Public Schedule

Virginia Tech Board of Visitors Orientation/Retreat
Saturday, August 24, 2019

Virginia Tech’s Marion duPont Scott Equine Medical Center
17690 Old Waterford Road, Leesburg, VA

Agenda

Breakfast on your own

8:00 a.m. Depart from Westin by bus to the Marion duPont Scott Equine Medical Center, 17690 Old Waterford Road, Leesburg, VA

8:45 – 10:30 a.m. Orientation for new BOV members

10:30 – 10:45 a.m. Break

10:45 – 12:00 noon. Enrollment Process

12:00 – 12:45 p.m. Lunch

12:45 - 1:30 p.m. Tour of the Equine Medical Center

1:30 – 2:30 p.m. Institutional Partnership Performance Agreement

2:30 – 3:30 p.m. Virginia Tech in Northern Virginia

3:30 – 3:45 p.m. Break

3:45 – 4:15 p.m. Board Governance: Follow-up on BOV self-assessment items (Valeiras)

4:15 – 4:45 p.m. Break-out Session for committees to plan 2019-20 agenda

4:45 p.m. Meeting adjourns; depart by bus for Arlington

5:45 p.m. Estimated arrival time in Arlington

Dinner on your own
Snapshot of the State of Virginia Tech

BOV Orientation
August 24th, 2019

TIM SANDS
PRESIDENT
Beyond Boundaries Themes - A Next-Gen Vision for Virginia Tech

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

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

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

- **Catalyzing economic growth across Virginia** - rural and urban; innovation, translation and commercialization; engagement.
A New Strategic Plan
The Virginia Tech Difference - Advancing Beyond Boundaries

Strategic Priorities

- Advance Regional, National and Global Impact
- Elevate the Ut Prosim Difference
- Be a Destination for Talent
- Ensure Institutional Excellence
Major Beyond Boundaries Initiatives

- InclusiveVT
- Destination Areas and Strategic Growth Areas
- Partnership for an Incentive-Based Budget (PIBB)
- VTC Health Science and Technology campus in the Roanoke Innovation Corridor
- Tech-Talent Pipeline and Innovation Campus
- Binary Star - Connecting Blacksburg/Roanoke to the NCR
- Agriculture and Natural Resources Initiative
- Commonwealth Cyber Initiative
- Master Plan
Emerging Metrics and Milestones

- Double FY14 endowment by FY22 - **on track at 1.26B (FY19).**
- Increase URM and URM+USS (Pell+1stGen) in entering class (including transfers) to 25% and 40% by Fall 2022 - **15%/35% estimated for Fall 2019.**
- Increase alumni giving participation from 9% in 2014 to 22% in 2022 - **currently 14%.**
- Grow annual fundraising from $80M in FY15 to $175M in FY23 - **ahead of pace with $182M in FY19.**
- Grow undergraduate enrollment from 24,247 in Fall 2014 to 30,000 in Fall 2023 - **ahead of pace with 27,800 in Fall 2018.**
- Become a top-10 US public land-grant in THE World (consistent with top 100 global & AAU membership) - **long-term goal; currently tied for #18.**
- Ensure every graduating student will have had a high-impact experiential learning opportunity - **long-term goal.**
- Grow extramural research expenditures by at least 5%/yr from FY14 level ($291M) - $312M in FY18 or 17% annual growth rate
- Achieve competitive faculty salaries - **Moved from 16th percentile of SCHEV peers in FY11 to 35th in FY18**
Emerging Challenges

- Upgrading infrastructure in an increasingly competitive labor and materials environment
- Providing needed mental health services as demand escalates
- Meeting growing needs for supporting students, faculty and staff with disabilities
- Working toward ending sexual violence while OCR guidance is in flux
- Ensuring policies, resources and campus climate meet the needs of an increasingly diverse population
- Building a modern innovation infrastructure as a talent recruitment and retention strategy
- Adjusting to a possible political power shift in Richmond
- Preparing for the next recession
- Evolving authentic and timely communications for dispersed and diverse Virginia Tech communities and stakeholders
- Anticipate and adjust for rapid shifts in the global economic and security situation
- Realign graduate education to accommodate rapidly evolving student and employer demand
MEMORANDUM

TO: MEMBERS, BOARD OF VISITORS
VIRGINIA TECH

FROM: KAY HEIDBREDER
University Legal Counsel

DATE: August 24, 2019

RE: The Legal Duties and Obligations of the Board of Visitors

This memorandum is designed to acquaint or to remind you of your duties and obligations as members of the Governing Board for Virginia Tech.

A. GENERAL RESPONSIBILITIES

1. General

The Board of Visitors of Virginia Tech (the “Board”) is a corporation and has, in addition to its other powers, all the corporate powers given to corporations by the provisions of Title 13.1 (“Corporations”) except those powers that are confined to corporations created pursuant to Title 13.1. The Board shall at all times be under the control of the General Assembly. See § 23.1-2600(A) of the Code of Virginia. The Board may make regulations and policies concerning the University; manage the funds of the University and approve an annual budget; appoint the chief executive officer of the University; fix the rates charged to students for tuition, mandatory fees and other necessary charges. The Board shall appoint all professors, teachers, and agents and fix their salaries and generally direct the affairs of the University.

2. Accreditation

The Board should maintain a mission statement that guides the University’s future direction, as required by The Principles of Accreditation: Foundations for Quality Enhancement, promulgated by the Southern Association of Colleges and Schools Commission on Colleges (“SACSCOC” or “Commission”).¹ The Commission is responsible for accrediting the University

¹The Southern Association of Colleges and Schools Commission on Colleges is the regional body for the accreditation of degree-granting higher education institutions in the Southern states. It serves as the common denominator of shared values and practices among the diverse institutions in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia and Latin America and other international sites approved by the SACSCOC Board of Trustees that award associate, baccalaureate, master’s, or
as one that offers its students a sound educational experience that optimizes student achievement outcomes, and that requires the University’s governing board to hold “in trust the fundamental autonomy and ultimate well-being of the institution” that “ensures both the presence of viable leadership and strong financial resources to fulfill the institutional mission. Integral to strong governance is the absence of undue influence from external sources.” Core Requirement 4.1 states that the institution has a governing board of at least five members that:

(a) is the legal body with specific authority over the institution.
(b) exercises fiduciary oversight of the institution.
(c) ensures that both the presiding officer of the board and a majority of other voting members of the board are free of any contractual, employment, personal, or familial financial interest in the institution.
(d) is not controlled by a minority of board members or by organizations or institutions separate from it.
(e) is not presided over by the chief executive officer of the institution.

The Board of Visitors should note that one of SACSOC’s Accreditation Principles requires a separation of the Board's policy-making role from the administration's executory role. Standard 4.2.b mandates the following:

The governing board ensures a clear and appropriate distinction between the policy-making function of the board and the responsibility of the administration and faculty to administer and implement policy.

(Board/administrative distinction)

Specifically, the Commission’s Requirements 4.1.c and 4.1.d are consistent with the Virginia Conflict of Interests Act. Those Requirements prohibit the Board’s presiding officer and other voting members of the Board from having interests in University operations and affairs that undermine their fiduciary obligations.

The Commission’s Standards also require the Board, among other things, to regularly review the institution’s mission (Standard 4.2.a) and to define and address “potential conflict of interest for its members” (Standard 4.2.d). The Board also “selects and regularly evaluates the institution’s chief executive officer” (Standard 4.2.c.), “has appropriate and fair processes for the dismissal of a board member” (Standard 4.2.e) and “protects the institution from undue influence by external persons or bodies” (Standard 4.2.f).

doctoral degrees. Accreditation by SACSCOC signifies that the institution has a mission appropriate to higher education, has resources, programs, and services sufficient to accomplish and sustain its educational purposes and stated mission. Accreditation signifies that an institution maintains clearly specified educational objectives consistent with its mission and appropriate to the degrees it offers, and that indicate whether it is successful in achieving its stated objectives.
The Commission has established a new Standard requiring boards to define and regularly evaluate their responsibilities and expectations (Standard 4.2.g). This Standard addresses Board self-evaluation practices.

If you would like to review the Commission’s Core Requirements for accreditation, or the NCAA Division II regulations, please let us know and we will forward the material to you.

3. **Gifts and Bequests**

Regarding gifts and bequests made available to the University, Virginia law provides that public institutions of higher education are encouraged to increase the endowment and private gifts to the University. Va. Code § 23.1-101.

4. **Use of the University Name**

The Board has the legal authority and responsibility to control the use of its name by any person or entity, especially in those instances where the University’s name is invoked, published, or otherwise used in connection with the raising of money for use by the University or its students, or the financing of building projects for use by the University, its employees or students.

5. **Board’s Authority Limited by Law**

The power of the Board of Visitors, though broad, is not absolute. Like other publicly supported institutions of higher education in Virginia, “[t]he board shall at all times be under the control of the General Assembly.” Va. Code § 23.1-2600(A). Moreover, the Board’s powers are circumscribed by a vast array of federal and state laws, including statutes, rules and regulatory requirements applicable to publicly-supported colleges and universities. The federal government’s regulation of colleges and universities is extensive, affecting every aspect of college or university life. The following is but a sample of federal laws that govern the operation of campus life: the Fair Labor Standards Act; Title VII of the Civil Rights Act of 1964, amended by the Civil Rights Act of 1991; Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; the Equal Pay Act; various Post Civil War Reconstruction civil rights laws (Title 42 United States Code, sections 1981 and 1983); the free speech and due process clauses in the Federal Constitution’s Bill of Rights; a vast array of ever-changing immigration statutes and regulations affecting foreign born faculty and students; federal laws governing animal research (The Animal Welfare Act); federal patent and copyright acts; federal trademark laws; the Americans with Disabilities Act; the Family and Medical Leave Act; the Drug-Free Workplace Act of 1988; the Student Right-To-Know and Campus Security Act of 1990; legislation which governs notification to parents of mental health treatment, release of educational records, first warning and emergency notification systems, establishment of a
violence prevention committee, request of complete student records from high school, crisis and emergency management plans; and thousands of cases decided by the federal courts under all of these laws.

