality of these underutilized building assets, address several deferred maintenance issues, and reduce critical space deficiencies. Small additions are planned for Sandy Hall and the Liberal Arts Building to meet current emergency egress code requirements. New elevators in Sandy Hall and the Liberal Arts Building will provide ADA access.
Projects In Feasibility

- G. Burke Johnston Student Center Programming Study
- Global Business Analytics Complex
- Global System Sciences
- Media Building Feasibility Study
- Newman Library Feasibility Study
- Phi Gamma Delta (Fiji) Fraternity House
- Southgate Dining Food Production Center
- Projects Initiated
  - Slusher Hall Replacement
Projects In Design

- Boiler Package 12
- Chiller Plant (Phase II)
- Corps Leadership & Military Science
- Creativity & Innovation District Living-Learning Community
- Dietrick Hall Enclosure & Spirit Plaza
- HITT Hall & the Intelligent Infrastructure Complex
Projects In Design

• Holden Hall Renovation
• Improve Kentland Facilities (Phase II)
• Livestock & Poultry Research Facilities (Phase I)
• Multi-Modal Transit Facility
• Student-Athlete Performance Center
• Student Wellness Improvements
• Undergraduate Science Laboratories Renovations
• Undergraduate Science Laboratory
- **Projects Under Construction**

  - ACC Network Studio
  - Athletic Facilities Improvements
  - Commonwealth Ballroom Improvements
  - Fire Alarm Systems & Access
  - Lane Electric Substation Expansion
  - O'Shaughnessy Hall Renovation
  - Renovate/Renew Academic Buildings
  - Steger Hall Hokie Stone Repairs & Betterments
  - Unified Communications & Network Renewal Project
  - Upper Quad Residential Facilities
  - Virginia Tech Carilion Biomedical Research Expansion
Buildings & Grounds Committee Overview

- Sherwood G. Wilson
- August 27, 2018
... responsible for oversight of campus safety and security, the maintenance and development of the physical plant and infrastructure, land use and planning, and review and development of capital outlay requests.

The university employee designated as the University Building Official when serving in that capacity reports directly to the Board of Visitors through this committee.
Operations Division

Organizational Structure
August 2018

BOARD OF VISITORS

PRESIDENT
Timothy D. Sands

SENIOR VICE PRESIDENT
FOR OPERATIONS & ADMINISTRATION
Dwayne Pinkney

VICE PRESIDENT FOR OPERATIONS
Sherwood G. Wilson

SPECIAL ASSISTANT TO THE VICE PRESIDENT
Kayla Smith

BUSINESS OPERATIONS MANAGEMENT CONSULTANT
Steve Vantine

DIRECTOR BUSINESS SERVICES
Vacant

ASSISTANT VICE PRESIDENT
ENVIRONMENTAL HEALTH AND SAFETY
Lance Franklin

ASSISTANT VICE PRESIDENT
EMERGENCY MANAGEMENT
Mika Mulhare

ASSOCIATE VICE PRESIDENT
AND CHIEF FACILITIES OFFICER
Chris Kiwus

CHIEF OF POLICE AND DIRECTOR OF SECURITY
Kevin Foust

ASSISTANT VICE PRESIDENT
OPERATIONS SHARED SERVICES
Heidi McCoy

PARKING, FLEET & ALTERNATIVE TRANSPORTATION

PRINTING & MAIL SERVICES

AIR TRANSPORTATION SERVICES

BIOSAFETY

LABORATORY SAFETY

RADIATION SAFETY

PLANNING

OPERATIONS (Event/Incident Management)

OUTREACH & EDUCATION

UNIVERSITY PLANNING

UNIVERSITY BUILDING OFFICIAL

CAPITAL CONSTRUCTION & RENOVATIONS

ADMINISTRATION

OPERATIONS

HUMAN RESOURCES

FINANCE

COMMUNICATIONS

DATA & MANAGEMENT SYSTEMS

VT RESCUE

OPERATIONS DIVISION

August 2018
• University Safety & Security Policy Committee
• University Policy 5615
• Threat Assessment
• Functional offices/entities:
  • Virginia Tech Police Department
  • Virginia Tech Rescue Squad
  • Office of Emergency Management
  • Environmental Health & Safety
- Land Use and Planning
  - Master Plan
  - Project Siting
  - Architecture and Landscape Design
  - Transportation Planning
  - Space Management
Capital Outlay and Construction Management

**SIX YEAR CAPITAL PLAN**
CAPITAL ASSETS and FINANCE MANAGEMENT

- Project Review and Prioritization
- Executive Space Committee Approval
- Presidential Approval
- BOV Approval

**PROJECTS OUTSIDE THE SIX YEAR CAPITAL PLAN**
FACILITIES

- Pres. Policy 289
- Project Identification and Feasibility
- University Space Committee Approval
- Presidential Approval

**PROJECT DESIGN AND CONSTRUCTION**
FACILITIES

- BOV Design Preview (B&G Committee)
- BOV Design Review (B&G Committee)
- Detail Design
- Construction Documents

- Lobbying and/or Fundraising
- Self Funded Project
- BOV Fund Authorization Design
- Project Initiation

**General Fund (State Funded) Project**
**State Appropriation Design**

**CONSTRUCTION**

- Construction Begins
**Physical Plant and Infrastructure**

Maintaining and sustaining the built and natural environment

- Includes: buildings, transportation, utilities, electrical/mechanical systems, and the main campus grounds
- Main goal: provide a safe, reliable, efficient, functional, and beautiful setting for the campus community
- Accomplished via: proactive assessment, long-range planning, and collaborative management
  - Certain maintenance, repair, renovation, and housekeeping activities are delegated to Student Affairs and Athletics
  - The Division of Information Technology is responsible for the planning, installation, and maintenance of all communications and data infrastructure (telephones, internet, etc.)
### Summary: BOV B&G Committee Review and Action Items

<table>
<thead>
<tr>
<th>Type</th>
<th>Frequency</th>
<th>Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Project Status Report</td>
<td>Every meeting</td>
<td>Buildings &amp; Grounds</td>
</tr>
<tr>
<td>Tours of Capital Projects and/or Future Construction Sites</td>
<td>Most meetings – as needed</td>
<td>Buildings &amp; Grounds</td>
</tr>
<tr>
<td>University Building Official Annual Report</td>
<td>Annually in June</td>
<td>Buildings &amp; Grounds</td>
</tr>
<tr>
<td>Sustainability Report</td>
<td>Annually in November</td>
<td>Buildings &amp; Grounds</td>
</tr>
<tr>
<td>Clery Report</td>
<td>Annually in November</td>
<td>Buildings &amp; Grounds, Compliance, Audit &amp; Risk</td>
</tr>
<tr>
<td>Design Preview/Reviews</td>
<td>As needed in order to receive Board approval</td>
<td>Buildings &amp; Grounds</td>
</tr>
<tr>
<td>Project Updates (ex: Drillfield Drive Improvements)</td>
<td>As needed to keep the Board informed</td>
<td>Buildings &amp; Grounds</td>
</tr>
<tr>
<td>Regional Public Service Authority Appointments</td>
<td>As needed to maintain full representation</td>
<td>Buildings &amp; Grounds and Full Board</td>
</tr>
<tr>
<td>Demolitions</td>
<td>As needed in order to receive Board approval</td>
<td>Buildings &amp; Grounds and Full Board</td>
</tr>
<tr>
<td>Easements</td>
<td>As needed in order to receive Board approval</td>
<td>Buildings &amp; Grounds and Full Board</td>
</tr>
<tr>
<td>Acquisitions and Conveyances of Property</td>
<td>As needed in order to receive Board approval</td>
<td>Buildings &amp; Grounds and Full Board</td>
</tr>
<tr>
<td>Crisis and Emergency Management Plan (CEMP)</td>
<td>Every four years</td>
<td>Buildings &amp; Grounds and Full Board</td>
</tr>
<tr>
<td>Funding – Design</td>
<td>As needed in order to receive Board approval</td>
<td>Buildings &amp; Grounds and Finance &amp; Resource Management and Full Board</td>
</tr>
<tr>
<td>Funding – Construction and Capital Leases</td>
<td>As needed in order to receive Board approval</td>
<td>Buildings &amp; Grounds and Finance &amp; Resource Management and Full Board</td>
</tr>
<tr>
<td>Six-Year Capital Plan</td>
<td>Every two years</td>
<td>Buildings &amp; Grounds with Finance &amp; Resource Management and Full Board</td>
</tr>
<tr>
<td>Master Plan</td>
<td>As needed in order to receive Board approval</td>
<td>Buildings &amp; Grounds and Full Board</td>
</tr>
</tbody>
</table>

**Notes:**

1. Other, less common, items that would come forward for review through the B&G Committee include: Adoptions of and Updates to Regulations (ex: Parking and Weapons), updates to facility-related university policies, updates to construction-related governing documents (ex: PPEA Guidelines, Design Standards, etc.), and litigation briefings.

2. The BOV has delegated authority for approving safety and security-related university policy revisions to the University Safety and Security Policy Committee.
Satellite location safety, security & preparedness

- Mike Mulhare, Assistant Vice President for Emergency Management
- Kevin Foust, Chief of Police & Director of Security
- Lance Franklin, Assistant Vice President for Environmental Health & Safety
Emergency Management - Beyond Blacksburg

Regional/Satellite Based
- Roanoke
- Hampton Roads
- Richmond
- Abingdon
- Danville
- National Capital Region
- Steger Center

Program Elements
- Emergency Action Planning
- Business Continuity
- VT Alerts
- Annual Training and Exercises
Recent Actions

- Joint Exercise with UVA at Falls Church
- Alert Protocol for Health Science & Technology (Roanoke) Campus
- Manage Alerts at Falls Church for UVA
- Support ARECS Directors Meeting
- Develop Additional Emergency Planning Portal Features to Support Satellite Facilities
- Develop Custom Templates for Cooperative Extension Emergency Plans.
- Assist Steger Center with Update of Emergency Action Plans and Notification Procedures
- Police Department efforts outside the Blacksburg campus

- Security cameras at the Falls Church center
- Visit to the Steger Center
- Ability to send VT Alerts to off-sites from the Security Center
- Efforts at VTCRI and medical school in Roanoke
- Liaison contact with jurisdictional agencies at off-sites
- Joint presentations at Agricultural Research & Extension Centers (ARECs) with OEM
- Full time representation on the FBI’s Joint Terrorism Task Force
Environmental Health and Safety Off Site Services

- Occupational Health Services
- Pesticide Management
- Hazardous Waste Management
- Regulated Medical Waste Management
- Personnel safety training
- Farm safety
- Fire and life safety oversight
- Petroleum Storage Management
- Unpermitted Discharge Investigations
- Contaminated Soils Management
- Exposure Control Consultation

Deliverables (FY 2018)
- 73 Inspections
- 12,000 Miles Traveled
- 985 Individuals Trained
- 283 Medical Evaluations
- 547 Service Hours
- 206 Medical Surveys
- 143 Respirator Users
- 51 Vaccinations
- 25 Blood/Titer tests
- 35 Tons of Medical & Hazardous Waste
- 7 Investigations/Consultations
- 1 AREC Farm Manager Conference
Summary

- Maintaining adequate safety, security & preparedness activities at locations outside the Blacksburg campus requires:
  - **Outreach** - individualized approaches based on the activities occurring at each location
  - **Relationships** - build trust and reliability between contacts in each location and central support teams
  - **Resources** - particularly in time and staffing
RESOLUTION TO INCREASE WIDTH OF VIRGINIA ELECTRIC AND POWER COMPANY EASEMENT

Virginia Electric and Power Company (“VEPCO”), a subsidiary of Dominion Energy, Inc., has requested Virginia Polytechnic Institute and State University (“Virginia Tech”) grant an increase in the width of VEPCO’s overhead electric transmission lines easement by thirty feet (30’) for a total width of one hundred feet (100’) on Virginia Tech’s Northern Piedmont Center.
RESOLUTION TO INCREASE WIDTH OF VIRGINIA ELECTRIC AND POWER COMPANY EASEMENT

WHEREAS, Virginia Electric and Power Company ("VEPCO"), a subsidiary of Dominion Energy, Inc., has secured Virginia State Corporation Commission ("SCC") approval and authorization for upgrades to the Remington Pratts Gordonsville 230 kV Transmission Line to increase available electric power, improve reliability, and realize cost efficiencies relative to the transmission line upgrade project; and

WHEREAS, Virginia Polytechnic Institute and State University ("Virginia Tech") is the fee simple owner of the Northern Piedmont Center (formerly known as the Northern Piedmont Agricultural Research and Extension Center) containing approximately 43 acres in Orange County, Virginia; and

WHEREAS, by easements created and recorded prior to Virginia Tech’s ownership of the Northern Piedmont Center, VEPCO’s overhead electric power transmission lines easement width is seventy feet (70’) and traverses the entire length of the Northern Piedmont Center; and

WHEREAS, in keeping with SCC requirements and standards, VEPCO is requesting Virginia Tech increase the width of the existing seventy feet (70’) easement by thirty feet (30’) for a total width of one hundred feet (100’); and

WHEREAS, the proposed one hundred feet (100’) wide easement is more particularly shown and described on a drawing entitled “VIRGINIA ELECTRIC AND POWER CO. REMINGTON-GORDONSVILLE PLAT TO ACCOMPANY AGREEMENT WITH COMMONWEALTH OF VIRGINIA-VIRGINIA AGRICULTURAL AND MECHANICAL COLLEGE AND POLYTECHNIC INSTITUTE,” dated January 24, 2018, a copy of which drawing is attached hereto as Exhibit A; and

WHEREAS, VEPCO has confirmed that the land encumbered by the easement, which land lays below the overhead electric power transmission lines and around the electric pole structures, can continue to be used for crops with VEPCO being responsible for damages to crops, fences or buildings caused by VEPCO or its contractor(s) in the installation or maintenance of the overhead electric power lines and related structures; and

WHEREAS, Virginia Tech desires to grant said thirty feet (30’) additional easement width to VEPCO;
NOW, THEREFORE BE IT RESOLVED, that the Vice President for Operations, his successors and/or assigns, be authorized to execute a Deed of Easement, or Amendment to Deeds of Easement, to VEPCO as described herein, in accordance with applicable university policies and procedures as permitted by the Higher Education Restructuring Act and Management Agreement with the Commonwealth of Virginia, and the Code of Virginia (1950), as amended.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Operations to execute the easement, or amendment to deeds of easement, to VEPCO be approved.

August 27, 2018
JAMES MADISON HWY
~ ROUTE 15
(VARIABLE WIDTH RIGHT-OF-WAY)

AREA = 4.96 ACRES

NOTES:
1. CENTERLINE RIGHT-OF-WAY IS BASED ON THE CENTERLINE OF EXISTING TRANSMISSION LINE AS OF JANUARY 2018
2. NO BUILDINGS SHOWN.
RESOLUTION TO SUPPORT NRV WATER AUTHORITY PROJECTS AND THE RELATED ISSUANCE OF CAPTIONED BONDS

The university is requesting approval of a Resolution supporting projects that will enhance regional water treatment and distribution as outlined in the 2013 NRV Water Authority Joinder Agreement and by the long range plan approved by the Water Authority Board. This action has been requested by the Authority’s bond financing agency.
WHEREAS, the New River Valley Regional Water Authority (the “Authority”) has received commitments from the Virginia Resources Authority (the “VRA”) as administrator of the Virginia Water Supply Revolving Fund (the “Fund”) committing to loans from the Fund to the Authority in the amounts of up to $27,760,000, $3,031,000 and $6,137,000 (the “Bond Financing”); and,

WHEREAS, the Bond Financing will provide funds for (1) modernization of the Authority’s water treatment plant consisting of improvements to the raw water pump station, the intermediate raw water pump station, the water treatment plant and other improvements to the Authority’s water system; (2) Plum Creek System Connection Phase I transmission line consisting of 9,034 linear feet of 20-inch diameter and 4,450 linear feet of 12-inch diameter waterline with associated appurtenances and other improvements to the Authority’s water system; and (3) Plum Creek Connection Phase II consisting of 18,566 linear feet of 20-inch diameter waterline and a 7.2MGD booster pump station with associated appurtenances and other improvements to the Authority’s water system (the “Projects”); and,

WHEREAS, the Board of Visitors of Virginia Polytechnic Institute and State University has been asked by the VRA, along with all of the other parties to the Water Agreement, to adopt and provide a resolution affirming its support of the acquisition, construction, equipping, occupation, operation and use of the Projects and the related Bond Financing by the Authority;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Visitors of Virginia Polytechnic Institute and State University that it affirms its support of the acquisition, construction, equipping, occupation, operation and use of the Projects and the related Bond Financing by the Authority; and,

BE IT FURTHER RESOLVED, The Secretary to the Board of Visitors is authorized to certify a copy of the Water Agreement to the VRA; and

BE IT FURTHER RESOLVED, this resolution shall take effect immediately upon its adoption.

RECOMMENDATION:

That the resolution recommending support of the acquisition, construction, equipping, occupation, operation and use of the Projects and the related issuance of captioned bonds be approved; that the Secretary to the Board be authorized to certify a copy of the Water Agreement; and that these actions become effective immediately.

August 27, 2018
RESOLUTION ON DEMOLITION OF UNIVERSITY BUILDING –
TENANT HOUSE, OBENSHAIN BUILDING NO. 0835

The university requests approval to demolish the Tenant House, Obenshain Building No. 0835. The facility is a 935 gross square foot gross square foot structure located at the Northern Piedmont Center in Orange County, Virginia. It is a concrete masonry unit and wooden-roof structure with a basement. Constructed in 1941, it has been used as a family residence, office building, and storage space. The building has fallen into disrepair and is beyond its useful life. As such, the university seeks to demolish the structure due to safety and environmental concerns. The university will also obtain approval from the Department of Historic Resources and the Art and Architecture Review Board prior to demolition of this structure.
RESOLUTION ON DEMOLITION OF UNIVERSITY BUILDING – TENANT HOUSE, OBENSHAIN BUILDING NO. 0835

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

WHEREAS, the Tenant House, Obenshain Building No. 0835, is beyond its useful life as a concrete masonry unit and wooden roof structure with a basement; and

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

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors approve the demolition of building number 0835, located at the Northern Piedmont Center in Orange County, in accordance with the applicable statues of the Code of Virginia (1950), as amended.

RECOMMENDATION:

That the above resolution authorizing the demolition of building number 0835 be approved.

August 27, 2018
DEMOLITION OF UNIVERSITY BUILDING
TENANT HOUSE, OBENSHAIN BUILDING NO. 0835

Board of Visitors Resolution for Demolition
Demolition of Building No. 0835

Building Location – Northern Piedmont Center in Orange County, Virginia
- Demolition of Building No. 0835

Building Location – Northern Piedmont Center in Orange County, Virginia
Demolition of Building No. 0835

Existing Condition (Exterior)
Demolition of Building No. 0835

Existing Condition (Interior)
That the Resolution authorizing the demolition of building no. 0835 be approved.
The Livestock and Poultry Research Facilities – Phase I project seeks to enhance spaces available to the College of Agriculture and Life Sciences (CALS). CALS currently possesses several existing buildings that are beyond their useful life. Specifically, improvements are targeted to assist the poultry, swine, equine, and beef cattle programs. To this end, the project seeks to improve 14 facilities through renovation and new construction. The buildings are located at existing Virginia Tech sites on the Plantation Road Corridor, Smithfield Horse Center, at Kentland Farm, and at the Glade Road Poultry Research Center.

This project provides for approximately 129,600 gross square feet of newly constructed space and 24,500 gross square feet of renovated space. To achieve these improvements, the project requires the demolition of six existing buildings and three grain silos. Several of these facilities have been abandoned due to their condition.

This $22.136 million project is the first of two phases and was authorized and appropriated by the Commonwealth of Virginia in July 2016. The second phase was requested as part of the six-year capital outlay submission to the commonwealth in June 2017; however it was not funded as part of the 2018 Governor’s budget and remains pending. The Phase II project scope includes 13 buildings, contains 97,000 gross square feet, and projects a total project budget of $24.3 million.
Title of Project:
Livestock and Poultry Research Facilities – Phase I

Location:
Facilities exist across four primary locations. Location 1, the Plantation Road Corridor, is located southwest of the campus core (beyond Route 460). Location 2, Smithfield Horse Center sits on the southwestern edge of campus (directly adjacent to the Duck Pond Road parking lot). Location 3, Kentland Farm, is located along the New River nine miles to the west of campus and 13 miles to the north of Radford. Location 4, the Glade Road Poultry Research Center is situated approximately three miles to the northwest of campus along the Town of Blacksburg boundary.

Current Project Status and Schedule:
The project is currently in schematic design. The architect of record (Spectrum Design) seeks to conclude the design process in early 2019. Construction is targeted to begin in spring 2019 with occupancy targeted for summer 2020.

Project Description:
Across all areas, projects focus on increasing research, animal housing, and storage space for CALS use. Work on the Plantation Road Corridor and Smithfield Horse Center focuses on increasing the supply of animal housing and storage space. Projects in the Glade Road Poultry Research Center also focus on animal housing. Lastly, projects at Kentland Farm focus on animal housing and research.

The Plantation Road Corridor will see the construction of four new facilities. Projects include an Equine Barn, an equipment storage building, and two hay barns. With the exception of the Equine Barn, which is focused on animal housing, all other projects focus on increasing the supply and quality of CALS storage space. An existing granary and two silos, all of which are beyond their useful life, will be demolished. Three existing facilities (Campbell Arena, the Animal Judging Pavilion, and the Beef Barn) will receive renovations. More details are included in the program description.

New construction at Smithfield Horse Center consists exclusively of a hay barn. The facility will be constructed on the site of three demolished feed storage buildings and one granary silo.
Efforts at Kentland Farm focus on the new construction of three facilities. These include a Swine Facility, designed to replicate a commercial swine production building, which provides additional animal housing for CALS pigs. The Beef Nutrition / Physiology Research Facility is designed for the performance of feed studies on cattle. The complex will include a working area for cattle, a small lab space, and commodity storage. A new hay barn will also be constructed adjacent to the facility. No demolitions or renovations will occur at this site.

New construction at the Glade Road Poultry Center consists of the new construction of two facilities. Referred to collectively as the Broiler and Turkey Grow-Out Facilities, these buildings are designed to provide space for the housing of chickens (broilers) and turkeys for CALS. Projects specifically focus on improving conditions for the processing of broilers and turkeys raised for meat production. These new facilities will be constructed on the sites of two existing (to be demolished) facilities. While designed for the same use, poultry processing, the existing facilities are beyond their useful life. An additional poultry processing facility will also receive a renovation. More details are included in the program description below.

**Brief Program Description:**

The project groups facilities to be newly constructed into two categories, major facilities and minor facilities, depending on the complexity of the program and the building’s location. Buildings with multi-use programs, or that are located near the main campus, are considered major. Buildings with basic programs, not located near the main campus, are considered minor.

The Plantation Road Corridor will see the construction of one major facility and three minor facilities. Three buildings will also receive a renovation. The major facility is the approximately 13,500 gross square foot Equine Barn. It features over 11,300 square feet of animal housing, approximately 300 square feet of office space, and nearly 1,900 square feet of support and circulation space. Minor facilities include two additional, but more remote, hay barns. These facilities are 8,400 and 10,000 gross square feet (respectively). Programs consist almost exclusively of hay storage space. A new 5,600 gross square foot Equipment Storage Facility will also be constructed. Its program consists exclusively of storage space. Renovations, of approximately 22,700 total gross square feet, will also occur to Campbell Arena, the Animal Judging Pavilion, and the Beef Barn. These efforts focus on the upgrading of building systems, structural reinforcement, and other interior modifications.

Smithfield Horse Center will receive one major facility. This building is the approximately 10,000 gross square foot Hay Barn. While featuring a simple program of hay storage space, this facility is considered major due to its location near the western perimeter of the campus core.
Kentland Farm will see the construction of two major facilities and one minor facility. No renovations will occur at this location. The first major facility is the roughly 26,600 gross square foot Beef Nutrition / Physiology Research Facility. It contains over 21,000 square feet of animal housing and approximately 5,500 square feet of support and storage space. The second major facility is the nearly 23,000 gross square foot Swine Facility. The majority of the program, nearly 15,500 square feet, is devoted to animal housing. It also contains over 900 square feet of office and classroom use and over 6,600 square feet of support, storage, restroom, and circulation space. The minor facility is an approximately 9,000 gross square foot hay barn. Hay storage is its only programmatic element.

The Glade Road Poultry Research Center will receive two new minor facilities. One facility will also receive a renovation. The new minor facilities, the Broiler and Turkey Grow-Out Facilities, will be approximately 12,300 and 11,200 gross square feet (respectively). Programs consist exclusively of animal housing and support space. One existing poultry facility will receive 1,800 gross square feet of renovation targeted at improving processing spaces and creating two ADA-compliant restrooms.

**Contextual Issues and Design Intent:**
Facility designs seek consistency with typical agricultural farm-use facilities. Coloration, material selection, and building forms seek to mirror the existing conditions at project sites. This approach features significant use of metal panel for roofs and siding, gabled roof forms, roof monitors, and overall coloration to match nearby buildings (typically white siding and gray, red, or green roofs).

**Architect/Engineer:**
Spectrum Design

**General Contractor:**
To be determined
LIVESTOCK AND POULTRY RESEARCH FACILITIES - PHASE I
Livestock and Poultry Research Facilities – Phase I

Project Information

- New Construction: ~ 129,600 GSF
- Renovation: ~ 24,500 GSF
- Delivery Method: Design-Bid-Build
- Funding (State Maximum): $22.5 Million
- Design Phase: Schematic
- Construction Start: Spring 2019
- Targeted Occupancy: Summer 2020
Project Locations

- Kentland Farm
- Glade Road Poultry Center
- Plantation Road Corridor
- Campus Core
- Radford
- Smithfield Horse Center

VT

VIRGINIA TECH
Location 1 - Plantation Road Corridor

- Equine Barn
- Hay Barn (Hethwood)
- Equipment Storage Facility
- Hay Barn (Warm Hearth)
- Price's Fork Road
- Campus Core
- Southgate Inn

- Major Facility
- Minor Facility

Demolition

VT TECH
- **Location 1 - Plantation Road Corridor**

- Equine Barn
- Hay Barn (Hethwood)
- Equipment Storage Facility
- Hay Barn (Warm Hearth)

- Major Facility
- Minor Facility

- Demolition
- New Construction
- Renovation

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**VIRGINIA TECH**
Plantation Road Corridor - Existing Conditions

Price's Fork Road

Campus Core

Route 460

Plantation Road

Existing Conditions
- Plantation Road Corridor - Buildings to be Demolished
- Plantation Road Corridor - New Construction
- Plantation Road Corridor - Renovations

Campus Core

Price’s Fork Road

Campbell Arena

Animal Judging Pavilion

Beef Barn

Renovation(s)
Plantation Road Corridor - Equine Barn: Elevations

West Elevation

North Elevation

Metal Panel
Steel Frame
Gabled Roof
Animal Entry
Plantation Road Corridor - Equine Barn: Floorplan

- Animal Stalls
- Wash Stalls
- Veterinarian Room
- Tack Room

LEGEND

- **ANIMAL HOUSING**: 11,333 SF
- **CIRCULATION**: 615 SF
- **OFFICE**: 284 SF
- **RESTROOMS / LOCKER ROOMS**: 584 SF
- **SUPPORT**: 192 SF

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VT VIRGINIA TECH

N
Plantation Road Corridor - Minor Facilities
Two Hay Barns & One Equipment Storage Facility

Character Images

Hay Barns:

Equipment Storage Facility:
Location 2 - Smithfield Horse Center
Location 2 – Smithfield Horse Center

- Campus Core
- Price's Fork Road
- Horse Center
- Major Facility
- Hay Barn
- Demolition

Smithfield Plantation

Route 460

N

Price's Fork Road

Horse Center

Hay Barn

Major Facility

Smithfield Plantation

Demolition
Smithfield Horse Center - Existing Conditions
Smithfield Horse Center - Buildings to be Demolished

- Existing Granary & Feed Storage Facilities
- Route 460
- Price’s Fork Road
- Smithfield Plantation
- Campus Core
- Demolition
Smithfield Horse Center - New Construction: Hay Barn
Smithfield Horse Center - Hay Barn: Elevations

North Elevation
- Roof Monitor
- Metal Panel

West Elevation
- Sliding Door
Smithfield Horse Center - Hay Barn: Floorplan

- Feed Storage

Legend:
- Hay Storage: 10,000 SF
Location 3 - Kentland Farm
Location 3 - Kentland Farm

Swine Facility

Beef Nutrition | Physiology Research Facility

Major Facility

Minor Facility

Radford

VT Dairy Complex

New Construction
Kentland Farm - Existing Conditions: Swine Facility
- Kentland Farm - New Construction: Swine Facility
Kentland Farm - Swine Facility: Elevations

- Sidewall Curtain
- West Elevation*
- Metal Panel

North Elevation
- Finishing Pens
- Nursery
- Gestation Area
- Classroom

West Elevation*
- Image Not to Scale
Kentland Farm - New Construction: Beef Nutrition | Physiology Research Facility

- New Construction
- Beef Nutrition | Physiology
- Research Facility
- Hay Barn
- Blacksburg
- VT Dairy Complex
- Radford
Kentland Farm - Beef Research Facility: Elevations

North Elevation
- Cattle Pens
- Feed Storage

West Elevation
- Metal Panel
- Concrete
- Cattle Pens
- Kentland Farm - Minor Facility: One Hay Barn
- Location 4 - Glade Road Poultry Center
Location 4 - Glade Road Poultry Center

- Minor Facility
- Broiler Grow-Out Facility
- Turkey Grow-Out Facility
- Campus Core
- Town Boundary
- Glade Road

VT VIRGINIA TECH
- Location 4 - Glade Road Poultry Center
Glade Road Poultry Center - Existing Conditions: Poultry Grow-Out Facilities
Glade Road Poultry Center - Buildings to be Demolished
- Glade Road Poultry Center - Renovation: Poultry Processing Facility

![Diagram showing Glade Road, Campus Core, Existing Poultry Processing Facility, Town Boundary, and Renovation areas.](image)
Glade Road - Minor Facilities: Two Poultry Grow-Out Facilities

Character Image
Livestock and Poultry Research Facilities – Phase I

Recommendation

- That the Design Preview graphics be approved and authorization be provided to continue with the project design consistent with the drawings shown.
The Student-Athlete Performance Center project seeks to create a 200-seat nutrition center centrally located within the athletics area of campus. This approximately 25,500 gross square foot renovation and new construction project is intended to provide a competitive advantage for athletics. Meal offerings will be designed to provide performance-based nutrition. It is designed to serve the existing group of Virginia Tech athletes in close proximity to their training and performance spaces. This arrangement fosters inter-team community, supports athletic performance, and offers a flexible meeting and event space for related uses.
Title of Project:
Student-Athlete Performance Center

Location:
This facility is a renovation of, and addition to, the existing Gordan D. Bowman Memorial Club Room (Bowman Room). This room is on the fourth floor of the Jamerson Athletic Center, located between Lane Stadium and Cassell Coliseum. Additional light renovation and minor construction will also occur on floors one through three.

Current Project Status and Schedule:
The project is currently in the working drawings phase. Full construction is targeted to begin in spring 2019 with occupancy targeted for fall 2020.

Project Description:
This project supports overall recruitment and branding efforts by the Department of Athletics. Capturing views of the indoor practice facility, outdoor football practice field, and Lane Stadium will provide visual reinforcement of the athletics brand to users of the space. The facility will also be designed to meet best practices for sustainable design and operations. The total project budget is $16.682 million.

Brief Program Description:
This project focuses on a partial renovation of, and addition to, the fourth floor of the Jamerson Athletic Center. On this floor, approximately 3,700 square feet of additional seating (including balconies) will be constructed. This figure also includes a 1,900 square foot enclosure of a portion of the existing roof to widen the entry corridor from Cassell Coliseum and to create limited office space. The approximately 9,200 square foot fourth floor renovation focuses on modification to, and or creation of, additional dining, servery, and kitchen space. The approximately 8,500 square feet of third floor renovations focus on enhancing structural stability to accommodate additional weight on the fourth floor. New elevator-related construction of approximately 1,700 square feet, and renovation of 450 square feet for egress, will also occur on floors one through three.
Contextual Issues and Design Intent:
Primary exterior materials include precast concrete, Hokie Stone, and a glazing system. An opportunity for heraldry will exist on the eastern elevator tower. Finally, the facade of the structure contains four separately-accessible balconies.

Architect/Engineer:
Hanbury

Construction Manager:
To be determined
STUDENT-ATHLETE PERFORMANCE CENTER

Board of Visitors Design Review
- **Student-Athlete Performance Center**

**Project Information**

- New Construction: ~7,300 GSF
- Renovation: ~18,200 GSF
- Delivery Method: Design-Bid-Build
- Funding (Total Authorization): $16.682 Million
- Design Phase: Working Drawings
- Construction Start: Spring 2019
- Targeted Occupancy: Fall 2020
- Student-Athlete Performance Center

Project Location
Student-Athlete Performance Center

Existing Condition (Interior)
Student-Athlete Performance Center

Existing Condition (Exterior)
Student-Athlete Performance Center

Site Plan
- Student-Athlete Performance Center

Fourth Floor Plan

Access to Cassell Coliseum

Entry

Exterior Balconies

Freight Elevator

Dining
Outdoor Balcony
Servery
Circulation
Kitchen
Support
Existing Building
- Student-Athlete Performance Center

Recommendation

- That the Design Review graphics be approved and authorization be provided to continue with the project design consistent with the drawings shown.
Open Joint Session Agenda

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND
BUILDINGS AND GROUNDS COMMITTEE

Roanoke Higher Education Center
Room 715
11:00 a.m. – 11:15 a.m.

August 27, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Approval of Resolution for Planning the Athletics Weight Room Renovation and Expansion</td>
<td>Dwight Shelton Sherwood Wilson</td>
</tr>
</tbody>
</table>

* Requires full Board approval.
Open Session

1. Approval of Resolution for Planning the Athletics Weight Room Renovation and Expansion: The Committees will review for approval a resolution for planning the capital project for the Athletics Room Renovation and Expansion.

The Merryman Center was built in 1998 and is approximately 42,000 gross square feet. The facility has received few improvements since its original construction, and requires an update to meet the Athletic department’s expectations within the highly competitive environment for NCAA Division I college football. The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package.

Based on a feasibility study completed in January 2018, the university has determined that the desired athletics program can be accommodated with an approximately 22,520 gross square foot project. This includes a 17,640 gross square foot renovation of the first two floors of the Merryman Center and a 4,880 gross square foot expansion of the second floor team meeting rooms.

This request is for a $700,000 planning authorization to complete working drawings for the Athletics Weight Room Renovation and Expansion project.

The Athletics program is raising private funds to support the project and has received gifts and commitments sufficient to support the planning phase of the project.

* Requires full Board approval.
The Merryman Center is a 42,000 gross square foot athletic facility that was built and placed in service in 1998. The facility has received few improvements since its original construction, and requires an update to meet the Athletic department’s expectations within the ultra-competitive environment for NCAA Division I college football. As a member of the Atlantic Coast Conference, Virginia Tech competes among the highest level of competition in the NCAA. Proper facilities are a critical element to attract and maintain high caliber student athletes and coaches. A renovation and expansion to the football program’s weight facility and team meeting rooms will further enhance the football program to compete at the highest level.

The Athletics department completed a feasibility study for the program in January 2018. The study shows the desired program can be accommodated with an approximately 22,520 gross square foot project including a 17,640 gross square foot renovation of the first two floors of the Merryman Center and a 4,880 gross square foot expansion of the second floor team meeting rooms. The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package. This project will enhance the student athlete experience within the football program for both physical and mental preparation.

The Athletics program is raising private funds to support the project and has received gifts and commitments sufficient to support the planning phase of the project. The planning budget is $700,000, and Athletics desires to move forward with a planning project while continuing to raise funds for the entire project.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, and funding of nongeneral fund capital outlay projects. This request is for a $700,000 planning authorization to complete working drawings for the Athletics Weight Room Renovation and Expansion project. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding plan, and schedule for the entire project are determined.
WHEREAS, as a member of the Atlantic Coast Conference, Virginia Tech competes among the highest level of competition in the NCAA; and,

WHEREAS, proper facilities are a critical element to attract and maintain high caliber student athletes and coaches; and,

WHEREAS, a feasibility shows the football weight room requires renovation and expansion to meet the expectations of athletes and coaches; and,

WHEREAS, the envisioned project scope includes a 22,520 gross square foot total project including 17,640 gross square foot renovation of the first two floors of the Merryman Center and 4,880 gross square foot expansion of the second floor; and,

WHEREAS, the Athletics program is raising private funds for the project and has received gifts and commitments sufficient to support the planning phase of the project; and,

WHEREAS, the planning budget is $700,000, and Athletics desires to move forward with a planning project while continuing to raise funds for the entire project; and,

WHEREAS, the university is requesting a $700,000 planning authorization to complete working drawings and to fund the planning project with 100 percent nongeneral fund resources derived from private gifts; and,

WHEREAS, the university may submit a subsequent request for full project funding after designs are underway and a firm scope, cost, funding plan, and schedule for the entire project are determined; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, and funding of nongeneral funded major capital outlay projects; and,

NOW THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $700,000 planning authorization for the Athletics Weight Room Renovation and Expansion project.

RECOMMENDATION:

That the above resolution authorizing Virginia Tech to plan the Athletics Weight Room Renovation and Expansion project be approved.

August 27, 2018
Resolution for Planning the Athletics Weight Room Renovation and Expansion

August 27, 2018

DWIGHT SHELTON
VICE PRESIDENT FOR FINANCE AND CHIEF FINANCIAL OFFICER

BOB BROYDEN,
ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT
Resolution for Planning the Athletics Weight Room Renovation and Expansion

- The Athletics department desires to modernize the existing football weight room located in the Merryman Center, originally placed in service in 1998.
- The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package.
- Existing donations and commitments are sufficient to cover planning costs.
Resolution for Planning the Athletics Weight Room Renovation and Expansion

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $700,000 planning authorization for the Athletics Weight Room Renovation and Expansion project.

RECOMMENDATION:
That the resolution authorizing Virginia Tech to plan the Athletics Weight Room Renovation and Expansion project be approved.

August 27, 2018
# Open Session Agenda

## COMPLIANCE, AUDIT, AND RISK COMMITTEE

Appalachian Room – Hotel Roanoke  
9:15 a.m. – 10:45 a.m.  

August 26, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Reconvene in Open Session</td>
<td>Ms. James</td>
</tr>
<tr>
<td>2. Welcome and Introductory Remarks</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Mr. Kazmi</td>
</tr>
<tr>
<td>a. Approval of Minutes of the June 3, 2018 Meeting</td>
<td></td>
</tr>
<tr>
<td>b. Update of Responses to Open Internal Audit Comments</td>
<td></td>
</tr>
<tr>
<td>c. Internal Audit Reports</td>
<td></td>
</tr>
<tr>
<td>i. Advancement Compliance Review</td>
<td></td>
</tr>
<tr>
<td>ii. IT: Employee Access Life Cycle</td>
<td></td>
</tr>
<tr>
<td>iii. University Scholarships and Financial Aid</td>
<td></td>
</tr>
<tr>
<td>d. Status Update of the Audit of the University’s Financial Statements</td>
<td></td>
</tr>
<tr>
<td>e. Statewide Reviews and Special Reports</td>
<td></td>
</tr>
<tr>
<td>4. OARC Annual Report</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>5. Internal Audit Reports</td>
<td>Mr. Daniels</td>
</tr>
<tr>
<td>a. Global Activities</td>
<td></td>
</tr>
<tr>
<td>b. Athletics Compliance Review</td>
<td></td>
</tr>
<tr>
<td>6. Audit Plan for Fiscal Year 2018-19</td>
<td>Mr. Daniels</td>
</tr>
<tr>
<td>7. Enterprise Risk Management Program</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>8. Institutional Compliance Program</td>
<td>Ms. Kurek</td>
</tr>
<tr>
<td>9. Discussion of Future Topics</td>
<td>Mr. Kazmi</td>
</tr>
</tbody>
</table>
Compliance, Audit, and Risk Open Session

1. **Motion to Reconvene in Open Session:** Motion to begin open session.

2. **Welcome and Introductory Remarks:** The chair of the Compliance, Audit, and Risk Committee will provide opening remarks.

