

Virginia Tech Board of Visitors Meeting

August 25, 2003

Minutes

- A: [Minutes](#) of the Academic Affairs Committee August 25, 2003
- B: [Master](#) of Arts in Communication
- C: [Membership](#) of the Virginia Coal and Energy Research and Development Advisory Committee
- D: [Minutes](#) of the Buildings and Grounds Committee
- E: [Resolution](#) for Expansion of the Policy Statement Governing Exercise of Post-Appropriation Authority for Non-general and General Fund Projects
- F: [Resolution](#) for Expansion of the Policy Statement Governing Exercise of Autonomy in Leases of Real Property
- G: [Resolution](#) for the Sale of Timber, Southern Piedmont Agricultural Research and Extension Center
- H: [Resolution](#) for Town of Blacksburg, Huckleberry Trail
- I: [Resolution](#) for CoxCom, Inc., Northern Virginia Easement
- J: [Minutes](#) of the Finance and Audit Committee
- K: [Employee](#) Awards and Recognition Programs Policy
- L: [2004-06](#) Appropriations Request
- M: [Financial](#) Performance Report
- N: [Alumni](#) Hotel and Conference Center 9(d) Debt Financing
- O: [Report](#) on West Side Stadium Expansion
- P: [Minutes](#), Student Affairs Committee of the Board of Visitors
- Q: [Report](#) of the Ad Hoc Committee on Revisions to the Board of Visitors' By-Laws
- R: [Report](#) of the Ad Hoc Committee on the Narrow-Tailoring Concept
- S: [BOV](#) Resolutions of Appreciation
- T: [Resolution](#) for Ratification of the Revised Policy on Commemorative Tributes
- U: [Reports](#) from Constituency Representatives
- V: [Resolution](#) for Emeritus Status (11 faculty members)
- W: [Endowed](#) Professorship
- X: [Faculty](#) Leaves
- Y: [Change](#) of Duty Station
- Z: [Description](#) of Faculty Personnel Changes

AA: [Research](#) and Development Disclosure Report

BB: [2003 Men's Golf Championship Bonus Recommendation](#)

MINUTES
August 25, 2003

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, August 25, 2003, at 1:00 p.m. in the Torgersen Hall Board Room at Blacksburg, Virginia.

Present**Absent**

Mr. Michael Anzilotti
 Mr. Mitchell O. Carr
 Mr. Ben J. Davenport, Jr.
 Mr. L. Bruce Holland
 Dr. Hemant Kanakia
 Mr. John R. Lawson, II
 Mr. T. Rodman Layman
 Ms. Sandra Stiner Lowe
 Mr. Jacob A. Lutz, III
 Mr. A. Ronald Petera
 Mr. Thomas L. Robertson
 Mr. John G. Rocovich, Jr.
 Mr. James W. Severt, Sr.
 Mr. Philip S. Thompson
 Dr. Diane L. Zahm, President, Faculty Senate
 Mr. Allan J. Bradley, Undergraduate Student Representative
 Ms. Myrna Callison, Graduate Student Representative

Also present were the following: Dr. Charles Steger, Mr. Erv Blythe, Mr. Ralph Byers, Mr. Jerry Cain, Dr. Lanny Cross, Mr. Martin Daniel, Dr. Karen DePauw, Dr. Ben Dixon, Dr. John Dooley, Ms. Jean Elliott, Dr. Elizabeth Flanagan, Dr. David Ford, Ms. Kay Heidbreder, Mr. Larry Hincker, Mr. Scott Hurst, Dr. Pat Hyer, Mr. Paul Lancaster, Dr. Mark McNamee, Mr. Stuart Mease, Ms. Kim O'Rourke, Ms. Ellen Plummer, Mr. Minnis Ridenour, Mr. Dwight Shelton, Ms. Sandy Smith, Dr. Ray Smoot, Dr. Ed Spencer, Mr. Jeb Stewart, Ms. Terri Thompson, Dr. Tom Tillar, Mr. Jim Weaver, Ms. Linda Woodard, Ms. Teresa Wright, faculty, staff, students, and reporters.

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

Mr. Rocovich called on new Board Members to introduce themselves:

Sandra Stiner Lowe (Northern Virginia)
 Jim Severt (Martinsville)
 Hemant Kanakia (D.C.)
 Michael Anzilotti (Northern Virginia)

Announcement of 2004 meeting dates:

March 28-29, 2004
 June 6-7, 2004
 August 22-23, 2004
 November 7-8, 2004

Mr. Rocovich asked for a motion of approval of the minutes of the June 2, 2003 and June 25, 2003 meetings as distributed. The motion was made by Mr. Lutz and seconded by Mr. Layman. The minutes were approved unanimously.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Mr. Rocovich called on Mr. Davenport for a report of the Academic Affairs Committee. (Copy attached for the permanent files and marked Attachment A.)

As part of the Academic Affairs Committee report, the following resolution was moved by Mr. Davenport, seconded by Mr. Layman, and was approved unanimously.

Resolution for Approval of Master of Arts in Communication

That the resolution be approved. (Copy filed with the permanent minutes and marked Attachment B.)

As part of the Academic Affairs Committee report, the following resolution was moved by Mr. Davenport, seconded by Mr. Kanakia, and was approved unanimously.

Resolution for Approval of Membership of The Virginia Coal and Energy Research and Development Advisory Committee

That Dr. Ramon Espino be appointed as a new member, and that Mr. J. W. (Bill) Fox, Jr. and Mr. Charles S. Yates be re-appointed to the Virginia Coal and Energy Research and Development Advisory Committee until 2007. (Copy filed with the permanent minutes and marked Attachment C.)

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

Mr. Rocovich called on Mr. Carr for a report of the Buildings and Grounds Committee (Copy attached for permanent files and marked Attachment D.)

Mr. Carr reported that there was a special meeting of the Buildings and Grounds Committee held in Richmond on July 17, 2003. At the June 2, 2003, meeting of the Board of Visitors, the full Board authorized the Buildings and Grounds Committee to act on behalf of the Board to review and approve policies, procedures, and guidelines for the administration of selected capital projects and real property leases within the schedule stipulated by the legislation prior to their submission to the Secretaries of Finance and Administration.

Accordingly, at the July 17, 2003, special meeting of the Buildings and Grounds Committee in Richmond, the Committee passed two resolutions on behalf of the Board: "Resolution for Expansion of the Virginia Polytechnic Institute and State University Policy Statement Governing Exercise of Post-appropriation Authority for Non-General Fund Capital Projects to Include Selected General Fund Projects" and "Resolution for Expansion of the Virginia Polytechnic Institute and State University Policy Statement Governing Exercise of Autonomy in Leases of Real Property to Include Operating Leases, Income Leases and Capital Leases." (Note: Minutes of that special meeting of the Buildings and Ground Committee on July 17, 2003, are posted separately on the web.)

As part of the Buildings and Grounds report, Mr. Rocovich entertained a motion to ratify the following two resolutions adopted by the Buildings and Grounds Committee on July 17, 2003, on behalf of the full Board. Mr. Carr moved approval of the resolutions, Mr. Petera seconded, and they were approved unanimously.

Resolution for Expansion of the Virginia Polytechnic Institute and State University Policy Statement Governing Exercise of Post-Appropriation Authority for Non-general Fund Capital Projects to Include Selected General Fund Projects

That the resolution recommending approval of the "Policy Statement Governing Exercise of Post-Appropriation Authority for Selected General Fund and Non-General Fund Capital Projects," and authorizing the President the authority (1) to implement the Policy Statement in the manner he deems most appropriate; (2) to delegate further to his designee the administrative responsibility to implement and assure compliance with the Policy Statement; (3) to take such steps as he may deem necessary and reasonable to secure approval of the Secretaries of Finance and Administration for those portions of the Policy Statement relating to general fund capital projects; and (4) to approve any minor changes in the Policy Statement where necessary to secure the foregoing approvals,

which changes, if any, shall be reported to the full Board of Visitors, be approved. (Copy filed with the permanent minutes and marked Attachment E.)

and

Resolution for Expansion of the Virginia Polytechnic Institute and State University Policy Statement Governing Exercise of Autonomy in Leases of Real Property to Include Operating Leases, Income Leases and Capital Leases

That the resolution recommending approval of the "Policy Statement Governing Exercise of Autonomy in Leases of Real Property to Include Operating Leases, Income Leases and Capital leases," and authorizing the President the authority (1) to implement the Policy Statement in the manner he deems most appropriate; (2) to delegate further to his designee the administrative responsibility to implement and assure compliance with the Policy Statement; (3) to take such steps as he may deem necessary and reasonable to secure approval of the Secretaries of Finance and Administration; and (4) to approve any minor changes in the Policy Statement where necessary to secure the foregoing approvals, which changes, if any, shall be reported to the full Board of Visitors, be approved. (Copy filed with the permanent minutes and marked Attachment F.)

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

Resolution for Approval for Sale of Timber at Southern Piedmont Agricultural Research and Extension Center

That the resolution authorizing the Vice President for Administration and Treasurer, or his successor, to execute the necessary documents to sell the timber and that the timber proceeds be expended on site at the Southern Piedmont Agricultural Research and Extension Center be approved. (Copy attached for permanent files and marked Attachment G.)

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

Resolution for Approval for Town of Blacksburg Huckleberry Trail

That the resolution authorizing the Vice President for Administration and Treasurer, or his successor, to execute an agreement with the Town of Blacksburg on the operation and maintenance of the Huckleberry Trail be approved. (Copy attached for permanent files and marked Attachment H.)

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

Resolution for Approval for CoxCom, Inc. d/b/a Cox Communications Northern Virginia Easement

That the resolution authorizing the Vice President for Administration and Treasurer, or his successor, to request the City of Falls Church, Virginia, to grant an easement to CoxCom, Inc. d/b/a Cox Communications Northern Virginia be approved. (Copy attached for permanent files and marked Attachment I.)

REPORT OF THE FINANCE AND AUDIT COMMITTEE

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

Mr. Lutz complimented all of those responsible for the extraordinary achievement of the university's debt rating upgrade from A1 to Aa3. Mr. Lutz reported that while public and private universities across the country are undergoing significant financial strain and are finding their debt rating going down or their issues being non-rated, Virginia Tech's debt rating is going up, meaning that we have a higher rating, which translates not only into increased prestige for Virginia Tech, but also the ability of the university to obtain debt financing at a lower cost. This is a one-level change in our debt rating, which translates into a savings of five to seven basis points in our bond financing. This is a significant achievement for Virginia Tech.

Mr. Lutz complimented all those responsible for running a "very clean ship" when it comes to managing finances in the Athletic Department. Financial statements are reviewed by the Auditor of Public Accounts. An integral step in our admission to the ACC was our ability to be accountable for the revenues and expenses in the Athletic Department.

As part of the Finance and Audit Committee report, and with the endorsement of the Academic Affairs Committee, the following resolution as amended was presented for approval. Since this resolution was amended and to keep in compliance with last April's resolution about presentation of resolutions, Mr. Rocovich called for a motion to take up this amended resolution now instead of referring it back to the committee for future approval. This motion to consider the "Resolution for Approval of Employee Awards and Recognition Programs" was moved by Mr. Lutz, seconded by Mr.

Thompson and approved. Mr. Lutz then moved the adoption of the resolution itself. It was seconded by Mr. Thompson, and was approved unanimously.

**Resolution for Approval of Policy on
Employee Awards and Recognition Programs**

That Policy 4335, as revised, be approved and made effective immediately.
(Copy filed with the permanent minutes and marked Attachment K.)

Mr. Lutz reported that the concern of the Finance and Audit Committee is that the committee's financial stewardship requires the committee to monitor who is receiving the awards and what the total budget provision is on an annual and on-going basis. At the same time, the committee members did not want the fact that the Board generally meets only four times a year to constrain the university administration from being able to identify worthy recipients of these awards and to confer those awards. Mr. Lutz believes the same concerns have surfaced from the Academic Affairs Committee. The only change from the Finance and Audit Committee is the requirement that the Finance and Audit Committee receive a report which would be considered part of the regular review of the personnel changes report and that the total amount be highlighted on the annual budget presented to the Board of Visitors.

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

Resolution for Approval of 2004-2006 Operating and Capital Budgets

That a general endorsement of the areas of emphasis in the 2004-06 operating budget submission be provided. (Copy filed with the permanent minutes and marked Attachment L.)

Mr. Ridenour reported that due to a math error, a revised "Schedule 1" was distributed to Board members.

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

**Resolution for Approval of Year-to-Date Financial Performance Report
(July 1, 2002 – June 30, 2003)**

That the report of income and expenditures for the University Division and the Cooperative Extension/Agriculture Experiment Station Division for the period of July 1, 2002 through June 30, 2003 and the Capital Outlay report be accepted. (Copy filed with the permanent minutes and marked Attachment M.)

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

**Resolution for Approval of Alumni Hotel and
Conference Center 9(d) Financing Resolution**

That the resolution allowing the Authorized Officers to execute with the Authority the 2003A Loan Agreement, the 2003A Note and any documents necessary for the financing or refinancing of the Project be approved. (Copy filed with the permanent minutes and marked Attachment N.)

As part of the Finance and Audit Committee report, and with the endorsement of the Buildings and Grounds Committee, the following resolution as amended was presented for approval. Since this resolution was amended and to keep in compliance with last April's resolution on the presentation of resolutions, Mr. Rocovich called for a motion to take up this resolution on the Lane Stadium project now instead of referring it back to the committee for future approval. This motion was moved by Mr. Thompson, seconded by Ms. Lowe and approved. Mr. Thompson then moved the adoption of the resolution itself. The motion was seconded by Mr. Lawson, and was approved with Mr. Lutz abstaining:

Resolution for Approval on Lane Stadium West Side Expansion Project

That the Board of Visitors authorizes the Executive Vice President and Chief Operating Officer to make the final determination to proceed with the bid and construction of the West Side component of the Stadium Expansion project. (Copy filed with the permanent minutes and marked Attachment O.)