State laws and regulations governing the operation of colleges and universities in Virginia, other than the specific statutes relating to Virginia State University, circumscribe the Board’s authority even more than federal law. Laws relating to state appropriations, agency budgets, comptroller operations, prompt payment of debts, agency real estate, purchasing and procurement, capital outlay and construction projects, human resource departments, employment dispute resolution, information technology and information systems, internal audit, veteran’s affairs, state treasury operations, investment of public funds, debt collection, public debt (issuance of bonds and certificates of indebtedness), and administrative process and procedures, are codified in Title 2.2 of the Code of Virginia, and govern operations of the University. The Higher Education Restructuring Act, enacted by the 2005 Virginia General Assembly, has effected major changes in the manner in which Virginia’s public colleges and universities operate. The Virginia Conflict of Interests and Freedom of Information Acts, discussed below, merit special attention because violations of either will subject Board members to adverse media coverage, law suits and fines, at a minimum.

B. CONTRACTS

1. Contractual Liabilities

Board members have no legal exposure to personal liability for University contracts unless individual Board members directly participate in contract formation. Individual Board members should not execute contracts on behalf of the University without the specific grant of authority to do so, either through the Board’s bylaws or resolutions. A Board member who acts without such authority could expose himself or herself to personal liability on contracts that he or she executes, or makes orally.

2. Procurement

The Management Agreement entered into as a result of the Restructuring Act vests with the University the authority to establish its own procurement rules and regulations and thereby makes Virginia Tech exempt from the Virginia Public Procurement Act.

C. TORTS

1. Sovereign Immunity Protection

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²This includes the execution of written contractual agreements and the making of legally binding oral commitments and agreements.
Broadly speaking, a tort is a wrong done to someone which gives rise to a civil lawsuit in Virginia’s state courts for damages to compensate the victim and hold the wrongdoer responsible. Torts expose wrongdoers to compensatory and punitive damages under state and federal law. So long as you act within the law, and perform your duties within the sphere of your authority, you will not be held personally liable for unintentional torts committed while conducting Board business because the doctrine of sovereign immunity generally shields state officials while acting within the scope of their appointment.

2. **No Sovereign Immunity for Intentional Wrongs and Reckless Actions**

The protection of sovereign immunity, however, does not extend to intentional torts, gross negligence, willful and wanton misconduct, or to acts committed outside the scope of appointment. If you intentionally injure another, or act with willful recklessness or gross negligence in dealings with others or their property, you will be considered to have stepped outside the sphere of lawful authority and will not be afforded the benefit of the State’s immunity by the courts of the Commonwealth, or the courts of the United States.

**D. LIMITED OR QUALIFIED IMMUNITY FROM LIABILITY UNDER FEDERAL CIVIL RIGHTS LAWS IN THE FEDERAL COURTS**

The President, University officials, employees and Board members could be held personally liable for actions that violate established rights guaranteed by the United States constitution and federal civil rights statutes. Objective reasonableness is the touchstone in determining whether a Board member will be entitled to immunity from suit for personal liability and damages in federal court.\(^3\) If a federal trial judge finds that a reasonable University official in Virginia would have known of the constitutionally protected federal rights, and that you violated those rights, then you will not be granted qualified immunity from personal liability in federal court.

**E. FIDUCIARY DUTIES AND THE DUTY OF LOYALTY**

\(^3\)In *McVey v. Stacy*, 157 F.3d 271, 276-277 (4th Cir. 1998), the United States Court of Appeals for the Fourth Circuit explained this form of limited or qualified immunity as follows: “To avoid excessive disruptions of government, a qualified immunity to federal civil rights suits (e.g. alleged due process, equal protection, free speech violations) is recognized to protect government officials performing discretionary functions from civil damage suits ‘insofar as [the officials’] conduct does not violate clearly established statutory or constitutional rights of which a reasonable person would have known.’” *Harlow v. Fitzgerald*, 457 U.S. 800, 818 (1982); *see also Cromer v. Brown*, 88 F.3d 1315, 1324 (4th Cir. 1996). Officials lose the protection of the immunity only if it appears (1) they violated a statutory or constitutional right of the plaintiff, and (2) the right was “clearly established” at the time of the acts complained of such that an objectively reasonable official in their position would have known of the right. *Id.; see also DiMeglio*, 45 F.3d at 796. These are legal questions for the court and not a jury to decide. *See Pritchett v. Alford*, 973 F.2d 307, 313 (4th Cir. 1992).
Board members and the President are required by law to perform their fiduciary duties with the requisite standard of care and with *undivided loyalty* to the University.

1. **Required Standard of Care for Financial Matters**

   a) **Fiscal accounting and budget management**

   Board members must oversee the University’s fiscal matters employing their good faith judgment of what is in the best interests of the University, under the laws of the United States and the Commonwealth of Virginia. A Board member is entitled to rely upon the information supplied to him or her by the University’s President and senior administrative officers. If a Board member, however, has information contradicting reports from these individuals, or feels more information is required before making a decision, then he or she *must* investigate further.

   Board members must also ensure that the University does not operate with a deficit. The Governor may remove Board members for allowing the University to operate with a budget deficit.

   b) **Management of institutional donations and gifts, regardless of their source or where such funds are placed for investment**

   Virginia’s public policy has long encouraged its publicly supported colleges and universities to raise funds from private sources. That public policy appears in Va. Code § 23.1-101 which provides:

   (1) Each public institution of higher education . . . shall be encouraged in their attempts to increase their endowment funds and unrestricted gifts from private sources and reduce the hesitation of prospective donors to make contributions and unrestricted gifts.

   (2) Consistent with § 10 of Chapter 33 of the Acts of Assembly of 1927, in measuring the extent to which the Commonwealth shall finance higher education in the Commonwealth, the availability of the endowment funds and unrestricted gifts from private sources received by public institutions of higher education . . . shall neither be taken into consideration in nor used to reduce state appropriations or payments and shall be used in accordance with the wishes of the donors of such funds to strengthen the services rendered by these institutions to the people of the Commonwealth.

   This means that money raised by the University will not be considered by the legislature when approving the University’s budget.
2. **Duty of Loyalty to the University: Avoidance of Conflict of Interests**

You must not only meet the applicable standard of care in the performance of fiduciary responsibilities, you must also meet the fundamental duty of loyalty standard. The duty of loyalty requires that your decisions and actions *always* be in the *best interests of the University, and that any self-interest, or any interest of any other entity or person, be held subordinate to the University’s best interests*. This duty applies to the work of all Board members serving on the various committees of the Board, as well as their actions taken during regular and special meetings of the full Board.4

a) **Prohibited conduct regarding contracts**

According to the State and Local Government Conflict of Interests Act, § 2.2-3100 *et seq.* of the *Code of Virginia*, (“the Act”), a Board member has a conflict of interest with regard to a University agreement when the Board member has a personal interest in that contract. A Board member may have a “personal interest in a contract” with the University, “whether due to his being a party to the contract or due to a personal interest in a business that is a party to the contract.” Va. Code § 2.2-3101. A “personal interest” is found when a financial benefit or liability accrues to the Board member, the Board member’s spouse or other relative who is both a dependent of the Board member and resides in the same household as the Board member.

b) **Prohibited conduct regarding transactions**

A Board member has a conflict of interest with regard to any other matter on which official action is taken or contemplated (a “transaction”), if the Board member has a personal interest in the transaction. The Board member must not participate in the transaction thereafter, and must publicly disclose the interest. A Board member has a “personal interest in a transaction” where the Board member, the Board member’s spouse or other relative, who is both a dependent of the Board member and resides in the same household as a Board member, has a personal interest in property or a business, or where the Board member represents an individual or business and the subject property, and the business or represented individual (i) is the subject of the transaction or (ii) may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action of the University. University Legal Counsel will provide guidance upon request.

3. **Other Prohibited Conduct – Use of Inside Information and Solicitation for Personal Gain**

Board members cannot solicit or accept money or other things of value for themselves (including gifts or business opportunities) for services performed within the scope of their

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official duties. Va. Code § 2.2-3103(1). Board members are prohibited by law from accepting money or anything of value to obtain employment or business contracts with the University. Va. Code § 2.2-3103(3). Board members are prohibited by law from accepting anything of value for obtaining employment, appointment or promotion of any person. Va. Code § 2.2-3103(2). Board members also are expressly prohibited from using, for their own economic benefit, or that of another, confidential information acquired by reason of their public position and which is not available to the public (inside information prohibition). Va. Code § 2.2-3103(4). Violations of these prohibitions will expose Board members to criminal prosecution under the Virginia Conflict of Interests Act.

4. **Penalties for Violations and Enforcement of the Conflict of Interests Act**

For purposes of the Act, the most important factor is appearance. If you think you might have a conflict, you should consult with the University’s legal counsel before proceeding.

Board members who knowingly violate the Conflict Act commit an act of malfeasance, which is considered a Class 1 misdemeanor in Virginia, punishable by jail up to 12 months plus court costs and potential fines. Violations of the Act also most likely will result in forfeiture of a seat on the Board. Extensive negative media coverage will adversely impact the Board of Visitors and the University’s operations, good name, and reputation.

The Attorney General is responsible for investigating complaints and allegations of impermissible conflicts, and for prosecuting offenders. The Attorney General may review Conflict of Interests disclosure statements without notice to affected individuals.

If Board members desire an advisory opinion concerning potential conflicts, the Attorney General will consult with such persons and render such opinions, which will serve as a preventive bar to criminal prosecution under the Act. In order for Board members to avail themselves of this safe harbor, they must prove their own good faith and show that the Attorney General’s opinion was based on full disclosure of all the facts relating to the transaction in question.