3. **Consent Agenda:** The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

   a. **Approval of Minutes of the June 3, 2018 Meeting:** The Committee will review and approve the minutes of the June 3, 2018 meeting.

   b. **Update of Responses to Open Internal Audit Comments:** The Committee will review the university’s update of responses to all previously issued internal audit reports. As of March 31, 2018, the university had eight open recommendations. Three audit comments have been issued during the second quarter of the fiscal year. As of June 30, 2018, the university has addressed seven comments, leaving four open recommendations in progress.

   c. **Internal Audit Reports:** The following internal audit reports were issued by the Office of Audit, Risk, and Compliance (OARC) since the June 3, 2018 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.

      i. **Advancement Compliance Review:** Our audit indicated that Advancement has designed and implemented controls that are often effective at ensuring compliance with university policies and procedures, but improvements are recommended to achieve a fully effective system of internal controls. Audit recommendations were issued to management
where opportunities for further improvement were noted in the areas of leave reporting, expenditures, and funds handling.

ii. IT: Employee Access Life Cycle: Our audit of controls over employee access life cycle indicated that management has designed and implemented controls that are often effective at reducing exposure to many of the business risks that are faced, but improvements are recommended to achieve a fully effective system of internal controls. An observation with university-wide impact was noted with respect to controls and processes for provisioning and deprovisioning employees for the Enterprise Directory and Banner.

iii. University Scholarships and Financial Aid: Our audit indicated that management of the Office of University Scholarships and Financial Aid (USFA) has designed and implemented controls that are effective at reducing exposure to several of the business risks that are faced.

d. Status Update of the Audit of the University’s Financial Statements: This report provides the current status of the audit of the university’s financial statements for 2017-18.

e. Statewide Reviews and Special Reports: This report is related to ongoing and forthcoming statewide reviews. Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts, Office of the State Inspector General, and Virginia Department of Veterans Services.

4. OARC Annual Report: The Committee will review the Annual Report for OARC. This acceptance of 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 Charter. In addition to conducting scheduled audits, policy compliance reviews, and advisory services, the department participated in annual audit activities, fraud investigations, and professional development activities. Twenty-six audit projects, or 92 percent of the audits on the fiscal year 2017-18 amended audit plan, have been completed.

In addition to operating the audit function, OARC designed and implemented an Enterprise Risk Management (ERM) framework and Institutional Compliance Program (ICP).
5. **Internal Audit Reports**: The following internal audit report was issued by OARC since the June 3, 2018 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.

   a. Global Activities: Our audit of global activities indicated that management has designed and implemented controls that are often effective at reducing exposure to many of the business risks that are faced, but improvements are recommended to achieve a fully effective system of internal controls. An observation with university-wide impact was noted with respect to the organizational structure of providing immigration and visa services to students and employees. Additionally, a low-priority recommendation of a less significant nature was noted in the area of contingency plans and incident management.

   b. Athletics Compliance Review: Our audit identified certain significant business risks for which the Department of Athletics has not designed or implemented effective controls. Significant improvements are needed to achieve an adequate system of internal controls and effectively manage the associated business risk. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of fiscal responsibility, wage payroll, leave reporting, P14 appointments, expenditures, fixed assets, and funds handling.

6. **Audit Plan for Fiscal Year 2018-19**: The Committee will review the annual audit plan for fiscal year 2018-19. OARC conducted the annual risk assessment after reviewing financial and operational data and seeking input from senior management. In addition, a university-wide information technology risk assessment and audit plan were created in accordance with industry standards. For fiscal year 2018-19, more than 20 audit projects are proposed given current staffing levels, with approximately 75 percent of available resources committed to the completion of planned projects.

7. **Enterprise Risk Management Program**: The Committee will receive an update on the Enterprise Risk Management (ERM) program, including planned activities for the next several years and the long-term vision for ERM.
8. **Institutional Compliance Program**: The Committee will receive an update on the institutional compliance program, including convening the newly-established compliance oversight committee to coordinate best practices regarding maintenance of a compliance matrix of applicable regulations and authoritative guidance with responsible parties, risk assessment, and monitoring activities.

9. **Discussion of Future Topics**: The Committee will discuss topics to be covered in future committee meetings.
Motion to Reconvene in Open Session

COMPLIANCE, AUDIT, AND RISK COMMITTEE

August 26, 2018

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

WHEREAS, §2.2-3711 of the Code of Virginia requires a certification by the Compliance, Audit, and Risk Committee that such closed meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED, that the Compliance, Audit, and Risk Committee of 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 Compliance, Audit, and Risk Committee.
Welcome and Introductory Remarks

COMPLIANCE, AUDIT, AND RISK COMMITTEE

August 26, 2018

The Chair of the Compliance, Audit, and Risk Committee will offer welcoming remarks and ask for approval of the agenda.
The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

a. Approval of Minutes of the June 3, 2018 Meeting
b. Update of Responses to Open Internal Audit Comments
c. Internal Audit Reports
   i. Advancement Compliance Review
   ii. IT: Employee Access Life Cycle
   iii. University Scholarships and Financial Aid
d. Status Update of the Audit of the University’s Financial Statements
e. Statewide Reviews and Special Reports
Committee Minutes

COMPLIANCE, AUDIT, AND RISK COMMITTEE

110B Classroom Building, Virginia Tech
10:00 a.m.

June 3, 2018

Closed Session

Committee Members Present: Mr. Mehmood Kazmi (chair), Ms. Tish Long, Mr. Robert Mills Jr., Mr. Horacio Valeiras

Board Members Present: Mr. Mike Quillen, Mr. Dennis Treacy (rector)

VPI & SU Staff: Mr. Cyril Clarke, Mr. Brian Daniels, Mr. Ryan Hamilton, Ms. Kay Heidbreder, Ms. Sharon Kurek, Ms. Kim O’Rourke, Dr. Timothy Sands, Mr. M. Dwight Shelton Jr.

Compliance, Audit, and Risk Closed Session

1. Motion for Closed Session: Motion to begin closed session.

2. Update on Fraud, Waste, and Abuse Cases: The Committee received an update on outstanding fraud, waste, and abuse cases.

3. Discussion with the Executive Director of Audit, Risk, and Compliance: The Executive Director discussed audits of specific departments and units where individual employees were identified.

Open Session

Committee Members Present: Mr. Mehmood Kazmi (chair), Ms. Tish Long, Mr. Robert Mills Jr., Mr. Horacio Valeiras

Board Members Present: Mr. Mike Quillen, Mr. Dennis Treacy (rector), Dr. Hans Robinson (faculty representative), Mr. Robert Sebek (staff representative), Mr. Brett Netto (graduate student representative), Mr. Seyi Olusina (undergraduate student representative)
**Compliance, Audit, and Risk Open Session**

1. **Motion to Reconvene in Open Session:** Motion to begin open session.

2. **Welcome and Introductory Remarks:** The chair of the Compliance, Audit, and Risk Committee provided opening remarks.

3. **Consent Agenda:** The Committee approved and accepted the items listed on the Consent Agenda.

   a. **Approval of Minutes of the March 25, 2018 Meeting:** The Committee reviewed and approved the minutes of the March 25, 2018 meeting.

   b. **Update of Responses to Open Internal Audit Comments:** The Committee reviewed the university’s update of responses to all previously issued internal audit reports. As of December 31, 2017, the university had six open recommendations. Seven audit comments have been issued during the second quarter of the fiscal year. As of March 31, 2018, the university has addressed five comments, leaving eight open recommendations in progress.

   c. **Audit Plan Status Report:** The committee reviewed the Audit Plan Status Report. The Office of Audit, Risk, and Compliance (OARC) has completed 58 percent of its audit plan in accordance with the fiscal year 2017-18 annual audit plan.

   d. **Internal Audit Reports:** The following internal audit reports were issued by OARC since the March 25, 2018 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations.
i. Biochemistry: The audit received a rating of improvements are recommended. An audit recommendation was issued where opportunities for further improvement were noted in the area of laboratory safety training records. A low-priority audit recommendation of a less significant nature was issued where opportunities for further improvement were noted in the area of service center administration.

ii. Controller’s Office – Risk Management: The audit received a rating of improvements are recommended. An audit recommendation was issued where opportunities for further improvement were noted in the area of insurance coverage. Additionally, observations for central administration were noted with respect to inaccurate Graduate Assistant (GAs) subsidies and payroll deductions, and to event management systems.

iii. IT: Mobile Device Security: This review began as a risk-based audit in accordance with the fiscal year 2017-18 audit plan; however, this review was truncated commensurate with the audit planning phase after it was determined that the best use of audit resources was to focus on other projects that had not received such a detailed previous review. A recommendation for continuous improvement was noted in the area of training and outreach related to mobile device security.

iv. Telecommunications Operations: The audit received a rating of improvements are recommended. An audit recommendation was issued where an opportunity for improvement was noted in the area of controls pertaining to the billing and work order system. Additionally, low-priority recommendations of a less significant nature were noted where opportunities for improvement were identified with regards to billing and rate discrepancies and safety training for Network Infrastructure & Services (NI&S) field technicians.

e. Statewide Reviews and Special Reports: This report is related to ongoing and forthcoming statewide reviews. Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts, Office of the State Inspector General, and Virginia Department of Veterans Services.

4. Annual External Audit Scope Discussion with the Auditor of Public Accounts: The Committee met with the Auditor of Public Accounts (APA) for a
discussion of the scope of the audit of the 2018 financial statements and the APA’s plans for conducting and completing the audit.

5. **Proposed Audit Plan for Fiscal Year 2018-19:** The Committee reviewed the proposed audits included on the fiscal year 2018-19 annual audit plan. OARC conducted the annual risk assessment after reviewing financial and operational data and seeking input from senior management. In addition, a university-wide information technology risk assessment and audit plan were created in accordance with industry standards. For fiscal year 2018-19, more than 20 audit projects are proposed given current staffing levels, with approximately 75 percent of available resources committed to the completion of planned projects.

6. **Enterprise Risk Management Program:** The Committee received an update on the Enterprise Risk Management (ERM) program. OARC developed a framework and facilitated its implementation over the previous months resulting in university leadership’s identification of key residual risks across six thematic areas, documented in the enterprise risk landscape. An overview of a tabletop exercise related to enrollment management was shared with the committee.

7. **Institutional Compliance Program:** The Committee received an update on the institutional compliance program, which included the establishment of a compliance oversight committee to coordinate best practices regarding risk assessment and monitoring activities. OARC has distributed communication to key university constituents in establishing committee structures to help ensure collaboration and coordination among compliance activities at the university.

8. **Discussion of Future Topics:** The Committee discussed topics to be covered in future committee meetings.

There being no further business, the meeting adjourned at 11:42 a.m.
As part of the internal audit process, university management participates in the opening and closing conferences and receives copies of all final audit 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, the Office of Audit, Risk, and Compliance (OARC) performs a follow-up visit within two weeks after the target implementation date. OARC 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 Compliance, Audit, and Risk 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 March 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 medium and high priority recommendations for each audit in order of the original target completion date, and with an explanation for those having revised target dates or revised priority levels.
- Attachment C charts performance in implementing recommendations on schedule over the last seven years. The 100 percent on-schedule rate for fiscal year 2018 reflects closing 30 of 30 recommendations by the original target date.

The report presented at the June 3, 2018 meeting covered audit reports reviewed and accepted through March 31, 2018 and included eight open medium and high priority recommendations. Activity for the quarter ended June 30, 2018 resulted in the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open recommendations as of March 31, 2018</td>
<td>8</td>
</tr>
<tr>
<td>Add: medium and high priority recommendations accepted June 3, 2018</td>
<td>3</td>
</tr>
<tr>
<td>Subtract: recommendations addressed since March 31, 2018</td>
<td>7</td>
</tr>
<tr>
<td>Remaining open recommendations as of June 30, 2018</td>
<td>4</td>
</tr>
</tbody>
</table>

While this report is prepared as of the end of the quarter, management continues to receive updates from OARC regarding auditee progress on action plans. The remaining open recommendations are progressing as expected and are on track to meet their respective target due dates. Management continues to work conjointly with all units and provides assistance as needed to ensure action plans are completed timely.
## ATTACHMENT A

### Open Recommendations by Priority Level

**COMPLIANCE, AUDIT, AND RISK COMMITTEE**

**March 31, 2018**

<table>
<thead>
<tr>
<th>Report Date</th>
<th>Audit Name</th>
<th>Audit Number</th>
<th>ISSUED</th>
<th>COMPLETED</th>
<th>Total Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>28-Feb-18</td>
<td>Vice President for Research and Innovation</td>
<td>18-1392</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16-May-18</td>
<td>Controller's Office: Risk Management</td>
<td>18-1369</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16-May-18</td>
<td>Telecommunications Operations</td>
<td>18-1379</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-May-18</td>
<td>Biochemistry</td>
<td>18-1364</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Totals:     | 4 | 0 | 0 | 0 | 0 | 4 | 4 |
## ATTACHMENT B

**Open Audit Recommendations**

**COMPLIANCE, AUDIT, AND RISK COMMITTEE**

**June 30, 2018**

<table>
<thead>
<tr>
<th>Report Date</th>
<th>Item</th>
<th>Audit Number</th>
<th>Audit Name</th>
<th>Recommendation Name</th>
<th>Priority</th>
<th>Target Date</th>
<th>Follow Up Status</th>
<th>Status of Recommendations with Revised Priority / Target Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>28-Feb-18</td>
<td>1</td>
<td>18-1392</td>
<td>Vice President for Research and Innovation</td>
<td>Fiscal Responsibility</td>
<td>Medium</td>
<td>30-Aug-18</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>18-May-18</td>
<td>2</td>
<td>18-1364</td>
<td>Biochemistry</td>
<td>Oversight of Lab Safety Training</td>
<td>Medium</td>
<td>01-Oct-18</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>16-May-18</td>
<td>4</td>
<td>18-1379</td>
<td>Telecommunications Operations</td>
<td>ATLAS Systems Controls</td>
<td>Medium</td>
<td>31-Jan-19</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

### Follow Up Status

1. As of June 30, 2018, management confirmed during follow up discussions with the Office of Audit, Risk, and Compliance (OARC) that actions are occurring and the target date will be met. OARC 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.

For Open Detail Report: “current calendar quarter” is used to refer to the current working quarter instead of the quarter being reported on.
ATTACHMENT C

Management Performance and Trends Regarding Office of Audit, Risk, and Compliance Recommendations

COMPLIANCE, AUDIT, AND RISK COMMITTEE

June 30, 2018

Seven Year Trend of Recommendations Closed - On Schedule

- FY2012: 2%
- FY2013: 98%
- FY2014: 98%
- FY2015: 98%
- FY2016: 100%
- FY2017: 100%
- FY2018: 100%

Legend:
- % Closed - Extended
- % Closed - On Schedule
Background

This report provides a summary of audit ratings issued this period and the full rating system definitions. The following reviews have been completed during this reporting period. The Office of Audit, Risk, and Compliance has made a concerted effort to ensure progress on the annual audit plan.

<table>
<thead>
<tr>
<th>Consent Agenda Reports</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advancement Compliance Review</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>IT: Employee Access Lifecycle</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>USFA</td>
<td>Effective</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Report for Discussion</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Activities</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>Athletics Compliance Review</td>
<td>Significant Improvements are Needed</td>
</tr>
</tbody>
</table>

Summary of Audit Ratings

The Office of Audit, Risk, and Compliance’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 listed above be accepted by the Compliance, Audit, and Risk Committee.

August 26, 2018
The Auditor of Public Accounts (APA) began the audit of the university’s financial statements for fiscal year 2017-18 with the entrance conference on May 14, 2018. The APA is currently in the initial stage of the audit where they review transactions and test internal controls over the university’s financial processes. Through early August 2018, the audit seems to be progressing as planned and the APA has not provided any audit comments or recommendations for improvements. At this time, we are not aware of any issues that would prevent the successful completion of the fiscal year 2017-18 audit by the targeted deadline of October 31, 2018.
Background

Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts (APA), the Office of the State Inspector General (OSIG), and others. In addition to the annual audits of the university’s financial statements and its Intercollegiate Athletics program conducted by the APA, Virginia Tech has been included along with other agencies in statewide reviews typically included as part of an agency’s annual work 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 a variety of statewide reviews. The following report provides an analysis of statewide audit activities consistent with the university’s planned approach to manage and report on these audit activities.

OSIG Chemical Inventory Management

In accordance with the Code of Virginia § 2.2-309 [A](10), OSIG conducts performance audits of executive branch state agencies, including colleges and universities, to ensure state funds are spent as intended and to evaluate the efficiency and effectiveness of programs. As previously reported, all higher education institutions, including Virginia Tech, were originally notified that OSIG will conduct a performance audit at a sampling of Virginia’s colleges and universities during fiscal year 2017-18. Virginia Tech, among others, was notified in February 2018 of its inclusion for the planning phase of this project centered on chemical inventory management. Virginia Tech subsequently responded to a detailed survey provided by OSIG, but ultimately was not among the three agencies of varying size and focus selected for detailed assessment. Further involvement for Virginia Tech is not anticipated at this time.

Virginia Department of Veterans Services (DVS)

Virginia Tech received notice of its selection in a Compliance Survey, which will be conducted to ensure that schools, training establishments, and their approved courses are in compliance with all applicable provisions of the laws administered by the U.S. Department of Veterans Affairs and State Approving Agency (DVS). This limited scope review was to monitor compliance based on a review of records for a specific set of students. After initial delays, the onsite review was conducted in July 2018, and the university is awaiting the results.
Mission Statement – Scope of Work

The Office of Audit, Risk, and Compliance (OARC) performs independent internal audits, plans and oversees the university risk management process, and oversees the institutional compliance program. OARC’s mission is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight as follows:

1. Audit: Provide independent, objective assurance and advisory activity designed to add value and improve university operations. Audits help the university accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

2. Enterprise Risk Management: Provide oversight of the enterprise risk management (ERM) program by creating and maintaining the framework to effectively identify, assess, and manage risk.

3. Compliance: Provide oversight of the institutional compliance program (ICP) and the distributed processes that support compliance across the university.

The internal audit function conducts its activities in accordance with the Institute of Internal Auditors’ (IIA) International Professional Practices Framework (see appendix). Internal audit coverage encompasses reviews of all university operations and activities to appraise:

- the accuracy, reliability, and timeliness of significant financial, managerial, and operational 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;
- risk identification and management;
- 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.

OARC reports functionally to the Compliance, Audit, and Risk (CAR) Committee of the Board of Visitors. For day-to-day operations, the Executive Director reports administratively to the President.
Executive Summary – State of University’s Control Environment
The university’s internal audit function within OARC continues to be a significant element of the university’s overall control structure and a positive influence on the control environment. During fiscal year 2017-18, OARC 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, and investigative work performed during fiscal year 2017-18, no deficiencies 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 OARC 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, as well as open, 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, and investigative work performed during fiscal year 2017-18, OARC 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 in accordance with the fiscal year 2017-18 annual audit plan at a level consistent with the resources of OARC. Eight audit and advisory projects have been completed since the June board meeting.

While the annual audit plan included 42 proposed projects, OARC had to defer or cancel 16 projects (38%) due to seven vacancies equivalent to over 4,500 hours of audit effort. The majority of these projects were simply deferred to next year’s audit plan. A risk-based audit of the utilization of endowed professorships and a policy compliance review of the College of Liberal Arts and Human Sciences are underway and will be carried forward into fiscal year 2018-19.

For fiscal year 2017-18, OARC completed 92 percent of its amended audit plan as depicted in Exhibit 1 on the following page.
Exhibit 1
FY 2017-18 Completion of Audit Plan

<table>
<thead>
<tr>
<th>Audits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of Audits Planned</td>
<td>34</td>
</tr>
<tr>
<td>Total # of Supplemental Audits</td>
<td>1</td>
</tr>
<tr>
<td>Total # of Carry Forwards</td>
<td>7</td>
</tr>
<tr>
<td>Total # of Planned Audits Deferred and/or Canceled</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total Audits in Plan as Amended</strong></td>
<td>26</td>
</tr>
<tr>
<td>Total Audits Completed</td>
<td>24</td>
</tr>
<tr>
<td>Audits - Percentage Complete</td>
<td>92%</td>
</tr>
<tr>
<td>Audits - Percentage Complete or Underway</td>
<td>100%</td>
</tr>
</tbody>
</table>

Note: Includes Policy Compliance Reviews and Advisory Services

Exhibit 2 displays the distribution of direct audit hours (69%) by category. Indirect hours primarily for administration, computer/network support, training, and compensated absences (31%) are not included in this chart. OARC Project Support has increased as a percentage over previous years as a result of emerging ERM and ICP programs as well as vacancies for positions that would be focused on risk-based audits and compliance reviews.

Exhibit 2
FY 2017-18 Distribution of Direct Audit Hours
The department was able to increase the amount of effort spent on advisory services with dedicated staff to focus on these important projects requested by management. Additionally, the overall percentage of effort spent on risk-based projects was lower as a result of the aforementioned vacancies.

Exhibit 3 below displays the status of the fiscal year 2017-18 audit plan as amended. As noted previously, only two projects remain in progress and will be carried forward to the fiscal year 2018-19 audit plan.

### Exhibit 3
FY 2017-18 Audit Plan Status

<table>
<thead>
<tr>
<th>Audit Project</th>
<th>Risk Ranking</th>
<th>BOV Mtg</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Risk-Based Audit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Biochemistry</td>
<td>High</td>
<td>Jun-18</td>
</tr>
<tr>
<td>Biomedical Engineering and Mechanics (BEAM)</td>
<td>High</td>
<td>Mar-18</td>
</tr>
<tr>
<td>Chemistry</td>
<td>Medium</td>
<td>Mar-18</td>
</tr>
<tr>
<td>Controller’s Office – Risk Management</td>
<td>High</td>
<td>Jun-18</td>
</tr>
<tr>
<td>Fire Safety Compliance</td>
<td>High</td>
<td>Mar-18</td>
</tr>
<tr>
<td>Global Activities</td>
<td>High</td>
<td>Aug-18</td>
</tr>
<tr>
<td>IT – Employee Access Life Cycle</td>
<td>High</td>
<td>Aug-18</td>
</tr>
<tr>
<td>IT – Mobile Device Security</td>
<td>High</td>
<td>Jun-18</td>
</tr>
<tr>
<td>Research – Animal Care and Use</td>
<td>High</td>
<td>Mar-18</td>
</tr>
<tr>
<td>Research – Lab Safety</td>
<td>High</td>
<td>Mar-18</td>
</tr>
<tr>
<td>Telecommunications Operations</td>
<td>High</td>
<td>Jun-18</td>
</tr>
<tr>
<td>University Scholarships and Financial Aid*</td>
<td>High</td>
<td>Aug-18</td>
</tr>
<tr>
<td>Utilization of Endowed Professorships</td>
<td>High</td>
<td><strong>Carry-Forward</strong></td>
</tr>
<tr>
<td>Virginia Cooperative Extension – Central District</td>
<td>Medium</td>
<td>Mar-18</td>
</tr>
</tbody>
</table>

| **Policy Compliance Reviews** | |
| College of Engineering Compliance Review | Mar-18 |
| College of Liberal Arts and Human Sciences Compliance Review | **Carry-Forward** |
| Department of Athletics Compliance Review* | Aug-18 |
| Vice President for Advancement Compliance Review | Aug-18 |
| Vice President for Research and Innovation Compliance Review | Mar-18 |
| Virginia – Maryland College of Veterinary Medicine Compliance Review | Nov-17 |

* Annual Audit on Different Components
Additionally, OARC responded to management’s requests for advisory services and consultative guidance including the following areas:

- **Sport Clubs** – Sport clubs are administered by the Virginia Tech Department of Recreational Sports. Each club is comprised of students, who organize, fund, and promote their clubs with the ultimate goal of competing against other colleges and universities on both a regional and national level. The objective of this advisory review was to analyze the risk environment associated with the operation of the Sport Clubs program and assist in the identification of potential risk mitigation strategies. OARC identified and evaluated policies and practices that address the safety of students participating in these sport clubs. This review included extensive surveying and a benchmarking study of other universities’ safety-related and operational practices.

- **Controlled Unclassified Information (CUI)** – CUI is defined as information that requires safeguarding or dissemination controls pursuant to and consistent with applicable law, regulations, and government-wide policies but is not classified under Executive Order 13526. The objective of this advisory review was to assess the effectiveness of control design with respect to the Secure Research Environment (SRE) maintained by Collaborative Computing Solutions (CCS) and the COMPASS system maintained by the Office of Export and Secure Research Compliance (OESRC). This review involved an evaluation of the design and documentation of the controls implemented by CCS and OESRC to achieve compliance with federal requirements.

- **Facilities and Administrative (F&A) Charges** – The purpose of this engagement was to evaluate the university’s accounting and utilization of F&A charges. Upon initiation of this engagement, we were notified of a parallel and proactive analysis to be performed in the Office of the University Controller on behalf of the Vice President for Finance and Chief Financial Officer and the Vice President for Research and Innovation. As a result, this advisory review served primarily to validate that effort, which was titled, “Analysis of the Generation, Allocation, and Expenditure of Facilities & Administrative Cost Recoveries for Fiscal Years 2013 Through 2017.”

- **Marketing Study Abroad Program** – While performing an advisory review at the Steger Center for International Scholarship (see below), OARC, in coordination with University Legal Counsel, visited Lugano, Switzerland to perform a control review of the study abroad program managed by a Marketing faculty member within the Pamplin College of Business.

- **Steger Center for International Scholarship** – The Steger Center for International Scholarship, located in Riva San Vitale, Switzerland, is the university’s European campus center and the base for operations and support of its programs in the region. OARC visited the center and reviewed its operations from a financial and operational standpoint.
• **Virginia Tech Carilion School of Medicine** – The Virginia Tech Carilion School of Medicine represents a unique, public-private partnership between a top-tier research university and a major health care institution. The school has obtained its full accreditation from the Southern Association of Colleges and Schools Commission on Colleges and the Liaison Committee on Medical Education. Successful transition officially occurred on July 1, 2018 to incorporate the VTCSOM as the ninth college of Virginia Tech. OARC performed a multi-year review to advise on risk and related controls in preparation for the transition of the school’s operations to within Virginia Tech through service as an ex-officio member of the transition team.

### Management Corrective Actions (MCAs)

OARC conducts follow-up on management’s implementation of agreed upon improvements for previously issued audit recommendations. Each audit recommendation—and its associated MCA—is given a rating of high, medium, or low priority by the auditors. 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 they were 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 CAR Committee receives the higher priority recommendations and associated MCAs. However, OARC and management closely monitor all outstanding recommendations to ensure they are adequately addressed by the responsible parties.

Of the 92 MCAs generated during audits issued in fiscal year 2017-18, OARC categorized two as high priority (2%). 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. Open MCAs at fiscal year-end have been outstanding an average of 163 days and are on track for completion. Audits for fiscal year 2017-18 resulted in recommendations with ratings of high, medium, or low MCAs as follows:

<table>
<thead>
<tr>
<th>Exhibit 4</th>
<th>Inventory of MCAs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning # of MCAs</strong></td>
<td>42</td>
</tr>
<tr>
<td><strong>MCAs added</strong></td>
<td>92</td>
</tr>
<tr>
<td><strong>MCAs closed</strong></td>
<td>109</td>
</tr>
<tr>
<td><strong>Current open inventory of MCAs</strong></td>
<td>25</td>
</tr>
</tbody>
</table>

Note: The open inventory above includes seven open MCAs from the reports presented to the CAR Committee at the August 26, 2018 meeting. In addition, 14 of the 25 open MCAs are categorized as either low-priority recommendations, recommendations resulting from advisory service reviews, or observations with university-wide impact or for central administration identified during audits that are excluded from status reports of previously issued recommendations shared with the CAR Committee.
## Cost Containment and Revenue Enhancement Recommendations

OARC emphasized the identification of cost containment and revenue enhancement strategies in the performance of audit activities. OARC issued the following recommendations to management to assist with cost containment or revenue enhancement strategies:

- **IT: Employee Access Life Cycle** – A university-wide system for managing access to university applications and data was not fully implemented. Streamlining processes around the employee system access life cycle has the potential to increase operational efficiency by reducing employee downtime and to better secure university data. Timely provisioning of access requests will help support employee productivity. Prompt removal of access when no longer needed will help prevent unauthorized or inappropriate access to sensitive data.

- **Virginia Tech Carilion Research Institute** – A review of the process used by VTCRI for electronic payments for human behavior studies, which facilitated approximately 7,750 payments totaling $247,715 during the scope period, revealed a lack of sufficient accountability and thorough monitoring to prevent misappropriation of funds. The process was decentralized and the respective lab personnel maintained complete responsibility for all participant activity and associated payments. This autonomous function created a potential fraud risk, which would permit an employee to create fictitious participant records and payments that may be undetected.

- **Biochemistry** – Controls were not in place to verify the identity of the purchaser who retrieved materials from the Biochemistry Service Center. This lack of controls led to either untimely or a lack of billing for four of 60 (7%) charges reviewed. Of the five billing cycles reviewed, consisting of approximately 60 transactions totaling $8,521 in billable materials, four instances, consisting of two purchasers and approximately $78 in material, were identified where Interdepartmental Service Requests were not provided by the purchaser and the person who signed the activity log was unidentifiable. After determining the identity of one of the two purchasers, Biochemistry billed the purchaser untimely, ranging from 172 to 312 days after dispensing the items from the service center, while the other purchaser remained unbilled at the time of the review, ranging from 337 to 387 days after dispensing the items from the service center.

- **Telecommunications Operations** – Of the initial $89,175 in cellular and vendor charges reviewed, billing and rate discrepancies totaling $3,438 (4%) were identified across eight of 1,725 charges reviewed. Additionally, there was a lack of preventive controls to validate the number of hard copy billing invoices created versus the number processed. Further, Network Infrastructure & Services (NI&S) has been unable to obtain the Virginia Information Technology Agency (VITA) non-cellular contract despite several attempts; therefore, the rates and associated charges for this contract could not be verified, although bills were paid timely and in accordance with stated balances. Finally, the NI&S website contained inactive
rates. The eight billing discrepancies identified resulted in over/under charges to NI&S and, subsequently, to the customer. Each was a result of human error that was not detected in the monthly review process. The monthly billing discrepancies continued nine to 24 months, averaging approximately 17 months, generating billing disparities totaling $3,438. Approximately $1,215 (35%) of that could be attributed to errors made by the vendor.

Recurring Audit Recommendations

The same or similar recommendations noted below were identified in multiple audit reports issued in fiscal year 2017-18. The data in Exhibit 5 will be shared with leadership 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 5
Recurring Audit Recommendations

<table>
<thead>
<tr>
<th>Recommendations</th>
<th>Occurrences</th>
<th>Audits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Safety</td>
<td>7</td>
<td>Biochemistry</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Biomedical Engineering and Mechanics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chemistry</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fire Safety Compliance (2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Research: Animal Care and Use</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia Cooperative Extension: Central District</td>
</tr>
<tr>
<td>Wage Payroll</td>
<td>6</td>
<td>College of Engineering</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Controller’s Office: Risk Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Department of Athletics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President for Research and Innovation</td>
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<tr>
<td></td>
<td></td>
<td>Virginia Cooperative Extension: Central District</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia-Maryland College of Veterinary Medicine</td>
</tr>
<tr>
<td>Leave Reporting</td>
<td>6</td>
<td>College of Engineering</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Department of Athletics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President for Advancement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President for Research and Innovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia Cooperative Extension: Central District</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia-Maryland College of Veterinary Medicine</td>
</tr>
<tr>
<td>Fiscal Responsibility</td>
<td>5</td>
<td>College of Engineering</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Department of Athletics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President for Research and Innovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia Cooperative Extension: Central District</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia-Maryland College of Veterinary Medicine</td>
</tr>
<tr>
<td>Expenditures</td>
<td>5</td>
<td>Department of Athletics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President for Advancement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President for Research and Innovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia Cooperative Extension: Central District</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia-Maryland College of Veterinary Medicine</td>
</tr>
<tr>
<td>Funds Handling</td>
<td>4</td>
<td>Department of Athletics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President for Advancement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia Cooperative Extension: Central District</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Virginia-Maryland College of Veterinary Medicine</td>
</tr>
</tbody>
</table>
Results of Surveys for Evaluating OARC Services

Each audit and compliance review management contact is emailed a link to an online survey requesting their assistance in evaluating the quality of audit services provided by OARC. 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:

**Audit Team**
Demonstrated technical proficiency, approached audit with objective and professional manner, and conclusions and opinions were logical.

**Audit Performance**
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.

**Audit Report**
Written clearly and contained adequate explanations for the observations, and recommendations improved or added value to the department’s operation.

### Exhibit 6
**Results of FY 2017-18 Surveys for Evaluating OARC Services**

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Team</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Audit Performance</td>
<td>4.4</td>
<td>4.3</td>
</tr>
<tr>
<td>Audit Report</td>
<td>4.4</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Overall, customer ratings were highly favorable as results ranged from good to excellent. Attaining a cumulative average score of 4.4 on a 5-point scale exceeded OARC’s goal of a 4.0 rating on survey feedback. Comments provided by clients showed appreciation of the audit process and the courtesy, professionalism, flexibility, and thoroughness demonstrated by the audit team.
Fraud Waste and Abuse

OARC conducts reviews of all state hotline and internal complaints alleging fraud, waste, and abuse. During fiscal year 2017-18, OARC received 23 cases, including 14 state hotline and nine internal complaints. Thirteen cases from fiscal year 2017-18 were closed, along with 12 cases from the prior fiscal year. For the 25 cases completed, three of the nine (33%) state hotline cases were substantiated and 12 of 16 (75%) internally reported cases were substantiated. Since 2008-09, approximately 51 percent of internally reported allegations have been substantiated, and 18 percent of state hotline cases have historically been substantiated, for a combined weighted average of 35 percent.

OARC makes recommendations of improvements related to business practices, communication, and management that improve the overall operating environment of the university. Over the previous 10 years, OARC made recommendations in 49 percent of fraud, waste, and/or abuse cases.

The number of reported cases decreased this year. However, OARC closed 36 percent more cases in fiscal year 2017-18 than the previous fiscal year. Since fiscal year 2008-09, 75 percent of the allegations investigated by OARC fall within five general categories: improper use of university resources, leave or time abuse, abuse of authority, misfeasance and waste, and conflict of interest.

Exhibit 7 displays the number of fraud, waste, and abuse reviews performed for hotline and internal complaints for fiscal years 2008-09 through 2017-18, the total number of cases, the number of substantiated cases, and the number of cases with recommendations for management.

Exhibit 7
FWA Historical Case Volume Summary by Fiscal Year

<table>
<thead>
<tr>
<th>Year</th>
<th># of Internal Cases</th>
<th># of Hotline Cases</th>
<th># of Cases Substantiated</th>
<th># of Cases with Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>37</td>
<td>11</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>2010</td>
<td>36</td>
<td>12</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>2011</td>
<td>35</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>2012</td>
<td>30</td>
<td>10</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>2013</td>
<td>25</td>
<td>9</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>2014</td>
<td>19</td>
<td>11</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>2015</td>
<td>23</td>
<td>10</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>2016</td>
<td>27</td>
<td>14</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>2017</td>
<td>27</td>
<td>16</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>2018</td>
<td>23</td>
<td>10</td>
<td>10</td>
<td>6</td>
</tr>
</tbody>
</table>

Average 35% substantiation since 2009

13 active cases as of August 8, 2018
Quality Assurance and Improvement Program

A comprehensive Quality Assurance and Improvement Program of the university's internal audit function is maintained in accordance with requirements set forth by the IIA International Standards for the Professional Practice of Internal Auditing (Standards). This program includes ongoing internal assessments, periodic self-assessments, and an independent external assessment that should be conducted at a minimum of every five years.

An external assessment was last completed during fiscal year 2015-16, when the internal audit function received the highest rating possible of “generally conforms.” The next independent external assessment will be due in 2021. A formalized self-assessment will be conducted during fiscal year 2018-19.

Enterprise Risk Management Program

At the request of the Board of Visitors’ CAR Committee and the President, OARC was charged last August with coordinating Virginia Tech’s Enterprise Risk Management (ERM) Program. ERM is a process applied in strategy-setting and across the enterprise that is designed to identify potential events that may affect the entity, to manage risk to be within the entity’s risk tolerance, and to support the achievement of entity mission and objectives. Articulated differently, risk management, as an essential part of a strong control environment, helps ensure that risk appetite aligns with management’s decisions and an organization’s strategy.

The purpose of the ERM program is to strengthen the university’s ability to achieve its mission and strategic objectives. This is done by effectively managing key risks and seizing opportunities related to the achievement of strategic objectives. In this context, risk encompasses both negative events (“downside risk”) and opportunities (“upside risk”). Benefits of an effective ERM program include:

- holistic view of the most critical risks to achievement of entity’s mission and objectives;
- risk-aware culture, including the management of risks to an appropriate level of risk tolerance;
- improved focus and perspective on both internal and external risks and opportunities, including emerging risks and value drivers;
- enhanced decision making and alignment with strategic goals; and
- improved efficiency and optimized allocation of resources through risk prioritization.

The ERM program is implemented as a collaborative effort by various levels of the organization. OARC developed the ERM process, created an ERM framework, and facilitated discussions between senior leaders and their management teams to identify, categorize, and assess risks. OARC continues to promote communication and collaboration among risk management activities, including the identification of risk owners and development of risk snapshots. Additionally, OARC assists the committees in their duties and provides senior leaders with key information to make risk-informed decisions.
OARC Annual Status Report
For the Fiscal Year Ended June 30, 2018

Presentation Date: August 26, 2018
The President’s Leadership Team (PLT) serves as the Risk Advisory Committee. This group reviews the risks identified individually by senior leaders and further prioritized and assessed the risks to identify the university’s top strategic risks. Members will continually seek to identify risks in their areas of operation and bring them to the PLT for evaluation in light of higher education or industry trends and national regulatory indicators. Also, this group ensures appropriate ownership and accountability of risks, including development of risk mitigation plans.

The President’s Executive Staff+ serves as the ERM Committee. Executive Staff sets the university’s risk appetite, contributes to the assessment of risks along with risk mitigation plans, and provides guidance on how to report key risks to the CAR. Executive Staff will incorporate information from the ERM program to guide strategic decision making and to effectively allocate resources.

The initial ERM risk identification and assessment process was undertaken during fiscal year 2017-18 and resulted in university leadership's identification of key residual risks across six thematic areas, documented in the Enterprise Risk Landscape.

In consideration of long-term and strategic organizational objectives, leadership assessed key risks in terms of likelihood of occurrence, significance of impact, and velocity, which was depicted in a heat map.
The ERM program continued to move forward with OARC facilitating the identification of risk owners, development of risk snapshot templates for completion by risk owners, and the university’s first ERM tabletop exercise.

Institutional Compliance Program

Virginia Tech is committed to integrity, a culture of compliance, and the promotion of the highest ethical standards for all employees. As compliance with legal and regulatory requirements continue to increase in visibility and emphasis, OARC was charged in Fall 2017 with forming an Institutional Compliance Program (ICP) to promote and support a working environment that reflects this commitment. The ICP serves as a resource for Virginia Tech by helping the institution proactively meet its compliance obligations and manage compliance risks. The ICP structure is based on the eight elements of an effective compliance program identified by the Higher Education Compliance Alliance. A successful and effective compliance program should create a culture in which compliance is seen as everyone’s job, not just a task dedicated to a specific office, and provide a positive focus that promotes an ethical, values-based environment that is consistent with the mission of higher education.

The primary focus of compliance with applicable laws and regulations is in the academic and administrative units throughout the university, where the authority for policy development and the responsibility for implementation of compliance reside. The compliance framework will include members of management with responsibility for key...
compliance areas and other appropriate officials. During fiscal year 2017-18, initial efforts began for OARC to leverage existing structures (including audit, ERM, hotline administration, legal counsel, and the policy office) to support compliance efforts.

The ICP has been implemented as a collaborative effort at various levels of the organization as depicted below.

![COMPLIANCE FRAMEWORK Diagram](image)

Institutional Compliance Function (OARC)
The charge from the President for the compliance function within OARC was to be a resource and serve as a catalyst for the achievement of university best practices in compliance-related subject matter areas. While OARC does not own any discrete compliance subject matter area, it will assist in promoting a culture of compliance and ethical behavior by:

- developing a compliance matrix of applicable regulations and authoritative guidance with responsible parties;
implementing the compliance risk assessment process as a component of the ERM program;
- facilitating the university compliance and ethics hotline;
- assisting the compliance committees in their various duties; and
- providing assistance in responding to external reviews and investigations.

Executive Compliance Committee (ECC)
The charge of the ECC is to promote excellence in our compliance efforts to assure compliance with our legal, regulatory, and ethical responsibilities. The ECC is responsible for approving the university’s compliance priorities and has oversight responsibility for the university’s compliance efforts, including fulfillment of these priorities.

Compliance Advisory Committee (CAC)
The charge of the CAC is to assist the ECC in promoting a culture and understanding of and adherence to applicable legal and regulatory requirements. The CAC will provide compliance leadership in the university’s academic and administrative units and ensure effective communication and collaboration among those responsible for compliance by:
- fostering communication across campus on issues related to compliance;
- maintaining a university compliance matrix;
- reviewing the results of the compliance risk assessment and proposing university priorities;
- ensuring the development and implementation of corrective action plans as developed by responsible parties and approved by senior management; and
- reporting results to the ECC, including progress on plans and risks being assumed.

The success of Virginia Tech’s ICP is predicated on leadership’s embrace of a culture of compliance in alignment with our strategic goals. During fiscal year 2017-18, OARC developed the ICP framework and the program continues to emerge and evolve. Progress was made in the first year, including the establishment of the oversight committees and identification of almost 300 compliance areas and associated ownership by over 50 distributed compliance owners. The initial committee meeting was held to identify tasks and begin development of a more complete database of the various compliance requirements faced by the university.