Note: In the committee meeting earlier in the day, Mr. Lutz recused himself from discussion of this matter and from the recommendation regarding expansion because his law firm has been selected as bond counsel for the university in connection with this project. At the full Board meeting, Mr. Lutz presented the committee report as a written transcript of what transpired and then recused himself from the full Board meeting and left the room prior to discussion and vote by the entire Board.

Mr. Rocovich commented that there are many projects underway and thanked Mr. Carr for chairing the Buildings and Grounds Committee. Mr. Rocovich also recognized Mr. Lawson, an expert in construction who has committed a significant amount of his own personal resources, his expertise, and his time to making Lane Stadium hopefully the best college stadium in the country, and thanked him for providing the architect's model of the stadium.

Mr. Lawson and representatives from HOK and Moseley reviewed with the Board a model of Lane Stadium. Mr. Lawson said that the university has the best assurance that the west side of the stadium should be complete by the 2005 season without interruption during the 2004 season.

Mr. Ridenour reviewed the resolution and schedules with the Board. The proposed bond financing of this project will come back to the Board for review and approval at the appropriate time. Mr. Lutz then re-joined the meeting.

REPORT OF THE STUDENT AFFAIRS COMMITTEE

Mr. Rocovich called on Mr. Layman for the report of the Student Affairs Committee. (Copy attached for permanent files and marked Attachment P.)

Mr. Layman was highly complimentary of The West End Market dining facility located on the Virginia Tech campus. Mr. Layman also noted that Virginia Tech's comprehensive, housing, and dining fees are easily the lowest in the state of Virginia.

Mr. Layman reported that one of the positions eliminated with the reorganization of the Division of Student Affairs is that of the Dean of Students.

REPORT OF THE AD HOC COMMITTEE ON REVISIONS TO THE BOARD OF VISITORS' BY-LAWS

Mr. Rocovich called on Mr. Layman for the report of the Ad hoc Committee on Revisions to the Board of Visitors' By-Laws. (Copy attached for permanent files and marked Attachment Q.)

As part of the Ad hoc Committee on Revisions to the Board of Visitors' By-laws report, action on the Resolution for Revisions to the By-Laws of the Board of Visitors was postponed to the November 3, 2003, Board of Visitors meeting because of some new changes that had been made the previous day at the suggestion of a Board member.

Mr. Carr encouraged new Board members to review page 2 of the proposed resolution pertaining to the addition of a new section 4A to Article 1 of the By-laws. Mr. Carr commented that this paragraph, especially as it refers to amendments for a motion, should not become a By-laws change but instead should be distributed to Board members as procedural guidelines for their use. Mr. Carr also noted that changing By-laws is very serious and should not be taken lightly. Mr. Carr feels that this Article restricts the Board's ability to have open discussion and change resolutions once they are brought before the Board.

Speaking in support of the resolution, Mr. Thompson said that he feels that the language does provide sufficient flexibility for emergency situations to be addressed and does not tie the Board's hands with regard to those matters that are urgent. His primary concern was ensuring that the Board would have sufficient time for consideration of complex matters that require substantial study and perhaps outside counsel, when necessary.

Mr. Rocovich shared that the proposals would be circulated again for discussion and action at the November 3 meeting.

REPORT OF THE AD HOC COMMITTEE ON THE NARROW-TAILORING CONCEPT

Mr. Rocovich called on Mr. Davenport for the report of the August 24, 2003, meeting of the Ad hoc Committee on the Narrow-Tailoring Concept. (Copy attached for permanent files and marked Attachment R.) Mr. Davenport reported that an open information session is scheduled for the university community on November 10. This will assist the Board with interaction with the campus and with people who are deeply interested in how the university will go forward and deal with this very complex issue. Mr. Davenport will give an update at the November 3 Board of Visitors meeting.

PRESIDENT'S REPORT ITEMS FOR BOARD APPROVAL AND INFORMATION

Mr. Rocovich called on President Steger for his report.

President Steger shared information from Secretary of Technology George Newstrom regarding the Commonwealth of Virginia's Information Technology Symposium (COVITS) to be held at The Hotel Roanoke in late September. Virginia Tech is a lead partner and major sponsor. In addition to Dr. Steger, there are some very prominent speakers, including former British Prime Minister John Major, General H. Norman Schwarzkopf, and other leaders in government and the IT industry. The symposium is completely sold out.

As part of the President's report, the following resolutions were moved by Mr. Davenport, seconded by Mr. Lutz, and were approved unanimously:

Resolutions of Appreciation (5)

Donald R. Johnson
William C. Latham
Beverly H. Sgro
Bruce B. Smith
Joseph W. Wampler

That the resolutions recognizing these individuals for their service as members of the Board of Visitors be approved. (Copy filed with permanent files and marked Attachment S.)

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As part of the President's report, the following resolution was moved by Mr. Thompson, seconded by Mr. Lutz, and was approved unanimously:

Resolution for Ratification of the Revised Policy on Commemorative Tributes

That the resolution revising the Policy on Commemorative Tributes be approved. (Copy attached for permanent files and marked Attachment T.)

Dr. Flanagan commented that the proposed revisions to the policy were developed in the context of campaign planning and to reflect current practices. It also better articulates the criteria for naming opportunities.

President Steger noted that passage of the resolution results in the Vice President and Chief Operating Officer of the Virginia Tech Foundation (Dr. Raymond Smoot) being added as a ninth member of the committee. This would give the Foundation formal representation on the committee.

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Reports from Constituency Representatives

Dr. Diane Zahm, President, Faculty Senate

Mr. Allan Bradley, Undergraduate Student Representative to the Board of Visitors

Ms. Myrna Callison, Graduate Student Representative to the Board of Visitors

(Copy attached for the permanent file and marked Attachment U.)

Motion to begin Closed Session

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

1. Appointment of faculty to Emeritus status, the consideration of individual salaries of faculty, consideration of Endowed Professors, approval of the conflict of interest report, review of departments where specific individuals' performance will be discussed, and consideration of personnel changes including appointments, resignations, and salary adjustments of specific employees.
2. The status of current litigation and briefing on actual or probable litigation.
3. Consideration of special awards.

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

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

Motion to Return to Open Session

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

Mr. Lutz made the following motion:

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

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

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

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

On recommendation of Mr. Rocovich, and after motion by Mr. Thompson and second by Mr. Lutz, unanimous approval was given to the resolutions for approval of **Emeritus Status** (11), as considered in Closed Session. (Copies attached for the permanent file and marked Attachment V.)

On recommendation of Mr. Rocovich, and after motion by Mr. Thompson and second by Mr. Lutz, unanimous approval was given to the resolutions for approval of **Endowed Professorship** (2), as considered in Closed Session. (Copy attached for the permanent file and marked Attachment W.)

On recommendation of Mr. Rocovich, and after motion by Mr. Thompson and second by Mr. Lutz, unanimous approval was given to the resolutions for approval of **Faculty Leaves: Study-Research** (3) as considered in Closed Session. (Copies attached for the permanent file and marked Attachment X.)

On recommendation of Mr. Rocovich, and after motion by Mr. Thompson and second by Mr. Lutz, unanimous approval was given to the resolution for approval to **Change of Duty Station** (1), as considered in Closed Session. (Copy attached for the permanent file and marked Attachment Y.)

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

On recommendation of Mr. Rocovich, and after motion by Mr. Lutz and second by Mr. Thompson, approval was given to the **Research and Development Disclosure Report** as considered in Closed Session. (Copy attached for the permanent file and marked Attachment AA.)

On recommendation of Mr. Rocovich, and after motion by Mr. Lutz and second by Mr. Thompson, approval was given to the **Resolution for Approval of Bonuses for 2003 Big East Golf Championship** as considered in Closed Session. (Copy attached for the permanent file and marked Attachment BB.)

**LITIGATION REPORT
CLOSED SESSION ITEM**

Heard Litigation Report. No Board Action Required.

Dates for the next meeting are November 2-3, 2003.

On recommendation of Mr. Rocovich, and after motion by Mr. Thompson and second by Mr. Lutz the meeting adjourned at 4:15 p.m.

[REDACTED]

John G. Rocovich, Rector

[REDACTED]

Kim O'Rourke, Secretary

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Minutes of the Academic Affairs Committee
August 25, 2003

Board members present: Ben Davenport, Hemant Kanakia, Sandy Lowe, Myrna Callison. John Rocovich also attended a portion of the meeting.

Guests: Mark McNamee, David Ford, Patricia Hyer, Dixon Hanna, Rene Armstrong, John Dooley, Karen DePauw, Sam Easterling, Rachel Holloway, Matt McAllister, Linda Woodard, Tom Dingus, Gerhardt Schurig, Ellen Plummer, Ben Dixon, and Kevin Miller.

OPEN SESSION:

Minutes of the June 2, 2003 meeting of the Academic Affairs Committee were approved with no changes.

Mark McNamee oriented new committee members to the routine and special issues that are within the general purview of the Academic Affairs Committee. He reviewed some of the major items dealt with by the committee last year, including restructuring of colleges and departments; diversity; and new academic, research, and outreach initiatives. A few final restructuring efforts will be brought to the Board for ratification in November. Details of the faculty search process were described, including efforts to make committees more diverse, and the instances where the requirement to conduct a search may be waived. The Provost briefly reviewed some of the impacts of the budget reductions. Committee members expressed an interest in monitoring impacts on students and faculty over the coming year.

Rachel Holloway, department chair in Communication, presented the proposal for a spin-off M.A. degree in Communication, which is currently a track within the existing M.A. in English. A separate degree will be more attractive to the best students and prospective employers. The 36-credit hour program is expected to remain relatively small, given the limited resources available. The program makes a unique and important contribution to programs in the Commonwealth by its emphasis on communication research. A motion to approve the Master of Arts in Communication was made and seconded. The motion was approved.

Linda Woodard, assistant vice president for personnel services, gave an overview of the revised policy on employee awards and recognition programs. The policy outlines expectations for proposed employee reward programs and authorizes the Provost and Executive Vice President to approve such programs in their respective areas. An amendment to the draft policy requiring ratification by the Board of only those awards and bonuses equal to or greater than \$5,000 was discussed and approved, pending agreement by the Finance and Audit Committee. A motion to approve the amended resolution was made and seconded. The motion was approved.

Tom Dingus, interim director of the Institute for Critical Technology and Applied Science (ICTAS), described the mission of the newly formed institute as providing “an innovative organizational and financial structure that fosters collaboration and substantial growth in the sponsored research activities of promising engineering and science disciplines.” The institute is not expected to have a teaching mission or its own academic program, but rather to develop new, multidisciplinary research enterprises. Early participants in the institute are expected to be selected research programs within biomedical engineering, information technology, and nanosciences and nanotechnology. Faculty proposals for institute support have been solicited and are now being evaluated. ICTAS programs are expected to be housed primarily in three buildings: two located between Durham and Randolph, and a third located near the life science corridor. Committee members expressed interest in learning more about the Institute and its development, given the strategic role it will play in enhancing the university’s research capability in several broad areas.

Gerhardt Schurig described a second major research initiative, recently formulated as the Institute for Biomedical and Public Health Sciences (IBPHS). The institute is an outgrowth of discussions underway for several years about how to encourage information sharing and collaborative research among the biomedical scientists currently dispersed among a number of departments and several colleges. In so doing, it is expected that Virginia Tech will be more competitive for major grants from the National Institutes of Health. Five focal areas have been identified for the institute: molecular and cellular regulation; infectious diseases and immunology; food, nutrition, and health; genomic sciences; and neurosciences. The institute is expected to help determine strategic investments that must be made in new faculty appointments, laboratories, and graduate students in order to increase our capacity for carrying out major biomedical research projects and attracting larger-scale extramural funding.

A resolution to reappoint two current members and to appoint one new member to the Virginia Coal and Energy Research and Development Advisory Committee was presented. A motion was made and seconded to accept the recommendations for appointment. The motion was approved.

CLOSED SESSION:

Sandy Lowe moved that the committee convene in closed session. The motion was seconded and approved. Issues included approval of recommendations for conferral of promotion and tenure, emeritus status, appointments to endowed professorships, faculty leaves, a change of duty station, and ratification of the research and development disclosure report and faculty personnel changes reports. The recommendations were approved. The committee then formally certified termination of the closed session.

MASTER OF ARTS IN COMMUNICATION

WHEREAS, communication as an academic discipline, as an economic sector, and as an area of emphasis for students has experienced significant growth over the past two decades; and

WHEREAS, many management positions in the communication and media professions require or strongly favor advanced research degrees for employment and advancement; and

WHEREAS, the shortage of Ph.D. candidates in communication for college-level teaching positions indicates a need for more “feeder” programs at the Master’s level; and

WHEREAS, there are few communication Master’s programs in the Commonwealth of Virginia, and none that focus on communication research in both public and mass communication contexts; and

WHEREAS, the proposed communication Master’s program supports the strategic goals of Virginia Tech, specifically to “Increase the number and breadth of graduate programs in the humanities, fine arts, and social sciences”; and

WHEREAS, the great majority of Virginia Tech’s peer institutions have significant graduate programs in communication; and

WHEREAS, the current program, a communication studies option in the M.A. program in English in existence since Fall 1999, has successfully graduated students and placed them in Ph.D. programs and employment, and has experienced a significant increase in applications; and

WHEREAS, the current English diploma granted by the option restricts the attractiveness of the program for top quality students specifically interested in communication programs; and

WHEREAS, the spin-off program would require no new resources to maintain at the current level;

THEREFORE, be it resolved that the Master of Arts in Communication be approved and the proposal forwarded to SCHEV for approval.