**F. FREEDOM OF INFORMATION ACT**

The Virginia Freedom of Information Act (“FOIA”), Va. Code § 2.2-3700 et seq. “ensures the people of the Commonwealth ready access to public records in the custody of a public body or its officers and employees, and free entry to meetings of public bodies wherein the business of the people is being conducted.” Va. Code § 2.2-3700(B). It is State policy that: “The affairs of government are not intended to be conducted in an atmosphere of secrecy since at all times the public is to be the beneficiary of any action taken at any level of government.” *Id.* Further, the public body must furnish Board members, as public officials, with a copy of FOIA, and Board members must read and become familiar with its provisions. Va. Code § 2.2-3702.
Pursuant to FOIA, all public records and meetings are presumed open, unless an exemption is properly invoked. Va. Code § 2.2-3700. The Act defines a “meeting” or “meetings” as encompassing:

[W]ork sessions, when sitting physically, or through electronic communication means pursuant to § 2.2-3708.2, as a body or entity, or as an informal assemblage of (i) as many as three members or (ii) a quorum, if less than three, of the constituent membership, wherever held, with or without minutes being taken, whether or not votes are cast, of any public body. Neither the gathering of employees of a public body nor the gathering or attendance of two or more members of a public body (a) at any place or function where no part of the purpose of such gathering or attendance is the discussion or transaction of any public business, and such gathering or attendance was not called or prearranged with any purpose of discussing or transacting any business of the public body, or (b) at a public forum, candidate appearance, or debate, the purpose of which is to inform the electorate and not to transact public business or to hold discussions relating to the transaction of public business, even though the performance of the members individually or collectively in the conduct of public business may be a topic of discussion or debate at such public meeting, shall be deemed a “meeting” subject to the provisions of this chapter. (Emphasis added.)

Va. Code § 2.2-3701. It does not matter what the Board calls a meeting (e.g. “board retreat” or “work session”) and any meeting of three Board members, or two if a quorum is present, requires public notice, and guarantees the public’s right to attend. FOIA, however, does not prohibit Board members from gathering or attending “at any place or function where no part of the purpose of such gathering or attendance is the discussion or transaction of any public business, and such gathering or attendance was not called or prearranged with any purpose of discussing or transacting any business of the public body . . . .” Va. Code § 2.2-3701.

The Board must provide notice of the date, time, and location of its meetings by posting such notice on its official public government website, in a prominent public location at which notices are regularly posted and in the office of the public body’s clerk or chief administrator at least three working days prior to each meeting. Va. Code § 2.2-3707(C). Such notice shall state whether or not public comment will be received at the meeting and, if so, the approximate point during the meeting when public comment will be received. Id. Electronic posting of meeting notices is encouraged. Id. The Board must respond directly to any citizen’s standing request for notification of meetings, if no objection, it may do so electronically. Va. Code § 2.2-3707(E). Such requests for notification of Board meeting dates must be in writing and renewed annually. Id.

5Different notice and other requirements apply to meetings where Board members participate by telephone. If interested, please consult with University Legal Counsel.
Emergency meetings may be held when immediate Board action is required due to unforeseen circumstances, which renders notice impossible or impracticable. Va. Code § 2.2-3701. Notice of such meetings must be given simultaneously with notice to the Board members. Va. Code § 2.2-3707(D).

Minutes should be recorded at all open meetings. Va. Code § 2.2-3707(H). Draft minutes, as well as official minutes, and all other records of open meetings, including audio or audio/visual records are also public records and as such are open to public inspection. Id. In addition, unless a specific exemption applies, meeting agenda materials must be made available for public inspection at the same time they are furnished to Board members. Va. Code § 2.2-3707(F). Further, members of the public have the right to make their own record of open meetings by photographing, filming or recording, but the Board may establish rules to prevent the recording or filming from interfering with the meeting. Va. Code § 2.2-3707(G).

In order for the Board to go into a closed meeting, Board members must comply with the purposes of § 2.2-3711, and the requirements of § 2.2-3712. Specifically, a Board member must make a motion in a public meeting that (a) reasonably identifies the meeting’s subject matter, (b) states its purpose, and (c) provides the specific statutory exemption authorizing the matter to be discussed privately. Va. Code § 2.2-3712(A). A general reference to the statutory exemption and the subject matter are insufficient for meeting the closed meeting requirements. Id.

The following list provides a partial listing of the main reasons, as authorized by Va. Code § 2.2-3711, for reasons why the Board might want to hold a closed meeting:

1. Personnel matters involving identifiable personnel;
2. The admission or discipline of identifiable student(s);
3. The acquisition of real property for a public purpose, or for disposition of government-owned real property where the discussion would adversely affect the University’s bargaining position or negotiating strategy;
4. Personal matters not related to public business, for the protection of the privacy of individuals;
5. Investing public funds where competition or bargaining is involved, where, if made public initially, the University’s financial interest would be adversely affected;
6. Matters in consultation with legal counsel involving actual or probable litigation, or on other specific legal matters requiring legal advice. The discussions must be limited to matters that may adversely affect the University’s negotiating or litigating posture. “Probable
litigation” is that which “has been specifically threatened or on which the public body or its legal
counsel has a reasonable basis to believe will be commenced by or against a known party”;

7. Gifts, bequests, and fund-raising activities, and grants and contracts for services
or work to be performed by the University;

8. Honorary degrees or special awards.

During a closed meeting, Board members must only discuss the matter identified by their
public motion authorizing the session. Va. Code § 2.2-3712(C). Action can only be taken once
the Board reconvenes the open meeting and takes a vote of the membership on such motion. Va.
Code § 2.2-3711(B). Minutes may be taken in the closed meetings, but they do not have to be

Nothing decided in a closed meeting becomes effective unless the Board votes upon the
matter after reconvening the open meeting, and such votes cannot be cast by written or secret
ballots nor shall any vote be by telephone or other electronic communication means. Va. Code
§ 2.2-3710(A). After a closed meeting, therefore, the Board must immediately reconvene in open
session and take a vote of its Board members by roll call or other recorded vote. Va. Code
§ 2.2-3712(D). During such vote, each Board member must individually certify that, to the best
of his or her knowledge, only public business matters lawfully exempted from open meeting
requirements and only such matters as identified in the motion were heard, discussed or
considered in the closed meeting. Id. Any Board member who believes matters outside the scope
of the motion were discussed must say so prior to the vote, specifying the details of the
unauthorized discussion for the record. Id. However, failure of the Board to certify that the
closed meeting requirements were met will not affect the validity or confidentiality of matters
discussed in the closed meetings. Va. Code § 2.2-3712(E).

FOIA violations present a risk for monetary damages to Virginia State University as well
as to Board members individually. Va. Code §§ 2.2-3713 and 2.2-3714. A court could fine a
member in his individual capacity who “willfully and knowingly” violated FOIA a civil penalty
of not less than $500 and not more than $2,000. The penalty for any subsequent violations shall
not be less than $2,000 or more than $5,000. Va. Code § 2.2-3714.
Freedom of Information Act

https://www.youtube.com/watch?v=50oddl3nUe0
&feature=youtu.be
Organizational Structure
University-Related Corporations

Virginia Tech Foundation, Inc.
Virginia Tech Services, Inc.
Virginia Tech Alumni Association
Virginia Tech Athletic Fund
Virginia Tech Corp of Cadets Alumni, Inc.
VTIP, Inc (Virginia Tech Intellectual Properties)
Virginia Tech Applied Research Corporation
Virginia Tech Innovations Corporation

Virginia Tech Corporate Research Center, Inc.
The River Course LLC
VT Real Estate Foundation
Olivia Ferran Foundation
Virginia Tech Technology Assets LLC
Virginia Tech Business Technologies Center LLC
VTT LLC

VT Knowledge Works LLC
VT Research Institute LLC
Turner Street Project LLC
HR Foundation, Inc. For Profit Corporation
VTREF-FOB LLC
CS Shopping Center LLC

Hotel Roanoke LLC

VT IT, LLC
Resource Overview
## Public & Private Resources

### 2019-20 Budget ($ in Millions)

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<th>State Out-of-State</th>
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<tr>
<td><strong>Subtotal Public Resources</strong></td>
<td>303.0</td>
<td>314.6</td>
<td>333.1</td>
<td>710.3</td>
<td>16610</td>
</tr>
<tr>
<td><strong>Virginia Tech Foundation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>184.5</td>
</tr>
<tr>
<td><strong>Other University-Related Entities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>28.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$303.0</strong></td>
<td><strong>$314.6</strong></td>
<td><strong>$333.1</strong></td>
<td><strong>$710.3</strong></td>
<td><strong>$212.5</strong></td>
</tr>
<tr>
<td>% of total</td>
<td>16%</td>
<td>17%</td>
<td>18%</td>
<td>38%</td>
<td>11%</td>
</tr>
</tbody>
</table>

*Estimated
In-state: 71%
Out-of-state: 29%

Undergraduate Tuition Revenue
Fall 2019 Budget

In-state: 48%
Out-of-state: 52%

Undergraduate Residency
Fall 2019 Budget

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

23.1% 21.4% 14.1% 9.8% 9.7% 6.0% 11.9% 6.9% 9.9% 9.9% 3.9% 4.9% 5.1% 4.2% 2.9% 2.9% 2.9% 0.0%
Resources Per Student - HEPI

Inflation adjusted tuition and General Fund per **Virginia Undergraduate**.