Staffing
Current OARC staffing includes the Executive Director of Audit, Risk, and Compliance; Director of Internal Audit; an Audit Manager for Special Projects; a Chief of Staff; seven audit professionals; a part-time wage Senior Fraud Specialist; an Administrative and Office Specialist; two graduate assistants; and an undergraduate student wage employee. Two audit manager positions are being held vacant for budget purposes. Exhibit 8 on the following page shows OARC’s organizational chart as of June 2018.
Sharon M. Kurek was elected as the Association of College and University Auditors (ACUA) President after serving as the Vice President and a Board Member-at-large on the governing board of the Association of College and University Auditors (ACUA). She remained a member of the ACUA Faculty Program, which is a resource to other associations or universities looking for talented speakers on topics such as risk, internal controls, auditing, compliance, and fraud. Additionally, Ms. Kurek completed the graduate course work for the Virginia Tech Pamplin College of Business professional MBA program. Furthermore, Ms. Kurek collaborated with peers from other institutions of higher education nationally while participating on an external quality assessment team for the University of Texas at Dallas' internal audit function.

Brian J. Daniels continues to join with peer institutions through the Virginia Alliance for Secure Computing and Networking (VASCAN) group in an effort to plan and organize the annual fall conference aimed at improving information security in the higher education arena within the commonwealth. Mr. Daniels served on the ACUA Membership Committee and performed an audit of ACUA and its management firm as part of his role on the Audit Committee. Additionally, Mr. Daniels collaborated with peers from other institutions of higher education nationally while participating on an external quality assessment team for the University of South Carolina System and Texas Tech University System. Mr. Daniels was elected by peer institutions to serve a multi-year term on the ACUA Board of Directors beginning in the fall of 2018.

Ryan S. Hamilton, Audit Manager for Special Projects, joined OARC late in the fiscal year after a distinguished career working with the Central Intelligence Agency in a similar audit and advisory capacity.

OARC leadership continued to participate actively within the College and University Auditors of Virginia (CUAV) organization, attending meetings with peer chief audit executives through the CUAV group to discuss best practices or issues. The Executive Director is a member of the CUAV Legislative Committee, which is proactively involved in the state legislative process with respect to laws and regulations pertinent to higher education internal audit and effective communication, thereof, to stakeholders.

OARC staff has more than 200 years of combined professional experience in accounting, auditing, compliance, and IT and over 60 years of service to Virginia Tech. The staff offers an extensive background with expertise in such functional areas as IT; fraud and forensics; environmental, health, and safety; NCAA bylaws; financial aid; research regulations; and general financial, compliance, and operational auditing. Additional expertise is in development related to Enterprise Risk Management and Institutional Compliance. Exhibit 9 shows the certifications and advanced degrees held by OARC staff at yearend.
Exhibit 9
Certification and Advanced Degrees held by OARC

<table>
<thead>
<tr>
<th>Certification and Advanced Degrees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Certifications</td>
</tr>
<tr>
<td>3 Certified Public Accountants (CPA)</td>
</tr>
<tr>
<td>3 Certified Fraud Examiners (CFE)</td>
</tr>
<tr>
<td>2 Certified Information Systems Auditor (CISA)</td>
</tr>
<tr>
<td>2 Certified Internal Auditor (CIA)</td>
</tr>
<tr>
<td>1 Certified Government Auditing Professional (CGAP)</td>
</tr>
<tr>
<td>1 Certified Forensics Analyst (GCFA)</td>
</tr>
<tr>
<td>1 Project Management Professional (PMP)</td>
</tr>
<tr>
<td>1 Certification in Risk Management Assurance (CRMA)</td>
</tr>
<tr>
<td>Advanced Degrees</td>
</tr>
<tr>
<td>3 Master of Business Administration (MBA)</td>
</tr>
<tr>
<td>1 Master of Policy Leadership (MPL)</td>
</tr>
<tr>
<td>1 Master of Public Affairs (MPA)</td>
</tr>
</tbody>
</table>

OARC ensures each staff member annually receives 40 hours of continuing professional education (CPEs) to meet professional certification requirements. General training topics included auditing practices and techniques, fraud detection techniques, data analytics, and regulatory items, such as Title IX and Payment Card Industry Standards.

Resources
Exhibit 10 compares OARC’s expenditures from fiscal year 2016-17 with expenditures for fiscal year 2017-18. The expenditures for salaries and benefits decreased mostly due to extended vacancies among staff members. As a result, training expenses were down by approximately 18 percent. Additionally, during fiscal year 2017-18, Baker Tilly was hired in a co-sourcing arrangement to lend expertise and assist with conducting an audit of a high-risk activity.

Exhibit 10
Analysis of Expenditures

<table>
<thead>
<tr>
<th></th>
<th>FY2017</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
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<td>9,202</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$1,691,246</td>
<td>$1,574,067</td>
</tr>
</tbody>
</table>
Exhibit 11 shows an analysis of operating expenses. Approximately 60 percent of operating expenses resulted from basic costs to support the department, including telecommunications, computer support, office supplies, and printing. Similarly, membership dues and publication expenses will remain an ongoing cost as leadership encourages and sponsors professional certification and organizational participation.

Exhibit 11
Analysis of Operating Expenses
Per Charter:

The internal audit function will conduct its activities in accordance with the Institute of Internal Auditors’ International Professional Practices Framework including the Core Principles for the Professional Practice of Internal Auditing, Definition of Internal Auditing, Code of Ethics, and *International Standards for the Professional Practice of Internal Auditing*.

<table>
<thead>
<tr>
<th>MANDATORY GUIDANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Core Principles</strong></td>
</tr>
<tr>
<td>• Demonstrates integrity.</td>
</tr>
<tr>
<td>• Demonstrates competence and due professional care.</td>
</tr>
<tr>
<td>• Is objective and free from undue influence (independent).</td>
</tr>
<tr>
<td>• Aligns with the strategies, objectives, and risks of the organization.</td>
</tr>
<tr>
<td>• Is appropriately positioned and adequately resourced.</td>
</tr>
<tr>
<td>• Demonstrates quality and continuous improvement.</td>
</tr>
<tr>
<td>• Communicates effectively.</td>
</tr>
<tr>
<td>• Provides risk-based assurance.</td>
</tr>
<tr>
<td>• Is insightful, proactive, and future-focused.</td>
</tr>
<tr>
<td>• Promotes organizational improvement.</td>
</tr>
<tr>
<td><strong>Definition of Internal Auditing</strong></td>
</tr>
<tr>
<td>Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.</td>
</tr>
<tr>
<td><strong>Code of Ethics</strong></td>
</tr>
<tr>
<td>Internal auditors are expected to apply and uphold the following principles:</td>
</tr>
<tr>
<td>• Integrity – The integrity of internal auditors establishes trust and thus provides the basis for reliance on their judgment.</td>
</tr>
<tr>
<td>• Objectivity – Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments.</td>
</tr>
<tr>
<td>• Confidentiality – Internal auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.</td>
</tr>
<tr>
<td>• Competency – Internal auditors apply the knowledge, skills, and experience needed in the performance of internal audit services.</td>
</tr>
<tr>
<td><strong>International Standards for the Professional Practice of Internal Auditing</strong></td>
</tr>
<tr>
<td><strong>Attribute Standards (1000 through 1300)</strong></td>
</tr>
<tr>
<td>1000 Purpose, Authority, and Responsibility</td>
</tr>
<tr>
<td>1100 Independence and Objectivity</td>
</tr>
<tr>
<td>1200 Proficiency and Due Professional Care</td>
</tr>
<tr>
<td>1300 Quality Assurance and Improvement Program</td>
</tr>
<tr>
<td><strong>Performance Standards (2000 through 2600)</strong></td>
</tr>
<tr>
<td>2000 Managing the Internal Audit Activity</td>
</tr>
<tr>
<td>2100 Nature of Work</td>
</tr>
<tr>
<td>2200 Engagement Planning</td>
</tr>
<tr>
<td>2300 Performing the Engagement</td>
</tr>
<tr>
<td>2400 Communicating Results</td>
</tr>
<tr>
<td>2500 Monitoring Progress</td>
</tr>
<tr>
<td>2600 Communicating the Acceptance of Risks</td>
</tr>
</tbody>
</table>
The chief audit executive’s reporting and communication to senior management and the board must include information about:

- **The audit charter**, including internal audit activity’s purpose, authority, and responsibility.
- Independence of the internal audit activity.
- The audit plan and progress against the plan.
- Resource requirements.
- Results of audit activities.
- Conformance with the Code of Ethics and the Standards, and action plans to address any significant conformance issues (Quality Assurance & Improvement Program).
- Management’s response to risk that, in the chief audit executive’s judgment, may be unacceptable to the organization.

Source: IIA IPPF Standards (2060 - Reporting to Senior Management and the Board)
The Office of Audit, Risk, and Compliance (OARC) performs independent internal audits, plans and oversees the university risk management process, and oversees the institutional compliance program. OARC’s mission is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight as follows:

- **AUDIT** - Provide independent, objective assurance and advisory activity designed to add value and improve university operations. Audits help the university accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

- **ENTERPRISE RISK MANAGEMENT** - Provide oversight of the enterprise risk management program by creating and maintaining the framework to effectively identify, assess, and manage risk.

- **COMPLIANCE** - Provide oversight of the institutional compliance program and the distributed processes that support compliance across the university.
**State of University’s Control Environment**

- Management accepts their responsibility for internal control and is supportive of audit efforts.
- Management generally accepts audit recommendations and responds by developing action plans to address concerns.
- No material control weaknesses were identified; however, a number of areas requiring improvement were noted.
- Work was not limited by management.
- Independence/objectivity was not impaired.
AUDIT PLAN METRICS

FY 2017-18 Completion of Audit Plan

<table>
<thead>
<tr>
<th>Audits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of Audits Planned</td>
<td>34</td>
</tr>
<tr>
<td>Total # of Supplemental Audits</td>
<td>1</td>
</tr>
<tr>
<td>Total # of Carry Forwards</td>
<td>7</td>
</tr>
<tr>
<td>Total # of Planned Audits Deferred and/or Canceled</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total Audits in Plan as Amended</strong></td>
<td><strong>26</strong></td>
</tr>
<tr>
<td>Total Audits Completed</td>
<td>24</td>
</tr>
<tr>
<td>Audits - Percentage Complete</td>
<td>92%</td>
</tr>
<tr>
<td>Audits - Percentage Complete or Underway</td>
<td>100%</td>
</tr>
</tbody>
</table>

Note: Includes Policy Compliance Reviews and Advisory Services

Results of FY 2017-18 Surveys for Evaluating OARC Services

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Team</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Audit Performance</td>
<td>4.3</td>
<td>4.4</td>
</tr>
<tr>
<td>Audit Report</td>
<td>4.4</td>
<td>4.3</td>
</tr>
</tbody>
</table>

Inventory of MCAs

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning # of MCAs</td>
<td>42</td>
</tr>
<tr>
<td>MCAs added</td>
<td>92</td>
</tr>
<tr>
<td>MCAs closed</td>
<td>109</td>
</tr>
<tr>
<td>Current open inventory of MCAs</td>
<td>25</td>
</tr>
</tbody>
</table>
Average 35% substantiation since 2009

13 active cases as of August 8, 2018
STATISTICS

- CAC – 20 Members
- 56 Distributed Compliance Owners
- 298 Regulations Initially Identified by OARC
**Certification and Advanced Degrees held by OARC**

### Professional Certifications
- 3 Certified Public Accountants (CPA)
- 3 Certified Fraud Examiners (CFE)
- 2 Certified Information Systems Auditor (CISA)
- 2 Certified Internal Auditor (CIA)
- 1 Certified Government Auditing Professional (CGAP)
- 1 Certified Forensics Analyst (GCFA)
- 1 Project Management Professional (PMP)
- 1 Certification in Risk Management Assurance (CRMA)

### Advanced Degrees
- 3 Master of Business Administration (MBA)
- 1 Master of Policy Leadership (MPL)
- 1 Master of Public Affairs (MPA)
## Analysis of Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>FY2017</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>1,553,925</td>
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<td>9,202</td>
<td>-</td>
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<td><strong>Total</strong></td>
<td><strong>$1,691,246</strong></td>
<td><strong>$1,574,067</strong></td>
</tr>
</tbody>
</table>
QUESTIONS?
Background

This report provides a summary of audit ratings issued this period and the full rating system definitions. The following reviews have been completed during this reporting period. The Office of Audit, Risk, and Compliance has made a concerted effort to ensure progress on the annual audit plan.

<table>
<thead>
<tr>
<th>Consent Agenda Reports</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advancement Compliance Review</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>IT: Employee Access Lifecycle</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>USFA</td>
<td>Effective</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Report for Discussion</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Activities</td>
<td>Improvements are Recommended</td>
</tr>
<tr>
<td>Athletics Compliance Review</td>
<td>Significant Improvements are Needed</td>
</tr>
</tbody>
</table>

Summary of Audit Ratings

The Office of Audit, Risk, and Compliance’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 listed above be accepted by the Compliance, Audit, and Risk Committee.

August 26, 2018
# Table of Contents

**Executive Summary**  
Assessment.................................................................................................................................................. 2  
Summary of Observation with University-wide Impact ................................................................. 2  
Acknowledgement of Satisfactory Performance.......................................................................................... 2  

**Engagement Overview**  
Background.................................................................................................................................................. 3  
Risk Exposure ................................................................................................................................................. 4  
Audit Objectives .............................................................................................................................................. 5  
Scope ............................................................................................................................................................ 5  
Criteria.......................................................................................................................................................... 5  

**Observation with University-wide Impact**  
I. Immigration Organizational Structure ................................................................................................. 6  

**Personnel Involved with Audit**  
Audit Team Information.................................................................................................................................. 9  
Management Contacts ............................................................................................................................... 9  
Management Contacts ............................................................................................................................... 10  
Contact Information..................................................................................................................................... 10  
Distribution List............................................................................................................................................ 10
Executive Summary

Assessment
Our audit of global activities indicated that management has designed and implemented controls that are often effective at reducing exposure to many of the business risks that are faced, but improvements are recommended to achieve a fully effective system of internal controls. An observation with university-wide impact was noted with respect to the organizational structure of providing immigration and visa services to students and employees. Additionally, a low-priority recommendation of a less significant nature was noted in the area of contingency plans and incident management.

Summary of Observation with University-wide Impact
The university has a decentralized structure for providing immigration and visa services to international students, faculty, and employees that is atypical among selected peer institutions. At the university, immigration and visa services were divided up between four distinct offices. This structure has the potential to result in some inefficiency due to repetition of management and administrative effort. It may also limit the ability of personnel to specialize and develop expertise due to the need for each individual to perform a wider array of functions. Management reported some instances of confusion among students and employees as evidenced by visiting the wrong office to resolve their issue.

Interviews with immigration officials and a review of publicly available information regarding the organization for immigration and visa management at 21 peer institutions found no other institution with a similar structure. The institutions reviewed were typically organized into one or two distinct offices.

Management has developed action plans that effectively address the issues in the report, and the proposed timeline of implementing the action plans, including the low-priority observation, by June 1, 2019 is reasonable.

Acknowledgement of Satisfactory Performance
Examination of controls to help ensure the safety of students traveling abroad on university programs were generally effective in ensuring faculty were aware of their responsibilities for student safety and in ensuring that Global Education Office (GEO) personnel responsible for safety were aware of student travels and the students’ locations. They also provide assurance that students obtain the required insurance before traveling. Examination of processes for risk assessment, contracting, and subrecipient monitoring also found that existing controls were effective in identifying and addressing risks of non-compliance with laws, regulations, and grant agreements related to international research.
Engagement Overview

Background
The university's global activities reach many areas of the university operations. Students have the opportunity to travel internationally on study abroad programs, as well as for research, conferences, and internships. These opportunities are often capitalized upon with the assistance and support of faculty members, who may lead or accompany students on their travels. Faculty members further pursue research grants from foreign sources, or from domestic sources that involve global research and travel, and make subawards to foreign entities to complete research. University personnel build partnerships with both domestic and international institutions to support economic development in the developing world and to develop new technologies. Virginia Tech operates two international centers: the Steger Center in Riva San Vitale, Switzerland, and the Virginia Tech India Research and Education Forum in Chennai, India. Virginia Tech enrolls international students at the undergraduate and graduate levels and hosts international faculty and exchange scholars.

Information from GEO provides some context for the scope of international travel at Virginia Tech during academic year 2016 and 2017:
- 1,259 Virginia Tech students travelled abroad on study abroad programs for academic credit.
- 537 students travelled abroad for activities that did not earn academic credit, such as research, business meetings, or internships.
- 1,424 Virginia Tech employees travelled abroad on university business.

For academic year 2017 to 2018, Virginia Tech enrolled 1,797 international students out of a total undergraduate enrollment of 19,339 and 1,877 international graduate students out of a total graduate enrollment of 4,663 at the Blacksburg campus, according to information from the Virginia Tech Factbook. The National Capital Region campus enrolled an additional 167 international graduate students out of 2,083 total students in fall 2017. In addition, in fiscal year 2017 alone, Virginia Tech expended over $6.1 million on research funded by international sponsors, based on data from the Office of Sponsored Programs; though not all of this was expended internationally.

Operating globally can create opportunities for personal and professional growth and raise the profile of the university in solving problems on an international scale. However, operating in a global environment can present challenges and risks that are not present for operations that are primarily domestic in focus. Faculty, staff, and students traveling abroad can face enhanced safety risks in some areas due to risks of disease, crime, political instability, or natural disasters. The ability to manage and respond to these risks can be complicated by a lack of familiarity with local customs and languages. Any university personnel traveling, studying, or conducting research or business abroad must also understand and follow laws of the host country, in addition to any relevant laws of the United States.
With the range of global activities being so broad, responsibility for managing elements of the risk picture for global activities rests with many university departments. Outreach and International Affairs (OIA) supports the university’s engagement missions by creating community partnerships and projects, offering professional development programs and technical assistance, and building collaborations to enrich discovery and learning. Within OIA, three offices have specific functions related to global activities:

- **Global Education Office (GEO):** has primary responsibility for overseeing the university's for-credit study abroad programs. GEO is also home to the university's program for Global Safety and Risk Management, which applies to all university sponsored or sanctioned global travel.

- **International Support Services (ISS):** oversees the university's process for international agreements, and issues letters of invitation for international visitors. ISS also manages the immigration and visa process for non-students.

- **Center for International Research Education and Development (CIRED):** develops and manages international research projects to raise standards of living in developing countries through multi-disciplinary and multi-institutional partnerships.

Other university units have roles that relate significantly to global activities:

- **Graduate School:** manages immigration and visa issues and academic advising for international graduate students.

- **Cranwell International Center (CIC):** provides immigration and visa services as well as support and advocacy services for international undergraduate students.

- **Office of Export and Secure Research Compliance (OESRC):** responsible for supporting Virginia Tech’s commitment to complying with US laws and regulations applicable to export and trade sanctions. OESRC performs reviews of international travel, visitors, research, and shipping to ensure that export and trade restrictions are not violated.

Other departments whose focus is not primarily on global activities continue to perform their customary roles with operations that are international in scope, including the Office of Sponsored Programs, the Controller's Office, University Legal Counsel, as well as academic colleges and departments dictated by individual research and business needs.

**Risk Exposure**

The Office of Audit, Risk, and Compliance periodically performs a detailed risk assessment of the university’s auditable entities using factors such as the amount of cash inflows, operating expenditures, research activities, management of sensitive information, and level of external regulation. The goal of the risk assessment is to prioritize those entities within the university that should receive audit attention. Global activities were determined to be a high-risk activity due to the increased safety risks members of the university community may face when traveling to some regions, the complexity of the regulatory environment that results from having to comply with both United States and foreign laws when conducting international research and business and employing or enrolling foreign workers or students, and the potential for global activities to reflect on the university’s reputations as a global institution.
Audit Objectives
In planning the engagement, the audit staff met with management to identify business goals and objectives, potential risks, processes to mitigate those risks, and potential audit objectives. The Auditor-in-Charge performed a risk assessment of the information obtained to evaluate the adequacy and effectiveness of the processes in place, identify areas of high risk, and establish audit objectives. Audit objectives were identified as follows:

- To determine whether procedures to ensure safety for students traveling internationally provided reasonable assurance that risks students may be exposed to are identified and assessed and that appropriate safety measures are implemented in response.
- To determine whether contracting, risk assessment, and monitoring procedures provided reasonable assurance that laws, regulations, and grant requirements were followed.
- To determine whether the university’s organizational structure for processing immigration supports a consistent approach to immigration compliance.

Scope
To accomplish our objectives, we obtained an understanding of departmental procedures by interviewing key personnel, observing operating processes, evaluating the adequacy of existing policies and procedures, assessing the adequacy of internal controls, evaluating compliance with established policies and procedures, and performing other audit procedures as considered necessary. The audit covered the period of July 1, 2016 through April 30, 2018.

Criteria
This independent and objective review was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors. The standards require planning and performance of the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for observations and conclusions based on the audit objectives.

Management is responsible for establishing and maintaining effective risk management, internal control, and governance. This review was performed using a risk-based audit approach that did not include evaluation of every process, transaction, or activity occurring during the scope period. As a result, complete assurance cannot be provided that all processes are effectively controlled and that all errors, irregularities, and instances of noncompliance occurring during the scope period were identified.
Observation with University-wide Impact

The following information is based on an observation identified while conducting this review that has the potential to improve immigration and visa services in alignment with university goals and objectives. A recommendation for management’s consideration is provided below.

I. Immigration Organizational Structure

The university has a decentralized structure, atypical among peers, for providing immigration and visa services to international students, faculty and employees. This structure is specialized for various populations and their immigration services needs, (i.e., undergraduate students, graduate students, and faculty) but has the potential to result in some inefficiency due to repetition of management and administrative effort. This structure may also limit the ability of personnel to specialize and develop expertise due to the need for each individual to perform a wider array of functions. Management reported some instances of confusion among students and employees as evidenced by visiting the wrong office to resolve their issue.

Responsibility for visa and immigration services is divided among four offices that report through three different vice presidents:

- International Support Services processes visas for non-students, and GEO processes visas for incoming foreign exchange students. These offices are within Outreach and International Affairs.
- Cranwell International Center processes visas for undergraduate students, primarily F visas, and is within the area of the Division of Student Affairs.
- The Graduate School processes visas for Graduate Students, including both F and J visas, and authorizes associated Optional Practical Training and Curricular Practical Training.

Management indicated that this organizational structure evolved and has persisted in part to address the individual and distinct needs of each international population being served: undergraduates, graduate students, and employees. In addition, university leadership responsible for immigration and visa services has taken steps in the past to refine and improve its immigration processes. These include implementation of Sunapsis in the summer of 2017, an information system that assists with management of international student and scholar information and that reduces the amount of data entry necessary through a direct interface with the Department of Homeland Security’s Student and Exchange Visitor Information System immigration system. Some aspects of the implementation, including incorporating processes for ISS, are still ongoing. Monthly meetings between the Directors of ISS, CIC, and the Graduate School were also established as a result of a previous effort to review the structure of immigration services and to resolve any issues or differences in approach between offices. The directors have indicated significant disagreements are uncommon, as the lines dividing various areas of responsibility are relatively clear.
A review of publicly available information regarding the organization for immigration and visa processing at 21 institutions, including SCHEV peers and peer institutions within the Commonwealth of Virginia, found no other institution with a similar organizational structure. The institutions reviewed were typically organized in one of two ways:

- One single office (often titled International Student and Scholar Services, or similar) handles all visa and immigration issues. This office is sometimes subdivided into teams handling students and scholars.
- Two offices, one of which handles visa and immigration services for students, and the other for non-students. The office handling scholars is sometimes located within human resources, or at other times is autonomous.

In addition to reviewing publicly available information, interviews were conducted with personnel responsible for immigration and visa services at eight of the 21 institutions. These discussions indicated that the various methods of how to organize and structure immigration is a point of significant interest, and included several institutions who had either completed reorganizations in the last several years or who were in the midst of a reorganization. Common themes arising from discussions with these universities included:

- Separating visa and immigration services for employees from students generally made sense and was an organizational structure that worked well, as the needs for processing visas for students and employees are significantly different.
- Generally, immigration was divided between no more than two departments, with one serving students, and the other scholars and other non-students.
- The organizational structure chosen may be less important than the quality of communication and relationships that exist between involved departments. This includes communication not just between the departments directly processing visas information, but with academic units and other organizations responsible for student and employee success.
- Reducing the number of offices and locations involved in immigration and visa issues and co-locating related services had the benefit of reducing confusion among students, administrators, and employees on where to obtain the services they needed.

Institutions that divided immigration services into more than one office indicated that because the function was divided along distinct lines (student vs. scholars), there were few disagreements on approach or interpretation of immigration law and policy. Most disagreements that occurred could be handled with a phone call or meeting. They did sometimes experience issues with students or scholars going to the wrong place (students going to the office that serve employees or vice versa) or a problem delivering a consistent message on external events with an impact on immigration and visa, due to the different missions and priorities involved in serving the needs of international scholars versus students. Some institutions, particularly those who combined all functions into one office, indicated this had allowed them to develop into the recognized campus wide authority for immigration related matters.
It is important to note that a previous effort by management to examine the organizational structure for immigration and visa services directed by a prior Executive Vice President and Provost reached an alternate conclusion. Management of some areas indicated that the university’s unique approach does generate some benefits, including the ability to provide services that are closely tailored to the changing needs of the specific populations each office serves. The Graduate School has implemented a very close coordination between the immigration and academic admissions and advising functions that allows it to provide a higher level of service to its students than institutions with a more centralized structure.

Examining the overall structure of immigration and visa services at the university has the potential to increase efficiency in providing immigration and visa services, to better develop staff specialization and expertise related to the immigration needs of students and employees, and to reduce confusion surrounding visa and immigration processes. If an overall change to the organizational structure is not feasible at this time, co-locating the involved offices into one building or area has some potential to facilitate improved communication between involved offices and reduce confusion among the students and employees served at the main university campus. The Graduate School noted, however, that full co-location may not be feasible because additional immigration personnel serving the Graduate School are located in the National Capital Region. The Graduate School also considers their current approach, which integrates academic and immigration advising, to be beneficial to their student population.

**Recommendation:**
The Office of the Executive Vice President and Provost should examine the way in which immigration and visa services for students and employees is currently organized and managed. This examination should include solicitation of input from management responsible for immigration, as well as university administrative and academic departments affected by it. The goal of the examination should be to identify any opportunities to improve efficiency and effectiveness of immigration services. Should this review find opportunities for improvement, the Office of the Provost should develop a plan for how best to manage and organize the necessary functions and work with responsible management to implement processes accordingly.

**Management Action Plan:**
The Office of the Executive Vice President and Provost will review the current organizational and management structure for immigration and visa services. This review will engage management responsible for immigration, as well as university administrative and academic departments affected by it to determine strengths and opportunities. Should this review find opportunities for improvement, the Office of the Provost will then establish a plan for how best to manage and organize the necessary functions. The anticipated timeframe needed for implementation of the plan will be determined during plan development.

Cyril R. Clarke, Interim Executive Vice President & Provost, is responsible for implementing this action plan by December 31, 2018.
## Personnel Involved with Audit

### Audit Team Information

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael A. Dean</td>
<td>Auditor-in-Charge</td>
</tr>
<tr>
<td>William G. Abplanalp</td>
<td>Audit Manager</td>
</tr>
<tr>
<td>Brian J. Daniels</td>
<td>Director</td>
</tr>
</tbody>
</table>

### Management Contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Janice E. Austin</td>
<td>Assistant Dean and Director of Graduate Admissions, Graduate School</td>
</tr>
<tr>
<td>Gene G. Ball</td>
<td>Director, International Finance Administration, CIRED</td>
</tr>
<tr>
<td>Linda R. Bucy</td>
<td>Interim Director, Office of Sponsored Programs</td>
</tr>
<tr>
<td>David B. Clubb</td>
<td>Associate Dean of Students and Director, Cranwell International Center</td>
</tr>
<tr>
<td>Rachel L. Fitzgerald</td>
<td>Associate Director, GEO</td>
</tr>
<tr>
<td>James P. Foreman</td>
<td>Associate Director, Finance and Administration, CIRED</td>
</tr>
<tr>
<td>Monika Gibson</td>
<td>Assistant Dean and Director of Student Services, Graduate School</td>
</tr>
<tr>
<td>Michael G. Kendrick</td>
<td>Export and Secure Research Program Manager, OESRC</td>
</tr>
<tr>
<td>Ian Leuschner</td>
<td>Director, International Support Services</td>
</tr>
<tr>
<td>Randy B. Penson</td>
<td>Assistant Director, GEO</td>
</tr>
<tr>
<td>Paige J. Selvey</td>
<td>Senior Associate Director of Post Award, Office of Sponsored Programs</td>
</tr>
</tbody>
</table>
Management Contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jane H. Swan</td>
<td>Director, Finance and Administration, Outreach and International Affairs</td>
</tr>
<tr>
<td>John J. Talerico III</td>
<td>Export and Secure Research Program Manager, OESRC</td>
</tr>
<tr>
<td>Eliza Wethey</td>
<td>Associate Director for Global Engagement, VT Engage</td>
</tr>
</tbody>
</table>

Contact Information
For questions regarding this review, contact Brian J. Daniels, Director.

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# Table of Contents

## Executive Summary
Assessment..................................................................................................................... 2  
Compliance Scorecard ..................................................................................................... 2

## Engagement Overview
Relevant University Policies ............................................................................................ 4  
Criteria ................................................................................................................................ 5  
Scope ............................................................................................................................... 5

## Compliance Issues and Recommendations
I. Fiscal Responsibility..................................................................................................... 6  
II. Wage Payroll................................................................................................................. 8  
III. Leave Reporting ......................................................................................................... 9  
IV. P14 Appointments ...................................................................................................... 9  
V. Expenditures ............................................................................................................... 10  
VI. Fixed Assets Management ....................................................................................... 12  
VII. Funds Handling ...................................................................................................... 13

## Personnel Involved with Audit
Audit Team Information ............................................................................................... 15  
Management Contacts ................................................................................................. 15  
Contact Information ..................................................................................................... 17  
Distribution List ........................................................................................................... 17
Executive Summary

Assessment
Our audit identified certain significant business risks for which the Department of Athletics (Athletics) has not designed or implemented effective controls. **Significant improvements are needed** to achieve an adequate system of internal controls and effectively manage the associated business risk. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of fiscal responsibility, wage payroll, leave reporting, P14 appointments, expenditures, fixed assets, and funds handling.

Compliance Scorecard
The following is a scorecard summarizing the activities reviewed. The scorecard ratings are assessed based on a judgmental determination of the effectiveness of internal controls and compliance with policies for each specific activity tested. For each functional area that received below an effective rating, a detailed presentation of the issues noted along with any recommendations can be found beginning in the Compliance Issues and Recommendations section.

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Expected Condition (Effective Rating)</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Responsibility</td>
<td>Monthly reconciliation reports are adequately documented, reviewed timely, and properly approved.</td>
<td></td>
</tr>
<tr>
<td>Employee Compensation and Leave Reporting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage Payroll</td>
<td>Hours worked by employees are appropriately documented and approved, entered correctly, and reconciliation reports are reviewed in a timely manner and appropriately maintained.</td>
<td></td>
</tr>
<tr>
<td>Leave Reporting</td>
<td>Employee leave reports are submitted timely, adequately documented, and properly approved.</td>
<td></td>
</tr>
<tr>
<td>P14 Appointments</td>
<td>P14 appointments are adequately documented and properly approved.</td>
<td></td>
</tr>
<tr>
<td>Expenditures</td>
<td>Expenditures are necessary, reasonable, and directly related to the goals and mission of the university. Cardholder purchases are adequately documented, reconciled timely, and properly approved.</td>
<td></td>
</tr>
<tr>
<td>Functional Area</td>
<td>Expected Condition (Effective Rating)</td>
<td>Rating</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Fixed Assets Management</td>
<td>Equipment coordinators are properly appointed, equipment custodians are up-to-date in Banner, and home use asset documentation is maintained.</td>
<td></td>
</tr>
<tr>
<td>Funds Handling</td>
<td>Cash deposits are made timely, and appropriate documentation is on file to support the deposit amount. Petty cash funds are fully accounted for, and periodic verifications and monthly reconciliations are performed.</td>
<td></td>
</tr>
<tr>
<td>University Key Control</td>
<td>Effective record-keeping systems are in place, periodic inventories of keys are conducted, and unissued keys are properly safeguarded.</td>
<td></td>
</tr>
<tr>
<td>Information Technology</td>
<td>Security patches and anti-virus software are automatically updated, firewalls are enabled, strong passwords are enforced, and sensitive digital information is adequately safeguarded.</td>
<td></td>
</tr>
<tr>
<td>Emergency Preparedness</td>
<td>Emergency action and continuity of operations plans are properly documented, up-to-date, and distributed to employees within the department or organization.</td>
<td></td>
</tr>
<tr>
<td>State Vehicle Management / Courtesy Cars</td>
<td>Appropriate documentation is maintained on usage, assignment, and service of state vehicles and courtesy cars.</td>
<td></td>
</tr>
<tr>
<td>Family Education Rights and Privacy Act (FERPA)</td>
<td>Appropriate access to an individual’s academic record is maintained.</td>
<td></td>
</tr>
<tr>
<td>Conflict of Interest</td>
<td>Potential conflicts of interest and outside employment are properly disclosed and approved.</td>
<td></td>
</tr>
</tbody>
</table>

**Scorecard Legend**

- **Effective**
- **Improvements are Recommended**
- **Significant Improvements are Needed**
- **Unreliable**

3
Engagement Overview

Relevant University Policies
The objective of this review is to help improve risk management and risk control systems by evaluating compliance with the following university policies and procedures:

- Fiscal Responsibility – policy 3100 requires that managers, including but not limited to department heads and center directors, perform monthly reviews of financial activities.
- Human Resources: Employee Compensation and Leave Reporting (Wage Payroll, Banner HRIS Access, Overtime Compensation, Leave Reporting, and P14 Appointments) – policies 4296, 4298, 4300, and 4320 establish the foundation for compensating salaried and wage employees. Additionally, policies 4026, 4060, 4320, 4415, and the Leave Manual establish guidelines relating to staffing, recruitment, equity and access, professional development, compensation and performance management, and employee relations. The university guidelines for leave accounting are included in various staff and faculty handbooks and policies. Associated record retention is also reviewed.
- Expenditures – policy 3200 requires persons authorizing expenditures to assure expenditures of university funds are necessary, reasonable, and directly related to the goals and mission of the university. The Procurement Department’s Corporate Purchasing Card Procedure establishes responsibilities for cardholders and department heads in conducting university business with the Corporate Purchasing Card.
- Fixed Assets Management – policy 3950 assigns responsibility and accountability for university assets to the organizational unit maintaining custody of the asset. The policy requires the unit to assume proprietary control over all equipment and other fixed assets assigned to the unit.
- Funds Handling (Cash Deposits and Petty Cash Management) – policy 3600 and related funds handling guidelines define the required cash handling practices for university departments. Additionally, the University Bursar defines the required funds handling practices for petty cash and petty cash disbursement funds.
- University Key Control – policy 5620 establishes access control practices that university departments should follow to limit and monitor physical access to university buildings and property.
- Information Technology – policies 1060, 7010, 7105, the Vice President for Information Technology Security Standard for Social Security Numbers, and the Vice President for Information Technology Standard for Protecting Sensitive University Information Used in Digital Form establish the foundation for protecting IT resources and sensitive digital information.
State Vehicle Management – policy 5500 establishes responsibilities and procedures to ensure proper operation, purchasing, disposal, inventory, and maintenance of all state vehicles.

FERPA – various university policies include reference to requirements for university constituents regarding stewardship and protection of academic records.

Conflict of Interest – policies 4070 and 13010 establish framework for the management and monitoring of external activities to promote and safeguard the interests of the university.

Criteria
This independent and objective review was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors. The standards require planning and performance of the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for observations and conclusions based on the audit objectives.

Management is responsible for establishing and maintaining effective risk management, internal control, and governance. This review was performed using a structured audit approach that did not include evaluation of every process, transaction, or activity occurring during the scope period. As a result, complete assurance cannot be provided that all processes are effectively controlled and that all errors, irregularities, and instances of noncompliance occurring during the scope period were identified.

Scope
The Office of Audit, Risk and Compliance reviewed adherence to university policies in the areas reporting to Athletics during the period March 1, 2017 to February 28, 2018.
Compliance Issues and Recommendations

The following recommendations are based on our observations and conclusions regarding the effectiveness of internal controls and compliance with policies for Athletics. The views of management and their associated responses to audit recommendations are presented as management action plans.

I. Fiscal Responsibility

Policy 3100 requires departments to perform monthly reconciliations and reviews of financial transactions, including revenues and expenditures recorded in the funds assigned to their organizational unit. When performing monthly reconciliations the reconciler should compare original receipts and records kept in the department to the transactions processed in Banner. The monthly reviews and reconciliation should cover the activity recorded in the funds during the prior month. During the review period, the Athletics expenditures were approximately $108 million.

Review of the department’s documentation indicated that management had designed a process that required employees to perform a financial review of their monthly expenses and certify they reviewed the transactions and either approved the transactions or had corrections for transactions through July 2017; however, Athletics was unable to provide any documentation that these certifications were completed.

Additionally, management revised the review process in October 2017 to allow for electronic distribution of reports and eliminated the certification process altogether and instead relied upon passive confirmation instead of positive/negative confirmation, which directly conflicts with the requirements of university policy 3100. There was no documentation on file to indicate that the high-level reviews were completed nor was there any indication reconciliations occurred.

Recommendation:
Management should establish departmental procedures to ensure detailed monthly financial reviews and reconciliations reflect the following:

- All expenditure transactions are complete and accurate and include only transactions properly authorized and approved for payment by the manager (or other authorized approvers for such funds).
- All expenditures are allowable, allocable and reasonable and comply with applicable federal and state laws and regulations, university policies and procedures, and the specific requirements of grantors.
- All revenues collected for the department have been properly secured, deposited into the appropriate university bank account and appropriately recorded in the Banner system.
- Any omissions or discrepancies are corrected within 60 days of the original posting to Banner.
• Documentation of the detailed transaction reconciliation, including the comparison of original receipts and records kept in the department to the transactions processed in Banner, and the Snapshot by Organization reports with the preparer and approver’s signatures should be maintained in accordance with the record retention requirements.

Management should ensure that department procedures include the position title or working titles of employees who are responsible for reviewing and reconciling expenditures and revenues to the original documentation and receipts. Additionally, department procedures should also include the expected period in which reconciliations should be performed in order to allow for proper review and approval.

Management Action Plan:
Management will develop fiscal responsibility procedures that are in compliance with university policy 3100. These procedures will include the reconciler’s responsibility to compare original receipts and records kept in the department to the transactions processed in Banner. Management will ensure that the review, reconciliation, and approval process is documented and departmental employees with fiscal responsibilities receive hands on training. Training will be documented and retained in each employee’s personnel file.

Additionally, each budget manager will be responsible for ensuring reviews and reconciliations are performed timely in accordance with university policy 3100 and that any discrepancies are promptly reported for correction. Each budget manager will also be responsible for providing the completed review and reconciliation documentation along with any supporting documentation to the Executive Associate Athletic Director & CFO, who will verify university and departmental procedures have been followed and that the university record retention requirements are met, in addition athletic finance managers will follow-up on any areas of non-compliance.

Athletics Business Office employees will be cross-trained to complete the reconciliation process in case of staffing turnover and/or time away from the office.

To further ensure reconciliations are properly performed, departmental procedures related to fiscal responsibility will be discussed and disseminated to the budget managers, and all other staff involved in the review and reconciliation process at the monthly review meetings.

Omar K. Banks, Executive Associate Athletic Director & CFO, is responsible for implementing this action plan by October 31, 2018.
II. Wage Payroll

Of the 52 wage positions selected in our sample we identified 19 employees, identified as Athletics Wage Interns, who were paid one hour per pay period at a set rate that ranged from $17,232 to $33,336 annually, with an intent for this pay to cover all hours worked during the pay period. Review of these positions indicated that that the department did not document the type of work or duties these employees would perform, nor was there any documentation on file to indicate the number of hours employees were expected to work or actually worked as required to determine compliance with Fair Labor Standards Act (FLSA) and Affordable Care Act (ACA). University policy 4298, Wage Employee Time Worked Records, does not permit wage employees to work more than 1,500 hours and departments are responsible for ensuring that wage employees do not exceed the 1,500-hour maximum. Review of the department’s positions and payroll data indicated Athletics has employed approximately 28 employees in this type of position since January 2014, with wages in calendar year 2017 totaling approximately $204,000. The number of positions has increased each year, from 3 in calendar year 2014 to 18 as of summer 2018, with the average employee tenure lasting approximately one to two years.

Additionally, PZRTED reports that are required to reconcile the payroll were not on file within the department for two (9%) payroll cycles, specifically payroll period #11 for 2017 and period #2 of 2018.

**Recommendation:**

Management should work with the Division of Human Resources regarding the Athletics Wage Interns to evaluate these positions and determine the steps required to ensure FLSA and ACA compliance. Discussion with the Division of Human Resources indicated that Athletics might need to adjust the employee type, develop position descriptions, offer letters, and in some cases have employees record hours worked depending on the type of work being performed and the rate of pay.

