

Virginia Tech Board of Visitors Meeting March 18, 2002

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MINUTES
March 18, 2002

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, March 18, 2002, at 1:00 p.m. in the Torgersen Hall Board Room at Blacksburg, Virginia.

Present

Absent

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| <ul style="list-style-type: none"> Mr. Mitchell O. Carr Mr. Gary P. Clisham Mr. Donald W. Huffman Mr. Donald R. Johnson Mr. William C. Latham Mr. T. Rodman Layman Mr. Michael G. Miller Mr. A. Ronald Petera Mr. John G. Rocovich, Jr. Dr. Beverly Sgro Mr. Philip S. Thompson Mr. James E. Turner, Jr. Mr. Joseph W. Wampler Mr. James Disney, Undergraduate Student Representative Mr. Gunnar Lucko, Graduate Student Representative Dr. L. Leon Geyer, President, Faculty Senate | <ul style="list-style-type: none"> Mr. Jacob A. Lutz, III |
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Also present were the following: Dr. Charles W. Steger, Dr. Mark McNamee, Mr. Minnis E. Ridenour, Dr. Raymond D. Smoot, Jr., Dr. Lanny Cross, Dr. Tom Tillar, Dr. Pat Hyer, Mr. Larry Hincker, Mr. Jerry Cain, Dr. Ben Dixon, Dr. Joe Merola, Mr. Dwight Shelton, Mr. Ralph Byers, Ms. Kim O'Rourke, Dr. Elizabeth Flanagan, Dr. L. A. Swiger, Ms. Kay Heidbreder, Dr. Elaine Scott, Mr. Dixon Hanna, The Honorable David Nutter, Dr. Lisa Wilkes, Ms. Linda Woodard, Ms. Vera Kidd, Mr. Erv Blythe, Dr. Clark Jones, Dr. Lay Nam Chang, Dr. Len Ferrari, Ms. Kathy Sanders, Ms. Sandy Smith, Ms. Teresa Wright, Ms. Terri Thompson, Ms. Sherri Box

The meeting was called to order by the Rector, Mr. Turner, at 1:00 p.m.

Mr. Turner welcomed the Board's newest member, Mr. Rod Layman. Mr. Layman was appointed to complete the term of Mr. Rust, who resigned from the Board upon his election to the Virginia House of Delegates.

Mr. Miller moved that the minutes of the November 12, 2001, meeting be approved as distributed. The motion was seconded by Mr. Rocovich. The minutes were approved unanimously.

**REPORT OF THE SPECIAL COMMITTEE ON RESEARCH
MEETING OF FEBRUARY 11, 2002**

Mr. Turner called on Mr. Rocovich for a report of the Special Committee on Research meeting of February 11, 2002. (Copy attached for the permanent files and marked Attachment A.)

Mr. Rocovich feels the university is on track to increase research funding and is encouraged by Len Peters' report.

Mr. Turner commented that in times of budget challenges it is more important for Virginia Tech to increase research monies.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Mr. Turner called on Mr. Johnson for a report of the Academic Affairs Committee. (Copy attached for the permanent files and marked Attachment B.)

Mr. Turner reiterated the need to proceed very quickly and thoroughly with the development of budget reduction and restructuring plans, involving all constituencies who have a vested interest in the outcome. He expects the proposed plan to be brought to the Board at the June meeting.

On behalf of the committee, Mr. Johnson commented that the process that Dr. McNamee described for determining how to restructure the university will benefit the university. The committee feels that the President and Provost are proceeding in a very deliberate way, will take into consideration the constituencies that need to be consulted in this and come up with a formula that will work the best.

As part of the Academic Affairs Committee report, the following resolution was moved by Mr. Thompson, seconded by Dr. Sgro, and was approved unanimously:

Faculty Handbook Revisions for Special Research Faculty

That the proposed policy changes for special research faculty be approved effective immediately. (Copy filed with the permanent minutes and marked Attachment C.)

As part of the Academic Affairs Committee report, the following resolution was moved by Dr. Sgro, seconded by Mr. Thompson, and was approved unanimously:

Membership of the Virginia Coal and Energy Research and Development Advisory Committee

That Mr. Kevin Crutchfield be appointed as a new member of the Virginia Coal and Energy Research and Development Advisory Committee. (Copy filed with the permanent minutes and marked Attachment D.)

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

Mr. Turner called on Mr. Huffman for a report of the Buildings and Grounds Committee (Copy attached for permanent files and marked Attachment E.)

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

Resolution for Shenandoah Valley Electric Cooperative Easement

That the resolution authorizing the Vice President for Administration and Treasurer to execute the easement to Shenandoah Valley Electric Cooperative be approved. (Copy attached for permanent files and marked Attachment F.)

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

**Resolution on Acquisition of Virginia Tech Foundation
(Virginia – Carolina Farm Associates, L.C.) Property**

That the resolution authorizing the Vice President for Administration and Treasurer to accept on behalf of the university a deed from the Virginia Tech Foundation, Inc. conveying the property in Suffolk, Virginia be approved. (Copy attached for permanent files and marked Attachment G.)

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

**Resolution for Exchange of Land
Between Frank P. Gibson and Anne K. Gibson and
Virginia Polytechnic Institute and State University**

That the resolution authorizing the Vice President for Administration and Treasurer to execute a contract between Virginia Polytechnic Institute and State University and Frank P. Gibson and Anne K. Gibson for the exchange of approximately 1.75 acres of university property located in Steeles Tavern, Virginia, that is contiguous to Lot 2 as shown on a plat dated December 13, 1994 by R. E. Funk, Land Surveyor, with an equal value of land owned by Frank P. Gibson and Anne K. Gibson adjacent to other university property, provided a right of first refusal to purchase Lot 1 as identified on the aforesaid plat is granted to the university or its related corporations for a term coincident with the university's lease of Lot 1, be approved.

(Copy attached for permanent files and marked Attachment H.)

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

**Resolution on Appointments to the
Montgomery Regional Solid Waste Authority**

That the resolution recommending that F. Spencer Hall and L. Allen Bowman be reappointed as the University's representative and jointly appointed director, respectively, to the Montgomery Regional Solid Waste Authority Board of Directors for terms expiring June 30, 2006, be approved.
(Copy attached for permanent files and marked Attachment I.)

At the conclusion of the Buildings and Grounds report, some discussion ensued regarding the need for additional parking due to the stadium expansion. A suggestion was to encourage car pooling and establish a bus system possibly from Roanoke. Another was to resurface some of the fields to make them durable enough to withstand parking. Mr. Huffman charged the committee staff to develop a parking plan in consideration of the additional stadium seats and to bring the proposed plan to the next committee meeting.

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Mr. Turner called on Mr. Rocovich for the report of the Finance and Audit Committee (Copy attached for permanent files and marked Attachment J.)

Mr. Rocovich commended John Rudd, the new Director of Internal Audit, for running a good organization. In areas that were audited and found to need improvements, these improvements are in process or about to be undertaken.

As part of the Finance and Audit Committee report, the following recommendation was moved by Mr. Rocovich, seconded by Mr. Miller, and approved unanimously:

**Proposed Tuition and Fee Rates for 2002-03
Tuition Fee Increase of Nine Percent**

That the proposed increases in the tuition and fee rates be approved, effective Fall Semester 2002. (Copy filed with the permanent minutes and marked Attachment K.)

As part of the Finance and Audit Committee report, the following recommendation was moved by Mr. Rocovich, seconded by Mr. Clisham, and approved unanimously:

Approval of Tuition and Fee Policy for 2002-03

That the proposed tuition and fee policy for Virginia Tech be approved. (Copy filed with the permanent minutes and marked Attachment L.)

As part of the Finance and Audit Committee report, the following recommendations were moved by Mr. Rocovich and seconded by Mr. Petera, and approved unanimously:

**Proposed Tuition and Fee Rates for 2002-2003
Technology Service Fee
Comprehensive Fee
Room and Board
Parking Fee**

That the proposed fee rates be approved, effective Fall Semester 2002. (Copy filed with the permanent minutes and marked Attachment L.)

As part of the Finance and Audit Committee report, the following recommendations were moved by Mr. Rocovich and seconded by Mr. Johnson, and approved unanimously:

**Proposed Tuition and Fee Rates for 2002-2003
Tuition Rate for Study Abroad Programs
Tuition Rate for the Center for European Studies and Architecture
Tuition Rate for Public School Personnel**

That the proposed tuition and fee rates be approved, effective Fall Semester 2002. (Copy filed with the permanent minutes and marked Attachment L.)

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

**Virginia Polytechnic Institute and State University
2002-03 Compensation for Graduate Assistants**

That the current stipend levels and graduate health insurance program be approved. (Copy filed with the permanent minutes and marked Attachment M.)

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

**Resolution for Approval of Year-to-Date Financial Performance
Report (July 1, 2001 – December 31, 2001)**

That the report of income and expenditures for the University Division and the Cooperative Extension/Agriculture Experiment Station Division for the period of July 1, 2001 through December 31, 2001 and the Capital Outlay report be accepted. (Copy filed with the permanent minutes and marked Attachment N.)

Mr. Rocovich noted that everything is running as scheduled or better indicating an organization that is well managed, as in previous years.

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

**Resolution on Virginia Bioinformatics Institute
Policy Advisory Board Appointments**

That the resolution on Virginia Bioinformatics Institute Policy Advisory Board appointments be approved. (Copy filed with the permanent minutes and marked Attachment O.)

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

**Resolution of the Board of Visitors of
Virginia Polytechnic Institute and State University
Authorizing Bond Anticipation Notes and
Treasury Loans with Respect to Certain Capital Projects**

That the resolution allowing the authorized officers to take all proper steps to enter into Bond Anticipation Notes and/or Treasury Loans on behalf of the University be approved. (Copy filed with the permanent minutes and marked Attachment P.)

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

Resolution on Executive Management Service on Boards

That the resolution approving executive management's service on these boards, thereby allowing participation in the university's insurance policies, be approved. (Copy filed with the permanent minutes and marked Attachment Q.)

As part of the Finance and Audit Committee report and with the endorsement of the Academic Affairs Committee, the following resolutions were moved by Mr. Rocovich, seconded by Mr. Miller, and approved unanimously:

Alternative Severance Option

That the Alternative Severance Option be approved for use by university officials to manage work force reductions. (Copy filed with the permanent minutes and marked Attachment R.)

Separation Incentive Plan

That the resolution adopting the Separation Incentive Plan be approved. (Copy filed with the permanent minutes and marked Attachment S.)

REPORT OF THE STUDENT AFFAIRS COMMITTEE

Mr. Turner called on Mr. Clisham for a report of the Student Affairs Committee. (Copy attached for permanent files and marked Attachment T.)

President Steger publicly commended the student leaders, Student Affairs staff, and others who mobilized quickly in the wake of the September 11 attacks to provide support services for students and reinforce a sense of community on campus to prevent conflicts.

PRESIDENT'S REPORT ITEMS FOR BOARD APPROVAL AND INFORMATION

Mr. Turner called on President Steger for his report.

President Steger presented a **resolution of appreciation recognizing Mr. Thomas Davis Rust** for his service as a member of the Board of Visitors. Approval of the resolution was moved by Mr. Johnson, seconded by Mr. Miller and approved unanimously. (Copy attached for permanent files and marked Attachment U.)

President Steger gave a progress report on the establishment of the **Virginia Tech-Wake Forest University School of Biomedical Engineering and Sciences (SBES)**. Provost Mark McNamee introduced Dr. Elaine Scott, who has played a pivotal role in developing the partnership with Wake Forest. The next step is to develop a collaboration agreement, which will be presented to the Board in June. President Steger commented that the intent is to see this initiative through quickly and successfully. Work is being done to obtain federal support.

Motion to begin Closed Session

Mr. Miller moved that the Board of Visitors 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 and Alumni Distinguished Professors, approval of the conflict of interest report, review of departments where specific individuals' performance will be discussed, and consideration of personnel changes including appointments, resignations, and salary adjustments of specific employees.
2. The status of current litigation and briefing on actual or probable litigation.
3. Consideration of special awards.

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

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

Motion to Return to Open Session

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

Mr. Miller made the following motion:

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

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

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

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

On recommendation of Mr. Turner, and after motion by Mr. Johnson and seconded by Mr. Thompson, unanimous approval was given to the resolution for the approval of **Study-Research and Research Assignment Faculty Leaves**, as considered in Closed Session. (Copy attached for the permanent file and marked Attachment V.)

On recommendation of Mr. Turner, and after motion by Mr. Johnson and second by Mr. Thompson, unanimous approval was given to the resolutions for approval of **Emeritus Status (6)**, as considered in Closed Session. (Copies attached for the permanent file and marked Attachment W.)

On recommendation of Mr. Turner, and after motion by Mr. Johnson and second by Mr. Huffman, unanimous approval was given to the resolution for approval of an **Endowed Professorship**, as considered in Closed Session. (Copy attached for the permanent file and marked Attachment X.)

On recommendation of Mr. Turner, and after motion by Mr. Johnson and second by Dr. Sgro, unanimous approval was given to the resolution for approval of **Alumni Distinguished Professors (2)**, as considered in Closed Session. (Copies attached for the permanent file and marked Attachment Y.)

On recommendation of Mr. Turner, and after motion by Mr. Johnson and second by Mr. Rocovich, unanimous approval was given to the resolution for approval of **Conferral of an Honorary Doctorate Degree**, as considered in Closed Session. (Copy attached for the permanent file and marked Attachment Z.)

On recommendation of Mr. Turner, and after motion by Mr. Johnson and second by Mr. Thompson, unanimous approval was given to the resolution for approval of **Individual Transition Option Plan Agreements (2)**, as considered in Closed Session. (Copy attached for the permanent file and marked Attachment AA.)

On recommendation of Mr. Turner, and after motion by Mr. Clisham and second by Mr. Miller, unanimous approval was given to **Ratify of the Selection of the 2002-2003 Student Representatives to the Board**, as considered in Closed Session.

On recommendation of Mr. Turner, and after motion by Mr. Layman and second by Mr. Clisham, unanimous approval was given to the resolutions for approval of **External Awards (2)**, as considered in Closed Session. (Copies attached for the permanent file and marked Attachment BB.)

On recommendation of Mr. Turner, and after motion by Mr. Johnson and second by Mr. Miller, unanimous approval was given to the resolutions for approval to **Name University Facilities (2)**, as considered in Closed Session. (Copies attached for the permanent file and marked Attachment CC.)

On recommendation of Mr. Turner, and after motion by Mr. Rocovich and second by Mr. Clisham, unanimous approval was given to the resolution for approval of the **Ratification of Bonuses for the 2002 Toyota Gator Bowl**, as considered in Closed Session. (Copy attached for the permanent file and marked Attachment DD.)

On recommendation of Mr. Turner, and after motion by Mr. Rocovich and seconded by Mr. Johnson, unanimous approval was given to the **Resolution for the Ratification of the Personnel Changes Report** as considered in Closed Session. (Copy attached for the permanent file and marked Attachment EE.)

On recommendation of Mr. Turner, and after motion by Mr. Rocovich and seconded by Mr. Johnson, unanimous approval was given to the **Research and Development Disclosure Report** as considered in Closed Session. (Copy attached for the permanent file and marked Attachment FF.)

Mr. Rocovich shared the **Audit Report** relative to personnel issues. **No Action Required.**

Mr. Turner thanked everyone for their reports. He also commented that despite the budgetary challenges this is still the best of times for Virginia Tech. There are dedicated people who will make things happen.

Mr. Huffman requested an update on the status of **space for the Honor System** to hold trials. Dr. Cross reported that Student Affairs is continuing to work with the Honor System to identify appropriate space. President Steger asked Dr. Cross to follow up on this and report to the Board at the next meeting.

Mr. Huffman expressed a concern that a **donation to the Library of John Janey letters relating to the Virginia secessionist movement and other historical information from the John Preston Shaffey family** has not been recorded and stored properly. President Steger will work with Provost McNamee and our Director of University Libraries and will report back to the Board at the next meeting.

President Steger shared with the Board that **Carlton Carter and Andre Davis recently received Academic Awards from the Big East**. It was suggested that the Board present resolutions honoring them for their accomplishments.

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Dates for the next meeting are June 2-3, 2002.

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Mr. Latham moved that the meeting be adjourned. The motion was seconded by Mr. Miller and was approved unanimously. The meeting adjourned at 3:15 p.m.

Board of Visitors
Special Committee on Research
Minutes
10:00AM – 2100 Torgersen Board Room
February 11, 2002

Present: Mr. Donald W. Huffman, Mr. Donald R. Johnson, and Mr. John G. Rocovich, Jr. (Acting Chair)

Also Present: Dr. Jim Bohland, Dr. Landrum Cross, Mr. Larry Hincker, Dr. Mark McNamee, Ms. Kim O'Rourke, Dr. Len Peters, Ms. Pam Pettry, Mr. Minnis Ridenour, Dr. Charles Steger, and Dr. Raymond Smoot

Opening Comments: In the absence of the new Chair, Gary Clisham, Mr. Rocovich convened the meeting at 10:07AM.

Approval of April 23, 2001 and October 16, 2001 Minutes: Mr. Rocovich asked for approval of the minutes of April 23 and October 16. Mr. Johnson motioned approval, and Mr. Huffman seconded. Minutes were unanimously approved.

Comments, Update on Top 30: Dr. Steger reported that in spite of challenges caused by the budget, we are strategically headed in the right direction. He said we are at a transformative moment for the university, and that we have a strong faculty, staff, and student body, an entrepreneurial culture, the capacity to take risks, and a willingness to act. He also said the top 30 goal has been embraced enthusiastically, and the goal permeates the university.

Budget: Mr. Ridenour provided an overview of the status of the budget and the General Fund reductions that includes the amendments submitted by Governor Warner. The national recession has adversely impacted the state's revenues creating the need to reduce budgets across all state agencies. In his budget amendment submitted to the General Assembly, Governor Warner recommended a 3 percent reduction in the university's current year budget. This translates into a total reduction of \$7.4 million.

For the 2002-04 biennium, the Governor recommended General Fund reductions of 7 percent in 2002-03 and an additional 1 percent in 2003-04 for a total of eight percent for the biennium. For the University Division, this translates into a reduction of \$13.1 million for 2002-03 and \$14.9 million for 2003-04. For Agency 229, the reduction is \$4.3 million for 2002-03 and \$4.9 million for 2003-04. In the University Division, the university has also been assigned a target for tuition remission that will be returned to the General Fund. The targeted amounts are \$6.5 million for 2002-03 and \$10.7 million for 2003-04. Further, the university may be authorized to increase in-state undergraduate tuition by five percent with

no controls on tuition for out-of-state undergraduates or graduate students. Any tuition revenue collected beyond the needed amount for the remission may be used to help offset the 7 and 8 percent reductions.

Mr. Ridenour also shared that both Governors recommended reductions in the maintenance reserve and equipment trust funding. Maintenance to the university's facilities that are deemed critical may need to be funded through the university's General Fund appropriation should the maintenance reserve funding not be sufficient.

Additionally, there are no General Funds for the Virginia Bioinformatics Institute (VBI); the university is asking the Tobacco Commission for up to \$3 million that, when combined with their other resources, would provide funding for VBI through 2002-03. The VBI numbers are not reflected in the reductions above.

Thus, the university, in both divisions (University Division and Cooperative Extension/Ag Experiment Stations), will need to address budget adjustments of \$31.6 million in 2002-03 and \$38.2 million in 2003-04. [This is subject to change based upon actions of the 2002 General Assembly.]

Mr. Ridenour also shared with the Committee that there will likely be a major bond package which would provide the university authorization to begin construction on several major facilities and provide much-needed assistance in our research programs.

Update on Research Funding and NSF Research Expenditure Reports: Dr. Peters reported the NSF rankings are based on data for the top 500 research universities in the nation. He said the NSF numbers are always 18 months behind. Dr. Peters reported among the top 50 universities Virginia Tech had the 12th highest growth rate from 1999-2000. He said we need to continue to grow at a rate of 11-12 percent per year to reach our goal of top 30 by 2010. Dr. Peters presented slides on the percentage change from 1999-2000 for the top 50 institutions, the gap between Virginia Tech and other universities in 1999, and the gap in 2000. Dr. Peters broke the expenditure rankings down by area. He mentioned we consistently rank in the top 25-30 in the areas of Agricultural Sciences, Engineering, and Environmental Sciences. Dr. Peters said we need to find ways to increase research in the life sciences area. He said we had an increase of about \$22 million this past year, which amounts to about a 12.5 percent increase.

Dr. Peters presented a slide on expenditure growth, comparing the first half of each year. In 2001 there was an increase of 11.3 percent and in 2002 an increase of 9.8 percent. Dr. Peters reported we have seen a 49 percent increase in awards for the first six months of this fiscal year. He stated we are in a very healthy situation since the President made the charge to become a top 30 university. We had a 14-14.5 percent increase last year and 12-12.5 percent for

the year just reported. Expenditures are up at least 10 percent, awards are healthy, and the number of proposals being written has increased. The average dollars per award is up about 20-25 percent. Mr. Rocovich stated the numbers look very encouraging. Further, there was some discussion regarding the need to improve our animal care facilities; the new partnership with Wake Forest may provide some cooperative opportunities to address this need.

The Strategic Plan and Research: Dr. McNamee summarized the university's goals and objectives into four areas: enhancement of undergraduate education; expansion of graduate education; growth in research expenditures and scholarship; and engagement through university outreach and economic development. He stated Virginia Tech is immersed in a competitive environment and that we must focus our efforts and manage our resources wisely as well as expand our resource base. He also said we must enhance excellence and diversity.

Dr. McNamee listed several initiatives for the university. In addition, three administrative coordinating councils have been created by Dr. McNamee to help achieve the top 30 status: 1) Arts, Humanities, and Social Sciences; 2) Biomedical, Health, and Life Sciences; and 3) Engineering, Physical Sciences, and Information Sciences and Technology. Some steps to achieve our goal are: 1) work with the colleges to build a strong and unified implementation plan; 2) openly discuss new mechanisms and partnerships; 3) establish effective program review; and 4) begin planning for reallocation. He stated our success in research is directly tied to our graduate programs, and we will need to increase quality graduate enrollment, emphasize Ph.D. programs, and focus on programs which can sustain all missions of the university through our extended campuses.

Dr. McNamee mentioned we will have to evaluate teaching loads to assure time for research as well as prepare clear guidelines about expectations for promotion and tenure. He noted the need to devise a plan for start-up packages and revisit the use and magnitude of the Equipment Trust Fund (ETF). In the area of research space, Dr. McNamee stated the general obligation bond will support development of new research space, and we should dedicate more of the central capital account for renovation. He suggested we study developing research space at the Corporate Research Center (CRC) and encourage the sharing of facilities and equipment across colleges and departments. He also mentioned our need to increase library funding.

Dr. McNamee listed seven challenges in achieving our goal. These challenges are: 1) make better connections between graduate education and undergraduate education to enrich the experience for all students; 2) provide the best support structures for all students, both graduate and undergraduate, whether in Blacksburg or at other locations; 3) ease dependence on using returned overhead to operate departments; 4) consider utilizing some of the ETF for acquisition of major equipment items and meeting major central needs for

research equipment; 5) evaluate mechanisms to support cluster hiring; 6) discuss policies on building research space for university-based research at the CRC and consider plans for financing and; 7) identify sources for increased funding for laboratory renovations on campus.

Review of Health-Related Initiatives: Dr. Bohland mentioned three medical and health initiatives are underway (Via College of Osteopathic Medicine, Biomedical Engineering, and Food, Nutrition and Health), and three projects are in the planning stage (public health, biomedical research, and another university partnership). He said linkages between these projects and other campus research areas will have to be established. Dr. Bohland said these initiatives enhance our commitment to research and enable us to build biomedical and health research at the university. These initiatives will also enable new graduate degrees, which will enhance growth in our graduate population.

In the biomedical and health area two faculty committees have been created: one committee will discuss biomedical sciences and the other committee will discuss public health. The areas of focus of the biomedical initiative are: cancer biology/cell cycle; enabling technologies in bioinformatics, genomics, computational biology, structural biology, and metabolics; neurosciences and toxicology; biomedical engineering; plant, animal, and microbial transgenics; and infectious diseases and bioterrorism. The public health initiative started in response to an interest by faculty and by potential partners. This initiative ties together many of the medical and health programs on campus and is a natural fit with the land grant mission.

The Food, Nutrition and Health Institute was formally recognized by the 229 Council in October 2001, and Dr. Craig Reed was appointed as Interim Director. Dr. Bohland reported on a potential partnership that would build on our strengths in IT and infectious disease; it is planned to have a formal agreement in place by mid-2002. Dr. Bohland provided an update on the proposed Via College of Osteopathic Medicine. Mr. Rocovich stated the groundbreaking would occur in approximately one week. Dr. Bohland said approvals have been obtained from SCHEV, and the hiring process, curriculum, and clinical and hospital agreements have been identified within the college. A faculty committee on campus has convened, and sub-agreements are being drafted.

Adjournment: The meeting adjourned at 12:05PM.

Minutes of the Academic Affairs Committee
March 18, 2002

Present: Donald Johnson, Philip Thompson, Beverly Sgro, and Gunnar Lucko from the Board of Visitors; and Mark McNamee, Patricia Hyer, Dixon Hanna, Clark Jones, Joseph Merola, and Rene Armstrong from the Office of the Provost. Other guests included: Bill Ferris, Elaine Scott, Peter Eyre, Betty Fine, Linda Woodard, Kay Heidbreder, Mitch Carr, Joe Wampler, and Kevin Miller.

OPEN SESSION:

Minutes of the November 12, 2001 meeting of the Academic Affairs Committee were approved with no changes.

William Ferris, former Chairman of the National Endowment for the Humanities, was introduced to the committee. He congratulated Virginia Tech on being a partner in a very important initiative funded by NEH to establish a regional center for the humanities. Virginia Tech, in collaboration with the University of Virginia and the Virginia Foundation for the Humanities, will capture, preserve, and share the culture of the southeast region by creating a major on-line digital library. He predicted that this fusion of our strength in technology with the humanities will bring positive attention to Virginia Tech in ways that we cannot yet imagine.

Elaine Scott, Professor of Mechanical Engineering, gave an overview of the proposed School of Biomedical Engineering and Science. Virginia Tech will collaborate with Wake Forest University in this special initiative, each making a unique contribution to the partnership. Addition of a human medical component will be an important complement to the research and graduate education programs in biomedical engineering and science at Virginia Tech. Five departments and the College of Veterinary Medicine are expected to participate initially. An executive board composed of Virginia Tech and Wake Forest officials and participating faculty members will oversee the development of the school. Joint graduate degrees in biomedical engineering and science are under development and will be presented to the Board at an upcoming meeting. A collaborative agreement documenting financial commitments of the two institutions is under negotiation and, when completed, a resolution formally establishing the school will be presented to the Board for final approval.

Patricia Hyer described three policy changes requiring Board approval related to special research faculty. One provision allows multi-year restricted contracts when multi-year grants permit such commitments. A second modifies the policy concerning termination of appointment to include the case in which the sponsor directs an immediate change in the research program, resulting in the need to terminate services of the faculty member. And the third provides guidelines for teaching by special research faculty. A motion was made, seconded, and approved to adopt the proposed policy changes.

A resolution to appoint Kevin Crutchfield as a new member of the Virginia Coal and Energy Research and Development Advisory Committee was moved, seconded, and approved.

Two strategies for managing workforce reductions were presented to the committee for consideration and approval. The Alternative Severance Option provides a transitional severance benefit or enhanced retirement for all types of eligible employees. Senior managers will prepare a business plan outlining the anticipated number of positions and/or salary dollars

to be reduced and the types of position to be affected, such as teaching and research faculty, administrative/professional faculty, and/or classified staff. Eligible employees in the affected units will apply for voluntary separation or retirement and receive either a transitional severance payment or enhancements to their VRS retirement if selected. The Attorney General's Office has confirmed that the Board has the authority to allow faculty to self-identify for separation or retirement, thereby becoming eligible for receipt of the severance benefit; concurrence in the plan is being sought from the Virginia Retirement System. The university is actively seeking approval of this option for classified employees as well. A resolution to approve the Alternative Severance Option was moved, seconded, and approved.

The Separation Incentive Plan was presented to the committee as a second option for reduction of the faculty workforce. Tenured faculty members at least 45 years of age with ten years of service would be eligible for a payment of one-third of salary for each of two years, and for health care contributions for a three-year period. This plan is presented as an alternative that may be useful in certain circumstances. No specific application window has been established at this time. A resolution to approve the Separation Incentive Plan was moved, seconded, and approved.

The Provost emphasized that the four major goals of the strategic plan -- enhancement of undergraduate education, expansion of graduate education, growth in research expenditures and scholarship, and engagement through university outreach and economic development -- remain key guides to decision making, even or especially during this period of budget reduction. He has initiated a university-wide conversation about organizational structures to see if there are better ways to foster excellence in a broad array of disciplines than the current eight college configuration. This discussion will continue for several months, with initial decisions made by the end of the semester, and a report back to the Board in June. The fact that three deanships are currently open suggests that this may be a propitious time to have such a far-reaching discussion. New discipline configurations should provide true opportunities for enhancement of research and graduate education, while preserving the integrity of undergraduate programs. External stakeholders will also play a role in the decision making process. Mitch Carr briefed committee members on the history of the separation of what is now the College of Natural Resources from the College of Agriculture and Life Sciences during the 1990s. Industry groups played a critical role in this process and they retain a vested interest in the outcome. McNamee recognizes the importance of coming to a decision that can be implemented successfully and communication with external stakeholders will be important to that success.