HEPI - Inflation Adjusted to 2000s

Inflation adjustment utilizing the Higher Education Price Index (HEPI).
Major Categories of Self-Generated Revenue
($ in Millions)
New Gifts and Commitments
($ in Millions)

2015-16  2016-17  2017-18  2018-19

Cash Received
$10 15 $125.0 $134.4 $120.3
Cash Received
$100.4 $162.3 $153.6 $181.9

New Gifts and Commitments

Cash Received
$10 15 $125.0 $134.4 $120.3
New Gifts and Commitments
$100.4 $162.3 $153.6 $181.9
Student Financial Aid
## Student Financial Aid Sources

**$s in millions**

<table>
<thead>
<tr>
<th>Selected Type of Financial Aid</th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan</td>
<td>12,282</td>
<td>12,430</td>
<td>12,947</td>
</tr>
<tr>
<td>Grants, Scholarships &amp; Waivers</td>
<td>18,409</td>
<td>18,746</td>
<td>19,493</td>
</tr>
<tr>
<td>Employment Opportunities</td>
<td>10,934</td>
<td>11,201</td>
<td>11,193</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Dollars by Type of Aid</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan</td>
<td>$165.9</td>
<td>$171.4</td>
<td>$181.3</td>
</tr>
<tr>
<td>Grants, Scholarships &amp; Waivers</td>
<td>194.8</td>
<td>203.6</td>
<td>215.6</td>
</tr>
<tr>
<td>Employment Opportunities</td>
<td>85.5</td>
<td>87.2</td>
<td>89.5</td>
</tr>
<tr>
<td>Total Financial Aid</td>
<td>$446.2</td>
<td>$462.2</td>
<td>$486.4</td>
</tr>
</tbody>
</table>
Undergraduate Grants & Scholarship Sources

Sources of Undergraduate Grants and Scholarships - 2017-18
($ in millions)

- Federal: $20.5
- State: 16.1
- Institutional: 54.7
- Outside: 30.8
- Total: $122.1

Unfunded Scholarships: $16.7
- Tuition/Fee Funded: 5.7
- Other: 6.2
- Private (Foundation): 25.7
- Total: $54.7

Federal: 17%
State: 13%
Outside: 25%
Unfunded Scholarships: 31%
Tuition/Fee Funded: 10%
Other: 11%
Internal Resources: 1%
Private (Foundation): 47%
Institutional: 45%
Capital Budget
### Capital Program Summary

**$s in thousands**

<table>
<thead>
<tr>
<th>Description</th>
<th>E&amp;G</th>
<th>Auxiliary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Authorization FY20</td>
<td>$753,364</td>
<td>$400,428</td>
</tr>
<tr>
<td>(less) Expenses as of 6/30/2019</td>
<td>(107,313)</td>
<td>(86,542)</td>
</tr>
<tr>
<td>Remaining Authorization</td>
<td>646,051</td>
<td>313,886</td>
</tr>
<tr>
<td>Annual Budget FY20</td>
<td>(115,860)</td>
<td>(61,717)</td>
</tr>
<tr>
<td>Remaining Authorization</td>
<td>$530,191</td>
<td>$252,169</td>
</tr>
</tbody>
</table>
Restructuring
Virginia’s Restructuring Act

- The Restructured Higher Education Financial and Operations Act passed in 2005 significantly changed the State’s relationships with higher education institutions.

- The 2005 Act covered authorities in these operational areas:
  - Finance and Accounting
  - Human Resources
  - Capital Outlay and Construction
  - Information Technology
  - Procurement and Surplus Property
  - Leasing and Real Estate Management

- 2006 “Management Agreement” formalized relationship between VT and the state.
Virginia’s Restructuring Act

- Tiered autonomy - Three levels of autonomy
  - Virginia Tech is a Level III institution, the highest level of autonomy

- Assessment of institutional performance standards

- Related financial incentives:
  - Earned interest on tuition and fees and all other nongeneral fund E&G revenues
  - Automatic re-appropriation of year-end balances
  - Pro rata share of rebates on credit card purchases of $5,000 or less
  - Rebate of transaction fees paid for sole source procurements
Virginia Tech Management Agreement
Administrative Authorities Received

- Finance and Accounting
  - Authority implement own financial management policies and system
  - Operation of independent university accounting system
  - Ability to control and manage moneys generated and received by the university and to retain resulting interest earnings

- Human Resources
  - Ability to develop and implement new human resources system
  - Elimination of reporting into state human resources system
Capital Outlay
- For general fund projects, use state pre-appropriation process but institutional process for post-appropriation project management
- Board of Visitors may establish and initiate nongeneral fund projects
- May designate a Building Official and establish internal review unit

Information Technology
- Exemption from Virginia Information Technologies Agency (VITA) and Information Technology Investment Board (ITIB)
Procurement and Surplus Property
- Substitutes a uniform set of Procurement Rules in lieu of the Virginia Public Procurement Act
- Authority to operate a separate automated procurement system
- Allows institution to retain all proceeds from the sale of recycling and surplus property

Leasing and Real Estate Management
- Enter into an operating/income lease or capital lease
- Grant or convey easements on any land owned/controlled by institution
- Acquire easements across non-institution land
2017 methodology from the American Council of Trustees and Alumni (ACTA) in a published report on administrative spending.

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

Virginia Tech’s ratio is 0.16, meaning VT spent $0.16 on Institutional Support for each $1.00 of spending on Instruction and Academic Support. This ratio is lower than peer averages.
Discussion
The Academic Enterprise

CYRIL R. CLARKE & JACK W. FINNEY

BOV ORIENTATION SESSION, AUGUST 24, 2019
“Our team serves to promote academic quality and advance the strategic goals of Virginia Tech by providing academic leadership, service, and effective management of university resources.”

Dr. Cyril Clarke, Executive Vice President and Provost

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

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

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

- **Vice Provosts**
  - Academic Resource Management
  - Enrollment Management
  - Faculty Affairs
  - Learning Systems Innovation and Effectiveness
  - Undergraduate Academic Affairs
# The Faculty 2018-19

<table>
<thead>
<tr>
<th>Categories</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenured and Tenure-Track Professors</td>
<td>1,496</td>
</tr>
<tr>
<td>Non-Tenure-Track Instructional Faculty</td>
<td>452</td>
</tr>
<tr>
<td>Research Faculty</td>
<td>668</td>
</tr>
<tr>
<td>Administrative and Professional Faculty</td>
<td>1,835</td>
</tr>
<tr>
<td>Total Full-Time Faculty</td>
<td>4,451</td>
</tr>
</tbody>
</table>
Tenure and Continued Appointment

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

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

Tenure and continued appointment ensure academic freedom in research and teaching.
Evaluation Process for Promotion & Tenure
Research Leaves for Tenured Faculty Members

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

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

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

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

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

- Board of Visitors
- President
- University Council
- Commissions & Committees

University Council Representatives
- Faculty
- Staff
- Undergraduate students
- Graduate students
- Administrators

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

- CURRICULUM

New degrees, substantive changes to degrees, and organizational changes are reviewed and approved by the State Council on Higher Education for Virginia (SCHEV)
SACSCOC is the regional accrediting body for universities in Virginia and 10 other southern states; one of seven regional accrediting bodies.

Regional accreditation ensures that an institution’s academic programs meet acceptable levels of quality.

Institutions must be accredited by a federally recognized accrediting agency to qualify for participation in federal financial aid programs that provide low cost loans to students.
Upcoming Accreditation Milestones

Ten Year Reaffirmation of Accreditation
72 standards (principles) covering 13 topics

- September 2020: Compliance certificate to be submitted
- November 2020: Off-site Review Committee
- March 2021: On-site Review Committee
- April 2021: Additional reports may be requested
- December 2021: Vote on compliance
Questions?
Promotion & Tenure Success, 2010-2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Success Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>94%</td>
</tr>
<tr>
<td>2011-12</td>
<td>95%</td>
</tr>
<tr>
<td>2012-13</td>
<td>94%</td>
</tr>
<tr>
<td>2013-14</td>
<td>86%</td>
</tr>
<tr>
<td>2014-15</td>
<td>96%</td>
</tr>
<tr>
<td>2015-16</td>
<td>84%</td>
</tr>
<tr>
<td>2016-17</td>
<td>86%</td>
</tr>
<tr>
<td>2017-18</td>
<td>92%</td>
</tr>
<tr>
<td>2018-19</td>
<td>90%</td>
</tr>
</tbody>
</table>
Hot Topics in Higher Education

-Discussion Framing-
24Aug19 BOV Orientation

The topics listed below are the most frequently raised in current discussions about higher education at the national level.

- Student debt
- Falling confidence in higher education, especially among Republicans
- Donor influence
- Foreign influence (esp. China)
- Free speech
- Helicopter parents
- Title IX and sexual assault
- Student mental health
- Education vs. skills training
- Race, ethnicity and college admissions
- Threats to the amateur model for college athletics
- Economic inequality at colleges and universities

Links to recent articles in the press on these topics were provided as a resource for the BOV. The topic of falling confidence in higher education was chosen for in-depth discussion by the BOV Retreat Planning Committee.

Virginia Polling: In Virginia, the confidence in public higher education remains high, and is shared, with small differences, between Democrats, Republicans and Independents. For example, in a February 2017 poll of Virginians sponsored by Growth4VA, 88% of those polled agreed that public higher education is a valuable public asset and a sound place to invest public dollars. Eight-four percent of Republicans and Independents answered in the affirmative while 94% of Democrats agreed. There is a gap, but not a significant one. The gap was even smaller in response to the question of whether Virginia residents should be proud of their public higher education system, with 93% agreeing with that statement. That said, this confidence may prove fleeting, and it is instructive to look nationally at other public and private universities as well as the national trends.

To focus the conversation on topics relevant to Virginia Tech, let’s focus primarily on public research (“R1”) universities (“flagships”).

In most states, investments in public universities have declined significantly since the Great Recession. In eight states (AL, AZ, IL, LA, NM, OK, PA and SC), that decline has been greater than 30%. Much of the massive disinvestment was opportunistic in that legislatures and governors regard funding of universities to be discretionary because universities can, in principle, replace state support with tuition revenue. But as the economy (and revenues) recovered, why did state support for higher education continue to languish? A partial answer is that other non-discretionary expenditures grew faster.
than inflation, so that returning to the level of investment prior to the Great Recession was not possible, even if revenues recovered. Another factor is shifting demographics, with population losses in the Midwest, Northeast and some rural Western states. But what other changes have factored into the continued disinvestment?