Additionally, management should ensure that all payroll periods are reconciled and that documentation of the reconciliation is appropriately maintained.

**Management Action Plan:**

Management will work with the Division of Human resources to evaluate the Athletic Wage Intern positions to determine the appropriate employee type for each position and how the expected number of hours to be worked or the actual number of hours worked is properly documented to ensure compliance with the FLSA and ACA.

Management develop position descriptions for each of the Athletic Wage positions and management will monitor wage employee hours to ensure that wage employees do not exceed the 1,500 hour maximum.

Omar K. Banks, Executive Associate Athletic Director & CFO, and Angela F. Littlejohn, Senior Associate Athletics Director for Internal Affairs, are responsible for implementing this action plan by January 31, 2019.
III. Leave Reporting

Leave reporting was not always performed in line with requirements set forth in the Human Resources Leave Entry Procedures Manual and Leave Manual. University procedures require the completion of leave reporting by the 16th of the month after the leave reporting month. Among the 1,331 leave reports required of 220 employees, 263 (20%) reports attributable to 136 employees (62%) were either late or not submitted. Of these 263 identified leave reports, 182 (14% of 1331) were submitted or approved late with the degree of lateness ranging between 8 and 236 days, averaging 42 days and an additional 81 (6%) required leave reports were never submitted.

Recommendation:
Management should improve the leave reporting process by requiring leave reports to be submitted timely in adherence to leave reporting policies and procedures.

Management Action Plan:
The Director of Athletics will address this topic in a department-wide staff meeting in which all Athletics employees are required to attend. The purpose of this communication is to stress the importance of leave reporting and approvals by the 16th of each month.

In addition, the Athletics leave representative will continue to send emails to all of the employees within the department with a reminder to submit leave before the due date. Two business days prior to the due date, the leave representative will email those employees and supervisors who have outstanding leave reports.

Omar K. Banks, Executive Associate Athletic Director & CFO, is responsible for implementing this action plan by October 31, 2018.

IV. P14 Appointments

Documentation in support of P14 appointments was not always adequate. Specifically, 3 of 10 (30%) position descriptions reviewed for P14 employees lacked details that distinguished the position from duties that typically performed by a staff employee and did not contain duties that would allow the employee to be classified as FLSA exempt. University policy 4296, Adjunct and Wage Faculty Payments (P14 Payments) does not specify what constitutes a position description. However, the policy requires a brief description be provided, the description of the work needs to be sufficiently detailed to be able to determine if the work is consistent with faculty level appointments, aligned with the 5 purpose statements within section 2.1 of the policy. It also requires the nature of work meet the FLSA exempt status under the duties test, section 2.3.1. Discussion with Athletics Human Resources indicated there were additional duties assigned that would not be performed by a wage or staff employee; however, the position descriptions had not been updated to reflect those duties at the time of the review. Additionally, we did note that Athletics had all of the P14A forms and offer letters on file for all of the positions reviewed in our sample.
Finally, one P14 employee was permitted to continue working past their position end date without an extension or approval. This required the employee to contact the department to inquire about their pay, which resulted in the employee being paid approximately six months late. Section 40.1-29 of the Code of Virginia states, “Upon termination of employment an employee shall be paid all wages or salaries due him for work performed prior thereto; such payment shall be made on or before the date on which he would have been paid for such work had his employment not been terminated.”

Recommendation:
Management should:
- Ensure there are accurate position descriptions on file for each P14 appointment. Position descriptions should differentiate the duties performed from that of a wage or staff employee and reflect the actual duties performed. Should management determine that duties performed do not meet the P14 requirements as noted in university policy 4296, then management should work with central Human Resources to ensure the position classification and compensation are adjusted accordingly.
- Ensure that P14 employees do not work past their appointment end date without prior approval and paperwork being completed.

Management Action Plan:
Management developed a revised duties listing for the three P14 positions identified during the audit and updated the position descriptions in April 2018. In addition, management has requested and received updated position descriptions from hiring managers for the remaining P14s currently employed. Athletics will ensure accurate position descriptions are on file before employees are hired. Additionally, management will ensure that P14 employees do not work past their appointment end dates without prior approval and paperwork being completed.

Omar K. Banks, Executive Associate Athletic Director & CFO, is responsible for implementing this action plan by September 10, 2018.

V. Expenditures

Corporate Purchase Card (P-Card) Procedures were not consistently followed for 7 out of 330 (2%) transactions reviewed, noting that one purchase had two separate exceptions. Specifically,
- Three transactions (1%) did not have receipts on file to support the purchase, totaling approximately $63.
- One transaction was made on a P-Card in which the description on the purchase log did not match the receipt, totaling approximately $20. No malfeasance was apparent.
- One transaction of approximately $29 was made on a P-Card in which sales tax was inappropriately charged.
Three transactions (1%) were purchases of cell phone accessories, totaling approximately $87. Purchase of cell phone accessories are required to be purchased through Network Infrastructure & Services (NI&S), not using a P-Card.

Additionally, we noted that Athletics purchases satellite, pay-tv, and radio services using multiple P-cards, when these services are normally required to be purchased through NI&S, although the specific programming needed was not available through NI&S. We also noted that Procurement was aware of the exception and NI&S was aware that services were being procured. Review of the department’s expenditures shows that the department has paid for similar services in the past through accounts payable.

Furthermore, the reconciliation requirements were not completed in accordance with the requirements set forth by P-Card Procedures in 11 of the 161 (7%) reconciliations reviewed. Specifically, the cardholder completed/signed four late, and seven were signed timely by the cardholder but approved late. The degree of lateness was between 1 and 40 days, with a median of 5 days.

Finally, a review of 249 non-P-Card expenditures totaling approximately $2,235,700 identified one transaction in which a portion of the $300 expense paid was unallowable. After bringing this to the attention of the business office, the business office requested that the entire expense be reimbursed by the Foundation.

**Recommendation:**
Management should improve compliance with university expenditure policies by:

- Counseling cardholders on the importance of following university guidelines including expenditure allowability, retaining proper documentation to support purchases, properly recording and reconciling purchases, and the proper handling of tax-exempt purchases.
- Work with Procurement and NI&S to determine if an exception to allow for the procurement of satellite, pay-tv, and radio services using P-Cards should be formally approved and documented or if such services should be procured through another method.

Management should improve compliance with university expenditure policies by reviewing expenditure related supporting documentation to ensure expenditures are allowable and support the Virginia Tech mission.

**Management Action Plan:**
Athletics is in the process of reorganizing the business office to allow for a streamlined review of P-Card charges and other expenditures. Business managers have been assigned to each area and will be responsible for reviewing and approving P-Card Certification forms and reviewing other expenditures. Management will review the university’s P-Card procedures and reiterate the importance of following P-Card procedures to those with P-Card responsibilities (i.e. cardholders, reconcilers, and reviewer/approvers). Monthly certifications submitted with unallowable expenditures,
inadequate documentation, and improper handling of tax-exempt purchases will be reviewed with the cardholders and corrected as needed.

Since NI&S is not able to provide the services required, management will work with NI&S and Procurement to determine the best method to purchase these services. Additionally, should it be determined that the P-Card is the best method; management will request documentation of the exception.

The proper procurement method for the purchase of cell phone accessories for both university owned cellphones and those furnished by the foundation will be communicated during the next monthly budget meeting with staff.

Omar K. Banks, Executive Associate Athletic Director & CFO, is responsible for implementing this action plan by October 31, 2018.

VI. Fixed Assets Management

Athletics has been unsuccessful in certifying their inventory since 2006. Although they have been unable to certify their inventory again this year, some progress has been made. During our review, we noted that new leadership has taken ownership and is working with others in the department to ensure an accurate listing of assets. University policy 3950, Fixed Assets Accounting, sets a certification threshold of at least 95 percent for both the number of items and the cost value of the items of capitalized equipment and controlled equipment.

<table>
<thead>
<tr>
<th># Missing</th>
<th>Value Missing</th>
<th># Found</th>
<th>Value Found</th>
<th>% Quantity Found</th>
<th>% Value Found</th>
</tr>
</thead>
<tbody>
<tr>
<td>244</td>
<td>$1.6 Million</td>
<td>840</td>
<td>$6.4 million</td>
<td>77%</td>
<td>80%</td>
</tr>
</tbody>
</table>

**Recommendation:**
Management should work with Fixed Assets and Equipment Inventory Services (FAEIS) to:

- Complete the current inventory and have the remaining items that can be located scanned. Follow-up as necessary with custodians of missing assets.
- Update custodians for assets that have been located but list former employees as custodians.
- Ensure an accurate listing of fixed assets.
- Provide fixed asset related training to departmental equipment coordinator and fixed asset custodians to ensure personnel are aware of the university policies and departmental procedures.

Additionally, management should:

- Follow-up with custodians who have large numbers and/or large value of outstanding assets to determine if assets can be located or the disposition of those assets.
• Consider development of an asset custodian process by which custodians are required to attend training on how university assets are to be transferred, surplused, reported missing/stolen, traded in, returned, etc.

• Develop and implement an asset tracking process that allows each custodian to confirm receipt of the inventory standard assets and documents the return of such assets. This process should allow management to identify assets assigned to custodians in the event the custodian leaves the department, and should assist with asset accountability.

Management Action Plan:
Management will continue to work with FAEIS, and asset custodians to locate and verify assets to ensure an accurate listing is maintained. Management will also work with the fixed assets coordinator and FAEIS to update custodians for assets that have been located.

Management will ensure that the fixed asset coordinator attends Banner Fixed Assets Training and will consult with FAEIS to identify, develop, and implement a fixed asset tracking process. Management will discuss the possibility of holding a fixed asset custodian training.

Angela F. Littlejohn, Senior Associate Athletics Director for Internal Affairs, is responsible for implementing this action plan by January 31, 2019.

VII. Funds Handling

Athletics did not consistently follow university policy 3600, Funds Handling and Deposit of State and Local Funds, and related funds handling guidelines related to timely deposits.

Of the 30 deposits selected for review, totaling approximately $9,002,100, Athletics handed 17 (57%), totaling approximately $412,200 and the Bursar’s Office or Controller’s Office handled 13 (43%), totaling approximately, $8,589,900. Of the 17 handled by Athletics:

• 11 (65%) deposits totaling approximately $340,600, were not deposited timely. These 11 deposit ranged from approximately $450 to $251,300 ($250,000 of which was two business days late), with a median of approximately $3,400. Deposit lateness ranged from 1 to 18 business days late with a median of 3 days late.
  o Three deposits had funds that were collected during the week and held over the weekend and had cumulative funds that reached $250 or greater and were not deposited within 24 hours (one business day) from the time of reaching this limit.
  o Eight additional deposits were not deposited timely, as cumulative funds collected reached $250 or greater and were not deposited within 24 hours after reaching this limit.

• One (6%) deposit totaling approximately $58,100 did not have a Cashier’s Log on file, preventing assessment of deposit timeliness. Review of the deposit indicated that the majority of the approximately $50,000 deposit was an Atlantic Coast
Conference (ACC) Championship reimbursement check. Comparison of the date deposited with the Bursar’s Office to the date of the championship games indicated that the ACC Championship check was not held for a lengthy period.

Review of the department’s funds handling procedures indicated that deposits would be reconciled using the CASHNet Deposit Report instead of the Snapshot by Org reports. Our review indicated that the department is reconciling deposits initiated by Athletics to the CashNet reports, but those initiated outside of the department do not always appear on the CashNet reconciliation reports. As a result, there was no indication of reconciliation for four out of the 13 deposits reviewed that were initiated outside of the department.

Additionally, we noted once the Burrows-Burleson Tennis Center (Tennis Center) completes their deposits they take their deposits directly over to Parking and Transportation (Parking Services) for the courier pick up; however, discussion with the Director of Burrows-Burleson/Rector indicated that because the courier arrives so early in the morning the deposit remains in Parking Services until the next morning.

**Recommendation:**
Management should strengthen the funds handling process by:
- Educating employees about the university requirements set forth in the funds handling policy.
- Depositing funds received over $250 within 24 hours of receipt and ensuring deposits are made at least weekly for lesser amounts.
- Reconciling deposits with the monthly Snapshot by Org reports.
- Working with the Bursar’s Office to ensure timely pick-up of funds by the courier for the Tennis Center.

**Management Action Plan:**
Management has implemented personnel actions and has assigned the Senior Director, Business Operations deposit/cash handling review responsibilities, effective July 1, 2018. Additionally, the Assistant Athletic Director for Finance will begin reconciling revenue transactions during the monthly transaction detail reports instead of using CashNet reports. Accordingly, department procedures will be updated and submitted to the Office of the University Bursar (OUB) for review and approval.

Revised departmental procedures, once approved by the OUB, will be reviewed with all cash handlers, including those in individual sports, in order to emphasis the importance of timely deposits. Management will perform spot checks to determine compliance with the applicable procedures in FY 2019 during Q1 and Q2 and provide recommendations to areas handling funds if deficiencies are noted and corrective actions for repeat deficiencies will be implemented. Documentation of the spot checks and recommendations will be retained as required.

Omar K. Banks, Executive Associate Athletic Director, is responsible for implementing this action plan by January 31, 2019.
## Personnel Involved with Audit

### Audit Team Information

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dawnetta L. Taylor</td>
<td>Auditor-in-Charge</td>
</tr>
<tr>
<td>Mary Kate Quinn</td>
<td>Undergraduate Audit Assistant</td>
</tr>
</tbody>
</table>

### Management Contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jean Ann Bailey</td>
<td>Administrative Assistant</td>
</tr>
<tr>
<td>Omar K. Banks</td>
<td>Executive Associate Athletic Director &amp; CFO</td>
</tr>
<tr>
<td>Lauren E. Belisle</td>
<td>Assistant Athletic Director, Marketing and Promotions</td>
</tr>
<tr>
<td>Corey P. Brooks</td>
<td>Assistant Director, Ticket Office</td>
</tr>
<tr>
<td>Michelle L. Collins</td>
<td>Assistant Athletic Director, Finance</td>
</tr>
<tr>
<td>Abby S. Daniels</td>
<td>Assistant to the Head Coach, Women’s Basketball</td>
</tr>
<tr>
<td>Greig W. Denny</td>
<td>Director, Burrows-Burleson/Rector</td>
</tr>
<tr>
<td>Cindy J. Eller</td>
<td>Payroll Tax Accountant Controller’s Office</td>
</tr>
<tr>
<td>Erin L. Evans</td>
<td>Payroll Accountant Controller’s Office</td>
</tr>
<tr>
<td>Thomas L. Gabbard</td>
<td>Senior Associate Athletics Director, Facilities and Operations</td>
</tr>
<tr>
<td>Megan B. Griesemer</td>
<td>Assistant Director, Compliance</td>
</tr>
<tr>
<td>Carmen R. Hamlin</td>
<td>Senior Director, Business Operations</td>
</tr>
<tr>
<td>B. Joe Hutson</td>
<td>Deputy Executive Director, Network Infrastructure and Services</td>
</tr>
<tr>
<td>Kathleen D. Karpa</td>
<td>Coordinator, Sports Medicine</td>
</tr>
<tr>
<td>Pamela G. Linkous</td>
<td>Senior Director, Human Resources</td>
</tr>
</tbody>
</table>
## Management Contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angela F. Littlejohn</td>
<td>Senior Associate Athletic Director, Internal Affairs</td>
</tr>
<tr>
<td>Curtis L. Mabry</td>
<td>Senior Director Initiatives &amp; Partnerships, Human Resources</td>
</tr>
<tr>
<td>Sandra J. Merrix</td>
<td>Funds Handling Compliance Accountant, Bursar’s Office</td>
</tr>
<tr>
<td>William W. Old IV</td>
<td>Business Services Analyst</td>
</tr>
<tr>
<td>Ronald G. Piemonte</td>
<td>Head Coach, Diving</td>
</tr>
<tr>
<td>Debra G. Reed</td>
<td>Procurement Card Program Administrator, Procurement</td>
</tr>
<tr>
<td>J. Tommy Regan Jr.</td>
<td>Senior Director, Information Technology</td>
</tr>
<tr>
<td>Carol G. Robertson</td>
<td>Head Coach, Women’s Golf</td>
</tr>
<tr>
<td>Anthony R. Robie</td>
<td>Head Coach, Wrestling</td>
</tr>
<tr>
<td>Patricia L. Rodgers</td>
<td>Chief Administrative Officer, Communication Network Services</td>
</tr>
<tr>
<td>Dianne W. Santolla</td>
<td>Coordinator, Finance</td>
</tr>
<tr>
<td>Rebekah G. Saylors</td>
<td>Manager of Fixed Assets &amp; Inventory Services, Controller’s Office</td>
</tr>
<tr>
<td>Donna E. Smith</td>
<td>Administrative Assistant</td>
</tr>
<tr>
<td>C. Sandy Smith Jr.</td>
<td>Associate AD, Ticketing Services,</td>
</tr>
<tr>
<td>James E. Torgersen</td>
<td>Director, Facilities</td>
</tr>
<tr>
<td>Cara F. Walters</td>
<td>Assistant Athletics Director, Operations</td>
</tr>
<tr>
<td>Lyle F. Wolf III</td>
<td>Director, Student-Athlete Development, Men’s Basketball</td>
</tr>
<tr>
<td>Jerry M. Woodyard</td>
<td>Assets &amp; Inventory Services Coordinator, Controller’s Office</td>
</tr>
</tbody>
</table>
Contact Information
For questions regarding this review, contact Brian J. Daniels, Director of Internal Audit.

Office of Audit, Risk, and Compliance (0328)  Email: bdaniels@vt.edu
North End Center, Suite 3200  Phone: (540) 231-5883
300 Turner Street NW  Fax: (540) 231-4681
Blacksburg, Virginia 24061  Website: www.audit.vt.edu

Distribution List
Whit Babcock
Omar K. Banks
Robert R. Broyden
Linda R. Bucy
Mary W. Helmick
Christopher H. Kiwus
Sharon M. Kurek
Angela F. Littlejohn
Theresa S. Mayer
Scott F. Midkiff
Kenneth E. Miller
Michael J. Mulhare
Dwayne L. Pinkney
Timothy D. Sands
M. Dwight Shelton Jr.
Richard A. Sparks Jr.
Melinda J. West
Lisa J. Wilkes
Sherwood G. Wilson
OVERVIEW

The Office of Audit, Risk, and Compliance (OARC) conducts risk-based assurance engagements, policy compliance reviews, management advisory services, and investigations. The risk-based assurance engagement is an objective examination of evidence to provide an independent assessment of governance, risk management, and the control systems within the university. The objective of the policy compliance review is to ensure all senior management areas (even low risk) receive periodic reviews from OARC every five years to perform tests of compliance with major university business policies. The nature and scope of management advisory service activities, developed through agreement with the client, add value and improve the university’s governance, risk management, and control processes without the internal auditor assuming management responsibility.

RISK ASSESSMENT PROCESS

Enterprise Risk Assessment (ERM)

The university began a new Enterprise Risk Management (ERM) initiative during fiscal year 2017-18 to provide enhanced visibility into the university’s risks and align strategic planning with the resulting risk awareness. OARC began facilitating the ERM program by working with university leadership to establish the framework for collectively identifying and assessing risks across the enterprise. The ERM program will ultimately strengthen the university’s ability to achieve its mission and strategic objectives by:

• Obtaining a holistic view of the most critical risks to the achievement of Virginia Tech’s mission and objectives;
• Creating a risk-aware culture, including the management of risks to an appropriate level of risk tolerance;
• Improving focus and perspective on both internal and external risks and opportunities, including emerging risks and value drivers;
• Enhancing decision making and alignment with strategic goals; and
• Improve efficiency and optimized allocation of resources through risk prioritization.

University leadership provided feedback for the initial ERM process by assessing the risks in terms likelihood of occurrence, significance of impact, and the velocity of onset, all grouped by the categories depicted below:

<table>
<thead>
<tr>
<th>ERM RISK CATEGORIES</th>
<th>ALTITUDES OF RISK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>Systemic and Existential</td>
</tr>
<tr>
<td>Financial</td>
<td>Institutional</td>
</tr>
<tr>
<td>Compliance</td>
<td>Unit-Level</td>
</tr>
<tr>
<td>Operational</td>
<td></td>
</tr>
<tr>
<td>Reputational</td>
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</tbody>
</table>

In order to maximize efficiency and engagement from university senior leadership, OARC leveraged this complimentary process as an element of the traditional annual risk assessment in support audit plan development.
OARC Audit Planning Risk Assessment

University departments and administrative operations were grouped into approximately 175 auditable entities or responsibility centers based on common missions and the existing organizational structure. For each auditable entity, OARC reviewed financial data, including expenditures, revenues, cash receipts, federal contracts and grants, and total employees.

The relative business risk was assessed on a judgmental basis for the following qualitative and quantitative factors.

<table>
<thead>
<tr>
<th>RISK FACTORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality and Stability of Control Environment</td>
</tr>
<tr>
<td>Business Exposure (Materiality and Liquidity of Operational Resources)</td>
</tr>
<tr>
<td>Public and Political Sensitivity</td>
</tr>
<tr>
<td>Compliance Requirements</td>
</tr>
<tr>
<td>Information Technology and Management Reporting</td>
</tr>
</tbody>
</table>

Elements considered within these factors included:
- Management’s awareness of internal controls;
- Stability and expertise of management;
- Interval since the last audit review;
- Complexity of operations and technology applications;
- Materiality or financial impact to the university;
- Potential impact to reputation;
- Impact of noncompliance with internal and external policy, procedure, regulatory, and statutory requirements; and
- Reliance on information and management reporting for operating decisions, monitoring performance, providing services, and allocating resources.

The chart depicts the results of the risk assessment classifications. The risk assessment results were consistent with previous risk assessments conducted by OARC.

IT Risk Assessment

OARC has also created a university-wide information technology (IT) risk-based audit plan mapped to the ISO 27002 standard, a best practice for developing and maintaining enterprise-wide IT security that is also references by university policies. OARC consulted with key IT personnel to ensure that audit coverage is maximized and properly targeted.
The assessment of IT and business operations at the university identified four high-level risk domains intended to encapsulate the vast majority of the systems and computing environments within the university as follows:

- Student Systems;
- Finance and Administrative Systems;
- Human Resources Systems; and
- Research Systems.

The IT audit approach includes a variety of topical audits to gain a better understanding of the university-wide environment instead of narrowly focusing on the performance of individual departments. This approach also allows OARC to maintain current knowledge of the IT security and operating conditions in a dynamic industry through the constant evaluation and reassessment of planned audit engagements.

**CORE AUDIT PLAN**

OARC has identified certain critical areas for inclusion in the core audit plan to ensure that adequate coverage is provided over a reasonable time. To obtain additional insight and validate the plan, one-on-one discussions were conducted with senior leadership to identify reputation factors, regulatory changes, organization shifts, new initiatives, and deployment of new systems or technology tools.

The critical areas for core audit plan inclusion are:

- Academic Units
- Auxiliary Enterprises and Athletics
- Campus Safety and Security
- Enrollment Services
- Facilities and Operations
- Financial Management
- Human Resources
- Information Technology
- Off-Campus Locations
- Research
- Student Services

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, Research, Human Resources, and Intercollegiate Athletics.

**FISCAL YEAR 2018-19 AUDIT PLAN**

The audit plan focuses on delivering value to Virginia Tech with an emphasis on the following risk areas: strategic, operational, financial, compliance, and IT. If new topics emerge during the audit plan period that require more immediate attention, reconfiguration of the plan can be undertaken to accommodate these changes. OARC’s goal is to complete 85 percent of the audit plan. As each audit is undertaken, risks will be re-evaluated to ensure proper audit coverage with consideration of confidentiality.
integrity, and availability. Annual expenditures and revenues referenced below reflect fiscal year 2016-17 data unless otherwise noted.

At the direction of the Board of Visitors, significant effort has gone in to the development of a more senior staff within the internal audit function. This effort has been generally successful; however, budgetary considerations have not necessarily kept pace with these efforts. This factor, combined with the continued general migration of audit staff to promotional opportunities in management across the university, requires the Draft Audit Plan to be tempered. As such, you will see the 21 projects we have on the audit plan for this year, as well as 8 projects that would have been included on the plan if the office were able to maintain its prior staffing levels.

## Risk-Based Assurance

<table>
<thead>
<tr>
<th>Planned Engagement</th>
<th>Overview</th>
<th>Risk Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athletics *</td>
<td>The Department of Athletics (Athletics), with 22 varsity sports at the NCAA Division I level, monitors and supports more than 550 student-athletes each academic year. Athletics had operating revenues of approximately $87.4 million and total operating expenses of approximately $90.7 million. The Office of Audit, Risk, and Compliance conducts various components of a complete audit of Athletics over a five-year period.</td>
<td>Compliance – Athletics</td>
</tr>
<tr>
<td>Americans with Disabilities Act (ADA) Compliance</td>
<td>Virginia Tech is committed to equal opportunity in employment and education for individuals with disabilities and complies with the Americans with Disabilities Act, as amended, and Section 504 of the Rehabilitation Act of 1973. ADA and Accessibility Services consults with colleges and departments both on and off campus to ensure equal opportunity for individuals with disabilities. Employees with disabilities may be entitled to reasonable accommodations under Title 1 of the Americans with Disabilities Act. Given the applicability to students, the Services for Students with Disabilities office also has a role in helping to ensure reasonable accommodations and ADA compliance. ADA compliance has not previously received a focused review.</td>
<td>Compliance – Human Resources and Student Services</td>
</tr>
<tr>
<td>Human Resources: Benefits*</td>
<td>Human Resources administers the commonwealth benefits program and provides benefit management and guidance for approximately 7,500 faculty and staff. The benefits program is an integral part of the university's employee compensation package and includes health insurance, leave, legal resources, retirement plans through the Virginia Retirement System, tuition assistance, and workers compensation. This function was last reviewed in 2011.</td>
<td>Operational – Human Resources</td>
</tr>
<tr>
<td>Hume Center</td>
<td>The mission of the Ted and Karyn Hume Center for National Security and Technology (Hume Center) is to cultivate the next generation of national security leaders by developing and executing curricular, extracurricular, and research opportunities to engage students. Jointly operating in the National Capital Region and the Blacksburg campuses, Hume Center research activities principally focus on cybersecurity, resilience, and autonomy challenges faced by the national security and homeland security communities. While not officially established in its current format until 2010, organizational oversight of the Hume Center has transitioned several times since inception. Research expenditures</td>
<td>Operational – Research</td>
</tr>
</tbody>
</table>
### Planned Engagement Overview

<table>
<thead>
<tr>
<th>Risk Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT: Controlled Unclassified Information (CUI) and Secure Research Environment (SRE)</td>
<td>CUI is defined as information that requires safeguarding or dissemination controls pursuant to and consistent with applicable law, regulations, and government-wide policies but is not deemed as classified. The federal security requirements apply only to components of nonfederal systems that process, store, or transmit CUI when it resides in nonfederal systems and/or organizations such as Virginia Tech. The offices of Collaborative Computing Solutions within the Division of IT and the Office of Export and Secure Research Compliance within the Division of Research and Innovation jointly developed the SRE to allow for sponsored research projects working with covered data sets to be processed, stored, and transmitted with appropriate and required security considerations in place. Although a previous advisory review was done during the establishment of this project, a dedicated review has not yet occurred.</td>
</tr>
<tr>
<td>IT: Industrial Control Systems</td>
<td>Industrial Control Systems (ICS) is a general term that encompasses several types of systems and instrumentation related to industrial processes. At Virginia Tech, this may include operations related to power generation and distribution among other areas. Given the growing complexity of industrial environments, it is important that organizations make an effort to adequately protect against digital threats. Doing so requires a multi-step approach that focuses on network security, server security, and device-level security. ICS has not previously received a dedicated review.</td>
</tr>
<tr>
<td>IT: Third-Party Access to University Data</td>
<td>In addition to mandatory submission of data to third parties, the university has procured entire systems and services 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 federal immigration requirements. In addition to these high-visibility centrally purchased systems, there may be 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 relatively low financial impact. This audit is intended to identify and review the security of university data in outsourced systems as well as other third-party vendor access to data. The outsourced environment was last audited in 2013.</td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>Maintenance Reserve work is described as any major repair or replacement with a cost of $25,000 to $1 million to a fixed component of existing physical plant or property intended to extend the useful life of an asset in its current form. The first priority of Maintenance Reserve is to maintain the integrity of a building envelop to prevent intrusion of weather and natural elements, which can quickly destroy a building beyond repair when allowed to progress unchecked. Thus, repairs of roofs, windows, and building skin are considered the first priority for the use of these resources. Maintenance Reserve projects are generally not intended to enhance, upgrade, or otherwise improve plant, property, or equipment. Maintenance Reserve is a significant</td>
</tr>
<tr>
<td>Planned Engagement Overview</td>
<td>Risk Area</td>
</tr>
<tr>
<td>----------------------------</td>
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</tr>
<tr>
<td>activity at the university, with more than $27 million allocated from the commonwealth budget process over the current biennium. This activity has not previously received a dedicated review.</td>
<td></td>
</tr>
<tr>
<td>Office of the University Bursar</td>
<td>Financial – Financial Management</td>
</tr>
<tr>
<td>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. The specific responsibilities of this department include: 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, receipt and timely application of all other cash payments made to the university, disbursement of payroll, all university payables, Perkin's loan fund repayment, collection of delinquent accounts and notes receivable, and administration of the Budget Tuition Program. The Office of the University Registrar also partners closely with University Scholarships and Financial Aid in the administration of scholarships for students. The last audit of OUB was in 2012.</td>
<td></td>
</tr>
<tr>
<td>Research: Grant Management *</td>
<td>Financial – Research</td>
</tr>
<tr>
<td>In addition to safety and other compliance matters, the university's research portfolio requires significant fiscal oversight and management. Principal Investigators (PIs) are responsible for monitoring the day-to-day fiscal performance and technical progress of their sponsored award. Proper monitoring practices for PIs include: assuring salaries and equipment are charged accurately, tracking budget reports carefully, noting any restrictions placed by the sponsor on the expenditure of awarded funds. Additional considerations requiring active management and oversight from PIs and their departments include cost sharing, which is a financial commitment by the university to share in the funding of a sponsored activity. Various elements of this topic have been included in various distributed reviews, but this broad centralized approach will leverage data analysis in a manner not previously conducted.</td>
<td></td>
</tr>
<tr>
<td>Research: Subrecipient Monitoring *</td>
<td>Compliance – Research</td>
</tr>
<tr>
<td>The Office of Sponsored Programs functions as the steward of Virginia Tech's research portfolio and is responsible for ensuring that all research proposals and projects comply with university, federal, and sponsor regulations, policies, and procedures. A Subrecipient refers to a recipient that receives a subaward or subcontract from a pass-through entity to carry out part of a program. Subrecipient monitoring guidelines and responsibilities are shared among PIs, departmental administrators, OSP personnel, and the OSP Subrecipient Monitoring Committee. This topic is a significant federal compliance area requiring close attention to ensure compliance and avoid significant financial or other penalties. This topic has not previously received a targeted review.</td>
<td></td>
</tr>
<tr>
<td>School of Public and International Affairs</td>
<td>Operational – Academic</td>
</tr>
<tr>
<td>The School of Public and International Affairs (SPIA), operating within the College of Architecture and Urban Studies, offers degree programs in the Center for Public Administration and Policy, Government and International Affairs, and Urban Affairs and Planning. Research initiatives are carried out by the Metropolitan Institute in the National Capital Region and the Institute for Policy</td>
<td></td>
</tr>
<tr>
<td>Planned Engagement</td>
<td>Overview</td>
</tr>
<tr>
<td>--------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Planned Engagement Overview Risk Area and Governance at the Blacksburg campus. Total expenditures were approximately $9.2 million, while revenue was just over $2.2 million. SPIA has not previously received a dedicated review.</td>
<td>Compliance – Financial Management</td>
</tr>
<tr>
<td>Student Medical Insurance Reimbursement Program</td>
<td>The Student Medical Insurance office within Insurance and Risk Management has overseen the reimbursement of students related to overpayments for insurance premiums based on inflated rates charged to Virginia Tech students by third parties during the period of 2003-2011. Reimbursements have been based upon a percentage of each student's actual recorded payment toward their health insurance coverage. The university has worked with an outside entity to manage the repayment of affected individuals. This review will focus on the closeout of the reimbursement program.</td>
</tr>
<tr>
<td>Title IX Compliance</td>
<td>Maintaining a campus free of sex discrimination, including sexual misconduct and sexual harassment, is important for all students and employees. Title IX of the Education Amendments (1972) prohibits discrimination on the basis of sex in any educational program or activity that receives federal financial assistance. Failure to comply with Title IX can include the termination of all or part of a university's federal funding. This includes grants, subsidies, and other program funds from the federal government. In addition to the loss of federal funds, universities may be sued by those seeking redress for violations of Title IX. It is essential that institutions receiving federal financial assistance operate in a nondiscriminatory manner. Although external reviews have occurred, this topic has not previously received a dedicated review.</td>
</tr>
<tr>
<td>University Building Official</td>
<td>Virginia Tech has its own University Building Official serving as the authority having jurisdiction for projects governed by the Virginia Uniform Statewide Building Code and administered directly by the university on campus and the sites throughout the Commonwealth owned by the university. The Office of the University Building Official provides technical engineering and code related support and serves as the primary liaison with outside regulatory agencies, working closely with them on code issues that affect the design, construction, and ultimately the approval to occupy a new university facility or maintain existing facilities. The last dedicated review of this topic was in 2015.</td>
</tr>
<tr>
<td>University Registrar</td>
<td>The Office of the University Registrar provides many services, including academic records maintenance for more than 33,000 current students across 250 undergraduate and graduate degree programs. Other areas of responsibility include data stewardship; data integrity; ensuring compliance with all agency, state, and federal regulations; and development of semester course offerings. The last dedicated review of this office was in 2012.</td>
</tr>
<tr>
<td>University Scholarships and Financial Aid*</td>
<td>The Office of University Scholarships and Financial Aid (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 $462 million in student financial assistance. A complete audit of the various activities within USFA is performed over a four-year period.</td>
</tr>
</tbody>
</table>

* Entity receives an annual audit on different components of their operation.
University Policy Compliance Reviews

OARC 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.

### Planned Engagement

<table>
<thead>
<tr>
<th>Overview</th>
<th>Risk Area</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>College of Agriculture and Life Sciences</strong></td>
<td>The College of Agriculture and Life Sciences, with 12 academic departments and more than 2,700 students, offers a diverse range of degree programs ranging from an associate's program in Agricultural Technology to doctoral programs. CALS had $139.8 million in expenditures including $44.3 million in sponsored research. The last policy compliance audit of this area was in 2014.</td>
</tr>
<tr>
<td><strong>Vice President and Dean for Graduate Education</strong></td>
<td>The Virginia Tech Graduate School is responsible for the development, administration, and evaluation of graduate education throughout the university and administers all graduate degrees. The Graduate School currently offers more than 150 master's and doctoral programs for over 7,000 students at multiple locations throughout the Commonwealth of Virginia, through partnerships with the University of Maryland and Wake Forest University, and at several international sites. The last policy compliance audit of this area was in 2014.</td>
</tr>
<tr>
<td><strong>Vice President for Student Affairs</strong></td>
<td>The Division of Student Affairs is committed to the growth, development, and achievement of students at Virginia Tech. This organization works closely with academic colleagues to support students as they learn to be successful and effective leaders in the emerging global community. The division employs approximately 3,600 faculty and staff. The last policy compliance audit of this area was in 2014.</td>
</tr>
</tbody>
</table>

### Management Advisory Services

<table>
<thead>
<tr>
<th>Overview</th>
<th>Risk Area</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>School of Plant and Environmental Sciences</strong></td>
<td>The School of Plant and Environmental Sciences will be a national and international leader for improving human well-being and quality of life through learning, discovery, and engagement in plant and environmental sciences. The school will integrate three existing departments that share certain mission elements: Crop and Soil Environmental Sciences; Horticulture; and Plant Pathology, Physiology, and Weed Science. These units, with $8 million in research and $23 million in total expenditures, already share cross-cutting interdisciplinary research and will be further connected through undergraduate curricula and linked graduate programs, as well as through statewide research, extension, and outreach activities. This review is intended to assess initial control structure for the operations of the new school as it continues establishment.</td>
</tr>
<tr>
<td><strong>Youth Protection Activities</strong></td>
<td>The university is committed to the safety and welfare of its students, employees, and visitors through the establishment of practices that support a safe and secure environment in all buildings and grounds owned, controlled, or leased by Virginia Tech, including satellite locations, as well as promoting safety through policies and programs. Administrators, employees, students, volunteers, and others working with minors (children under the age of 18) have a responsibility to promote their protection.</td>
</tr>
</tbody>
</table>
### Special Projects and Annual Audit Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Projects</td>
<td>Investigate fraud, waste, and abuse allegations.</td>
</tr>
<tr>
<td>Annual Audit Activities (Follow-up, Inventory)</td>
<td>Conduct follow-up audit procedures to ensure that management is implementing controls as described within their responses to audit report recommendations. Assist management with year-end inventory counts for financial statement verifications.</td>
</tr>
<tr>
<td>External Audit Coordination</td>
<td>Manage and serve as the liaison for all external audit services including contracted and regulatory-imposed audits.</td>
</tr>
<tr>
<td>Quality Assurance</td>
<td>OARC will undergo a mid-cycle review of its Quality Assurance and Improvement program to assess operations and practices with applicable standards. Additional effort will go into internal assessment to ensure the most effective and efficient procedures are in place and identify means of improving overall performance.</td>
</tr>
</tbody>
</table>

### ADDITIONAL AUDIT COVERAGE PENDING RESOURCES

With additional resources, the following projects would have been included for the fiscal year 2018-19 audit plan. Otherwise, these projects will be considered for inclusion on the fiscal year 2019-20 plan.

<table>
<thead>
<tr>
<th>Planned Engagement</th>
<th>Overview</th>
<th>Risk Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>College of Natural Resources and Environment</td>
<td>The College of Natural Resources and Environment (CNRE) is comprised of four academic departments containing eight undergraduate majors and is the only college specializing in natural resource education, research, and outreach in Virginia. CNRE had expenditures of $33.9 million including $16.5 million in sponsored research. The last policy compliance audit of this area was in 2014.</td>
<td>Operational</td>
</tr>
<tr>
<td>Contract Approval and Delegated Authority</td>
<td>The Vice President for Finance and Chief Financial Officer is designated as the university's Chief Contracting Officer by the Board of Visitors, but has also been authorized to delegate signature authority. All contractual agreements must be reviewed by University Legal Counsel prior to execution, and may also require a review from the IT Security Office. University policy delegates to department heads the authority to enact purchases of goods and services valued up to $2,000 per transaction. Department heads are responsible for the correct exercise of delegated purchasing authority and must ensure that personnel are properly trained and supervised, that all rules and procedures are followed, and that prices being paid are fair and reasonable. A focused review of this topic had not previously been conducted.</td>
<td>Financial – Financial Management</td>
</tr>
<tr>
<td>Eastern Shore AREC</td>
<td>Virginia Tech’s Eastern Shore Agricultural Research Extension Center (AREC) is committed to supporting commercial vegetable and agronomic crop production. The center sits on a 226-acre farm that hosts an office complex, laboratories, equipment buildings, garages, a greenhouse, graduate student housing, a large freshwater pond, and woodland areas. More than 25 agricultural crops are grown annually for research and extension studies. This unit has not previously received a dedicated review.</td>
<td>Operational – Off-Campus Locations</td>
</tr>
<tr>
<td>GDPR</td>
<td>The General Data Protection Regulation (GDPR) (EU) 2016/679 is a regulation in EU law on data protection and privacy for all individuals within the European Union. It addresses the export of personal data outside the EU. This advisory review will develop a</td>
<td>Compliance – Information Technology</td>
</tr>
<tr>
<td>Planned Engagement</td>
<td>Overview</td>
<td>Risk Area</td>
</tr>
<tr>
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</tr>
<tr>
<td>more complete understanding of the applicability and impact to the university and assess the continuing efforts by various university constituents.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Education</td>
<td>The Virginia Tech Graduate School is responsible for the development, administration, and evaluation of graduate education throughout the University, and administers all graduate degrees. The Graduate School currently offers more than 150 master's and doctoral programs for over 7,000 students at multiple locations throughout the Commonwealth of Virginia, through partnerships with the University of Maryland and Wake Forest University, and at several international sites. The last dedicated review was in 2013.</td>
<td>Operational – Enrollment Services</td>
</tr>
<tr>
<td>IT: Windows Server Security</td>
<td>Servers are used widely to perform a variety of tasks, from network attached file storage or collaborative database hosting to processing email or print requests. As such, servers often present significant risks when not properly secured. A large percentage of the university's servers operate on the Windows platform. Focus will be on Windows Server security across the university including distributed locations, in various administrative, academic, and research departments. Windows Server security was last audited in 2014.</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Licensing and Trademarks</td>
<td>University Relations, within the Division of Advancement, promotes and protects the Virginia Tech brand through appropriate use of the university's trademarks. Licensing and Trademarks approves internal use of trademarks and administers a licensed collegiate merchandise program through a partnership with IMG Licensing. Licensing and Trademarks had revenues of $1.8 million and was last reviewed in 2009.</td>
<td>Financial – Auxiliary</td>
</tr>
<tr>
<td>Parking and Transportation</td>
<td>Virginia Tech has more than 16,400 parking spaces, a motorist assistance program, a fleet of approximately 300 vehicles, and a robust and award-winning alternative transportation program that includes daily shuttles from the Blacksburg campus to the Virginia Tech Carilion Research Institute in Roanoke as well as to the National Capital Region. In addition to the 33,000 students and 13,000 employees, an estimated 60,000 alumni, parents, and community members visit the campus each year. This area had $6.5 million in revenue and last received a dedicated review in 2014.</td>
<td>Operational – Auxiliary Enterprise</td>
</tr>
</tbody>
</table>

**AUDIT RESOURCES**

The audit plan for fiscal year 2018-19 is based on professional staffing of 11 full-time equivalents (FTEs). This is a reduced figure from prior years with two positions held vacant to cover other unfunded expenses, as relative seniority for audit staff has been prioritized when filling positions at the urging of the audit committee. Staffing will continue to be augmented by the continuation of the student internship program in which 2-3 Virginia Tech students are employed.