CLOSED SESSION:

Phil Thompson moved that the committee convene in Executive Session. The motion was seconded and approved. Issues included approval of recommendations for faculty leaves, conferral of emeritus status, appointment to endowed and Alumni Distinguished Professorships, conferral of an honorary doctorate degree, individual transition option agreements, and ratification of the research and development disclosure report and faculty personnel changes reports. The recommendations were approved. The committee then formally closed and certified the Executive Session.

Upon motion duly made, seconded, and approved, the meeting of the Academic Affairs Committee was adjourned.

FACULTY HANDBOOK REVISIONS FOR SPECIAL RESEARCH FACULTY

WHEREAS, the University Task Force on Special Research Faculty was charged to review existing policies and procedures for special research faculty (i.e. research associates, post docs, and others typically funded on sponsored grants and contracts) and to recommend changes or additions as appeared necessary and appropriate; and

WHEREAS, existing material in section 2.2 of the Faculty Handbook for Special Research Faculty was incomplete and not very helpful to supervisors or employees in describing current policies and practices and has been extensively revised and approved through university governance; and

WHEREAS, three sections contain either new or revised language with minor policy changes requiring Board review and approval; these are summarized below and provided in full in the attached material:

- 1) Section 2.3.1.2, allows multi-year restricted appointments where documented funding is available and a search has been conducted or an approved exemption obtained; currently restricted appointments are for one year.
- 2) Revision to section 2.9.4 concerning termination of appointment in the case where the sponsor terminates funding before the end of the contract or *directs a change in program resulting in the need to terminate services of an employee* (revision in italics);
- 3) Section 2.11, Instructional responsibilities for special research faculty members (new section);

THEREFORE, be it resolved that policy revisions to section 2.2 of the Faculty Handbook for Special Research Faculty be approved.

RECOMMENDATION:

That the proposed policy changes for special research faculty be approved effective immediately.

Full Text of Proposed Policy Changes for Special Research Faculty Handbook

2.3.1.2 Multi-year Restricted Appointments

An initial appointment, or a reappointment, for a special research faculty member may be for up to three years provided that documented funding for the salary and fringe benefits is available from a multi-year grant or multiple grants and that a search has been conducted or an approved exemption obtained. In such cases, the Terms of Faculty Offer would specify the length of the restricted appointment. Annual evaluation and merit adjustments would occur on the same cycle as all other faculty members.

2.9.4 Termination of Appointment (Language rewritten but no change in notice period)

Occasionally a sponsor terminates funding before the end of a contract, or directs a change in the research program resulting in the need to terminate the services of an employee. While principal investigators and research centers are encouraged to make every effort to assure continuity of employment to individuals performing satisfactorily, there are circumstances in which this may not be possible or in the best interest of the research program or university. Research faculty appointments may be terminated in the case where there are insufficient funds or no further need for services. The date of termination for a restricted faculty member will be at least 30 calendar days from the date of notification. A faculty member on a regular appointment is entitled to notice of non-reappointment as stated above. A proposed notice of termination because of insufficient funds or lack of need for services must be approved by the department head, dean (or appropriate administrator), and the Research Division.

2.11 Instructional Responsibilities for Special Research Faculty Members (NEW SECTION)

The primary responsibility of a research faculty appointment is the conduct of research and contribution to the institution's research mission through the acquisition of and successful implementation of sponsored grants and contracts. Federal guidelines require truthful and auditable documentation of the faculty member's efforts on a semester basis. If the faculty member's salary is paid for by sponsored grants and contracts then there is a concomitant expectation that the faculty member's time will have been allocated to those projects.

While keeping the primacy of the research role in mind, there are circumstances in which the university and its instructional programs can benefit from the occasional participation of research faculty member with the appropriate credentials, expertise, and interest. The normal limitation on teaching by research faculty members is one (3-credit) course per academic year, or no more than two courses in a two-year period. Exceptions must be approved by the principal investigator/supervisor, department head, and dean. The academic department is expected to provide instructional funding for the

teaching appointment and to adjust research duties accordingly. A three-credit course equates to .25 FTE during an academic semester; this would be the usual basis for salary charges to the instructional budget.

Research faculty members with appropriate credentials and experience may serve on graduate student committees in accordance with policies of the Graduate School and the department. Those with appointment to the research professor ranks may chair a committee, if approved by the degree-granting department. Involvement in supervision of graduate student research may be directly related to fulfillment of sponsored grants and contracts and thus may have a synergistic effect.

Contributions to the instructional program should be monitored and evaluated by the academic department and by the supervisor.

MEMBERSHIP OF THE VIRGINIA COAL AND ENERGY RESEARCH AND DEVELOPMENT ADVISORY COMMITTEE

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

A proposed new member of the advisory committee is Mr. Kevin Crutchfield. Mr. Crutchfield is President of the Coastal Coal Company, LLC, in Roanoke, Virginia. Since June 2001, he has also served as Vice President of El Paso Corporation. Mr. Crutchfield previously served as President and Chief Executive Officer at AMVEST Corporation and has also served in various leadership capacities at AEI Resources, Inc., Cyprus Amax Coal Company, Pittston Coal Company, and Carter Machinery, Inc.

Mr. Crutchfield is a member of the Board of Directors for the National Mining Association and the West Virginia Coal Association. He also serves as an advisory board member for the Virginia Tech Department of Mining & Minerals Engineering.

Mr. Crutchfield obtained his Bachelor of Science degree in Mining & Minerals Engineering from Virginia Tech.

RECOMMENDATION:

That Mr. Kevin Crutchfield be appointed as a new member of the Virginia Coal and Energy Research and Development Advisory Committee.

**MINUTES OF THE BUILDINGS AND GROUNDS COMMITTEE
OF THE BOARD OF VISITORS
VIRGINIA TECH POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**

March 18, 2002

The Buildings and Grounds Committee convened at 8:30 a.m. at the Donaldson Brown Hotel and Conference Center. Committee members present were Mr. Carr, Mr. Latham, Mr. Layman, and Mr. Huffman, Chair.

- 1. Closed Meeting:** The Committee met in a Closed Meeting to discuss acquisition, use, and disposition of real property. No actions were taken.
- 2. Approval of Minutes:** The minutes of the November 12, 2001 meeting were approved.
- 3. Alumni Center, Hotel and Conference Center Site Plan:** Architects from SFCS presented revised drawings for the facility. The new site plan revisited the entryway and parking areas. One hundred seventeen parking spaces were eliminated from the original plan to enable a more direct entry to the hotel. The Committee approved the site plan revisions.
- 4. Capital Outlay Project Status Report:** The Committee reviewed the status of all projects in design or under construction. These included 9 projects in the design phase, 3 out for bid, and 9 under construction.
- 5. Report of Bids Received:** Mr. Hall reported on five capital project bids received since the November meeting. The low bid for the Addition to Cheatham Hall was \$1,573,520, which exceeded the construction estimate of \$1,498,068. The low bid for Chemistry/Physics Phase II was \$17,608,145, which was below the construction estimate of \$18,743,142. The low bid for the Microelectronics Laboratory was \$1,380,891, which exceeded the construction estimate of \$1,000,000. The low bid for the Geotechnical Laboratory Facility was \$629,800, which exceeded the construction estimate of \$604,268. The low bid for Hampton Roads Wing Replacement was \$1,125,000, which exceeded the construction estimate of \$1,032,406.
- 6. Resolution for Shenandoah Valley Electric Cooperative Easement:** Shenandoah Valley Electric Cooperative has requested the university grant eleven hundred and sixty-one foot (1,161') easement, fifteen feet (15') on each side of the line across university property at the Shenandoah Valley Agricultural Research and Extension Center near Raphine, Virginia. The right-of-way is needed for the purpose of constructing, installing, operating and maintaining a pole line with accessories and appurtenances for transmitting and distributing electric power to serve the well connection at the Center. The Committee recommended the resolution for full Board approval.

- 7. Resolution for Acquisition of Virginia Tech Foundation Property:** The Virginia Tech Foundation desires to make a gift of land located in Suffolk, Virginia to the university. This property is contiguous to the Tidewater Agricultural Research and Extension Center. The Committee recommended the resolution for full Board approval.
- 8. Resolution for Land Transfer – Gibson Property/Virginia Tech Property:** Mr. and Mrs. Frank Gibson own property that is landlocked and adjacent to the Walnut Grove Farm property in Steeles Tavern owned by the university. In order to have unrestricted access to their property the Gibson desire to exchange land of equal value from another parcel they own which also borders university land. The university will benefit from this exchange by (1) gaining land immediately adjacent to the Branch of Marl Creek, (2) increasing its usable land area for research and education, and obtaining a right of first refusal on purchase of adjacent property. The Committee recommended the resolution for full Board approval.
- 9. Resolution on Appointments to the Montgomery Regional Solid Waste Authority:** The Montgomery Regional Solid Waste Authority consists of five directors appointed by the various political subdivisions. The term of the university's representative, F. Spencer Hall, and the term of the at-large jointly appointed director, L. Allen Bowman, will expire on June 30, 2002. The university recommends reappointment of Mr. Hall and Mr. Bowman for terms expiring June 30, 2006.
- 10. Capital Project Initiative:** The Committee was briefed on planning within the Facilities offices to address the \$295 million capital projects budget authorized by the 2002 legislative session, subject to the Governor's approval. This plan will focus on process and staffing changes necessary to advance these projects expeditiously and within approved budgets.
- 11. Briefing on Corporate Research Center (CRC) and Tour of CRC Facilities:** The Committee toured the facilities at the CRC. Dr. Meredith briefed the Committee on current activities at the CRC.

This concludes the report of the Buildings and Grounds Committee.

**RESOLUTION FOR SHENANDOAH VALLEY ELECTRIC
COOPERATIVE EASEMENT**

Shenandoah Valley Electric Cooperative has requested the university grant eleven hundred and sixty-one foot (1,161') easement, fifteen feet (15') on each side of the line across university property at the Shenandoah Valley Agricultural Research and Extension Center near Raphine, Virginia.

The right-of-way is needed for the purpose of constructing, installing, operating and maintaining a pole line with accessories and appurtenances for transmitting and distributing electric power to serve the well connection at the Shenandoah Valley Agricultural Research and Extension Center.

**RESOLUTION FOR SHENANDOAH VALLEY ELECTRIC
COOPERATIVE EASEMENT**

WHEREAS, Shenandoah Valley Electric Cooperative desires to acquire an eleven hundred and sixty-one foot (1,161') easement, fifteen feet (15') on each side of the line, for the purposes of constructing, installing, operating, and maintaining a pole line with accessories and appurtenances for transmitting and distributing electric power over, upon and across real property of Virginia Polytechnic Institute and State University; and

WHEREAS, said easement would constitute an easement extending approximately 1,161 feet comprising approximately 0.82 acres of real property located at the Shenandoah Valley Agricultural Research and Extension Center near Raphine, Virginia, and

WHEREAS, said easement is more particularly described on drawings prepared by Shenandoah Valley Electric Cooperative dated December 18, 2001; and

WHEREAS, said easement is described as follows: Beginning at a power pole set in the western right-of-way line of Interstate 81 (approximately 225 feet south of mile post 206) and in the eastern line of State Route 917 (Old B & O Road), thence across road right-of-way and onto Virginia Polytechnic Institute and State University Shenandoah Valley Agricultural Research and Extension Center property S 70° W 340 feet to a power pole, thence S 70° W 284 feet to a power pole, thence S 70° W 336 feet to a power pole, thence in a southwestern direction 201 feet underground to meter location as shown on drawing prepared by Shenandoah Valley Electric Cooperative dated December 18, 2001; and

WHEREAS, Virginia Polytechnic Institute and State University desires to grant said easement to Shenandoah Valley Electric Cooperative;

NOW, THEREFORE BE IT RESOLVED, that the Vice President for Administration and Treasurer be authorized to execute an easement to Appalachian Power Company in accordance with applicable procedures for said easement pursuant to the Code of Virginia, Section 23-4.1.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Administration and Treasurer to execute the easement to Shenandoah Valley Electric Cooperative be approved.

**RESOLUTION ON ACQUISITION OF VIRGINIA TECH FOUNDATION
(VIRGINIA – CAROLINA FARM ASSOCIATES, L.C.) PROPERTY**

The Virginia Tech Foundation, Inc. desires to make a gift of land in Suffolk, Virginia to the university and Virginia Polytechnic Institute and State University desires to accept this gift in accordance with applicable statutes of the Code of Virginia.

This property is contiguous to the Tidewater Agricultural Research and Extension Center in Suffolk, Virginia.

**RESOLUTION ON ACQUISITION OF VIRGINIA TECH FOUNDATION
(VIRGINIA – CAROLINA FARM ASSOCIATES, L.C.) PROPERTY**

WHEREAS, the Virginia Tech Foundation, Inc., owns property in Suffolk, Virginia, and further described as Lots A and B as shown on plat entitled "Plat Showing Resubdivision of Portions of Properties Owned by Virginia – Carolina Farm Associates, L.C., a Virginia Limited Liability Company, Successor in Interest to S. Earl Griffin and John E. Pappas, Partners, T/A Virginia – Carolina Farm Associates, a Virginia General Partnership and Commonwealth of Virginia C/O Virginia Polytechnic Institute and State University, Holy Neck Borough, Suffolk, Virginia" by H. Wayne Courtney, Land Surveyor, dated December 19, 2000; and,

WHEREAS, this property is contiguous to the Tidewater Agricultural Research and Extension Center;

WHEREAS, the Virginia Tech Foundation, Inc. is desirous of making a gift of this land to the university and Virginia Polytechnic Institute and State University is desirous of accepting this gift; and,

WHEREAS, the Governor of Virginia delegated to the Secretary of Administration under Executive Order Thirty-Four (98), dated November 16, 1998, as further delegated to the Virginia Polytechnic Institute and State University Board of Visitors (the Board of Visitors), by letter from the Secretary of Administration to James E. Turner, Rector of the Board of Visitors, dated December 17, 1998, the authority of the Governor to approve, as required in § 2.1-504.2 of the Code of Virginia (1950), as amended, the acquisition of real estate; and,

NOW THEREFORE BE IT RESOLVED, that the Vice President for Administration and Treasurer be authorized to accept on behalf of the university a deed from the Virginia Tech Foundation, Inc., conveying this property to Virginia Polytechnic Institute and State University in accordance with applicable statutes of the Code of Virginia.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Administration and Treasurer to accept on behalf of the university a deed from the Virginia Tech Foundation, Inc. conveying the property in Suffolk, Virginia be approved.

**RESOLUTION FOR EXCHANGE OF LAND
BETWEEN FRANK P. GIBSON AND ANNE K. GIBSON AND
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**

WHEREAS, in 1994, Frank P. Gibson and Anne K. Gibson acquired from David M. Koogler property in South River District, Augusta County, Virginia and further described as Lot 1, 74.772 acres, Lot 2, 9.680 acres, and "*" 1.005 acres as shown on a plat of the David M. Koogler, et al, property by Robert E. Funk, Land Surveyor, dated December 13, 1994; and,

WHEREAS, said property is contiguous to the university's Shenandoah Valley Agricultural Research and Extension Center at Steeles Tavern, Virginia; and,

WHEREAS, Lot 2 became landlocked in the early 1930's when Route 918 was rerouted and the owners of said property access this tract of land by crossing university property without the benefit of a formal agreement; and

WHEREAS, Frank P. Gibson and Anne K. Gibson desire to exchange an equal value of land they own adjacent to other university property for university property that fronts Lot 2 along Route 918, estimated to be approximately 1.75 acres; and,

WHEREAS, the university will benefit from this exchange by (1) gaining land immediately adjacent to the Branch of Marl Creek and (2) increasing its useable land area for research and education; and,

WHEREAS, the university may desire to acquire additional property adjacent to the Shenandoah Valley Agricultural Research and Extension Center owned by Frank P. Gibson and Anne K. Gibson;

NOW THEREFORE BE IT RESOLVED, that the Vice President for Administration and Treasurer be authorized to execute a contract with Frank P. Gibson and Anne K. Gibson for the exchange of said property in accordance with applicable statutes of the Code of Virginia provided a right of first refusal to purchase Lot 1 as identified on a plat of the David M. Koogler, et al, prepared by Robert E. Funk, Land Surveyor, dated December 13, 1994 is granted to the university or its related corporations for a term coincident with the university's lease of Lot 1.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Administration and Treasurer to execute a contract between Virginia Polytechnic Institute and State University and Frank P. Gibson and Anne K. Gibson for the exchange of approximately 1.75 acres of university property located in Steeles Tavern, Virginia, that is contiguous to Lot 2 as shown on a plat dated December 13, 1994 by Robert E. Funk, Land Surveyor, with an equal value of land owned by Frank P. Gibson and Anne K. Gibson adjacent to other university property, provided a right of first refusal to purchase Lot 1 as identified on the aforesaid plat is granted to the university or its related corporations for a term coincident with the university's lease of Lot 1, be approved.

**APPOINTMENTS TO THE
MONTGOMERY REGIONAL SOLID WASTE AUTHORITY**

The University recommends for reappointment to the Montgomery Regional Solid Waste Authority, F. Spencer Hall, university appointee, and L. Allen Bowman, at-large member appointed by all four jurisdictions. The four jurisdictions are Virginia Tech, the Towns of Blacksburg and Christiansburg, and Montgomery County. The current terms of both appointees will expire on June 30, 2002. Reappointment will extend their terms through June 30, 2006.

Mr. Hall and Mr. Bowman were originally appointed to the Authority in 1995. Mr. Hall holds a Bachelor of Science degree from the U.S. Naval Academy and Bachelor and Master of Civil Engineering degrees from Georgia Tech. He is a registered Professional Engineer in Virginia. Mr. Hall has served at Virginia Tech since 1985 and currently holds the position of Assistant Vice President for Facilities.

Mr. Bowman holds a Bachelor of Science degree from Virginia Tech and served as President of Litton Industries' Poly-Scientific Division from 1970 until his retirement effective January 1, 1998. He began working for Litton Industries in 1956 and served in a number of management positions in addition to being President of Poly-Scientific. He has been active in civic affairs for a number of years. He currently serves as a director of the Virginia Tech Corporate Research Center.

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

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

WHEREAS, the University's appointed director, F. Spencer Hall, will complete his term on June 30, 2002 and the term of L. Allen Bowman, the at-large jointly appointed director, will expire on June 30, 2002;

NOW THEREFORE BE IT RESOLVED, that F. Spencer Hall be reappointed as the University's representative and L. Allen Bowman be reappointed as the at-large joint representative to the Montgomery Regional Solid Waste Authority Board of Directors for terms expiring June 30, 2006.

RECOMMENDATION:

That the above resolution recommending that F. Spencer Hall and L. Allen Bowman be reappointed as the University's representative and jointly appointed director, respectively, to the Montgomery Regional Solid Waste Authority Board of Directors for terms expiring June 30, 2006, be approved.

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE
OF THE BOARD OF VISITORS
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**

March 18, 2002

FINANCE CLOSED SESSION

PRESENT:

BOARD OF VISITORS: Mr. Michael Miller, Mr. John Rocovich, Mr. Jim Turner

VPI&SU STAFF: Ms. Kay Heidbreder, Mr. Minnis Ridenour, Mr. John Rudd, Mr. Dwight Shelton, Dr. Lisa Wilkes

FINANCE CLOSED SESSION: The Committee met in Closed Session to review and take action on the quarterly personnel changes, to review and take action on the Salary Adjustments for the Toyota Gator Bowl, and to review and take action on the Research and Development Disclosure Report.

FINANCE OPEN SESSION

PRESENT:

BOARD OF VISITORS: Mr. Michael Miller, Mr. John Rocovich, Mr. Jim Turner

VPI&SU STAFF: Mr. John Cusimano, Dr. Leon Geyer, Ms. Kay Heidbreder, Mr. Ken Miller, Mr. Minnis Ridenour, Mr. John Rudd, Ms. Kathy Sanders, Mr. Dwight Shelton, Dr. Lisa Wilkes, Ms. Linda Woodard

GUEST: Mr. Michael Sluss, Roanoke Times & World News

1. APPROVAL OF MINUTES OF THE NOVEMBER 12, 2001 MEETING:

The Committee reviewed and approved the minutes of the November 12, 2001 meeting.

2. PRESENTATION OF UNIVERSITY'S ANNUAL FINANCIAL REPORT:

The Committee received an overview of the University's Annual Financial Report for the year ending June 30, 2001. The presentation included a review of the revenue and expenditure trends for the last five years and the results of operations for FY 2001. During 2001, there was a five percent increase in the total fund revenues, bringing the growth to \$37.7 million. The largest current fund revenue increases were state appropriations, auxiliary enterprises revenue, and gifts, grants, and contracts revenue.

During the current year, assets increased by over \$39.2 million, or 3.5 percent, while liabilities decreased by \$5.1 million, or 1.8 percent, and the fund balance increased by \$44.3 million, or 5 percent. Long-term debt decreased by \$10.5 million during 2001 despite two additional bond issues totaling \$4.6 million for the Utility System's substation expansion and the Dry Rendering facility projects. Revenues and fund additions exceeded the previous year by \$31 million, or 3.5 percent, and expenditures and fund deductions increased by \$42 million, or 5.1 percent.

The affiliated corporations had total revenues of \$132 million and expenditures of \$113.8 million for the fiscal year. As of June 30, 2001, the total assets for the affiliated corporations were \$646 million. The Virginia Tech Foundation, Inc., the largest of the affiliated corporations, had total revenues of \$96.7 million for the fiscal year, of which \$76.4 million was expended in support of university programs. The resulting positive change in net assets of \$20.3 million increased total assets for the Foundation, as of June 30, 2001, to \$624.5 million.

The financial statements have been prepared in accordance with general accepted accounting principles, and the Auditor of Public Accounts issued an unqualified (or clean) opinion.

ITEMS TO BE PRESENTED TO THE FULL BOARD FOR APPROVAL

3. DISCUSSION AND APPROVAL OF 2002-2003 TUITION AND FEES:

The Committee reviewed and discussed the proposed 2002-03 tuition and fee rates. In 1999, the General Assembly approved a 20 percent reduction in tuition and mandatory Educational and General fees for Virginia undergraduate students. The 2000 Appropriation Act froze tuition and mandatory Educational and General fees (technology service fee at Virginia Tech) at 1999-2000 levels for Virginia undergraduate students for both years of the biennium. One of the measures proposed by the Governor and modified by the General Assembly to address the current revenue shortfalls in Virginia is to reduce General Fund support and offset a portion of this reduction by an increase in tuition during each year of the 2002-04 biennium.

Tuition Policy

The General Assembly estimated tuition offsets based on increasing tuition rates for in-state students by 5.0 percent per year and out-of-state students by 8.0 percent in the first year and 7.0 percent in the second year of the biennium. However, the language approved by the General Assembly limits the increase in tuition for in-state undergraduate students to 9.0 percent per year. No caps are included by the General Assembly for out-of-state undergraduate students or graduate students.

The General Assembly policy requests that boards of visitors consider a number of factors in determining the tuition and fee rates. The factors are presented below:

1. Consumer Price Index
2. In-state tuition charges of public peer group
3. Setting tuition rates for out-of-state students, graduate students, and first professional students at market rate or higher
4. Reflection of amortized cost of construction of buildings in tuition and fee rates for nonresident students
5. Feasibility of providing additional financial aid resources
6. Impact of tuition increases on access and availability of student aid
7. Impact of tuition increases on the composition of the applicant pool

The Committee recommended the Tuition and Fee Policy for 2002-03 to the full Board for approval.

Tuition

In accordance with the tuition policy, the university proposes to increase all tuition rates by 9.0 percent for 2002-03.

Technology Service Fee

In accordance with the language in the 1998 Appropriation Act, the University implemented a new Educational and General technology service fee effective with the fall 1998 semester. The University recommends a \$2 increase in the technology service fee for 2002-03.

Comprehensive Fee

The Comprehensive Fee supports several services and activities provided to students. The Student Activity Fee, the Athletic Fee, the Bus Fee, the Student Health Service Fee, the Recreational Sports Fee, and the Hokie Passport Fee are consolidated into one fee in order to streamline the process for collecting and accounting for these charges. For 2002-03, it is recommended that the total Comprehensive Fee be increased \$18 or 2.2 percent for both undergraduate and graduate students. For the 2001-02 academic year, Virginia Tech had the lowest Comprehensive Fee of any four-year institution in Virginia. Comprehensive Fees at the other five doctoral institutions range from \$1,092 to \$2,428. With the new rate of \$854, Virginia Tech will continue to have the lowest comprehensive fee of any state institution.

Room and Board

For 2002-03, a 2.5 percent year-to-year increase is proposed for room rates to cover mandatory cost increases and utility and fixed cost increases. A 2.4 percent year-to-year increase is proposed for board fees to increases in the cost of food supplies, the last of a three-year phasing in the debt service for dining hall improvements, and increases in utilities and fixed costs.

Parking Fee

The annual parking fee covers the cost of operating, constructing, maintaining, and improving parking lots. The University proposes to increase the annual parking fee for faculty and staff from \$68 to \$76 and the student parking fee from \$52 to \$58 in the 2002-03 academic year. The university also proposes to continue to provide a parking rate discount to encourage carpooling in an effort to reduce the amount of vehicular traffic on campus.

Tuition Rate for Study Abroad Programs

For 2002-03, the University proposes to continue a special tuition rate for study-abroad programs (with the exception for those offered at the Center for European Studies and Architecture) that is equal to 70 percent of the on-campus rates. The special tuition rate reflects instructional services that all students receive, but deletes the cost of on-campus services.

Tuition Rate for the Center for European Studies and Architecture

For 2002-03, it is proposed that students attending the Center for European Studies and Architecture be assessed the same tuition as on-campus students. No change in the room and board fees is proposed, but a new student activity fee is proposed. This fee of \$100 per semester is proposed to provide students with community-building social and recreational events and activities.

Tuition Rate for Public School Personnel

In 1989, the Board of Visitors endorsed a policy that would allow school personnel to enroll in graduate classes and pay approximately 60 percent of the authorized tuition rate. Additionally, the Board of Visitors expanded the policy in 1999 to include undergraduate-level courses for vocational teachers who do not have a bachelor's degree. For 2002-03, it is proposed that the tuition rates for school personnel will be approximately 60 percent of the corresponding on-campus rates.

The Committee recommended the 2002-2003 Tuition and Fees to the full Board for approval.

4. APPROVAL OF 2002-2003 STIPENDS FOR GRADUATE ASSISTANTS:

Many students work as graduate assistants while pursuing advanced degrees. Recruiting and retaining high-quality graduate students are dependent upon the University's ability to offer a compensation package that is comparable to the packages offered at peer institutions. The key components of the compensation packages are competitive stipends and tuition assistance. For 2002-2003, the General Assembly is not expected to authorize any salary increases. Thus, the stipend schedule approved for 2001-2002 is proposed to be continued in 2002-2003. The Appropriations Act does contain a provision for a one-time bonus for graduate students employed in a Graduate Teaching, Research or Assistant position. Decisions on bonuses will be brought to the Board at its June meeting.

At the March 5, 2001 meeting of the Board of Visitors, a health insurance program for graduate students on assistantships was approved. The program provides funding for a portion of the cost of health insurance for full-time graduate students receiving a full or partial assistantship, including graduate research assistants, graduate teaching assistants, and graduate assistants. The University proposes to continue this program in 2002-2003.

The Committee recommended the 2002-2003 Compensation for Graduate Assistants to the full Board for approval.

5. APPROVAL OF YEAR-TO-DATE FINANCIAL PERFORMANCE REPORT
(JULY 1, 2001 – DECEMBER 31, 2001):

The Committee reviewed the Year-to-Date Financial Performance Report for July 1, 2001 - December 31, 2001. For the second quarter, all programs of the University are on target; routine budget adjustments were made to reflect changes in General Fund revenues and reallocations of expenditure budgets in academic and administrative areas. The report also acknowledges the General Fund reduction that the University is being asked to implement in the current year.

The tuition revenue projection has been increased by \$4,000,000 for higher than projected Fall semester enrollments. The revenue collections for grants and contracts in Sponsored Programs through the second quarter were higher than projected due to continued improvement in collection efforts. The expenditure budget was established based on aggressive increases in sponsored activity levels. Expenditures were slightly less than projected, but ahead of 2000-2001 activity levels. The University will review these budgets and make any necessary changes to the annual budget during the third quarter.

Revenues were higher than projected in the Residence and Dining Halls due to higher than budgeted occupancy in the dormitories, an increase in the number of optional off-campus meal plans sold, an increase in the amount of cash being placed on student dining dollar accounts, and an increase in sales revenue from summer conferences.

For the quarter ending December 31, 2001, \$7.9 million had been expended for Educational and General capital projects, and \$16.5 million had been expended for Auxiliary Enterprises capital projects. The total maintenance reserve budget for Educational and General capital projects was decreased by \$3.77 million to reflect the permanent loss of frozen General Fund resources.