**Drivers for Disinvestment Beyond Economic Pressure:** Among the potential drivers for continued disinvestment beyond the general state of the national and state economies are:

- A growing sense, especially among Republicans, that colleges are ideologically biased toward liberal perspectives.
- A view that high student debt levels (aggregated) are driven not by state disinvestment but by wasteful spending (athletics, student amenities, reduced faculty teaching loads, and administrator salaries/bloat).
- An interpretation of the challenging post-recession job market for graduates that blames poor career preparation by colleges, including too much focus on the liberal arts and not enough focus on job-related skills.

**DISCUSSION:** Do you agree with this assessment? What considerations are missing?

**State Case Studies**

_Alaska:_ a Republican governor has just imposed a 41% cut in appropriations for the University of Alaska system. There are indications of ideological motivation, and there is certainly a political motivation in restoring the Alaska Permanent Fund dividend to $3,000/resident, but Alaska has the third highest investment level in higher education ($13,612/FTE compared to $5,533/FTE in Virginia) and a declining population. These cuts, although draconian, will bring Alaska into the upper middle of the state investment distribution.

_Illinois:_ Historically, Illinois has been an outlier among populous states that have invested heavily in higher education. In FY17, that investment level was $16,055/FTE, second highest behind Wyoming. A dysfunctional populist state government under the pressure of huge pension obligations and a declining population resulted in a failure to pass a budget for more than two years. The University of Illinois campuses at Urbana-Champaign and Chicago were able to weather the storm, although lasting damage may have been inflicted on the regional public universities. The flux of high school graduates out of the state accelerated during the budget impasse, and this seemed to catch the attention of lawmakers as an existential threat to the state. This year, the state is reinvesting in higher education in an effort to retain that talent. The underfunded pensions and the declining population will make it challenging to sustain a recovery in investment.

_Wisconsin:_ Between 2013 and 2018, Wisconsin’s decline in support for higher education was the fourth largest behind MS, WV and OK. For comparison, the FY17 expenditure per FTE in Wisconsin was $6,156 – below the national level but ahead of Virginia. Before 2010 and the election of Scott Walker as governor, Wisconsin followed the national trends. As Governor, Walker attempted to weaken tenure, phase out the traditional land-grant mission of the University of Wisconsin, and change language in the mission that
referred to a “search for truth” with “meet the state’s workforce needs.” The recently elected Democratic governor has proposed a substantial reinvestment, but the Republican-controlled legislature has resisted. Although Wisconsin is a state with declining population and the budgetary stresses that go with it, the Walker era may be the most direct lens into the populist perspective on public higher education.

The Virginia situation: Note that Virginia has historically been a low-investment/high-tuition state (ranked in the bottom 10 for state support per FTE and top 10 for tuition rates), and as such, there is not as much cushion or leverage for lawmakers or taxpayers. After declining dramatically (roughly a factor of two in per student inflation-adjusted dollars) since 2000, state appropriations leveled off between about 2014 and 2019, and have ticked up for FY20. This uptick is largely a result of the state recognizing the link between economic prosperity and higher education, especially in the digital age. The Tech-Talent Pipeline and the Commonwealth Cyber Initiative are two significant examples, but the state is also investing in programs that produce more health sciences graduates and K-12 teacher talent. These investments contributed to Virginia regaining its status as CNBC’s “Best State for Business” in 2019. And, for the last two years, Virginia has been ranked #1 by SmartAsset for Higher Education. In the 2019 session, the state formally acknowledged the 1:1 relationship between appropriations and tuition increases, and bought down tuition using a formula that reasonably approximated most institutions’ internal calculations. That all 15 public institutions accepted the tuition buy-down is evident that alignment and trust is improving.

That said, the 50(+) experiments running around the country suggest that we should be looking downstream for additional threats that could challenge the confidence of our taxpayers and lawmakers.

**DISCUSSION:** What worries you when you look into the future environment for higher education? Impact of a future recession? The evolving and highly polarized political environment? For what possibilities should Virginia Tech be preparing?
Higher Education Issues Review

Summary: Rising student debt and cost is the culprit for much of the doubt in higher education institutions, and a lack of trust has followed. Rising costs have made it less accessible, i.e. less inclusive for many. The skepticism from costs/debt has begun to creep into all higher education activity from who is funding research to how administrators are handling responsibilities (like Title IV investigations).

Another takeaway: with rising costs have come rising expectations, not only to service the needs of students but align with audience/community priorities. A failure to meet these expectations (which vary depending on the group/audience), results in backlash, which may manifest itself with protests when controversial guests visit or when administrators slip up, lawmakers cutting budgets or increasing regulation, and of course a bigger spotlight on where money comes from and how it is spent. However, despite these concerns and skepticism people still want to go to good colleges and a Forbes contributor says the market for higher education is still stable.

It’s also worth highlighting what seems to be a looming mental health crisis in high schools that is carrying over to colleges.

Below are articles published within the last 12 months that highlight the issues that campuses across the country are facing.

1. The eroding of the trust in higher education
   - Pew Research Center - Most Americans say higher ed is heading in wrong direction, but partisans disagree on why Most Republicans say higher education is headed in the wrong direction. Democrats are more evenly split with more younger dems saying it's heading in the wrong direction.
   - Gallup - A crisis in confidence in higher ed "Gallup detected a similar decline in the public's view that higher education is available to those who need it, suggesting that access -- and more specifically, rising costs -- may be affecting the public's view of the industry more generally."
   - Inside Higher Education - Falling confidence in higher ed “Gallup finds unusually large drop -- primarily but not exclusively among Republicans -- between 2015 and 2018.”
Forbes - How to fix higher education: Seven keys Highlights faltering trust in institutions, points to a few solutions.

National Review - Higher education — Not on an elevated moral plane after all Short book review of “Cracks in the Ivory Tower” that says the higher-ed system is “full of self-interested actions that waste resources and often interfere with optimal education.”

Senator calls to break up the ‘higher education monopolies’ (link)

2. Funding model, state support, philanthropy

Inside Higher Education - Foreign gifts under scrutiny, Education Dive - Ed Dept, colleges disagree on clarity of foreign gift reporting rules Both articles highlight the Education Dept’s probe ointon a few prominent universities regarding foreign money disclosure.

Chronicle of Higher Education - Everybody is panicking: Thousands of Alaska students scramble with scholarship money in Jeopardy Story highlights Alaska’s budget cuts and how it impacts students. Those who rely on scholarships are devastated they will not be able to attend the upcoming semester, and some are transferring out of state.

Why is there so much Saudi money in American universities? Saudi prince goes on a university and technology company tour, student protests follow.

3. Liberal campuses - speakers not invited to campus.

Atlantic - Free speech on campus is doing just fine, thank you (Written by Lee C. Bollinger, President of Columbia University) “There are more than 4,500 colleges and universities in the United States, and each year they host thousands of speakers of all political stripes. According to FIRE, a watchdog group that focuses on civil liberties in academia, only 11 speakers were disinvited from addressing college audiences in 2018. This is a minuscule fraction of the universe of speakers who express their views annually on American campuses.”

Atlantic - Higher education has become a partisan issue “For many Republicans, mistrust of Democrats and mistrust of institutions collide when it comes to higher education, because they see colleges and universities as having a liberal bent.”

Pacific Standard - A better way of understanding the debate over free speech Chicago University faculty takes a deep dive into the University of Chicago’s ‘Chicago Principles,’ which he says is “a set of very strong positions on free expression that stirred national attention and were quickly adopted by many institutions.”

4. Over “parenting”
New York Times - How parents are robbing their children of adulthood “Helicopter parenting, the practice of hovering anxiously near one’s children, monitoring their every activity, is so 20th century. Some affluent mothers and fathers now are more like snowplows: machines chugging ahead, clearing any obstacles in their child’s path to success, so they don’t have to encounter failure, frustration or lost opportunities.”

Quartz - How to helicopter parent the right way “Before you swear off the whole idea of involved childrearing, know this: Recent research suggests that some forms of helicopter parenting are effective.”

Washington Post - The college admissions scandal is more proof that helicopter parenting hurts kids “I’m hearing from admissions officers that students are getting to campus and not able to cope,’ said Brennan Barnard, director of college counseling and outreach at the Derryfield School in Manchester, N.H. ’Mental-health services are exploding on campus. In a lot of ways, that is because parents all of a sudden aren’t there to micromanage.”

5. Title IX, sexual assault and violence management on campuses
   - Chronicle of Higher Education - Pass the harasser’ is higher ed’s worst-kept secret. How can colleges stop doing it? “A professor or administrator commits sexual harassment, resigns quietly, and gets a new job at a different institution. This phenomenon, known as “pass the harasser,” is common in academe, and it’s come under increasing scrutiny during the #MeToo movement.”
   - Atlantic - See the world like a Title IX bureaucrat Article focuses on Princeton’s Title IX missteps and student activists demands to fix it.
   - Chronicle of Higher education - How 3 colleges changed their sexual-assault practices in response to a national survey Covers proactive approaches Harvard, Tulane, and Iowa State made based on the survey that found “one in four female college-student respondents said they had experienced unwanted sexual contact.”

6. Cost of education, tuition
   - Washington Post - There’s too much emphasis on reducing student loans and not enough on reducing risk ... Written by Beth Akers, senior fellow at the Manhattan Institute. She outlines assistance programs being used on other campuses.
   - Roanoke Times - Brown: Student loan debt has gotten out of hand and Virginia is no exception Lists Virginia Tech as one of the institutions with an increase in student debt and
points to more work that is needed like: incentivizing companies to offer student loan repayment benefits and state-based student loan programs.