Approximately 75 percent of OARC’s available resources are committed to the completion of planned audit projects, management advisory reviews, and investigations. The annual
The audit plan is designed to provide appropriate coverage utilizing a variety of audit methodologies including audits of individual units, functional and process audits, university-wide reviews, and information system projects. OARC conducts follow-up audit procedures throughout the year to ensure that management is implementing controls as described within their responses to audit report recommendations.

Audit resources are allocated as follows:
- 52 percent of the OARC’s available resources are committed to the completion of planned audit projects and follow-up audit procedures.
- 10 percent to accommodate requests from management and consultations with university departments.
- 11 percent to conduct investigations into fraud, waste, and abuse allegations.
- 14 percent for employee professional development, internal quality improvement projects, and other internal administrative functions.
- 13 percent for compensated absences such as annual, sick, and holiday leave.

### AUDIT PLAN MAPPED TO ERM

As part of the ERM program, university leadership recently identified key residual risks across six thematic areas. The graphic below depicts how planned projects will provide audit coverage of enterprise risks.

### ENTERPRISE RISK LANDSCAPE
OFFICE OF AUDIT, RISK, AND COMPLIANCE
AUDIT PLAN
Fiscal Year 2018-19
August 26, 2018

Brian Daniels
Director of Internal Audit
Office of Audit, Risk, and Compliance
The Office of Audit, Risk, and Compliance (OARC) conducts:

- Risk-Based Assurance Engagements
- Policy Compliance Reviews
- Management Advisory Services
- Investigations

Annual risk assessment process informs and guides the development of the audit plan for the next fiscal year.
OARC has identified certain critical areas for inclusion in the core audit plan to ensure that adequate coverage is provided over a reasonable time. The critical areas for core audit plan inclusion are:

<table>
<thead>
<tr>
<th>Academic Units</th>
<th>Human Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auxiliary Enterprises and Athletics</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Campus Safety and Security</td>
<td>Off-Campus Locations</td>
</tr>
<tr>
<td>Enrollment Services</td>
<td>Research</td>
</tr>
<tr>
<td>Facilities and Operations</td>
<td>Student Services</td>
</tr>
<tr>
<td>Financial Management</td>
<td></td>
</tr>
</tbody>
</table>
RISK-BASED AUDIT PROJECTS

The audit plan focuses on strategic, operational, financial, compliance, and IT risks. The audit plan will be reconfigured as needed when new topics requiring more immediate attention emerge.

<table>
<thead>
<tr>
<th>Athletics *</th>
<th>Research: Grant Management *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americans with Disabilities Act (ADA) Compliance</td>
<td>Research: Subrecipient Monitoring *</td>
</tr>
<tr>
<td>Human Resources: Benefits*</td>
<td>School of Public and International Affairs</td>
</tr>
<tr>
<td>Hume Center</td>
<td>Student Medical Insurance Reimbursement Program</td>
</tr>
<tr>
<td>IT: Controlled Unclassified Information (CUI) and Secure Research Environment (SRE)</td>
<td>Title IX Compliance</td>
</tr>
<tr>
<td>IT: Industrial Control Systems</td>
<td>University Building Official</td>
</tr>
<tr>
<td>IT: Third-Party Access to University Data</td>
<td>University Registrar</td>
</tr>
<tr>
<td>Maintenance Reserve</td>
<td>University Scholarships and Financial Aid*</td>
</tr>
<tr>
<td>Office of the University Bursar</td>
<td>* Entity receives an annual audit on different components of their operation</td>
</tr>
</tbody>
</table>
POLICY COMPLIANCE AUDITS

OARC 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.

<table>
<thead>
<tr>
<th>College of Agriculture and Life Sciences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice President and Dean for Graduate Education</td>
</tr>
<tr>
<td>Vice President for Student Affairs</td>
</tr>
</tbody>
</table>
MANAGEMENT ADVISORY SERVICES

The nature and scope of management advisory service activities, developed through agreement with the client, add value and improve the university’s governance, risk management, and control processes without the internal auditor assuming management responsibility.

<table>
<thead>
<tr>
<th>School of Plant and Environmental Sciences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth Protection Activities</td>
</tr>
</tbody>
</table>
With additional resources, the following projects would have been included for the fiscal year 2018-19 audit plan. Otherwise, these projects will be considered for inclusion on the fiscal year 2019-20 plan.

<table>
<thead>
<tr>
<th>College of Natural Resources and Environment (Compliance Review)</th>
<th>Graduate Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Approval and Delegated Authority</td>
<td>IT: Windows Server Security</td>
</tr>
<tr>
<td>Eastern Shore AREC</td>
<td>Licensing and Trademarks</td>
</tr>
<tr>
<td>General Data Protection Regulation (GDPR) (Advisory Review)</td>
<td>Parking and Transportation</td>
</tr>
</tbody>
</table>
QUESTIONS?
Future of ERM
Steady State at Virginia Tech
Sharon M. Kurek, CPA, CFE, MBA
Executive Director of Audit, Risk, and Compliance
August 26, 2018
AGENDA

1. What has been achieved to date?

2. What does a mature ERM program look like at Virginia Tech?
Organizational Objectives

Identify & Categorize

Assess & Prioritize

Manage & Monitor

Reporting & Awareness

ERM PROCESS

SPECIFIC, MEASURABLE & REALISTIC

STRATEGIC

FINANCIAL

COMPLIANCE

OPERATIONAL

REPUTATION

RISK OWNERSHIP

BUSINESS PROCESSES

INTERNAL / EXTERNAL REVIEW & ANALYSIS

LIKELIHOOD OF OCCURRENCE

SIGNIFICANCE OF IMPACT

VELOCITY

TIMELY

TRANSPARENT
PLANS THROUGH 2020

- Collection of Risk Snapshots from Risk Owners – *Draft August & Final December*
  - Refresh Risk Snapshots – *Annually & As Needed starting 2019*
- Tabletop Exercises – *4 times per year*
- OARC Deep Dive of Risk Snapshots with Risk Owners – *3-5 per year (emphasis on top risks)*
- *President’s Leadership Team ERM Discussions – Semi-Annually & As Needed*
- Risk Owner Presentations to CAR Committee – *Starting 2019*
- Refresh Enterprise Risk Landscape & Heat Map - *2020*
VISION FOR 2020 AND BEYOND

- Periodic Reassessment of Overall Program - *Continuous Improvement*
- Refresh of Risk Snapshots - *Annually & As-Needed*
- Tabletop Exercises – *4 times per year*
- OARC Deep Dive of Risk Snapshots with Risk Owners – *3-5 per year (emphasis on top risks)*
- President’s Leadership Team ERM Discussions – *Semi-Annually & As Needed*
- Risk Owner Presentations to CAR Committee –*As Needed*
- Refresh Enterprise Risk Landscape & Heat Map-*Every 3 years after 2020*
Update since June

- Assignment of Risk Ownership (see appendix in BOV Portal)
- Risk Owners are drafting Risk Snapshots that capture Risk Owner, Risk Statement, Sub-risks, Current Key Processes, Mitigation Action Plans, etc.
- President’s Leadership Team and BOV participated in a Tabletop Exercise on budget reduction risk scenario

Going Forward

- Finalize Risk Snapshots for each enterprise risk
- Periodic Tabletop Exercises
- Analysis of Current Processes
- Periodic Reporting to OARC and ERM Committees
- Risk Owners Periodically Brief BOV
- Refresh Enterprise Risk Landscape & Heat Map
QUESTIONS?
Enterprise Risk Landscape

- Academic
  - Faculty & Staff Recruitment & Retention
  - Global Engagement
  - Evolving Pedagogy & Delivery
  - Enrollment Management
  - Academic Quality

- Campus Culture and Climate
  - Leadership & Governance
  - Athletics
  - Title IX
  - Diversity & Inclusion
  - Student Experience

- External Environment
  - Legal & Regulatory
  - Socio-Political Environment
  - Partners
  - Alumni & Friends
  - Accreditation

- Financial
  - Federal & State Funds
  - Tuition Dependency
  - Resource Management
  - Advancement
  - Endowment Income

- Research
  - Research Compliance
  - Competitive Growth
  - Integrity & Conflicts of Interest
  - Restricted Research
  - Intellectual Property

- University Operations
  - Expanding Physical Footprint
  - Safety & Security
  - IT Security & Operations
  - Infrastructure & Facilities
  - Disaster Recovery & Business Continuity

- Reputational / Compliance
## ERM Risk Owners

### ACADEMIC

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Risk Owner</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty &amp; Staff Recruitment</td>
<td>VP HR</td>
<td>Lisa Wilkes</td>
</tr>
<tr>
<td></td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>Vice Provost</td>
<td>Jack Finney</td>
</tr>
<tr>
<td>Global Engagement</td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>VP OIA</td>
<td>Guru Ghosh</td>
</tr>
<tr>
<td>Evolving Pedagogy &amp; Delivery</td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>Vice Provost</td>
<td>Don Taylor</td>
</tr>
<tr>
<td></td>
<td>Vice Provost</td>
<td>Rachel Holloway</td>
</tr>
<tr>
<td>Enrollment Management</td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>Vice Provost</td>
<td>Luisa Havens Gerardo</td>
</tr>
<tr>
<td>Academic Quality</td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>Vice Provost</td>
<td>Rachel Holloway</td>
</tr>
<tr>
<td></td>
<td>VP Grad. Educ.</td>
<td>Karen DePauw</td>
</tr>
</tbody>
</table>

### CAMPUS CULTURE AND CLIMATE

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Risk Owner</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership &amp; Governance</td>
<td>President</td>
<td>Tim Sands</td>
</tr>
<tr>
<td>Athletics</td>
<td>Athletics Director</td>
<td>Whit Babcock</td>
</tr>
<tr>
<td>Title IX</td>
<td>VP HR</td>
<td>Lisa Wilkes</td>
</tr>
<tr>
<td>Diversity &amp; Inclusion</td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>Vice Provost</td>
<td>Menah Pratt-Clarke</td>
</tr>
<tr>
<td>Student Experience</td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>VP Student Affairs</td>
<td>Patty Perillo</td>
</tr>
</tbody>
</table>

### EXTERNAL ENVIRONMENT

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Risk Owner</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal and Regulatory</td>
<td>Legal Counsel</td>
<td>Kay Heidbreder</td>
</tr>
<tr>
<td>Socio-Political Environment</td>
<td>President</td>
<td>Tim Sands</td>
</tr>
<tr>
<td>Partners</td>
<td>VPRI</td>
<td>Theresa Mayer</td>
</tr>
<tr>
<td></td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td>Alumni &amp; Friends</td>
<td>VP Advancement</td>
<td>Charlie Phlegar</td>
</tr>
<tr>
<td>Accreditation</td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>Vice Provost</td>
<td>Don Taylor</td>
</tr>
</tbody>
</table>
### ERM Risk Owners

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Risk Owner</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FINANCIAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal &amp; State Funds</td>
<td>SVPOA</td>
<td>Dwayne Pinkney</td>
</tr>
<tr>
<td></td>
<td>VPF &amp; CFO</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td></td>
<td>Exec. Dir.</td>
<td>Chris Yianilos</td>
</tr>
<tr>
<td>Tuition Dependency</td>
<td>SVPOA</td>
<td>Dwayne Pinkney</td>
</tr>
<tr>
<td></td>
<td>VPF &amp; CFO</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td></td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td>Resource Management</td>
<td>SVPOA</td>
<td>Dwayne Pinkney</td>
</tr>
<tr>
<td></td>
<td>VPF &amp; CFO</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td></td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td>Advancement</td>
<td>VP Advancement</td>
<td>Charlie Phlegar</td>
</tr>
<tr>
<td>Endowment Income</td>
<td>VPF &amp; CFO</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td><strong>RESEARCH</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research Compliance</td>
<td>VPRI</td>
<td>Theresa Mayer</td>
</tr>
<tr>
<td>Competitive Growth</td>
<td>VPRI</td>
<td>Theresa Mayer</td>
</tr>
<tr>
<td></td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td>Integrity &amp; Conflicts of Interest</td>
<td>VPRI</td>
<td>Theresa Mayer</td>
</tr>
<tr>
<td>Restricted Research</td>
<td>VPRI</td>
<td>Theresa Mayer</td>
</tr>
<tr>
<td>Intellectual Property</td>
<td>VPRI</td>
<td>Theresa Mayer</td>
</tr>
<tr>
<td><strong>OPERATIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expanding Physical Footprint</td>
<td>VPRI</td>
<td>Theresa Mayer</td>
</tr>
<tr>
<td></td>
<td>Provost</td>
<td>Cyril Clarke</td>
</tr>
<tr>
<td></td>
<td>SVPOA</td>
<td>Dwayne Pinkney</td>
</tr>
<tr>
<td></td>
<td>VP NCR</td>
<td>Steve McKnight</td>
</tr>
<tr>
<td></td>
<td>VP HS&amp;T</td>
<td>Mike Friedlander</td>
</tr>
<tr>
<td>Safety and Security</td>
<td>SVPOA</td>
<td>Dwayne Pinkney</td>
</tr>
<tr>
<td></td>
<td>VP Operations</td>
<td>Sherwood Wilson</td>
</tr>
<tr>
<td>IT Security &amp; Operations</td>
<td>VPIT &amp; CIO</td>
<td>Scott Midkiff</td>
</tr>
<tr>
<td>Infrastructure and Facilities</td>
<td>SVPOA</td>
<td>Dwayne Pinkney</td>
</tr>
<tr>
<td></td>
<td>VP Operations</td>
<td>Sherwood Wilson</td>
</tr>
<tr>
<td></td>
<td>VPIT &amp; CIO</td>
<td>Scott Midkiff</td>
</tr>
<tr>
<td>Disaster Recovery &amp; Business Continuity</td>
<td>SVPOA</td>
<td>Dwayne Pinkney</td>
</tr>
<tr>
<td></td>
<td>VP Operations</td>
<td>Sherwood Wilson</td>
</tr>
<tr>
<td></td>
<td>VPIT &amp; CIO</td>
<td>Scott Midkiff</td>
</tr>
</tbody>
</table>
INSTITUTIONAL COMPLIANCE PROGRAM (ICP) UPDATE

August 26, 2018

Sharon Kurek
Executive Director of Audit, Risk, and Compliance
COMPLIANCE FRAMEWORK

BOARD OF VISITORS
CAR COMMITTEE
PRESIDENT

EXECUTIVE STAFF+ COMPLIANCE COMMITTEE (ECC)
President
Executive VP and Provost
Senior VP for Operations and Admin.
Vice President for Finance
Executive Director of Audit, Risk, & Compliance

VP for Policy and Governance
VP for Research and Innovation
VP for Strategic Affairs
University Legal Counsel

PRESIDENT’S LEADERSHIP TEAM

COMPLIANCE ADVISORY COMMITTEE REPRESENTATION (CAC)
Accreditation
Conflict of Interest
Human Resources
Emergency Management
Equity & Accessibility and Title IX
FERPA
Finance
Government Relations
Health and Safety
Information Technology

Intercollegiate Athletics
International Affairs
Research
Safety and Security
Student Affairs
Academic College
Research Institute
Policy and Governance
University Legal Counsel
Audit, Risk, & Compliance (Chair)

DISTRIBUTED UNIVERSITY-WIDE COMPLIANCE OWNERS

STATISTICS

• CAC – 20 Members
• 56 Distributed Compliance Owners
• 298 Regulations Initially Identified by OARC
Update since June

- Establishment of Compliance Advisory Committee (CAC) Representation
- Initial CAC meeting held with more than 20 compliance owners and designees present to discuss the function and purpose of the committee
- Distributed database of compliance requirements to CAC members

Going Forward

- Divide CAC into subgroups for analysis of database content for accuracy and completeness
- CAC members will provide input on future compliance risk assessment to be completed by 50+ compliance owners
- CAC will subsequently review results of university-wide compliance risk assessment
QUESTIONS?
8 ELEMENTS OF AN EFFECTIVE COMPLIANCE PROGRAM

- High-level personnel exercising oversight
- Written policies and procedures
- Training and Education
- Lines of Communication
- Well publicized disciplinary guidelines
- Internal compliance monitoring
- Response to detected offenses
- Perform periodic compliance risk assessments
Foster a culture of ethics and compliance that is central to all of the institution’s operations and activities

Understand the nature of risks and potential exposures

Identify and manage risks that impact the university’s reputation

Integrate the compliance program into ERM Framework

Help individuals and units do their jobs more effectively
Common Higher Education Compliance Areas

- Access/Disability Services
- Accreditation
- Athletics
- Conflicts of Interest
- Discrimination / Harassment
- Donors and Gifts
- Emergency Preparedness
- Environmental Health & Safety
- Export Control
- FERPA / Education Records
- Financial Aid
- Fiscal Management
- Global Operations
- HIPAA Privacy and Security
- Human / Animal Subjects
- Human Resources / Equal Opportunity
- Immigration
- Intellectual Property / Technology Licensing
- Research Administration
- Safety / Security
- Scientific Misconduct
- Tax Compliance
Open Session Agenda
FINANCE AND RESOURCE MANAGEMENT COMMITTEE

Roanoke Higher Education Center
Room 715
8:45 a.m. – 11:00 a.m.
August 27, 2018

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Reporting Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Motion to Re convene in Open Session</td>
<td>Greta Harris</td>
</tr>
<tr>
<td>2. Opening Remarks</td>
<td>Horacio Valeiras</td>
</tr>
<tr>
<td>3. Consent Agenda</td>
<td>Horacio Valeiras</td>
</tr>
<tr>
<td>a. Approval of Items Discussed in Closed Session</td>
<td></td>
</tr>
<tr>
<td>b. Approval of Minutes of the June 4, 2018 Meeting</td>
<td></td>
</tr>
<tr>
<td>* d. Approval of O’Shaughnessy Hall Renovation 9(d) Debt Financing Resolution</td>
<td></td>
</tr>
<tr>
<td>* e. Approval of VT Carilion Research Institute Biosciences Addition 9(d) Debt Financing Resolution</td>
<td></td>
</tr>
<tr>
<td>4. Discussion on Resource Development</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td>5. Comprehensive Annual Report on Advancement</td>
<td>Charlie Phlegar</td>
</tr>
<tr>
<td>6. Assessment of Operational Best Practices, Efficiencies, and Future Opportunities</td>
<td>Dwight Shelton</td>
</tr>
<tr>
<td></td>
<td>Ken Miller</td>
</tr>
<tr>
<td>* 7. Approval of Year-to-Date Financial Performance Report</td>
<td>Tim Hodge</td>
</tr>
<tr>
<td>(July 1, 2017 – June 30, 2018)</td>
<td>Bob Broyden</td>
</tr>
<tr>
<td>8. Other Business</td>
<td>Horacio Valeiras</td>
</tr>
</tbody>
</table>

* Requires full Board approval.
Open Session

1. Motion to Reconvene in Open Session

2. Opening Remarks

3. Consent Agenda: The Committee will consider for approval and acceptance the items listed on the Consent Agenda.
   
a. Approval of Items Discussed in Closed Session: The Committee will review and take action on items discussed in closed session.
   
b. Approval of Minutes of the June 4, 2018 meeting: The Committee will review and approve the minutes of the June 4, 2018 meeting.
   

   This report will provide information on the 17 finance and administrative measures and the university’s performance for each of those measures. The report will also provide information on SCHEV’s assessment of the six academic measures. The university is in full compliance with all 17 finance and administrative measures and six academic measures reported.

   * d. Approval of O'Shaughnessy Hall Renovation 9(d) Debt Financing Resolution: The Committee will review for approval a debt financing resolution for the renovation of O'Shaughnessy Hall through the State’s 9(d) Virginia College Building Authority pooled bond program. The O'Shaughnessy Hall Renovation has been authorized by the State to be financed for up to $12.634 million plus amounts needed to fund issuance costs, reserve funds, and other financing expenses.
e. **Approval of VT Carilion Research Institute Biosciences Addition 9(d) Debt Financing Resolution:** The Committee will review for approval a debt financing resolution for the Virginia Tech Carilion Research Institute Biosciences Addition (commonly known as the VT Carilion Health Sciences and Technology building) through the State’s 9(d) Virginia College Building Authority (VCBA) pooled bond program. The Virginia Tech Carilion Research Institute Biosciences Addition has been authorized by the State to be financed for up to $41.558 million, plus amounts needed to fund the issuance costs, reserve funds, and other expenses. The $91.7 million project will be funded with $51.6 million of General Fund appropriations with the remaining $40.1 million consisting of $27.6 million of debt and $12.5 million of cash and donations. Within the $27.6 million of debt, $23.8 million was issued last fall through the VCBA. This resolution seeks authorization to issue up to $4.0 million of additional debt.

4. **Discussion on Resource Development:** The Committee will have an opportunity for follow-up discussion on information presented at the Board of Visitors Retreat.

5. **Comprehensive Report on Advancement:** The Committee will receive a comprehensive report from University Advancement providing an update on the achievements from fiscal year 2018, including a comparison of results since the launch of the new Advancement model. This report also includes an overview of the preliminary plans for the upcoming fundraising campaign and strategic focus for fiscal year 2019.

6. **Assessment of Operational Best Practices, Efficiencies, and Future Opportunities:** The university remains committed to seeking additional opportunities to increase efficiencies and continues to evaluate the current status of the financial and operational processes. With this in mind, the Vice President for Finance and CFO requested a benchmarking study of key administrative and financial processes in the Controller’s Office against peer institutions and industry to provide comparative analysis and to identify additional opportunities for process improvements.

   Overall, the Ernst and Young study reports that the “Controller’s Office has continued to improve process and systems to lift the overall quality and efficiency of the University’s finance practices.” The study concludes that for a majority of the benchmarking metrics reviewed, Virginia Tech outperforms other higher education institutions, but lags behind commercial entities on certain metrics. This report provides a summary of findings and recommendations from the Ernst and Young study.
7. **Approval of Year-to-Date Financial Performance Report (July 1, 2017 – June 30, 2018):** The Committee will review for approval the Year-to-Date Financial Performance Report for July 1, 2017 – June 30, 2018. The university successfully closed its fiscal year in accordance with guidance and requirements of the Commonwealth. The Education and General budgets were balanced at year-end, with no operating deficit incurred. The Auxiliary Enterprises revenues were higher than projected due to Athletics higher than forecasted ticket sales and ACC revenue, interest savings, and student fees, while expenditures were lower than projected due to the timing of operating expenditures and personnel savings.

For year-ended June 30, 2018, $45.6 million has been expended for Educational and General capital projects, and $61.4 million has been expended for Auxiliary Enterprises capital projects. Total capital outlay expenditures for year-ended June 30, 2018 was $107 million against an annual budget of $135.9 million.

8. **Other Business:** The Committee will discuss other topics as needed.
   
   *Requires full Board approval.*
Consent Agenda

The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

a. Approval of Items Discussed in Closed Session

b. Approval of Minutes of the June 4, 2018 Meeting


d. Approval of O'Shaughnessy Hall Renovation 9(d) Debt Financing Resolution

* e. Approval of VT Carilion Research Institute Biosciences Addition 9(d) Debt Financing Resolution

*Requires full Board approval
Committee Minutes

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
110B, 130A and B, Classroom Building
June 4, 2018

Closed Session

Board Members Present: Greta Harris, Anna James, Dennis Treacy, Horacio Valeiras

VPI & SU Staff: Kay Heidbreder, Tim Sands, Savita Sharma, Dwight Shelton

1. **Motion for Closed Session:** Motion to begin closed session.

* 2. **Ratification of Personnel Changes Report:** The Committee met in closed session to review and take action on the quarterly Personnel Changes Report.

   The Committee recommended the Personnel Changes Report to the full Board for approval.

* 3. **2018-19 Promotion, Tenure, and Continued Appointment Program:** The Committee met in closed session to review and take action on the 2018-19 Promotion, Tenure, and Continued Appointment Program.

   The Committee recommended the 2018-19 Promotion, Tenure, and Continued Appointment Program to the Full Board for approval.

Open Session

Board Members Present: Greta Harris, Anna James, Hans Robinson – faculty representative, Dennis Treacy, Horacio Valeiras

VPI & SU Staff: Bob Broyden, Mark Cartwright, David Crotts, John Cusimano, John Dooley, Michael Friedlander, Mary Helmick, Jim Hillman, Tim Hodge, Elizabeth Hooper, Robin Jones, Theresa Mayer, Erin McCann, Steven McKnight, Nancy Meacham, Scott Midkiff, Ken Miller, Kim O’Rourke, Mark Owczarski, Charlie Phlegar, Scot Ransbottom, Lisa Royal, Tim Sands, Savita Sharma, Dwight Shelton, Ken Smith, Brad Sumpter, Tracy Vosburgh
1. **Motion to Reconvene in Open Session:** Motion to begin open session.

2. **Opening Remarks**

3. **Consent Agenda:** The Committee considered for approval and acceptance the items listed on the Consent Agenda.

   a. Approval of Items Discussed in Closed Session.

   b. Approval of Minutes of the March 25, 2018 Meeting.

   * c. Approval of 2018-19 Pratt Fund Budgets: The Pratt Fund provides funding for programs in both the College of Engineering and Department of Animal Nutrition in the College of Agriculture and Life Sciences. For 2018-19, the College of Engineering proposes expenditures of $999,333 and the Department of Animal Nutrition proposes expenditures of $969,833.

   * d. Approval of 2018-19 Hotel Roanoke Conference Center Commission Budget: The Hotel Roanoke Conference Center Commission was established by resolutions adopted by Virginia Tech and the City of Roanoke, under Commonwealth of Virginia enabling legislation. The enabling legislation provided that the Commission shall annually prepare and submit to both the City of Roanoke and Virginia Tech a proposed operating budget showing its estimated revenues and expenses for the forthcoming fiscal year, and, if the estimated expenses exceed the estimated revenues, the portion of the unfunded balance is to be borne by each participating party for the operation of the conference center. The funds for Virginia Tech total $80,000 for the fiscal year 2018-19 and will come from the Fralin endowment which was established to assist with the project.

   * e. Approval of 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget: The collaboration agreement, which outlines the relationship and responsibilities of Virginia Tech and Wake Forest University School of Biomedical Sciences, requires the governing boards of each university to approve the annual operating budget for the School of Biomedical Engineering and Sciences. The Virginia Tech financial commitment for fiscal year 2018-19 is $5.75 million.

   * f. Approval of Resolution to Reappoint University Commissioner to the Hotel Roanoke Conference Center Commission: The resolution seeks approval to reappoint the Vice President for Outreach and International Affairs as a representative of the university on the Hotel Roanoke Conference Center Commission.
The Committee approved the items on the Consent Agenda and recommended the 2018-19 Pratt Fund Budgets, the 2018-19 Hotel Roanoke Conference Center Commission Budget, the 2018-19 Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences Budget, and the resolution to reappoint University Commissioner to the Hotel Roanoke Conference Center Commission to the full Board for approval.

4. **Report on Procurement Opportunities:** The Committee received a comprehensive report on the procurement initiatives implemented by the university to achieve cost savings, operational efficiencies, and value-added procurement. The report also provided information on the Small, Women-owned, and Minority business initiative, future procurement opportunities under consideration, and related challenges. The report showed that the university achieved $2.9 million in cost savings through participation in the Virginia Higher Education Procurement Consortium and $10.6 million in trackable savings from internal procurement negotiations.

5. **Discussion on Resource Development:** The Committee received a presentation describing various alternate tuition models utilized by other universities in Virginia and displaying the impact of these models on tuition rates over time. The Committee requested for a further discussion on prioritization of university initiatives and needs to meet the university’s long-term goals.

6. **Report on and Recommendation Regarding Quasi-Endowments:** The Committee received a report on and reviewed for approval a recommendation regarding quasi-endowments. Quasi-endowments represent university funds designated by the Board of Visitors rather than by a donor. They carry the intent to provide ongoing income from a long-term investment; however, the governing board retains the authority to repurpose such funds and to remove funds from the quasi-endowment asset category at any time. The university’s Chief Financial Officer plans for the deployment of the quasi-endowment payouts in the university’s budget process to achieve the intended objectives of each quasi-endowment.

The university has completed a comprehensive review of its long-term investments and strategic plans. As a result of this review, the university proposes that certain investments totaling $69.5 million be designated and/or reaffirmed by the Board of Visitors as quasi-endowments.

The Committee recommended that the listed investments be reaffirmed and/or designated as quasi-endowments.
7. **Resolution on University Lines of Credit:** The Committee reviewed for approval a resolution on university lines of credit. Consistent with the trend at many major research institutions, the university has developed, and is in the process of implementing, an updated cash management strategy to leverage limited financial resources. This is accomplished through the investing of additional university operating reserves in the Virginia Tech Foundation’s (Foundation) endowment program. While this should result in achieving enhanced investment returns over time, it will also result in maintaining a reduced amount of operating reserves.

A university workgroup comprised of personnel from the Budget Office, Controller’s Office, and Investment and Debt Management identified the appropriate level of cash reserves to invest and concluded that a back-up operating line of credit would be needed to completely implement the new investment strategy. The workgroup examined the current and projected cash flows and determined that $185 million of external liquidity would be needed, based on the university’s FY 2018 annual budget. The plan results in the generation of enhanced investment income that will help advance university strategic needs while reducing the need for tuition and fee increases.

This resolution seeks approval to establish and access the lines of credit up to an aggregate amount of $200 million and the corresponding credit agreement, and promissory note. The resolution will provide authorization to the university to draw upon the lines of credit as needed.

The Committee recommended the Resolution on University Lines of Credit to the full Board for approval.

8. **Approval of 2018-19 Faculty Compensation Plan:** The Committee reviewed for approval the 2018-19 Faculty Compensation Plan. The report defines the qualification criteria for teaching and research faculty and administrative and professional faculty, provides guidance on the authorized salary average for full-time teaching and research faculty positions, and requires board approval. The key elements of the 2018-19 plan are consistent with the current plan.

For Fall 2016, Virginia Tech’s Actual Salary Average was $100,552. This placed Virginia Tech at the 35th percentile of its peer group, based on the most recent peer salary data available from the Integrated Postsecondary Education Data System (IPEDS). Based on SCHEV’s forecast of salary escalation at peer institutions, the university estimates that the Actual Salary Average will rank in the 33rd percentile of peer institutions for Fall 2017.
Recognizing the critical nature of faculty compensation, the university’s standing relative to the 60th percentile of the university’s peer group average salary, the higher levels of competing offers being received by key faculty, and to minimize the high cost of turnover, the university proposes continuing the traditional annual merit-based faculty salary increase program in 2018-19. This plan authorizes management to plan and budget for the resource allocations necessary to support a merit-based faculty salary increase averaging two percent for faculty for 2018-19. The university may also elect to create a supplemental pool to achieve certain targeted salary compensation or retention needs, such as national distinction.

The Committee recommended the 2018-19 Faculty Compensation plan to the full Board for approval.

9. **Update on the Special Session of the General Assembly:** The Board received an update on the special session of the General Assembly at the information session on Sunday which included the highlights of the final 2018 General Assembly compromise budget. The Committee had the opportunity for follow up discussion.

* 10. **Approval of 2018-19 University Budgets:** The Committee reviewed for approval the 2018-19 University Budgets. The University Budgets are comprised of the Operating and Capital Budgets.

   a. **Update on University Tuition and Fees:** The 2018 General Assembly adjourned on March 9, 2018 without agreement on a final 2018-20 biennial budget. The Committee received an update on the Tuition and Fee activities in the state and discussed the Virginia Tech Tuition and Fee rates relative to its budgets.

   b. **Auxiliary System Budgets:** The auxiliary systems are a component of the overall operating budget. In accordance with the resolutions authorizing and securing the Dormitory and Dining Hall System, Electric Service Utility System, University Services System, and Athletics Facilities System revenue bonds, the Board of Visitors is required to separately adopt an annual budget for each system. All budgets are balanced and designed in accordance with bond covenants including maintenance and reserve requirements. Once approved by the Board of Visitors, the annual budget will be the basis for making payments from the revenue fund to meet the operating costs of the auxiliary systems. The 2018-19 budget for auxiliary systems, including debt service for the period July 1, 2018 to June 30, 2019 are:

   i. Dormitory and Dining Hall System Budget - $127.1 million
   ii. Electric Service System Budget - $36.9 million
   iii. University Services System Budget - $51.6 million
iv. Athletics Facilities System Budget - $74.5 million

The Committee recommended each of the four Auxiliary Systems Budgets for 2018-19 to the full Board for approval.

c. Operating Budget and Capital Budget: The university anticipates an initial state authorization of $1.5 billion during 2018-19 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 2018-19, the recommended internal budget for all operations is $1.6 billion. This is an increase of $34.5 million, approximately 2.3 percent, over the adjusted 2017-18 budget. For 2018-19, the university’s total General Fund allocation is estimated to be approximately $265.4 million, an increase of $3.3 million from the 2017-18 adjusted budget. The overall change includes an increase of $45.7 million attributable to the Educational and General program and $10.2 million of projected growth in auxiliary enterprises. General Fund revenues will provide $241.4 million in support for the instructional, research, and extension programs, $21.7 million for student financial assistance, and $2.3 million for the Unique Military Activities program.

The university’s Educational and General budget will be $849.2 million in 2018-19. The total 2018-19 auxiliary revenue budget is $351.5 million, a growth of $10.2 million or 3.0 percent over the adjusted 2017-18 budget. The projected annual budget for Financial Assistance for Educational and General Programs is $322.1 million, a decrease of $22.8 million or 6.6 percent less than the adjusted 2017-18 budget. The most significant activity in this category is externally sponsored research.

The capital outlay program for 2018-19 is comprised of 11 Educational and General projects and 11 Auxiliary Enterprise projects for a total of 22 projects. The total capital outlay budget for fiscal year 2018-19 includes total project authorization of approximately $593 million; the annual expenditure budget for those projects is approximately $125 million.

The Committee recommended the 2018-19 University Budget to the full Board for approval.

11. Approval of Year-to-Date Financial Performance Report (July 1, 2017 – March 31, 2018): The Committee reviewed for approval the Year-to-Date Financial Performance Report for July 1, 2017 – March 31, 2018. For the third quarter, all
programs of the university are on target and routine budget adjustments were made to reflect changes in General Fund revenues and expenditure budgets in academic and administrative areas. The tuition and fee budget increased by $3.5 million in the third quarter for stronger than projected spring retention and winter session revenues. For year-to-date ending March 31, 2018, $28.4 million has been expended for Educational and General capital projects, and $50.2 million has been expended for Auxiliary Enterprises capital projects. Capital outlay expenditures for year-to-date ending March 31, 2018 totaled $78.5 million.

The Committee recommended the Year-to-Date Financial Performance Report to the full board for Approval.

12. Other Business: The Committee discussed other topics as needed and explored topics for future committee meeting agendas. The Committee recognized Mr. Shelton and his team for presenting the materials in a comprehensive and understandable format.

**Joint Open Session with the Buildings and Grounds Committee**

**Board Members Present:** Greta Harris, C. T. Hill, Anna James, Robert Mills, Mike Quillen, Robert Sebek – staff representative, Dennis Treacy, Horacio Valeiras, Jeff Veatch

**VPI & SU Staff:** Mac Babb, Bob Broyden, Van Coble, John Cusimano, John Dooley, Ted Faulkner, Lance Franklin, Mary Helmick, Jim Hillman, Tim Hodge, Robin Jones, Chris Kiwus, Nancy Meacham, Ken Miller, Grant Morris, Mike Mulhare, Mark Owczarski, Charlie Phlegar, Scot Ransbottom, Lisa Royal, Savita Sharma, Dwight Shelton, Kayla Smith, Ken Smith, Jason Soileau, Brad Sumpter, Tracy Vosburgh, Sherwood Wilson

* 1. **Approval of Resolution for Planning the Slusher Residence Hall Replacement:** The Committees reviewed for approval a resolution for planning the capital project for Slusher Residence Hall Replacement.

Slusher Residence Hall was built in 1972 and is approximately 125,860 gross square feet with housing capacity for about 630 students. The facility has received few improvements since its original construction, does not meet student expectations, carries a significant deferred maintenance backlog, and requires frequent repairs that interrupt services.

The university has determined, because of Slusher Hall’s condition, that the facility should be replaced rather than renovated. The university will first build and occupy a
new residential facility neighboring the existing Slusher Hall, then demolish and remove Slusher Hall, and, then build a second building on the site. The total bed count of the new facilities will equal or exceed the existing 630 beds with the intention to maximize the number of beds to the extent practical. This request is for a $3.5 million planning authorization to complete preliminary design documents for the Slusher Hall Replacement project.

The Committees recommended the Resolution for Planning the Slusher Residence Hall Replacement to the full Board for approval.

* 2. Approv of Resolution for Dietrick First Floor and Plaza Renovation Supplement: The Committees reviewed for approval a resolution for Dietrick First Floor and Plaza Renovation Supplement.

The Board of Visitors approved the Dietrick First Floor and Plaza renovation project with a $7 million total project cost at its September 11, 2017 meeting. The scope and budget for the project resolution were based on a feasibility study from a consultant and internal reviews. Planning work is underway, and schematic design cost reviews reveal the actual total project costs exceed $7 million for the authorized scope.

The university has reviewed and analyzed each construction cost component of the project at the conclusion of schematic design and determined the total construction costs are $6.8 million. The soft costs for design, project management, inspections, equipment, furnishings, etc. are $1.5 million. Thus, the total project costs inclusive of design, construction, and equipment are $8.3 million. The university has reviewed and analyzed opportunities for cost controls and determined a major scope reduction, either elimination of the plaza improvements or elimination of the enclosure for the seat expansion, would be necessary to remain within the current $7 million project budget. The full project scope is necessary to meet the needs of the dining program and student expectations. The university has developed a financing plan to support the additional $1.3 million of costs necessary to complete the entire scope of work. This request is for a $1.3 million supplement to adjust the total authorization for the Dietrick First Floor and Plaza Renovation project to $8.3 million.

The Committees recommended the Resolution for Dietrick First Floor and Plaza Renovation Supplement to the full Board for approval.

There being no further business, the meeting adjourned at 11:32 a.m.

* Requires full Board approval.
Background

In 2005, the Virginia General Assembly passed the Restructured Higher Education Financial and Administrative Operations Act (Restructuring Act). This Act provided restructuring benefits and allowed all Virginia institutions of higher education to have more responsibility for their financial and operational activities.

For Virginia Tech, the Act also provided the opportunity to apply for additional “Level 3” authority and responsibilities. In 2005, Virginia Tech entered into a Management Agreement with the Commonwealth of Virginia under the Restructuring Act, offering increased management autonomy in exchange for high level accountability in several performance areas.

The Management Agreement became effective on July 1, 2006. It provides the university greater autonomy in the areas of capital outlay, leasing, procurement, information technology, finance, and human resources. This autonomy has enabled the institution to implement revised financial and administrative policies and business practices in specified areas to proactively address the needs of the institution. The Management Agreement was initially approved for a period of four years. Subsequently, legislation was approved granting the continuation of the Management Agreement. The 2014 General Assembly renewed the Level 3 restructured institutions’ Management Agreements for an indefinite period. Along with Virginia Tech, the University of Virginia, the College of William and Mary, and Virginia Commonwealth University were also granted Level 3 restructured status.

Accountability is an important part of the Restructuring Act, and all institutions of higher education have a common set of performance measures to achieve. The Institutional Performance Standards (IPS) are the primary performance metrics evaluated under the Restructuring Act. Until fiscal year 2010, the State Council of Higher Education of Virginia (SCHEV) annually assessed the degree to which individual public institutions of higher education met the financial and administrative management and education-related performance benchmarks set forth in the Appropriation Act in effect. The university provided an annual report to the committee on the status of compliance with these measures.
The Higher Education Opportunity Act passed in 2011 suspended the assessment of IPS measures until the Higher Education Advisory Council (HEAC) completed its review of the IPS measures and recommended a new set of reporting measures. In May, 2011 SCHEV certified all institutions as meeting the IPS measures for the 2011-12 to 2013-14 period. The 2013 General Assembly incorporated the recommended changes to the IPS measures proposed by HEAC in the Appropriation Act. The number of measures were reduced, and the assessment period changed from an annual reporting period to a biennial reporting period. The revised IPS measures continue to focus on two primary areas:

- **Academic Measures**: There are six education-related measures with a focus on enrollment. SCHEV monitors institutional compliance with these measures and has broad authority to certify institutions as having met these standards. In addition, SCHEV may develop, adopt, and publish standards for granting exemptions and ongoing modifications to the certification process.