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

6. RESOLUTION ON VIRGINIA BIOINFORMATICS INSTITUTE POLICY
ADVISORY BOARD APPOINTMENTS:

The Committee reviewed a resolution to appoint members to the Virginia Bioinformatics Institute Policy Advisory Board. It is proposed that Gary Clisham serve as a representative from the Board of Visitors, replacing Tom Rust as the Board representative. Further, it is proposed that Tom Rust serve in a 4-year at-large position.

The Committee recommended the resolution on Virginia Bioinformatics Institute Policy Advisory Board Appointments to the full Board for approval.

7. RESOLUTION ON SHORT-TERM FINANCING FOR 9(d) CAPITAL PROJECTS:

Pursuant to the Appropriation Act of 2000, the General Assembly has approved the issuance by the university of bonds or notes described in Article X, Section 9(d) of the Constitution of Virginia for the following capital projects in the following principal amounts, plus amounts needed to fund issuance costs, reserve funds and other financing expenses including capitalized interest: (a) career services facility, \$4.6 million; (b) alumni/CEC/hotel center, \$20.7 million; (c) electric service facility, \$3.0 million; and (d) biomedical sciences complex, \$21.9 million.

Prior to issuing permanent financing the projects may require short-term financing, which will be repaid upon the issuance of the long-term bonds. If deemed necessary, the university may borrow money through Bond Anticipation Notes and/or Treasury Loans in anticipation of the issuance and sale of the bonds in accordance with Section 23-19 of the Virginia Code for the purposes for which the bonds have been authorized.

The proposed resolution identifies the President, the Executive Vice President and Chief Operating Officer, and the Vice President for Administration and Treasurer as authorized officers to take all proper steps to have the Bond Anticipation Notes and/or Treasury Loans prepared, executed and delivered to the purchasers or lenders selected.

At the August meeting, the Board received an update on the university's debt capacity. The report indicated that the university debt ratio for last fiscal year was 3.2 percent, well below the 7 percent and 9 percent benchmarks established by the state. The Board will receive another update at the August Board meeting.

The Committee recommended the resolution on Short-term Financing for 9(d) Capital Projects to the full Board for approval.

8. RESOLUTION ON EXECUTIVE MANAGEMENT SERVICE ON BOARDS:

The Committee reviewed a resolution on executive management service on boards. The University is involved in the development of institutes and continues to participate in collaborative projects with other universities and entities. As boards are established for these programs, members of the University's executive management are asked to serve on these boards. This resolution recommends that the President approve all appointments to these boards and, in the case of the President, the Rector shall approve. Further, such approval will indicate that service on these boards is part of executive management's responsibility; thus coverage under the University's liability insurance is available.

The Committee recommended the resolution on Executive Management Service on Boards to the full Board for approval.

9. WORK FORCE REDUCTION OPTIONS:

The Committee reviewed resolutions on work force reduction options. The size and immediacy of reductions in general fund support will severely tax the university and may necessitate reductions in the work force. Institutions of higher education must work within both state law and university policies in managing any work force reductions. An incentive program to encourage voluntary resignation or retirement is a critical tool for accomplishing a timely reduction of the faculty work force. Thus, two resolutions are presented to the Board.

The first, Alternative Severance Option, is based on existing state law, section 2.2-3200, Code of Virginia, as amended, which provides a severance benefit, or enhanced retirement for eligible employees. This plan is expected to provide the most useful tool for reducing personnel since the benefit would be available to all types of employees. The severance benefit would have transition costs for long-term employees, who are expected to be the most likely to self-identify for participation.

The second resolution is based on a plan that was approved by the Board for tenured faculty members during earlier budget reductions. Section 23-9.2:3.1, Code of Virginia, as amended, allows the Board to approve such a plan for tenured faculty members with a minimum of ten years of service. This plan proposes a payment of one-third of salary for each of two years and health care coverage for a three-year period, or until the age of 65, whichever occurs first.

The Committee recommended the resolutions on work force reduction options to the full Board for approval.

There being no further business, the meeting adjourned at 10:30 a.m.

Respectfully submitted,

Minnis E. Ridenour
Executive Vice President and
Chief Operating Officer

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE
OF THE BOARD OF VISITORS
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**

March 18, 2002

AUDIT CLOSED SESSION

PRESENT:

BOARD OF VISITORS: Mr. Michael Miller, Mr. John Rocovich, Mr. Jim Turner

VPI&SU STAFF: Ms. Kay Heidbreder, Minnis Ridenour, Mr. John Rudd, Mr. Dwight Shelton, Dr. Lisa Wilkes

AUDIT CLOSED SESSION: The Committee met in Closed Session with the Director of Internal Audit and Management Services to discuss audits of specific departments and units where individual employees will be identified. The Committee also received an update on the outstanding fraud, waste, and abuse cases.

AUDIT AGENDA

PRESENT:

BOARD OF VISITORS: Mr. Michael Miller, Mr. John Rocovich, Mr. Jim Turner

VPI&SU STAFF: Mr.. John Cusimano, Dr. Leon Geyer, Mr. Ken Miller, Mr. Minnis Ridenour, Mr. John Rudd, Ms. Kathy Sanders, Mr. Dwight Shelton, Dr. Lisa Wilkes

1. APPROVAL OF MINUTES OF THE NOVEMBER 12, 2001 MEETING:

The Committee reviewed and approved the minutes of the November 12, 2001 meeting.

2. PRESENTATION OF UNIVERSITY'S INITIAL RESPONSES TO THE APA'S 2001 MANAGEMENT LETTER:

The Committee received the University's initial responses to the 2001 Auditor of Public Accounts Management Letter. Four of the five findings presented at the November meeting, Ensure Departments Follow Financial Policies and Procedures, Properly Calculate Allocation of Title IV Refunds, Review and Strengthen Procedures for Federal Perkins Loan Program Drawdowns, and Review Administration of Perkins Loan Program, are in-process.

The fifth finding, Charge Interest on Delinquent Receivables, has been addressed.

The Committee accepted the report.

3. REVIEW OF INTERNAL AUDIT DEPARTMENT'S STATUS REPORT AS OF DECEMBER 31, 2001:

The Committee reviewed the Internal Audit Department's Status Report as of December 31, 2001. In addition to conducting full scope audits, the audit department participated in periodic audit activities; fraud, waste, and abuse audits; supplementary audits; and professional development activities.

Management Services completed a review of data security controls requested by the Institutional Research Department (IR). Internal Audit found that security and administration practices for the IR server are effective at minimizing the department's exposure to security threats. Recommendations, when implemented, would strengthen controls over departmental workstations and data distribution procedures.

Internal Audit conducted reviews of controls over petty cash funds in five departments. No reportable weaknesses were noted in four of the five departments. The fifth department reviewed is working to improve controls over petty cash funds and to ensure compliance with university procedures.

The Committee accepted the report.

4. REVIEW AND ACCEPTANCE OF THE FOLLOWING INTERNAL AUDIT REPORTS/MEMOS ISSUED DURING THE PRIOR QUARTER:

A. Center for Public Administration and Policy

The Committee received a report on the audit of the Center for Public Administration and Policy. The audit indicated that the overall risk exposure was low and the internal control system was satisfactory. The audit recommendations addressed: segregation of duties in the wage payroll function, reconciliation of departmental funds, compliance with university leave reporting guidelines, and ensuring reimbursement by employees for personal long distance calls. Management will work to implement corrective action to address the comments.

The Committee accepted the report.

B. Office of Sponsored Programs

The Committee received a report on the audit of the Office of Sponsored Programs. The audit indicated that the overall risk exposure was high and the internal control system is effective but some improvements are needed. The audit recommendations include improvement of procedures to ensure timely completion of billings, proper collections of accounts receivable and adherence to write-off procedures for uncollectible accounts, and thorough and timely closeouts of projects. Management will work to implement corrective action to address the recommendations.

The Committee accepted the report.

C. The Reynolds Homestead

The Committee received a report on the audit of The Reynolds Homestead. The audit indicated that the overall risk exposure was low and the internal control system needs some significant improvements. The audit recommendations include development of a strategic plan, including revision of job descriptions and performance measures; adoption of the University's Funds Handling Guidelines to ensure all funds collected are accounted for and deposited; improvement of procedures for monthly fund reconciliements; and strengthening compliance with university policies and procedures regarding leave reporting and wage records guidelines. Management will work to implement corrective action to address the recommendations.

The Committee accepted the report.

D. Psychological Services Center and Child Studies Center

The Committee received a report on the audit of the Psychological Services Center and Child Studies Center. The audit indicated that the overall risk exposure was medium and the internal control system needs some improvements. The audit recommendations include strengthening compliance with university cash handling procedures; improvement of internal controls and segregation of duties in the accounts receivable process; strengthening controls to ensure confidentiality of medical records; and implementation of Medicaid insurance processing procedures in compliance with state guidelines. Management will work to implement corrective action to address the recommendations.

The Committee accepted the report.

E. Therapeutic Exercise and Community Health (TECH) Center

The Committee received a report on the audit of the Therapeutic Exercise and Community Health (TECH) Center. The audit indicated that the overall risk exposure was medium and the internal control system needs some improvements. The audit recommendations include strengthening compliance with university cash handling procedures; improvement of internal controls and segregation of duties in the accounts receivable process; strengthening controls to ensure confidentiality of medical records; and consulting with university legal counsel and purchasing to determine the best approach for initiating an agreement with a physician practice and procuring external services. Management will work to implement corrective action to address the recommendations.

The Committee accepted the report.

F. Hokie Passport Office

The Committee received a report on the audit of the Hokie Passport Office. The audit indicated that the overall risk exposure was high and the internal control system needs improvements. The audit recommendations include improvement of procedures for reconciliation of debit card deposit fund activity and reconciliations and the processing of payments to vendors for debit card transactions, improvement of security of the CS Gold system and the NT server, and strengthening controls over maintaining completed vendor agreements. Management will work to implement corrective action to address the recommendations.

The Committee accepted the report.

5. REVIEW ON COMPLIANCE WITH AUDIT RESOLUTION OF UNIVERSITY-RELATED CORPORATIONS:

The Committee received a compliance report for the audits of the university-related corporations. These corporations include Virginia Tech Foundation, Inc., Virginia Tech Services, Inc., Virginia Tech Alumni Association, Inc., Virginia Tech Intellectual Properties, Inc, and WPI, Inc. Each university-related corporation is required to provide audited annual financial statements, management letters from external auditors, and management's responses to the university's Chief Business Officer. Each corporation is also required to submit an annual certification stating that all procedures outlined in the resolution have been met. All corporations are in full compliance with the Board of Visitors requirements regarding audits.

The Committee accepted the report.

There being no further business, the meeting adjourned at 10:30 a.m.

Respectfully submitted,

John C. Rudd
Director, Internal Audit & Management Services

VIRGINIA TECH TUITION AND FEE POLICY FOR 2002-03

The General Assembly has modified the tuition and fee policy for institutions of higher education and this revised language is expected to be included in the Appropriation Act (see Attachment A). The language requires that each institution "communicate its policy, as approved by its board of visitors, to the Secretary of Education, the State Council of Higher Education, and the Chairmen of the House Appropriations and Senate Finance Committees by May 15 of each fiscal year."

The General Fund portion of higher education funding is being reduced by \$129.9 million in 2002-03 and \$172.7 million in 2003-04. Virginia Tech's share (both agencies) of these total reductions is 21.9 percent in 2002-03 and 20.9 percent in 2003-04. The three predominant research universities (University of Virginia, Virginia Commonwealth University, and Virginia Tech) have been assigned 55.5 percent of the higher education total reduction in the first year of the biennium and 54.5 percent of the total in the second year of the biennium. The expectation by the General Assembly is that these reductions can be partially offset by increasing tuition rates to generate incremental revenue.

The General Assembly estimated tuition offsets based on increasing tuition rates for in-state students by 5.0 percent per year and out-of-state students by 8.0 percent in the first year and 7.0 percent in the second year of the biennium. However, the language approved by the General Assembly limits the increase in tuition for in-state undergraduate students to 9.0 percent per year. No caps are included for out-of-state undergraduate students or for graduate students. Virginia Tech proposes to increase tuition in 2002-03 by 9.0 percent for all groups of students and is considering similar increases for 2003-04. In view of the significant General Fund reductions that have been assigned to Virginia Tech, this level of increase is needed to protect the quality of instruction and to minimize the number of filled positions that will need to be eliminated. The University is already carrying approximately 1,250 in-state undergraduate students for whom no General Fund support has been received (estimated cost of \$9.2 million).

The General Assembly policy requests that boards of visitors consider a number of factors in determining the tuition and fee rates. The factors are presented below with a brief discussion for each one.

Consumer Price Index – The Consumer Price Index for Urban Consumers for the 12 months ending on January 2002 increased by 1.1 percent for all items and by 3.2 percent for education and communication.

In-state tuition charges of public peer group – Virginia Tech's current in-state tuition rate of \$2,792 ranks 16th among its public peer institutions. The average of the 20 public peer institutions for which information is available is \$4,073 in 2001-02. With

a 9.0 percent increase in 2002-03, the tuition rate would be \$3,044 and would still be less than 15 of the public peer institutions. In 1995-96 the in-state undergraduate tuition rate at Virginia Tech was \$3,500 and was frozen at this level until Governor Gilmore and the General Assembly approved the 20 percent tuition rollback for 1999-2000. Two years of increasing the rate by 9.0 percent would result in a rate of \$3,318 in 2003-04; this rate is comparable to the \$3,300 tuition charge in effect for 1993-94 (ten years earlier).

Setting tuition rates for out-of-state students, graduate students, and first professional students at market rate or higher – The current out-of-state undergraduate tuition rate of \$11,616 ranks 13th among the public peer institutions with the average of the 22 institutions being \$12,398. A 9.0 percent increase will move the current rate for out-of-state undergraduate students at Virginia Tech to \$12,660. Comparing the current rate to 47 other state universities and land-grant colleges, Virginia Tech's rank is 18th out of the group of 48 institutions; the average of the other institutions is \$10,578.

The current in-state graduate tuition rate of \$4,347 ranks 11th when comparing to 20 public peer institutions with an average rate of \$5,246. The current out-of-state graduate tuition rate of \$7,317 ranks 23rd when comparing to 22 public peer institutions with an average rate of \$12,976. The comparable rankings among other state universities and land-grant colleges are: current in-state graduate rate ranks 16th out of 44 institutions (average of \$4,120) and out-of-state graduate rate ranks 41st out of 48 institutions (average of \$10,691). The University is looking at ways to raise the out-of-state graduate rate over the next three years so that this group of students is paying 100 percent of the cost of instruction while not adversely impacting the level of graduate enrollments.

The current tuition rates for the first professional students in Veterinary Medicine are \$8,534 for Virginia and Maryland students and \$22,496 for the out-of-state non-Maryland students. The information available for 27 veterinary medicine programs combines the tuition and required fees for the current year. Virginia Tech's tuition and required fees total ranks 16th for Virginia/Maryland students and 12th for out-of-state students when comparing the rates at the 27 veterinary medicine programs. Each year the veterinary medicine tuition proposal is reviewed with the Virginia-Maryland Regional College of Veterinary Medicine Budget and Program Review Board (established to review the college's budget and comprised of representatives from Virginia Tech and the University of Maryland). The out-of-state tuition rate is established considering both the cost of the program and market rates.

Reflection of amortized cost of construction of buildings in tuition and fee rates for nonresident students – Nonresident students at Virginia Tech have paid more than 100 percent of the cost of instruction for a number of years and a portion of that tuition rate would be attributable to this purpose.

Feasibility of providing additional financial aid resources – The General Assembly has included some incremental financial aid for in-state undergraduate students (\$494,640 in 2002-03 and \$1,022,719 in 2003-04) to help offset the increase in tuition rates. The University has established unfunded scholarships to meet the needs of certain groups of students at both the undergraduate and graduate levels.

Impact of tuition increases on access and availability of student aid – No adverse impact on access is anticipated for Virginia undergraduate students; there may be some impact on out-of-state undergraduate students. No significant change in the unmet need of Virginia undergraduate students is expected as a result of the increase in tuition and fees.

Impact of tuition increases on the composition of the applicant pool – Because of the timing of applications and offers for the 2002-03 academic year, no significant impacts on the composition of the applicant pool are anticipated for the upcoming year. However, there may be some adverse impacts on the out-of-state applicant pool in 2003-04, particularly if tuition rates are increased at the same levels for all categories of students.

Virginia Tech has traditionally worked very diligently to control the level of tuition and fees to keep the total cost to students as low as possible. In 2002-03 the tuition rate is proposed to increase by 9.0 percent, but when the required fees and room and board are included in the total cost for students, the in-state undergraduate student living on campus will pay a total of 4.8 percent more than in the current year and the out-of-state undergraduate student will pay a total of 7.1 percent more than in the current year.

RECOMMENDATION:

That the proposed tuition policy for Virginia Tech be approved.

ATTACHMENT A

2002-04 TUITION AND FEE POLICY FOR HIGHER EDUCATION INSTITUTIONS

New language to be inserted into the 2002 Appropriation Act:

"D.1. Consistent with the authorization provided in § 4-2.01 b of this act, the boards of visitors or other governing bodies of institutions of higher education shall determine tuition, fees, and charges for each fiscal year of the 2002-2004 biennium, provided that the boards of visitors make every effort to minimize the tuition and fee increases for in-state undergraduate students. It is expected that tuition increases for undergraduate in-state students shall not exceed nine percent per year.

2. In setting tuition and fee increases for each of the next two fiscal years, the boards of visitors are directed to consider the following: (a) the consumer price index; (b) in-state tuition charges of each institution's public peer group; (c) the maximization of other revenues by setting tuition rates for out-of-state students, graduate students and first professional students at market rate or higher without adversely affecting the access of in-state students to Virginia's public colleges and universities; (d) the reflection of the amortized cost of the construction and renovation of buildings approved by the Commonwealth of Virginia Educational Institutions Bond Act of 1992, the 21st Century College Trust and the Building Virginia's Future capital improvement programs in the tuition and fee rates for nonresident students; (e) the feasibility of setting aside a portion of the tuition increase to provide additional financial aid resources, in combination with state, federal, and private resources; (f) the impact of tuition increases on access and the availability of student aid; and (g) the impact of a tuition increase on the composition of the institution's applicant pool.

3. In determining tuition and fee charges, the boards of visitors or other governing bodies of institutions of higher education shall (a) make every effort to achieve potential cost savings as opposed to tuition increases and (b) not increase the current proportion of nonresident undergraduate students if the institution's nonresident undergraduate enrollment exceeds 25 percent.

4. Two-year public institutions are exempt from the restrictions contained in 3(b) above for the 2002-2004 biennium.

5. Norfolk State University, Virginia Military Institute, and Virginia State University are exempt from the restrictions contained in 3(b) above for the 2002-2004 biennium.

6. Each institution shall communicate its policy, as approved by its board of visitors, to the Secretary of Education, the State Council of Higher Education, and the Chairmen of the House Appropriations and Senate Finance Committees by May 15 of each fiscal year.

7. The Department of Planning and Budget is hereby directed to administratively appropriate to the institutions of higher education additional nongeneral fund revenues generated by the tuition policy in place for the 2002-2004 biennium."

VIRGINIA TECH

PROPOSED TUITION AND FEE RATES FOR 2002-03

During the period of 1989 to 1996 tuition increased dramatically across the Commonwealth because of the decline in General Fund support for higher education. At Virginia Tech, undergraduate tuition increased by 49 percent for in-state students and 91 percent for out-of-state students in the six-year period 1989-90 to 1995-96. The substantial growth in tuition has been a source of increased concern to institutions of higher education, students, parents, and state officials.

In 1994 the Appropriation Act included language which established tuition caps of 3.0 percent for in-state students and 7.5 percent for out-of-state students for each year of the biennium. For the three-year period of 1996-97, 1997-98, and 1998-99, the Appropriation Act included language which decreed that the tuition for Virginia undergraduates be frozen at the 1995-96 level. The 1999 General Assembly approved a 20 percent reduction in tuition and mandatory Educational and General fees for Virginia undergraduate students and offset the reduction in revenue by providing new General Fund support. The 2000 Appropriation Act included language to continue tuition and mandatory Educational and General fees at 1999-2000 levels for Virginia undergraduate students during the 2000-02 biennium.

One of the measures proposed by Governor Gilmore and modified by the General Assembly to address the current revenue shortfalls in Virginia is to reduce General Fund support and offset a portion of this reduction by an increase in tuition during each year of the 2002-04 biennium. Language to be included in the 2002 Appropriation Act limits any increase in tuition and mandatory Educational and General fees for Virginia undergraduate students to 9.0 percent over the prior year.

Development of 2002-03 Tuition and Fee Rates

The University has traditionally developed tuition and fee proposals in February and March of each year. The final rates were submitted to the Board of Visitors in April. This process allowed the University to incorporate into the tuition and fee proposals the impact of actions taken by the General Assembly session each year.

For 1996-97 the University altered the timetable for the development and approval of tuition and fee rates because of increasing demands to provide tuition and fee charges earlier to University Offices and to students and parents. This is particularly important for prospective students who are considering other institutions. Finalizing these rates earlier in the year helps students plan for the financial costs of the upcoming academic year, helps students make decisions such as attendance at

summer school, and allows the Student Financial Aid Office to deliver more timely and effective financial aid award information to current and prospective students.

Again for 2002-03, the University has accelerated the internal development and review of tuition and fee rates. This document contains the University's recommendations for the 2002-03 academic year.

Tuition

The 2002 General Assembly has approved limiting increases in tuition and mandatory Educational and General fees (technology service fee at Virginia Tech) at 9.0 percent for Virginia undergraduate students for both years of the biennium. No caps are included by the General Assembly for out-of-state undergraduate students or for graduate students. To recover a portion of the General Fund budget reduction, all tuition rates are proposed to increase by 9.0 percent for 2002-03.

The annual rates proposed for 2002-03 are shown below:

Full-Time Students

	<u>Actual</u> <u>2001-02</u>	<u>Proposed</u> <u>2002-03</u>
<u>Undergraduate Students</u>		
Residents	\$ 2,792	\$ 3,044
Nonresidents	11,616	12,660
<u>Graduate Students</u>		
Virginia Resident On-Campus	4,347	4,739
Nonresident On-Campus	7,317	7,974
Virginia Resident Off-Campus	4,878	5,319
Nonresident Off-Campus	7,902	8,613

The semester rates equal one-half of the annual rates.

Part-Time Students

Part-time tuition charges for all student categories are derived from the full-time rate and are directly related to the number of credit hours taken. For tuition calculation purposes, the full-time undergraduate semester rate is divided by 12 credit hours and the full-time graduate student semester rate is divided by nine hours. The proposed per hour charges for 2002-03 are:

	<u>Actual</u> <u>2001-02</u>	<u>Proposed</u> <u>2002-03</u>
<u>Undergraduates</u>		
Resident	\$116.50/hour	\$126.75/hour
Nonresident	484.00/hour	527.50/hour
<u>Graduates</u>		
Virginia Resident On-Campus	241.50/hour	263.25/hour
Nonresident On-Campus	406.50/hour	443.00/hour
Virginia Resident Off-Campus	271.00/hour	295.50/hour
Nonresident Off-Campus	439.00/hour	478.50/hour

Veterinary Medicine

Tuition for students in the College of Veterinary Medicine is computed following the same parameters used for undergraduate and graduate student tuition. Until 1996-97 only residents of Virginia and Maryland were admitted for study in the professional veterinary medicine curriculum. When the college was formed, the two states agreed to provide equal contributions (per student) to the operating budget. It was also agreed that all students would pay the same tuition rate. The tuition agreement has been sustained since the first class was admitted.

Effective for the Fall 1996, the enrollment policy was modified to admit 10 out-of-state students (non-Maryland students) per year until fully implemented in the Fall of 1999. This results in a total enrollment of 40 out-of-state students. This change did not affect the enrollment totals for Virginia or Maryland.

Each year the tuition proposal is reviewed with the Virginia-Maryland Regional College of Veterinary Medicine Budget and Program Review Board (established to review the college's budget and comprised of representatives from Virginia Tech and the University of Maryland). The University, in conjunction with the Budget and Program Review Board, proposes to increase the tuition rates by 9.0 percent for all veterinary medicine students for 2002-03. The current and proposed annual tuition rates are displayed below:

	<u>Actual</u> <u>2001-02</u>	<u>Proposed</u> <u>2002-03</u>
Virginia/Maryland Students	\$ 8,534	\$ 9,302
Out-of-state Students	22,496	24,520

Technology Service Fee

In accordance with the language in the 1998 Appropriation Act, the University implemented a new Educational and General technology service fee effective with

the 1998 fall semester. The fee is \$36 per academic year or \$18 per semester for full-time students. Part-time students pay half the full-time rate. The rate has not changed since its implementation in the fall of 1998. A \$2 increase in the technology fee is recommended for 2002-03. If approved, the current technology fee will be replaced by a \$38 per academic year, \$19 per semester, rate in 2002-03. In prior years this fee was required for all on-campus students but not for students taking courses at off-campus locations. Beginning with the Fall 2002 semester, the University proposes to assess the technology fee to all students.

Comprehensive Fee

In 2001-02, students attending Virginia Tech pay a Comprehensive Fee to support six different services and activities. The Student Activity Fee, the Athletic Fee, the Bus Fee, the Student Health Service Fee, the Recreational Sports Fee, and the Hokie Passport Fee are consolidated into one fee in order to streamline the process for collecting and accounting for these charges. In 2001-02, the annual Comprehensive Fee is \$836 per student. The \$836 per student fee is the lowest Comprehensive Fee charged by any four-year institution in Virginia. Comprehensive fees at the other five doctoral institutions range from \$1,092 to \$2,428.

Individual descriptions and recommended amounts for 2002-03 are given below for each component of the Comprehensive Fee.

Student Activity Fee

Full-time students currently pay \$225 annually for the Student Activity Fee, which covers the debt retirement, maintenance and operation of the student centers, and supports student activities as determined by the Student Budget Board. Part-time students pay one-half of this fee. A \$1 increase in the Student Activity Fee is recommended for 2002-03 to cover cost increases in repair and maintenance supplies. If approved, the current \$225 per year charge will be replaced by a \$226 annual, or \$113 per semester, charge in the 2002-03 academic year.

Health Service Fee

Full-time students currently pay \$187 per year for normal medical and nursing attention provided by University Student Health Services. Part-time students may elect to pay the fee for health service coverage. No change in the Student Health Fee is proposed for 2002-03.

Athletic Fee

Full-time students currently pay \$232 per year to support a portion of the athletic program operations. Part-time students may elect to pay the Athletic Fee. The student fee revenue covers the costs of sponsoring intercollegiate varsity sports that

do not generate revenue and athletic administration. This fee entitles students to free admission into sporting events. No change in the Athletic Fee is proposed for 2002-03. The Athletic Fee has not increased since Fall 1998.

Hokie Passport Fee

Full-time students currently pay \$4 annually for the Hokie Passport Fee. Part-time students pay one-half of this fee. The student fee revenue covers the cost of operating non-revenue generating services provided by the Hokie Passport Office that benefit students and the cost of producing the card.

The Hokie Passport Office produces identification cards for every student enrolled at Virginia Tech. Students use the card for many purposes both on- and off-campus. On-campus, the card can be used to access facilities, account for student meal plans in the dining halls, check out books from the library, make photocopies, or purchase meals from on-campus vendors and items from the University bookstore. Off-campus, students can make purchases from any Blacksburg merchant that honors the Hokie Passport card.

A \$5 increase in the Hokie Passport Fee is recommended for 2002-03 to cover the reclassification of a personnel cost to the auxiliary enterprise and the second year (of two) to phase in the fee to cover the initial cost of producing student identification cards. If approved, the current \$4 per year charge will be replaced by a \$9 annual, or \$4.50 per semester, charge in the 2002-03 academic year.

Bus Fee

Students enrolled at Virginia Tech have unlimited access to bus transportation provided by the Blacksburg Transit System through a contract the University negotiates with the Town of Blacksburg each year. In the current year, students pay \$43 per year for unlimited ridership. Approximately 1.8 million student trips on the Blacksburg Transit were reported in 2000-01. In addition to the convenience for students, the bus system saves the University considerable money by lowering requirements for on-campus parking services.

A \$14 increase in the Bus Fee is recommended for 2002-03 to accommodate the projected increase in the contract with the Town of Blacksburg. If approved, the current \$43 per year charge will be replaced by a \$57 annual, or \$28.50 per semester, charge in the 2002-03 academic year.

Recreational Sports Fee

Full-time students currently pay \$145 annually for the Recreational Sports Fee, which supports debt retirement, maintenance, operations, intramural and extramural sports club programs, and recreational activities. Part-time students pay one-half of the fee. Since enrollments have increased at a slightly higher rate than costs in

Recreational Sports, the University intends to implement a \$2 reduction of the Recreational Sports Fee to offset a portion of the overall increase in comprehensive fees. If approved, the Recreational Sports Fee will be replaced by a \$143 per academic year, \$71.50 per semester, charge in 2002-03.