- Forbes - [Senator: Make colleges pay for student loan default](#) Story focuses on a Senator’s proposal to make colleges fiscally responsible for defaulted loans since they are partly responsible for student’s success/ability to pay. A different senator makes a similar proposal in [NYT story](#).

- Chronicle of Higher Education - [How rising college costs and student debt contribute to a social-mobility ‘crisis’](#) “soaring college costs and student-debt levels threaten to further undermine public support of the sector.”

7. Mental health and well being (student)

- On our campus we have recently seen three different Collegiate Times student stories focused on well being, or lack there of. One focuses on the [Instagram/peer pressure](#) to party and highlights societal problems with alcoholism. Another on how [lonely being a freshman feels](#). And lastly the student who says [Virginia Tech doesn’t feel like home](#) for people of color or LGBTQ community.

- Los Angeles Times - [Op-Ed: There’s a loneliness crisis on college campuses](#) “I never got the question in my first five years at USC that I now get almost daily from students: “How do I make friends?”

- Chronicle of Higher Education - [Campuses are short on mental-health counselors, But they’ve got plenty of antidepressants](#). "A student experiencing symptoms of depression who wants to see a counselor may have to wait weeks. The average wait for a first-time appointment among all college counseling centers is about seven business days, according to a report by the Association for University and College Counseling Center Directors.”

- Education Dive - [Districts seek solutions for rising student anxiety](#) With nearly a third of teens suffering from anxiety disorders, highschools are looking for solutions.

8. Value of the degree

- CBS News - [Two-thirds of American employees regret their college degrees](#) Student loan debt is the driving issue as to why this is happening. STEM grads are most ‘satisfied’ and humanities grads the least. Millennials are the most disappointed.

- Education Dive [Survey: Only 22% of Americans say colleges prepare workers for future jobs](#) “Out of the three countries polled by the survey — Canada, the United Kingdom and the U.S. — Americans were the least likely to consider going to school to gain new skills. One reason
behind that, the report suggests, could be that Americans also had the lowest levels of confidence in their country’s universities to prepare workers for today’s jobs.”

○ Gallup - Can data tell if higher ed is delivering on its promise? Highlights the importance of mentorship which plays a role in higher career well-being for alums.

○ Market Watch - All the ways student debt exacerbates racial inequality — ‘it’s like landing in quick sand’ “While a college degree is an investment that pays off, on average, for students of color and black students in particular, the risk that it won’t pay off is much higher.”


○ Pew Research Center - Most Americans say colleges should not consider race or ethnicity in admissions 73% of Americans say colleges and universities should not consider race or ethnicity when making decisions about student admissions. Most say grades should be most important factor.

○ Washington Post - Study: Universal SAT testing in Virginia would identify more prospective students for major universities Cost of taking SATs makes college less accessible for some, if they were free it could increase the pool of students by 20-40 percent according to study.

○ New York Times - SAT’s new ‘adversity score’ will take students’ hardships into account “Mr. Coleman said the tool ignored race because its premise was that race was less of a predictor of success at school than what he called resourcefulness. “It turns out in America that within every racial group — Asian, white, black, Latino — there are large numbers of people who show resourcefulness within very limited circumstances,” he said.”

○ U.S. News - Test-only admissions would make colleges more white, more wealthy “The experiment showed that a test-only admissions policy would increase the share of white students at top colleges from 66% to 75%, and the combined share of black and Latino students would decrease from 19% to 11%. The share of Asian students would fall slightly, from 11% to 10%.”

10. Cultural centers and student services extravagant spending on out of classroom programming.

○ Roanoke Times - Segregation is the new tolerance? College offers 10 ethnically-divided graduations “The school exemplifies a relatively recent trend in US higher education in which student identity groups demand and are given their own facilities, programs and (safe) spaces.”

11. Administrative costs and bloat, faculty tenure, faculty salaries
- Chronicle of Higher Education - ‘Better, not bigger’: As private colleges hunger for students, one university slims down “A looming drop-off in high-school graduates and competition from nearby public colleges have many private colleges on edge. While George Washington is perhaps more insulated from the “sustainability question” those changes pose, Green said, it could be making “a very smart chess move”... Meanwhile, the university offered financial aid to more students and added an office to manage enrollment and retention.”

- Chronicle of Higher Education - Presidential tenures are getting shorter. Why are the payouts so large? “Even if an institution’s academics are fine and its finances are fine, if it has what seems to be really unhealthy governance practices, that can have an impact,” Commodore said. "If we want to ensure institutions are healthy, we really have to think seriously about governance and leadership."

- Free-Lance Star - EDITORIAL: Some state employees are raking in big bucks It highlights how much money state employees are making and ends with this point “Taxpayers and state legislators should remember that the next time they ask for a handout.” Charles Phlegar is among those listed.

12. Athletics cost and influence

- USA TODAY - Athletics cost colleges, students millions “As colleges and students face exploding spending, tuition and student debt, many question all of the money spent on sports.”

- New York Times - Caught up in the college admissions scandal: Stanford’s Boathouse Operation Varsity Blues exposed a corrupted role sports can play in the admissions process.

13. Preparing the next generation for the new economy

- Inside Higher Education - We need a 'Communiversity' model of public education (written by Kenneth L. Ender former president of William Rainey Harper College in Palatine, Ill.) Highlights open admissions, customized delivery platforms, affordability, continuous enrollment with all programs aligned with work-force needs and information systems.

- Inside Higher Education - What matters more: Skills or degrees? The skills gap is forcing some employers to no longer require degrees. And the combination of knowledge and skills employers demand may not require a degree.

- CityLab - How 3 skill sets explain U.S. economic geography “Metro areas in the U.S. with higher cognitive and people skills, versus motor skills, perform better economically and are more resilient during downturns.”
14. Declining demographics
   ○ EdSurge - Colleges should build online programs, Not new gyms and climbing walls “Informed projections say that American universities have already run out of 18-year-olds to fill the millions of freshmen empty seats in their classrooms”
   ○ Forbes - The new college enrollment numbers, explained Drops in enrollment for universities has to do with less adults going back to school and stagnant high school graduation numbers. Drops are steeper for community colleges and for-profit institutions. Similar story in MarketWatch.

15. Economic issues/Concerns for Virginia citizens
   ○ Chronicle of Higher Education - This map paints a grim picture of America’s economic divides. Colleges shouldn’t run from them. Says shifts will hit hispanic and black communities the hardest and offers book suggestions on this topic.
   ○ Richmond Times-Dispatch - James V. Koch column: Economic diversity at Virginia's public universities “Virginia’s public colleges and universities frequently publicize their commitments to diversity and inclusion. However, the institutions have not exhibited similar concern for the creeping economic inequality that has been developing in the student bodies of Virginia’s four-year public colleges and universities.”

16. Elections
   ○ Washington Post - To unlock the youth vote in 2020, Democrats wage legal fights against GOP-backed voting restrictions “Over the past decade, Republicans in more than a dozen states have tried to limit the kinds of student IDs that can be used at the polls, restricted the number of polling locations on or near college campuses, or gerrymandered political boundaries that divide campuses and dilute the power of student voters, as well as other measures.”

17. Diversity and inclusion
   ○ Campus Technology - Higher ed 'opportunity gap' continuing to widen Highlights a report that shows “as more students arrive on campus, inequality based on wealth and race has continued to grow”
   ○ Diverse Issues in Higher Education - Higher ed faces affirmative action, Other equity and diversity issues in court Law professor says affirmative action is over. And another law professor says, “the picture right now for higher education is probably the most precarious it’s been in a long time. ‘Grim’ is probably too strong a word, but we have entirely entered the age of accountability.”
- National Review - The diversity distortion Scholar from Georgetown says a focus on hiring women and minorities changes curriculum because you have to add departments/curriculum that appeal to women and minority faculty.
- Inside Higher Education - The next lawsuits to hit higher education “Study after study shows that student evaluations of teaching contain bias against women and people of color.”
- Gallup How the college admissions scandal affects diversity & inclusion “Diversity is a need-to-have, Not a nice-to-have”
- Gallup - Inclusive environments produce attached alumni “Gallup finds that graduates’ perception of inclusivity on campus is linked to their attitudes toward their alma mater.”

18. Tech giants a competitor for higher ed?
- Inside Higher Education - Is Amazon Training Its Workers or Creating a College Alternative? Has three experts weigh in from different industries. They offer nuanced responses but seems to be a question worth asking.
- Inside Higher Education - Google’s growing IT certificate highlights how many Google’s program has helped and it dedication to diversity through accessibility.
- The Conversation - What Amazon’s decision to retrain a third of its employees means for the future of work “The role of higher ed, Who should be responsible for ensuring the workforce is prepared for these challenges? Amazon’s answer, essentially, is “we’ll take care of it.” One of the more telling aspects of Amazon’s announcement was that it plans to use its own programs to retrain employees, such as Amazon Technical Academy and Machine Learning University.”

19. China
- Nature - Diversity and international collaboration should not become casualties of anti-espionage policies
- Bloomberg - U.S. targeting of Chinese scientists fuels a brain drain
- NPR - As Scrutiny Of China Grows, Some U.S. Schools Drop A Language Program
- Los Angeles Times - Trump is cracking down on China. Now UC campuses are paying the price
- Washington Post - Scrutiny of Chinese American scientists raises fears of ethnic profiling
Enrollment Management

A “Deeper Dive” into the Methodology of Admissions
• Overview of Admissions Process
• 2019 Yield Model and Enrollment Outcomes
• Management of 2020 Enrollment
Overview of Admissions Cycle

- **AUG – SEPT**
  - Goal setting
  - Census (9-14)

- **NOV – DEC**
  - Yield model development
  - Early Decision app. (11-1)
  - Early Action app. (12-1)
  - ED notification (12-15)

- **MAR – APR**
  - Transfer app. (3-1)
  - RD notification (3-15)
  - TR notified (4-15)

- **JAN – FEB**
  - ED reply (1-15)
  - Regular Decision app. (1-15)
  - EA notification (2-22)

- **MAY – J UN**
  - EA reply (5-1)
  - RD reply (5-1)
  - TR reply (6-1)

**Goals calibrated to achieve outcomes:**

- Academic program capacity and desire to grow
- Strategic priority (CS)
- Diversity (OOS, Int, USS, URM)
2019 Yield Model and Enrollment Outcomes

- Detailed offer rates and yield data from 2018 were used to determine offer rates for 2019 by: admission plan; student type; and academic major/college.