- **Finance and Administrative measures**: There are 17 finance and administrative measures. HEAC retained all the finance and administrative measures from the previous reporting cycle. The Secretary of Finance through the Department of Planning and Budget (DPB) is responsible for monitoring institutional compliance with these measures.

**Current Status of Performance Measures**

- **Academic Measures**: SCHEV has performed the 2018 biennial assessment of the academic related measures. In April 2018, SCHEV reported that Virginia Tech has met all six academic standards. *Attachment A* details the six academic related measures and Virginia Tech’s performance for the 2018 Biennial Assessment Results as reported by SCHEV.

- **Finance and Administrative Measures**: In July 2018, the university provided a report on the performance of the finance and administrative measures to the Secretaries of Finance, Administration, and Education. *Attachment B* provides a summary of the results reported to the state. The university is in full compliance with all 17 measures.

SCHEV is scheduled to perform an institutional assessment of the IPS measures by October 2018. The university believes it will be considered in compliance for these measures when the State Council makes its final determination of compliance by Spring 2019.
Academic Performance Standards
2018 Biennial Assessment Results*
(Using 2015 Projections for PMs 1 - 4)

<table>
<thead>
<tr>
<th>Institution</th>
<th>PM 1</th>
<th>PM 2</th>
<th>PM 3</th>
<th>PM 4</th>
<th>PM 5</th>
<th>PM 6</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15-16</td>
<td>16-17</td>
<td>15-16</td>
<td>16-17</td>
<td>15-16</td>
<td>16-17</td>
</tr>
<tr>
<td>VT</td>
<td>100.1</td>
<td>101.7</td>
<td>98.7</td>
<td>98.9</td>
<td>104.4</td>
<td>108.2</td>
</tr>
</tbody>
</table>

*As reported to Virginia Tech by SCHEV in April, 2018

Performance Measures:

PM 1 - Institution meets at least 95 percent of its State Council-approved biennial projections for in-state undergraduate headcount enrollment.

Projections compared to Fall Headcount file

PM 2 - Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state associate and bachelor degree awards.

Projections compared to Degrees Conferred file

PM 3 - Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state STEM-H associate and bachelor degree awards.

Projections compared to Degrees Conferred file

PM 4 - Institution meets at least 95 percent of its State Council-approved biennial projections for the number of in-state, upper level - sophomore level for two-year institutions and junior and senior level for four-year institutions - program-placed, full-time equivalent students.

Projections compared to Course Enrollment file

PM 5 - Maintain or increase the number of in-state associate and bachelor degrees awarded to students from under-represented populations.

Actuals derived from the 2015-16 and 2016-17 Degrees Conferred Files and the last five years of financial aid data files prior to degree award.

Averages for the biennial period (2015-16 and 2016-17) under review were compared to averages of prior three-years (12-13, 13-14, and 14-15).

**The score of 60 indicates that during this review period, VT increased the number of conferred degrees to students from under-represented populations by an average of 60 more than the threshold target of the prior three-year period’s averages

PM 6 - Maintain or increase the number of in-state two-year transfers to four-year institutions.

Actuals derived from the 2015-16 and 2016-17 Course Enrollment files (CE) and CE files from 5 yrs prior, Degree Conferred Files up to 10 yrs prior.

Averages for the biennial period (2015-16 and 2016-17) under review were compared with base year (2010-11) figures.

***The score of 88 indicates that during this review period, VT increased the number of transfer students by an average of 88 more than the threshold target of the 2010-11 academic year
### Virginia Tech
Higher Education Restructuring Institutional Performance Standards
2016-17

<table>
<thead>
<tr>
<th>Measure</th>
<th>Metric Definition</th>
<th>Performance Goal</th>
<th>FY 2017 Performance</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Financial</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Audit of Financial Statements</td>
<td>An unqualified opinion from the Auditor of Public Accounts upon the audit of the public institution's financial statements.</td>
<td>Full Compliance</td>
<td>Full Compliance</td>
<td>✔</td>
</tr>
<tr>
<td>b. Audit Deficiencies</td>
<td>No significant audit deficiencies attested to by the Auditor of Public Accounts.</td>
<td>Full Compliance</td>
<td>Full Compliance</td>
<td>✔</td>
</tr>
<tr>
<td>c. Financial Reporting Standards</td>
<td>Substantial compliance with all financial reporting standards approved by the State Comptroller.</td>
<td>Full Compliance</td>
<td>Full Compliance</td>
<td>✔</td>
</tr>
<tr>
<td>d. Accounts Receivable Standards</td>
<td>Substantial attainment of accounts receivable standards approved by the State Comptroller, including but not limited to, any standards for outstanding receivables and bad debts.</td>
<td>Full Compliance</td>
<td>Full Compliance</td>
<td>✔</td>
</tr>
<tr>
<td>e. Accounts Payable Standards</td>
<td>Substantial attainment of accounts payable standards approved by the State Comptroller including, but not limited to, any standards for accounts payable past due.</td>
<td>Full Compliance</td>
<td>Full Compliance</td>
<td>✔</td>
</tr>
<tr>
<td><strong>2. Debt Management</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>a. Bond Rating</td>
<td>The institution shall maintain a bond rating of AA- or better</td>
<td>Aa3/AA-</td>
<td>Aa1 Rating - Moody's</td>
<td>✔</td>
</tr>
<tr>
<td>b. Investment Returns earned on operating cash balances over rolling three-year period</td>
<td>The institution achieves a three-year average rate of return at least equal to the money.net money market index fund</td>
<td>0.14%</td>
<td>0.41%</td>
<td>✔</td>
</tr>
<tr>
<td>c. Debt burden ratio</td>
<td>The institution maintains a debt burden ratio equal to or less than the level approved by the Board of Visitors in its debt management policy.</td>
<td>≤7%</td>
<td>3.67%</td>
<td>✔</td>
</tr>
<tr>
<td><strong>3. Human Resources</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>a. Turnover percent as an indicator of classified staff stability and satisfaction</td>
<td>The institution's voluntary turnover rate for classified plus university/college staff employees will meet the voluntary turnover rate for state classified employees within a variance of 15 percent</td>
<td>6.27%</td>
<td>7.28%</td>
<td>✔</td>
</tr>
<tr>
<td>b. Number of internal employee transfers and promotions as a percentage of total number of newly-hired, transferred and promoted</td>
<td>The institution achieves a rate of internal progression within a range of 40 to 60 percent of the total salaried staff hires for the fiscal year</td>
<td>40%-60%</td>
<td>50.20%</td>
<td>✔</td>
</tr>
<tr>
<td><strong>4. Procurement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. SWAM Participation</td>
<td>The institution will substantially comply with its annual approved Small, Women and Minority (SWAM) procurement plan as submitted to the Department of Minority Business and Supplier Diversity; however, a variance of 15 percent from its SWAM purchase goal, as stated in the plan, will be acceptable</td>
<td>≥85%</td>
<td>92.8%</td>
<td>✔</td>
</tr>
<tr>
<td>b. Procurement orders process through the Commonwealth's enterprise-wide internet procurement system (eVA)</td>
<td>The institution will make no less than 80 percent of purchase transactions through the Commonwealth's enterprise-wide Internet procurement system (eVA) with no less than 75 percent of dollars to vendor locations in eVA</td>
<td>80% - Transactions</td>
<td>82.4% - Transactions</td>
<td>✔</td>
</tr>
<tr>
<td><strong>5. Capital Outlay</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Capital projects within budget</td>
<td>The institution will complete capital projects (with an individual cost of over $1,000,000) within the budget originally approved by the institution's governing board at the preliminary design state for projects initiated under delegated authority, or the budget set out in the Appropriation Act or other Acts of Assembly which provides construction funding for the project at the preliminary design state. If the institution exceeds the budget for any such project, the Secretaries of Administration and Finance shall review the circumstances causing the cost overrun and the manner in which the institution responded and determine whether the institution shall be considered in compliance with the measure despite the cost overrun</td>
<td>100%</td>
<td>100%</td>
<td>✔</td>
</tr>
<tr>
<td>b. Owner requested change orders</td>
<td>The institution shall complete capital projects with the dollar amount of owner requested change orders not more than 2 percent of the guaranteed maximum price (GMP) or construction price</td>
<td>≤2%</td>
<td>≤2%</td>
<td>✔</td>
</tr>
<tr>
<td>c. Competitive rates for leased office space</td>
<td>The institution shall pay competitive rates for leased office space - the average cost per square foot for office space leased by the institution is within 5 percent of the average commercial business district lease rate for similar quality space within reasonable proximity to the institution's campus</td>
<td>5%</td>
<td>11% below market</td>
<td>✔</td>
</tr>
<tr>
<td><strong>6. Information Technology</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Project Management</td>
<td>The institution will complete major information technology projects (with an individual cost of over $1,000,000) on time and on budget against their managed project baseline.</td>
<td>100%</td>
<td>100%</td>
<td>✔</td>
</tr>
<tr>
<td>b. Information Security</td>
<td>The institution will maintain compliance with institutional security standards as evaluated in internal and external audits. The institution will have no significant audit deficiencies unresolved beyond one year</td>
<td>Full Compliance</td>
<td>Full Compliance</td>
<td>✔</td>
</tr>
</tbody>
</table>

**Note:**
(1) The university capital project threshold was revised from $1 million to $2 million effective July 1, 2011. This change was pursuant to the State increasing its capital project threshold to $2 million.
The O'Shaughnessy Hall Renovation (Capital Outlay Project #P18356) has been authorized by the state to be financed pursuant to Article X, Section 9(d) of the Constitution of Virginia for up to $12,634,000 plus amounts needed to fund issuance costs, reserve funds and other financing expenses.

The project will convert O'Shaughnessy Hall into a living-learning residential college format to modernize program space within the building. The programmatic changes include the creation of a faculty apartment, five-to-seven faculty/staff offices, a classroom, and common meeting rooms for student activities. The project also includes updating the building’s interior, residential rooms, bathrooms, mechanical, electrical, and plumbing systems, elevators, addressing other deferred maintenance items, as needed, and installing air conditioning. The total $21.5 million project cost will be funded with approximately $12.6 million of debt and $8.9 million of cash. Debt service will be paid from self-generated funds derived from the residential program’s auxiliary revenues.

The bonds will be issued through the Virginia College Building Authority, and the university will enter into a loan agreement and promissory note with the Authority. The loan agreement and note are subject to the following parameters: (a) the principal amount shall not be greater than the amount authorized by the General Assembly of Virginia, (b) the aggregate principal amount shall not exceed $12,634,000 plus amounts needed to fund issuance costs and other financing expenses, (c) the interest rate payable shall not exceed a true interest cost more than 50 basis points higher than the interest rate for “AA” rated securities with comparable maturities, (d) the weighted average maturity of the principal payments shall not be in excess of 20 years, (e) the last principal payment date shall not extend beyond the expected economic life of the project, and (f) the actual amount, interest rates, principal maturities, and date of the note shall be approved by an Authorized Officer.

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 O’SHAUGHNESSY HALL RENOVATION
9(d) FINANCING

WHEREAS, pursuant to and in furtherance of Chapter 12, Title 23.1 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”);

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;

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 the Act 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;

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 Project authorized for bond financing by the General Assembly: the Renovate O’Shaughnessy Hall – Capital Outlay Project Number 18356 (the “Project”); and

WHEREAS the Board desires to designate certain Institution officers (i) delegated the 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) responsible for monitoring post-issuance compliance with covenants of
the Institution 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 (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 authorized and 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, and to notify Virginia Department of Treasury representatives serving as Authority staff at least 60 days in advance of a pledge of any amounts pledged to the payment of the Note in accordance with Section 1 hereof to, or as security for, the payment of any other Institution obligations issued or entered into after the date hereof for so long as the Note and any amendments thereto remain outstanding.

**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 $12,634,000 as the same may be so increased;
(c) the aggregate 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, as of the date that the interest rates on the Authority’s Pooled Bonds 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 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 23.1-1211 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 Capital Projects for the Institution 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.
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 O’Shaughnessy Hall Renovation – Capital Outlay Project Number 18356 be approved.

August 27, 2018
Approval of VTC Research Institute Biosciences Addition 9(d) Debt Financing

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

The VT Carilion Research Institute Biosciences Addition (Capital Outlay Project #18269) has been authorized by the state to be financed pursuant to Article X, Section 9(d) of the Constitution of Virginia for up to $41,558,000 plus amounts needed to fund issuance costs, reserve funds and other financing expenses. The name has evolved since inception and is now commonly known as the VT Carilion Health Sciences and Technology building.

The $91.7 million project will construct a 139,300 gross square foot facility on land owned by the Carilion Clinic in the Riverside Center in Roanoke, Virginia. The project will be developed and constructed under a public-private partnership between Virginia Tech and the Carilion Clinic to provide approximately 105,000 gross square feet for health science and technology research, 16,800 gross square feet for comparative oncology research, and 17,500 gross square feet for professional development, training, and education.

Of the $91.7 million, $51.6 million will be funded with General Fund appropriations with the remaining $40.1 million consisting of $27.6 million of debt and $12.5 million of cash and donations. Within the $27.6 of debt, $23.8 million was issued last fall through the Virginia College Building Authority (VCBA), and we estimate issuing slightly more than $3.8 million of debt through the VCBA this fall. As a result, we are seeking authorization to issue up to $4.0 million of additional debt at this time. Debt service will be paid from self-generated revenues from the research program and private gifts.

The bonds will be issued through the Virginia College Building Authority, and the university will enter into a loan agreement and promissory note with the Authority. The loan agreement and note are subject to the following parameters: (a) the principal amount shall not be greater than the amount authorized by the General Assembly of Virginia, (b) the aggregate principal amount shall not exceed $4 million plus amounts needed to fund issuance costs and other financing expenses, (c) the interest rate payable shall not exceed a true interest cost more than 50 basis points higher than the interest rate for applicable “AA” rated securities with comparable maturities, (d) the weighted average maturity of the principal payments shall not be in excess of 20 years, (e) the last principal payment date shall not extend beyond the expected economic life of the project, and (f) the actual amount, interest rates, principal maturities, and date of the note shall be approved by an Authorized Officer.

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 VTC RESEARCH INSTITUTE BIOSCIENCES ADDITION
9(d) FINANCING

WHEREAS, pursuant to and in furtherance of Chapter 12, Title 23.1 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”);

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;

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 the Act 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;

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 Project authorized for bond financing by the General Assembly: the Construct VT Carilion Research Institute Biosciences Addition – Capital Outlay Project Number 18269 (the “Project”);

WHEREAS, as of the date of this resolution the General Assembly has approved $91.696 million for the Project, $23.793 million of which was financed in 2017 through the Authority’s Pooled Bond Program; and

WHEREAS the Board desires to designate certain Institution officers (i) delegated the 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) responsible for monitoring post-issuance compliance with covenants of the Institution 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 (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 authorized and 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, and to notify Virginia Department of Treasury representatives serving as Authority staff at least 60 days in advance of a pledge of any amounts pledged to the payment of the Note in accordance with Section 1 hereof to, or as security for, the payment of any other Institution obligations issued or entered into after the date hereof for so long as the Note and any amendments thereto remain outstanding.

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 $4,000,000 as the same may be so increased; (c) the aggregate 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 for applicable taxable or tax-exempt yields, as of the date that the interest rates on the Authority’s Pooled Bonds 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 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 23.1-1211 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 Capital Projects for the Institution 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.
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 VT Carilion Research Institute Biosciences Addition – Capital Outlay Project Number 18269 be approved.

August 27, 2018
University Advancement Update

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

July 20, 2018

For fiscal year 2018, the Advancement division has continued its focus on generating a greater level of philanthropic revenue while also enhancing engagement, increasing the alumni participation rate, and expanding our communication reach among our collective audiences.

This report summarizes the fundraising effort and provides a comparison of results since the launch of the Advancement model; it also provides high-level information on key achievements within the division, preliminary plans for the upcoming campaign, and the top priorities and strategic focus of Advancement for fiscal year 2019.

FUNDRAISING UPDATE

With a critical emphasis on engagement and participation over the past three years, we acknowledge another successful year of philanthropy.

- Total New Gifts and Commitments (NG&C) for fiscal year 2018 is just over $153.6 million, surpassing our stated goal of $135 million and coming in just $8.6 million (5.33 percent) less than last fiscal year’s record-breaking result of $162.3 million. Attachment I displays the breakdown of the new gifts and commitments by Gift Type for fiscal year 2018.

- The private gift income (CASH) total is nearly $134.4 million, exceeding our stated goal of $110 million and representing an increase of just over $9.36 million (7.5 percent) more than last fiscal year. Attachment II displays the monthly comparison of private gift income (cash) for fiscal year 2017.

FY18 marks the third consecutive year of private gift income in excess of $100M annually.

ANNUAL FUND

The expanded concentration of engagement and increased participation, coupled with the university’s broad vision and ambitious goals continue to fuel our success through annual giving. The fiscal year 2018 results show:

- A 14 percent increase in donors, with 31,570 donors;
- An 8 percent increase in revenue, with more than $24.6 million raised.
We are pleased to acknowledge that we exceeded $9 million in academic annual giving for the first time and are well-established to continue this momentum for FY19.

COMPREHENSIVE CAMPAIGN

The university’s comprehensive capital campaign is well underway, with the quiet phase beginning in July 2017. We anticipate a 10-year campaign, scheduled to end in June 2027 and incorporating the university’s sesquicentennial celebration.

CAMPAIGN PLAN AND GOAL(S)

The campaign plan has been completed. The official campaign goal, along with the university, college, and unit priorities are being finalized. Individual meetings are currently being held with the Provost, Deans/Unit Leaders, and the Campaign Director to specify priorities that will align with the college or unit objectives, the strategic plan, and overall campaign strategy. We will have an official fundraising goal and an engagement goal, which will be determined by President Sands at the conclusion of the unit review meetings. This campaign will progressively promote a culture of philanthropy amongst our various audiences with a specific focus on achieving 22 percent participation by 2022, which makes the engagement goal a critical component of the campaign strategy.
CAMPAIGN STEERING COMMITTEE

The Campaign Leadership is being actively recruited. Two campaign co-chairs have been identified and full steering committee recruitment of between 20 and 30 members will be completed by September 30. Standing membership seats on the steering committee will be held for a member of the Board of Visitors, Chair of the Virginia Tech Foundation Board of Directors, Chair of the Virginia Tech Foundation Board’s Advancement Committee, President of the Virginia Tech Alumni Association Board of Directors, and a representative of the Virginia Tech Athletic Fund Executive Committee.

CAMPAIGN LEADERSHIP AND VOLUNTEER STRUCTURE

LINK AND LAUNCH

Through a partnership with Advancement and the Office of Research and Innovation, LINK: the Center for Advancing Industry Partnerships, was established to support our connections and the experiences of our corporate and foundation partners. LINK is achieving exceptional heights through their efforts. The Executive Director and team serve as points of contact to manage relationships and to leverage and optimize current and future opportunities for the benefit of Virginia Tech, the advantages of which we have already experienced. LINK’s primary purpose is to grow sponsored research, recruiting and philanthropy through industry partnerships.
With the immense success of LINK, the vision for LAUNCH was created. LAUNCH, the Center for New Ventures, is being established to ensure discoveries made at Virginia Tech create value and impact with support for new ventures. The underlying concept is to provide a mechanism to create a launch pad for opportunity and impact at the university and beyond.

**VIRGINIA TECH CARILION ACADEMIC HEALTH CENTER**

The Virginia Tech Carilion Academic Health Center (VTC AHC) is a unique public-private partnership with Virginia Tech and Carilion Clinic to develop an integrated Academic Health Center based at the Virginia Tech Carilion Health Sciences and Technology Campus in Roanoke, VA. This partnership leverages our institutional strengths in science, bioinformatics and engineering with the medical expertise of Carilion Clinic’s resources.

A coordinated marketing communication plan for the VTC AHC has been launched with Tracy Vosburgh (Virginia Tech) and Mike Dame (Carilion Clinic) at the helm of execution. A primary marketing strategy includes a video featuring interviews with key stakeholders who make compelling cases for the importance of this endeavor.

The VTC partnership recently concluded an economic impact study led by Dr. Terry Rephann, Regional Economist with the Weldon Cooper Center. The economic impact study has been shared this spring throughout the Roanoke and New River Valleys. Attachment III includes the Roanoke Times article regarding the economic impact study

**Summary Points:**

- In FY2026, all activities at VTC are anticipated to generate approximately $190.3 million in expenditures – an increase of 350 percent (FY2017 – FY2026).
- Using the REMI PI+ model, VTC’s state employment impact is projected to grow from 1,699 in FY2017 to 3,147 in FY2026 – an 85 percent increase.
- Specifically, the employment impacts of the VTC Research Institute and VTC School of Medicine will grow from 722 in FY2017 to 2,211 in FY2026.
- The effect on the state’s economic output is projected to grow from $214.3 million FY2017 to $465.2 FY2026 million over the same time – a 117 percent increase.

The Advancement Team is currently engaged in securing several significant financial commitments from principal individuals important to our effort and to the Roanoke Valley.
NATIONAL CAPITAL REGION (NCR)

With the university’s continued emphasis on expanding our impact in the NCR, the Advancement office has worked to support that objective. In the past year, we have broadened our reach with a full Advancement Team that includes a Principal Gift Officer, a Major Gift Officer, an Alumni Engagement Officer, a Media Relations Officer, an Administrative Assistant, and the growth continues. Further, we are utilizing those existing resources to support major initiatives in the NCR to include the Commonwealth Cyber Initiative (CCI) and an active presence on the NCR Leadership Council, among other efforts critical to the overarching university vision for that region.

BEYOND BOUNDARIES SCHOLARSHIPS

The Beyond Boundaries scholarship program was established to bring exceptional students of diverse backgrounds together in world-class learning environments at the university. Advancement is partnering with other campus colleagues to expand access to a Virginia Tech education by helping to relieve financial strain. This will continue to serve as a mechanism to increase the percentage of underrepresented minorities, raise the level of students from historically underserved populations, and attract high-achieving students from all communities.

In the past fiscal year, approximately $765,000 was raised through the Beyond Boundaries scholarship program. This total represents 165 gifts for the benefit of nearly 250 students from our underserved and underrepresented populations. Advancement will continue to support this presidential priority for Access and Affordability benefiting high achievers and promoting our division’s goals around inclusion and diversity.

KEY ADVANCEMENT HIGHLIGHTS

The Division of University Advancement has made great strides in fiscal year 2017-2018 to achieve established divisional goals, aligned with contributing to the success of key university priorities. The completion of the full integration of the Advancement Model allowed us to focus our efforts on the work needing to be accomplished. Some significant achievements include:

- Completing 52 hires in the past fiscal year, such as:
  - Divisional Human Resources (HR) Director for Advancement
  - Assistant Dean for Advancement – Engineering
  - Assistant Dean for Advancement – Liberal Arts & Human Sciences
  - Director of Foundation Relations
  - Adding several positions within LINK
  - Expanded the Advancement Team in the NCR to include a Principal Gifts Officer, Major Gifts Officer
  - Communications Director – Office of the Provost
  - General Manager – WVTF Radio Station
• Launching the university’s First “Giving Day” on March 20, 2018. Nearly 5,300 gifts were received from 4,313 donors totaling $1.62M in a 24-hour period.

• Achieved 100 percent philanthropic participation from the Board of Visitors, Virginia Tech Foundation Board, Advancement Committee, Alumni Board, and the President’s Council.

• Launched and executed the newly revamped Reunion Weekend on June 7-10, 2018. There were over 300 alumni in attendance and the feedback was extraordinarily positive.

• Finalized the plans to roll out the new Reinvestment Fee Structure that became effective July 1, 2018 and completed the communication plan to inform constituents of the change.

• In partnership with the officers of the Virginia Tech Foundation, Inc., launched the Virginia Tech Donor Advised Fund as an additional vehicle to receive gifts for the university.

• Launched the university’s new brand and promoted placement of the new mark to our various constituencies, including branded paraphernalia for key groups and a free t-shirt giveaway on the Drillfield for students, among other efforts.

• Redesigned the Virginia Tech Magazine, increasing editorial and design perspectives, along with creating an online presence for the magazine.

FISCAL YEAR 2019 ADVANCEMENT PRIORITIES AND STRATEGIC FOCUS

The Division of University Advancement collectively establishes our goals and aligns our strategic focus through the creation of a work plan on an annual basis. This year, the division will be implementing the next phases of our Young Alumni Program, increasing participation, preparing for the public launch of the campaign, continuing the integration of the university brand, supporting inclusion and diversity efforts, and achieving our fundraising and engagement goals for the year.
### FY18 Monthly Comparison of New Gifts and Commitments

For the period July 1, 2017 - June 30, 2018

**NGC Totals**

<table>
<thead>
<tr>
<th>Gift Type</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bequest Intentions</td>
<td>104,825</td>
<td>8,400</td>
<td>128,001</td>
<td>333,502</td>
<td>253,330</td>
<td>837,913</td>
<td>416,003</td>
<td>416,681</td>
<td>3,682,908</td>
<td>106,000</td>
<td>1,650,800</td>
<td>5,020,218</td>
<td>12,958,581</td>
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<tr>
<td>Pledges</td>
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<td>520,486</td>
<td>2,845,453</td>
<td>2,119,335</td>
<td>1,313,185</td>
<td>143,733</td>
<td>22,359,539</td>
<td>1,057,645</td>
<td>6,429,001</td>
<td>5,535,376</td>
<td>3,271,770</td>
<td>47,275,937</td>
</tr>
<tr>
<td>Realized Bequests</td>
<td>142,116</td>
<td>331,250</td>
<td>17,093</td>
<td>443,418</td>
<td>1,185,403</td>
<td>665,274</td>
<td>11,993</td>
<td>1,078,223</td>
<td>27,289</td>
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<td>5,056,433</td>
</tr>
<tr>
<td>Deferred Gifts</td>
<td>10,391</td>
<td>543,118</td>
<td>91,142</td>
<td>747,952</td>
<td>799,119</td>
<td>100,971</td>
<td>210,000</td>
<td>-</td>
<td>25,042</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,527,735</td>
</tr>
<tr>
<td>Outright Gifts</td>
<td>2,066,810</td>
<td>2,400,732</td>
<td>2,194,985</td>
<td>6,067,959</td>
<td>6,843,774</td>
<td>3,376,182</td>
<td>2,464,370</td>
<td>3,843,540</td>
<td>8,962,602</td>
<td>2,038,810</td>
<td>2,705,701</td>
<td>8,221,203</td>
<td>81,576,670</td>
</tr>
<tr>
<td>FY18 Total</td>
<td>2,788,214</td>
<td>4,594,502</td>
<td>3,373,453</td>
<td>10,599,237</td>
<td>11,395,804</td>
<td>3,294,856</td>
<td>27,774,079</td>
<td>17,779,092</td>
<td>8,633,677</td>
<td>10,834,482</td>
<td>16,988,528</td>
<td>153,620,013</td>
<td></td>
</tr>
</tbody>
</table>

**FY18 $ Needed to Reach Goal**

| Difference                  | (2,172,207) | (4,056,132) | (810,800) | 4,580,865 | (1,007,034) | 13,774,453 | (240,282) | 18,391,970 | (5,393,535) | 2,184,080 | 4,544,402 | (11,175,767) | 18,620,013 |

**FY17 Total**

| Difference                  | (2,531,126) | (3,693,018) | (635,420) | 2,603,800 | (7,908,453) | 15,911,960 | 541,253 | 12,707,765 | (17,488,738) | 992,597 | 6,163,534 | (15,322,619) | (8,658,467) |

**2 Year Average**

| Difference                  | (2,038,061) | (3,822,164) | (697,644) | 4,743,622 | (671,621) | 14,471,661 | (144,681) | 18,645,692 | (4,875,045) | 2,358,498 | 4,714,502 | (10,414,113) | 22,270,852 |

### NGC Bar by Gift Type

<table>
<thead>
<tr>
<th>Month</th>
<th>Bequest Intentions</th>
<th>Pledges</th>
<th>Realized Bequests</th>
<th>Deferred Gifts</th>
<th>Gifts-in-Kind</th>
<th>Outright Gifts</th>
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</thead>
<tbody>
<tr>
<td>Jul</td>
<td>$2.1</td>
<td>$1.3</td>
<td>$2.2</td>
<td>$2.8</td>
<td>$2.1</td>
<td>$1.3</td>
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<td>$2.2</td>
<td>$6.1</td>
<td>$2.8</td>
<td>$2.1</td>
<td>$6.8</td>
</tr>
<tr>
<td>Oct</td>
<td>$2.1</td>
<td>$1.3</td>
<td>$6.1</td>
<td>$2.8</td>
<td>$2.1</td>
<td>$6.8</td>
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<td>$6.1</td>
<td>$2.8</td>
<td>$2.1</td>
<td>$6.8</td>
</tr>
<tr>
<td>Jan</td>
<td>$1.3</td>
<td>$1.8</td>
<td>$2.2</td>
<td>$2.8</td>
<td>$2.1</td>
<td>$6.8</td>
</tr>
<tr>
<td>Feb</td>
<td>$2.4</td>
<td>$1.3</td>
<td>$6.1</td>
<td>$2.8</td>
<td>$2.1</td>
<td>$6.8</td>
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<td>Mar</td>
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<td>$9.0</td>
<td>$2.8</td>
<td>$2.1</td>
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<tr>
<td>Apr</td>
<td>$6.4</td>
<td>$5.5</td>
<td>$2.7</td>
<td>$2.8</td>
<td>$2.1</td>
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<td>$5.5</td>
<td>$2.7</td>
<td>$2.8</td>
<td>$2.1</td>
<td>$6.8</td>
</tr>
</tbody>
</table>

**Progress toward Goal of $135,000,000**

- **100%**
- **90%**
- **80%**
- **70%**
- **60%**
- **50%**
- **40%**
- **30%**
- **20%**
- **10%**
- **0%**

### Source

Office of University Development, Virginia Tech

Prepared: July 15, 2018
**FY18 Monthly Comparison of Cash**

For the Period July 1, 2017 - June 30, 2018

### Cash Totals

<table>
<thead>
<tr>
<th>Gift Type</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledge Payments</td>
<td>$2,146,611</td>
<td>$258,050</td>
<td>$983,968</td>
<td>$684,839</td>
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<td>$12,805,925</td>
<td>$5,635,083</td>
<td>$423,338</td>
<td>$858,014</td>
<td>$810,369</td>
<td>$5,642,451</td>
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<td>Realized Bequests</td>
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<td>$17,593</td>
<td>$443,418</td>
<td>$1,235,653</td>
<td>$1,230,594</td>
<td>$16,174</td>
<td>$2,173,180</td>
<td>$169,350</td>
<td>$68,773</td>
<td>$1,314,132</td>
<td>$284,783</td>
<td>$7,470,633</td>
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<tr>
<td>Deferred Gifts</td>
<td>$10,391</td>
<td>$543,118</td>
<td>$91,142</td>
<td>$747,952</td>
<td>$511,004</td>
<td>$100,971</td>
<td>$210,000</td>
<td>-</td>
<td>$25,042</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gifts-in-Kind</td>
<td>$53,121</td>
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<td>$194,825</td>
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<td>$26,343</td>
<td>$10,880</td>
<td>$286,211</td>
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<tr>
<td>Outright Gifts</td>
<td>$2,066,810</td>
<td>$2,400,732</td>
<td>$2,194,985</td>
<td>$6,067,959</td>
<td>$6,843,774</td>
<td>$33,766,182</td>
<td>$2,464,370</td>
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<td>$2,705,708</td>
<td>$8,221,203</td>
<td>$81,587,192</td>
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<tr>
<td><strong>FY18 Total</strong></td>
<td>$4,420,299</td>
<td>$3,618,073</td>
<td>$3,709,434</td>
<td>$8,105,122</td>
<td>$11,786,899</td>
<td>$50,783,237</td>
<td>$8,374,383</td>
<td>$6,516,154</td>
<td>$10,038,613</td>
<td>$2,954,810</td>
<td>$9,673,172</td>
<td>$14,403,787</td>
<td>$134,383,984</td>
</tr>
</tbody>
</table>

#### FY18 $ Needed to Reach Goal

| Difference             | $4,589,210  | $4,090,656  | $5,068,043  | $6,513,233  | $9,318,395  | $31,554,033  | $3,436,487  | $3,704,150  | $9,860,477  | $7,470,271  | $5,097,642  | $19,297,403  | $110,000,000 |

#### FY17 Total


| 3 Year Average Difference | $4,397,228  | $3,919,351  | $4,856,030  | $6,240,763  | $8,928,576  | $30,234,025  | $3,292,728  | $3,549,193  | $9,447,981  | $7,157,765  | $4,884,391  | $18,490,129  | $105,398,340  |

| 3 Year Average Difference | $23,071     | $(301,457)  | $(1,146,599) | $(1,864,359) | $(2,856,323) | $(20,549,212) | $(5,081,656) | $(2,966,961) | $(590,632)  | $(4,202,955) | $(4,788,781) | $(4,086,342)  | $28,985,644  |

### Cash Bar - by Gift Type

<table>
<thead>
<tr>
<th>Month</th>
<th>Outright Gifts</th>
<th>$15.0</th>
<th>$20.0</th>
<th>$25.0</th>
<th>$30.0</th>
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<tr>
<td>Aug</td>
<td>$2.4</td>
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<td></td>
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<td></td>
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<tr>
<td>Sep</td>
<td>$2.2</td>
<td></td>
<td></td>
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<tr>
<td>Oct</td>
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<tr>
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<tr>
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<tr>
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<td>Jun</td>
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</tr>
</tbody>
</table>
Economist says Tech, Carilion Roanoke campus will contribute at least $465 million to economy within 8 years

By Luanne Rife luanne.rife@roanoke.com 981-3209  May 23, 2018

The impact on the state’s economy by Virginia Tech Carilion health sciences campus in Roanoke will grow from $214 million today to $465.2 million annually within eight years, according to an economist's conservative projection.
The addition of a second building for the research institute alone will create 828 new jobs and generate $150 million in additional spending by 2026.

An economist with the University of Virginia's Weldon Cooper Center for Public Service looked at expected growth on the VTC health sciences campus once the second research building opens there next year.

He said the study is conservative and did not look at the impact hundreds of additional undergraduates will have on Roanoke, nor did he include projections for Carilion Clinic's growth or speculate about additional development that could occur on the campus or in the surrounding area.

“This is just a basic benchmark based on exactly what is happening at Virginia Tech and Carilion right now. It is not a measure of possible impact,” said Heywood Fralin, chairman of the VTC Academic Health Center Steering Committee. “The possible impact is going to be far greater than what is shown in this study.”

The steering committee, which is made up of people who are not employed by either Carilion or Virginia Tech, is charged with advancing VTC through philanthropy, government relations and economic development.

Fralin said the study will encourage philanthropy and economic development.

“I think that as a region we need to think big because this is an opportunity that comes our way once a century,” he said. He equated the impact of the health sciences campus and innovation corridor on Roanoke to that of Norfolk Western moving its headquarters here in the 1800s.

Tech and Carilion formed a partnership a decade ago to build a medical school and research institute on the Riverside
Economist says Tech, Carilion Roanoke campus will contribute at least

campus. The research institute is at capacity, and a new
building is underway that will double its size and expand its
reach in advancing medical discoveries through trials and to
market. Tech intends to offer more undergraduate programs
in Roanoke centered around its school of neuroscience, and
the Virginia-Maryland College of Veterinary Medicine will move
its cancer treatment center to Roanoke. Four companies have
been spun off from research since 2010. At that pace, the
economist expects 10 more companies will form by 2025.

Fralin said the pace of growth will quicken and have a greater
impact on the region with philanthropic investment.

“Clearly, the more financial support we can give to this effort
the better it will be,” Fralin said. “There is an enormous list of
things that are needed. To date, the commonwealth of Virginia
has funded the buildings. I don’t think it’s reasonable to
assume that every building going forward will be built by the
commonwealth.”

Beth Doughty, executive director of the Roanoke Regional
Partnership, said the study will help in attracting developers.

“It helps to portray the potential of the future. It documents
and confirms, this is the beginning, there are plans and there is
a strategy,” she said.

The study’s author, economist Terance Rephan, said the VTC
economic footprint through payroll and operational and
capital spending will more than double from its current $42.1
million to $110 million once the new building opens next year,
and that figure will grow to $190.3 million as research teams
are recruited.

Rephann said his report includes spending on salaries by the
university but does not include spending that will come
through grants, such as those from the National Institutes of
Health. The research institute now has a $100 million portfolio
of such grants.

Currently, about 1,700 people are employed on the campus, which also houses Carilion administrators and physician clinics. By 2026, the workforce will rise to nearly 3,150 employees. Rephann kept the Carilion jobs level static.

The study does not address the impact that the growth of undergrads from 300 to more than 1,000 will have on Roanoke.

“That can be huge and how the story is even better,” Doughty said.

Carilion also announced earlier this year that its Jefferson College of Health Sciences will become part of Radford University, which would allow for a greater expansion of programs to train health care providers.

Jefferson and Radford offer programs at Carilion Roanoke Community Hospital, which is at the opposite end of the Jefferson Avenue corridor from the VTC Riverside campus. Jefferson is expected to become part of an innovation corridor with a grouping of academic institutions, affiliated businesses, housing, restaurants and other services that the growing population will need.

“We've brought in several groups of site locators and they are blown away by the potential for it,” Doughty said. “To this point, it's been an undiscovered opportunity, but that's going to change.”

Roanoke City Manager Bob Cowell said the city recently updated its downtown plan and included provisions to guide growth and to build more pedestrian and bike ways.

“The beauty of the campus is that it is an urban campus, and we can get people there in as many different ways as possible,”
Cowell said, “The real objective is to figure how people can move without getting in cars.”

Cowell said another challenge will be housing. He said the Franklin Road area “is very ripe for investment. There are folks that have moved out, large tracts of land, parking lots and those things.” He said Earth Fare and Carilion Institute for Orthopaedics and Neurosciences provide examples of how redevelopment along Franklin Road might look.

He said most of Franklin Road is zoned commercial, so the city will need to look at more mixed uses to accommodate housing. He said the city is also talking with Roanoke County officials about plans to redevelop the area around Tanglewood Mall, as that would anchor the other end of the corridor.

Cowell said there are more buildings downtown that could be converted to apartments and condos, and he does not foresee the construction of new apartment buildings in residential areas.

“It would be a real challenge and inappropriate to push that activity into the neighborhoods,” he said.

Cowell said a committee of key stakeholders meets monthly to talk about the issues.

“The hope is they can realize what they are projecting and that we can accommodate and capitalize on that,” he said.
University Advancement Update
August 27, 2018

CHARLES D. PHLEGAR, ‘78, ‘87
VICE PRESIDENT FOR ADVANCEMENT
Overview

- Fundraising Update
- Campaign Update
- LINK + LAUNCH
- VTC AHC/Roanoke Initiative
- NCR
- Beyond Boundaries Scholarships Update
- Fiscal Year 2018 Key Highlights
- Fiscal Year 2019 Priorities and Strategic Focus
Fiscal Year 2018 Fundraising Results & Campaign Status

- FY 18 New Gifts & Commitments: $153.62 million
- FY 18 Cash: $134.38 million – third consecutive year exceeding $100 million annually
- 100% Philanthropic Participation from Leadership Boards
- FY 18 Annual Fund
  - 31,570 donors (14% increase)  ■ Over $24.6 million raised (8% increase)

CAMPAIGN UPDATE

- 10-year campaign (July 2017 – June 2027), with sesquicentennial embedded
- Will have dollar goal and engagement goal
- Public kickoff scheduled for October 2019; Closing Celebration in July 2027
- Volunteer Structure – Campaign Steering Committee
Primary Focus Areas

- LINK: Center for Advancing Industry Partnerships
- LAUNCH: Center for New Ventures
- VTC AHC: Virginia Tech Carilion Academic Health Center
- National Capital Region
- Beyond Boundaries Scholarships
  - Nearly $765,000 raised (165 gifts; 250 scholarships awarded)
Summary

- Fiscal Year 2018 Highlights
  - New Hires; Giving Day; Reunion Weekend; Reinvestment Structure, Donor Advised Fund, Brand Launch

- Fiscal Year 2019 Priorities and Strategic Focus
  - Young Alumni; Increasing Participation; Campaign Launch; Brand Awareness; Achieving Fundraising & Engagement Goals

- QUESTIONS?
Charlie Phlegar ~ cphlegar@vt.edu ~ 540-231-7676
Background

During the last decade, the Virginia Tech Controller’s and Bursar’s offices have implemented multiple electronic processes and systems to significantly improve the efficiency and customer service aspects of business practices and procedures. These electronic system and process enhancements have enabled the university to provide timely and accurate services to both internal and external stakeholders (employees, students, and vendors).