RECOMMENDATION:

That the above resolution be approved.

PROPOSAL SUMMARY M.A. IN COMMUNICATION

Program Overview

The Master of Arts Degree in Communication at Virginia Tech is a 36-hour degree program that will offer students advanced study in public and mass communication research from a variety of theoretical and methodological perspectives. Two areas of emphasis in communication research -- media studies and public advocacy -- are offered, each influenced by the latest trends in communication scholarship and communication technology. Media studies include such sub-areas as mass media effects, mediated technology and society, and media criticism; public advocacy explores public relations and political communication research. The M.A. in Communication will prepare graduates to pursue research positions in communication industries, advanced teaching careers, advanced careers as communication professionals, and doctoral studies in Communication.

Total enrollment for the spin-off program is anticipated to range between 12-16 students. Currently an option in the Department of English, ten 20-hour Graduate Teaching Assistantships are dedicated to the program. These positions will transfer to the stand-alone program. In addition, the Department will continue to offer three to four graduate courses each semester, as it has since Fall 1999. No new resources for additional faculty or graduate funding will be needed for this program.

This program responds to the current need for increased training in communication research by industry and not-for-profit sectors as well as the need for additional communication faculty in higher education. In addition, given trends in employer and undergraduate student interest in communication industries and activities, it is anticipated that the need for employees with advanced communication research skills and faculty members specializing in communication research will continue to increase.

Current Master's Option in English and Advantages of a Separate Degree Program

The M.A. in Communication at Virginia Tech is a spin-off of and very similar to the program being offered as an option in the graduate program in the Department of English, an option that has been in place since Fall 1999. This option was originally created to allow Communication a chance to grow the program and to establish its viability. Graduate-level courses for the program in communication were granted full approval through university governance when the existing program option was created. Both the Departments of Communication and English endorse the move at this time to stand-alone status. The spin-off program developed from this option will result in the closure of the current communication studies option in the Department of English. However, the removal of the communication studies option from English should not adversely affect the remaining M.A. degree program in English given its significant enrollment and graduation rates.

Over the several years that the communication option has been available, the number and quality of applicants has increased. The department has been able to offer a program focus of interest to both students and employers that does not duplicate the specialties of other master's programs in the Commonwealth and builds on the special strengths of the faculty. However, for many students whose goals include an advanced degree in communication, the option in English is unattractive for at least two reasons: 1) the degree title does not reflect to potential employers or Ph.D. programs that the master's degree was truly focused on communication, and 2) because it is a degree in English, the option currently requires at least six hours of coursework from the English department. The graduate offerings in English, often literature or literary criticism courses, are not especially relevant cognates for those pursuing a degree focused on public and mass communication research. Sociology, psychology, instructional technology, or other social science disciplines may be far more appropriate as cognate coursework. These concerns often deter the best students from applying for the program. A separate degree program helps overcome the limitations of the current option, allowing the faculty to attract better students and to build more coherent plans of study.

It should be noted that the faculty has already seen benefits to their own research and publication by availability of a graduate program in the department and the growing strength of students. About half of the graduate students are pursuing a thesis option that has already resulted in several joint publications and an expansion of faculty research capacity. This is a very important benefit of the graduate program for faculty recruitment and productivity.

Program Requirements

The Master of Arts in Communication may be earned via two different tracks (thesis and non-thesis). The thesis track is designed for those students wishing to develop analytic research skills before pursuing a Ph.D. or professional career. The non-thesis track is designed for students wishing to advance a professional career through a more applied research project and additional coursework. Both the thesis and non-thesis options require completion of at least 36 credit hours and a substantial learning experience conducted outside the classroom. Both also require a themed cognate developed by taking nine hours of research-oriented non-Communication courses.

Learning Outcomes and Assessment

It is expected that graduates of the program will be knowledgeable about a range of scholarship, theories and methods in communication research, and will be able to apply previous scholarship, theories and methods to specific communication problems and research questions. It is also expected that graduates will be able to present the results of original research in a professional and scholarly manner, whether in oral or written form. Graduates in the thesis track will be prepared to begin work in doctoral study in communication and related disciplines. Graduates in the non-thesis track will be

prepared to address and research communication phenomena in a variety of applied contexts.

To assess these learning outcomes, each candidate for a master's degree must pass a final oral and/or written examination. The purpose of the final examination is to ensure that all graduates display a working mastery of the core concepts of communication studies. Thesis-option students will satisfy this requirement through a successful oral defense of the thesis. Non-thesis option students will complete a four-hour written comprehensive examination. In addition, non-thesis option students will orally present in a public forum a summary of their required "practicum" experience, which typically will be a graduate-level internship or an applied project.

Benchmarks of Success

Building upon the foundation of success already established by the option, the program will continue to admit six to eight new students each year, with the expectation that full-time students will complete their degrees within two years of matriculation.

Assessment of the overall success of the stand-alone program will be conducted by collecting data on a variety of areas including:

- Number of applications and admissions profiles for the program;
- Number and location of inquiries about the program;
- Success rates for passing the final examination for thesis and non-thesis options;
- Graduation rates and average time needed to complete the program;
- Graduate placement in Ph.D. programs and industry/non-profit employment positions;
- Continued career paths for graduates long after graduation;
- Placement of student research in conference and publication venues;
- End-of-semester student evaluations for every course;
- Exit surveys of graduates.

Key benchmarks to be achieved by the target year, 2008-2009, are:

- Number of students enrolled in the program: 13 FTEs per year;
- Number of graduates: six graduates per year.
- Satisfaction of graduates: 75% of graduates will be satisfied or very satisfied with their master's program as measured by either exiting surveys or alumni surveys two years out.

These are modest goals in keeping with the current tight resource base of the college and department. There is every expectation that the benchmarks will be achieved or exceeded. To date, all graduates of the Communication Option have found employment in communication-related positions (six) or have been admitted to Ph.D. programs (four).

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

The Virginia Coal and Energy Research and Development Advisory Committee was established in 1977 by the enabling legislation for the Virginia Center for Coal and Energy Research. The charter for the center requires approval by the Board of Visitors for new appointments and changes in the membership of the advisory committee. Following are requests for a new appointment and re-appointments to serve through 2007.

New Appointment:

A proposed new member of the Advisory Committee is Dr. Ramon Espino. Dr. Espino is currently Research Professor of Chemical Engineering at the University of Virginia. He served in various leadership capacities at Exxon beginning in 1973 until 1998. Dr. Espino was manager of process development at Chem Systems, Inc. from 1968-1973.

Dr. Espino is an active member of the American Chemical Society, American Institute of Chemical Engineers (AIChE), former chair of the Awards Committee (AIChE), the Universities Space Research Association, and the National Research Council Committees on Fossil Fuel Research, Mitigation of Greenhouse Gases.

Dr. Espino received his B.S. in Chemical Engineering from Louisiana State University in 1964, his M.S. in Chemical Engineering from Massachusetts Institute of Technology in 1966, and his Sc.D. in Chemical Engineering from Massachusetts Institute of Technology in 1968.

Reappointments:

Mr. J. W. (Bill) Fox, Jr., who serves as the Senior Vice President, Coal Services for Norfolk Southern Corporation, has served on this board since 1996.

Mr. Charles S. Yates, who serves as Executive Director of the Virginia Coalfield Economic Development Authority, has served on this board since 1992.

RECOMMENDATION:

That Dr. Ramon Espino be appointed as a new member, and that Mr. J. W. (Bill) Fox, Jr. and Mr. Charles S. Yates be re-appointed to the Virginia Coal and Energy Research and Development Advisory Committee until 2007.

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

August 25, 2003

Donaldson Brown Hotel and Conference Center

PRESENT

Board of Visitors Members:

Mr. Mitchell O. Carr
Mr. John R. Lawson, II
Mr. A. Ronald Petera
Mr. James W. Severt, Sr.

VPI & SU Staff:

Mr. William M. Elvey
Mr. Z. Scott Hurst
Ms. Terri T. Mitchell
Ms. Elizabeth D. Reed
Dr. Raymond D. Smoot, Jr.

Guests:

Mr. James Burke, Blacksburg Resident
Dr. Andrew Dolloff, Department of Fisheries and Wildlife
Dr. Elizabeth Flanagan, Development and University Relations
Dr. Patricia Flebbe, Department of Fisheries and Wildlife
Mr. Tom Gabbard, Athletics
Mr. Jeff Hyder, Moseley Architects
Mr. Jim McCoy, Capital Design and Construction
Mr. George Nasis, Moseley Architects
Ms. Sarah S. Newbill, University Relations
Mr. Puraj Patel, Student Government Association
Mr. Ben Stindt, HOK Sport
Mr. Adams Sutphin, Train & Partners, Architects
Mr. Jim Weaver, Athletics

OPEN SESSION

Opening Comments: Mr. Carr called the meeting to order at 8:00 a.m. Mr. Lawson moved the Committee enter into Closed Meeting to discuss the acquisition, use, or disposition of real estate; pursuant to §2.2-3711.3, Code of Virginia, as amended. The motion passed unanimously.

CLOSED MEETING

The Committee met in a Closed Meeting to discuss the acquisition, use, or disposition of real property. Mr. Petera moved the Committee be reconvened in Open Session at 9:00 a.m. The motion passed unanimously. The Committee members individually certified that, pursuant to §2.2-3712, the Closed Meeting was conducted in conformity with the Code of Virginia.

OPEN SESSION

1. **Report of Closed Meeting:** Mr. Carr reported that the Committee met in Closed Meeting to discuss acquisition, use, or disposition of real property. No actions were taken.
2. **Approval of Minutes:** The minutes of the July 17, 2003 meeting were unanimously approved.
3. **Design Review of Lane Stadium West Side Expansion:** Architects presented the design for the Lane Stadium West Side Expansion project. The Committee expressed pleasure with the overall appearance and asked that additional Hokie stone be incorporated in the press box and tower areas. The Committee approved the design.
4. **Discussion of Hubbard Street/Southgate Drive Letter:** Dr. Smoot discussed the recent letter from some Blacksburg citizens concerning the canceled Hubbard Street/Southgate Drive project. He reported that the decision to cancel the project was made by the Town of Blacksburg and the Virginia Department of Transportation because the funds available were not sufficient to undertake the project and the Town desired to redirect the funds to other priorities. A representative of the Southgate/Airport Road neighborhood spoke to the committee about neighborhood concerns about traffic. Mr. Lawson moved that the university administration work with the Town of Blacksburg and the Virginia Department of Transportation to provide alternatives for access to and egress from the campus to reduce passage through adjacent neighborhoods and to reduce traffic congestion on the campus. The motion was seconded, and passed unanimously.
5. **Schematic Design Review of Fisheries and Aquatics Laboratory:** The project architect presented the schematic design for the Fisheries and Aquatics Laboratory project. The Committee approved the schematic design, and requested that consideration be given to making the building more visually appealing by using varied block colors or patterns. The Committee also requested that the university determine the feasibility of combining this structure with the Agriculture/Natural Resources building that is currently under construction, and combine these facilities if feasible and desirable. Dr. Smoot

agreed to have this assessment made promptly and to advise the Committee of the outcome.

- 6. Discussion of Capital Projects Review:** The Committee reviewed the proposal regarding the role of the Buildings and Grounds Committee in the capital project review process. The Committee approved the proposal.
- 7. Capital Outlay Project Status Report:** The Committee reviewed the status of all capital projects in design or under construction. These included 8 projects in the design phase and 10 under construction. Mr. Hurst reported that consideration is being given to combining the Biology Building and Vivarium Facility projects into a single structure, and the Committee expressed its support and preference for this approach if it is determined to be feasible. Mr. Hurst also reported that DEQ has accepted the voluntary remediation plan required to construct the Building Construction Learning Lab on the site behind Cowgill Hall. Design will proceed utilizing this site, with construction currently authorized to begin in the Fall of 2005. Mr. Lawson noted that site preparation should be completed under a separate contract and staff agreed.
- 8. Resolution for Sale of Timber at Southern Piedmont Agricultural Research and Extension Center:** The Committee reviewed the resolution for the sale of timber on approximately 207 acres of property at the Southern Piedmont Agricultural Research and Extension Center. The Committee recommended the resolution for full Board approval.
- 9. Resolution for Town of Blacksburg Huckleberry Trail:** The Committee reviewed the resolution for the operation and maintenance agreement of The Huckleberry Trail, a recreational facility owned and maintained cooperatively by the Town of Blacksburg, Montgomery County, and the Town of Christiansburg. The Committee recommended the resolution for full Board approval.
- 10. Resolution for CoxCom, Inc. d/b/a/ Cox Communications Northern Virginia:** The Committee reviewed the resolution for an easement request to the City of Falls Church to permit CoxCom, Inc. to provide cable across university-leased land at its Northern Virginia Center on Haycock Road in Falls Church, Virginia. The Committee recommended the resolution for full Board approval.

JOINT SESSION WITH FINANCE AND AUDIT COMMITTEE

- 11. Report on Athletic Revenues:** The Committees received a report on Athletic revenues in response to a request at the June 2003 Finance and Audit Committee meeting for further details of the revenue earned by the Athletic Department. The analysis displays the financial performance of the Virginia Tech Athletic Department for years 1998-99 through 2003-04 on an accrual basis and reflects growth in revenues from \$20.8 million to \$33.9 million budgeted for 2003-04. As a result of growth in revenues from programs and

sound management, the Athletic Department has maintained a balanced budget throughout this period and has in most years contributed money to their reserves.