<table>
<thead>
<tr>
<th></th>
<th>In State</th>
<th></th>
<th>Out of State</th>
<th></th>
<th>International</th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicants</td>
<td>15,804</td>
<td>15,754</td>
<td>13,709</td>
<td>13,841</td>
<td>2,614</td>
<td>2,211</td>
<td>32,127</td>
<td>31,806</td>
</tr>
<tr>
<td>Offers</td>
<td>9,151</td>
<td>9,778</td>
<td>8,874</td>
<td>10,262</td>
<td>1,929</td>
<td>1,986</td>
<td>19,954</td>
<td>22,026</td>
</tr>
<tr>
<td>Accepted</td>
<td>4,311</td>
<td>5,161</td>
<td>1,657</td>
<td>2,198</td>
<td>451</td>
<td>631</td>
<td>6,419</td>
<td>7,990</td>
</tr>
<tr>
<td>Yield</td>
<td>47.1%</td>
<td>52.8%</td>
<td>18.7%</td>
<td>214%</td>
<td>23.4%</td>
<td>318%</td>
<td>32.2%</td>
<td>36.3%</td>
</tr>
</tbody>
</table>

Data compared at May 15 time point
Significant numeric gains in USS-URM and URM students but no progress in proportional representation.

<table>
<thead>
<tr>
<th></th>
<th>Underserved/ Underrepresented*</th>
<th>% USS/URM of Total</th>
<th>Underrepresented</th>
<th>% URM of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2337</td>
<td>32%</td>
<td>882</td>
<td>12%</td>
</tr>
<tr>
<td>2016</td>
<td>2,313</td>
<td>33%</td>
<td>948</td>
<td>14%</td>
</tr>
<tr>
<td>2017</td>
<td>2,410</td>
<td>31%</td>
<td>959</td>
<td>12%</td>
</tr>
<tr>
<td>2018</td>
<td>2,495</td>
<td>34%</td>
<td>1,033</td>
<td>14%</td>
</tr>
<tr>
<td>2019**</td>
<td>2,904</td>
<td>32%</td>
<td>1,260</td>
<td>14%</td>
</tr>
<tr>
<td>Numeric Change^</td>
<td>567</td>
<td></td>
<td>378</td>
<td></td>
</tr>
<tr>
<td>% Change^</td>
<td>24%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Strength of the academic profile for incoming students was maintained

<table>
<thead>
<tr>
<th></th>
<th>SAT</th>
<th>GPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018*</td>
<td>1280</td>
<td>4.07</td>
</tr>
<tr>
<td>2019**</td>
<td>1280</td>
<td>4.05</td>
</tr>
</tbody>
</table>

* Counts represent total freshman and transfers
** Data as of 08-12-2019
^ Change from 2015 to 2019
Management of 2020 Enrollment

- Preliminary goals set by President Sands:
  - Overall undergraduate enrollment at fall census – 29,000 (28,500-29,500)
  - Out of State mix – 29% (28.5-30.0%)
  - USS+URM% (including transfers and excluding international) – >37%
  - URM% (including transfers and excluding international) – >17%
  - Avg. SAT for first-time full-time freshman – >1300

Implicit is alignment of goals with target of 30,000 UG students by 2023.
• Projected number of high school graduates:

Virginia 2013-32

<table>
<thead>
<tr>
<th>School Year</th>
<th>Public Schools</th>
<th>Hispanic</th>
<th>White</th>
<th>Black</th>
<th>Amer Ind/AK Nat</th>
<th>Asian Pac-IsI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019-20</td>
<td>84,855</td>
<td>12,765</td>
<td>48,261</td>
<td>18,605</td>
<td>275</td>
<td>7,301</td>
</tr>
<tr>
<td>2024-25</td>
<td>90,659</td>
<td>18,759</td>
<td>49,684</td>
<td>19,493</td>
<td>360</td>
<td>8,636</td>
</tr>
<tr>
<td>2029-30</td>
<td>85,461</td>
<td>15,928</td>
<td>47,246</td>
<td>18,007</td>
<td>416</td>
<td>9,067</td>
</tr>
<tr>
<td>5 yr Change</td>
<td>6.8%</td>
<td>47.0%</td>
<td>2.9%</td>
<td>4.8%</td>
<td>30.8%</td>
<td>18.3%</td>
</tr>
<tr>
<td>10 yr Change</td>
<td>0.7%</td>
<td>24.8%</td>
<td>-2.1%</td>
<td>-3.2%</td>
<td>51.1%</td>
<td>24.2%</td>
</tr>
</tbody>
</table>
2020 Strategy:

- Overall enrollment growth (freshman & transfers) for next 4 years (2020-2023) being updated, taking into account retention and graduation rates.
- Enrollment targets negotiated with colleges to optimize strategic growth, capacity, diversity (Aug/Sept).
- Predictive yield model will be informed by 2019 cohort data, including:
  - Campus visit and event attendance information
  - Engagement with communications
  - Financial information (EFC, AGI, need profile)
  - Geo-demographic cluster information (College board tagging)
  - Yields for all colleges, per student type (In State, Out of State, and International) and admissions plan (early decision, early action and regular decision)
- Offer rates estimated to achieve enrollment (after melt) outcomes per college, major, admit plan and student type
- Offer rates vetted by the Enrollment Management Advisory Committee with designated college membership
- A waitlist strategy and plan for In State applicants developed for the College of Science, College of Engineering and US/XT majors
- College of Engineering applicants (freshman and transfers) required to identify intended majors on admission application, to address volatility in the model due to yield rates that vary from 17% to 44%
Discussion & Questions
The Institutional Performance Partnership Agreement is the Commonwealth of Virginia’s mechanism to fully leverage the mission of Virginia Tech in support of Commonwealth goals of college affordability, strategic enrollments, and economic growth and development. The strength of the agreement is centered around the principles of transparency, alignment, predictability, and accountability. With the predictability in funding and support from a partnership agreement, Virginia Tech will be positioned to do more relative to its mission of providing a quality, affordable education for Virginia residents in high-demand fields that meet the needs of the Commonwealth. Virginia Tech will continue to pursue innovative research and discovery leading to new technologies with commercial applications that drive the state’s economy. This is at the heart of the agreement and at the core of Virginia Tech’s mission as the state’s research, land-grant university.

The following three sections describe the major components of the agreement and what they mean for the Commonwealth:

**Keep Virginia Tech Affordable**

The cost of education is a shared responsibility between the state and tuition-paying students and their families. Virginia Tech has a long history of controlling these costs, deploying cost efficiency in its operations, and pursuing modest tuition increases relative to peer institutions. As with all enterprises, higher education costs will increase, at least at the rate of inflation. A goal of the partnership agreement is to provide tuition predictability and recognize the shared responsibility for both students and the state to fund inflationary educational cost increases. The agreement would address this goal in the following way:

- **What Virginia Tech will do:**
  - Hold in-state undergraduate tuition and fees to no more than 2 percent above inflation in each year of a four-year partnership agreement
  - Further adjust its inflationary and or programmatic increase downward in proportion to any additional investment of E&G funds from the state
  - Maintain current institutional support for financial aid and match any additional support from the Commonwealth
- **What the Commonwealth will do:**
  - Provide annual inflation adjustment for university’s General Fund base operating (E&G) appropriation
  - Buy down (proportionally) any additional tuition increase beyond the inflationary adjustment that the General Assembly deems appropriate in any given year. Potential tuition increase may be bought down to zero.
  - Provide $1 million in incremental General Fund support each year for need-based student financial aid for Virginia undergraduates.
Grow Talent for the Commonwealth’s Economy

Additional resources beyond those to address inflation will be needed to support new and/or expanded programming to meet student and employer demands. The Partnership agreement addresses this need by focusing on the production of talent to support the economic growth and development of the Commonwealth. At the center of this discussion is the recognition that producing graduates will fill the need for talent in high-demand fields currently experiencing vacancies, support job growth, creation, and economic development with the further goal of retaining graduates in the Commonwealth.

- **What Virginia Tech will do**
  - Strategically grow enrollments in high-demand fields
  - Launch a focused internships program by engaging business, government, and community leaders
  - Increase the number of in state undergraduate students while increasing the proportion of out of state students at a negotiated, annual pace not to exceed 1%

- **What the Commonwealth will do**
  - Fund enrollment growth of in state undergraduates in high-demand fields
  - Support the internships program
  - Approve an enrollment mix of greater than 29% out of state students

Grow Research and Commercialization

Research universities support and promote economic development in important ways – both direct and indirect. The presence of a research university in a given region is a key indicator of the overall capacity of that region to compete effectively in an increasingly technology-driven global economy. As the Commonwealth’s land-grant, research university – engaged in the highest levels of sponsored research as indicated by the Research 1 Carnegie Classification – Virginia Tech is an important strategic asset for the Commonwealth in its goal to strengthen and diversify its economy and make it more resilient to cyclical economic downturns or those related to national political developments. Virginia Tech is growing its research enterprise in Blacksburg, Roanoke, and the Washington metropolitan area. The Institutional Planning Partnership Agreement will facilitate this growth in ways important and strategic.