The university remains committed to seeking additional opportunities to increase efficiencies and continues to evaluate and assess the current status of the financial and operational processes. With this in mind, the Vice President for Finance and CFO requested a benchmarking study of key administrative and financial systems/processes against peer institutions and industry to provide comparative analysis and to identify additional opportunities for process improvements. The consulting firm of Ernst and Young (EY) was engaged to conduct the benchmarking study and presented the final report in May 2018.

The scope of work included an assessment of the current status of key financial and operational processes in the Payroll, Accounts Payable, and Bursar’s Office. The scope also included a comparison of current university processes against those in other higher education institutions and corporate entities to identify opportunities for additional efficiencies, potential cost savings, or improvements to the customer experience. These processes were selected for review because of their broad impact on faculty, staff, and students and because they affect the majority of the university’s expenditures and revenue transactions.

The review included obtaining an in-depth understanding of the business processes for each of the respective areas, analyzing the time effort required for each process/task, and the salary and fringe cost for employees performing these tasks. Ernst and Young (EY) mapped the processes to comparable business processes in their benchmarking database to compare both the relative amount of full-time-equivalent (FTE) staff time and salary and fringe benefit costs devoted to these processes. Additionally, EY evaluated our processes to best practices of other entities based on their breadth of knowledge gained through other consulting engagements.

Overall, the Ernst and Young study reports that the “Controller’s Office has continued to improve process and systems to lift the overall quality and efficiency of the University’s finance practices”. The study concludes that for majority of the benchmarking metrics,
Virginia Tech outperforms other higher education institutions. However, university performance lags other industries on certain metrics.

Benchmarking results showed Virginia Tech performing "best in class" on 85 percent of the Payroll metrics and “above average” on 86 percent of the Bursar’s office metrics. Accounts Payable compared favorably to peer higher education institutions but did not benchmark well against private industry. This is primarily due to industry’s use of advanced automation and fewer compliance constraints which affect higher education. This report provides a summary of findings and recommendations from the EY study.

**General Recommendations for all areas**

For the three areas reviewed, EY recommends utilization of new technologies to gain further efficiencies:

- Robotic Process Automation (RPA) tool: RPA is an emerging form of business process automation that utilizes robotics and artificial intelligence to handle routine and repetitive tasks enabling the employees to conduct more complex and higher level tasks. Examples of these tools are Blue Prism, UiPath, or Automation Anywhere. This was rated by EY as requiring a medium level of effort to implement with a high level of benefit.

- Business Intelligence (BI) tool: BI tool will allow the creation of dashboards, enhance recurring report generation and management, and enable easier data analysis with ad-hoc or drill-down queries to research exceptions currently identified on hard-copy reports. This was rated by EY as requiring a high level of effort to implement with a high level of benefit.

These recommendations require purchase of new software, consulting time, and technology and functional personnel resources. The university will conduct further cost-benefit analysis regarding the use of these technologies for Virginia Tech operations and also evaluate our current BI tool (Microstrategy) to determine how it may be leveraged to enhance efficiencies. The AVP for Finance & University Controller will lead the effort to make these evaluations as phase two of this process.

**Payroll**

Ernst and Young’s review of payroll validates the effectiveness of our processes to pay our employees accurately and timely and in an efficient manner. Payroll benchmarking results showed Virginia Tech performing “Best in Class” for 85 percent of the metrics and “Above average” for an additional five percent of the metrics. Below are highlights of the findings and recommendations for payroll:
Current Leading Practices Implemented at Virginia Tech

- 98 percent of payroll payments are made to employees through direct deposit versus the industry average of 94 percent. This practice limits the number of errors and reduces check reprints.

- Policies and processes are in place to ensure a low occurrence of adjustments and manual checks resulting in 78 percent fewer manual payments than the median number of other industries.

Use of employee electronic portal to allow employees to update personal information, which eliminates the need for data entry by payroll or human resources personnel.

Potential Opportunities for Improvements or Additional Efficiencies

- The university’s wage payroll cycle time was longer than other industries (10 days versus 2 days), however, the additional days in the process were used for error checking and research of exceptions resulting in greater accuracy and a significant reduction in the number of adjustments and manual checks.

- The number of payroll disbursements per FTE for Virginia Tech is 245 percent higher than the median for higher education peers. Multiple additional benchmarks with higher education and other industries reveal similar patterns indicating high productivity of payroll staff. Although these metrics indicate high performance, the report concludes that the payroll area is understaffed resulting in a risk of employee burnout and lack of staff resources to innovate and execute special projects.

- Use the RPA tool referenced above to implement a greater degree of automation for complex payroll reconciliation processes. This will enhance efficiency, build staff capacity, reduce risk of errors, and free up management time for payroll innovation opportunities.
  
  o Based on this analysis, a new senior account staff position is being added to the payroll team for better workload management and to build capacity for payroll operations.

- Finally, EY recommended that the consolidation of all types of employee’s payroll processes into a single payroll cycle may lead to greater efficiencies. Currently, Virginia Tech has separate payroll processing cycles for wage and salary employees, although the pay dates coincide.

  o Management will investigate to see if the significant changes required to implement a single payroll process will yield sufficient efficiencies to justify the effort. The current process allows university departments to spread the
workload related to payroll processing over multiple days. A single payroll cycle may create peak workloads that strain existing staffing resources.

Accounts Payable (AP)

Overall, the university compares favorably to peer higher education institutions on accounts payable metrics related to processing of AP transactions and expense reimbursements, but lags commercial entities primarily due to industry’s advanced automation and fewer regulatory compliance issues that affect higher education. The study concluded that AP has implemented many of the technology tools and leading practices available.

Current Leading Practices Implemented by Virginia Tech

- Electronic procurement/payables/expense systems or portals
- Electronic approval workflows for expense payments and employee reimbursements
- Electronic invoice receipt from large volume vendors
- Centralized electronic scanning and archiving of paper invoices
- Centralized email queue for payment inquiries from vendors or university departments

Potential Opportunities for Improvements or Additional Efficiencies

- Current process automation and workflow functionality have allowed Virginia Tech to outperform other college and universities by 34 percent for FTE counts for processing accounts payable and expense reimbursements.
  - However, other industries are further ahead with process automation than the universities, which allows for reduced staff FTE’s. Virginia Tech’s FTE’s per billion dollars of revenue are more than double the FTE’s in other industries.

Industries included in the benchmarking database use RPA tools for multiple functions, including optically scanning documents to obtain the amounts and other information on invoices or expense reimbursement documents which eliminates the need for manual entry of such information.

Bursar’s Office

Ernst and Young’s review showcases the work of the Bursar’s Office as utilizing available technology to be innovative and capitalizing on the skillsets of experienced staff. The benchmarking metrics related to customer invoicing, customer credit management, collection processing, and related metrics. Overall, the Bursar’s Office is “Best in Class” in 43 percent of the metrics and “Above Average” for an additional 43 percent as compared to the benchmarking data.
Current Leading Practices Implemented at Virginia Tech

- Adoption of electronic billing and electronic payment portal processes
- Billing processes that effectively validate tuition and fee charges and reduce the number of post-billing adjustments
- Management adept in SQL queries to create ad-hoc reports
- A low percentage of delinquent accounts and labor associated with collections

Potential Opportunities for Additional Efficiencies

The Bursar’s Office compared favorably with other universities and other industries in all but one benchmarking metric. Information on this metric and other EY recommendations are provided below:

- The number of FTE’s to process receivables is higher than other industries primarily due to unique conditions not encountered by these entities. The Bursar’s Office realigns all staff operations to address peak activity levels at the beginning of each semester to manage numerous and complex federal regulations related to federal financial aid programs and manual processes for unique third party scholarship programs.

- The Bursar’s Office has implemented extensive review and reconciliation processes to ensure tuition and fee rates posted to student accounts are Board of Visitors approved rates. The reviews serve to validate fee assessments and familiarize the team with changes in the authorized rates. EY recommends the use of the Robotic Process Automation (RPA) tool to conduct the validation steps in the tuition assessment process to reduce personnel time. The fee assessment process is complex with many changes to program fees and institutional charges annually.
  - Management will need to assess the effort required of replicating this logic in a RPA tool to gain the efficiencies in the validation calculations, as well as the additional training time that would be required for the customer service team.

- The Bursar’s Office currently has automated processes, which generate and print 11 daily reports to monitor activities and identify potential exceptions or errors from the previous day’s activity. EY suggests that a BI tool would allow users to create ad-hoc queries of data to research exceptions and decrease paper use by digitizing these reports.
  - Management will explore existing technologies to see if the reports could be produced digitally and annotated electronically to document how the exceptions included in the report were resolved.
Conclusion

The Ernst and Young study validates the cost-effectiveness of a majority of the Payroll, Accounts Payable and Bursar’s Office processes across various metrics in comparison to benchmarked institutions. The report identified opportunities for additional efficiencies and improvements through emerging technologies and automation. The university will conduct a cost-benefit assessment on implementation of industry technologies such as Robotic Process Automation (RPA) and Business Intelligence (BI) tools for the recommended and other processes.
Assessment of Operational Best Practices, Efficiencies, and Future Opportunities

August 27, 2018

KEN MILLER
ASSISTANT VP FOR FINANCE & UNIVERSITY CONTROLLER
Overview

Scope of Review

- Assessment of current business processes
- Peer benchmarking
- Identify opportunities to increase efficiencies, enhance cost savings, and improve customer experience

Areas of Review

- Accounts Payable
- Payroll
- Bursar’s Office
Payroll

Current Leading Practices

- 98% of employees receive pay via direct deposit vs. 94% at other industries
- Policies and processes in place to ensure a low occurrence of adjustment and manual checks – 78% fewer than manual payments of other industries
- Employee electronic portal allows employees to update personal information

Results of the Review - New Opportunities

- VT has significantly fewer FTE’s on multiple payroll metrics compared to universities and other industries
- VT wage payroll cycle is longer than other industries (10 days vs. 2 days)
  - the additional days allow time for error checking resulting in a significant reduction in adjustments and manual checks
- Consolidation of multiple payroll processes into a single payroll cycle
Accounts Payable (AP)

Current Leading Practices

- Electronic procurement/payable/expense systems & portal
- Electronic routing and approval workflows
- Electronic receipt of vendor invoices for high volume vendors
- Centralized scanning and indexing of paper invoices
- Centralized email queue for payment inquiries

Results of the Review - New Opportunities

- Virginia Tech outperforms other universities by 34% for FTE counts for AP processing and expense reimbursements
- Virginia Tech lags behind commercial industries and has almost double the FTE’s to process AP and expense reimbursements; this is primarily due to industry’s advanced automation and fewer compliance constraints
Bursar’s Office

Current Leading Practices

- Adoption of eBilling and ePayment portal process
- Effective billing practices resulting in few post-billing adjustments
- Seasoned management staff adept in performing queries and data analysis
- A low percentage of delinquent accounts and labor associated with collections of receivables

Results of the Review - New Opportunities

- The Bursar’s Office was above average compared to the benchmarking data in 86 percent of all metrics except the number of FTE’s to process receivables. This is due to unique conditions not encountered by these entities such as complex federal regulations related to financial aid programs and manual processes for third party scholarship programs
- Additional efficiencies may be obtained if new technology could be leveraged to improve the tuition and fee assessment process and daily exception report processes
Summary and Next Steps

- Results of dedicated efforts for the past decade demonstrate the offices of the Controller and Bursar have implemented many best practices.

- The Ernst and Young study validated the cost-effectiveness of a majority of the Payroll, Accounts Payable and Bursar’s Office processes across various metrics. Virginia Tech generally outperformed their benchmarked peers; areas for improvement were noted when benchmarked against commercial industries.

- Additional efficiencies and improvements can be achieved by using emerging technologies and automation currently used primarily by private industry such as Robotic Process Automation (RPA) and Business Intelligence (BI) tools.

- Management will explore the potential benefits of implementing RPA and BI tools and conduct a cost-benefit assessment of implementing these tools for the recommended and other university processes.
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 commitments to buy goods and services as encumbrances when obligated and as an expenditure 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 Resource Management 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 2017-18 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.
### Educational and General Programs

#### University Division

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Change</th>
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<th>Adjusted</th>
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#### Auxiliary Enterprises

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#### Sponsored Programs

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#### Student Financial Assistance

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#### All Other Programs *

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#### Total University

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</table>

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

1. Lower than projected revenues in Continuing Education programs are lower than anticipated Language and Culture Institute business volume.

2. Support program expenditures are lower than projected due to timing of expenses and fixed cost savings.

3. While the Commonwealth requires that revenue and expenses be balanced for Educational and General Programs, year-end balances are possible for continuing education programs.

4. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division was greater than the projected budget due to the timing of federal draw that were received in 2017-18.

5. 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.

6. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.

7. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored research revenues and expenses are less than the annual budget, but total sponsored program expenditures are 2.0% greater than June 30, 2017. The 2018-19 budget, approved by the Board of Visitors in June 2018, recalibrated the annual budget.

8. Expenses for All Other Programs were less than projected partially due to timing of VTCSOM integration. University had tentatively planned to support VTCSOM partnership in 2017-18. Due to timing of integration, resources are being reviewed for potential reinvestment.

9. The University Division General Fund revenue budget was increased $0.3 million for Health Insurance and other central fund adjustments.

10. At the beginning of the year, the annual budget for Tuition and Fees had been increased $1.7 million for the finalization of the budgets for tuition and Education & General fees. During the second quarter, the budget for Tuition and Fees had been increased $8.6 million due to higher than projected undergraduate enrollment for fall semester, lower than projected enrollment in the graduate programs, and a decrease in Summer session revenues. The budget for Tuition and Fees has been increased $3.2 million in the third quarter for stronger than projected spring retention and winter session revenues and decreased in the fourth quarter $0.3 million for a technical accounting change. The corresponding expenditure budgets have been adjusted accordingly.

11. The All Other Income revenue budget for the University Division has been decreased $1.8 million for budget finalizations in Sales and Services and Continuing Education. The budget for Earmarked Sales and Services has been increased $0.2 million for stronger than projected activity in the Equine Medical Center, $0.15 million for milk sales, $0.06 million for VA Racing Revenue and decreased $0.03 million for miscellaneous self-supporting activities. The corresponding expenditure budgets have been adjusted accordingly.

12. The Cooperative Extension/Agriculture Experiment State Division General Fund revenue budget was increased $0.05 million for adjustments to the to the state central fund distribution. Federal funds revenue budget was increased $0.1 million for carryover of unexpended federal Hatch funds. The self-generated revenue budget increased $0.24 million for greater than projected self-generated revenues. The corresponding expenditure budgets have been adjusted accordingly.

13. The Sponsored Programs revenue and expense budgets were increased $0.7 million to finalize budgets.

14. During budget finalizations, the Student Financial Assistance general funds revenue and expense budgets were increased $0.7 million. In the first quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased $0.4 million to support enrollment growth beyond the original enrollment plan. In the fourth quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased $0.1 million for a technical accounting change.

15. The projected annual budget for All Other Programs was increased $1.7 million to finalize budgets and alignment for activity. The expense budgets were increased $0.5 million for outstanding 2016-17 commitments that were initiated but not completed before June 30, 2017.
### Residence and Dining Halls *

<table>
<thead>
<tr>
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<th>Budget</th>
<th>Change</th>
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<tbody>
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<tr>
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### Parking and Transportation

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<tr>
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### Telecommunications Services

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### University Services * **

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<tbody>
<tr>
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### Intercollegiate Athletics *

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<td>$76,039</td>
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### Inn at Virginia Tech/Skelton Conf. Center

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<th>Change</th>
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</thead>
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<td>$12,337</td>
<td>$652</td>
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### Other Enterprise Functions ***

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<td>$11,134</td>
<td>$528</td>
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<td>Expenses</td>
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<td>-34,069</td>
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### TOTAL AUXILIARIES

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<td>Revenues</td>
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<td>$341,307</td>
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* University Systems include Dormitory and Dining Hall System, University Services System, Intercollegiate Athletics System, and Electric Service System. The Systems were created to provide assurance to bond holders that system revenues are pledged for the payment of debt service and to allow for dedicated repair and replacement that are not subject to liens of any creditor of the university.

** University Services System includes Career Services, Center for the Arts, Health Services, Recreational Sports, Student Centers & Activities, Student Organizations, and the VT Rescue Squad.

*** Other Enterprise Functions include Golf Course, Hokie Passport, Library Café, Library Photocopy, Licensing & Trademark, Little Hokie Hangout, New Student and Family Programs, Pouring Rights, Printing Services, Software Sales, Student Athlete Academic Support Services (SAASS), Tailor Shop and Clearing Accounts.
AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls are higher than projected due to residence hall occupancy and self-generated revenue being greater than planned. Expenses are lower than projected due to timing of operating and project expenses, one-time facility improvement projects, and replacement of furniture and equipment normally scheduled during the summer months.

2. Revenues and expenses for Telecommunications Services are lower than projected due to lower than anticipated volume of installations for new buildings under construction during the current fiscal year.

3. Expenses for the University Services System are lower than projected due to the timing of certain expenses, Recreational Sports projects, and union facility projects scheduled for summer months.

4. Revenues for Intercollegiate Athletics are higher than projected due to higher than forecasted ticket sales and ACC revenue. Expenses are lower than projected due to the timing of expenses and one-time projects.

5. Revenue and expenses for the Electric Service auxiliary are lower than projected due to lower than anticipated electricity consumption. Expenses are also lower than projected due to lower than forecasted total cost of purchased electricity, as well as timing of items ordered but not yet received thus not paid at fiscal year-end.

6. Expenses for Other Enterprise Functions are lower than projected due to timing of facility related projects.

7. The projected annual revenue, expense, and reserve budgets for Residence and Dining Halls were increased for residential and dining business volume, $0.7 million in Dining equipment, $1.3 million in Residential facility projects, and sustainability projects. Revenue and expense budgets were decreased for reduced Steger Center activity level.

8. The projected annual expense and reserve budgets for Auxiliary Enterprises were increased $0.1 million for state compensation actions for high-turnover positions.

9. The projected annual expense budget for Auxiliary Enterprises was increased $5.9 million for outstanding 2016-17 commitments and projects that were initiated but not completed before June 30, 2017. This amount includes $1.0 million for Residence Halls, $3.2 million in Dining Hall commitments and projects, and $0.3 million for Electric Service. The remainder is spread across the other auxiliary programs.

10. The projected annual expense and reserve draw budgets for the Auxiliary Enterprises were increased $0.5 million for the auxiliary share of the state’s assessment of a one-time Virginia Retirement System (VRS) investment in 2015 which help contain future VRS actuarial rates.

11. The projected annual revenue, expense, and reserve budgets for Parking and Transportation Services were increased for parking permit sales and operating expenses.

12. The projected annual expense and reserve budgets for Telecommunications Services were increased for enhancement of network security software and Roanoke campus network infrastructure.

13. The projected annual expense and reserve budgets for the University Services System were increased for two additional counseling positions and psychiatric nurse practitioner for Cook Counseling Center, Career and Professional Development personnel, health and recreation sports services in Roanoke, Recreational Sports challenge course, additional music rights contracts, and growth in self-generated revenues.

14. The projected annual revenue budget for Intercollegiate Athletics was increased $6.8 million to accommodate additional revenue of $1 million for the football team’s participation in the Camping World Bowl, $3.3 million in self-generated revenue, and $2.5 million in private fundraising for the Cassell seating project, men’s basketball locker room, athlete meals, and indoor practice facility. Annual expense and reserve draw budgets were increased $7.4 million to accommodate increases of $0.9 million for coaching staff transitions, athletic contracts, and competitive compensation, $2.1 million for Camping World Bowl expenses, $4.2 million for sports expenses, $0.3 million for operating expenses, $0.1 million for English Field astroturf, $0.6 million for Cassell seating project, $0.5 million for men’s basketball locker room project, $1.4 million for indoor practice facility capital project, and $0.9 million for videoboards and audio projects. The budget was decreased $1.1 million for the technical realignment of Student Athlete Academic Support Services and decreased $2.5 million for alignment of scholarship expenses to private fundraising associated with successful scholarship campaign.

15. The projected annual revenue and expense budgets for the Electric Services auxiliary were decreased due to lower than projected cost of wholesale electricity.

16. The projected annual revenue, expense, and reserve budgets for the Inn at Virginia Tech and Skelton Conference Center were increased for business volume and facility maintenance.

17. The projected annual revenue, expense, and reserve budget for Other Enterprise Functions were increased for additional business volume in Licensing and Trademark and Software Sales, student affairs operating support, $24.5 million internal financing of board approved Athletics facilities improvements project, scholarship expenses in Licensing and Trademark, health care plan participation, and sustainability projects. The revenue budget was decreased for lower than projected Printing Services business volume.
### Educational and General Projects

<table>
<thead>
<tr>
<th>Description</th>
<th>Initiated</th>
<th>Annual Budget</th>
<th>YTD Budget</th>
<th>YTD Support</th>
<th>YTD Nongeneral Revenue</th>
<th>YTD Bond Budget</th>
<th>Total Budget</th>
<th>Cumulative Budget</th>
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<tbody>
<tr>
<td><strong>Design Phase</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Improve Kentland Facilities</td>
<td>Sep 2013</td>
<td>6,000</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
<td>9,363</td>
<td>923 (1)</td>
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<tr>
<td>Renovate Undergraduate Science Laboratories</td>
<td>Jul 2016</td>
<td>6,250</td>
<td>953</td>
<td></td>
<td>-</td>
<td>-</td>
<td>10,000</td>
<td>1,376 (2)</td>
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<tr>
<td>Agriculture Production Facilities</td>
<td>Oct 2016</td>
<td>1,080</td>
<td>361</td>
<td>22,136</td>
<td>-</td>
<td>-</td>
<td>22,136</td>
<td>382 (3)</td>
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<tr>
<td>Chiller Plant Phase II</td>
<td>Oct 2016</td>
<td>4,040</td>
<td>1,337</td>
<td>31,024</td>
<td>-</td>
<td>-</td>
<td>40,821</td>
<td>1,392 (4)</td>
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<tr>
<td>Holden Hall Renovation</td>
<td>Oct 2016</td>
<td>3,840</td>
<td>1,288</td>
<td>44,386</td>
<td>-</td>
<td>-</td>
<td>61,886</td>
<td>2,189 (5)</td>
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<tr>
<td>Gas-Fired Boiler at the Central Steam Plant</td>
<td>Apr 2017</td>
<td>3,375</td>
<td>24</td>
<td>-</td>
<td>6,800</td>
<td>-</td>
<td>6,800</td>
<td>24 (6)</td>
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<tr>
<td>Planning: Intelligent Infrastructure and Construction Complex</td>
<td>Apr 2017</td>
<td>2,880</td>
<td>97</td>
<td>-</td>
<td>6,000</td>
<td>-</td>
<td>6,000</td>
<td>97 (7)</td>
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<tr>
<td>Planning: Undergraduate Science Laboratory Building</td>
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<td>2,500</td>
<td>1,407</td>
<td>-</td>
<td>3,084</td>
<td>-</td>
<td>3,084</td>
<td>1,407 (8)</td>
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<td><strong>Construction Phase</strong></td>
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<tr>
<td>Maintenance Reserve</td>
<td>On-going</td>
<td>12,860</td>
<td>13,032</td>
<td>20,297</td>
<td>-</td>
<td>-</td>
<td>20,297</td>
<td>18,439 (9)</td>
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<td>Academic Buildings Renewal</td>
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<td>18,600</td>
<td>18,265</td>
<td>35,029</td>
<td>-</td>
<td>-</td>
<td>35,029</td>
<td>24,039 (10)</td>
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<tr>
<td>Address Fire Alarm Systems and Access</td>
<td>Jun 2014</td>
<td>1,265</td>
<td>357</td>
<td>4,891</td>
<td>-</td>
<td>-</td>
<td>4,891</td>
<td>3,581 (11)</td>
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<td>Health Sciences &amp; Technology</td>
<td>Oct 2016</td>
<td>10,200</td>
<td>6,912</td>
<td>51,554</td>
<td>16,349</td>
<td>23,793</td>
<td>91,696</td>
<td>6,912 (12)</td>
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<td><strong>Close-Out</strong></td>
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<tr>
<td>Classroom Building</td>
<td>Dec 2012</td>
<td>1,050</td>
<td>792</td>
<td>42,652</td>
<td>-</td>
<td>-</td>
<td>42,652</td>
<td>42,394 (13)</td>
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<tr>
<td>Biocomplexity Data Center</td>
<td>Sep 2015</td>
<td>900</td>
<td>502</td>
<td>-</td>
<td>5,900</td>
<td>-</td>
<td>5,900</td>
<td>5,252 (14)</td>
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<tr>
<td>Eastern Shore AREC Storage Building</td>
<td>Apr 2016</td>
<td>381</td>
<td>324</td>
<td>-</td>
<td>535</td>
<td>-</td>
<td>535</td>
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<td><strong>Total Educational and General Projects</strong></td>
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<td>48,668</td>
<td>51,090</td>
<td>361,090</td>
<td>108,887</td>
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**Presentation Date:** August 27, 2018
1. This project is to provide a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. Bid efforts in 2016 and 2017 were more than ten percent over budget. The university will rebid in June 2018 under a modified bid package and more aggressive outreach effort. The annual budget will be underspent because it anticipated a construction start in fall 2017.

2. This project will renovate seven laboratories within Derring Hall and Hahn Hall for undergraduate science laboratory classes in biology, chemistry, physics, and microbiology. The initial bid effort in December 2017 received no responses. The project was successfully rebid in June 2018 and a construction contract will be awarded in July. The annual budget will be underspent because it anticipated a construction start in January 2018.

3. This project is for the first of two phases to renew the existing facilities for the livestock and poultry programs. This first phase includes an approximate total scope of 126,000 gross square feet of new and renovated facilities at the Blacksburg campus and three nearby university production and research farms. Schematic design is nearing completion with preliminary design starting in July 2018. The annual budget will be underspent because design has progressed slower than projected.

4. This project continues the strategic infrastructure advancements initiated by the Chiller Plant, Phase I project. Phase II includes the upgrade of campus utility systems and addresses several strategic needs for shifting the campus to a lower resource consuming cooling service with improved redundancies. Preliminary design is underway with working drawings expected to start June 2018. The annual budget will be underspent because design has progressed slower than projected.

5. This project will renovate 20,000 gross square feet, demolish 21,000 gross square feet, and construct an 80,000 gross square foot expansion of Holden Hall to accommodate the instruction and research programs of Materials Science and Engineering, Mining and Minerals Engineering, and Computer Science Engineering. Preliminary design is underway with working drawings expected to start June 2018.

6. This project will design, purchase, and install a new Gas-Fired Boiler within the Central Steam Plant. Preliminary design is underway with working drawings expected to start June 2018. The annual budget will be underspent because design has progressed slower than projected.

7. This planning project is for Hitt Hall, the Fusion Laboratories, and the Smart Dining Center. The total project funding plan calls for $50 million to cover the three programs. Criteria document development for Design-Build is underway. The annual budget will be underspent because design has progressed slower than projected.

8. This planning project is for an entirely state funded 102,000 gross square foot science laboratory building adjacent to the new classroom building. The university is temporarily funding the project and will be reimbursed by the state once construction funding is appropriated. Schematic design is underway with preliminary design expected to start June 2018. The annual budget will be underspent because design has progressed slower than projected.

9. The state maintenance reserve program requires a biennial budget expenditure of 85 percent, which is $17.3 million of cumulative expenses by June 30, 2018. The annual budget amount reflects the spending level required to slightly exceed the performance requirement.

10. This project is for the renovation of Davidson Hall-Front Section, Sandy Hall, and the Liberal Arts Building. The project is under construction with substantial completion expected in summer 2018.

11. This project supports progress on fire alarm systems and accessibility improvements for E&G buildings. The final two projects, Norris Hall and Litton Reaves Hall, are underway with anticipated completion fall 2018.

12. This project is being delivered under a Public Private Partnership with Carilion Clinic and is located adjacent to the existing Virginia Tech-Carilion Research Institute facility in Roanoke, Virginia. Construction is underway and on schedule for an expected completion date of March 2019. The annual budget will be underspent because construction invoices are slower than expected. The total budget increased because the state authorized an additional $3.247 million of General Fund support to ensure all laboratory spaces are completed.

13. The project was closed in June 2018. The total cost was $42.394 million and the authorization was underspent.

14. The project is complete and occupied since July 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.

15. The project is complete and occupied since August 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.
Capital Outlay Projects Authorized as of June 30, 2018 (Continued)

Dollars in Thousands

<table>
<thead>
<tr>
<th>PROJECT INITIATED</th>
<th>ANNUAL BUDGET</th>
<th>YTD EXPENSES</th>
<th>STATE SUPPORT</th>
<th>NONGENERAL FUND</th>
<th>REVENUE BOND</th>
<th>TOTAL BUDGET</th>
<th>CUMULATIVE EXPENSES</th>
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<tbody>
<tr>
<td><strong>ANNUAL YTD</strong></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td><strong>NONGENERAL</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUE</strong></td>
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**AUXILIARY ENTERPRISE PROJECTS**

**Design Phase**
- Student Wellness Improvements: Jun 2016, $2,259, 1,037, $6,010, $56,990, $63,000, $1,563 (1)
- Creativity & Innovation District Residence Hall: Oct 2016, 3,200, 894, $5,000, 3,300, 8,300, 139 (3)
- Dietrick First Floor and Plaza Renovation: Sept 2017, 500, 139, -
- ACC Network Studio: Mar 2018, 250, 133, -
- Student-Athlete Performance Center: Mar 2018, 250, 322, -
- Commonwealth Ballroom Improvements: Mar 2018, 200, 132, -
- Slusher Replacement Planning: June 2018, -

**Construction Phase**
- Maintenance Reserve: On-going, 7,000, 9,289, -
- Lane Substation Expansion: Sept 2015, 4,000, 1,893, -

**Close-Out**
- Unified Communications & Network Renewal: Apr 2012, 1,637, 1,085, -
- Upper Quad Residential Facilities: May 2013, 4,668, 4,984, -
- Residential Door Access Improvements: Dec 2015, 757, 462, -
- O'Shaughnessy Renovation: Apr 2016, 16,000, 14,443, -
- Athletic Facilities Improvements: Aug 2016, 20,000, 26,599, -

**TOTAL AUXILIARY ENTERPRISE PROJECTS**

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**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, 2017 through June 30, 2018 and the Capital Outlay report be approved.

August 27, 2018
Auxiliary Enterprises Projects

1. This project includes improvements to War Memorial Hall for deferred maintenance, code requirements, and installing air conditioning. Renovations to Schiffert Health Center in McComas Hall are included to convert the area vacated by counseling services to accommodate student health services. Schematic design is underway.

2. This project is planning a new residential community with approximately 596 beds, including 176 beds for student-athletes, and academic collaborative spaces to support creativity and innovation programs. Schematic design is underway to finalize the scope, size, and shape to fit within a $105.5 million total project budget and schedule for a summer 2021 opening. The current project authorization reflects a traditional 350 bed residential program. The authorization will need a future adjustment based on the results of the programing study.

3. This project includes refurbishing the first floor of Dietrick Hall, inserting a modern food service venue, enclosing a portion of the overhang, and improvements to the outdoor plaza. A $1.3 million supplement was approved at the June 2018 Board of Visitors meeting increasing the total project authorization from $7 million to $8.3 million. Schematic design is underway with occupancy expected fall 2019.

4. This project includes improvements and expansion of broadcasting facilities to support the new ACC Network channel to be launched fall 2019. Demolition and equipment purchases are underway with occupancy expected spring 2019.

5. This project includes a complete renovation of the fourth floor of the Jamerson Center, construction of a balcony cantilevered from the fourth floor, and a new elevator tower. The project authorization included a provision for increasing the total project budget up to 10 percent for additional designated gifts which was executed during the fourth quarter. The total project budget increased by $1.517 million from $15.516 million to $16.682 million. Schematic design is underway with occupancy expected in the first calendar quarter of 2021.

6. This project refurbishes and updates outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers. Instillation of a Skyfold dividing wall will increase usage capabilities of the Commonwealth Ballroom. The project was authorized March 26, 2018 and inserted as a new item in the report for the third quarter. Construction is expected to start October 2018 with occupancy expected March 2019.

7. This project includes planning for the replacement of Slusher Hall through the preliminary design phase. The project was authorized June 4, 2018 and inserted as a new item in the report for the fourth quarter. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding, and schedule for the entire project are determined.

8. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget and total project budget reflect the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2018. The auxiliary maintenance reserve program covers 104 assets with a total replacement value of $1.1 billion. Year-to-date expenses exceeded the annual budget because several projects were added after the start of the fiscal year and invoices expected in fiscal year 2019 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

9. This project expands the Substation on Innovation Drive. The project includes the purchase and installation of two 28,000 kilovolt-amps (kVA) transformers, two circuit switchers, six distribution reclosers with space for an additional four reclosers, a control house and associated relay, and control equipment. Construction is underway with completion expected summer 2019.

10. The project was closed in June 2018. The total cost was $15.956 million and the authorization was underspent.

11. This project is substantially complete. The total cost is expected to be $89.4 million. The project may be closed and financial accounts terminated when final invoices are received and paid. Year-to-date expenses exceeded the annual budget because invoices expected in fiscal year 2017 arrived in fiscal year 2018. Resources are available and sufficient to cover the shifted cash outflows, and total expenditures and commitments are within the authorized budget.

12. The project was closed in June 2018. The total cost was $7.440 million and the authorization was underspent.

13. This project is substantially complete. The total cost is expected to be $21.5 million. The project may be closed and financial accounts terminated when final invoices are received and paid.

14. This project is substantially complete. The total cost is expected to be $37.5 million. The project may be closed and financial accounts terminated when final invoices are received and paid.
Annual Project Expenditures by Activity Through June 30, 2018

Year to Date Expenses: $107,098
Annual Budget: $135,942
CAPITAL PROGRAM PROJECTS
Total Number of Active Capital Projects
Fiscal Year 1990 - Fiscal Year 2018

Number of Projects

- Total Number of Projects
- Excluding Maintenance Reserve
- E&G - Excluding Maintenance Reserve
- Aux - Excluding Maintenance Reserve


Values: 0, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50
CAPITAL PROGRAM EXPENDITURE TREND
Total Annual Expenditures for Active Capital Projects
Fiscal Year 1990 - Fiscal Year 2018
Financial Performance Report
July 1, 2017 - June 30, 2018

TIM HODGE, ASSOCIATE VICE PRESIDENT FOR BUDGET AND FINANCIAL PLANNING

BOB BROYDEN, ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT

PRESENTATION AUGUST 27, 2018
Operating Revenue
2016-17 VS 2017-18

FY 17 Actual
FY 18 YTD Actual
Original FY18 Budget
Adjusted FY18 Budget
Educational & General and Auxiliary Enterprises
4th Quarter 2017-18

Annual Budget Changes
Auxiliary: $2.5M internal financing of board approved Athletics facilities improvements

Intercollegiate Athletics: Decreased $1.4 million for realignment of scholarship expenses to private fundraising associated with successful scholarship campaign.

Financial Performance
Education and General Program
- Successfully closed fiscal year in both agencies. E&G funds were fully utilized.
  - University Division bottom line ($0.7 million): Continuing Education
  - Cooperative Extension/Agricultural Experiment Station bottom line of $2.2 million: receipt of prior year federal fund drawdowns

Auxiliary Enterprises
- Auxiliary temporary year end savings due to timing incomplete projects (carryover): $12 million total ($6M Housing & Dining)

All Other Programs
- Lower than projected activity due to timing of integration
Sponsored Program Expenditures

2016-17 VS 2017-18

*Other includes Enterprise Funds, Royalty, and Research Ancillary Activity
Capital Outlay Key Measures

- Project authorizations fully funded
- Commitments and expenditures within authorized budgets
- Spending on pace with budget plan

15
5
8

Annual Budget: $135,942
Year to Date Expenses: $107,098

Year to Date

Design
Construction
Closeout

Unspent Budget
Year to Date

$27,502
$99,469
$8,972

30%
91%
91%

70%
9%

Key Updates

- Successful bids received:
  - Undergraduate Science Lab Renovations
  - Commonwealth Ballroom Improvements
- Health Science & Technology funding increased
- Capital project threshold increased to $3 million by State effective July 1, 2018
Summary

- Operating Budget
  - On track
- Capital Projects
  - All spending and commitments are within authorized budgets

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, 2017 through June 30, 2018 and the Capital Outlay report be approved.

August 27, 2018
Open Joint Session Agenda

FINANCE AND RESOURCE MANAGEMENT COMMITTEE
AND
BUILDINGS AND GROUNDS COMMITTEE

Roanoke Higher Education Center
Room 715
11:00 a.m. – 11:15 a.m.

August 27, 2018

Agenda Item

* 1. Approval of Resolution for Planning the Athletics Weight Room Renovation and Expansion

Reporting Responsibility
Dwight Shelton
Sherwood Wilson

* Requires full Board approval.
Open Session

* 1. **Approval of Resolution for Planning the Athletics Weight Room Renovation and Expansion**: The Committees will review for approval a resolution for planning the capital project for the Athletics Room Renovation and Expansion.

The Merryman Center was built in 1998 and is approximately 42,000 gross square feet. The facility has received few improvements since its original construction, and requires an update to meet the Athletic department’s expectations within the highly competitive environment for NCAA Division I college football. The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package.

Based on a feasibility study completed in January 2018, the university has determined that the desired athletics program can be accommodated with an approximately 22,520 gross square foot project. This includes a 17,640 gross square foot renovation of the first two floors of the Merryman Center and a 4,880 gross square foot expansion of the second floor team meeting rooms.

This request is for a $700,000 planning authorization to complete working drawings for the Athletics Weight Room Renovation and Expansion project.

The Athletics program is raising private funds to support the project and has received gifts and commitments sufficient to support the planning phase of the project.

* Requires full Board approval.
The Merryman Center is a 42,000 gross square foot athletic facility that was built and placed in service in 1998. The facility has received few improvements since its original construction, and requires an update to meet the Athletic department’s expectations within the ultra-competitive environment for NCAA Division I college football. As a member of the Atlantic Coast Conference, Virginia Tech competes among the highest level of competition in the NCAA. Proper facilities are a critical element to attract and maintain high caliber student athletes and coaches. A renovation and expansion to the football program’s weight facility and team meeting rooms will further enhance the football program to compete at the highest level.

The Athletics department completed a feasibility study for the program in January 2018. The study shows the desired program can be accommodated with an approximately 22,520 gross square foot project including a 17,640 gross square foot renovation of the first two floors of the Merryman Center and a 4,880 gross square foot expansion of the second floor team meeting rooms. The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package. This project will enhance the student athlete experience within the football program for both physical and mental preparation.

The Athletics program is raising private funds to support the project and has received gifts and commitments sufficient to support the planning phase of the project. The planning budget is $700,000, and Athletics desires to move forward with a planning project while continuing to raise funds for the entire project.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, and funding of nongeneral fund capital outlay projects. This request is for a $700,000 planning authorization to complete working drawings for the Athletics Weight Room Renovation and Expansion project. A subsequent request for full project funding may be submitted after designs are underway and a firm scope, cost, funding plan, and schedule for the entire project are determined.
RESOLUTION OF A CAPITAL PROJECT FOR PLANNING THE ATHLETICS WEIGHT ROOM RENOVATION AND EXPANSION

WHEREAS, as a member of the Atlantic Coast Conference, Virginia Tech competes among the highest level of competition in the NCAA; and,

WHEREAS, proper facilities are a critical element to attract and maintain high caliber student athletes and coaches; and,

WHEREAS, a feasibility shows the football weight room requires renovation and expansion to meet the expectations of athletes and coaches; and,

WHEREAS, the envisioned project scope includes a 22,520 gross square foot total project including 17,640 gross square foot renovation of the first two floors of the Merryman Center and 4,880 gross square foot expansion of the second floor; and,

WHEREAS, the Athletics program is raising private funds for the project and has received gifts and commitments sufficient to support the planning phase of the project; and,

WHEREAS, the planning budget is $700,000, and Athletics desires to move forward with a planning project while continuing to raise funds for the entire project; and,

WHEREAS, the university is requesting a $700,000 planning authorization to complete working drawings and to fund the planning project with 100 percent nongeneral fund resources derived from private gifts; and,

WHEREAS, the university may submit a subsequent request for full project funding after designs are underway and a firm scope, cost, funding plan, and schedule for the entire project are determined; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, and funding of nongeneral funded major capital outlay projects; and,

NOW THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a $700,000 planning authorization for the Athletics Weight Room Renovation and Expansion project.

RECOMMENDATION:

That the above resolution authorizing Virginia Tech to plan the Athletics Weight Room Renovation and Expansion project be approved.

August 27, 2018
Resolution for Planning the Athletics Weight Room Renovation and Expansion

August 27, 2018

DWIGHT SHELTON
VICE PRESIDENT FOR FINANCE AND CHIEF FINANCIAL OFFICER

BOB BROYDEN,
ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT

VIRGINIA TECH.
Resolution for Planning the Athletics Weight Room Renovation and Expansion

- The Athletics department desires to modernize the existing football weight room located in the Merryman Center, originally placed in service in 1998.
- The envisioned renovation and expansion will provide state-of-the-art spaces for weight training, nutrition, team meeting space, circulation, and an updated graphics package.
- Existing donations and commitments are sufficient to cover planning costs.
NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with a $700,000 planning authorization for the Athletics Weight Room Renovation and Expansion project.