12. Resolution on Lane Stadium West Side Expansion Project: Mr. Lutz recused himself from discussion and recommendation regarding the expansion of the West Side Expansion Project due to possible conflict of interest, and left the room. The university has an appropriation and debt authorization to expand the West Side of Lane Stadium. The Board has previously authorized the university to complete the planning for this project, and the university requested authorization to proceed with the construction phase of the project at this time. The projected project cost is \$52.5 million and with capitalized interest during construction will result in a debt authorization of \$56.9 million to be repaid over a 25-year period. The plan includes a requirement for \$15 million in private funds, a pledge of the \$3 per ticket stadium-wide Capital Assessment fee for six years, and a debt service reserve of at least three times the annual debt service.

In reviewing and discussing the plans, the Committees suggested that security considerations include terrorist vulnerability.

The Committees reviewed and accepted a resolution regarding the West Wide Expansion Project. The resolution authorizes the initiation of the bid process and subsequent construction of the West Side Expansion Project. The Committees recommended the resolution to the full Board for approval.

The meeting of the Buildings and Grounds Committee adjourned at 11:35 a.m.

Respectfully submitted,

Raymond D. Smoot, Jr.

RESOLUTION FOR EXPANSION OF THE VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY POLICY STATEMENT GOVERNING EXERCISE OF POST-APPROPRIATION AUTHORITY FOR NON-GENERAL FUND CAPITAL PROJECTS TO INCLUDE SELECTED GENERAL FUND PROJECTS

WHEREAS, the 1996 General Assembly granted increased authority to Virginia Polytechnic Institute and State University in the area of university-wide non-general fund capital outlay projects and such authority has been continued by subsequent legislation action; and,

WHEREAS, the General Assembly of Virginia, during the 2003 Session, enacted legislation providing a pilot program for the delegation of authority to the university in relation to post-appropriation review and approval for certain general fund projects at Virginia Polytechnic Institute and State University as provided in § 4-5.08f of Chapter 1042, 2003 Acts of Assembly; and,

WHEREAS, this delegation provides that the authority delegated to the university may not be exercised until the Board of Visitors adopts an appropriate system of policies, procedures, guidelines, reviews and approvals pursuant to which university officials will be guided in their exercise of the delegated authority; and,

WHEREAS, the Board of Visitors, on June 2, 2003, delegated to the Buildings and Grounds Committee of the Board full authority to adopt such policies, procedures and guidelines on behalf of the Board of Visitors; and,

WHEREAS, the enabling legislation requires that such policies, procedures and guidelines be submitted to the Secretary of Finance and the Secretary of Administration for their approval by August 1, 2003; and,

WHEREAS, the Board of Visitors on July 11, 1996 approved a "Policy Statement Governing Exercise of Post-Appropriation Authority for Non-General Fund Capital Projects," for the two-year pilot program for post-appropriation review for non-general fund projects, as enacted by the General Assembly during the 1996 Session, and continued by subsequent legislative action; and,

WHEREAS, the system of reviews, approvals, policies, procedures and guidelines included in the "Policy Statement Governing Exercise of Post-Appropriation Authority for Non-General Fund Capital Projects" has provided for the efficient and businesslike administration of non-general fund capital projects subsequent to completion of the appropriation process; and,

WHEREAS, the 1996 "Policy Statement Governing Exercise of Post-Appropriation Authority for Non-General Fund Capital Projects" has been revised to include general fund projects, and is now titled "Policy Statement Governing Exercise of Post-Appropriation Authority for Selected General Fund and Non-General Fund Capital Projects;" and,

WHEREAS, the Committee, on behalf of the Board of Visitors, finds that the proposed "Policy Statement Governing Exercise of Post-Appropriation Authority for Selected General Fund and Non-General Fund Capital Projects," attached hereto, constitutes the

required system of reviews, approvals, policies, procedures and guidelines prescribed by the enabling legislation and is otherwise appropriately designed to provide for the efficient and businesslike administration of selected general fund and non-general fund capital projects subsequent to completion of the appropriation process;

RESOLVED that the "Policy Statement Governing Exercise of Post-Appropriation Authority for Selected General Fund and Non-General Fund Capital Projects," attached hereto, is approved; and,

RESOLVED FURTHER that the President be delegated the authority (1) to implement the Policy Statement in the manner he deems most appropriate; (2) to delegate further to his designee the administrative responsibility to implement and assure compliance with the Policy Statement; (3) to take such steps as he may deem necessary and reasonable to secure approval of the Secretaries of Finance and Administration for those portions of the Policy Statement relating to general fund capital projects; and (4) to approve any minor changes in the Policy Statement where necessary to secure the foregoing approvals, which changes, if any, shall be reported to the full Board of Visitors.

RECOMMENDATION:

That the above resolution recommending approval of the "Policy Statement Governing Exercise of Post-Appropriation Authority for Selected General Fund and Non-General Fund Capital Projects," and authorizing the President the authority (1) to implement the Policy Statement in the manner he deems most appropriate; (2) to delegate further to his designee the administrative responsibility to implement and assure compliance with the Policy Statement; (3) to take such steps as he may deem necessary and reasonable to secure approval of the Secretaries of Finance and Administration for those portions of the Policy Statement relating to general fund capital projects; and (4) to approve any minor changes in the Policy Statement where necessary to secure the foregoing approvals, which changes, if any, shall be reported to the full Board of Visitors, be approved.

**RESOLUTION FOR EXPANSION OF THE VIRGINIA POLYTECHNIC INSTITUTE
AND STATE UNIVERSITY POLICY STATEMENT GOVERNING EXERCISE OF
AUTONOMY IN LEASES OF REAL PROPERTY TO INCLUDE OPERATING LEASES,
INCOME LEASES AND CAPITAL LEASES**

WHEREAS, the 1996 General Assembly granted increased autonomy to Virginia Polytechnic Institute and State University in the area of real property leases and such authority has been continued by subsequent legislation action; and,

WHEREAS, the General Assembly of Virginia, during the 2003 Session, enacted legislation providing for the expansion of the pilot program for real property leases to include approval of income leases; and,

WHEREAS, the General Assembly further authorized Virginia Polytechnic Institute and State University the delegated administrative authority to enter into capital leases on a pilot basis, provided that such capital leases have been specifically authorized by the Governor or General Assembly pursuant to the Appropriation Act and have been reviewed and approved by the Treasury Board; and,

WHEREAS, this delegation provides that the authority delegated to the University may not be exercised until the Board of Visitors adopts an appropriate system of policies, procedures, guidelines, reviews and approvals pursuant to which University officials will be guided in their exercise of the delegated autonomy; and,

WHEREAS, the Board of Visitors, on June 2, 2003, delegated to the Buildings and Grounds Committee of the Board full authority to adopt such policies, procedures and guidelines on behalf of the Board of Visitors; and,

WHEREAS, the enabling legislation requires that such policies, procedures and guidelines be submitted to the Secretary of Finance and the Secretary of Administration for their approval by September 1, 2003; and,

WHEREAS, the Board of Visitors on July 11, 1996 approved a "Policy Statement Governing Exercise of Autonomy in Operating Leases of Real Property," for the two-year pilot program for post-appropriation real property operating lease process, as enacted by the General Assembly during the 1996 Session, and continued by subsequent legislative action; and,

WHEREAS, the system of reviews, approvals, policies, procedures and guidelines included in the "Policy Statement Governing Exercise of Autonomy in Operating Leases of Real Property," has provided for the efficient and businesslike administration of the real property operating lease process; and,

WHEREAS, the 1996 "Policy Statement Governing Exercise of Autonomy in Operating Leases of Real Property," has been revised to include approval of income leases and capital leases, and is now titled "Policy Statement Governing Exercise of Autonomy in Leases of Real Property to Include Operating Leases, Income Leases and Capital Leases;" and,

WHEREAS, the Committee, on behalf of the Board of Visitors, finds that the proposed "Policy Statement Governing Exercise of Autonomy in Leases of Real Property to Include Operating Leases, Income Leases and Capital Leases," attached hereto, constitutes the required system of reviews, approvals, policies, procedures and guidelines prescribed by the enabling legislation and is otherwise appropriately designed to provide for the efficient and businesslike administration of the real property operating, income and capital lease process;

RESOLVED that, based upon the expressed and implied powers of the Board of Visitors to protect and preserve the University's interests and properties, the "Policy Statement Governing Exercise of Autonomy in Leases of Real Property to Include Operating Leases, Income Leases and Capital Leases," attached hereto, is approved by the Committee on behalf of the Board of Visitors; and,

RESOLVED FURTHER that the President be delegated the authority (1) to implement the Policy Statement in the manner he deems most appropriate; (2) to delegate further to his designee the administrative responsibility to implement and assure compliance with the Policy Statement; (3) to take such steps as he may deem necessary and reasonable to secure approval of the Secretaries of Finance and Administration; and (4) to approve any minor changes in the Policy Statement where necessary to secure the foregoing approvals, which changes, if any, shall be reported to the full Board of Visitors.

RECOMMENDATION:

That the above resolution recommending approval of the "Policy Statement Governing Exercise of Autonomy in Leases of Real Property to Include Operating Leases, Income Leases and Capital Leases," and authorizing the President the authority (1) to implement the Policy Statement in the manner he deems most appropriate; (2) to delegate further to his designee the administrative responsibility to implement and assure compliance with the Policy Statement; (3) to take such steps as he may deem necessary and reasonable to secure approval of the Secretaries of Finance and Administration; and (4) to approve any minor changes in the Policy Statement where necessary to secure the foregoing approvals, which changes, if any, shall be reported to the full Board of Visitors, be approved.

**RESOLUTION FOR THE SALE OF TIMBER AT
SOUTHERN PIEDMONT AGRICULTURAL
RESEARCH AND EXTENSION CENTER**

On September 3, 2002, the university acquired approximately 1,181.98 acres of land on the Fort Pickett Military Reservation of Nottoway County, Virginia from the U.S. Department of Education through a public benefit conveyance. The property is the site of the Southern Piedmont Agricultural Research and Extension Center.

The university desires to sell timber on approximately 207 acres within the boundaries of the property and expend the timber proceeds on-site as provided for in its Application for Public Allowance Acquisition dated November 2, 1998.

**RESOLUTION FOR THE SALE OF TIMBER AT
SOUTHERN PIEDMONT AGRICULTURAL
RESEARCH AND EXTENSION CENTER**

WHEREAS, by deed dated September 3, 2002, Virginia Polytechnic Institute and State University acquired from the U.S. Department of Education through a public benefit conveyance approximately 1,181.98 acres of land located on the Fort Pickett Military Reservation of Nottoway County, Virginia (hereinafter "Property"); and,

WHEREAS, this Property is the site of the Southern Piedmont Agricultural Research and Extension Center; and,

WHEREAS, Virginia Polytechnic Institute and State University agreed to use the Property for certain educational purposes as detailed in its Application for Public Allowance Acquisition (hereinafter "Application") dated November 2, 1998; and,

WHEREAS, Section IV.F. of the Application provides for the harvesting of timber on the Property and the use of the timber proceeds; and,

WHEREAS, the university is desirous of selling timber on approximately 207 acres within Lot 3 of the Property as designated on a plat prepared by Maxey-Hines & Associates, P.C. dated December 7, 1999, entitled "Boundary Survey for Virginia Polytechnic Institute and State University"; and,

WHEREAS, the timber proceeds will be expended on-site at the Southern Piedmont Agricultural Research and Extension Center;

NOW THEREFORE BE IT RESOLVED, that the Vice President for Administration and Treasurer, or his successor, be authorized to execute the necessary documents to sell the timber in accordance with applicable statutes of the Code of Virginia. The proceeds from the sale of the timber shall be expended on-site at the Southern Piedmont Agricultural Research and Extension Center in accordance with the provisions in the Application for Public Allowance Acquisition dated November 2, 1998.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Administration and Treasurer, or his successor, to execute the necessary documents to sell the timber and that the timber proceeds be expended on-site at the Southern Piedmont Agricultural Research and Extension Center be approved.

**RESOLUTION FOR TOWN OF BLACKSBURG
THE HUCKLEBERRY TRAIL**

The Huckleberry Trail, a recreational facility owned and maintained cooperatively by the Town of Blacksburg, Montgomery County, and the Town of Christiansburg, crosses the campus of Virginia Polytechnic Institute and State University within the Blacksburg Town limits. The Town of Blacksburg and the university desire to memorialize their agreement for the operation and maintenance of The Huckleberry Trail, and wish to provide for future additions and changes to the Trail.

**RESOLUTION FOR TOWN OF BLACKSBURG
THE HUCKLEBERRY TRAIL**

WHEREAS, The Huckleberry Trail is a recreational facility owned and maintained cooperatively by the Town of Blacksburg, Montgomery County, and the Town of Christiansburg; and

WHEREAS, a portion of The Huckleberry Trail crosses the campus of Virginia Polytechnic Institute and State University within the Blacksburg Town limits and is more particularly described on drawings prepared by the Town of Blacksburg dated August 1, 2003; and

WHEREAS, the Town of Blacksburg and Virginia Polytechnic Institute and State University have cooperated for many years in The Huckleberry Trail Project; and

WHEREAS, the Town of Blacksburg and Virginia Polytechnic Institute and State University wish to memorialize their agreement for the operation and maintenance of The Huckleberry Trail, and wish to provide for future additions and changes to the Trail;

NOW THEREFORE BE IT RESOLVED, that the Vice President for Administration and Treasurer, or his successor, be authorized to execute an agreement with the Town of Blacksburg on the operation and maintenance of The Huckleberry Trail.

RECOMMENDATION

That the above resolution authorizing the Vice President for Administration and Treasurer, or his successor, to execute an agreement with the Town of Blacksburg on the operation and maintenance of the Huckleberry Trail be approved.

