

## BOARD OF VISITORS INFORMATION SESSION MINUTES

An information session (open session) for the Board of Visitors was held on Monday, June 6, 2022, at 1:30 p.m. in the New Classroom Building, Room 260, in Blacksburg, Virginia. There was no public comment period.

### **Present**

Edward H. Baine (Vice Rector)  
Shelley Butler Barlow  
Carrie H. Chenery  
C. T. Hill  
Anna L. James  
Letitia A. Long (Rector)  
Sharon Brickhouse Martin  
Melissa Byrne Nelson  
L. Chris Petersen  
Mehul Sanghani  
Horacio A. Valeiras  
Jeff Veatch  
Preston M. White

### **Absent**

Greta J. Harris

### **Constituent Representatives:**

Holli Drewry, Administrative and Professional Faculty Representative  
Paolo Fermin, Undergraduate Student Representative  
Phil Miskovic, Graduate/Professional Student Representative  
Robert Weiss, Faculty Representative  
Serena Young, Staff Representative

Also present at the meeting were: President Timothy Sands, Kim O'Rourke (Secretary to the Board), Beth Armstrong, Janice Austin, Callan Bartel, Danette Beane, Lynsay Belshe, Eric Brooks, Bob Broyden, Anna Buhle, Allen Campbell, Cyril Clarke, Lance Collins, Al Cooper, David Crotts, Gannon Davis, Corey Earles, Jeff Earley, Alisha Ebert, Kari Evans, Ron Fricker, Deborah Fulton, Rachel Gabriele, Bryan Garey, Debbie Greer, Rebekah Gunn, Tony Haga, Wendy Halsey, Ryan Hamilton, Trish Hammer, Kay Heidbreder, Mary Helmick, Trish Hillman, Tim Hodge, Rachel Holloway, Elizabeth Hooper, Byron Hughes, Travis Jessee, Robin Jones, Frances Keene, Chris Kiwus, Sharon Kurek, Rob Mann, Meghan Marsh, Elizabeth McClanahan, Ken McCrery, Nancy Meacham, Ross Mecham, Bernadette Mondy, Liza Morris, Heidi Myers, Julian Nunez Nova, Scott Midkiff, Ken Miller, April Myers, Justin Noble, Kelly Oaks, Mark Owczarski, James Perkins, Charlie Phlegar, Catherine Piche, Ellen Plummer, Robin Queen, Jamal Ross, Julia Ross, Lexi Simmers, Frank Shushok, Adam Smith, Ken Smith, Aimee Surprenant, Dwyn Taylor, Jon Clark Teglas, Rob Viers, Tracy Vosburgh, Lisa Wilkes, and Chris Wise.

\*\*\*\*\*

Rector Long convened the meeting and welcomed everyone to the Information Session. The agenda included:

- Tuition and Fees Presentation: Ken Miller, Vice President for Finance, presented the proposed tuition and fee rates for 2022-23. The 2004 General Assembly authorized “The Board of Visitors . . . of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates...” The Board received an overview of the unavoidable cost drivers of tuition and fee rates, including faculty and staff compensation and student financial aid support. For 2022-23, the university proposes a 3.0 percent increase in tuition.

Consistent with this, the package proposes an increase of \$358 to a total tuition and mandatory E&G fee rate of \$12,289 for in-state undergraduate students and an increase of \$930 to a total tuition and mandatory E&G fee rate of \$32,543 for out-of-state undergraduate students.

For on-campus graduate students, this package proposes to increase tuition and mandatory E&G fees by \$428 to a total rate of \$14,706 for in-state students, and by \$857 to a total rate of \$30,056 for out-of-state students.

For Virginia Tech Carilion School of Medicine Students, the university proposes an increase of \$1,645 to a total tuition and mandatory E&G fee rate of \$56,478.

Additionally, this package proposes to increase the tuition and mandatory E&G fees for Virginia/Maryland Veterinary Medicine students by \$679. For out-of-state, non-Maryland students, the package proposes to increase the tuition and mandatory E&G fees by \$1,549.

The university recommends an increase of \$133 or 5.9 percent to total comprehensive fees for a total of \$2,377 for in-state and out-of-state undergraduate and graduate students. An average 4.9 percent increase in room and board on the Blacksburg campus is recommended.