- **What Virginia Tech will do**
  - Increase competitive extramural grant and contract funding by more than 5% per year in targeted research areas that are aligned with the greatest opportunity for economic growth and societal impact in the Commonwealth
  - Continue to provide active support for the work of the Virginia Research Investment Committee (VRIC) and participate in its initiatives where Virginia Tech can add value, invest resources, and facilitate collaboration
  - Launch and grow the Commonwealth Cyber Initiative (CCI) translational research to commercialization (TR2C) hub in Northern Virginia and coordinate the
statewide CCI network to focus on emerging cyber-physical system security at the intersection of data, autonomy, and communications

- Serve as a leading contributor to establish one or more additional TR2C’s that will support economic diversification and growth through industry-university research partnerships and start-ups in areas aligned with the greatest opportunity for commercialization in the Commonwealth
- Expand the Fralin Biomedical Research Institute at the VTC Academic Health Center by up to 25 primary research teams; more than doubling the funding for biomedical research and startups in the Roanoke region in the next four years
- Provide leadership and support to the Valley Innovation Council (VIC), which is serving as a quarterbacking organization for regional economic development and marketing in the Blacksburg-Roanoke-Lynchburg GO Virginia Region 2
- Create a fully integrated regional innovation ecosystem that leverages Virginia Tech’s new Discovery-to-Market platform, entrepreneurial educational programs, VTC startup seed and venture funds, and regional accelerators to increase the number and success of startups from university research

- What the Commonwealth will do
  - Provide $1 million per year (over four years) in incremental state support for faculty recruitment – to include startup packages to equip research programs and position faculty for success
  - Enable rapid expansion of the Fralin Biomedical Research Institute research activity by providing $2 million per year over the four-year IPPA period.

The strength of the agreement is its ability to promote alignment, predictability, transparency, and accountability in the partnership between the Commonwealth and Virginia Tech around key deliverables that are directly tied to the land grant mission of the university. The IPPA does not fundamentally change or alter that mission but it undergirds it and strengthens it with the explicit acknowledgment that the work of the university is directly linked to the goals and strategic direction of the Commonwealth. Virginia Tech is proud to present this partnership proposal.
Institutional Partnership Performance Agreement Update

DWAYNE PINKNEY, SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION

DWIGHT SHELTON, VICE PRESIDENT FOR FINANCE AND CHIEF FINANCIAL OFFICER

AUGUST 25, 2019
Institutional Performance Partnership Agreement

- 2019 General Assembly bill (HB2653/SB1628) provides opportunity to submit an Institutional Partnership Performance Agreement (IPPA) as part of the Six-Year Plan.

- Purpose of an IPPA is to formalize state-university partnership in pursuing innovative approaches to achieving mutual goals.

- IPPA based on mutually dependent commitments and accountability between the institution, state, and other partners.

- Strength of IPPA is centered around transparency, alignment, and predictability.

- Agreement requires evidence of BOV approval, and final approval by the legislature within the state Appropriation Act.
Recently adopted Beyond Boundaries strategic plan provides framework for IPPA

Virginia Tech’s strategic focus aligns with the IPPA around the following goals:

- *Keeping Virginia Tech Affordable*
- *Developing Talent to Drive Virginia Forward*
- *Growing Research and Economic Development*

Provides a roadmap to help focus university efforts to fulfill global land grant mission and enhance value of institution to stakeholders

Creates strategic alignment between university, Commonwealth, and students/families
Keeping Virginia Tech AFFORDABLE

- Hold in-state undergraduate tuition to no more than 2 percent above inflation
- Further reduce in-state undergraduate tuition in proportion to new state support
- Maintain current student financial aid and match new state investment

University Commitments

- Provide annual inflation adjustment for the University’s General Fund (E&G) appropriation
- Provide additional General Fund support to further reduce in-state undergraduate tuition increase in any given year
- Provide $1 million in incremental General Fund support each year for student financial aid

Commonwealth Commitments
Developing TALENT to Drive Virginia Forward

University Commitments

• Deliver an agreed-upon level of in-state enrollment
• Recruit additional underserved Virginians
• Attract talented nonresident undergraduates into high demand degree programs, growing by no more than 1% per year
• Implement a pilot internship program to enhance ‘sticky pathways’ for students to connect with Virginia employers to support workforce needs

Commonwealth Commitments

• Provide enrollment management flexibility
• Support the internships program with $1 million incremental support per year
• Grant increased autonomy over academic site approval to allow for rapid response to market needs in high-demand fields within a dynamic environment (Innovation Campus)
Growing Research and ECONOMIC DEVELOPMENT

University Commitments

- Increase federal and private funding by more than 10% per year in targeted areas
- Provide collaborative leadership for strategic statewide, regional, and local initiatives such as:
  - Rural Virginia
  - Northern VA (Tech Talent Pipeline, CCI)
  - Roanoke (Fralin Biomedical Research Institute)
- Create integrated innovation ecosystem to leverage VT’s entrepreneurial activities to translate research into commercial opportunities

Commonwealth Commitments

- Provide incremental support of $2 million per year over four-years to enable rapid expansion of Fralin Biomedical Research Institute
- Provide incremental support of $1 million per year to support faculty start-up packages to recruit and retain talented faculty
## Resource Components

*Incremental E&G operating revenue beyond traditional inflationary levels can support quality enhancement, with a priority on Talent (faculty compensation) and Affordability (in-state financial aid).*

<table>
<thead>
<tr>
<th>Resource Components</th>
<th>Self-Generated (Tuition)</th>
<th>General Fund</th>
<th>Per year Total</th>
<th>Four Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In-state Undergraduate Affordability</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inflationary General Fund Support</td>
<td>$ 5.3</td>
<td>$ 5.3</td>
<td>$ 21.4</td>
<td>Inflation</td>
</tr>
<tr>
<td>State Support to hold tuition to 2.9%</td>
<td>4.6</td>
<td>4.6</td>
<td>18.4</td>
<td>Quality*</td>
</tr>
<tr>
<td>State Support to freeze tuition</td>
<td>(6.7)</td>
<td>6.7</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Need-based Student Financial Aid</td>
<td>10</td>
<td>10</td>
<td>4.0</td>
<td>Targeted</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>(6.7)</td>
<td>17.6</td>
<td>10.9</td>
<td>43.8</td>
</tr>
<tr>
<td><strong>Talent</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonresident recruitment (1% mix change per year)</td>
<td>8.8</td>
<td>0.0</td>
<td>8.8</td>
<td>35.1</td>
</tr>
<tr>
<td>(less) Cost of Educating</td>
<td>(5.3)</td>
<td>0.0</td>
<td>(5.3)</td>
<td>(213)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>3.5</td>
<td>0.0</td>
<td>3.5</td>
<td>13.8</td>
</tr>
<tr>
<td>Expanded Internship Program</td>
<td></td>
<td>10</td>
<td>10</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Economic Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research Support for Roanoke Activities</td>
<td>2.0</td>
<td>2.0</td>
<td>8.0</td>
<td>Targeted</td>
</tr>
<tr>
<td>Faculty Start-up Support</td>
<td>10</td>
<td>10</td>
<td>4.0</td>
<td>Targeted</td>
</tr>
<tr>
<td><strong>($ 3.2)</strong></td>
<td>$ 216</td>
<td>$ 18.4</td>
<td>$ 73.6</td>
<td></td>
</tr>
</tbody>
</table>

$s in Millions
IPPA Development Timeline

- April 1 - University notice to state of intent to propose IPPA
- June 3 - Board of Visitors approves IPPA strategies
- July 1 - Six-Year Plan and IPPA proposal submitted to state
- July 24 - VT presented Six-Year Plan and IPPA to state officials
- October 15 - recommendations from state reviewers of IPPA
- September/October - submission of budget requests for consideration in Governor’s Executive Budget
- 2020 General Assembly Session - IPPA, if accepted, must be incorporated into Appropriation Act to be implemented.
Discussion
Board of Visitors Self-Assessment Summary
May 2019

Respondents: 14 BOV Members, 4 Constituent Representatives; 8 Administrators

Note: Italics indicate > 0.2 gap between overall and BOV scores.

Considered High Priorities: (1=not a priority; 4=high priority)

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Overall Score</th>
<th>BOV Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.1</td>
<td>3.62</td>
<td>3.86</td>
</tr>
<tr>
<td>8.3</td>
<td>3.42</td>
<td>3.57</td>
</tr>
<tr>
<td>8.2</td>
<td>3.38</td>
<td>3.50</td>
</tr>
<tr>
<td>8.7</td>
<td>3.24</td>
<td>3.29</td>
</tr>
</tbody>
</table>

Areas Possibly Needing Attention: (poor=0; excellent=4)

(< 3.0 or at least one response of “fair”; asterisk * indicates at least one “poor” rating)

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Overall Score</th>
<th>BOV Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.7*</td>
<td>2.08</td>
<td>1.78</td>
</tr>
<tr>
<td>1.6</td>
<td>2.84</td>
<td>2.62</td>
</tr>
<tr>
<td>2.4</td>
<td>2.64</td>
<td>2.71</td>
</tr>
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Board of Visitors Self-Assessment Summary
May 2019

Note: Italics indicate > 0.2 gap between overall and BOV scores.

Highest-rated Items: (poor=0; excellent=4)

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Most Frequently-Cited Important Challenges:

- Sustainability of the university's funding model; diversification of funding sources; building financial and organizational resilience.
- Affordability - managing rising tuition and student debt crisis.
- Successful integration of all campuses, maintaining quality and unique culture.
- Establishing the Innovation Campus.
- Preserving land-grant mission; supporting agricultural and rural constituencies.
- Improving the diversity of the university community.
- Recruiting and retaining high-quality faculty and students.
- Preparing students for real-world jobs; instructional delivery method; degree programs vs. certificate programs.

Recurring Themes:

- Restructuring of the Board's committees to better align with the university's priorities and allow more time for substantive discussion was very positive.
- Desire to hear unfiltered views and to have more generative discussion focused on discussing the most pressing issues rather than listening to reports.