Summary of Comprehensive Fee

	2001-02 <u>Annual Fee</u>	Proposed 2002-03 <u>Annual Fee</u>
Student Activity Fee	\$ 225	\$ 226
Health Service Fee	187	187
Athletic Fee	232	232
Hokie Passport Fee	4	9
Bus Fee	43	57
Recreational Sports Fee	<u>145</u>	<u>143</u>
Total Recommendation	\$ 836	\$ 854

Room and Board Charges

The University's Residential and Dining Programs serve students by providing on-campus housing and dining services. Generally, all entering freshmen must live on campus and housing is available on a limited basis for returning students who choose to live on campus at the fee approved by the Board of Visitors. The University establishes optional room and board rates based on a direct derivation of the Board-approved fee and to appropriately reflect costs. All students living on campus must select a meal plan; off-campus students may elect to participate in one of the meal plan programs.

Virginia Tech has the lowest combined room and board rates in the Commonwealth. Individual descriptions and suggested amounts for 2002-03 are given below for each of the programs.

Room Fees

A 2.5 percent year-to-year increase is proposed for room rates to cover mandatory cost increases and utility and fixed cost increases. The dollar increase will range from \$48 per year to \$92 per year.

Included within the dormitory rate is a \$309 charge for the University's telecommunication system. Since 1988, voice, video, and data services have been provided for all dormitory residents. In the Fall of 1998, the University completed upgrades to the data connections to provide one ethernet port per student in each of

the residence hall rooms. No increase in the telecommunications portion of the room fee is proposed for 2002-03.

The proposed room rates by location are listed below:

	<u>2001-02 Annual Fee</u>	<u>Proposed 2002-03 Annual Fee</u>
Upper Quad	\$1,880	\$1,928
Lower and Prairie Quad	2,008	2,058
Cochrane Hall	2,448	2,510
Special Purpose	2,510	2,574
Payne Park		
-- Traditional - Single	3,028	3,104
-- Traditional - Double	2,208	2,264
-- Suite - Single	3,688	3,780
-- Suite - Double	2,666	2,734
Hillcrest		
-- Double	2,436	2,498
-- Single	3,320	3,404
Main Campbell		
-- Double	2,262	2,320
-- Single	3,082	3,160

Board Fees

Virginia Tech students living on-campus have a choice of two types of meal plans. Standard meal plans are designed to allow students to pay based on probable participation, i.e., 10 meals per week, 12 meals per week, 15 meals per week, or 19 meals per week. Students may also choose a more flexible meal plan alternative titled the Flex Plan which is designed for students who eat their meals during non-traditional hours or prefer the à la carte facilities. The Flex Plan operates like a debit account with a designated amount for the purchase of food in the dining facilities. Students are able to increase their Flex account balance during the year by making deposits into their Flex accounts. Consistent with purchasing power of traditional meal plans, the intent of annual rate changes for the Flex Plan is to hold overall purchasing power constant year-to-year.

In response to the success of the Flex Plan and student demand for more flexible dining options, the University proposes to restructure the meal plan offerings for 2002-03. As a result, the 10 meals per week, 12 meals per week, 15 meals per week, and 19 meals per week plans will no longer be offered. Instead, two new meal plans will be offered, the 15 meals per week plus \$100 Flex Dollars and 10

meals per week plus \$60 Flex Dollars. These new plans are based on the traditional meal plan concept while also providing flexible dining options for students.

In prior years, the 19-Meal Plan was displayed as a part of the total cost of education. In 2002-03, the 19-Meal Plan will not be offered; therefore, the most popular plan (the Flex Plan) is displayed in the total cost of education computation. For comparison purposes, the 2001-02 total cost of education has been restated in terms of the new basis.

A 2.4 percent year-to-year increase is proposed for board fees to cover increases in the cost of food supplies, the last of a three-year phasing in of the debt service for dining hall improvements, and increases in utilities and fixed costs.

The proposed board rates by meal plan program are listed below:

	<u>2001-02</u> <u>Annual Fee</u>	<u>Proposed</u> <u>2002-03</u> <u>Annual Fee</u>
19-meal plan	\$2,024	--
15-meal plan	1,906	--
12-meal plan	1,816	--
10-meal plan	1,752	--
Flex Plan	1,964	2,012
15-meal plus \$100 Flex Dollars		2,074
10-meal plus \$60 Flex Dollars		1,860

Parking Fee

The General Assembly directed institutions of higher education to organize parking services as an auxiliary enterprise operation in 1989. The expenditure of General Fund for the maintenance or improvement of parking lots and facilities was prohibited. Accordingly, Virginia Tech established the Parking Services Auxiliary at the beginning of fiscal year 1989-90 and instituted a fee for faculty, staff, and students who parked in campus lots. For Fall 2001, the Board of Visitors authorized an annual parking fee of \$68 for faculty and staff and \$52 for students.

The fee revenue covers the costs of operating, constructing, maintaining, and improving the parking lots and facilities. The current demand for parking, the aging condition of parking lots, and general campus growth have created a need for additional resources to renovate and reconfigure parking lots. Consistent with the funding source prescribed by the General Assembly, the University proposes to increase parking fees to cover these costs.

The University proposes to increase the annual parking fee for faculty and staff from \$68 to \$76 and the student fee from \$52 to \$58 in the 2002-03 academic year. The University also proposes to continue to provide a parking rate discount to encourage carpooling in an effort to reduce the amount of vehicular traffic on campus.

Summary of Tuition and Fee Rates

A summary of the recommended tuition rates is shown on Schedule 1, and a summary of fees is attached on Schedule 2. Also, the total cost for students to attend Virginia Tech is detailed on Schedule 3 for undergraduate students and Schedule 4 for graduate students.

RECOMMENDATION:

That the proposed increases in the tuition and fee rates be approved, effective Fall Semester 2002.

VIRGINIA TECH
2002-03 TUITION RECOMMENDATIONS
SUMMARY OF ANNUAL CHARGES

RECOMMENDATION

	<u>2001-02 Charge</u>	<u>Proposed Total for 2002-03</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
Undergraduate Students				
Resident	\$2,792	\$3,044	\$252	9.0%
Nonresident	11,616	12,660	1,044	9.0%
Graduate Students				
On-Campus Programs				
Resident	\$4,347	\$4,739	\$392	9.0%
Nonresident	7,317	7,974	657	9.0%
Off-Campus Programs				
Resident	\$4,878	\$5,319	\$441	9.0%
Nonresident	7,902	8,613	711	9.0%
Veterinary Medicine				
Virginia/Maryland	\$8,534	\$9,302	\$768	9.0%
Out-of-State Non-Maryland	22,496	24,520	2,024	9.0%

VIRGINIA TECH

2002-03 FEE RECOMMENDATIONS

SUMMARY OF ANNUAL CHARGES

	2001-02 Charge	Proposed Total for 2002-03	Increase	
			\$	%
<u>Educational and General Fee</u>				
- Technology Fee	\$36	\$38	\$2	5.6%
<u>Comprehensive Fee</u>				
- Student Activity Fee	\$225	\$226	\$1	0.4%
- Health Service Fee	187	187	0	0.0%
- Athletic Fee	232	232	0	0.0%
- Hokie Passport Fee	4	9	5	125.0%
- Bus Fee	43	57	14	32.6%
- Recreational Sports Fee	145	143	-2	-1.4%
Total Comprehensive Fee	\$836	\$854	\$18	2.2%
<u>Room Fees</u>				
- Pre-1983 Dormitories				
- Minimum	\$1,880	\$1,928	\$48	2.6%
- Maximum	2,008	2,058	50	2.5%
- Cochrane Hall	2,448	2,510	62	2.5%
- Special Purpose Housing	2,510	2,574	64	2.5%
- Payne Park				
- Traditional - Single	3,028	3,104	76	2.5%
- Traditional - Double	2,208	2,264	56	2.5%
- Suite - Single	3,688	3,780	92	2.5%
- Suite - Double	2,666	2,734	68	2.6%
- Hillcrest				
- Double Occupancy	2,436	2,498	62	2.5%
- Single Occupancy	3,320	3,404	84	2.5%
- Main Campbell				
- Double Occupancy	2,262	2,320	58	2.6%
- Single Occupancy	3,082	3,160	78	2.5%
<u>Board Fees</u> ^(a)				
- 19-Meal Plan	\$2,024	-	-	-
- 15-Meal Plan	1,906	-	-	-
- 12-Meal Plan	1,816	-	-	-
- 10-Meal Plan	1,752	-	-	-
- Flex Plan	1,964	2,012	48	2.4%
- 15-Meal Plan Plus \$100 Flex Dollars	-	2,074	-	-
- 10-Meal Plan Plus \$60 Flex Dollars	-	1,860	-	-

(a) The University proposes to restructure the meal plan offerings for 2002-03. As a result, many of the 2002-03 meal plan rates are not directly comparable to the 2001-02 rates. Please see the tuition and fee narrative for additional information.

VIRGINIA TECH

TOTAL COST TO STUDENTS

Comparison of 2001-02 and 2002-03 Annual Charges

UNDERGRADUATE STUDENTS

	2001-02 Charge	Proposed Total for 2002-03	Increase	
			\$	%
<u>Resident</u>				
Tuition	\$2,792	\$3,044	\$252	9.0%
Educational and General Fee	36	38	2	5.6%
Comprehensive Fee	<u>836</u>	<u>854</u>	<u>18</u>	<u>2.2%</u>
Subtotal All Resident Students	\$3,664	\$3,936	\$272	7.4%
Room (Maximum Rate Pre-1983 Dorms)	2,008	2,058	50	2.5%
Board (Flex Plan) ^(a)	<u>1,964</u>	<u>2,012</u>	<u>48</u>	<u>2.4%</u>
Subtotal Room and Board	<u>\$3,972</u>	<u>\$4,070</u>	<u>\$98</u>	<u>2.5%</u>
Total Cost for Residents Living on Campus	<u>\$7,636</u>	<u>\$8,006</u>	<u>\$370</u>	<u>4.8%</u>
<u>Nonresident</u>				
Tuition	\$11,616	\$12,660	\$1,044	9.0%
Educational and General Fee	36	38	2	5.6%
Comprehensive Fee	<u>836</u>	<u>854</u>	<u>18</u>	<u>2.2%</u>
Subtotal All Nonresident Students	\$12,488	\$13,552	\$1,064	8.5%
Room (Maximum Rate Pre-1983 Dorms)	2,008	2,058	50	2.5%
Board (Flex Plan) ^(a)	<u>1,964</u>	<u>2,012</u>	<u>48</u>	<u>2.4%</u>
Subtotal Room and Board	<u>\$3,972</u>	<u>\$4,070</u>	<u>\$98</u>	<u>2.5%</u>
Total Cost for Nonresidents Living on Campus	<u>\$16,460</u>	<u>\$17,622</u>	<u>\$1,162</u>	<u>7.1%</u>

(a) In prior years, the 19-Meal Plan was displayed as a part of the total cost. In 2002-03, the 19-Meal Plan will not be offered; therefore, the most popular plan (the Flex Plan) is displayed.

VIRGINIA TECH
TOTAL COST TO STUDENTS
Comparison of 2001-02 and 2002-03 Annual Charges

	2001-02 Charge	Proposed Total for 2002-03	Increase	
			\$	%
<u>GRADUATE STUDENTS</u>				
On-Campus Programs				
<u>Resident</u>				
Tuition	\$4,347	\$4,739	\$392	9.0%
Educational and General Fee	36	38	2	5.6%
Comprehensive Fee	836	854	18	2.2%
Total Cost for Residents	\$5,219	\$5,631	\$412	7.9%
<u>Nonresident</u>				
Tuition	\$7,317	\$7,974	\$657	9.0%
Educational and General Fee	36	38	2	5.6%
Comprehensive Fee	836	854	18	2.2%
Total Cost for Nonresidents	\$8,189	\$8,866	\$677	8.3%
Off-Campus Programs				
<u>Resident</u>				
Tuition	\$4,878	\$5,319	\$441	9.0%
Educational and General Fee	0	38	38	N/A
Total Cost for Residents	\$4,878	\$5,357	\$479	9.8%
<u>Nonresident</u>				
Tuition	\$7,902	\$8,613	\$711	9.0%
Educational and General Fee	0	38	38	N/A
Total Cost for Nonresidents	\$7,902	\$8,651	\$749	9.5%
<u>VETERINARY MEDICINE</u>				
Virginia/Maryland Students				
Tuition	\$8,534	\$9,302	\$768	9.0%
Educational and General Fee	36	38	2	5.6%
Comprehensive Fee	836	854	18	2.2%
Total Cost for Virginia/Maryland Students	\$9,406	\$10,194	\$788	8.4%
Out-of-State Students				
Tuition	\$22,496	\$24,520	\$2,024	9.0%
Educational and General Fee	36	38	2	5.6%
Comprehensive Fee	836	854	18	2.2%
Total Cost for Out-of-State Students	\$23,368	\$25,412	\$2,044	8.7%

SPECIAL TUITION RATE FOR STUDY-ABROAD PROGRAMS

Providing the opportunity for students to study abroad is an important strategy in strengthening the international programs of Virginia Tech, an objective of both the University and the Commonwealth, as specified in the report of the Commission on the University of the 21st Century. Examples of current study-abroad programs include Foreign Languages in Europe; Business in Western Europe, China, Hong Kong, and Japan; Human Development in Sweden; Interdisciplinary Environmental Summer in Europe; Forest Resources in China; and Black Studies in Senegal. There are approximately 30 such programs with an average of 15 students participating in each program.

A special tuition rate has previously been approved by the Board of Visitors for students who participate in the various study-abroad programs operated by the University. The special tuition rate reflects instructional services that all students receive, but deletes the cost of on-campus services.

The University proposes to continue a special tuition rate for study-abroad programs (except for those offered at the Center for European Studies and Architecture) that is equal to 70 percent of the on-campus rates. The following table shows the proposed special rates per credit hour and the rates per credit hour for on-campus classes for 2002-03:

	<u>Actual</u> <u>2001-02</u>	<u>Proposed</u> <u>2002-03</u>
<u>Undergraduates</u>		
Virginia special rate	\$ 82.00/hour	\$ 89.00/hour
Virginia regular rate	116.50/hour	126.75/hour
Out-of-state special rate	339.00/hour	369.00/hour
Out-of-state regular rate	484.00/hour	527.50/hour
<u>Graduates</u>		
Virginia special rate	\$170.00/hour	\$185.00/hour
Virginia regular rate	241.50/hour	263.25/hour
Out-of-state special rate	285.00/hour	310.00/hour
Out-of-state regular rate	406.50/hour	443.00/hour

RECOMMENDATION:

That the proposed special tuition rates for study-abroad programs be approved, effective Fall Semester 2002.

SPECIAL TUITION RATE FOR ELEMENTARY AND SECONDARY SCHOOL PERSONNEL

At the January 16, 1989, meeting of the Board of Visitors, a policy that endorsed a special rate for elementary and secondary school personnel was approved. Teachers, counselors, administrators, and supervisors employed by elementary and secondary school systems in the Commonwealth of Virginia may enroll in graduate classes, both on-campus and at off-campus locations, and pay approximately 60 percent of the authorized tuition rate. Further, elementary and secondary school personnel may enroll in an unlimited number of graduate courses for the purpose of recertification or for an advanced degree.

The original policy was approved in 1984 and allowed public school teachers to attend graduate classes at Virginia Tech on a reduced tuition schedule for purposes of recertification. Recertification is a statewide requirement and one that can strengthen the total education system. The original policy provided a more reasonable cost for teachers pursuing recertification. It also underscored the University's commitment to improving the quality of elementary and secondary education through the continued education of elementary and secondary school teachers. The Board of Visitors approved in January 1989 a revised policy, which expanded the policy in two ways. First, all elementary and secondary school personnel are now eligible for the reduced tuition rate. Secondly, all graduate hours qualify for the plan, not just recertification hours. In February 1999, the Board of Visitors approved an expansion of the special tuition rate to include undergraduate-level courses for vocational teachers who do not have a bachelor's degree.

The special instructional fees for elementary and secondary school personnel are \$145 per graduate credit hour and \$70 per undergraduate credit hour in 2001-02; these rates are equal to 60 percent of the corresponding on-campus rates. The following table shows the proposed special rates per credit hour and the proposed rates per credit hour for on-campus classes for 2002-03 for Virginia residents:

	<u>Actual</u> <u>2001-02</u>	<u>Proposed</u> <u>2002-03</u>
<u>Undergraduate</u>		
Special rate for school personnel	\$ 70.00/hour	\$ 76.00/hour
Regular on-campus classes	116.50/hour	126.75/hour
<u>Graduate</u>		
Special rate for school personnel	145.00/hour	158.00/hour
Regular on-campus classes	241.50/hour	263.25/hour

RECOMMENDATION:

That the special tuition rates for elementary and secondary school personnel be approved, effective Fall Semester 2002.

**TUITION AND FEE RATES FOR
THE CENTER FOR EUROPEAN STUDIES AND ARCHITECTURE**

The Center for European Studies and Architecture (CESA) in Lugano, Switzerland, opened in the Fall of 1993. The Center serves as a resident educational facility for Virginia Tech students from many academic programs. Providing the opportunity for students to study abroad is an important strategy in strengthening the international programs of Virginia Tech, an objective of both the University and the Commonwealth, as specified in the report of the Commission on the University of the 21st Century.

For purposes of financing the operations of the Center, two separate programs are maintained. First, all instructional costs are accounted for in the Educational and General program of the University Division. Second, Auxiliary Enterprise activities, housing and dining programs, are recorded within the University's Residential and Dining Hall System. The Ferrari Foundation, the University's Swiss subsidiary corporation, manages the day-to-day activities of the Center.

Prior to the Fall of 1997, special reduced tuition rates were in effect for students who studied at the Center to encourage student participation in this new program. After three years of experience, the University believed that student interest and demand had increased to the point that maximum participation levels could be maintained without continuing the tuition discount. Since the Fall of 1997, students attending the Center for European Studies and Architecture have been assessed the same tuition as on-campus students. It is recommended that this tuition policy continue. For housing and dining services at the Center, the proposed fees are higher than on-campus rates to reflect the higher cost of living at the Center. Students are not required to pay the on-campus Technology or Comprehensive Fees while studying abroad. For 2002-03, there is no proposed change in the room and board fees, but a new student activity fee is proposed. The room and board fees at the Center remain unchanged from the fees approved for 1997-98. A student activity fee of \$100.00 per semester is proposed to provide students with community-building social and recreational events and activities.

The University proposes the following semester rates for Virginia Tech students:

	<u>Undergraduate</u>		<u>Graduate</u>	
	<u>Virginians</u>	<u>Out-of-State</u>	<u>Virginians</u>	<u>Out-of-State</u>
Tuition (on-campus rates)	\$1,522.00	\$6,330.00	\$2,369.50	\$3,987.00
CESA Student Activity Fee	100.00	100.00	100.00	100.00
Room and Board Costs at CESA	<u>4,076.00</u>	<u>4,076.00</u>	<u>4,076.00</u>	<u>4,076.00</u>
Total CESA Charge	<u>\$5,698.00</u>	<u>\$10,506.00</u>	<u>\$6,545.50</u>	<u>\$8,163.00</u>

RECOMMENDATION:

That the proposed tuition and fee rates for the Center for European Studies and Architecture be approved, effective Fall Semester 2002.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

2002-03 COMPENSATION FOR GRADUATE ASSISTANTS

Students who work as graduate assistants while pursuing master's or Ph.D. degrees provide a valuable service to the University. Many teach undergraduate classes. Others support faculty in scholarly and sponsored research activities. To be competitive in the recruitment and retention of high quality graduate students for these activities, it is important for the University to provide compensation packages that are comparable with those offered by peer institutions. The key components of the compensation packages are competitive stipends, tuition assistance, and health insurance.

Graduate Stipends

One of the primary goals of Virginia Tech during the 1980s was to build a graduate stipend schedule that was competitive with those offered by comparable institutions. Significant progress was achieved. The levels were increased each year, the individual amounts within the matrix were realigned to eliminate perceived discrepancies, and a new category was added for graduate students working on sponsored research projects. In the 1990's the University developed a more comprehensive program of tuition scholarships. Four sources finance the tuition program: the General Fund appropriation for student financial assistance, a scholarship program in the Educational and General budget, tuition payments in grants and contracts, and private gifts.

For 2002-03, the General Assembly is not expected to authorize any salary increases. Thus, the stipend schedule approved for 2001-02 is proposed to be continued in 2002-03. The base payments for 2002-03 are detailed below by level and step.

	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
Level Base	\$1,040-1,395	\$1,055-1,410	\$1,120-1,475	\$1,160-1,515
Level A	1,175-1,530	1,195-1,550	1,250-1,605	1,290-1,645
Level B	1,300-1,655	1,325-1,680	1,380-1,735	1,410-1,765
Level C	1,445-1,800	1,475-1,830	1,515-1,870	1,535-1,890
Level D	2,140	2,180	2,250	2,305

Some of the steps and levels include ranges to give departments the flexibility to pay certain deserving students higher stipends. The base budgeted rate remains at the low end of the range; stipend increases above this level must be accommodated with departmental funds.

The University also proposes to continue the senior category for graduate research assistants and graduate teaching assistants. The incremental stipend is reserved for advanced graduate students and is intended to recognize additional experience and expertise. The recommended stipends for the senior graduate research assistant and senior graduate teaching assistant are:

	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>
Level A	\$1,700	\$1,720	\$1,775	\$1,815
Level B	1,825	1,845	1,900	1,925
Level C	1,975	2,005	2,045	2,065

Departments are authorized to award stipends at the above levels depending on the degree of competition for graduate students within the discipline. The schedule of stipend payments is subject to the understanding that appointments by level are authorized as follows:

1. Level A (or below), Level B, or Level C for the Departments of Biological Systems Engineering, Biochemistry, Chemistry, Computer Science, Geological Sciences, Mathematics, Physics, Psychology, Management Science, Finance, the College of Natural Resources, and the College of Engineering.
2. Level A (or below) or Level B for the Departments of Accounting; Biology; Economics; Human Nutrition, Foods, and Exercise; Marketing; Science and Technology Studies; Sociology; Statistics; and the College of Agriculture and Life Sciences.
3. Level A (or below) for all other departments.
4. Level D for Post Professional Doctorate in Veterinary Medicine.

Health Insurance Premium Compensation

At the March 5, 2001 meeting of the Board of Visitors, a health insurance program for graduate students on assistantships was approved. The program provides funding for a portion of the cost of health insurance for full-time graduate students receiving a full or partial assistantship, including graduate research assistants, graduate teaching assistants, and graduate assistants.

The University proposes to continue this program in 2002-03.

RECOMMENDATION:

That the current stipend levels and graduate health insurance program be approved.

VIRGINIA TECH

FINANCIAL PERFORMANCE REPORT

Operating and Capital Expenditures

July 1, 2001 to December 31, 2001

FINANCIAL PERFORMANCE REPORT

The Financial Performance Report of income and expenditures is prepared from two sources: actual accounting data as recorded at Virginia Tech and with the Commonwealth of Virginia, and the annual budgets. The actual accounting data reflect the modified accrual basis of accounting, which recognizes revenues when received rather than when earned and the expenditures when obligated rather than when paid. The annual budgets are based upon the amount of funds anticipated, approved, and appropriated to Virginia Tech by the General Assembly and the Governor of the Commonwealth of Virginia before the beginning of the fiscal year. The projected year-end budgets reflect adjustments to incorporate actual experience during the fiscal year. The adjustments are coordinated with the State Department of Planning and Budget.

The July to December 2001-2002 budget (year-to-date) is prepared from historical data and reflects trends in expenditures from previous years. 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 accountability since the institution has a legislative mandate to remain within the total revenue and expenditure amounts appropriated by the General Assembly for the two divisions of Virginia Tech, including transfers from the Commonwealth's Central Appropriation for classified salary increase and fringe benefit rate changes.

OPERATING BUDGET

1. Tuition and Fee revenue is lower than historical projections due to changes in the timing of graduate scholarships as the result of implementing a new graduate tuition processing system. The new process provides colleges with additional time to align fund sources with graduate student work assignments.
2. Revenue in All Other Income is higher than projected due to the timing of indirect cost reimbursements into the Educational and General program.
3. Expenses in the University Division academic and support programs are lower than projected due to salary savings from vacant faculty positions in the current year. These savings will be redistributed during the remainder of the year to operating accounts.
4. The budget for federal revenue is established to match projected allotments from the federal government. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in Cooperative Extension is less than the projected budget due to lower-than-anticipated federal expenditures and the timing of receipt of federal drawdowns.
5. Agriculture Experiment Station self-generated revenue is exceeding historical budget projections due to higher-than-normal crop, livestock and milk sales, and one-time revenue from the Conservation Reserve Enhancement Program.
6. Expenditures for the Cooperative Extension/Agriculture Experiment Station Division are higher than budgeted through the second quarter due to a higher-than-normal staffing pattern. Over 99 percent of allotted positions are currently filled. In addition, expenditures for certain centralized purchases in support programs occurred earlier in the fiscal year than in prior years.
7. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
8. 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. Revenue collections for grants and contracts are higher than projected through the second quarter of this fiscal year due to continued improvement in collection efforts. The expenditure budget was established based on aggressive increases in sponsored activity levels. Expenditures were slightly less than projected, but ahead of 2000-2001 activity levels.
9. Revenue in All Other Programs is lower than anticipated due to a delay in the timing of the receipt of the Unique Military Activities program appropriation that is transferred annually from the Virginia Military Institute.
10. Expenditures in All Other Programs are lower than projected due to the timing of expenses for the Alumni Affairs program and banking fees.
11. The projected year-end General Fund revenue budget has been increased by \$205,500 for a transfer from Student Financial Aid to the Educational and General program for assistantships in the Minority Agricultural Opportunities Program and by \$27,837 for VIVA libraries distribution costs. The corresponding expenditure budgets have been increased. The General Fund budget has been reduced by \$965,277 to match the actual central appropriations transfer based on a revision in the statewide fringe benefit rates that resulted in lower fringe benefit costs for the University. The corresponding fringe benefit budgets have been adjusted accordingly. The revenue projection has been further reduced by \$3,730,481 to match the 2 percent budget reduction proposed in the December 19, 2001 amendments for the current biennium (HB29). The corresponding expenditure budgets have been reduced. During the third quarter, the General Fund revenue and expense budgets will be reduced by an additional one percent (for a total of three percent) in response to executive amendments proposed in January.
12. The projected year-end revenue budget for Tuition and Fees has been increased by \$4,000,000 for higher than projected Fall semester enrollments and reduced by \$43,484 for a technical realignment of the revenue budget from tuition and fees to all other income. The corresponding expenditure budgets have been adjusted accordingly.
13. The projected year-end revenue budget for All Other Income has been increased by \$2,000 for Horticulture Program revenue, by \$43,484 for a technical realignment of the revenue budget from tuition and fees to all other income, and by \$550,000 to realign the budget with actual activity level in the Center for Organizational and Technological Advancement (COTA). The corresponding expenditure budgets have been adjusted accordingly.
14. The General Fund revenue projection for the Cooperative Extension/Agriculture Experiment Station Division has been reduced by \$327,550 to match the actual central appropriations transfer based on a revision in the statewide fringe benefit rates that resulted in a lower fringe benefit cost for the University. The corresponding expenditure budgets have been adjusted accordingly. The General Fund revenue projection has been further reduced by \$1,217,704 to match the 2 percent budget reduction proposed in December 19, 2001 amendments for the current biennium (HB29). A corresponding expenditure budget reduction has been allocated to a central fund and will be distributed to the appropriate operating budgets once reduction plans are finalized. During the third quarter, the General Fund revenue and expense budgets will be reduced by an additional one percent (for a total of three percent) in response to executive amendments proposed in January.
15. The annual budget for Federal Appropriations in the Cooperative Extension/Agriculture Experiment Station Division has been adjusted to reflect additional federal funds which are available to be expended prior to June 30, 2002. The corresponding expenditure budgets have been adjusted accordingly.
16. The annual budget for All Other Income in the Cooperative Extension/Agriculture Experiment Station Division has been adjusted to reflect additional revenues received from the sale of Agriculture Experiment Station livestock. The corresponding expenditure budget has been increased to support the purchase of a replacement herd.
17. The projected year-end revenue and expense budgets for Student Financial Aid have been reduced by \$205,500 for the transfer from Student Financial Aid to the Educational and General program for assistantships in the Minority Agricultural Opportunities Program and increased for the carryover of \$43,960 in unexpended balances from the prior fiscal year.
18. The projected year-end budget for All Other Programs has been increased by \$163,520 for pending commitments as of year-end and by \$85,000 for increased surplus property revenue and expenditure activity in the current fiscal year.

