

MINUTES

BOARD OF VISITORS SPECIAL MEETING ON TUITION AND FEES AND FACULTY, STAFF, AND GRADUATE ASSISTANT COMPENSATION FOR 2023-24

October 4, 2023

The Board of Visitors of Virginia Polytechnic Institute and State University met in open session on Wednesday, October 4, 2023, in an all-virtual meeting that was livestreamed for the public on YouTube. There was no public comment period. A quorum was present on the videoconference.

Present:

Ed Baine (Rector)
David Calhoun (Vice Rector)
Carrie Chenery
Sandy Davis
Greta Harris
Brad Hobbs
William Holtzman
Donald Horsley
Anna James
Tish Long
Chris Petersen
John Rocovich
Jeff Veatch

Absent:

Nancy Dye

Constituent Representatives Present:

Janice Austin, Administrative and Professional Faculty Representative
LaTawnya Burleson, Staff Representative
Joseph Merola, Faculty Representative
Will Storey, Undergraduate Student Representative
Emily Tirrell, Graduate/Professional Student Representative

Also present were the following: President Timothy Sands, Kim O'Rourke (Secretary to the Board), Provost Cyril Clarke, Al Cooper, Corey Earles, Kay Heidbreder, Tim Hodge, Ken Miller, Mark Owczarski, Lisa Royal, Amy Sebring, Brennan Shepard, and Tracy Vosburgh.

During the meeting, there were 71 concurrent viewers on YouTube and a total of 92 views.

Rector Baine called the virtual meeting to order at 2:00 p.m.

The purpose of this meeting was to take action on tuition and fees as well as faculty, staff, and graduate assistant compensation based on the outcome of the 2023 Special Session of the Virginia General Assembly held on September 6, 2023. In his opening comments, Rector Baine explained that when the Board of Visitors set tuition and fees for the current academic year back in April and developed the FY24 university budget, the General Assembly had not yet completed its work on the state budget.

Without the benefit of state action, the university made various assumptions about state funding and the impact of state cost assignments. The board recognized then that potential future state budget outcomes could alter those assumptions, and committed to returning to the table if the General Assembly ultimately approved a comprehensive budget.

The General Assembly passed an amended budget in September that made several changes to our earlier assumptions. He underscored how important the state's relationship is to this institution and the students we serve.

The Governor and General Assembly have continued to approach higher education as a partnership. For FY24, the timing of new state support coupled with additional compensation actions allows the university to provide additional compensation to support our faculty, staff, and graduate assistants and take one-time actions today that reduce cost pressures on our students and families.

Rector Baine called on Amy Sebring, Executive Vice President and Chief Operating Officer, to give an update on the 2023 Special Session of the General Assembly. Her PowerPoint presentation covered the amended state budget signed by the Governor on September 14, 2023. The budget includes a 2 percent compensation program; \$9.2 million in general funds (GF) for Affordable Access; \$3.1 million GF for Student Financial Aid; and \$1 million GF to support Research. Also, statewide actions include establishing a joint subcommittee on higher education funding; \$12.5 million GF in incremental statewide funding for the recruitment and retention of Pell-eligible students. Other items include \$9 million in non-General Funds (NGF) for detail planning on expanding the Virginia Tech Carilion School of Medicine and Fralin Biomedical Research Institute; \$0.8 million increase in fiscal year 24 for the maintenance reserve program; \$5.7 million to support furniture, fixtures, and equipment (FF&E) for the Undergraduate Laboratory Building; and bond financing as requested for Randolph/Mitchell Hall and Building Envelope Improvements. (Copy filed with the permanent minutes and marked Attachment A.)

Ken Miller, Vice President for Finance and University Treasurer, gave a presentation reviewing the board's earlier actions on tuition and fees and recommending a one-time tuition rebate. A board member raised the question of whether any of the funds

provided through the General Assembly's special session could be used at the discretion of the university and proposed that in lieu of a tuition rebate the \$9.2 million instead be invested in a behavioral mental health center. There was considerable discussion about the proposal, and it was pointed out that the university has invested a great deal in mental health care improvements in recent years and will continue to do so. Although the board could debate a number of priorities on which these funds could be spent, these are one-time funds that the governor and legislature intended to be used for tuition relief.

The following motion was made by Mr. Petersen, seconded by Ms. Harris, and passed unanimously by the 13 board members in attendance.

2023-24 ONE-TIME REBATE OF TUITION AND FEE RATES

That based on the outcome of the 2023 Special Session of the General Assembly, for students enrolled for the 2023-24 academic year, a \$275 tuition rebate to payments made by full-time regular session students, \$15 per credit hour for part-time students, and fee relief as summarized on Schedule 1 be approved, with students enrolled for only a portion of the year receiving pro-rated relief. (Copy filed with the permanent minutes and marked Attachment B.)

After a presentation by Tim Hodge, Associate Vice President for Budget and Financial Planning, the following motion was made by Jeff Veatch, seconded by Sandy Davis, and passed unanimously by the 13 board members in attendance.

2023-24 COMPENSATION FOR FACULTY AND STAFF

That consistent with the amended state budget (Chapter 1 of the 2023 Special Session I), implementation of a 2 percent compensation program for eligible salaried employees, effective December 10, 2023, be approved. (Copy filed with the permanent minutes and marked Attachment C.)

After a presentation by Tim Hodge, Associate Vice President for Budget and Financial Planning, the following motion was made by Mr. Petersen, seconded by Ms. Harris, and passed unanimously by the 13 board members in attendance.

2023-24 COMPENSATION FOR GRADUATE ASSISTANTS

That consistent with the amended state budget (Chapter 1 of the 2023 Special Session I), the advancement of the graduate assistant stipend scale by 2 percent, effective December 10, 2023, be approved. (Copy filed with the permanent minutes and marked Attachment D.)

In closing, Rector Baine thanked the staff for their thorough analysis and bringing forward recommendations that reflect the amended state budget. He stated that due to the mid-year timing of the salary increase, the incremental operating support Virginia Tech will receive is allowing us to provide a one-time rebate for FY24. As we look ahead to FY25, that ongoing base support will be used to absorb the full annual cost of the additional 2 percent salary increase. The combined result of these actions is a one-time surplus for Virginia Tech that, with today's vote, the Board passes on as savings to students and families with a one-time rebate of their tuition and fee payments that offsets a portion of this year's increase, ensuring that our new state resources are directly benefiting our students.

He expressed appreciation to President Sands for his swift action to bring this matter to the board and reiterated the university's continued commitment to maintaining affordability while providing a high-quality Virginia Tech education.

President Sands added his thanks to the board for their vigorous discussion, noting that mental health should always be top of mind. He expects more vigorous discussions in a few months when the board begins reviewing the university's priorities as part of the tuition setting process for FY25.

The meeting was adjourned at 2:45 p.m.

Edward H. Baine, Rector

Kim O'Rourke, Secretary