**RESOLUTION FOR COXCOM, INC. d/b/a COX
COMMUNICATIONS NORTHERN VIRGINIA**

The Northern Virginia Center desires to have cable connectivity at its site in Falls Church, Virginia, which is partially located on property leased from The City of Falls Church, Virginia to Virginia Polytechnic Institute and State University and the University of Virginia.

CoxCom, Inc. d/b/a Cox Communications Northern Virginia desires to acquire a five-foot (5') easement, comprising approximately 0.01532 acres of land, over leased land at the Northern Virginia Center on Haycock Road in Falls Church, Virginia. The easement is needed to lay, erect, construct, operate and maintain an underground cable plant for the purpose of providing cable services to the Northern Virginia Center.

Virginia Polytechnic Institute and State University has a vested interest in the property as the university and the University of Virginia have an option to purchase said property.

**RESOLUTION FOR COXCOM, INC. d/b/a COX
COMMUNICATIONS NORTHERN VIRGINIA**

WHEREAS, the Northern Virginia Center desires to have cable connectivity at its site in Falls Church, Virginia, which is partially located on property leased from The City of Falls Church, Virginia to Virginia Polytechnic Institute and State University and the University of Virginia; and,

WHEREAS, Virginia Polytechnic Institute and State University has a vested interest in the property as the university and the University of Virginia have an option to purchase said property; and,

WHEREAS, CoxCom, Inc. d/b/a Cox Communications Northern Virginia desires to acquire a five foot (5') easement for the purposes of laying, erecting, constructing, operating, and maintaining an underground cable plant for the purpose of providing cable services to the Northern Virginia Center; and,

WHEREAS, said right-of-way would constitute an easement comprising approximately 0.01532 acres across leased property at the Northern Virginia Center on Haycock Road in Falls Church, Virginia; and,

WHEREAS, said easement is more particularly described on drawings prepared by William H. Gordon Associates, Inc. dated July 10, 2003; and,

WHEREAS, said easement is described as follows:

Beginning at a point on the westerly right-of-way line of Haycock Road, Route 703 (variable width), said point also being N37°12'08"E 8.78 feet from the south easterly property corner of the City of Falls Church property. Thence, departing the westerly right-of-way line of Haycock Road and running through the City of Falls Church property the following courses and distances: N44°16'40"W 121.08 feet to a point; along the arc of a curve to the right 8.50 feet in radius, an arc distance of 12.13 feet the chord of said arc running N03°24'09"W 11.13 feet to a point; N37°28'24"E 4.22 feet to a point; S52°31'36"E 5.00 feet to a point; S37°28'24"W 4.22 feet to a point; along the arc of a curve to the left 3.50 feet in radius, an arc distance of 4.99 feet the chord of said arc running S03°24'09"E 4.58 feet to a point; S44°16'40"E 120.34 feet to a point lying on the westerly right-of-way of Haycock Road. Thence, S37°12'08"W 5.06 feet to the point of beginning and containing 0.01532 acres of land.

WHEREAS, Virginia Polytechnic Institute and State University desires to request The City of Falls Church, Virginia to grant said easement to CoxCom, Inc. d/b/a Cox Communications Northern Virginia;

NOW THEREFORE BE IT RESOLVED, that the Vice President for Administration and Treasurer, or his successor, is authorized to request The City of Falls Church, Virginia to grant said easement to CoxCom, Inc. d/b/a Cox Communications Northern Virginia.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Administration and Treasurer, or his successor, to request The City of Falls Church, Virginia to grant an easement to CoxCom, Inc. d/b/a Cox Communications Northern Virginia be approved.

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

August 25, 2003

AUDIT CLOSED SESSION

PRESENT:

BOARD OF VISITORS: Mr. Jake Lutz, Mr. John Rocovich, Mr. Tom Robertson, Mr. Philip Thompson

VPI&SU STAFF: Mr. Martin Daniel, Ms. Kay Heidbreder, Mr. Stuart Mease, Mr. Minnis Ridenour, Mr. John Rudd, Mr. Dwight Shelton

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

AUDIT AGENDA

PRESENT:

BOARD OF VISITORS: Mr. Jake Lutz, Mr. Tom Robertson, Mr. Philip Thompson, Dr. Diane Zahm – President, Faculty Senate

VPI&SU STAFF: Mr. Mel Bowles, Mr. John Cusimano, Mr. Martin Daniel, Mr. Larry Hincker, Ms. Judy Lilly, Mr. Stuart Mease, Mr. Ken Miller, Mr. Raye Penney, Ms. Carolyn Ratcliffe, Mr. Minnis Ridenour, Ms. Pat Rodgers, Mr. John Rudd, Mr. Dwight Shelton

GUESTS: Mr. Kevin Miller, The Roanoke Times

1. APPROVAL OF ITEMS DISCUSSED IN CLOSED SESSION:

The Committee reviewed and took the following actions on items discussed in closed session: Ratified the Personnel Changes Report, ratified the Research and Development Disclosure Report, and ratified the contractual bonus for the Men's Golf coach.

2. APPROVAL OF MINUTES OF THE JUNE 2, 2003 MEETING:

The Committee reviewed and approved the minutes of the June 2, 2003 meeting.

3. REPORT ON BUSINESS CONDUCT GUIDELINES:

In response to discussions of audit reports and recommendations, the Committee received and accepted a report on the Business Conduct Guidelines. While the university has policies and guidelines that address best practices that are similar to those used by international corporations, the Business Practices Team has identified additional areas for further review in order to improve the communication of, and compliance with, university policy and legal requirements.

The Committee requested that the university evaluate a process to ensure that faculty and staff review relevant handbooks and policies regarding good business practices and ethical behavior. The Committee asked that a recommendation be made at the next regular board meeting.

The Committee accepted the report.

4. REVIEW AND ACCEPTANCE OF UNIVERSITY'S UPDATE OF RESPONSES TO ALL PREVIOUSLY ISSUED INTERNAL AUDIT REPORTS:

The Committee reviewed and accepted the University's update of responses to all previously issued internal audit reports. At the June meeting, the university reported 25 audit comments as remaining outstanding. An additional 37 comments have been issued since the June meeting for a total of 62 comments. As of June 30, 2003, 35 comments have been addressed, leaving 27 comments still in progress.

The Committee accepted the report.

5. REVIEW AND ACCEPTANCE OF UNIVERSITY'S UPDATE OF RESPONSES TO ALL PREVIOUSLY ISSUED EXTERNAL AUDIT REPORTS:

The Committee reviewed and accepted the University's update of responses to all previously issued external audit reports. The 2002 Auditor of Public Accounts (APA) management letter included three recommendations. All of the recommendations except the initiative to develop incentive programs to reward good business practices will be completed by September 30, 2003.

The Committee accepted the report.

6. STATUS REPORT OF RESPONSES TO THE DEPARTMENT OF CHEMISTRY AUDIT:

The Committee received and accepted a status report of responses to the Department of Chemistry Audit which was presented at the June meeting. The large number of recommendations and the overall risk assessment has prompted an increased level of effort by the management of the Department of Chemistry to fully implement all internal audit recommendations in a timely manner. The department has designated a group of five faculty and staff members as the Executive Committee charged with ensuring the timely completion of audit comments, and significant progress has been made on implementing all audit comments and improving internal controls.

The Committee accepted the report.

7. DISCUSSION OF THE CURRENT STATUS OF THE JUNE 30, 2003 AUDIT OF THE UNIVERSITY'S FINANCIAL STATEMENTS:

The Committee received and accepted a report on the current status of the audit of the university's financial statements for 2002-03.

The Committee accepted the report.

8. PRESENTATION, DISCUSSION, AND ACCEPTANCE OF INTERNAL AUDIT DEPARTMENT'S QUARTERLY REPORT AND ANNUAL STATUS REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2003:

The Committee reviewed and accepted the Internal Audit Department's status report for the period ending June 30, 2003. The Internal Audit Department continued to conduct full scope audits, periodic audits, and investigations related to fraud, waste, and abuse. Additionally, the department has focused on the professional development of the staff. In the last fiscal year, 16 planned or requested audits were completed. Internal Audit spent only one-half of the budgeted time investigating reported allegations of fraud, waste and abuse, due to the continuing drop in reports. Internal Audit also conducted periodic audit activities, and Management Services participated in several special projects during the year.

The Committee asked that the university evaluate the relationship between the internal auditing and management services functions and bring a recommendation to the Committee at the next meeting.

The Committee accepted the report.

9. REVIEW AND ACCEPTANCE OF THE 2004 AUDIT PLAN:

The Committee reviewed and accepted the 2004 Audit Plan. Scheduled audits were selected as a result of the extensive risk assessment process completed by the audit staff during the 2003 fiscal year. The audit staff developed a preliminary five-year audit plan, which was presented to the Committee at the June meeting. The proposed audit plan for 2004 has been amended to include the feedback provided by the Committee in June. Seventeen audits are scheduled for the 2003-04 fiscal year; audits not completed in 2003-04 will be carried forward to the next fiscal year.

The Committee accepted the report.

10. REVIEW AND ACCEPTANCE OF THE FOLLOWING INTERNAL AUDIT REPORTS/MEMOS ISSUED:

The Committee reviewed and accepted the following Internal Audit Reports:

A. Network Infrastructure and Services

Mr. Lutz recused himself from discussion of the Network Infrastructure and Services audit and left the room.

The Committee received a report on the audit of Network Infrastructure and Services. The audit indicated that the overall risk exposure is high and that improvements are needed in the areas of inventory control for the warehouse and wage and overtime payments in Printing Services. Management is working to implement corrective action to address audit recommendations.

The Committee accepted the report.

B. Electrical and Computer Engineering

The Committee received and accepted a report on the audit of Electrical and Computer Engineering. The audit indicated that the overall risk exposure is high and that improvements are needed in the areas of accounting, academic records, network security, employee compensation and leave, grants administration, and compliance with university policies and procedures. Management is working to implement corrective action to address audit recommendations.

The Committee accepted the report.

11. REPORT ON USEFUL GUIDING CONCEPTS FROM THE SARBANES-OXLEY ACT:

The Committee received and accepted a report on useful guiding concepts from the Sarbanes-Oxley Act of 2002. Although the Act itself only applies to publicly traded companies, Internal Audit completed a review of the key provisions that are of interest to Internal Auditors for the purpose of highlighting any guiding concepts that might be relevant for consideration at a public institution of higher education. As a result of the review, Internal Audit will develop an Internal Audit Department Charter, which will incorporate the Audit Policy and will discuss the department responsibilities and include performance measures. This Charter will be reviewed by the Executive Management and presented to the Finance and Audit Committee at its November meeting.

The Committee accepted the report.

There being no further business, the meeting adjourned at 11:30 a.m.

Respectfully submitted,

John C. Rudd
Director, Internal Audit & Management Services

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

August 25, 2003

FINANCE CLOSED SESSION

PRESENT:

BOARD OF VISITORS: Mr. Jake Lutz, Mr. John Rocovich, Mr. Tom Robertson, Mr. Philip Thompson

VPI&SU STAFF: Mr. Martin Daniel, Ms. Kay Heidbreder, Mr. Stuart Mease, Mr. Minnis Ridenour, Mr. John Rudd, Mr. Dwight Shelton

FINANCE CLOSED SESSION: The Committee met in Closed Session to review and take action on the quarterly personnel changes report, to review and take action on the Research and Development Disclosure Report, and to review and take action on the 2003 Big East Golf Championship Bonus. The Committee also received a quarterly report on collections matters assigned to the Office of the Attorney General.

FINANCE OPEN SESSION

PRESENT:

BOARD OF VISITORS: Mr. Jake Lutz, Mr. John Rocovich, Mr. Tom Robertson, Mr. Philip Thompson, Dr. Diane Zahm – President, Faculty Senate

VPI&SU STAFF: Mr. John Cusimano, Mr. Martin Daniel, Mr. Larry Hincker, Mr. Stuart Mease, Mr. Ken Miller, Ms. Carolyn Ratcliffe, Mr. Minnis Ridenour, Mr. John Rudd, Mr. Dwight Shelton, Dr. Charles Steger, Ms. Linda Woodard

GUESTS: Mr. Kevin Miller, The Roanoke Times

1. APPROVAL OF MINUTES OF THE JUNE 2, 2003 MEETING:

The Committee reviewed and approved the minutes of the June 2, 2003 meeting.

2. REPORT ON COMMONWEALTH MANAGEMENT STANDARDS:

The Committee received a report on the Commonwealth Management Standards. The university met the Management Standards for institutions of higher education in Virginia for 2002-03. Therefore, unexpended funds for Educational and General programs will be available for expenditure in 2003-04. Additionally, the university is provided flexibility in managing the maximum employment levels.

3. UPDATE ON UNIVERSITY DEBT CAPACITY:

The Committee received and accepted a report on the University Debt Capacity. The university's authorization to incur debt is outlined in Section 9(c) and Section 9(d) of Article X of the Constitution of Virginia. Section 9(c) debt is issued by the State on behalf of the university and is secured by the full faith and credit of the Commonwealth. Section 9(d) debt is issued by the university (or a conduit issuer) and is secured by project revenues and/or the general revenue pledge of the university.

There are two benchmarks that the university's debt ratio is measured against. The first is seven percent or less to secure debt with a pledge of its general revenues. A second tier benchmark is nine percent which, if reached, would result in any new debt being subordinated to existing debt and payable only from project revenues. The university's preliminary debt ratio for FY 2003 is 4.46 percent.

An institution's bond rating is inversely related to its debt ratio, with low bond ratings assigned to those issuers with high debt ratios. As a general rule, rating agencies will use a debt ratio of 10 percent as a flag to review the issuer for a potential rating downgrade.