OPERATING BUDGETS
2001-2002 Fiscal Year

Dollars in Thousands

	July 1, 2001 to December 31, 2001			Annual Budget for 2001-2002		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
- General Fund	\$182,495	\$182,495	\$0	\$186,696	\$182,234	\$-4,462 (11)
- Tuition and Fees	75,780	76,214	-434 (1)	134,513	138,469	3,956 (12)
- All Other Income	12,340	11,841	499 (2)	26,919	27,515	596 (13)
Total Revenues	\$270,615	\$270,550	\$65	\$348,128	\$348,218	\$90
<u>Expenses</u>						
- Academic Programs	\$-111,431	\$-113,087	\$1,656 (3)	\$-222,039	\$-224,045	\$-2,006 (11,12,13)
- Support Programs	-59,676	-60,625	949 (3)	-126,069	-124,173	1,916 (11,12,13)
Total Expenses	\$-171,107	\$-173,712	\$2,605	\$-348,128	\$-348,218	\$-90
NET	\$99,508	\$96,838	\$2,670	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
- General Fund	\$59,651	\$59,651	\$0	\$61,663	\$60,117	\$-1,546 (14)
- Federal Appropriation	6,503	7,084	-581 (4)	13,238	13,905	667 (15)
- All Other Income	455	311	144 (5)	800	646	46 (16)
Total Revenues	\$66,609	\$67,046	\$-437	\$75,501	\$74,668	\$-833
<u>Expenses</u>						
- Academic Programs	\$-38,123	\$-37,815	\$-308 (4, 6)	\$-71,544	\$-70,715	\$829 (14,15,16)
- Support Programs	-2,305	-2,105	-200 (6)	-3,957	-3,853	4 (14,15)
Total Expenses	\$-40,428	\$-39,920	\$-508	\$-75,501	\$-74,668	\$833
NET	\$26,181	\$27,126	\$-945	\$0	\$0	\$0
<u>Auxiliary Enterprises</u>						
Revenues	\$64,689	\$62,814	\$1,875 (7)	\$117,325	\$119,297	\$1,972 (7)
Expenses	-56,903	-58,742	1,839 (7)	-117,229	-123,676	-6,447 (7)
Reserve Drawdown (Deposit)	726	862	-138 (7)	-96	4,379	4,475 (7)
NET	\$8,512	\$4,934	\$3,578	\$0	\$0	\$0
<u>Sponsored Programs</u>						
Revenues	\$64,711	\$60,839	\$3,872 (8)	\$119,308	\$119,308	\$0
Expenses	-65,783	-67,573	1,790 (8)	-119,308	-119,308	0
Reserve Drawdown (Deposit)	1,072	6,734	-5,662	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
<u>Student Financial Assistance</u>						
Revenues	\$10,451	\$10,451	\$0	\$12,453	\$12,292	\$-161 (17)
Expenses	-4,877	-4,793	-84	-12,453	-12,292	161 (17)
NET	\$5,574	\$5,658	\$-84	\$0	\$0	\$0
<u>All Other Programs *</u>						
Revenues	\$1,484	\$2,887	\$-1,403 (9)	\$4,332	\$4,412	\$-80 (18)
Expenses	-2,048	-2,235	187 (10)	-4,332	-4,576	244 (18)
Reserve Drawdown (Deposit)	564	654	-90	0	164	-164 (18)
NET	\$0	\$1,306	\$-1,306	\$0	\$0	\$0
<u>Total University</u>						
Revenues	\$478,559	\$474,587	\$3,972	\$677,047	\$678,195	\$988
Expenses	-341,146	-346,975	5,829	-676,951	-682,738	-5,299
Reserve Drawdown (Deposit)	2,362	8,250	-5,888	-96	4,543	4,311
NET	\$139,775	\$135,862	\$3,913	\$0	\$0	\$0

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

AUXILIARY ENTERPRISE BUDGET

1. Revenues are higher than projected in the Residence and Dining Halls due to higher than budgeted occupancy in the dormitories during the Summer and Fall Semesters, an increase in the number of optional off-campus meal plans sold, an increase in the amount of cash being placed on student dining dollar accounts, and increased sales revenue from summer conferences.
2. Revenues are higher than projected in Parking and Transportation because the number of student parking permits sold is greater than budgeted.
3. Expenditures are less than projected in the University Services System due to savings in personnel costs in Student Health Services and Recreational Sports.
4. Revenues are higher than projected in Intercollegiate Athletics due to the timing of revenue collections from home football games. Expenditures are lower than projected due to the timing of maintenance and renovation expenses.
5. Revenues are less than projected in the Electric Service Auxiliary due to a lower than projected volume of electric current purchased by town residents and the campus. Expenditures are less than projected due to savings in the purchase of wholesale electricity.
6. Revenues are less than projected in the Donaldson Brown Hotel and Conference Center due to lower than projected occupancy in the hotel and delays in accounts receivable billing. Expenditures are lower than projected due to savings in food and personnel costs in response to possible decline in business.
7. Revenues are higher than projected in Other Enterprise Functions due to higher than projected royalties collected from the sale of Virginia Tech merchandise in the Licensing and Trademark Auxiliary. Expenditures are less than projected due to the timing of software acquisition expenses in the Software Sales Auxiliary.
8. The projected year-end budget was increased for outstanding 2000-2001 commitments and projects that were initiated but not completed before June 30, 2001.
9. The projected annual expenditure and reserve drawdown budgets for the Residence and Dining Halls were adjusted to accommodate renovation expenses in Owens Dining Hall and Cochrane Hall and an increase in the cost of residential mail delivery.
10. The projected annual expenditure and reserve drawdown budgets for Parking and Transportation Services were adjusted to accommodate the renovation of space for the Parking Services office, parking lot maintenance at the Northern Virginia Center, an adjustment in the Blacksburg Transit contract payment to the Town of Blacksburg, and the funding of the Coliseum Lot renovations from the auxiliary reserves.
11. The projected annual expenditure and reserve drawdown budgets for the University Services System were adjusted to fund additional Residential Leadership Community program expenses in the Squires Auxiliary, the Indoor Climbing Wall program in the Recreational Sports Auxiliary, repairs to the sewer line of the Johnston Student Center, and a loan for the cost of planning the construction of the Fine Arts Center.
12. The projected annual revenue, expenditure, and reserve drawdown budgets for Intercollegiate Athletics were adjusted to accommodate higher than anticipated sales and Big East TV revenue, benefit changes, facility and renovation expenses, an adjustment to personnel costs, increased ticket office expenses, increased claims allowance, additional team travel expenses, printing and mailing expenses, additional testing for athletes, a change in the accounting of the NCAA Academic Enrichment program, and participation in the 2002 Gator Bowl.
13. The projected annual expenditure and reserve drawdown budgets for the Electric Service were adjusted to fund non-routine repairs to the University's electric generator.
14. The projected annual revenue, expenditure, and reserve drawdown budgets in the Other Enterprise Functions were adjusted to pay off the debt on older photocopiers in the Library Photocopy Auxiliary and replace them with newer copiers, to increase the Licensing and Trademark contribution to scholarships and athletic programs as a result of increased royalties collected from the sale of Virginia Tech licensed merchandise last year, and to reflect the completion of the Tailor Shop's reserve restoration plan.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Dollars in Thousands

	July 1, 2001 to December 31, 2001			Annual Budget for 2001-2002		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls						
Revenues	\$23,366	\$21,416	\$1,950 (1)	\$42,172	\$42,172	\$0
Expenses	-20,621	-20,676	55	-42,325	-43,120	-795 (8,9)
Reserve Drawdown (Deposit)	0	0	0	153	948	795 (8,9)
Net	\$2,745	\$740	\$2,005	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$2,197	\$2,094	\$103 (2)	\$3,452	\$3,452	\$0
Expenses	-2,053	-2,135	82	-3,834	-4,711	-877 (8,10)
Reserve Drawdown (Deposit)	0	41	-41	382	1,259	877 (8,10)
Net	\$144	\$0	\$144	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$7,841	\$7,790	\$51	\$14,058	\$14,058	\$0
Expenses	-5,292	-5,341	49	-13,968	-14,068	-100 (8)
Reserve Drawdown (Deposit)	0	0	0	-90	10	100 (8)
Net	\$2,549	\$2,449	\$100	\$0	\$0	\$0
University Services System						
Revenues	\$8,674	\$8,714	\$-40	\$16,565	\$16,565	\$0
Expenses	-7,901	-8,088	187 (3)	-16,497	-17,020	-523 (8,11)
Reserve Drawdown (Deposit)	0	0	0	-68	455	523 (8,11)
Net	\$773	\$626	\$147	\$0	\$0	\$0
Intercollegiate Athletics						
Revenues	\$11,706	\$11,523	\$183 (4)	\$17,577	\$19,574	\$1,997 (12)
Expenses	-11,212	-11,350	138 (4)	-17,276	-20,747	-3,471 (8,12)
Reserve Drawdown (Deposit)	0	0	0	-301	1,173	1,474 (8,12)
Net	\$494	\$173	\$321	\$0	\$0	\$0
Electric Service						
Revenues	\$6,482	\$6,936	\$-454 (5)	\$15,031	\$15,031	\$0
Expenses	-5,845	-6,478	633 (5)	-15,218	-15,288	-70 (8,13)
Reserve Drawdown (Deposit)	0	0	0	197	257	70 (8,13)
Net	\$637	\$458	\$179	\$0	\$0	\$0
Donaldson Brown Hotel and Conference Center						
Revenues	\$1,823	\$1,926	\$-103 (6)	\$4,369	\$4,369	\$0
Expenses	-1,727	-2,000	273 (6)	-4,142	-4,305	-163 (8)
Reserve Drawdown (Deposit)	0	74	-74	-227	-64	163 (8)
Net	\$96	\$0	\$96	\$0	\$0	\$0
Other Enterprise Functions						
Revenues	\$2,600	\$2,415	\$185 (7)	\$4,101	\$4,076	\$-25 (14)
Expenses	-2,252	-2,674	422 (7)	-3,969	-4,417	-448 (8,14)
Reserve Drawdown (Deposit)	726	747	-21	-132	341	473 (8,14)
Net	\$1,074	\$488	\$586	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$64,689	\$62,814	\$1,875	\$117,325	\$119,297	\$1,972
Expenses	-56,903	-58,742	1,839	-117,229	-123,876	-6,447
Reserve Drawdown (Deposit)	726	882	-136	-96	4,379	4,475
Net	<u>\$8,512</u>	<u>\$4,934</u>	<u>\$3,578</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

CAPITAL OUTLAY BUDGET

Educational and General Projects

1. The project total budget and cumulative expenses reflect the appropriations available for 2000-2002. The annual budget increased because project expenses expected in fiscal year 2001 were deferred to fiscal year 2002. The total budget decreased by \$3,770,000 to reflect the permanent loss of frozen General Fund resources.
2. Blanket Authorizations allow unforeseen renovation needs within \$500,000 to be authorized administratively for expediency. The following projects have been completed in blanket authorizations: Laundry Facility Renovation, Print Shop Renovation, Airport Terminal, Richardson Property Acquisition, Architecture Demo Phase II, Fiber Optics Facility, Tidewater Property Acquisition, and Tidewater Building Acquisition.
3. This project will build a facility to process animal waste and will be located behind the Veterinary School. Construction is underway with an estimated completion date of March 2002.
4. This project will provide space for administrative units currently housed in Burruss Hall and Southgate Center. The project includes two components. The Student Services building is under construction with an estimated completion date of December 2002. The Southgate Center Addition is under construction with an estimated completion date of August 2002. The project is administered under an alternative financing authorization in which the Virginia Tech Foundation will build the facilities. Because of this arrangement, all project expenses will be recorded in the Foundation instead of the University. To date, expenses for the project total \$1,587,000.
5. The project is complete and will be closed when final payments are processed.
6. This project includes the conversion of Shanks Hall and a portion of Shultz Hall for instructional activities. Both facilities are complete and the project will be closed when final payments are processed. The total project cost is expected to be \$9,439,200. The annual budget increased because project expenses expected in fiscal year 2001 were deferred to fiscal year 2002.
7. The project is under construction with an estimated completion date of January 2003. The total project cost is expected to be \$2.1 million.
8. The project is complete and will be closed when final payments are processed. The project cost is expected to be \$1.670 million. The annual budget increased because project expenses expected in fiscal year 2001 were deferred to fiscal year 2002.
9. This project will provide state-of-the-art teaching laboratories, faculty offices, and lecture hall space. The project was released from the General Fund moratorium and is under construction with an estimated completion date of January 2004. The annual budget decreased because construction was delayed three months by the moratorium. The project cost is expected to be \$26.774 million because of bid savings.
10. The project is on hold until funding is sufficient to complete the facility. A \$6.5 million supplemental request to increase this project is included in the 2002-2004 biennium of the Six-Year Capital Outlay Plan; this timing is consistent with private fund-raising activities for this project.
11. This project is to replace out-dated facilities at the Dairy Cattle Center with state-of-the-art instructional and research areas. All bids were beyond the budget. The project has been redesigned and will be rebid pending reinstatement of General Fund resources. The estimated construction time is fourteen months. The annual budget decreased because construction is delayed.
12. This planning is to design a state-of-the-art laboratory facility to support plant science teaching and research. Working drawings are in process with an estimated completion date for bid documents of May 2002. The construction completion date is dependent on the timing of construction funds from the state. The estimated construction time is 24 months.
13. The project will replace a condemned wing of the existing AREC facility. All bids were beyond the budget. The project was released from the General Fund moratorium and is in the re-bid process with construction completion estimated for November 2002.
14. The project will renovate Williams Hall, Agnew Hall, and Part of Burruss Hall for state-of-the-art instructional space. Working drawings for the Williams Hall component are complete. The planning of the Agnew and Burruss components is on hold pending reinstatement of General Fund resources. The annual budget decreased because construction is delayed. The bid and completion dates of each component are dependent on the availability of state funds.
15. This comprehensive project addresses health and safety issues throughout campus such as fire alarm systems, air quality, and access for persons with disabilities. This project includes multiple items and various phases of design and construction.
16. This project will build a facility that will replace the outdated facilities in Henderson Hall. The project is in the preliminary design phase with an estimated bid date of December 2002 and an estimated completion date of May 2004.
17. This project will build a research building for the Bioinformatics program. The project is in the working drawings phase with an estimated completion date of August 2003.
18. This project includes a new building to support research in the civil engineering program. The project is in the bid phase with an estimated completion date of August 2002.
19. This project will renovate existing space in Hancock Hall to provide research laboratories for the materials engineering program. The project is in the bid phase. The annual budget decreased because the project was temporarily on hold. The estimated completion date for the project is August 2002.
20. This project will provide a presentation arena. The project is in the schematic design phase. Estimated bid and completion dates are dependent on the timing of construction funds from the state. The annual budget decreased because design and construction are delayed.
21. General Fund resources for this project remain frozen under the state's moratorium on capital projects.
22. Project close out is deferred until the sale of the prior Winchester property; sale proceeds will be used to reimburse \$650,000 of expenses in the project currently covered by overhead funds. In addition to the state authorized expenditure of \$2,814,000, the University has incurred an additional \$13,099 of sale-of-property-related expenses temporarily covered by overhead funds and \$20,875 of project-related expenses temporarily covered by local funds. If the sales proceeds from the land are sufficient, funds will be utilized to cover these incremental expenses. If not, the temporary funding sources will permanently cover those costs.

**CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF DECEMBER 31, 2001
(\$000)**

	CURRENT YEAR			TOTAL PROJECT BUDGET				
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	GENERAL FUND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
<u>Educational and General Projects</u>								
Maintenance Reserve	\$ 5,379	\$ 5,726	\$ 3,588	\$ 12,187	\$ 0	\$ 0	\$ 12,187	\$ 10,049 (1,21)
Blanket Authorizations	0	0	0	0	14,000	0	14,000	4,115 (2)
Dry Rendering Facility	1,550	1,550	636	595	423	1,648	2,666	1,599 (3)
Student Services Building	6,000	6,000	0	0	9,680	0	9,680	0 (4)
Torgersen Hall	949	1,163	1,054	14,449	12,500	0	26,949	26,640 (5)
Shanks Hall and Shultz Hall Conversion	560	1,737	1,202	0	9,982	0	9,982	8,904 (6)
Addition to Cheatham Hall	1,100	1,100	65	0	2,471	0	2,471	190 (7)
Airport Taxiway Construction	205	275	0	0	3,129	0	3,129	1,395 (8)
Chemistry/Physics - Phase II	14,000	8,000	28	23,431	3,763	0	27,194	1,584 (9)
Building Construction Learning Laboratory	0	0	0	0	1,000	0	1,000	0 (10)
Dairy Science Facilities	3,000	464	23	4,243	0	0	4,243	402 (11,21)
Agriculture & Natural Resources Research Laboratory	514	514	86	1,367	256	0	1,623	1,096 (12)
Hampton Roads Wing Replacement	1,100	1,100	4	1,345	0	0	1,345	123 (13)
Williams, Agnew, & Burruss Renovation	3,500	225	120	10,500	0	0	10,500	377 (14,21)
Health, Safety, and Accessibility	500	500	51	2,500	0	0	2,500	89 (15)
Career Services Facility	350	350	118	0	0	4,608	4,608	129 (16)
Bioinformatics Building - Phase I	4,100	4,100	922	0	0	21,864	21,864	1,282 (17)
Geotechnical Research Laboratory	740	740	5	0	800	0	800	45 (18)
Microelectronics Laboratories	1,200	58	1	0	1,500	0	1,500	193 (19)
Multipurpose Livestock Arena	200	32	9	1,900	1,818	0	3,718	70 (20,21)
TOTAL	44,947	33,634	7,910	72,517	61,322	28,120	161,959	56,482
<u>General Obligation Bond Projects</u>								
Winchester Office and Laboratory Complex	0	0	0	2,123	691	0	2,814	2,814 (22)
TOTAL	0	0	0	2,123	691	0	2,814	2,814

CAPITAL OUTLAY BUDGET (continued)

Auxiliary Enterprises Projects

1. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise Budgeting Process. The annual budget increased because expenses expected in fiscal year 2001 were deferred to fiscal year 2002. The total and annual budgets increased by \$1.5 million to reflect the state's approval of additional nongeneral fund authorization for maintenance reserve projects scheduled this fiscal year.
2. Blanket Authorizations allow unforeseen renovation needs within \$500,000 to be authorized administratively for expediency. This blanket currently has no active project authorizations. The following Auxiliary projects have been completed in this blanket: four Telecommunications Upgrade projects for the residence halls, Hillcrest Renovations, Owens Parapet, and Planning for the Coliseum Roof Repair. The budget increase for the Auxiliary Maintenance Reserve project came as an offset to this blanket authorization. This \$1.5 million decrease will not impact any existing or planned activities.
3. Individual repair projects for this appropriation have been completed over several years. The remaining project balance will be used as appropriate projects are identified.
4. Several parking improvement projects have been completed in this authorization. The remaining budget balance is planned for a parking structure which is on hold. The project includes \$203,000 of General Fund because a portion of the Stormwater Management project was consolidated with the Stadium Parking project.
5. The project is complete and will be closed when final payments are processed. The total project cost is expected to be \$11,080,000.
6. This project will expand the existing North campus substation to support continuing core campus development. Project construction is underway with an estimated completion date of January 2003. The project cost is expected to be \$2,992,000.
7. This project envisioned HVAC improvements to both floors of Dietrick dining hall. Construction of Phase I (first floor) is complete. The low bid for Phase I was higher than expected, and the project authorization is not sufficient to complete Phase II. The University is requesting authorization to complete Phase II in a separate capital project.
8. This project will build about 187,000 gross square feet to support alumni, continuing education, and hotel programs. Preliminary design is in process with an estimated bid date of January 2003 and an estimated completion date of December 2004.
9. The project is complete and will be closed when final payments are processed. The annual budget decreased because expenses expected in fiscal year 2002 were processed in fiscal year 2001.
10. This project was envisioned to build a new clubhouse and driving range. The project is on hold because the golf course hole relocations have been deferred.
11. This project will enclose the South end of Lane Stadium and will plan an expansion of the West side stadium boxes. The South end stands are under construction with a completion date of August 2002. Working drawings are in process for the West side stands. If the University decides to move forward with the West side construction, bids will be ready in September 2002 with a planned occupancy of August 2004.
12. This project is to install electronic access systems in the 19 residence halls constructed prior to 1983. The projects will be implemented in three phases. Phase I is complete. Phase II will be implemented in fiscal year 2002, and Phase III will be implemented in fiscal year 2003.
13. This project is to plan a new residence hall of approximately 256 beds along with office spaces for residential services and judicial affairs. Preliminary programming is underway to establish site and utilities coordination with the Career Services project.
14. This project will build a new electric service facility located off campus consisting of service and storage areas for trucks and equipment. The project is in the working drawings phase with an estimated completion date of July 2003.
15. This project will develop additional field areas and support structures for use by the intramural sports program. The new fields are under construction and the support facilities are in the working drawings phase. All components are estimated to be complete by August 2002.

Capital Outlay Projects Authorized as of December 31, 2001 (Continued)

	CURRENT YEAR			TOTAL PROJECT					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	GENERAL FUND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES	
Auxiliary Enterprises Projects									
Maintenance Reserve	\$ 1,224	\$ 3,634	\$ 2,134	\$ 0	\$ 14,123	\$ 0	\$ 14,123	\$ 12,623	(1)
Auxiliary Enterprise Blanket Authorizations	0	0	0	0	7,500	0	7,500	2,691	(2)
Major Repairs-Dorm/Dining System	0	0	0	0	288	8,577	8,865	8,125	(3)
Parking Auxiliary Projects	0	0	0	203	220	13,899	14,322	6,686	(4)
Special Purpose Housing - Phase III	1,718	2,555	2,233	0	660	10,658	11,318	10,759	(5)
Substation Expansion	2,000	2,000	188	0	0	3,800	3,800	490	(6)
Dining System HVAC	0	0	0	0	0	2,098	2,098	1,699	(7)
Alumni/CEC/Hotel Complex	1,400	1,400	582	0	25,099	20,732	45,831	1,188	(8)
Football Fields	1,603	1,236	1,197	0	3,103	0	3,103	3,063	(9)
Golf Course Facilities	0	0	0	0	1,500	0	1,500	0	(10)
Expand Lane Stadium - Phase I	25,000	25,000	9,455	0	11,000	26,000	37,000	12,955	(11)
Improve Security Access In Residence Halls	600	600	185	0	1,366	0	1,366	430	(12)
New Residence Hall Planning	100	100	73	0	1,041	0	1,041	73	(13)
Electric Service Facility	850	850	61	0	3,000	0	3,000	127	(14)
Recreation Fields	1,200	1,200	423	0	1,529	0	1,529	479	(15)
TOTAL	35,693	38,575	16,531	203	70,429	85,764	156,396	61,388	
GRAND TOTAL	<u>\$ 80,640</u>	<u>\$ 72,209</u>	<u>\$ 24,441</u>	<u>\$ 74,843</u>	<u>\$ 132,442</u>	<u>\$ 113,884</u>	<u>\$ 321,169</u>	<u>\$ 122,682</u>	

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agriculture Experiment Station Division for the period of July 1, 2001 through December 31, 2001 and the Capital Outlay report be accepted.

**Resolution on Virginia Bioinformatics Institute
Policy Advisory Board Appointments**

WHEREAS, the Board of Visitors has authorized the establishment of the Virginia Bioinformatics Institute Policy Advisory Board; and,

WHEREAS, in accordance with the terms of the Resolution establishing the Virginia Bioinformatics Institute Policy Advisory Board, the Board of Visitors is responsible for appointing four persons at large, three persons upon recommendation by the Governor of Virginia, and two members of the Board of Visitors;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors hereby appoints the following persons to serve as members of the Virginia Bioinformatics Institute Policy Advisory Board:

Member of the Board of Visitors

Mr. Gary P. Clisham

At-Large

Mr. Thomas D. Rust

4-year term (2006)

RECOMMENDATION:

That the resolution on Virginia Bioinformatics Institute Policy Advisory Board appointments be approved.

March 18, 2002

SHORT-TERM FINANCING FOR 9(d) CAPITAL PROJECTS

Pursuant to the Appropriations Act of 2000, the General Assembly has approved the issuance by the university of bonds or notes described in Article X, Section 9(d) of the Constitution of Virginia for the following capital projects in the following principal amounts, plus amounts needed to fund issuance costs, reserve funds and other financing expenses including capitalized interest: (a) career services facility, \$4,608,000; (b) alumni/CEC/hotel center, \$20,732,000; (c) electric service facility, \$3,000,000; and (d) biomedical sciences complex, \$21,864,000.

Prior to issuing permanent financing the projects may require short-term financing, which will be repaid upon the issuance of the long-term bonds. If deemed necessary, the university may borrow money through Bond Anticipation Notes and/or Treasury Loans in anticipation of the issuance and sale of the bonds in accordance with Section 23-19 of the Virginia Code for the purposes for which the bonds have been authorized.

The proposed resolution identifies the President, the Executive Vice President and Chief Operating Officer, and the Vice President for Administration and Treasurer as authorized officers to take all proper steps to have the Bond Anticipation Notes and/or Treasury Loans prepared, executed and delivered to the purchasers or lenders selected.

**RESOLUTION OF THE BOARD OF VISITORS OF
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY
AUTHORIZING BOND ANTICIPATION NOTES AND
TREASURY LOANS WITH RESPECT TO CERTAIN CAPITAL PROJECTS**

WHEREAS, Virginia Polytechnic Institute and State University (the "University"), with the approval of the General Assembly of Virginia (the "General Assembly") and the Governor of Virginia (the "Governor"), is authorized to issue its bonds or notes, and to provide for the rights of the holders thereof and to secure the same, pursuant to Section 23-19 of the Code of Virginia of 1950, as amended (the "Virginia Code"), to finance projects approved by the General Assembly;

WHEREAS, pursuant to Chapter 1073 of the Acts of the General Assembly of 2000 (the "Appropriations Act") and as may be carried forward or reappropriated in subsequent appropriation acts, the General Assembly has approved the issuance by the University of bonds or notes described in Article X, Section 9(d) of the Constitution of Virginia pursuant to Section 23-19 of the Virginia Code for the following University capital projects (each a "Project" and collectively the "Projects") in the following principal amounts, plus amounts needed to fund issuance costs, reserve funds and other financing expenses including capitalized interest: (a) career services facility, \$4,608,000; (b) alumni/CEC/hotel center, \$20,732,000; (c) electric service facility, \$3,000,000; and (d) biomedical sciences complex, \$21,864,000; and

WHEREAS, the University desires to obtain financing in an aggregate principal amount not to exceed \$50,204,000, plus amounts needed to fund issuance costs, reserve funds and other financing expenses including capitalized interest, for the Projects through the issuance of revenue bonds or notes, which are described in such Article X, Section 9(d) of the Constitution of Virginia pursuant to Section 23-19 of the Virginia Code;

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

1. **Authorization of Bonds**. It is determined that the University shall issue one or more of its revenue bonds or notes pursuant to Section 23-19 of the Virginia Code to finance, together with other available funds, the Projects on a long-term basis. There is hereby authorized to be issued and sold for such purpose one or more revenue bonds or notes of the University in an aggregate principal amount not to exceed \$50,204,000, plus amounts needed to fund issuance costs, reserve funds and other financing expenses including capitalized interest (such bonds and any substitutions and replacements therefor hereinafter are referred to as the "Bonds"), provided that the Bonds issued with respect to any Project shall not exceed the amount approved by the General Assembly with respect to such Project in the Appropriations Act.

2. Terms of Bonds. The Bonds may be issued in one or more series at one or more times, shall mature not more than 30 years from their date of issue and shall be limited obligations of the University the principal of and premium, if any, and interest on which are secured by, and payable exclusively from fees, rents and charges collected for or in connection with the use, occupation and services of the Projects or any other revenues from sources provided in Sections 23-19(d)(1)-(4) of the Virginia Code, including without limitation the University's general revenues or revenues from any University system that has been or may be established and designated therefor by the Board of Visitors of the University (the "Board of Visitors"), that the Board of Visitors pledges to the payment thereof by subsequent resolution or resolutions prior to issuance of the applicable Bonds. The Bonds shall not be general obligations of the University, and the University shall not be obligated to pay the principal of or premium, if any, and interest on the Bonds except from such revenues subsequently pledged therefor by the Board of Visitors. The Bonds shall be dated, shall be in such an aggregate principal amount and in such individual principal amounts (subject to the limitations provided in Section 1 hereof), shall mature, shall bear interest at such rates payable on such dates and shall be subject to redemption at such times and upon such terms, all as shall be determined by such subsequent resolution or resolutions after consideration of the long-term financing alternatives referred to in Section 3 hereof.

3. Long-Term Financing Alternatives. The Vice President for Administration and Treasurer of the University (the "Treasurer") is authorized to examine alternatives available to the University for financing the Projects on a long-term basis, including without limitation financing one or more of the Projects through the Virginia College Building Authority's pooled bond program, and is authorized to solicit proposals for the purchase of Bonds to finance one or more of the Projects, and if deemed advisable the provision of a credit or back-up liquidity facility, from interested parties.

4. Authorization of Bond Anticipation Notes. If deemed advisable by the Treasurer, the University may borrow money in anticipation of the issuance and sale of the Bonds in accordance with Section 23-19 of the Virginia Code for the purposes for which the Bonds have been authorized through the issuance of the University's bond anticipation notes (the "Bond Anticipation Notes"). The Bond Anticipation Notes may be issued in one or more series, at one or more times, by private placement(s) with such lender(s) or underwritten public offering(s), and shall be in such principal amount(s), together with any Treasury Loans referred to in Section 9 hereof, not to exceed (either in the aggregate or with respect to any Project) the amount of Bonds authorized in Section 1 hereof, shall bear interest at such rate(s) (subject to the limitations set forth in the next sentence hereof), shall be issued, dated and mature on such dates, shall be sold to such lender(s) or underwriter(s) at par, less any lender's commitment fee or underwriter's or original issue discount not to exceed an aggregate of 2% of the principal amount thereof, shall be subject to such rights of prepayment and shall be payable from revenues available to secure Bonds in accordance with Section 2 hereof, the proceeds to be derived from the sale of the Bonds or any other available monies that lawfully may be used to retire such Bond Anticipation Notes, all as determined by the Treasurer after solicitation of proposals for the purchase thereof, which solicitation is hereby authorized. The Bond Anticipation Notes shall provide for interest at (a) a

variable rate not to exceed (i) 70% of the prime lending rate (or an average thereof) of one or more nationally or regionally recognized commercial banks or (ii) the London Inter-Bank Offered Rate (LIBOR) plus .75%, in either case plus an annualized commitment fee of not to exceed 0.20% of the principal amount available under any back-up facility, (b) a fixed rate not to exceed 4.5% per annum or (c) any combination of variable or fixed rates within the foregoing limitations.