RECOMMENDATION:
That the resolution authorizing Virginia Tech to plan the Athletics Weight Room Renovation and Expansion project be approved.

August 27, 2018
## Open Session Agenda

**GOVERNANCE AND ADMINISTRATION COMMITTEE**

RM 717, Roanoke Higher Education Center  
9:30 a.m. – 11:30 a.m.  
August 27, 2018

### Agenda Item  |  Reporting Responsibility
--- | ---
1. Welcome and Opening Remarks  | Mr. Mehul Sanghani, Chair
2. Consent Agenda  | Mr. Mehul Sanghani
   a. Approval of Minutes of June 3, 2018 Meeting
   b. Approval of Minutes of July 19, 2018 Meeting
   *  c. Approval of Parental Leave Policy

3. Introduction of new Senior Vice President for Operations and Administration  | Dr. Dwayne Pinkney
4. Approval of the University Succession Management Program  | Dr. Lisa Wilkes
   | Mr. Martin Daniel

5. Pamplin College of Business Diversity and Inclusion Plan  | Dr. Menah Pratt-Clarke
   | Dr. Robert Sumichrast

6. Sensitive Data Protection  | Mr. Randy Marchany

* 7. Approval of BOV By-Laws Revision  | Mr. Mehul Sanghani
   | Ms. Kim O’Rourke

8. Board Self-Evaluation Process  | Mr. Mehul Sanghani
   | Ms. Kim O’Rourke

9. Future Agenda Items and Closing Remarks  | Mr. Mehul Sanghani
   a. Annual Meeting Cycle

* Requires Full Board Approval
OPEN SESSION

1. Welcome and Opening Remarks. Mr. Mehul Sanghani, Chair of the Governance and Administration Committee, will welcome committee members, guests, and invited participants.

2. Consent Agenda. The committee will consider for approval and acceptance the items listed on the Consent Agenda.
   a. Approval of Minutes of the June 3, 2018, Meeting
   b. Approval of Minutes of the July 19, 2018, Meeting
   c. Approval of Parental Leave Policy

3. Introduction of new Senior Vice President for Operations and Administration. Dr. Dwayne Pinkney, newly appointed Senior Vice President for Operations and Administration, will address the committee on his first weeks at Virginia Tech and future plans regarding the position and the university.

4. Approval of the University Succession Management Plan. Dr. Lisa Wilkes, Interim Vice President for Human Resources, and Mr. Martin Daniel, Associate Vice President, Human Resources Strategic Engagement, will discuss with the committee a succession planning framework for the changing workforce, approaches to leadership development, and strategies for “critical positions.” They will then introduce a resolution for the approval and implementation of the proposed succession management program based upon the framework presented.

5. Pamplin College of Business Diversity and Inclusion Plan. Dr. Menah Pratt-Clarke, Vice President for Strategic Affairs and Vice Provost for Inclusion and Diversity, will introduce Dr. Robert Sumichrast, Dean of the Pamplin College of Business, to present to the committee the college’s diversity and inclusion successes and initiatives.

6. Sensitive Data Protection. Dr. Randy Marchany, University Information Technology and Security Officer, will speak to the committee on the topic of sensitive data protection and the security framework put in place by Virginia Tech’s Information Technology Department to protect university data.
7. **Approval of BOV By-laws Revision.** Mr. Mehul Sanghani and Ms. Kim O'Rourke, Secretary to the Board, will introduce a resolution proposing changes to BOV by-laws to comply with changes in the Code of Virginia and accreditation requirements and to address a board governance matter.

7. **Board Self-Assessment Process.** Mr. Mehul Sanghani and Ms. Kim O'Rourke will discuss the new accreditation requirement for Board Self-Assessment and the process that Virginia Tech’s Board will employ.

8. **Future Agenda Items and Closing Remarks.** Mr. Mehul Sanghani will discuss future agenda items for the committee.

   a. Annual Meeting Cycle

He will then offer closing remarks and request a motion for adjournment.
The Committee will consider for approval and acceptance the items listed on the Consent Agenda.

a. Approval of Minutes of June 3, 2018 Meeting

b. Approval of Minutes of July 19, 2018 Meeting

* c. Resolution to Amend Policy to Comply with Governor’s Executive Order Regarding Paid Parental Leave for University Employees

* Requires Full Board Approval
Committee Minutes
GOVERNANCE AND ADMINISTRATION COMMITTEE
Room 170, New Classroom Building
June 3, 2018

Committee Members: Mehul Sanghani (Chair), Mehmood Kazmi, Jeff Veatch,

Other Board Members: Greta Harris, Charles T. Hill, Anna James, Letitia Long, Robert J. Mills, Jr., Chris Petersen, Debbie Petrine (Vice Rector), Michael Quillen, Wayne H. Robinson, Dennis Treacy (Rector), Horacio Valeiras.

Representatives to the Board: Seyi Olusina, Brett Netto, Hans Robinson, Robert Sebek

VPI & SU Faculty, Staff, and Students: Kim O’Rourke, Lorenzo Amani, Mac Babb, Whit Babcock, Lori Buchanan, Allen Campbell, Cyril Clarke, Shelia Collins, Al Cooper, Steve Filipiak, Ron Fricker, Deborah Fulton, Susan Gill, Dee Harris, Kay Heidbreder, Rachel Holloway, Rachel Iwicki, Sharon Kurek, Curtis Mabry, Theresa Mayer, Heidi McCoy, Robin McCoy, Ken McCrery, Ross Mecham, Nancy Meacham, Scott Midkiff, Sally Morton, Mike Mulhare, April Myers, Kelly Oaks, Mark Owczarski, Patty Perillo, Ellen Plummer, Menah Pratt-Clarke, Scot Ransbottom, Dwight Shelton, Timothy Sands, Savita Sharma, Kayla Smith, Laurie Stacy, Jon Clark Teglas, Tracy Vosburgh, Lisa Wilkes, & Sherwood Wilson

OPEN SESSION

1. Welcome and Opening Remarks. The start time of the committee meeting was delayed, and the committee was convened at 4:22 pm. Mehul Sanghani, Chair of the Governance and Administration Committee, welcomed committee members, guests, and invited presenters. He then provided a brief overview of the committee’s scope, as well as information regarding the charge given to the committee by the Rector of the Board to provide recommendations to the Task Force on Board Structure and Governance regarding the student representative selection process, governance, and committee assignments.

2. Consent Agenda. The committee approved the items listed on the Consent Agenda.

   a. Minutes of the November 6, 2017, Meeting
      (Note: This committee did not meet in conjunction with the March 2018 Board of Visitors meeting)

3. Update on Search for the Vice President for Human Resources. M. Dwight Shelton, Jr., Interim Senior Vice President for Operations and Administration, and chair of the search committee for the new Vice President for Human Resources,
provided the committee with an update on the status of the search that is nearing completion.

4. **Overview/Status Report on Human Resources Transformation Project.** Lisa Wilkes, Interim Vice President for Human Resources, provided the committee with a status report on the ongoing Human Resources Transformation Project.

Dr. Wilkes began with a brief overview of the transformation project, explaining that the department is moving away from a decentralized, administratively focused model, to a more centralized function that emphasizes the consultative and strategic values of an HR Department, while also maintaining its current administrative functions. Virginia Tech is not the only institution moving to this model, as UVA, Penn State, and Ohio State are also undergoing similar transformations of their own in an effort to prepare for changes in the workforce, as well as in the digital/mobile world. Currently, the focus of Virginia Tech’s project has moved from the administrative to the consultative and strategic arms of the new model, as the organizational structure of the department is being put into place and consulting teams are emerging. A Conceptual Framework for Strategic Engagement has been proposed that focuses on 1) Organizational Capacity, achieved through recruiting and retention strategies, and 2) Organizational Competency, achieved through learning and development strategies. Benefits of the proposed framework include proactively identifying and addressing needs; enhancing old and creating new programs/services to retain talent and strengthen employee morale and engagement; creating consistency and equity in service delivery, policy, and practices; and aligning faster and simpler processes to reach university goals. The guiding principles behind the framework and its goals are to ensure that the HR function is strategic and collaborative, and that the university possesses the workforce capacity and competencies to achieve its mission, vision, and strategic priorities. Along with that, the department aspires to design, develop, and deliver strategic programs and services that are accessible, inclusive, and supportive of all faculty and staff, in order to achieve their goal of being effective and responsible stewards of university resources. Challenges and opportunities include building a future state while maintaining the current state in a multi-year initiative, establishing metrics and analytics to allow for data-driven decisions, and planning for the future workforce while keeping both current and new employees engaged. Overall, the university is well-positioned to become a national leader in human resources as the transition continues, and the people of the university remain and will always be its greatest asset.

5. **Information Technology Presentation.** Scott Midkiff, Vice President for Information Technology and Chief Information Officer, presented to the committee on the Division of Information Technology, its mission, and its alignment with the university’s mission and strategic initiatives, with emphasis on teaching and learning and research computing.
The mission and goals of the Division of IT are to support and enable the mission and goals of the university in all areas. In the area of teaching and learning, the Division of IT supported 85 Virginia Cyber Range courses this past year in 40 Virginia high schools, 6 community colleges, and 7 universities, with a total of over 500 student and instructor accounts. These courses allow for isolated network environments in which students can safely complete hands-on cybersecurity exercises and competitions. Along with that, the Division also continued to support diverse teaching and learning models, from fully online courses, to hybrid classes, to technology-mediated learning, to technology-assisted learning using lecture capture. The Division’s focus is on people and ideas, as well as technology, as it strives to enable innovation in teaching and learning, as well as course redesign and accreditation, while also maintaining and promoting best practices. This past year the university saw a shift in technology, introducing Canvas, the new learning management system; Kaltura, the new lecture capture and video content management system; and Zoom, the new videoconferencing system. Ninety-three percent of this year’s graduating undergraduates took at least one online class, almost half of which actually took more than three online courses. In the realm of Research, the Division has worked to allow open access to high-performance computing systems and storage, as well as invested in the computing program for priority access for participating researchers. Currently, high-performance computing resources are supporting 249 projects across the university. The Division has also worked to ensure data and security compliance for researchers in order to create secure research environments, while also addressing the growing demands for both network capacity and storage. The university is demonstrating an ever-growing demand for wireless availability on campus, particularly outdoors; on a single day this spring, the wireless network carried 80 terabytes of data. Opportunities and challenges for the Division include recruiting, retention, and professional development of their workforce, as well as a shift in funding needs, as there is a movement from “buying” to “subscribing” to software because of the cloud.

6. Presentation of the Falcon Social Tool. Tracy Vosburgh, Senior Associate Vice President for University Relations, presented to the committee on the Falcon social tool and its ability to monitor the university’s social media footprint, as well as facilitate more effective means of sharing news with the community across various platforms. She was joined by Mac Bab and Mike Mulhare, who spoke to the utilization possibilities of the tool for each of their respective areas.

Currently, the university does not utilize a shared system to coordinate, align, and monitor Virginia Tech’s social media footprint across all units; everything is done individually. In a strategic effort to do so, a one-year contract was recently signed for the testing of Falcon, a social tool that provides means to better collect and analyze data, as well as the ability to post and monitor updates on all platforms simultaneously. Mike Mulhare, Assistant Vice President for Emergency Management, presented a case study showcasing vt.edu web traffic on a typical day vs. a day on which an emergency incident occurred, specifically noting the
spikes in web traffic that occurred as VT Alerts were released. He also presented comparisons of web traffic related to three separate emergency incidents, which further illustrated the fact that many individuals are relying more and more on the web and social media to obtain information. Therefore, the use of such platforms can prove to be very beneficial when it comes to crisis management and communicating with the Virginia Tech Community. Deputy Chief Mac Babb of the Virginia Tech Police Department spoke to the fact that the VTPD currently has no social media management tools and how the implementation of such a tool would assist in the areas of threat assessment, engagement, and the overall ability to share information with the community in a more timely and effective manner. The goal for the implementation of Falcon is that it will successfully allow for better management of the university’s online reputation, pave the way for more data-driven driven decisions, and ensure more proactive and reactive approaches across the board in relation to social media.

7. **Presentation of Student-Athlete Demographics.** Whit Babcock, Director of Athletics, presented to the committee on both Student-Athlete and Athletics’ Faculty and Staff demographics, as well as spoke to the department’s current and ongoing diversity and inclusion initiatives.

Athletics is one of the most diverse units on campus, as the student-athlete population enhances the entire student body population, and the department is recruiting in non-traditional high schools in Virginia. In an effort to make the unit even more dynamic, creative, and responsive, the department also strives to continue the trend of building a faculty and staff population that reflects that of their student-athletes. From July 1, 2017 to April of 2018, 23% of Athletic Department hires were from unrepresented groups, as were six of the ten Head Coaches that have been hired since 2012. In the spring of 2017 the department formed the Athletics Diversity and Inclusion Committee, and have since implemented several initiatives to better inform and educate both its students and its employees alike. Such initiatives include various lectures and trainings presented to both students and staff, department representation on various diversity and inclusion related committees, and financial contributions and sponsorships made on behalf of the department in support of events and groups that promote and value inclusion and diversity initiatives.

8. **Future Agenda Items and Closing Remarks.** Mehul Sanghani, Chair of the Governance and Administration committee, discussed future agenda items for the committee. He then offered closing remarks and requested a motion for adjournment.

There being no further business, the meeting was adjourned at 5:46 p.m.
Mr. Sanghani convened this special meeting of the Governance & Administration Committee at 3:50 p.m. at 10780 Parkridge Boulevard in Reston, Virginia, for the purpose of considering the governance and selection of the student representatives to the Board, as charged by the Rector.

Mr. Sanghani summarized what had transpired to date. During winter 2018, one of the student representatives raised the issue of the governance and selection of student representatives with the Rector of the Board, who in turn raised the matter at a meeting of the Executive Committee in March 2018. The Executive Committee recommended that the matter be referred to the Governance and Administration (G&A) Committee. Subsequently, at the March Board meeting, the Rector charged the G&A Committee to bring recommendations to the Task Force on Board Structure and Governance. Accordingly, Mr. Sanghani distributed a survey to those who served as student representatives in 2017-18 and the five preceding years, as well as to the Vice President for Student Affairs (VPSA) and the Vice President for Graduate Studies (VPGS). Responses were received from four undergraduate representatives, two graduate representatives, and both vice presidents. The members of the G&A Committee individually had conversations over the course of the June 2018 Board meeting with the student who had raised the matter. Subsequently, another student representative proposed to a member of the committee an idea to compensate the student representatives to the Board for their service.

The committee identified four issues for discussion:

- The governance or organizational home of the student representatives.
- The selection process for the student representatives and integration with the Student Government Association (SGA) and Graduate Student Assembly (GSA).
- The need to promote greater awareness within the student body of the positions of undergraduate and graduate student representatives to the Board in part to attract more interest in the position and more candidates.
- Compensation proposal.
By consensus after discussion, the Governance and Administration Committee agreed:

1. To recommend to the Task Force for Board Structure and Governance that the organizational home for the student representatives be shifted to the Vice President for Governance and Administration (VPPG) effective with the 2018-19 academic year. Currently, the organizational home for the undergraduate student representative is with the Vice President for Student Affairs, and for the graduate student representative is with the Vice President for Graduate Studies. The position of Vice President for Governance and Policy was created in August 2017 and seems a natural “home” for the student representatives. The committee recommends further that the Vice President for Policy and Governance together with the current student representatives develop an addendum to the Handbook for Student Representatives that describes the role and responsibilities of the VPPG with regard to the student representatives within six months. The committee envisions that the VPPG will serve in a neutral role to educate and train the students about the governance of the university, provide oversight for the students and the selection process, and assure the independence of the student representatives in their interactions and communications with the Board. Further, the student representatives’ existing level of interaction with other student leaders as well as with the Vice President for Student Affairs and Vice President for Graduate Studies should be preserved if not increased, and the VPPG would support and facilitate these interactions.

2. To recommend that the Governance and Administration Committee be charged with examining the student selection process over the course of the coming year. The G&A Committee would plan to create a small task force consisting of one of its members, the VPPG, and the student representatives that would consult with stakeholders such as the SGA, GSA, VPSA, VPGS, and others that they deem appropriate to develop recommendations for changes to the student selection process. Any minor changes recommended during the fall semester 2018 would be implemented for the 2019-20 student selection process. Recommendations developed over the course of the year for major changes, if any, would be implemented for the 2020-21 student selection process.

3. To recommend that the new task force identified above collaborate with Tracy Vosburgh, Hunter Gresham, the VPSA, and the VPGS on ways to increase the awareness of the BOV student representative positions among the student body.

4. That they were not supportive of the proposal for compensation and would not bring forward such a recommendation to the Task Force.

The three recommendations enumerated above will be provided to the Task Force on Board Structure and Governance for consideration at their July 23 meeting.

There being no further business, the meeting was adjourned at 4:50 p.m.
RESOLUTION TO AMEND POLICY
TO COMPLY WITH GOVERNOR’S EXECUTIVE ORDER
REGARDING PAID PARENTAL LEAVE FOR UNIVERSITY EMPLOYEES

WHEREAS, on June 25, 2018, Governor Ralph Northam issued Executive Order Number Twelve; and

WHEREAS, the Executive Order authorizes the creation of paid parental leave for employees of executive branch agencies in the Commonwealth of Virginia; and

WHEREAS, the state’s Department of Human Resource Management shall establish policy and guidance documents to support the implementation of the Executive Order for classified employees; and

WHEREAS, the Virginia Tech Board of Visitors has the authority over university staff and faculty employment policies; and

WHEREAS, the administration will engage the appropriate constituencies in creating a university policy and related procedures;

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors directs the administration to articulate a paid parental leave policy and appropriate related procedures in compliance with the Governor’s Executive Order Number Twelve.

RECOMMENDATION:
That the Board of Visitors approve the Resolution to Amend Policy to Comply with Governor’s Executive Order Regarding Paid Parental Leave for University Employees.

August 27, 2018
Importance of the Initiative

The Commonwealth of Virginia is the best place to work, live, and raise a family because of its commitment to providing opportunities for success in both the workplace and at home. The creation of this leave policy will not only provide benefits for children and parents, but also strengthen the Commonwealth’s ability to recruit and retain a talented workforce.

Research shows paid time-off provides benefits for both children and parents. Access to parental leave has a positive impact on children’s health and development and decreases infant mortality rates. For parents, paid time-off increases the likelihood they will return to the labor force and benefits health and well-being.

The Commonwealth’s employees are dedicated public servants. They work hard to keep Virginia strong. The creation of this leave policy will provide them with the support they need in the workplace and at home. The paid parental leave policy is in addition to other leave benefits available to Commonwealth employees, such as Virginia Sickness and Disability Program leave (VSDP), sick leave, annual leave, and leave under the federal Family Medical Leave Act (29 U.S.C. §§ 2601-2654).

Parental Leave for Employees of the Commonwealth

By virtue of the authority vested in me as Governor under Article V of the Constitution of Virginia and under the laws of the Commonwealth, I hereby authorize the creation of Paid Parental Leave for employees of executive branch agencies (Agencies) in the Commonwealth under the following parameters:

1. A classified or at-will employee who has been employed by the Commonwealth for a minimum of twelve (12) consecutive months is eligible for parental leave (Eligible Employee).
2. Following the birth, adoption, or foster placement of a child younger than 18 years of age:
   - An Eligible Employee will receive eight (8) weeks (320 hours) of parental leave; and
   - If both parents are Eligible Employees, each shall receive parental leave, which may be taken concurrently, consecutively, or at different times.

3. Parental leave shall be taken within six (6) months following the birth, adoption, or foster placement of the child.

4. Parental leave shall only be taken once in a 12-month period and only once per child.

5. Parental leave shall be provided at 100% of the Eligible Employee’s regular salary.

6. Parental leave shall not be counted against an Eligible Employee’s annual or sick leave.

7. Legal holidays listed in § 2.2-3300 of the Code of Virginia shall not be counted against parental leave.

8. Parental leave shall run concurrently with leave provided under the Family and Medical Leave Act, if the employee is eligible.

9. Parental leave may run concurrently or sequentially with VSDP, if the employee is eligible for VSDP.

The Department of Human Resource Management (DHRM or Department) shall establish policy and guidance documents to support implementation of this Executive Order.

**Exceptions for Classified and At-Will Employees**

Requests for exceptions to this policy must be directed to the Eligible Employee’s Human Resource Manager. If the Human Resource Manager at the Agency level approves the exception, then a request must be made to DHRM for final approval. DHRM will then notify the Human Resource Manager of its decision. The Human Resource Manager will subsequently inform the Eligible Employee of the final decision reached by DHRM and will process the leave request accordingly.

**Agency Reporting**

On July 1, 2019, and every July 1 thereafter, the Human Resource Manager for each Agency shall submit to DHRM a report regarding the usage of parental leave by Agency employees for the preceding fiscal year. The report shall be in a form and contain such data as prescribed by the Department.
Effective Date of the Executive Order

This Executive Order shall be effective upon signing and shall remain in full force and effect unless amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 25th Day of June, 2018.

Ralph S. Northam, Governor

Attest:

Kelly Thomasson, Secretary of the Commonwealth
Succession Management Program:
The Conceptual Framework

Virginia Tech Board of Visitors
August 27, 2018
Overview of program development

*Code of Virginia* (§ 2.2-1209): Agency director human resource training and agency succession planning

- Directs each public institution of higher education to prepare a succession plan for presentation to the board of visitors with a copy to the state department of human resource management (DHRM).
- Requires DHRM to provide training program to agency heads. President may send a designee.
Overview of program development

As part of university HR Transformation Initiative:

- Developed framework for HR Strategic Engagement function
- Conducted workforce analytics
-Reviewed leadership and executive development programs
- Established framework for university succession management program
HR Strategic Engagement

Organizational Capacity

Recruiting and retention strategies
- Staffing and Recruiting
  - Recruiting programs
  - Employer brand development
  - Pipeline development
  - Targeted recruiting
  - Internal redeployment
  - Dual career programs
  - Faculty recruiting support
  - Workforce planning

- Total Rewards
  - Compensation planning and strategy
  - Design of new or enhanced benefits programs
  - Formal and informal recognition programs
  - Financial and non-financial rewards strategies and programs

- Employee Success
  - On-Boarding
  - Performance management
  - Employee wellness programs
  - Employee relations
  - Culture enhancement initiatives
  - Mentoring / Coaching
  - Mediation
  - Exit interviews

Organizational Competency

- Talent Development
- Organizational Development
- Professional Development and Training

- Learning and development strategies
- Organizational design and development consultation
- Succession planning
- Career pathing
- Leadership and management programs
- Professional and behavioral development programs
- Skills and role-based training programs
- Just-in-time, on-demand training programs
Overview:
Succession Management Program Framework
Framework consists of three planning domains

1. Workforce Development
   - Utilizing data analytics of past trends and prediction of future retirements and other separations

2. Leadership and Executive Development
   - Contextualizing leadership for Virginia Tech and recognizing high potential employees and their developmental needs

3. Critical Positions Planning
   - Understanding highly skilled individual contributors with unique credentials and competencies
Current efforts in planning domains

1. Workforce Development Analysis
   - Trends for Teaching and Research (T&R) faculty by department and staff roles in occupational families
   - Highlights departments and occupations that are predicted to have high rates of separation that could threaten success

2. Leadership and Executive Development
   - Executive Development and Management Academy for the last decade using a cohort development approach

3. Critical Position Planning
   - Unplanned and coordinated by being reliant on department leaders acting independently to solve critical position at times of crisis
Workforce development strategies

Develop broad-based professional and workforce development programs aimed at building critical skills and competencies in high risk positions. Initial focus on roles:

- Management and supervision
- Financial management
- Laboratory support technician
- Skilled trades
- Information technology

Build recruiting strategies that generate deep candidate pipelines for all at-risk positions
Leadership development strategies

Develop unit-based succession planning tools and processes to identify high potential and/or high performing individuals that could fill at-risk positions

- Phase 1 – Introduction of the succession planning framework
- Phase 2 – Identify high potential employees and developmental goals
- Phase 3 – Train employees and facilitate experiences that increase leadership competencies
Critical position planning strategies

Develop an on-going process to identify critical positions and specific replacement strategies that may include development or recruitment strategies:

- Phase 1 – Collaborate with HR Division Directors and strategic partners to identify critical positions
- Phase 2 – Assess current workforce for qualified successors and implement individualized development strategies
- Phase 3 – Outreach to feeder organizations to build sustaining relationships and capacity building programs such as internships, fellowships, educational partnerships, etc.
Succession planning as an on-going process

1. Identify at risk positions in planning domains
   - Workforce Development
   - Leadership and Executive Development
   - Critical Positions Planning
2. Implement recruitment, development, and planning strategies
3. Assess impact through data analytics and stakeholder input
4. Identify new at-risk positions
1. Executive level support for a structured approach to succession planning

2. Continue to develop and invest in strategic HR functions
   - Expand professional development team and resources
   - Expand strategic recruiting function and resources

3. Continue to invest in modern HR tools and technologies
   - Learning Management
   - Performance Management

4. Commit to succession planning and execution as a core responsibility of leaders
   - Continuous communication and educational efforts on the benefits of succession management
Resolution Approval
THEREFORE, BE IT RESOLVED, that the Board of Visitors directs the President of the University, through the Vice President for Human Resources, to implement a university succession management program based upon the framework presented; and

BE IT FURTHER RESOLVED, that the Board of Visitors requests an annual update of the university succession management program and the university’s progress towards implementing a program that addresses workforce development, critical position planning, and leadership and executive development.
Appendix 1:
Division of Human Resources
Roles and Responsibilities
HR talent acquisition team

- Create highly targeted and direct recruiting efforts aimed at skilled craft professions
- Integrate internship and work release programs
- Strengthen recruitment programs for IT professions
- Partner with regional institutions and workforce development programs to develop pipeline and feeder programs
- Innovate in recruitment and outreach (employee referral programs, community partnerships, alumni relations, internal executive search firm…)
- Strengthen recruitment targeted at non-traditional or marginalized workforce
- Develop a process to fill vacant positions using the succession planning model (use the “bench”)
HR Division Directors

• Recruit and hire HR Division Directors with experience in succession planning and implementation
• Provide data dashboards that support deans and VP’s in identifying critical positions and high potential employees
• Develop coaching skills in Managers and HR Division Directors
• Integrate succession planning outcomes into leadership development and reviews
HR talent management team

• Develop new and innovative retention programs aligned with the needs of Millennial and Gen-X generation of employees
• Leverage employee engagement strategies
  • Career pathing
  • Stretch assignments
  • Professional development
  • Cross training
  • Work-life balance
• Re-orient performance management towards fostering employee success
HR talent development team

- Integrate succession planning model into leadership development programs
- Foster the VT shaped employee (deep, wide, committed)
- Build key curriculum certification tracks for at-risk occupations
- Design program for assessing and identifying high potential employees
- Lead efforts to re-launch leadership development cohorts focused on succession planning
- Use rotational assignments to broaden experiences
- Ensure development programs have clear learning objectives and assess impact
- Use multi-modal learning and delivery models
- Build a communication program to promote succession planning to the campus and ensure access to development opportunities
Appendix 2: Workforce Analytics and Workforce Trends Summary
Retirement findings

- Steady increase in retirements over last five years (2012-2017)
  - Over 60% increase in staff retirements
  - More than 180% increase in AP faculty retirements
  - Over 69% increase in T&R retirements

- Average retirement age has remained constant over last five years
  - Classified: 62-64 years of age
  - AP: 62-64 years of age
  - T&R: 66-68 years of age

- There are a significant number of people who are eligible to retire in the next five years
  - Staff: 703 (20%)
  - AP: 193 (11%)
  - T&R: 507 (20%)
Today’s generational composition at VT

- Generation X: 3,412  
  - Average Age: 45
- Millennial: 3,092  
  - Average Age: 30
- Baby Boomer 2,659  
  - Average Age: 60
- Generation Z: 232  
  - Average Age: 19
- Traditionalist: 112  
  - Average Age: 76

Assuming one-half of the baby boomers retire within five years; and an even distribution of hires between Gen X, Gen Z and Millennials, the resulting workforce would look as follows:

- Generation X: 3,855
- Millennial: 3,535
- Baby Boomer 1,329
- Generation Z: 675
Workforce hypothesis

- High predictability of retirement for staff and faculty above 64 years of age – approximately 1,000 people at VT
  - With these departures there will be corresponding loss of intellectual capital, managerial positions and roles requiring unique skills
  - Newer workers have not yet attained sufficient proficiency to assume those positions
- Highly competitive labor market – national unemployment levels less than 4%
- Traditionally difficult to recruit into Blacksburg
- Increased demand for technologically proficient workforce
- Younger generation of workers is exhibiting higher rates of attrition than prior generations
- The Millennial and Gen-Z workforce has not yet had sufficient experience, development, or time in role to assume key replacement positions
At-risk positions

- Many of those who will separate from VT within the next 5 years possess key leadership, technical, financial and skilled positions

- Staff in
  - Information Technology
  - Finance related roles
  - Lab and technical support
  - Skilled trades

- Teaching and Research faculty in
  - Psychology
  - School of Education
  - Forest Res & Environ Conservation
  - Computer Science
  - Chemistry
  - English
  - Electrical and Computer Engineering
  - Biological Sciences
  - School of Architecture and Design
  - Mechanical Engineering
  - Physics
  - Civil & Environmental Engineering
  - Mathematics
RESOLUTION TO APPROVE THE UNIVERSITY SUCCESSION MANAGEMENT PROGRAM

WHEREAS, the Code of Virginia §2.2-1209 directs each public institution of higher education to prepare a succession plan for presentation to the board of visitors; and

WHEREAS, the Code always requires each agency to participate in a succession management training program offered by the state department of human resources; and

WHEREAS, the university’s Division of Human Resources, through its HR Transformation Initiative, has developed a conceptual framework for a university succession management program; and

WHEREAS, the program consists of three planning domains: workforce development, leadership and executive development, and critical position planning; and

WHEREAS, the Division of Human Resources, during FY19, will refine the program components and begin implementation of the succession management program; now

THEREFORE, BE IT RESOLVED, that the Board of Visitors directs the President of the University, through the Vice President for Human Resources, to implement a university succession management program based upon the framework presented; and

BE IT FURTHER RESOLVED, that the Board of Visitors requests an annual update of the university succession management program and the university’s progress towards implementing a program that addresses workforce development, critical position planning, and leadership and executive development.

RECOMMENDATION:
That the Board of Visitors approve the Resolution to the University Succession Management Program.

August 27, 2018
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<th>Activity Program</th>
<th>Under-graduates</th>
<th>Masters Students</th>
<th>Doctoral Students</th>
<th>Faculty</th>
<th>Staff</th>
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<td>Assoc Dean Dirs Grad Studies</td>
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Faculty Recruiting and Retention

- Hiring Director of Diversity and Inclusion
- PhD Project
- Future Faculty Program
- Seek UR Faculty Feedback via Dinners and Other Events
Student Diversity Recruitment Strategy
Increased Entering UR students from 11% to 16.3%

- Engage employers
  - Programs
  - Sponsorships between $1,000 and $25,000
- New Horizons Scholarships $20,000 ($5,000 for 4 years)
- Freshman Merit Scholarships
- High School Business Expo
Student Engagement

- Targeted Scholarships
- PUMP
- Diversity Conference
- Diversity Case Competition
- BIG Week
  - Speaker Series
  - Ex Lapide’s “Out at Work”
- Safe Zone Training
- Ask Big Questions
- Meet & Greet Events
- Geo-Target Students on Social Media
- Student Organizations
Alumni Engagement

- Advisory Boards
  - Pamplin Advisory Council
  - Student Recruitment Committee
- Black Alumni Reunion
  - Pamplin Breakfast
  - Panel and Reception
- Women in Business Initiative
Sensitive Data Protection

Virginia Tech Board of Visitors
Governance & Administration Committee
August 27, 2018

Randy Marchany
University IT Security Officer
marchany@vt.edu
https://security.vt.edu
Threats To Our Data

- Payment Card Fraud
- Hacking/Malware
- Insider
- Physical Loss
- Portable device
- Stationary Device
- Unintended Disclosure
- Unknown
University networks are like museums – protect assets, allow visitors

- Key assets are highlighted to make them more accessible to visitors
- Cover the interior thoroughly
- Focus on detecting hackers who may have already gained access

Photo by Pueri Jason Scott. Licensed under the Creative Commons Attribution-Share Alike 3.0 Unported license. https://commons.wikimedia.org/wiki/File:Mona_lisa_crowd.jpg.
Regulatory Requirements

- **Data Protection**
  - COVA Data Breach laws
  - FERPA, HIPAA, PCI
  - NIST 800-171 (CUI) Controlled Unclassified Information
  - NIST 800-53 (FISMA)

- **Privacy Protection**
  - COVA HB1
  - California Data Privacy law
  - GDPR

- **Controls, Mitigations**
  - 20 Critical Security Controls
  - ISO 27002
Sensitive Data Protection Strategy

- Create data management framework
- Create data classification framework
- Create sensitive data search framework
- Create sensitive data protection framework
- Create sensitive data breach/recovery framework
Key Takeaways

- Protect data regardless of location. Data is the new border.
- Before you protect, you must detect.
- Virginia Tech has positioned itself to be in compliance with current sensitive data laws, regulations.
- These same strategies provide a framework for handling privacy issues involving University data.
Background Information
Why are we a target?

- Top tier research university
  - $521M+ research portfolio
  - No. 1 academic research institution in Virginia (NSF data)

- Mostly open network architecture
  - Fosters research, collaboration, and innovation
  - Poses a common security “challenge” among colleges and universities

- High population density
  - ~47K students, staff, and faculty
  - ~150K network nodes
Current Risk Mitigation Approaches

- Continuous Network Monitoring
- IT Security Reviews
- Vulnerability Scanning Service
- Computer Forensic Service
- Central Logging Service
- Partnerships with Cloud providers

- Minimum Security Standards
- Implementing 20 Critical Security Controls
- Two-Factor Authentication
- Security Awareness Training
- Use of RLAN and CUI network enclaves
Data Classifications

- **High Risk**
  - Any data covered by law or regulation
  - Requires Virginia Tech to self-report to government and/or provide notice to the individual if the data is inappropriately accessed
  - Loss results in significant damage to the University

- **Moderate Risk**
  - Data not generally available to the public

- **Low Risk**
  - Data is intended for public disclosure
Security Standards Websites

- Virginia Tech Risk Classification Standard
  - https://it.vt.edu/content/dam/it_vt_edu/policies/Virginia-Tech-Risk-Classifications.pdf

- Minimum Security Standards
  - https://it.vt.edu/content/dam/it_vt_edu/policies/Minimum-Security-Standards.pdf

- High Risk Data Protection Standard
  - https://it.vt.edu/content/dam/it_vt_edu/policies/Standard-for-High-Risk-Digital-Data-Protection.pdf

- Virginia Tech IT Security Office and Lab
  - https://security.vt.edu
ENABLING SMART CONNECTED SOLUTIONS FROM THE END NODE TO THE CLOUD
Museums: Defense in Depth

- Control access points
  - Limited, but free-flowing, access points
  - Additional barriers around high risk assets
- Use pervasive monitoring tools
  - Cameras, motion sensors, etc.
- Provide active response
  - Guards, on-demand barriers, fire suppression
- Use recovery measures
  - Insurance
  - Tracking devices
- Assume hostiles are inside

Photo by Pueri Jason Scott. Licensed under the Creative Commons Attribution-Share Alike 3.0 Unported license. 
RESOLUTION TO REVISE THE BY-LAWS OF 
THE VIRGINIA TECH BOARD OF VISITORS

WHEREAS, legislation passed by the 2018 Virginia General Assembly and signed into law by Governor Northam (§2.2-3708.2 Code of Virginia, as amended) makes significant changes to the Freedom of Information Act with respect to meetings held through electronic means by public bodies, and said changes apply to Virginia Tech’s Board of Visitors; and

WHEREAS, the university’s accrediting body, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), has instituted a new standard for accreditation requiring that an institution’s governing board regularly conduct a self-evaluation of its responsibilities and expectations, effective January 1, 2018; and

WHEREAS, the position of Vice President for Policy and Governance was created in 2017, and the incumbent will serve as Secretary to the Board of Visitors unless the Board votes to elect a separate Secretary;

NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors of Virginia Polytechnic Institute and State University hereby approves the proposed revisions to the "By-laws of the Board of Visitors of Virginia Polytechnic Institute and State University," as stated in the attached addendum, effective immediately.

RECOMMENDATION:
That the proposed revisions to the By-laws of the Virginia Tech Board of Visitors be approved, effective immediately.

August 27, 2018
ADDENDUM TO THE
RESOLUTION TO REVISE THE BY-LAWS OF
THE VIRGINIA TECH BOARD OF VISITORS

August 27, 2018

The Board of Visitors Bylaws

Article I

Section 3a. Electronic Meetings

Current:
In accordance with the Freedom of Information Act, the Board may employ audio and/or video technology to conduct meetings of the Board or any of its committees, but only if a quorum is physically present in one location and the physical locations of other Board members who are participating electronically are disclosed in the public notice of the meeting. Any votes taken must be conducted by roll call vote.

Proposed:
In accordance with the Freedom of Information Act, the Board may employ electronic communication means to conduct meetings of the Board or any of its committees, but only if a quorum is physically present in one location and the electronic communication means by which members of the public may witness the meeting is disclosed in the public notice of the meeting. Any votes taken must be conducted by roll call vote and recorded by name in the minutes. Any interruption in the means of electronic communication shall result in a suspension of action at the meeting until repairs are made and public access is restored. Members of the public must be provided a substantially equivalent electronic communication means through which to observe or listen to the meeting.

Additionally, providing that a quorum is physically present in one location, electronic communication means may be employed if on or before the day of a meeting, a Board member notifies the Rector or respective committee chair and Board Secretary that the Board member is unable to attend the meeting due to either (a) a disability or medical condition or (b) a personal matter. The minutes must include the remote location of the Board member and the reason that the Board member was unable to attend; if the reason is a personal matter, the specific nature of the personal matter must be cited in the minutes. If a Board member’s request to participate remotely due to a personal matter is disapproved, such disapproval shall be recorded in the minutes with specificity. A Board member may participate remotely due to a personal matter no more than twice in a calendar year.

At least one meeting must be held annually at which no members participate through electronic communication means. ($2.2-3708.2 Code of Virginia, as amended)
Article I

Section 4. Officers

Current:
The Board elects annually from among its members a Rector to preside at meetings and a Vice Rector to serve as President pro tempore in the absence of the Rector. By statute (§23.1-1300 Code of Virginia, as amended), either the Rector or the Vice Rector must be a Virginia resident. The Board appoints a Secretary to the Board, who shall also serve as a resource on questions of parliamentary procedure. The University legal counsel serves as the counsel to the Board.

The Rector and Vice Rector may serve a maximum of two one-year terms. The terms of the Rector, Vice Rector, and Secretary take effect July 1. The Vice Rector will also serve as the chair of one of the standing committees.

Proposed:
The Board elects annually from among its members a Rector to preside at meetings and a Vice Rector to serve as President pro tempore in the absence of the Rector. By statute (§23.1-1300 Code of Virginia, as amended), either the Rector or the Vice Rector must be a Virginia resident. The Board appoints a Secretary to the Board, who shall also serve as a resource on questions of parliamentary procedure unless the Board votes to elect a separate Secretary as a resource on questions of parliamentary procedure. The University legal counsel serves as the counsel to the Board.

The Rector and Vice Rector may serve a maximum of two one-year terms. The terms of the Rector, Vice Rector, and Secretary take effect July 1. The Vice Rector will also serve as the chair of one of the standing committees.

Article I

Section 6f. Governance and Administration Committee

Current:
This committee is responsible for Board engagement, the Board’s protocols, by-laws, and annual self-evaluation. This committee is also responsible for oversight of various administrative functions and non-academic areas of the university, including but not limited to human resources, communications and marketing, administrative computing, and athletics.

In addition, this committee is responsible for reviewing new or revised charters of all committees prior to their adoption (refer to Section 6).

Proposed:
This committee is responsible for Board engagement, the Board’s protocols, by-laws, and annual periodic self-evaluation. This committee is also responsible for oversight of various administrative functions and non-academic areas of the university, including but not limited to human resources, communications and marketing, administrative computing, and athletics.
In addition, this committee is responsible for reviewing new or revised charters of all committees prior to their adoption (refer to Section 6).

**Article VI. Miscellaneous Provisions**

**Section 6. Board Self-Evaluation (new)**

**Proposed:**

The Board periodically should conduct a formal evaluation of its committee structure, processes, procedures, and performance. Candid feedback should be sought from the Board members themselves, constituent representatives to the Board, the University President, and others as deemed appropriate by the Board, which may include the Board Secretary, Legal Counsel, and/or the administrators who serve as liaisons to the Board’s committees. The Governance and Administration Committee is responsible for developing and recommending to the full Board the evaluation procedure to be employed, including whether to retain an external consultant to conduct the evaluation, and for developing a plan to address any issues identified by the evaluation.