Current outstanding debt and capital leases of the university total \$188.7 million. Total debt allowed at the seven percent tier is \$395.2 million, which leaves additional debt capacity of \$206.5 million. Total debt at the nine percent tier is \$508.1 million, which leaves additional debt capacity of \$319.4 million.

Anticipated debt that is Board approved and Executive and Legislative authorized for non-general fund projects represents \$166.4 million, which includes \$20.7 million for the Alumni and Hotel Conference Center and will result in a debt ratio of 4.62 percent. The university will carefully review each project in accordance with its debt capacity before coming back to the Board with project authorizations for debt. Each of the debt authorizations being requested at this meeting has been developed in accordance with the university's debt capacity.

As a result of a recent review by Moody's Investors Service, the university has been informed that the university's debt rating has been upgraded from A1 to

Aa3. This upgrade is based on the following: strong student demand, growth in research funding, and significant pricing flexibility.

4. REPORT ON THE EQUIPMENT INVENTORY MANAGEMENT PROCESS:

The Committee received and accepted a report on the equipment inventory management process in response to discussions at the June 2, 2003 meeting of the Finance and Audit Committee. The report provides a summary of the university's policies for fixed assets accounting, transfer of equipment and reporting of surplus property. Efforts are underway to strengthen accountability of university assets.

5. STATUS REPORT ON PLAN TO ACHIEVE 60TH PERCENTILE IN FACULTY SALARIES:

The Committee received a status report on the university's plan to achieve the 60th percentile in faculty salaries. For 2002-03 Virginia Tech had an authorized salary at the 28th percentile of its peer group but actual salaries were at the 20th percentile of the peer group. This is the result of underfunding brought about by budget reductions. In order to achieve the 60th percentile in faculty salaries, a multi-year catch-up approach will be required. The Committee reviewed a four-year plan to increase faculty salaries in order to achieve the 60th percentile by 2007-08.

The Committee discussed concerns about class size and asked that the university develop a plan to share with the Committee at the next meeting.

ITEMS PRESENTED TO THE FULL BOARD FOR APPROVAL

6. APPROVAL OF POLICY ON EMPLOYEE AWARDS AND RECOGNITION PROGRAMS:

The Committee reviewed the university's policy on employee awards and recognition programs. Policy 4335 is being revised to incorporate guidelines for award and recognition programs for both faculty and staff. Whereas classified employees are covered by the Commonwealth's Personnel Act and policies set forth by the state's Department of Human Resource Management, the compensation policies for faculty are established by the university's Board of Visitors. The revised policy describes the process for establishing recognition programs and providing awards, outside of the normal merit process, to faculty and classified staff.

The Committee discussed an amendment to the proposed policy that would delegate approval of awards under \$5,000 to the university, and asked that the university provide a summary report to the Committee as part of the Personnel Changes Report. Further, the cost of the awards program is to be highlighted on the annual budget presented to the Board of Visitors.

The Committee recommended the policy as amended on employee awards and recognition programs to the full Board for approval.

7. 2004-06 APPROPRIATIONS REQUEST:

The Committee received and accepted the 2004-2006 Appropriations Request. It is assumed that faculty and staff salaries and funding for the Equipment Trust Fund and Maintenance Reserve Fund will be addressed as statewide issues by the Governor during the General Assembly. For the University Division, the university's operating budget proposal will be structured to request support for Bioinformatics, provide funding for Base Budget Adequacy to support strategic areas of emphasis (including Instructional Support, Information Technology, and Critical Technologies) and Operation and Maintenance of New Facilities. For the Agriculture Experiment Station and Cooperative Extension Division, requests will be focused on Cooperative Extension's Critical Staffing Initiative and initiatives in Food, Nutrition and Health.

The University is also working with the Department of Planning and Budget on the university's capital outlay submission. In May 2003 the University submitted the Six-Year Capital Outlay Plan. On July 3, 2003 the University was asked to submit complete project descriptions by July 31, 2003 for the following four projects: Health, Safety, Accessibility; Critical Technologies Research Facility; Major Residence and Dining Hall Improvements, and Boiler Pollution Controls.

The Committee recommended the 2004-06 Appropriations Request to the full Board for approval.

8. APPROVAL OF YEAR-TO-DATE FINANCIAL PERFORMANCE REPORT (JULY 1, 2002 – JUNE 30, 2003):

The Committee received the Year-to-Date Financial Performance Report for July 1, 2002 – June 30, 2003. For the fourth quarter, all programs of the university are on target and routine budget adjustments were made to reflect changes in General Fund revenues and reallocations of expenditure budgets in academic and administrative areas.

The annual budget for General Fund revenue includes the direct appropriation to the University and transfers to and from Central Appropriations. During the second quarter, the General Fund for the University Division (Agency 208) was reduced by \$15.6 million, and by \$6.6 million for the Cooperative Extension and Agriculture Experiment Station Division (Agency 229), for the Round 2 budget reduction. In addition, a \$1.0 million appropriation transfer for health insurance premiums was moved from Agency 208 to Agency 229 during the fourth quarter as a technical correction to the state appropriation process. Tuition and Fee revenue was slightly higher than projected because the award of unfunded scholarships was lower than expected. Expenditures in the University Division and Cooperative Extension and Agriculture Experiment Station Division were

slightly less than the total budget due to lower than originally planned activity levels in Bioinformatics, the Veterinary Teaching Hospital, and federally funded activity in Agency 229. Revenue and expenditures for Sponsored Programs were slightly less than projected but significantly ahead of 2001-2002 activity levels as reflected in the annual budget adjustments resulting from growth in research.

Revenues are higher than projected in Residence and Dining Halls due to an increase in dining dollars being deposited into student accounts and strong meal plan sales. Revenues are higher than projected in Intercollegiate Athletics due to higher-than-anticipated football income, parking income, ticket-handling fees from increased on-line ticket orders, and revenue from concessions. Additionally, routine budget adjustments have been made in several auxiliaries to reflect revenue and expenditure changes.

For the quarter ending June 30, 2003, \$35.3 million had been expended for Educational and General and General Obligation Bond Projects, and \$16.3 million had been expended for Auxiliary Enterprises capital projects.

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

9. APPROVAL OF ALUMNI HOTEL AND CONFERENCE CENTER FINANCING RESOLUTION:

The Committee reviewed the Alumni Hotel and Conference Center Financing Resolution. The project budget is \$43.1 million. Of that amount, \$20.7 million has been authorized to be debt financed using 9(d) debt financing. Bonds will be issued through the Virginia College Building Authority, and the university will enter into a loan agreement and promissory note with the Authority.

The Committee recommended the resolution to the full Board for approval.

JOINT MEETING WITH BUILDINGS AND GROUNDS COMMITTEE

PRESENT:

BOARD OF VISITORS: Mr. Mitch Carr, Mr. John Lawson, Mr. Jake Lutz, Mr. Ron Petera, Mr. John Rocovich, Mr. Tom Robertson, Mr. James Severt, Mr. Philip Thompson

VPI&SU STAFF: Mr. John Cusimano, Mr. Martin Daniel, Mr. Bill Elvey, Mr. Tom Gabbard, Mr. Larry Hincker, Mr. Scott Hurst, Mr. Jim McCoy, Mr. Stuart Mease, Mr. Ken Miller, Ms. Sarah Newbill, Ms. Carolyn Ratcliffe, Ms. Elizabeth Reed, Mr. Minnis Ridenour, Mr. John Rudd, Mr. Dwight Shelton, Dr. Ray Smoot, Dr. Charles Steger, Mr. Jim Weaver, Ms. Linda Woodard, Dr. Diane Zahm

GUESTS: Mr. Kevin Miller, The Roanoke Times
Mr. Puraj Patel, Student Government Association
Mr. Ben Stindt, HOK Sport

ITEM NOT PRESENTED TO THE FULL BOARD FOR APPROVAL

10. REPORT ON ATHLETIC REVENUES:

The Committees received a report on Athletic revenues in response to a request at the June 2003 Finance and Audit Committee meeting for further details of the revenue earned by the Athletic Department. The analysis displays the financial performance of the Virginia Tech Athletic Department for years 1998-99 through 2003-04 on an accrual basis and reflects growth in revenues from \$20.8 million to \$33.9 million budgeted for 2003-04. As a result of growth in revenues from programs and sound management, the Athletic Department has maintained a balanced budget throughout this period and has in most years contributed money to their reserves.

ITEM PRESENTED TO THE FULL BOARD FOR APPROVAL

11. RESOLUTION ON LANE STADIUM WEST SIDE EXPANSION PROJECT:

Mr. Lutz recused himself from discussion and recommendation regarding the expansion of the West Side Expansion Project due to possible conflict of interest and left the room.

The University has an appropriation and debt authorization to expand the west side of Lane Stadium. The Board has previously authorized the university to complete the planning for this project, and the University is requesting authorization to proceed with the construction phase of the project at this time. The projected project cost is \$52.5 million and with capitalized interest during

construction will result in a debt authorization of \$56.9 million to be repaid over a 25 year period. The plan includes a requirement for \$15 million in private funds, a pledge of the \$3.00-per-ticket stadium-wide Capital Assessment Fee for six years, and a debt service reserve of at least three times the annual debt service.

In reviewing and discussing the plans, the Committees suggested that security considerations include terrorists vulnerability.

The Committees reviewed and accepted a resolution regarding the west side expansion project. The resolution authorizes the initiation of the bid process and subsequent construction of the west side expansion project.

The Committees recommended the resolution to the full Board for approval.

There being no further business, the meeting adjourned at 11:30 a.m.

Respectfully submitted,

Minnis E. Ridenour
Executive Vice President and
Chief Operating Officer

FINANCE AND AUDIT COMMITTEE

Employee Awards and Recognition Programs Policy

In support of the University's effort to reach strategic objectives, it is essential that we develop compensation programs that enable us to recognize the achievements of our faculty and staff. A policy that provides for the recognition of the exemplary performance, leadership, and outstanding service of our employees is an important element of our compensation plan. Whereas classified employees are covered by the Commonwealth's Personnel Act and policies set forth by the state's Department of Human Resource Management, the compensation policies for faculty are established by the university's Board of Visitors. The revised policy describes the process for establishing recognition programs and providing awards to faculty and classified staff outside of the normal merit process. The key elements of the policy are described below.

Authority and Approvals Granted under the Policy

1. The President, Provost, and Executive Vice President are authorized to administer the university's award and recognition policy.
2. The Provost and Executive Vice President have the authority to approve *award programs* for their respective areas. However, the President must approve university-level award programs.
3. Deans, Vice Presidents, and Vice Provosts may submit *award program proposals* for their reporting areas.
4. Deans and Vice Presidents may approve *award payments* within the parameters of the approved program. Award payments to faculty must be ratified by the Board of Visitors at the next regular meeting with the Faculty Personnel Changes report.
5. Several established award programs are coordinated by committees, including President's Awards for Excellence, Alumni Awards for excellence in extension, research, and outreach, and awards for advising and teaching.

Program Design

1. Programs may be established as annual programs, or may be created as a one-time program to recognize extraordinary performance under unique circumstances. Individual or team awards may be granted.
2. Types of awards for faculty and staff include monetary and non-monetary awards, and recognition events. Staff are also eligible for recognition leave under the state's Employee Recognition Policy. The state has defined specific limits on award amounts for classified staff.

Program Administration

1. The policy provides a format for award program proposals, guidance on appropriate use of state, university, and private funds and the application of tax regulations to awards, and procedures for program administration.

2. Award program proposals will be specific, and include such information as eligibility criteria, type of award, award amount, funding source, and nomination and selection process.
3. Special contracts for the procurement of non-monetary awards will be established by the Purchasing Department.
4. Personnel Services and the Controller's Office will review proposals for compliance with state and university policies and provide guidance.

Because state funds may now be used for approved awards programs, many departments and administrative areas that were previously unable to implement awards programs because they did not have private (Foundation) funds will be able to develop award programs under this policy. The university believes that the Employee Awards and Recognition Programs policy will be a positive step in supporting employee morale for all groups.

Subject: Employee Awards and Recognition Programs, Rev. 3

Virginia Polytechnic Institute and State University

Policy and Procedures

Date: December 10, 2002

Revised: August 25, 2003

| | |
|---|---|
| 1. Purpose..... | 1 |
| 2. Policy | 1 |
| 2.1 Awards and Recognition Programs | 2 |
| 2.2 Appropriate Funding Sources | 3 |
| 2.3 Responsibilities | 3 |
| 3.0 Procedures..... | 3 |
| 3.1 Establishing an Awards and Recognition Program..... | 3 |
| 3.2 Approval of Programs | 4 |
| 3.3 Procedures for Payment of Monetary Awards | 4 |
| 3.4 Taxation of Awards | 5 |
| 3.5 Recognition Leave for Classified Employees..... | 5 |
| 3.6 Recognition Events | 5 |
| 3.7 Procurement of Non-Monetary Awards..... | 6 |
| 4.0 Definitions | 6 |
| 5.0 References..... | 7 |
| 6.0 Approval and Revisions | 7 |

1. Purpose

Virginia Tech supports and encourages programs to acknowledge and formally recognize the contributions, exemplary performance, and continuous service of our employees to the university. State employees may only receive compensation, whether from public or private sources, under the authority of approved policies. Whereas classified employees are covered by the Commonwealth’s Personnel Act and policies set forth by the state’s Department of Human Resource Management, the terms and conditions of employment for Teaching and Research and Administrative and Professional Faculty are established by the university’s Board of Visitors. This policy describes the process for establishing recognition programs and providing awards to faculty and classified staff outside of the normal merit process.