5. Preparation and Delivery of Notes. The University's President, Executive Vice President and Chief Operating Officer, and Vice President for Administration and Treasurer (the "Authorized Officers"), or any of them, are hereby delegated and invested with full power and authority to take all proper steps to have Bond Anticipation Notes prepared, in accordance with their terms and the terms hereof, and to deliver the executed Bond Anticipation Notes to any purchasers or lenders selected as contemplated by Section 4 hereof.

6. Execution of Notes. The Authorized Officers, or any of them, are hereby delegated and invested with full power and authority to sign the Bond Anticipation Notes by manual or facsimile signatures and the Bond Anticipation Notes shall bear a series designation and contain such other customary provisions in accordance with Section 23-19 of the Virginia Code as the officers executing them shall approve, their execution thereof to constitute conclusive evidence of such approval. If any officer of the University who signs the Bond Anticipation Notes shall cease to be an officer of the University while the Bond Anticipation Notes are outstanding, or if any officer of the University who signs the Bond Anticipation Notes shall not have held such office at the date of issuance of the Bond Anticipation Notes, the Bond Anticipation Notes so signed shall nevertheless be valid for all purposes.

7. University Covenants; No Personal Liability. All covenants, obligations and agreements contained or referred to herein shall be deemed to be covenants, obligations and agreements of the University to the full extent permitted by the Constitution and laws of the Commonwealth of Virginia. No covenant, obligation or agreement contained or referred to herein shall be deemed to be a covenant, obligation or agreement of any present or future member of the Board of Visitors or any officer, agent or employee of the University in his or her individual capacity, and no individual executing Bond Anticipation Notes shall be liable personally on the Bond Anticipation Notes or be subject to any personal liability or accountability by reason of the issuance thereof. No officer, agent or employee of the University shall incur any personal liability in acting or proceeding or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this resolution.

8. Note Closing Certificates. The Authorized Officers, or any of them, are authorized and directed to execute appropriate certificates or instruments setting forth, among other things, expectations and covenants with respect to the use and investment of the proceeds of Bond Anticipation Notes to show that such expected use and investment will not violate the provisions of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations issued pursuant thereto, including without limitation such provisions applicable to "arbitrage bonds" and the rebate of certain earnings on the investment of such proceeds to the

federal government. Such certificates or instruments shall be in such form as may be requested by bond counsel for the University in connection with the issuance of Bond Anticipation Notes.

9. Authorization of Treasury Loans. If deemed advisable by the Treasurer, in lieu of or in addition to issuing Bond Authorization Notes with respect to one or more Projects or any portion thereof, the University may borrow money in anticipation of the issuance and sale of Bonds from the treasury of the Commonwealth of Virginia by incurring loans pursuant to Section 4-3.02(b) of the Appropriations Act (or the applicable section of subsequent appropriation acts adopted by the General Assembly relating to loans in anticipation of the issuance of authorized bonds) with respect to one or more Projects or any portion thereof (the "Treasury Loans"), provided that the principal amount(s) of any Treasury Loans, together with any Bond Anticipation Notes, shall not exceed (either in the aggregate or with respect to any Project) the amount of Bonds authorized in Section 1 hereof. The Treasurer and other appropriate officers of the University are authorized to submit applications to the Commonwealth's Department of Planning and Budget and to take all proper steps and execute any necessary documentation to secure any Treasury Loans. Any Treasury Loans shall bear interest at the current market rates charged by the State Treasurer in accordance with Section 4-3.02(b)(6) of the Appropriations Act (or the applicable section of subsequent appropriation acts adopted by the General Assembly). If deemed advisable by the Treasurer, appropriate officers of the University are authorized to request the approval of the State Treasurer to pay interest on any Treasury Loans from proceeds of the Treasury Loans or from proceeds of Bonds issued to repay the Treasury Loans.

10. Issuance Costs; Additional Action. The Authorized Officers, or any of them, are hereby delegated and invested with full power and authority to pay all reasonable costs and expenses of issuance (including counsel fees), and to take such further action and to execute and deliver such further agreements, instruments and documents in the name and on behalf of the University as they consider necessary or desirable to carry out the intent and purpose of this resolution and the issuance of any Bond Anticipation Notes and incurrence of Treasury Loans.

11. Arrangements for Financings; Expenditures. The actions of the Authorized Officers of the University in undertaking arrangements for any financings contemplated hereby are in all respects authorized, ratified and approved. The Authorized Officers, or any of them, are authorized to expend the proceeds of any Bond Anticipation Notes and any Treasury Loans as and when deemed necessary by them to pay costs of the related Projects.

12. Executive Committee Authorization. The Executive Committee of the Board of Visitors is hereby authorized and empowered to take any and all action it may deem necessary or desirable in connection with the authorization, sale, issuance and delivery of any Bond Anticipation Notes and incurrence of any Treasury Loans, including any action that may be deemed to require approval not given herein by the Board of Visitors.

13. Treasury Board Involvement. In accordance with Section 23-19 of the Virginia Code, the Treasury Board of the Commonwealth of Virginia (the "Treasury Board") shall be the paying agent with respect to the Bond Anticipation Notes, and no Bond Anticipation Notes shall be issued hereunder until the Treasury Board has given the requisite approvals, including those referenced in Section 2.2-2416 of the Virginia Code, therefor.

14. Request for Governor's Approval. In accordance with Section 23-19 of the Virginia Code, the Governor is hereby requested to approve the issuance by the University of Bond Anticipation Notes from time to time as and when the final terms and provisions thereof have been determined as contemplated herein. No Bond Anticipation Notes shall be issued hereunder until the Governor has given any requisite approval therefor.

15. Filing Certified Copies. The Secretary of the Board of Visitors is authorized and directed to file a certified copy of this resolution with the Governor and with the Treasury Board.

16. Effective Date. This resolution shall be effective immediately, provided that no Bond Anticipation Notes may be issued hereunder until any requisite approvals of the Treasury Board and of the Governor have been obtained as provided herein.

RECOMMENDATION:

That the above resolution allowing the authorized officers to take all proper steps to enter into Bond Anticipation Notes and/or Treasury Loans on behalf of the University be approved.

Resolution on Executive Management Service on Boards

WHEREAS, Virginia Tech is involved in the development of institutes, such as the Carilion Biomedical Institute, and participates in collaborative projects with other universities and entities, such as the Disaster Risk Management Institute; and,

WHEREAS, the university's involvement in these projects helps to advance the research, instruction, and outreach missions of the university; and,

WHEREAS, members of the university's executive management are asked to serve on the boards of these entities to ensure programmatic and administrative oversight; and,

WHEREAS, service on these boards are viewed by the university as part of the university's executive management's job responsibilities and, as such, are subject to the university's insurance policies; and,

WHEREAS, the university proposed that the President review and approve all appointments of the university's executive management to these boards, and the Rector of the Board of Visitors review and approve all appointments of the President to these boards;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors hereby approves of executive management's service on such boards and, in conjunction with this service, inclusion of executive management in the university's insurance policies.

RECOMMENDATION:

That the resolution approving executive management's service on these boards, thereby allowing participation in the university's insurance policies, be approved.

March 18, 2002

ALTERNATIVE SEVERANCE OPTION

WHEREAS, state law requires the university to provide a severance benefit to eligible employees who are involuntarily separated due to budget reductions, agency reorganizations, or work force downsizing; and,

WHEREAS, retirements of long-term faculty and staff would facilitate continuation of the institution's highest-priority programs within a diminished resource base, allow the university to retain recently recruited faculty and staff, provide some eventual flexibility to move in new directions, and reduce the devastating impact of work force reductions on faculty and staff morale; and,

WHEREAS, the Board of Visitors has the authority to implement personnel policies related to teaching and research faculty and administrative and professional faculty; and,

WHEREAS, the university's administration will continue to work with the Commonwealth to receive authority to implement this plan for the university's classified employees; now,

THEREFORE BE IT RESOLVED that the Board of Visitors adopts the Alternative Severance Option for the university's teaching and research faculty and administrative and professional faculty thereby providing a strategy available to business units within the university to meet budget reductions and reduce personnel and minimizing the number and impact of involuntary separations.

RECOMMENDATION:

That the Alternative Severance Option be approved for use by university officials to manage work force reductions.

March 18, 2002

OVERVIEW OF ALTERNATIVE SEVERANCE OPTION

Plan

A proposal has been submitted by institutions of higher education to the Commonwealth's Department of Human Resource Management (DHRM). The framework for the proposal is the Commonwealth's Severance Policy and the Code of Virginia, which provide severance benefits for faculty and classified staff affected by involuntary separations.

If approved, the option would include the following elements:

- Provides opportunity for employees to request to participate in an involuntary separation program in colleges/units where business plans identify position reductions and which specify that the alternative severance option will be used.
 - If provided for classified staff, may be used instead of the normal layoff sequence and seniority provisions of the Layoff Policy.
 - If provided for tenured or tenure-track faculty, employees approved for involuntary separation would agree to be released from their tenured appointments.
- Requests approved by the institution's administration entitle eligible employees to a package of benefits defined under the Commonwealth's severance program.

Severance Benefits and Compensation

Employees approved to participate in the program may elect either the transitional severance benefit or the enhanced retirement benefit, depending upon their eligibility.

- ***Transitional severance benefits*** include severance pay for up to 36 weeks of salary depending on years of continuous service, and twelve months of employer contributions for the health and life insurance.

Eligibility: Full-time salaried classified staff, teaching and research faculty, and administrative and professional faculty who are not paid on sponsored contracts and grants.

- ***Enhanced retirement benefits:*** The Virginia Retirement System (VRS) provides a Defined Benefit Retirement Program, and retirement income is based on average salary, age and length of service. In lieu of the transitional severance benefits, eligible employees may elect to have the university purchase additional years of credit added to either age or years of service, thereby enhancing the employee's overall VRS retirement income.

Eligibility: Full-time classified staff, teaching and research faculty, and administrative and professional faculty who are at least 50 years of age and are vested in VRS. Note: Those individuals under age 55 must have at least 10 years of credited VRS to be eligible for a monthly VRS benefit.

Approval of Plan:

The Office of the Attorney General has confirmed that the university's Board of Visitors has the authority to approve this plan for teaching and research faculty and administrative and professional faculty. The Commonwealth's Department of Human Resource Management approves policies related to classified employees. The university's administration will continue to work with the state to gain approval of the plan for classified employees.

SEPARATION INCENTIVE PLAN

WHEREAS, the Board approved a plan in 1994 providing separation incentives for tenured faculty with at least ten years of service (the Individual Transition Option Plan) that allowed the university to meet earlier budget reduction targets; and,

WHEREAS, reinstatement of a plan which provides incentives to tenured faculty members for separation or retirement allows more rapid reduction of the faculty work force than may be accomplished by existing university policies; and,

WHEREAS, the Separation Incentive Plan provides lump sum payments over two or more fiscal years totaling two-thirds salary and three years of health coverage (or until age 65, whichever occurs first); and,

WHEREAS, this additional strategy for reduction of the faculty work force may provide a useful tool to college administrators in the future; now,

THEREFORE BE IT RESOLVED that the Separation Incentive Plan be approved as a strategy available to relevant units to meet budget reductions and serve institutional purposes, and that authority is delegated to university officials to establish one or more windows for application and related effective dates as need determines.

RECOMMENDATION:

That the above resolution adopting the Separation Incentive Plan be approved.

March 18, 2002

OVERVIEW OF SEPARATION INCENTIVE PLAN

Plan

- reinstates 1994 plan (Individual Transition Option Plan)
- Part-time employment after effective date of a Separation Incentive contract is permitted, subject to approval, existing IRS regulations and compensation policies.

Eligibility

- faculty members
 - must be at least 45 years of age
 - must have 10 years full-time service at VT
 - must have either tenure or continued appointment

Package

- provides lump sum payments over 2 or more fiscal years totaling 2/3rds of base annual salary
- provides 3 years health coverage (or until age 65, whichever occurs first)

MINUTES

STUDENT AFFAIRS COMMITTEE OF THE BOARD OF VISITORS

Conference Room C
Donaldson Brown Hotel and Conference Center
8:30 a.m.
March 18, 2002

PRESENT: Mr. Gary Clisham, Chair
Mr. James Disney
Mr. Ronald Petera
Mr. Joseph Wampler

VISITORS: Mr. Palaniappan Annamalai, Ms. Kim Beisecker, Ms. Diane Bostow,
Mr. Steven Clarke, Dr. Landrum Cross, Ms. Donna Sanzenbach,
Dr. Edward Spencer, Dr. Brian Warren

1. **Opening remarks, announcements, and approval of November 12, 2001, minutes.** Mr. Gary Clisham, Chair, provided opening remarks and presented the minutes of the November 12, 2001, Student Affairs Committee meeting to the committee for review and approval. The minutes were approved as submitted.
2. **Overview of Cook Counseling Center and Schiffert Health Center.** Dr. Brian Warren, Director of Schiffert Health Center and Cook Counseling Center gave an overview of the centers' services. The rationale and organizational approach of the centers was reviewed. Emphasis is placed on full range, accredited primary care and mental health services that are brief term and crisis intervention oriented. Usage of the centers continues to be at a high level of demand. Combined statistics show that the centers see 60% of the student body at Virginia Tech annually. Physical facilities are at full capacity. Dr. Warren emphasized the growing demands for psychiatric services in particular. Not unlike the national trend, Virginia Tech has seen an increase in the numbers of students with clinical depression, suicidal behavior, eating disorders, substance abuse, and other serious psychiatric illness over the past five years. Increases are attributed to early identification of psychiatric illness as well as earlier treatment and declining stigma. Increased numbers of students are arriving in need of follow-up care. These developments have taxed services to their limits and create difficult issues for all student services. The role of physical and mental health services in enhancing retention was discussed. Issues of legal liability and the ethics of care are ongoing issues of concern as well.
3. **Update on College Alcohol Abuse Prevention Center.** Mr. Steven Clarke, Director of the College Alcohol Abuse Prevention Center, updated the committee

on the progress of the Alcohol Abuse Prevention Program. In July of 2001 the program moved to McComas Hall and now reports to the Director of Health Services. At that time, the College Alcohol Abuse Prevention Center was created with the continued mission of decreasing high-risk drinking and related negative outcomes among Virginia Tech students. In addition, the center plans to become more active within the state and will seek additional outside funding. Since 1999 the program has brought in approximately \$160,000 to fund alcohol abuse prevention efforts at Virginia Tech and in the Blacksburg community. Results of the latest data on alcohol use indicate a continuing decline in alcohol consumption, especially high-risk drinking, and alcohol-related negative outcomes. The initiatives set forth in the initial "Safer Communities" plan have been implemented. While current efforts have resulted in significant decreases in abusive drinking, we are still above the national average for alcohol consumption at colleges and universities. The need to educate new students on alcohol-related issues is increasing as fewer students are receiving this information in high school. Prolonged efforts will be necessary to continue our progress, and a new five-year plan is being drafted and will be completed by Fall 2002.

4. **Overview of Cranwell International Center.** Ms. Kim Beisecker, Director of the Cranwell International Center, presented their new brochure, which was designed and printed by one of their volunteers. The brochure outlines the services offered at the center. Ms. Beisecker noted that international students, parents, and sponsors were very pleased with the manner in which student's well being was handled at Virginia Tech following the events of September 11. However, academic, social, physical, and travel issues remain a concern for many of the students and the center has become increasingly important to the students, parents, faculty, and sponsors. Several notable changes to the center's responsibilities have occurred recently: 1) Cranwell Center has begun handling the immigration process for faculty and staff. Immigration services, reporting, and monitoring are changing dramatically. SEVIS (electronic tracking of international students and scholars) and various new immigration regulations are all being implemented over the next few months. 2) Work with outside agencies, such as the FBI, has increased. 3) To assist in the goal of attracting a highly qualified and diverse faculty, orientation and assistance with community life issues are now being developed. 4) Community services and liaison issues have increased. Following her presentation, Ms. Beisecker extended an invitation to the Board of Visitors and their families to attend the 43rd International Week at Virginia Tech. The Street Fair will be held on Saturday, April 6th, and a week of luncheons, movies, lectures, and events will follow.

5. **Adjournment**

There being no further business, the meeting adjourned at 10:30 a.m.

RESOLUTION
March 18, 2002

WHEREAS, Thomas Davis Rust is a loyal alumnus of Virginia Tech, a member of the Class of 1965, and a graduate of the College of Engineering with a Bachelor of Science degree in Civil Engineering; and

WHEREAS, Mr. Rust was appointed to the Board of Visitors of Virginia Polytechnic Institute and State University on July 1, 1996, to serve a four-year term ending June 30, 2000, and was subsequently re-appointed to serve an additional four-year term on July 1, 2000; and

WHEREAS, Mr. Rust was obligated to vacate his position on the Board prematurely in order to carry out his duties as a newly elected member of the Commonwealth of Virginia's House of Delegates; and

WHEREAS, Mr. Rust was elected by his peers to serve as Vice Rector of the Board, and by virtue of this position, also served as a member of the Executive Committee from June 1999 to December 2001; and

WHEREAS, Mr. Rust participated as a member of the Board's Building and Grounds Committee from 1996 to 2000 and as Chair of the newly formed Special Committee on Research from July 2000 until his resignation in December 2001; and,

WHEREAS, he has demonstrated his commitment to the university through his additional service on the Engineering Committee of 100 and university fundraising committees, and by his generous record of giving, as evidenced by his distinction as a Lifetime Golden Hokie; and

WHEREAS, Mr. Rust was inducted into the Department of Civil and Environmental Engineering's Academy of Distinguished Alumni in recognition of his professional accomplishments and his commitment to the civil engineering profession, the community, and the university; and

WHEREAS, Mr. Rust has served the cause of higher education in the Commonwealth with uncommon dedication and a strong and genuine commitment, serving as Chair of the Presidential Search Committee to recommend Virginia Tech's 15th President, and functioning as advocate and friend to promote greater understanding of and support for the needs of higher education across Virginia; and

WHEREAS, the members of the Board have had the pleasure of getting to know Tom and his wife, Ann, and to enjoy their company at meetings, athletic functions, and university special events;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University express their deepest appreciation to Thomas D. Rust for his significant contributions and dedicated service to the university and its missions.

RECOMMENDATION:

That the above resolution recognizing Thomas D. Rust for his service as a member of the Board of Visitors be approved.

FACULTY LEAVES

Virginia Tech's program of professional development for tenured faculty members provides two kinds of opportunities: Study-Research Leaves at one-half salary for up to one year and one-semester Research Assignments at full salary.

The following faculty members are requesting Study-Research Leave for the purpose and period of time specified:

Mehdi Ahmadian, Professor, Department of Mechanical Engineering, for AY 2002-2003, to perform on-site, collaborative research with government laboratories in the area of combat-vehicle dynamics and to complete a textbook entitled Vehicle Dynamics: The Theory and Practice for Automobiles.

Brian M. Britt, Associate Professor, Center for Interdisciplinary Studies, for AY 2002-2003, to research and complete a book manuscript with three parts: analysis of biblical curses, transformations of curses in the early modern period, and contemporary appropriations of curses.

Dan (De-Yu) Chen, Professor, Department of Electrical & Computer Engineering, for AY 2002-2003, to collaborate with faculty members of Chang-Gun University in Taipei, Taiwan, in the area of analog integrated circuit design for low-power applications as well as to attract future research funding from companies from Taiwan.

David F. Cox, Associate Professor, Department of Chemical Engineering, for Spring 2003 and Fall 2003, to conduct research in conjunction with Brookhaven National Laboratory and Oak Ridge National Laboratory on the surface properties and chemistry of metal oxide and transition metal carbide materials.

Thomas E. Diller, Professor, Department of Mechanical Engineering, for AY 2002-2003, to work with the Laboratory of Applied Thermodynamics and Turbomachinery at the Ecole Polytechnic Federale de Lausanne in Switzerland on the topic of unsteady effects on heat transfer in the turbine section of gas turbine engines.

Daniel R. Farkas, Professor, Department of Mathematics, for AY 2002-2003, to collaborate with mathematicians at The Institute of Defense Analysis, La Jolla, California, to perform research on classified and unclassified communications problems for the U.S. government.

William J. Floyd, Professor, Department of Mathematics, for AY 2002-2003, to conduct research at Brigham Young University and at Eastern Michigan University to prove one of the key parts of Thurston's Geometrization Conjecture, a central problem in geometric group theory and low-dimensional topology.

Kimberly E. Forsten, Associate Professor, Department of Chemical Engineering, for Spring 2003 and Fall 2003, at the University of North Carolina, Chapel Hill, to investigate how cell maturation state of parenchymal cells can influence responsiveness of the cells to growth factor regulation.

George A. Hagedorn, Professor, Department of Mathematics, for AY 2002-2003, to collaborate with a faculty member at the Institut Fourier of the Universite Joseph Fourier in Grenoble, France, to improve the exponentially accurate adiabatic approximations and time-dependent Born-Oppenheimer approximations so that some non-adiabatic behavior can be included.

Hans H. Haller, Professor, Department of Economics, for AY 2002-2003, to conduct research at the University of Heidelberg, Germany, on "General Equilibrium and Socio-Economic Group Formation" and at the Institute of Economics of the University of Copenhagen, Denmark, on "Epistemic Conditions for Equilibrium in Capacities."

Gail R. Letzter, Associate Professor, Department of Mathematics, for AY 2002-2003, to work with mathematicians at the University of California, San Diego, on quantum symmetric pairs focusing on quantum zonal spherical functions and classifying finite-dimensional B modules.

Ken W. McCleary, Professor, Department of Hospitality & Tourism Management, for AY 2002-2003, to present seminars with faculty members at Hong Kong Polytechnic University on tourism marketing in Hong Kong and on the Chinese mainland and to provide training to the hospitality industry in conjunction with the consortium of five universities established under an ASPIRES (A Support Program for Innovative REsearch Strategies) grant.

Amy Nelson, Associate Professor, Department of History, for AY2002-2003, to conduct research at the Institute of History at Moscow State University, Russia, on how Russian attitudes toward animals have shaped and reflected broader cultural patterns, as well as on uniquely Russian traditions of social development and political change since the Nineteenth Century.

Erik T. Nilson, Professor, Department of Biology, for Spring 2003 and Fall 2003, to initiate an international research program with the University of Hawaii at Manoa in a tropical environment imperative for determining the significance of the discovery of a new cell type in the leaves of a group of tropical *Rhododendron* species from the Malaysian region.

Anbo Wang, Professor, Department of Electrical & Computer Engineering, for AY 2002-2003, to pursue research funding opportunities for the Center for Photonics Technology and to investigate newly emerged areas in photonics for possible future growth of the center.

Pamela A. Weaver, Professor, Department of Hospitality & Tourism Management, for AY 2002-2003, to present seminars with faculty members at Hong Kong Polytechnic University on research and publications, and to spend time visiting universities in Australia and New Zealand.

Mary L. Wolfe, Associate Professor, Department of Biological Systems Engineering, for AY 2002-2003, to collaborate with colleagues at the USDA National Hydrology Laboratory, Beltsville, MD, and at the University College Dublin, Ireland, to enhance expertise and scholarship in hydrologic and nonpoint-source pollution modeling.

Richard Zallen, Professor, Department of Physics, for Spring 2003, to write a book tentatively entitled The Death of the Eyeball Curve that deals with the transition from hand-drawn illustrations to computer graphics in the presentation of research results in experimental condensed-matter physics.

The following faculty members are requesting Research Assignments for Fall 2002.

A. Ozzie Abaye, Associate Professor, Department of Crop & Soil Environmental Sciences, for August 1, 2002 to December 24, 2002, to collaborate with Dr. James Green at North Carolina State University to write a book that can be used in both the classroom and in the field on the identification, use, and management of both native and introduced plant species mainly in the families of Fabaceae and Poaceae.

Christine M. Anderson-Cook, Associate Professor, Department of Statistics, to work with faculty members in the Industrial Engineering Department at Arizona State University in the area of industrial applications of statistical experimental design.

Roger Ariew, Professor, Department of Philosophy, to complete three related projects about Cartesian philosophy and its reception: writing a book-length project sponsored by a NEH Fellowship, collaborating on a reference volume, and editing a twelve-volume series of primary sources.

Flynn L. Auchey, Associate Professor, Department of Building Construction, to improve the success rate of project procurement of Project Risk Identification, Selection, and Management (PRISM) by creating networks of linkages of international teachers and researchers in Australia and throughout the Pacific Rim.

Julia O. Beamish, Associate Professor, Department of Near Environments, to enhance knowledge of the design and design process in senior and multi-family housing in today's market.

Katherine S. Cennamo, Associate Professor, Department of Teaching & Learning, to collaborate with researchers at several universities to study video-based learning in distributed-learning environments.

Mary L. Connerley, Associate Professor, Department of Management, to conduct research on the issue of homogenous and heterogeneous populations and the impact that levels of contact have on attitudes towards diversity and to expand research of multicultural issues by analyzing a large data set concerning the impact of culture on perceptions of expatriate readiness.

Cahit Coruh, Professor and Department Chair, Department of Geological Sciences, to collaborate with individuals from five institutions in Turkey to integrate the results of research of geotraverse deep seismic data and geological/geophysical data sets for a major publication and to start the revision of a textbook, Basic Exploration Geophysics, used at more than 25 universities.

Eloise Coupey, Associate Professor, Department of Marketing, to develop and disseminate research through theory-driven, empirical studies of the interactions between technology and consumption-related behaviors and through applied research that assesses the practical utility of theoretical insight.

James R. Craig, Professor, Department of Geological Sciences, to conduct research at the University of North Carolina's Institute of Marine Sciences on the geochemical behavior of metals and their corrosion products in the marine environment.

Bernard Grossman, Professor and Department Head, Department of Aerospace & Ocean Engineering, to work with faculty members of the University of Florida to improve competency in computational fluid dynamics research associated with design optimization and with wave propagation problems.

H. Rex Hartson, Professor, Department of Computer Science, to develop a conceptual framework (User Action Framework) in the area of usability engineering and to begin the writing of a book reporting on the results of the last several years of usability engineering research, including the User Action Framework.

James O. Hoge, Jr., Professor, Department of English, to transcribe, edit and annotate the diaries of James Armistead Otey, with the activity resulting in a book that will provide a social history and running account of life and events in his house, on his farm, in Blacksburg, and at Virginia Tech from 1889 until 1941.

R. Bruce Hull, Professor, Department of Forestry, for August 15, 2002 to January 1, 2003, to collect data on the historical and contemporary roles that science, religion, and popular culture play in defining society's relationship to nature and on case studies to illustrate the debate regarding nature in genetic or organic foods, wild forests or tree farms, sprawl or the American dream, etc., which will result in a book entitled Which Nature? The Battle of Science, Religion, and Popular Culture.

Liviu Librescu, Professor, Department of Engineering Science & Mechanics, to complete the manuscript of a book and to organize the Fifth International Congress on Thermal Stresses and Related Topics to be held in June 2003 on the campus of Virginia Tech.

James R. Martin, Associate Professor, Department of Civil & Environmental Engineering, to study geographic information system applications in geotechnical earthquake engineering for seismic risk assessment and to further the development of the newly established Earthquake Engineering Center for the Southeastern U.S.

John J. Ney, Professor, Department of Fisheries & Wildlife Sciences, for July 1, 2002 to December 31, 2002, to collect, analyze, and synthesize extant information on genetic and ecosystem effects of overfishing and to develop perspectives and recommendations for future research and management.

Fritz H. Oehlschlaeger, Professor, Department of English, to complete a book that reflects on many issues of the new genetics from a point of view combining literary criticism, literary theory, philosophical ethics, Christian ethics, and Christian theology.

Ahmad Safaai-Jazi, Associate Professor, Department of Electrical & Computer Engineering, to conduct research with faculty members at the Industrial Materials Research Institute in Boucherville, Quebec, Canada; to investigate transmission properties of guided-wave devices based on novel optical-fiber structures; and to collaborate with Professor Roger Stolen to begin the writing of a book on fundamentals of fiber-optic communications.

Charles Lewis Taylor, Professor, Department of Political Science, to collaborate with faculty members at Virginia Tech, Harvard University, and Ohio State University to draft The World Handbook of Political Indicators IV which will introduce new actors, events, and dimensions of conflict, will map international conflict, and will address major analytic concerns about the patterns of civil and international conflict.

Garth L. Wilkes, University Distinguished Professor, Department of Chemical Engineering, to work with other faculty members at Virginia Tech to initiate and promote a new major research thrust regarding the generation of polyols for polyurethanes from natural resources.

The following faculty members are requesting Research Assignments for Spring 2003.