Upon approval of the state budget, the Executive Committee of the Board of Visitors will vote for approval of the 2022-23 tuition and fee rates at the June 14, 2022 meeting.

- FY2022-23 Operating and Capital Budgets: Tim Hodge, Associate Vice President for Budget and Financial Planning, and Bob Broyden, Associate Vice President for Campus Planning and Capital Financing Operating Budget presented the Operating and Capital Budgets. For 2022-23, the recommended internal budget for all operations is \$1.9 billion. This is an increase of \$68.3 million, approximately 3.7 percent, over the adjusted 2021-22 budget. For 2022-23, the university’s total General Fund allocation is estimated to be approximately \$374.9 million, an increase of \$37.7 million from the 2021-22 adjusted budget. The overall change in the budget includes an increase of \$59.2 million attributable to the Educational and General programs and \$38.1 million of projected growth in Auxiliary Enterprises.

The Auxiliary Enterprise budget includes the four Auxiliary System budgets (Dormitory and Dining Hall System, Electric Service Utility System, University Services System, and Athletic Facilities System) in accordance with the resolutions authorizing and securing revenue bonds. General Fund revenues will provide \$344.6 million in support for the instructional, research, and extension programs, \$27.0 million for student financial assistance, and \$3.3 million for the Unique Military Activities program. The

university's Educational and General budget will be \$1.0 billion in 2022-23. The total 2022-23 Auxiliary Enterprise revenue budget is \$403.6 million. The projected annual budget for Financial Assistance for Educational and General Programs (primary sponsored projects which are expected to increase 10%) is \$389.1 million, a decrease of \$2.0 million or 0.5 percent lower than the adjusted 2021-22 budget due to removal of one-time pandemic support.

Capital Budget: The capital outlay program for 2022-23 is comprised of a total of 22 projects. The total multi-year capital program includes approximately \$1.321 billion of authorizations with an annual expenditure budget of approximately \$275 million for 2022-23.

Upon approval of the state budget, the Executive Committee of the Board of Visitors will vote for approval of the 2022-23 operating and capital budgets at the June 14, 2022 meeting.

- Update on the Innovation Campus – Lance Collins, Vice President and Executive Director of the Innovation Campus, briefed the Board on recent activities. He introduced the first faculty cohort joining the Innovation Campus from the departments of computer science and computer engineering, who will retain tenured positions in the College of Engineering. The goal is to reach 50 faculty by 2029. Dr. Collins spoke about Innovation Campus research areas that build upon existing strengths of the university and research interests of partners and the continued transition to project-based learning. The Academic Building One Project is on schedule for 2024 opening.
- IT Transformation Update: Chris Kiwus, Interim Senior Vice President and Chief Business Officer; Scott Midkiff, Vice President for Information Technology & Chief Information Officer; Bryan Garey, Vice President for Human Resources; and David Crofts, Interim Director, IT Transformation Program Office, gave an update on the IT Transformation timeline. They also reviewed the six IT Transformation focus areas (IT Governance, IT Finance, IT Talent, Technology Capabilities, Service Management, and Cybersecurity) and relevant projects under way in each area.
- Discussion of Construction Costs: Bob Broyden, Associate Vice President for Campus Planning and Capital Financing, presented a comparison of Campus and Foundation project costs with “institutional” versus “commercial” grade construction information.
- Enterprise Risk Management Update: Sharon Kurek, Executive Director of Audit, Risk, and Compliance, explained that the ERM process is a key tool in setting strategic goals across the enterprise, and is designed to identify potential events that may affect the university, manage those risks within the university's risk tolerance, and support the achievement of Virginia Tech's mission and objectives. She identified the updated Enterprise Risk Landscape and the top ten risks as Access & Affordability, Global & National Economy, IT Security & Operations, Health Safety & Security, Research: Competitive Growth, Faculty & Staff Recruitment & Retention, Resource Management, Student Wellness & Experience, Enrollment Management, and Athletics.

\*\*\*\*\*

Following a motion by Rector Long, second by Mr. Baine, and unanimous approval, the

meeting was adjourned at 5:53 p.m.

*(Copies of the presentations and reports are filed with the permanent minutes and attached.)*