2. Policy

Recognition programs for employees may be established in accordance with this policy and the procedures established by the University’s administrative offices. Such programs include annual recognition awards described in the Faculty Handbook and the President’s Awards for Excellence. In addition, colleges and major administrative units may recommend establishment of programs to recognize employees within the college, administrative area, or departments in accordance with the established procedures.

The Board of Visitors authorizes the President, Provost, and Executive Vice President to administer the university's awards and recognition policy. The state's Department of Human Resource Management (DHRM) Policy 1.20, Employee Recognition, provides the authority for the university to establish an awards programs for classified staff. Proposals for recommended awards and recognition programs for both faculty and staff must be submitted by the Dean or Vice President, and approved by the Provost or the Executive Vice President, depending on the reporting relationship.

Other types of one-time payments (e.g., in-band bonuses) for classified staff are described in DHRM Policy 3.05, Compensation, but are not addressed as part of this policy statement on employee awards. Bonuses for individual faculty members outside of the context of an approved award and recognition program or contractual obligation will not normally be approved. Any exceptions must be approved in advance by the President and ratified by the Board of Visitors.

Awards programs may be established for employees to accomplish a number of objectives such as:

- Recognition of outstanding accomplishments or performance in the areas of scholarship, research, creative achievement, teaching, or professional discipline that exceeds performance benchmarks. Several faculty award programs are described in Section 4.15 of the Faculty Handbook.
- Recognition of outstanding service to the university, Commonwealth or nation where such service enhances the reputation of the university and is consistent with the instructional, research and outreach missions of the university.
- Recognition of employees or organizational units whose achievements contribute to the mission, goals, and objectives of the university, college, administrative area, or department.
- Recognition of administrative excellence, leadership, customer service, workplace safety, or other qualities that support institutional goals.

2.1 Awards and Recognition Programs

Awards and recognition programs may be established as annual programs, or may be created as a one-time program to recognize extraordinary performance under unique circumstances. Individual or team awards may be granted.

Awards made to employees under this policy may include one-time cash payments and non-monetary awards; in addition, salaried classified employees may be eligible for recognition leave as defined by DHRM Policy 2.10, Employee Recognition. With the exception of the President's Award for Excellence, award amounts for classified employees must not exceed the limits established by state policy (up to but not greater than \$1,000 cumulative monetary or non-monetary award in a fiscal year, or up to 5 days of recognition leave in a calendar/leave year).

Awards should be appropriate to the significance or impact of the achievement or accomplishment. If non-monetary awards are part of an approved program, the administrator should select such awards with consideration given to the propriety of the award and the appropriate use of state and university resources.

This policy does not authorize the use of university funds to subsidize gifts or social gatherings, other than employee recognition events described in section 3.6 of this policy.

2.2 Appropriate Funding Sources

State or private sources of funding may be used, but the source of funding charged for awards must be appropriate for the employee so as not to create any questionable or disallowed charges. Non-monetary awards must not be charged to a grant or contract; however, overhead accounts may be charged. Use of sponsored funds for awards must have prior approval by the Office of Sponsored Programs (OSP) and the sponsor. Because grants are restricted to specific purposes, OSP will obtain sponsor approval for any awards charges made to grants or contracts. Generally, however, grants would not be considered an appropriate funding source for this program.

2.3 Responsibilities

University administrative offices, including Personnel Services, Purchasing, Office of Sponsored Programs, and the Controller's Office, are responsible for developing procedures and overseeing the implementation and administration of awards programs in accordance with state and university policies, and federal regulations.

The Vice President, Vice Provost, or Dean issuing the award is responsible for assuring that awards are administered in accordance with university policies and procedures and comply with the approved recognition program, that appropriate funding sources are used, and that reward and recognition programs are designed and administered in a non-discriminatory manner.

3. Procedures

Detailed procedures and forms are available on the Personnel Services website (www.ps.vt.edu). Procedures for the procurement of non-monetary awards are available at the Purchasing Department website (www.purch.vt.edu).

3.1 Establishing an Awards and Recognition Program

Each Vice President, Vice Provost, and Dean may propose awards programs for their areas. Generally, programs for awards should be designed and administered consistently across all departments within a college or administrative area. Offices are also authorized to establish university-wide awards programs to recognize significant achievements or efforts. Examples include awards for safety, administrative excellence, or best practices.

An awards program proposal must be developed and approved prior to implementation. Program proposals for recognition events must also be approved. The program proposal must include the following:

- senior management area (college or administrative area)

- program objectives and description of program
- list of participating departments or administrative units
- type of award (monetary or non-monetary; recognition leave – staff only; recognition event); monetary value of award; description and cost of non-monetary awards
- frequency and schedule of recognition program including recognition events
- definition of eligible or participating employees
- description of nomination and selection process to be followed, including criteria upon which award decisions will be made
- number of awards to be presented
- source(s) of funds for the awards and estimated annual budget for the awards program; donated awards must also be indicated
- description of how the award program will be communicated to employees
- required approvals.

The program proposal form is available on the Personnel Services website.

3.2 Approval of Programs

Proposals for recommended programs must be submitted by the Dean or Vice President, and approved by the Provost or the Executive Vice President, depending on the reporting relationship. University level award programs must also be approved by the President.

The written plans for all awards programs must be reviewed by Personnel Services for adherence to the state and university policies prior to implementation. Awards given to non-exempt employees may potentially increase the departments' overtime liability. Personnel Services will notify the departments if their program will result in overtime liability. Each proposal that includes non-monetary awards will also be reviewed by the Controller's Office to determine the application of tax regulations to the award.

Personnel will assign a reference number to each approved program, which will allow the Controller's Office or the Foundation to pay the bills related to the program. Personnel Services will notify the office of the Dean, Vice Provost, or Vice President when the proposal has been approved. Copies of all approved recognition programs will be maintained in Personnel Services, available for review by Internal Audit, Purchasing, and the Controller's Office.

3.3 Procedures for Payment of Monetary Awards

Certain university-level awards, defined in the Faculty Handbook, have been approved to be paid directly using checks issued by the Foundation. These include, but are not limited to, the Awards for Teaching and Advising, Awards for Research, Extension, Public Service, and Outreach, and President's Awards for Excellence. All other checks must be issued through the university's payroll process and taxed accordingly, regardless of source of funding. In the event that a check is issued (and taxes are not deducted) by other than the University Payroll Department, such as Foundation checks, the issuing department should inform the recipient at the time the award is issued that the monetary award is taxable. Questions concerning taxes should be directed to Payroll. Monetary awards using Foundation funds must be charged to the department and handled as an expense reimbursement. Payroll will also notify the employee that taxes will be withheld from the employee's next regular paycheck.

Award payments to faculty made within a program's approved limits must be approved by the appropriate Dean, Vice Provost, or Vice President; awards of \$5,000 or greater must be ratified by the Board of Visitors at the next regular meeting. Award payments to classified staff made within a program's approved limits must be approved by the appropriate Dean, Vice Provost, or Vice President.

Forms and procedures for making award payments are provided on the Personnel Services website (www.ps.vt.edu).

3.4 Taxation of Awards

All monetary awards (including gift certificates) paid to university employees are subject to taxes in accordance with Internal Revenue Service (IRS) tax regulations. Deductions for requisite taxes will be taken from the employee's next regular university paycheck. Departments may not increase the award totals to compensate for the taxes to be deducted from the employee's pay.

The University Controller is responsible for determining whether non-monetary awards are taxable in accordance with IRS regulations. Because non-monetary awards exceeding the University's established de minimis amount would usually be taxed regardless of source of funding, managers are advised not to exceed this limit because of the tax burden to the employee (see Payroll procedure on De Minimis Awards). However, some non-monetary items given as recognition, such as engraved plaques or framed certificates, sometimes have a cost that exceeds the value of the award. The Controller's Office will determine whether such non-monetary awards are subject to tax when they review each program proposal. The same restrictions and requirements apply to donated awards.

3.5 Recognition Leave for Classified Employees

Under an approved awards program, salaried classified employees may be granted up to 5 days of recognition leave in a calendar (leave) year. Recognition leave lapses within 12 months from the date it is awarded, but is paid out if the employee separates before the leave lapses.

Departments must pay employees for their recognition leave balances if, at the end of the 12-month period, the department has been unable to allow the employee to use the leave. If an employee transfers to another university department, the employee's recognition leave balance must be paid, unless the employee requests to transfer the leave and the department head of the unit to which the employee is transferring approves the request.

An award of recognition leave is not taxed unless an unused leave balance is paid to the employee. Payments for unused recognition leave are taxable, and will be made in the next pay period following the personnel action that initiates the payment. Payouts for recognition leave may not be charged to sponsored funds; payments must be charged to E&G or departmental overhead accounts.

Procedures for granting recognition leave are provided on the Personnel Services website. Recognition leave must be recorded in the university's Leave System.

3.6 Recognition Events

Awards may be presented at recognition events as approved in the award program. Any expenses incurred for presentation of awards under this Policy shall be reasonable. If an employee receives an award at a university or department sponsored event, the value of the event (e.g., cost of the meal) is not included in the overall value of the award. For example, if a college holds an annual recognition program for employees, the value of the reward (monetary and non-monetary) will not include the cost of the meal. The Controller's *Procedure 20335c, Meals and Incidental Expenses*, must be followed. Recognition events may not be charged to a sponsored fund. The award program reference number must be cited on the appropriate accounting forms.

3.7 Procurement of Non-Monetary Awards

In order to protect the integrity of university reward programs, special care must be taken in the procurement and custody of items intended to be presented as non-monetary awards. The university has negotiated a number of agreements with vendors to provide a wide selection of acceptable non-monetary awards. Non-monetary awards must be procured from one of the approved vendors in accordance with university purchasing and accounting policies. Full compliance with university purchasing and accounting procedures is essential. The items given as rewards will be both valuable in a personal sense and transferable. Under normal circumstances, these types of items would not be procured using state funds. For this reason, special procedures have been established by the university's Purchasing Department for the purchase of non-monetary items. For specific procedures, please see the Purchasing website (www.purch.vt.edu) and access the section for "non-monetary recognition awards" under the "procedures" heading.

Non-monetary awards using Foundation funds must be charged to the department and handled as an expense reimbursement.

Departments must maintain a record of all non-monetary awards provided to employees under this program, regardless of source of funding. The record must include name of award program, name of employee(s) receiving the non-monetary award, description and cost of the award, date issued, and program reference number provided by Personnel Services. These records are auditable and must be maintained by the department or organizational unit responsible for issuing the awards, for the period of time defined by the State Library Policy, currently three (3) years.

4. Definitions

Monetary Awards: Monetary awards are (a) those paid by any negotiable instrument (cash, check, money order, and direct deposit), or (b) any item that can be readily converted to cash, such as savings bonds or refundable gift certificates.

Non-monetary awards: Non-monetary recognition awards include: non-refundable gift certificates; plaques; trophies; certificates; pencils, pens and desk items; cups and mugs; personal items of clothing such as caps, shirts, and sweatshirts; and other items such as pins and timepieces.

Virginia Tech Foundation: The Virginia Tech Foundation, Inc. is a university-related corporation whose purpose is to receive, invest and manage all private monies given in support of the University and its programs. The Foundation is recognized as a public charity by the Internal Revenue Service, entitling it to receive tax-deductible gifts to support Virginia Tech.

5. References

Department of Human Resource Management (DHRM) Policy 1.20, Employee Recognition

Virginia Tech Faculty Handbook

6. Approval and Revisions

Approved October 25, 1996, by Associate Vice President for Personnel and Administrative Services, Ann Spencer.

Annual review, December 28, 1998, by Director of Personnel Services, Linda Woodard. No revisions.

October 10, 2001: Technical corrections to update policy links and name change for the Commonwealth of Virginia's Department of Human Resource Management (formerly Department of Personnel and Training).

August 25, 2003: Revisions to comply with changes in DHRM Policy 1.20 for classified employees. Authorizes use of state funding for approved award programs. Includes additional instructions for use of sponsored funding and procurement of non-monetary awards. Approval by the Board of Visitors.

RESOLUTION ON EMPLOYEE AWARDS AND RECOGNITION PROGRAMS POLICY

WHEREAS, Virginia Tech encourages its faculty and staff to make significant contributions in the areas of teaching, research and outreach in an effort to fulfill the mission of the university; and in making these contributions to the university, employees often demonstrate exemplary performance, leadership, and outstanding service to the university, community or nation; and

WHEREAS, Virginia Tech also desires to reward good business practices and encourage compliance with university policies and other regulations; and

WHEREAS, in an effort to promote these outcomes, it is essential to provide compensation strategies to reward and recognize faculty and staff; and

WHEREAS, the Commonwealth's Employee Recognition Program policy for classified employees has been revised to allow greater opportunities for agencies to provide monetary and non-monetary recognition to classified staff; and

WHEREAS, the Board of Visitors has previously approved the faculty handbook which includes a number of specific faculty award programs; and flexibility to establish additional award programs that are responsive to new university directions and needs is essential; and

WHEREAS, an employee award and recognition policy should provide a sound administrative framework for the design and implementation of programs for both classified staff and faculty employees; and

WHEREAS, the Board of Visitors has the authority to approve faculty compensation and may delegate certain approvals to the President or his or her designee contingent upon review and ratification by the Board;

NOW, THEREFORE, BE IT RESOLVED that the revised university Policy 4335, "Employee Award and Recognition Programs," be approved, provided that awards are paid to recipients within the provisions of the approved programs and that payments equal to or greater than \$5,000 made to faculty recipients are submitted to the Board of Visitors for ratification on a quarterly basis. All other award payments are to be provided in a summary report to the Board but do not require ratification; costs will be reported in the university annual budget which is submitted to the Board of Visitors for approval.