Linda M. Anderson, Associate Professor, Department of English, to research the socio-economic context of Sixteenth- and Seventeenth-Century England, its child-rearing practices, and the development of the professional theatre; as well as to examine all of the extant plays of the period from about 1580 to 1642 that deal with generational conflict.

Joseph A. Ball, Professor, Department of Mathematics, to participate in the Mathematical Control and Systems Theory Semester at the Mittag-Leffler Institute, Sweden, to investigate the latest developments in control and system theory.

Yvan J. Béliveau, Professor and Department Head, Department of Building Construction, to conduct a study in Europe, Mexico, and the United States of advanced building processes and materials for performance, durability, and affordability of buildings and to determine process feasibility within the constraints of USA practice and opportunities.

Ernest F. Benfield, Professor, Department of Biology, to participate in a cooperative research program with three scientists at the University of Canterbury in Christchurch, New Zealand, on the effects of urbanization on stream ecosystem function.

Gary S. Bickley, Professor, Department of Art & Art History, to pursue a new direction of artwork by producing relief sculptural works to include drawings and painting, and to pursue the foundry facility project with the Materials Science & Engineering Department which will create a metal casting facility at Virginia Tech.

John O. Browder, Professor, Department of Urban Affairs & Planning, to work on three proposed projects: "The Dynamics of Land Use Change in the Brazilian Amazon: a 10-year Longitudinal Study"; "Community Ecological Indicators: A Methodology for Evaluating Community-Based Conservation and Development Projects with Potential Applications to the Commonwealth of Virginia"; and "Sustainable Communities: Redefining the Field of Urban and Regional Planning."

James B. Campbell, Professor, Department of Geography, to examine geomorphic and pedological characteristics of reclaimed landscapes in the Netherlands, France, and Nova Scotia, and to relate these characteristics to human occupation of these areas.

Anthony J. Colaianne, Associate Professor, Department of English, to complete work on a monograph concerning the non-fiction works of Robert Greene consisting of rhetorical analyses of the themes, schemes of arrangement, and features of style used during his literary career from 1560 to 1592.

Deborah F. Cook, Associate Professor, Department of Business Information Technology, to develop a model of the supply-chain vendor-selection process by combining neural network and genetic algorithm techniques.

Thomas E. Cousins, Associate Professor, Department of Civil & Environmental Engineering, to collaborate with researchers at the Virginia Transportation Research Council and at Auburn University to investigate critical topics related to the use of high-performance materials in bridge structures.

Joe R. Cowles, Professor and Department Head, Department of Biology, to conduct research at the University of Queensland, Australia, and the University of Otago, New Zealand, focusing on legume symbiosis and to broaden his exposure to other plant-microbial interaction systems.

William Jay Crone, Associate Professor, Department of Music, to study trombone and euphonium with several brass musicians of international stature to acquire new ideas and to improve technical skills, which will enable him to be a better teacher.

J. Michael Duncan, University Distinguished Professor, Department of Civil & Environmental Engineering, to complete a book with Professor Stephen G. Wright, Brunswick-Abemathy Regents Professor, University of Texas at Austin, on soil strength and slope stability, and to develop materials for a course on slope stability that can be taught as a conventional university course or as a continuing-education short course.

Mark Gifford, Associate Professor, Department of Philosophy, to complete a monograph concerning Aristotle's important and historically influential treatise on the nature of scientific cognition, Posterior Analytics.

Dong S. Ha, Professor, Department of Electrical & Computer Engineering, to conduct hands-on research at NeoReach, Rockville, Maryland, on low-power System On Chip to increase competitiveness in attracting sponsored research in this area and to incorporate this information into two graduate courses.

Gregory B. Kadlec, Associate Professor, Department of Finance, Insurance, & Business Law, to conduct research in the area of mutual funds and to co-author two papers with a faculty member at the Wharton School of Management.

Jong Uhn Kim, Professor, Department of Mathematics, to study various nonlinear stochastic equations which arise in elasticity and fluid mechanics by combining stochastic calculus with the techniques of partial differential equations.

Martha McCaughey, Associate Professor, Center for Interdisciplinary Studies, to complete a book, Aping Men: Darwinian Science, Popular Culture, and Male Sexuality, on Darwinism's impact on men and manhood in Western culture.

William L. Ochsenwald, Professor, Department of History, to research literature in preparation for a new book on the entire history of the western Hijaz, the region of Mecca, in what is now Saudi Arabia, from the Fifth Century until the present.

Robert Parsons, Associate Professor, Department of Near Environments, to write a lighting design and application text which will include descriptions of laboratory experiences designed for teachers of lighting to provide interior-design students with hands-on experiences appropriate to interior lighting.

Konstantinos P. Triantis, Professor, Grado Department of Industrial & Systems Engineering, to collaborate with internationally recognized scholars in order to identify future funding sponsors and to enhance research capabilities in the area of performance measurement and improvement, focusing on advanced computational techniques that evaluate the performance of systems, on the definition of effectiveness measures for social-service organizations, and on the implementation of new technologies in organizations.

Joseph G. Tront, Professor, Bradley Department of Electrical & Computer Engineering, to collaborate with colleagues at the University of California at Berkeley on ways to improve engineering education through the use of educational technologies.

Thomas C. Ward, Professor, Department of Chemistry, to conduct research at Koc University, Turkey, on the foundations of the contributions of bulk polymer mechanical properties to adhesive performance.

Edward Weisband, Edward S. Diggs Endowed Chair in the Social Sciences, Department of Political Science, to write a book on accountability in a global environment in which the analysis stresses the degree to which external benchmarking, as opposed to internal self-evaluation, represents an appropriate way to achieve effective forms of accountability.

Richard E. Weyers, Professor, Department of Civil & Environmental Engineering, to conduct research for the Mexican Transportation Research Institute of Applied Research and Academic Development and for the Virginia Transportation Research Council which will produce significant improvements in the service-life modeling of concrete structures exposed to chloride environments and life-cycle price estimates for maintaining these structures at a desired level of service.

Doris T. Zallen, Professor, Center for Interdisciplinary Studies, at the Center for Ethics and Humanities in the Life Sciences at Michigan State University's School of Medicine and at Contact a Family in London, England, to carry out oral-history and archival research related to the use of genetic (DNA) tests that indicate susceptibility to common health problems by interviewing genetic professionals and consumers who are at risk for a complex disorder.

RECOMMENDATION:

That the above Study-Research and Research Assignments be approved as requested.

RESOLUTION FOR EMERITUS STATUS
March 18, 2002

WHEREAS, Dr. Robert C. Bates faithfully served Virginia Tech for over 29 years in the College of Arts & Sciences, beginning in 1972; and

WHEREAS, he served as Assistant Professor, Associate Professor, and Professor of Microbiology in the Department of Biology from 1972 to 1987, in which roles he taught microbiology and virology courses, received two Certificates of Teaching Excellence, and compiled a distinguished record of scholarship on the biology of parvovirus, including 54 publications; and

WHEREAS, he tirelessly served the College of Arts & Sciences as Associate Dean for Research, Graduate Studies, and Facilities from 1987 to 1993, and as Dean from 1994 to 2002, providing extraordinary leadership, energy, and vision to the college's 34 departments and programs, over 600 faculty members, 180 support staff members, and over 9,000 graduate students and undergraduate majors; and

WHEREAS, he reorganized the alumni affairs, development, and career services functions of the college, including the establishment of the Dean's Roundtable advisory group; and

WHEREAS, he continuously evaluated and restructured college units to increase collaboration, cooperation, and interdisciplinary efforts in teaching, research, outreach, and professional service; and he implemented many landmark improvements such as the Service Learning Center, outreach efforts, distance-learning opportunities, international programs, and the establishment of college centers; and

WHEREAS, he courageously led the college's diversity initiatives, resulting in the recruitment and retention of female and minority faculty, the establishment of international exchange programs and collaborations, and the appointment of many women and minority faculty members to important positions in the college; and he steadfastly led the pilot project for creating and implementing a revised faculty-search process that became the foundation for the revised process for the whole university; and

WHEREAS, he encouraged, promoted, and truly valued the contributions of classified staff employees, and set an outstanding example for the College of Arts & Sciences and for the whole university, through his humanity, integrity, wisdom, and respect for all persons, including faculty, students, staff, administrators, alumni, and members of the community;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Robert C. Bates for his service to the university with the title of Professor Emeritus of Biology and Dean Emeritus of the College of Arts & Sciences.

RECOMMENDATION:

That the above resolution recommending Dr. Robert C. Bates for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS
March 18, 2002

WHEREAS, Dr. John R. Hall, III faithfully served Virginia Tech for over 25 years in the College of Agriculture & Life Sciences, beginning in 1976; and

WHEREAS, as a member of the faculty in the Department of Crop & Soil Environmental Sciences, he served for 18 years as an Extension Specialist and provided widely acclaimed expertise and leadership to the turfgrass industry and associated clientele; and

WHEREAS, his service to the turfgrass community has been recognized by the Virginia Tech Alumni Award for Extension Excellence, the Gamma Sigma Delta Extension Award of Merit, and the Virginia Turfgrass Council President's Award; and

WHEREAS, he served his department as Acting Head and then Head from June 1994 through December 2001, a time during which the department made significant gains within the university and nationally;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. John R. Hall, III for his service to the university with the title of Professor Emeritus of Crop & Soil Environmental Sciences.

RECOMMENDATION:

That the above resolution recommending Dr. John R. Hall, III for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS
March 18, 2002

WHEREAS, Dr. Siegfried M. Holzer faithfully served Virginia Tech for nearly 30 years in the College of Engineering, beginning in 1972; and

WHEREAS, he taught literally thousands of civil engineering students in all areas of structural engineering; and

WHEREAS, his excellence in the classroom was recognized by his twice being selected by civil engineering students to receive the Faculty Achievement Award for Excellence in Civil Engineering Education, by his appointment as an Alumni Distinguished Professor, and by numerous other college and university recognitions; and

WHEREAS, his passion as an educator, as well as his excellence as a researcher, scholar, and mentor of numerous graduate students, led to his receipt of the prestigious Outstanding Faculty Award from the State Council for Higher Education in Virginia;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Siegfried M. Holzer for his service to the university with the title of Alumni Distinguished Professor Emeritus of Civil & Environmental Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. Siegfried M. Holzer for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS
March 18, 2002

WHEREAS, Dr. W. David Klemperer faithfully served Virginia Tech for 25 years in the College of Natural Resources, beginning in 1976; and

WHEREAS, as a member of the faculty in the Department of Forestry, he was a dedicated teacher of undergraduate and graduate courses, with especially noteworthy contributions to instruction in forest economics as well as a trusted advisor to undergraduate and graduate students; and

WHEREAS, he authored a widely-adopted and acclaimed textbook entitled Forest Resource Economics and Finance; and

WHEREAS, he made significant contributions in research on forest economics, financial analysis, and forest taxation, publishing his work in scientific journals and presenting results at professional meetings; and he served professional organizations in numerous capacities;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. W. David Klemperer for his service to the university with the title of Professor Emeritus of Forestry.

RECOMMENDATION:

That the above resolution recommending Dr. W. David Klemperer for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS
March 18, 2002

WHEREAS, Dr. Ronald J. Nurse faithfully served Virginia Tech for over 30 years in the College of Arts & Sciences, beginning in 1971; and

WHEREAS, as a member of the faculty in the Department of History, he was a dedicated teacher of a wide range of courses from freshman to advanced-graduate level; and

WHEREAS, he advised and counseled numerous undergraduate and graduate students during his long career, and chaired or served on 4 Ph.D. and 12 M.A. committees; and

WHEREAS, he made important contributions in research on modern American foreign policy, particularly on the Vietnam War, authoring one book, Development of American Foreign Policy, and five journal articles and book reviews, delivering numerous professional papers at national conferences, and lecturing at many public schools in the region; and

WHEREAS, he was the recipient of the university's Sporn Award for Excellence in Teaching (1972-73) and two Certificates of Teaching Excellence; was elected as a member of the Academy of Teaching Excellence; served as Assistant Provost (1976-80), Director of the Summer School (1976-80), President of the Virginia Association of Summer School Deans and Directors (1978-81), Vice-Chair of the Commission on Undergraduate Studies (1976-80), Director of the University Honors Program (1976-90), Director of the Governor's School for the Gifted (1983-89), and Co-Director of the Freshman Orientation Program (1976-90); served as presenter/chair of over 30 sessions, panels, and workshops at annual Honors Conferences (1976-90); and served on many departmental committees;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Ronald J. Nurse for his service to the university with the title of Associate Professor Emeritus of History.

RECOMMENDATION:

That the above resolution recommending Dr. Ronald J. Nurse for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS
March 18, 2002

WHEREAS, Dr. Ronald M. Sundelin, a distinguished scientist, was recruited in 1987 by the Commonwealth to a leadership position with the Continuous Electron Beam Accelerator Facility (CEBAF) at the Thomas Jefferson National Accelerator Facility in Newport News, Virginia, where he was responsible for the design and construction of a world-class accelerator for the conduct of ground-breaking research into the basic structure of nucleons; and

WHEREAS, he was formally named Commonwealth Professor, and granted a tenured academic appointment and adjunct affiliation with the Department of Physics at Virginia Tech as part of his appointment at CEBAF; and

WHEREAS, he served as major advisor to a number of doctoral students in Physics during his affiliation with Virginia Tech; and

WHEREAS, his research in superconducting rf-cavities has been well recognized both nationally and internationally, resulting in appointment as Fellow of the American Physical Society, an Annual Merit Award from the Institute of Electrical and Electronics Engineers' Nuclear and Plasma Sciences Society, and numerous invitations to deliver talks, provide consultation, and serve on review committees;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Ronald M. Sundelin for his service to the university with the title of Commonwealth Professor Emeritus of Physics.

RECOMMENDATION:

That the above resolution recommending Dr. Ronald M. Sundelin for emeritus status be approved.

ENDOWED PROFESSORSHIP**The Charles Nettleton Professorship in Forest Business/Products**

The Charles Nettleton Professorship in Forest Business/Products was established by the generous gift of Mrs. Blakeslee Nettleton Chase. Dean Gregory N. Brown, on the recommendation of the Honorifics Committee of the College of Natural Resources, has recommended Dr. Robert M. Shaffer to this endowed position.

Dr. Shaffer, Professor of Forest Operations in the Department of Forestry, joined the faculty of Virginia Tech in 1983. Dr. Shaffer's extension and outreach interests focus on planning and implementation of a timber harvesting extension program for Virginia and the region. Dr. Shaffer has served as principal investigator or co-PI on 14 applied research projects, has published 23 peer-reviewed journal articles and 25 proceedings papers, along with numerous technical reports, extension bulletins, and trade journal articles.

Dr. Shaffer's extension program is widely recognized and highly regarded in the state and throughout the nation. He has been a national leader in developing and promulgating voluntary Best Management Practices (BMPs) in forest harvesting operations. Virginia is frequently cited as an example of how voluntary BMPs can be effectively implemented. The excellence of these forestry BMP programs has been recognized by the Chesapeake Bay Local Assistance Board and the Environmental Protection Agency. Professor Shaffer has received awards from the Virginia Forestry Association, the American Pulpwood Association, and the Southern Forestry Extension Association for his role in these highly successful programs. In 2000 he received the Virginia Tech Alumni Award for Extension Excellence.

In addition to extension programming, Dr. Shaffer teaches two or three undergraduate courses each year. Because of Dr. Shaffer's pedagogical skills and the work experience he brings to the classroom, these courses are well received by students. Peer evaluations have also been highly favorable. Dr. Shaffer takes his on-campus teaching responsibilities seriously; he is very conscientious about planning carefully to avoid conflicts between demands to be off campus for extension programming and on campus for undergraduate teaching.

Professor Shaffer has responsibilities in the third mission of the university as well. His research program is focused on timber harvesting problems and directed so as to be complementary to his extension role. He has been successful in obtaining funding for graduate student research projects, and has directed the programs of nine masters and one doctoral candidate. Students who have studied under Dr. Shaffer's guidance have secured meaningful employment in the forest industry.

RECOMMENDATION:

That Dr. Robert M. Shaffer be appointed The Charles Nettleton Professor in Forest Business/Products, effective April 1, 2002, with salary supplement as provided by the endowment and, as available, from the Eminent Scholars match program.

ALUMNI DISTINGUISHED PROFESSOR

Dr. Rosemary Blieszner, professor of gerontology and family studies, is an exceptional educator whose service, leadership, research, pedagogy, and academic citizenship is truly distinctive.

Over the last 20 years, Dr. Blieszner's record of academic service to Virginia Tech has been both deep and broad. Appointed by President Charles Steger as University Director of Strategic Planning (2000-2001), she provided university-wide leadership for articulating a visionary set of goals, objectives and strategies. She has played a significant role in various faculty governance positions – from Senate Cabinet, to the University Advisory Committee on Strategic Budget and Planning; the Commission on Faculty Affairs; and the President's Task Force on University Council, Commissions, and Committees.

Dr. Blieszner's numerous teaching accomplishments include the University Alumni Teaching Award and election into the Academy of Teaching Excellence. Known for her ability to motivate students to be self-directed learners, her innovative teaching emphasizes critical thinking, problem solving, and practice in future professional roles. She validates personal experiences as important sources of knowledge and has adopted a multicultural perspective by acknowledging the effects of gender, race, class, age, and other characteristics on the subject at hand. She is an often-requested teacher and advisory committee member. At professional meetings, it is not uncommon to see Dr. Blieszner surrounded by her former students, now VT alumni.

In her scholarly writings, Dr. Blieszner demonstrates sustained and collaborative teaching contributions. Three of her books are now being used as textbooks, and 10 of her over 60 refereed journal articles focus on instruction and teaching issues. Her research focuses on family and friend relationships in adulthood and old age. Her interdisciplinary research on real-life problems address a crucial aspect of human existence from the combined perspectives of gerontology, family studies, psychology, and sociology. Dr. Blieszner has served as Associate Director for Education at the Center for Gerontology since 1983 and has a remarkable record of professional service. She has been named as a fellow to four professional societies including the National Council on Family Relations (1999). She also serves on several editorial boards.

Dr. Blieszner's enduring loyalty and energy have enhanced Virginia Tech on many levels. She personally reflects the UT PROSIM spirit of the University, sharing her knowledge, research, time and energies with both the campus and community.

RECOMMENDATION:

That Dr. Rosemary Blieszner be appointed Alumni Distinguished Professor effective March 25, 2002 for a period of ten years.

ALUMNI DISTINGUISHED PROFESSOR

Dr. Charles F. Reinholtz, professor of mechanical engineering, serves as a role model to all faculty, having excelled in scholarship, research, and teaching. Dr. Reinholtz has served Virginia Tech and its students since 1983, developing an exemplary record of academic service and leadership.

The honors that Dr. Reinholtz has received are important indicators of his national reputation in student advising, scholarship, and research. In 1995 he received the American Society of Mechanical Engineers' National Faculty Advisor Award, recognizing the guidance he has provided to the ASME Student Section at Virginia Tech. In nominating Reinholtz for the national award, Tech ASME students praised their advisor's contributions of time and effort. "To students, Charles Reinholtz is more than a professor, researcher, or faculty advisor; he is also a good friend," states the nomination letter written by the Tech chapter. "Despite volumes of research and other work, his door is always open; his counsel always ready."

Students in years past also have appreciated Dr. Reinholtz' advisory skills. He received the ASME Outstanding Faculty Advisor Award in both 1990 and in 1992. Other awards Dr. Reinholtz has received include a Presidential Young Investigator Award from the National Science Foundation, and a Certificate of Teaching Excellence and the Wine Award for Excellence in Teaching from Virginia Tech. He is a member of the University's Academy of Teaching Excellence, and in 1996 became Virginia Tech's first recipient of the W. S. White Chair for Innovation in Engineering Education (a rotating chair).

Dr. Reinholtz is highly successful at attracting projects and support from industries for about 15 percent of the senior class. He has brought in more than \$1 million exclusively for these various efforts with students. For example, he has involved ME students in solving practical problems for Babcock and Wilcox Nuclear Technologies (now Framatome), Nautilus, Bioconversions Technologies, The Fred Whitaker Company, Eastman Chemical Company, and Siemens Automotive. The breadth and scope of these projects, and Dr. Reinholtz' success at including undergraduates in research, illustrates his ability to be innovative in engineering education.

RECOMMENDATION:

That Dr. Charles F. Reinholtz be appointed Alumni Distinguished Professor effective March 25, 2002 for a period of ten years.

**RESOLUTION CONFERRING
HONORARY DOCTOR OF SCIENCE DEGREE TO
CLIFTON C. GARVIN, JR**

WHEREAS, Clifton C. Garvin, Jr., Class of 1943, is a devoted and loyal alumnus of Virginia Tech, where he earned a Bachelor of Science degree in chemical engineering with honors in 1943, and after serving his country in the Army Corps of Engineers, returned to his alma mater to earn a Master of Science degree in chemical engineering in 1947; and

WHEREAS, Mr. Garvin enjoyed a remarkable 40-year career with Exxon, working his way up the ranks, from his start in 1947 as a process engineer, to his appointment to Exxon's top post in 1975, as the company's Chairman of the Board and Chief Executive Officer; and

WHEREAS, concurrent with his career at Exxon, Mr. Garvin held directorships at a number of national and international corporations, served on a number of nationally significant business policy-making and lobbying organizations, and served on a number of committees to advance the cause of higher education; and

WHEREAS, throughout his professional career, Mr. Garvin was widely recognized as a shaping force in American business and one of the most powerful business men in the world, as exhibited by his numerous awards and honors; and

WHEREAS, despite his demanding schedule, Mr. Garvin has always given generously of his time and resources for the benefit of his alma mater, as demonstrated by his service on the university's Board of Visitors, where he served as Rector, the College of Engineering's Committee of 100, the Virginia Tech Foundation Board, which he currently chairs, and by his leadership in the university's two largest fundraising initiatives to date; and

WHEREAS, Mr. Garvin's personal philanthropy to the university has enabled Virginia Tech to establish two professorships and fund many new initiatives that have contributed to the university's growth and success; and

WHEREAS, Mr. Garvin embodies the spirit of *Ut Prosim*, and has been recognized as a role model to the Virginia Tech community, having been honored with the university's first Distinguished Achievement Award, the Alumni Distinguished Service Award, the William Ruffner Medal, induction into the Academy of Engineering Excellence, and the naming of the innovation center in the Corporate Research Center in his honor;

NOW, THEREFORE, BE IT RESOLVED, that in honor and appreciation of his outstanding professional achievements, his contributions to business, industry, and the non-profit sector, and his deep loyalty and dedication to his alma mater, the members of the Board of Visitors of Virginia Polytechnic Institute and State University confer upon Clifton C. Garvin Jr. an honorary Doctor of Science degree.

RECOMMENDATION:

That the above resolution conferring an honorary Doctor of Science degree to Clifton C. Garvin Jr. be approved.

INDIVIDUAL TRANSITION OPTION PLAN

In 1994, the Board of Visitors approved an early retirement incentive program entitled the Individual Transition Option Plan (ITO). The program was designed to assist the university in managing budget reductions by providing incentives for resignation or retirement of long-term tenured faculty members. The program had a limited enrollment period, and faculty members had to retire or resign by the end of spring term 1996.

The President and Provost recommend approval of special Individual Transition Option Plan contracts for two faculty members who have agreed to retire on a date certain in exchange for incentives as were available under the previously approved ITO plan:

Rebecca S. Crittenden, Professor of Mathematics, a total of \$55,965 in payments (one year's salary, plus 5% of salary to purchase an additional year of service). Retirement effective July 1, 2002.

John B. Crittenden, Professor of Engineering Fundamentals, \$61,600 in payments (one year's salary). Retirement effective January 1, 2003.

RECOMMENDATION:

That the Individual Transition Option Plan agreements for Drs. Rebecca S. and John B. Crittenden be approved.

Resolution Honoring

William E. Jamerson, Sr.

University Distinguished Achievement Award Recipient for 2002

WHEREAS, one of Virginia Tech's most dedicated and devoted alumni, William E. Jamerson, Sr. received a B.S. degree in building construction in 1957, whereupon he immediately joined the Student Aid Association and served as a director on the board and later as president; and

WHEREAS, he has distinguished himself as a businessman and a leader with J.E. Jamerson & Sons, Inc., his family's construction business; and

WHEREAS, he has been publicly recognized for his outstanding community service to Habitat for Humanity, the Patrick Henry Boys and Girls Plantation, and the Appomattox High School; and

WHEREAS, he has willingly and enthusiastically served on the university committees for the Second Century Campaign, the Steering Committee of the Campaign for Virginia Tech, and the Center for European Studies and Architecture Campaign, as well as the College of Architecture and Urban Studies Advisory Council and the Virginia Tech Foundation Board; and

WHEREAS, Mr. Jamerson has financially supported university programs and facilities including athletics, building construction, the Alumni and Conference Center, and the Center for European Studies and Architecture in Riva San Vitale, Switzerland, and provides scholarship and professorship assistance, demonstrating his regard for quality education; and

WHEREAS, in 1990, the university, in recognition of his devotion and loyalty, awarded Mr. Jamerson the Alumni Distinguished Service Award;

NOW, THEREFORE, BE IT RESOLVED that, in tribute to his exceptional leadership, outstanding professional career, and in appreciation for his devotion and service to Virginia Tech, the Board of Visitors of Virginia Polytechnic Institute and State University confers the University Distinguished Achievement Award for 2002 to William E. Jamerson, Sr.

RECOMMENDATION:

That the resolution conferring the 2002 University Distinguished Achievement Award to William E. Jamerson, Sr. be approved.

Resolution Honoring
Christopher C. Kraft, Jr.
2002 William H. Ruffner Medal Recipient

WHEREAS, with pride and respect, Virginia Tech counts among its most esteemed alumni Dr. Christopher C. Kraft, Jr., who was graduated in 1945 with a B.S. degree in aerospace engineering; and

WHEREAS, he has distinguished himself and brought honor to his alma mater during a 37-year career at the National Aeronautics and Space Administration, which included involvement as an original member of the NASA Space Task Group and led to directorship of the Lyndon B. Johnson Space Center; and has received honors in the form of numerous prestigious awards from the President of the United States, NASA, the Commonwealth of Virginia, Virginia Tech, as well as several other universities; and

WHEREAS, understanding the value of research, Dr. Kraft generously presented the library with a collection of his papers covering his professional career with NASA; and

WHEREAS, he is a member of the William Preston Society, and has personally participated in numerous university initiatives including committee membership for the Alumni Center Campaign, the Class of '45 Campaign, the Corporate and Foundation Major Gift Committee, and the Engineering Committee of 100; and

WHEREAS, Dr. Kraft has provided vision and leadership and has invested significant personal time and effort in service to the university during two terms on the Board of Visitors; and

WHEREAS; the university, in recognition of his exceptional accomplishments and appreciation for his loyalty and his concern for the future of Virginia Tech, awarded Dr. Kraft the Distinguished Alumnus Award;

NOW, THEREFORE, BE IT RESOLVED that, in tribute to his successful professional career, the faith that the Commonwealth of Virginia has placed in him as a member of our Board of Visitors, his vision and exemplary leadership as an alumnus of Virginia Tech, the Board of Visitors of Virginia Polytechnic Institute and State University confers upon Christopher C. Kraft, Jr. its highest award, the 2002 William H. Ruffner Medal.

RECOMMENDATION:

That the resolution conferring the 2002 William H. Ruffner Medal to Christopher C. Kraft, Jr. be approved.

Resolution Naming

The William B. Holtzman Alumni Center

at Virginia Polytechnic Institute and State University

Whereas, William B. Holtzman graduated from Virginia Tech in 1959 with a BS in Agriculture and Life Sciences; his son, William T. Holtzman, is a 1997 graduate of the Pamplin College of Business; and his stepson, Justin Hepner, is a 1998 graduate of the College of Arts and Sciences; and

Whereas, since his graduation William B. Holtzman has demonstrated the skills that create success in the business sector as president of Holtzman Oil Corporation; and

Whereas, William B. Holtzman has enjoyed a lifelong interest in Civil War history, a strong interest in and generous support for the Virginia Tech Civil War Center, and he currently provides personal attention and leadership by serving on the advisory board of the Virginia Center for Civil War Studies; and

Whereas, in appreciation for the educational experience, his love for Virginia Tech, and to establish a lasting legacy in recognition of his family's accomplishments, Mr. Holtzman has provided generous support to numerous programs at the university including the German Club, athletics, and the Corps of Cadets; and

Whereas, Mr. Holtzman was supportive of the university's vision and effort to create an alumni and conference center that would meet the future needs of the university community and was enthusiastic in helping to provide the support necessary to ensure the successful and timely conclusion of the Alumni and Conference Center Campaign;

Now, therefore, be it resolved that, in recognition of the support and dedication of William B. Holtzman, the Virginia Tech Alumni Center will be known as **The William B. Holtzman Alumni Center**.

Recommendation:

That the above resolution naming The William B. Holtzman Alumni Center be approved.

Resolution Naming

The William E. and Margaret G. Skelton Conference Center at Virginia Polytechnic Institute and State University

Whereas, William E. Skelton, a 1940 Virginia Tech graduate in Agricultural Engineering, retired as Dean Emeritus in 1979, having distinguished himself at Virginia Tech during 39 years of service in positions of responsibility including Extension Agent, Director of 4-H Programs, Director of the Cooperative Extension Service, and Dean of the Extension Division; and

Whereas, following retirement Dr. Skelton began volunteer service to the university by taking a leading role in varied campus projects, serving as a member of the Board of Directors and campaign chairman for three capital campaigns for Virginia Tech's Smith Mountain Lake 4-H Educational Center, as president of the Alumni Association for three years, as president of Virginia Tech's "Old Guard," as chairman of the Alumni and Conference Center Campaign, as national president of the Epsilon Sigma Phi fraternity and as a member of the National 4-H Foundation, as well as serving on the Virginia Tech Foundation Board of Directors; and

Whereas, several Virginia governors, in recognition of his leadership, have placed him on a variety of statewide boards, commissions, and councils and he has been the recipient of the Distinguished Ruby Award for Education, the Superior Service Award from the U.S. Government, Virginia Tech's Alumni Distinguished Service Award, and Virginia Tech's highest honor - the William H. Ruffner Medal; and

Whereas, after graduate school at the University of Tennessee, Margaret G. Skelton served on the faculty of Virginia Tech's College of Home Economics as an Extension Specialist in clothing and textiles, followed by six years as Director of the Cooperative Extension Family Resources Program, working with volunteer organizations of extension homemakers around the state; and

Whereas, since retirement Mrs. Skelton has provided volunteer leadership to the College of Human Resources and Education during the Campaign for Virginia Tech, currently serving as chair of the college's Development Committee; and

Whereas, Mrs. Skelton was recently recognized by the Alumni Association Board of Directors who bestowed upon her lifetime honorary membership; and

Whereas, Dr. and Mrs. Skelton have invested generously in the future of Virginia Tech students by establishing scholarship assistance in the College of Agriculture and Life Sciences and the College of Human Resources and Education, as well as support for other university programs; and

Whereas, the university has received generous and meaningful gifts in honor of the Skeltons for their support and life-long dedication to Virginia Tech;

Now, therefore, be it resolved that, with respect and appreciation for the service and generosity of William and Margaret Skelton and in recognition of past and future benefits to the university, the Virginia Tech Conference Center will be known as **The William E. and Margaret G. Skelton Conference Center**.

Recommendation:

That the above resolution naming The William E. and Margaret G. Skelton Conference Center be approved.

BOWL BONUSES**2002 TOYOTA GATOR BOWL**

It has been tradition in collegiate athletics to recognize the efforts of the coaching staff after a successful season culminating in post-season play. The Virginia Tech Hokies played in the 57th Annual Toyota Gator Bowl in Jacksonville, Florida on January 1, 2002. The Hokies ended the 2001 football season with an overall record of 8 wins and 4 losses, after being defeated in the Gator Bowl by the Florida State Seminoles. The Associated Press and the ESPN/USA Today Coaches Poll ranked the Hokies 18th in the nation.

In recognition of their dedication and efforts, the university proposes to award bonuses to the football coaching and training staff, the Athletic Director, and the Director and Assistant Director of the Marching Virginians. In accordance with the terms of Coach Beamer's contract and the university's post season play bonus policy, the university proposes that the following bonuses be awarded. The bonuses are one-time awards and do not affect base salaries. All bonuses will be funded from 2002 Toyota Gator Bowl proceeds.

RECOMMENDATION: That the bonuses for the 2002 Toyota Gator Bowl be ratified.

March 18, 2002

GATOR BOWL BONUS RECOMMENDATIONS
March 18, 2002

<u>Contractual Bonus:</u>	<u>Title</u>	<u>Bonus Amount</u>
Ball, Tony	Assistant Coach	15,000
Ballein, John	Asst. Athletic Director/Football Operations	8,333
Beamer, Frank	Head Football Coach	133,946
Bustle, Ricky	Offensive Coordinator	30,000
Cavanaugh, Jim	Assistant Coach	15,000
Foster, Bud	Defensive Coordinator	30,000
Gentry, Mike	Strength & Conditioning Coach	15,000
Goforth, Mike	Head Trainer	4,835
Hite, Billy	Assistant Head Coach	15,780
Johnson, Jack	Assistant Strength & Conditioning Coach	3,000
Karlin, Lester	Equipment Manager	3,539
Pearman, Danny	Assistant Coach	15,000
Stinespring, Bryan	Assistant Coach	15,000
Ward, Lorenzo	Assistant Coach	15,000
Weaver, Jim	Athletic Director	27,033
Wiles, Charley	Assistant Coach	15,000
TOTAL CONTRACTUAL BONUSES:		\$ 361,466
<u>Non-contractual Bonus:</u>		
Crone, Jay	Asst. Director, Marching Virginians	4,042
Lagan, Dwayne	Team Physician	3,467
McKee, David	Director, Marching Virginians	4,250
TOTAL NON-CONTRACTUAL BONUSES:		\$ 11,759
TOTAL ALL BONUSES:		\$ 373,225

DESCRIPTION OF FACULTY PERSONNEL CHANGES
(Prepared by Personnel Services)

I. FACULTY PERSONNEL & SALARY CHANGES

This section includes new appointments and changes in appointments for the general faculty, including faculty in the colleges and in the library, and for administrative and professional faculty in all areas under educational & general funding.

A. New Appointments

This section includes documentation of all new faculty appointments for the positions noted above. Some appointments, for example visiting faculty, may be "restricted" with a fixed-term appointment. If a senior-level appointment (Associate or Full Professor) is to be made with tenure, it is so noted.

B. Adjustments in Appointment and/or Salary

This section includes a listing and brief explanation of all off-cycle salary adjustments, conversion of positions from classified to faculty status, changes in the percent of employment (example: 50% to 75%), etc.

II. SPONSORED RESEARCH FACULTY

Section II documents appointments and changes to faculty positions funded by sponsored grants and contracts. These positions are usually "restricted" with a fixed-term appointment. Occasionally, appointments may be designated as regular (non-restricted) and will be noted as such.

A. New Appointments

This section includes appointments such as Visiting Assistant Professor, Professional Lecturer, or Instructor, as well as any of the various "Special Research-Ranked Faculty" titles, such as Research Associate, Postdoctoral Associate, or Research Scientist. Faculty appointed to these positions are funded from sponsored grants and contracts on one-year or multi-year appointments, which may be renewed depending on availability of funding, need for services, and performance.

B. Adjustments in Appointment and/or Salary

This section contains annual merit adjustments for faculty not included in the special research-ranked positions, changes in rank, special adjustments made for equity, funding availability, or changes in job responsibilities, and similar changes. Also included are adjustments in the percentage of employment and reappointments.

FACULTY PERSONNEL CHANGES

March 17 - 18, 2002

I. E&G AND AUXILIARY FACULTY**A. New Appointments**

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
<u>AGRICULTURE & LIFE SCIENCES</u>					
Chapman, Paul D	Prof-Lecturer	Va Coop Extension	11-10-01	100	32,000
Himes, Jeffrey J	Prof-Lecturer, Restricted	Va Coop Extension	1-1-02	100	33,000
Hodges, Steven C	Professor w/Tenure	Crop & Soil Environmental Sci	5-1-02	100	105,000
Lozano, Patricia G	Prof-Lecturer	Va Coop Extension	10-10-01	100	36,000
McNew, Todd	Prof-Lecturer, Restricted	Agric & Applied Economics	11-7-01	100	40,000
Mullins, Jeannie M	Prof-Lecturer, Restricted	Va Coop Extension	11-25-01	100	34,500
Petrunger, Todd A	Prof-Lecturer	Va Coop Extension	1-14-02	100	33,000
Slade, Glenn R	Prof-Lecturer	Va Coop Extension	10-25-01	100	41,000
<u>ARCHITECTURE & URBAN STUDIES</u>					
Lang, Robert E	Research Assoc Prof, Restricted	Inst Metropolitan Research	12-25-01	100	120,000
<u>ARTS & SCIENCES</u>					
Clement, Christopher J	Assistant Professor	Political Science	12-25-01	100	46,000
El-Sayed, Hoda	Visiting Asst Professor	Computer Science	1-3-02	100	35,000
King, Neal	Associate Professor	Ctr-Interdisciplinary Studies	8-10-02	100	50,000
Milman, Nyusya	Associate Professor w/Tenure	Foreign Languages & Literatures	8-10-02	100	55,000
Onah, Ejembi J	Postdoctoral Assoc, Restricted	Chemistry	11-1-01	100	25,000
Schoenhoff, Peter K	Instructor, Restricted	Computer Science	12-25-01	100	44,000
Thompson, Dale B	Visiting Asst Prof, Restricted	Economics	1-10-02	100	56,000
<u>BUSINESS</u>					
Fan, Weiguo	Assistant Professor	Accounting & Information Sys	8-10-02	100	110,000
James, Tabitha	Assistant Professor	Business Information Technology	8-10-02	100	95,000

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
<u>ENGINEERING</u>					
Jain, Sanjay	Research Assoc Prof, Restricted	Ctr-High Perf Manufacturing	12-25-01	100	75,000
Nieto, Antonio	Assistant Professor	Mining & Minerals Engr	1-11-02	100	60,000
Stilwell, Daniel J	Assistant Professor	Bradley Dept Elect & Comp Engr	12-25-01	100	65,000
Tafti, Danesh K	Associate Professor	Mechanical Engr	12-25-01	100	76,000
Vikesland, Peter J	Assistant Professor	Civil & Environmental Engr	12-25-01	100	65,000
<u>GRADUATE SCHOOL</u>					
Mayorga, Roberto J	Prof-Lecturer	Graduate School	1-1-02	100	55,000
<u>HUMAN RESOURCES & EDUCATION</u>					
Serrano, Elena L	Assistant Professor	Human Nutr, Foods & Exercise	3-15-02	100	61,000
<u>NATURAL RESOURCES</u>					
Kane, Brian	Assistant Professor	Forestry	6-1-02	100	65,000
<u>ATHLETICS</u>					
Rogers, Kevin	Prof-Lecturer	Athletics	1-14-02	100	111,000
Weiss, Oliver	Prof-Lecturer	Athletics	2-1-02	100	44,000
<u>PRESIDENT</u>					
Call, Neysa	Senior Project Associate	Va Bioinformatics Institute	1-2-02	100	65,000
Eckart, Jon D	Research Associate, Restricted	Va Bioinformatics Institute	1-2-02	100	68,000
Guo, Dianjing	Postdoctoral Assoc, Restricted	Va Bioinformatics Institute	9-15-01	100	36,000
Lennon, John	Research Scientist	Va Bioinformatics Institute	1-14-02	100	90,000
Malhotra, Sonal	Research Associate, Restricted	Va Bioinformatics Institute	11-1-01	100	47,500
McWatters, Amanda	Senior Research Associate	Va Bioinformatics Institute	3-10-02	100	54,000

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
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PROVOST

Chenier, Thomas C	Prof-Lecturer	Institutional Research	1-2-02	100	63,000
Garcia, Lisette	Prof-Lecturer	Undergraduate Admissions	2-1-02	100	29,000
Rubens, Cindy	Prof-Lecturer	University Special Initiatives	1-2-02	100	50,000
Scheer, Stephanie B	Prof-Lecturer, Restricted	Inst for Distance & Distr Learning	1-21-02	100	45,000
Sheehan, Thomas T	Prof-Lecturer	University Special Initiatives	2-15-02	100	70,000
Williams Jr, C Ray	Prof-Lecturer	Undergraduate Admissions	3-1-02	100	38,000

VICE PRESIDENT FOR DEVELOPMENT & UNIVERSITY RELATIONS

Janosko, Jeffrey D	Prof-Lecturer, Regular	University Development	11-19-01	100	48,500
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VICE PRESIDENT FOR STUDENT AFFAIRS

Conrad, Stephen H	Prof-Instructor	Cranwell International Center	12-25-01	100	28,000
Foote, Anna	Prof-Lecturer	Residential & Dining Programs	1-10-02	100	33,000

VICE PROVOST FOR RESEARCH

Roberson, Linda C	Prof-Lecturer	Research Division Administration	12-17-01	100	83,000
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B. Adjustments in Appointment and/or Salary

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
<u>AGRICULTURE & LIFE SCIENCES</u>					
Campbell, Cristin L	Prof-Lecturer	Va Coop Extension	7-1-01	100	33,000
Freeman, Dorothy M	Assistant Professor	4-H	1-10-02	100	71,312
Gibson, Pamela D	Research Associate, Restricted	Agric & Applied Economics	10-10-01	100	40,850
Groover, Gordon E	Instructor	Agricultural Economics	1-25-02	100	65,000
Harper Jr, Robert E	Prof-Lecturer	Va Coop Extension	11-30-01	100	35,700
Holden, Brenda E	Prof-Lecturer	Va Coop Extension	10-25-01	100	55,109
Johnson, Elizabeth A	Prof-Lecturer	Va Coop Extension	3-1-02	100	31,800
Mercer, Jennifer A	Prof-Lecturer	Va Coop Extension	1-1-02	100	44,197
Miller, Matthew I	Prof-Lecturer	Va Coop Extension	1-25-02	100	31,900
Warren, Peter L	Prof-Lecturer	Va Coop Extension	2-1-02	100	34,200
White, Stephanie W	Instructor, Restricted	Agricultural Technology 2-yr Prog	12-25-01	100	52,500
<u>ARCHITECTURE & URBAN STUDIES</u>					
Stephenson, Max O	Admin-Associate Professor	Dean of Architecture	1-10-02	100	94,000
<u>ARTS & SCIENCES</u>					
Akers, Karen E	Prof-Lecturer	Arts & Sciences	12-1-01	100	59,000
Bates, Robert C	Admin-Professor	Arts & Sciences	10-10-01	100	180,725
Boyer, John D	Instructor	Geography	1-25-02	100	34,000
Chang, Lay Nam	Professor	Arts & Sciences	1-10-02	100	155,000
Hardcastle, Valerie G	Associate Professor	Philosophy	12-1-01	100	75,000
Reeves, Barbara	Instructor	Ctr-Interdisciplinary Studies	12-25-01	100	29,400
Sypher, Beverly D	Professor	Communications Studies	12-25-01	100	120,000
Zweben, Marta L	Instructor, Restricted	Ctr-Interdisciplinary Studies	12-25-01	25	6,400
<u>BUSINESS</u>					
Ghandforoush, Parviz	Professor	Business Information Technology	10-1-01	100	131,580

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
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ENGINEERING

Annamalai, Annamalai	Assistant Professor	Bradley Dept Elect & Comp Engr	12-25-01	100	61,030
Henneke, Edmund G	Professor	Engr Science & Mechanics	10-24-01	100	158,400
Hughes, John M	Associate Professor	Civil & Environmental Engr	11-25-01	100	70,060
McPherson, Malcolm J	Professor	Engineering	10-11-01	100	165,700
Mili, Lamine M	Professor	Bradley Dept Elect & Comp Engr	8-10-01	100	80,994

GRADUATE SCHOOL

Gibson, Monika	Prof-Lecturer	Graduate School	12-25-01	100	45,000
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VETERINARY MEDICINE

Lee, John C	Professor	Biomedical Science	11-1-01	100	119,500
Mills, Eric M	Research Asst Prof, Restricted	Biomedical Science	9-1-01	100	68,169
Vermeer, Pamela J	Research Asst Prof, Restricted	Biomedical Science	9-1-01	100	68,169
Whittier, William D	Professor	Large Animal Clinical Sciences	10-16-01	100	104,700

ATHLETICS

Bail, Anthony	Prof-Lecturer	Athletics	1-2-02	100	90,000
Beamer, Frank M	Prof-Lecturer	Athletics	1-1-02	100	213,861
Bustle, Rickey N	Prof-Lecturer	Athletics	1-1-02	100	159,075
Cavanaugh, James C	Prof-Lecturer	Athletics	1-2-02	100	117,000
Foster, Robert E	Prof-Lecturer	Athletics	1-1-02	100	159,075
Gentry, R Michael	Prof-Lecturer	Athletics	1-1-02	100	100,800
Hite, William T	Prof-Lecturer	Athletics	1-1-02	100	132,550
Peaman, Daniel L	Prof-Lecturer	Athletics	1-2-02	100	80,000
Stinespring, Bryan W	Prof-Lecturer	Athletics	1-5-02	100	127,000
Ward, Lorenzo	Prof-Lecturer	Athletics	1-2-02	100	101,000
Weaver, James C	Prof-Lecturer	Athletics	1-1-02	100	227,090
Wiles, Charles H	Prof-Lecturer	Athletics	1-2-02	100	111,000

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
<u>PRESIDENT</u>					
Gillespie, Melvin D	Admin-Lecturer	Equal Opport/Affirm Action	1-1-02	100	90,000
Halleck, Lisa E	Prof-Lecturer	Equal Opport/Affirm Action	10-15-01	100	56,040
<u>EXECUTIVE VICE PRESIDENT</u>					
Hodge, Timothy L	Admin-Lecturer	Budget & Financial Planning	10-1-01	100	80,200
Mahan, Beatrice T	Admin-Lecturer	Budget & Financial Planning	10-1-01	100	104,000
McCoy, Lenwood D	Admin-Lecturer, Restricted	Executive Vice President	1-1-02	60	92,622
Pethel, Ray D	Admin-Lecturer	University Transportation	1-10-02	100	139,582
<u>PROVOST</u>					
Burke, Brenda L	Prof-Lecturer	Scholarships & Financial Aid	11-25-01	100	34,200
<u>VICE PRESIDENT FOR ADMINISTRATION & TREASURER</u>					
Mitchell, Terri T	Admin-Lecturer	Vice Pres for Admin & Treasurer	1-2-02	100	58,200
<u>VICE PRESIDENT FOR DEVELOPMENT & UNIVERSITY RELATIONS</u>					
Bolt, Terry	Prof-Lecturer, Regular	Athletic Fund	11-25-01	100	53,500
Clark, Steven T	Prof-Lecturer, Regular	University Development	11-27-01	100	86,475
McCollum, Martha Q	Prof-Lecturer, Regular	University Development	8-28-01	100	48,000
Palmer, Daniel J	Prof-Lecturer, Regular	University Development	10-18-01	100	36,000
Stith, Randall R	Prof-Lecturer	University Relations	8-9-01	100	60,816
Theodore, Mary Grace	Prof-Lecturer, Regular	Vice President for Development	1-23-02	100	52,500
<u>VICE PRESIDENT FOR INFORMATION SYSTEMS</u>					
Bevis, Jeffrey G	Admin-Lecturer	Video/Broadcast Services	10-25-01	100	71,000
<u>VICE PRESIDENT FOR STUDENT AFFAIRS</u>					
Carstensen, Patricia	Prof-Lecturer	Dean of Students	1-3-02	100	35,000
Haden, Kathy S	Prof-Lecturer	Vice President for Student Affairs	1-10-02	100	47,402

II. SPONSORED RESEARCH FACULTY

A. New Appointments

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
<u>AGRICULTURE & LIFE SCIENCES</u>					
Beanland, LeAnn	Postdoctoral Associate	A.H. Smith Jr. AREC	1-1-02	100	35,000
Boluarte, Tatiana	Postdoctoral Associate	Biochemistry	12-10-01	100	27,000
Fike, Wonae	Postdoctoral Associate	Crop & Soil Environmental Sci	2-1-02	75	16,500
Forshee, Richard A	Research Assistant Professor	Food Science & Technology	10-1-01	100	80,000
Fu, Jianzhong	Research Associate	Biological Systems Engineering	1-10-02	100	29,000
Gao, Guimin	Postdoctoral Associate	Dairy Science	1-1-02	100	40,000
Lewis, Ronald M	Associate Professor, Regular	Animal & Poultry Sciences	11-10-01	100	76,000
Livingstone, Donald M	Postdoctoral Associate	Plant Path, Phys & Weed Science	10-5-01	100	32,000
Malone, Sean M	Research Associate	Tidewater AREC	2-10-02	100	34,000
Nevitt, Jonathan	Research Associate	Agric & Applied Economics	12-3-01	100	40,000
Seibel, George A	Project Associate	Agric & Extension Education	1-10-02	100	38,000
Staniar, W Burton	Postdoctoral Associate	Middleburg AREC	3-1-02	100	42,000
Storey, Maureen L	Research Associate Professor	Food Science & Technology	10-1-01	100	102,000
Zilahi-Balogh, Gabriella	Postdoctoral Associate	Entomology	1-16-02	100	30,000
<u>ARCHITECTURE</u>					
Armstrong, James	Project Director	Institute for Policy Outreach	11-10-01	100	68,520
DeGeorge, Bradley V	Project Director	Institute for Policy Research	11-10-01	100	60,978
Luyendijk, Rudi	Project Associate	Building Construction	1-21-02	100	50,000
Morse, Rick	Project Associate	Institute for Policy Outreach	12-25-01	100	32,000
<u>ARTS & SCIENCES</u>					
Bissel, Philippe	Research Scientist	Chemistry	9-11-01	100	28,672
Chen, Yu-Chang	Postdoctoral Associate	Physics	12-1-01	100	30,000
Chin, Ching Ju	Postdoctoral Associate	Chemistry	12-3-01	100	30,000
Ciliberto, Andrea	Postdoctoral Associate	Biology	11-10-01	100	36,000
Ganesh, Thota	Postdoctoral Associate	Chemistry	1-7-02	100	27,500
Han, Nizhou	Research Associate	Geological Sciences	3-10-02	100	27,000

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
Sadder, Monther T	Postdoctoral Associate	Biology	10-1-01	100	25,000
Yi, Chung-Seon	Postdoctoral Associate	Biology	11-10-01	100	30,000
Zhao, Hongwu	Postdoctoral Associate	Chemistry	10-29-01	100	26,000
Zhao, Jing	Postdoctoral Associate	Geological Sciences	2-25-02	100	30,000
Zietsman, Lizette	Senior Research Associate	Mathematics	1-1-02	100	51,000
<u>ENGINEERING</u>					
Arafeh, Mazen	Research Associate	Engineering Science & Mechanics	12-1-01	100	40,000
Chu, Chih-Hsing	Research Assistant Professor	Ctr-High Perf Manuf/Ind Sys Engr	12-25-01	100	60,000
Cooper, Kristie L	Research Scientist	Bradley Dept Elect & Comp Engr	1-14-02	100	60,000
Dong, Shuxiang	Research Associate	Materials Science & Engr	1-1-02	100	40,000
Dong, Wei	Research Associate	Ctr-Power Electronics Systems	12-15-01	100	50,000
El-Hadij, Selim	Postdoctoral Associate	Chemical Engineering	11-1-01	100	30,000
Groesbeck, Richard	Research Assistant Professor	Grado Dept Industrial & Sys Engr	1-25-02	100	60,000
Hasanyan, Davresh J	Research Associate	Engineering Science & Mechanics	10-10-01	100	25,000
Jiang, Liping	Research Associate	Bradley Dept Elect & Comp Engr	10-15-01	100	28,460
Kwahk, Jiyong	Senior Research Associate	Grado Dept Industrial & Sys Engr	12-18-01	100	48,000
Shivakumara, Chikkadasappa	Postdoctoral Associate	Chemical Engineering	2-10-02	100	30,000
Sohn, Seungman	Research Associate	Chemical Engineering	12-6-01	100	32,000
Wang, Fei	Research Associate Professor	Ctr-Power Electronics Systems	11-1-01	100	102,000
<u>HUMAN RESOURCES & EDUCATION</u>					
Rai, Gillian A	Project Associate	Educ Leadership & Policy Studies	1-25-02	100	40,000
<u>NATURAL RESOURCES</u>					
Deomano, Edgar	Postdoctoral Associate	Wood Sci & Forest Products	10-25-01	100	28,000
Hamner, Peter	Research Associate	Wood Sci & Forest Products	1-16-02	100	36,000
Morton, David M	Research Associate	Conservation Mgmt Institute	12-3-01	100	45,000
Zombori, Balazs	Research Scientist	Wood Sci & Forest Products	4-1-02	100	35,000

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
<u>VETERINARY MEDICINE</u>					
Danielson, Jared A	Research Assistant Professor	Biomedical Science	12-12-01	100	69,277
Dobrea, Victor	Postdoctoral Associate	Biomedical Science	2-10-02	100	25,000
<u>PRESIDENT</u>					
Kamal, Aejaaz	Research Associate	Va Bioinformatics Institute	12-20-01	100	50,000
<u>PROVOST</u>					
Branch, Jessica	Prof-Lecturer	Women's Center	1-2-02	100	30,000
<u>VICE PROVOST FOR RESEARCH</u>					
Dolan, Erin L	Instructor, Regular	Fralin Biotechnology Center	1-2-02	100	58,000
Dunlap, Daniel	Senior Research Associate	Ctr-Human Computer Interaction	12-25-01	100	40,000
Hintz, Rewa C	Project Associate	Va Tech Transportation Institute	12-3-01	100	40,000
Knipling, Ronald R	Senior Research Scientist	Va Tech Transportation Institute	1-13-02	100	120,000

B. Adjustments in Appointment and/or Salary

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
<u>AGRICULTURE & LIFE SCIENCES</u>					
Doak, Samuel O	Research Associate	Crop & Soil Environmental Sci	12-25-01	100	27,200
Hipkins, Patricia A	Research Associate, Regular	Entomology	12-29-01	100	45,841
Irwin, Ruth M	Senior Project Associate	Biochemistry	11-10-01	100	36,000
Mullins, Donald E	Professor, Regular	Entomology	12-29-01	100	95,727
<u>ARTS & SCIENCES</u>					
Chen, Katherine C	Research Scientist	Biology	12-10-01	100	50,000
Donovan, Kristine B	Postdoctoral Associate	Psychology	10-25-01	62.5	15,000
Gatenholm, Paul	Research Scientist	Chemistry	9-17-01	25	13,492
Horton, Jonathan	Visiting Assistant Professor	Biology	8-10-01	100	42,000
Kim, Yu-Seung	Research Scientist	Chemistry	9-16-01	100	30,000
<u>ENGINEERING</u>					
Emero, Michael E	Senior Research Associate	Grado Dept Industrial & Sys Engr	11-25-01	100	76,891
Godrej, Adil N	Visiting Assistant Professor	Civil & Environmental Engr	11-25-01	100	80,800
Marzocca, Piergiovanni	Visiting Assistant Professor	Engr Science & Mechanics	10-1-01	100	31,000
Tranter, Elizabeth A	Research Associate	Ctr-Power Electronics Systems	11-25-01	100	54,597
<u>HUMAN RESOURCES & EDUCATION</u>					
Giles, William L	Research Associate	Human Developmant	1-01-02	75	43,314
<u>PROVOST</u>					
Simpson, Miya T	Prof-Lecturer	Ctr-Acad Enrichment & Excellence	11-25-01	100	41,250

[†] 10% Overseas Incentive for Bamako, Mali reflects an annualized amount

NAME	TITLE	DEPARTMENT	EFF DATE	% APPT	ANNUAL \$ RATE
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VICE PRESIDENT FOR INFORMATION SYSTEMS

Kavanaugh, Andrea L	Senior Research Associata	Telecommunications Auxiliary	8-10-01	75	36,420
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VICE PROVOST FOR RESEARCH

Blanco, Myra	Research Associate	Va Tech Transportation Institute	1-14-02	100	68,474
Kavanaugh, Andrea L	Senior Research Associate	Ctr-Human Computer Interaction	1-1-02	50	25,008
Luther, Gregory C	Senior Research Associate	Research & Grad Studies	12-1-01	100	48,949

RECOMMENDATION - That the personnel report of new appointments and special actions be ratified.

² 10% Unusual Duty Pay for midnight shift research, reflects an annualized amount

³ Removal of 10% Overseas Incentive for project in Indonesia

**RESEARCH AND DEVELOPMENT DISCLOSURE REPORT
October 1, 2001 - December 31, 2001**

Reason for Conflict	Sponsor	Owner	Principal Investigator	Co - P.I.'s	College	Period of Performance	Award Amount	Short Title ⁽¹⁾
Faculty-owned Business	Nanosonic, Inc.	R. O. Claus	L. Zhang	R. O. Claus	Engineering	Sep 01 - Feb 02	\$2,000	Nanoscience Educational Materials for Secondary School Students
Faculty-owned Business	Nanosonic, Inc.	R. O. Claus	L. Zhang	R. O. Claus	Engineering	Sep 01 - Feb 02	\$8,000	Electro-optic Sensors and Control Systems for Oil Wells
Faculty-owned Business	Nanosonic, Inc.	R. O. Claus	D. Inman	No Co-PI	Engineering	Dec 01 - May 02	\$30,000	Bio Inspired Processing of Composite Films having Negative Stiffness for Mechanical Damping
Faculty-owned Business	Nanosonic, Inc.	R. O. Claus	Y. Wang	R. O. Claus	Engineering	Oct 01 - Sep 02	\$30,000	Design and Synthesis of Nanostructured Corrosion Resistance Coatings for Aging Aircraft
Faculty-owned Business	Technology in Blacksburg, Inc. W. Ng		R. Burdisso	W. Ng	Engineering	Nov 01 - Nov 02	\$34,000	Flow Control for Highly Loaded Transonic Fan for Improved Efficiency and Noise Reduction
Faculty-owned Business	Technology in Blacksburg, Inc. W. Ng		R. Burdisso	No Co-PI	Engineering	Oct 01 - Sep 02	\$33,000	Experimental Active and Flow Separation Control on a Wing Section

⁽¹⁾More detailed information on the subject of the project is available upon request.