RECOMMENDATION:

That Policy 4335, as revised, be approved and made effective immediately.

August 25, 2003

2004-06 APPROPRIATIONS REQUEST

VIRGINIA TECH

July 2003

Biennial Budget Process

The process for agency submission of appropriations requests and the development of the Executive Budget proposal for 2004-06 is underway. The University's efforts on the 2004-10 capital plan began in 2002, and information was first submitted to the state in May 2003. During the spring and summer of 2003, the University developed plans for the anticipated submission of operating requests later this year. In addition to these requests, the University has continued to work with the state on statewide funding issues for higher education. The status of each of these efforts is described in this report, and the attached schedule provides a listing of the operating issues specific to Virginia Tech.

Statewide Funding Initiatives

In most years, the state identifies some issues that are statewide in scope and for which funding proposals are developed centrally for all higher education institutions. For the 2004-06 biennium, the University believes that these statewide issues are likely to include funding proposals for faculty and classified staff salaries, the Higher Education Equipment Trust Fund, maintenance reserve, student financial assistance, and enrollment growth. In addition, statewide proposals may be developed concerning further decentralization initiatives and tuition and fee policy.

Virginia Tech is working with state representatives and entities in various ways to develop and strengthen central support for these initiatives. Specifically, the University continues to advocate the funding of faculty salaries at the 60th percentile of its peers and for needed compensation increases for support staff. Consistent with prior years, any proposal to return faculty salaries to the 60th percentile is likely to include a multi-year funding model. The University is strongly supporting a return of funding for equipment (through the equipment trust fund) and maintenance reserve to the levels provided prior to the recent budget reductions and for enhancements of the equipment trust fund beyond that level to support advances in instructional and research activities. Virginia Tech supports the proposal for the state to provide student financial assistance at 50 percent of remaining need, as computed by the State Council. Support for additional student financial assistance is very important, considering the levels of increases in tuition and fees required in the 2002-04 biennium. It is likely that the

State Council will propose funding for future enrollment growth at specific institutions, in response to Council's projections of continuing growth in demand for Virginia undergraduate education during this decade. While Virginia Tech agrees that enrollment growth should be funded, the University also supports the need to fully fund institutions for Virginia students already enrolled, before addressing the need for additional students. Finally, it is not clear how the state will address the issue of funding the base budget adequacy amounts generated by the state funding model. As a result, at the current time the University anticipates the submission of a specific request for funding of the base budget adequacy requirements. Because of the importance of these items, the University will reference the need for these statewide funding initiatives with its separate budget submission later this year.

Operating Budget Submission

The Department of Planning and Budget (DPB) has not yet distributed instructions for the 2004-06 operating budget submission. In an April set of instructions for updating strategic plans (higher education is on a four-year schedule with SCHEV for updating strategic plans and did not participate in the DPB update), DPB indicated that instructions would be distributed in mid-July for preparing the base budget submission for the next biennium. This submission will be due to DPB in early September. Those same instructions also indicated that DPB expects to issue the instructions in mid-September for preparing requests for changes to the base budget for the 2004-06 biennium. These budget decision packages will be due on October 1. In the absence of instructions, Virginia Tech is developing materials in a manner similar to the process used in the last submission.

The activity-based budget submission normally requires a narrative for each activity, which includes a description, the type and number of clients served, the benefits or results of the activity, and performance measures or other evaluation methods of determining the activity's success. Technical adjustments are normally submitted for those items that do not involve policy decisions. Examples of technical adjustments for Virginia Tech include increasing the appropriation for auxiliary enterprises and sponsored programs to reflect current levels of activity, annualizing partial-year funding, and adjusting for fringe benefit rate changes.

As noted above, because of the timetable established by DPB, the University is still in the process of developing its budget requests. However, based upon the University's priorities and its strategic plan, the University currently anticipates that the operating budget proposal to be submitted on October 1, 2003 will be structured to address three initiatives in the University Division and two initiatives in the Cooperative Extension/Agriculture Experiment Station Division. The initiatives are described in the following paragraphs.

University Division -- Agency 208

- Bioinformatics. The Virginia Bioinformatics Institute (VBI) was established in 2000-01 in conjunction with the Commonwealth to create academic, research, and commercial leadership in Virginia for the industry emerging at the intersection of the biological sciences and information technology. The original initiative for VBI proposed a four-year phased implementation with an ongoing operating budget of \$12.8 million by the fourth year to be supported by the Commonwealth's General Fund. Operating funds for the first two years of VBI were provided by the Tobacco Commission. To date, significant progress has been made toward securing federal and private funds, laying the foundation for externally funded sponsored program research, promoting economic development, and constructing research space. In order to continue to build on accomplishments of VBI, attract world-class scientists, and bring increased economic benefits to the Commonwealth, base General Fund support of \$5.5 million is needed (\$3.2 million in 2004-05, growing to \$5.5 million 2005-06), along with a one-time request of \$1.2 million for faculty start-up costs in 2004-05 and \$2.3 million in 2005-06. These amounts will represent further investments in VBI; the University funds currently allocated to VBI will be continued during the 2004-06 biennium.
- Base Budget Adequacy. The Joint Subcommittee on Higher Education Funding Policies was charged with studying the funding needs of higher education and developing funding models to address those needs. The Joint Subcommittee has worked to develop funding models to determine base budget adequacy for five of the seven Educational and General programs – instruction, academic support, student services, institutional support, and operation and maintenance of plant.

According to SCHEV, the recent budget reductions and lack of funding for base budget adequacy have led to an estimated funding shortfall for Virginia higher education institutions of approximately \$351 million (excluding funding for in-state enrollment growth). Discussions at the state have indicated an interest in phasing in the support for base budget adequacy over several years. After adjustments for anticipated enrollment growth, a four year phase-in, and increased costs over the four years, the University estimates that its base budget adequacy need will be approximately \$40 million over four years. This additional funding would support nearly 200 new teaching and research faculty, provide the associated support costs included in the instructional and other programs, and maintain the infrastructure needed for delivery of these programs for Virginia students. Virginia Tech proposes to request 25 percent (\$10.0 million) for 2004-05 and 50 percent (\$20.0 million) for 2005-06 of the estimated base budget shortfall based upon the current funding model. The University will use these funds for various Educational and General purposes, with an emphasis on the following areas:

- ◆ Instructional Support – To partially address the need for additional faculty to support the explosive growth in specific disciplines as well as to expand the number of class sections for the larger undergraduate student population, particularly in prerequisite or support courses and the Core Curriculum.
- ◆ Information Technology – To support the recently established Institute for Information Technology and other information technology requirements.
- ◆ Academic Initiatives – To support the development of strategic academic initiatives, as envisioned in the University's strategic plan. Such initiatives would likely include the proposed Institute for Critical Technologies and Applied Science and the proposed biomedical research programs, based on the development of new research centers and collaborations. An area of emphasis for these activities would be the potential for significant growth in research activities, the development of intellectual properties, outreach opportunities, and support for economic development and growth.
- ◆ Infrastructure and Support Costs – To ensure that the physical infrastructure and other support needs, such as libraries and equipment, are maintained at sufficient levels to support these increases in instruction, research, and outreach activities.
- Operation and Maintenance of New Facilities. Traditionally, the state has provided General Fund support for the operation and maintenance of new facilities coming on-line during the biennium. The University will complete the construction of some facilities during the biennium. This request represents the current estimate of the funds required to provide for the operation and maintenance of all Educational and General facilities that will open during 2004-06. These amounts are currently under review, and the final request may vary from these estimates based on improved data prior to the submission date.

Cooperative Extension/Agriculture Experiment Station Division -- Agency 229

- Cooperative Extension's Critical Staffing Initiative. Virginia Cooperative Extension's (VCE) budget reductions in the past two years have resulted in the loss of 93 Extension Agent positions and 20 Extension Specialist positions. These reductions have severely impacted the ability of VCE to fulfill its land-grant mission to the people of the Commonwealth. The Governor's desire to double agricultural and forestry production by 2010 will require a sufficient number of extension agents and specialists to provide and interpret the latest research data for producers to improve production, overall rural economic conditions, and public health. Increased production will also

demand greater attention to environmental stewardship for future generations. These same producers need vital information on Homeland Security, particularly related to food and water protection, which will benefit all Virginians. In addition, 4-H Youth Development programs are severely understaffed with numerous counties having no 4-H agents to teach life skills, citizenship and self-reliance to our future leaders. No other branch of state government has the knowledge and infrastructure to carry out these vital educational roles. This request is for 56 positions and \$3,000,000 for each year of the biennium.

- Food, Nutrition, and Health Initiative. As currently envisioned, this initiative covers a wide range of activities such as multidisciplinary research in plant- and animal-based foods and genetics; food safety and processing; value identification and marketing; human nutrition and disease prevention; and food, nutrition, and health policy. This initiative proposes to reduce public and private health care costs by developing a safer food supply with fewer food-borne illnesses and create a healthier populace with new foods to help prevent chronic diseases. Virginia's agriculture sector will be more stable and more diversified through new high-value food products. In addition, the Commonwealth benefits through increased tax revenues from Virginia farmers and the food industry as they take advantage of new high-value crops and livestock and safer foods. This request represents the first phase of planned support. The requested funding of \$1.5 million for each year of the biennium would support the development of new high-value crops as a strategy to improve farm revenue and support the administration's goal for increased agricultural receipts.

Efforts are currently underway to fund this initiative with the direct approval of the Governor with the assistance of his "Farm Receipts Working Group." Therefore, this initiative may be considered for inclusion in the Governor's budget outside of the official Virginia Tech submission.

Schedule 1 summarizes these critical issues to be submitted for the 2004-06 operating budget. It is anticipated that the University will request 100 percent General Fund support where state support is appropriate and reasonable; at the current time, all the amounts listed are General Fund requests.

Since instructions for preparing 2004-06 operating budget requests will not be received until mid-September, the University is requesting that the Board of Visitors endorse the general concept of developing budget requests within the targeted areas described in this report for the biennial budget submission. The University does not anticipate that the final budget submission will exceed the total amounts as shown on Schedule 1, although reallocations of funds among the individual budget proposals may be necessary as budgets are finalized during September based on the work with state offices and as the state clarifies the types of proposals that are appropriate and eligible for submission. In

addition, the amount could change for any revisions to the estimated costs for operation and maintenance of new facilities.

Update on Capital Outlay Submission for 2004-06

The list of projects for inclusion in the University's Six-year Capital Plan for 2004-2010 was presented and approved at the March 2003 meeting of the Board of Visitors, and the final Six-Year Capital Plan for 2004-2010 was presented and approved at the June 2003 meeting. In accordance with the state's instructions, the University submitted the 2004-2010 Capital Plan to the Department of Planning and Budget on May 23, 2003.

On July 3, 2003, the Department of Planning and Budget notified the University that four capital projects from the 2004-2010 Capital Outlay Plan were authorized for detailed submission for consideration for the 2004-06 budget. The four projects authorized for detailed submission are listed below (number in parentheses indicates priority in 2004-06 portion of Six-year Capital Plan). The University submitted the detail plans for these projects in accordance with the State's instructions on the July 31, 2003 due date.

University Division -- Agency 208

- (5) Health, Safety, Accessibility
- (6) Critical Technologies Research Facility
- (7) Major Residence and Dining Hall Improvements
- (9) Boiler Pollution Controls

Other projects on the 2004-2010 Capital Outlay Plan that were not authorized for this submission may be considered for request during the 2004 General Assembly session.

RECOMMENDATION:

That a general endorsement of the areas of emphasis in the 2004-06 operating budget submission be provided.

CRITICAL ISSUES FOR 2004-06 OPERATING BUDGET SUBMISSION

VIRGINIA TECH

(Dollars in Millions)

| | University Appropriation Request (a,b) | | |
|---|---|----------------------|----------------------|
| | 2004-05 | 2005-06 | Biennium |
| <u>Agency 208, University Division</u> | | | |
| Bioinformatics | | | |
| • Base funding | \$3.2 | \$5.5 | \$8.7 |
| • One-time support for faculty recruitment and start-up costs | 1.2 | 2.3 | 3.5 |
| | <u>4.4</u> | <u>7.8</u> | <u>12.2</u> |
| Base Budget Adequacy | 10.0 | 20.0 | 30.0 |
| • Instructional Support | | | |
| • Information Technology | | | |
| • Strategic Academic Initiatives | | | |
| • Infrastructure and Support Costs | | | |
| Operation & Maintenance of New Facilities | <u>1.5</u> | <u>1.6</u> | <u>3.1</u> |
| Subtotal | 15.9 | 29.4 | 45.3 |
| <u>Agency 229,</u> | | | |
| <u>Cooperative Extension/Agriculture Experiment Station Division</u> | | | |
| Critical Staffing Issues | 3.0 | 3.0 | 6.0 |
| Food, Nutrition, and Health | <u>1.5</u> | <u>1.5</u> | <u>3.0</u> |
| Subtotal | <u>4.5</u> | <u>4.5</u> | <u>9.0</u> |
| Total Operating Request | <u>\$20.4</u> | <u>\$33.9</u> | <u>\$54.3</u> |

Notes:

- (a) All amounts represent General Fund requests.
- (b) The amounts shown in 2005-06 represent the amount requested in 2004-05 plus any increment required in 2005-06 to fully fund the request in the second year. The amounts shown in the biennium column represent the combined funding requested in 2004-05 and 2005-06.

VIRGINIA TECH

FINANCIAL PERFORMANCE REPORT

Operating and Capital Expenditures

July 1, 2002 to June 30, 2003

FINANCIAL PERFORMANCE REPORT

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

The year-to-date budget is prepared from historical data and reflects trends in expenditures from previous years. Differences between the actual income and expenditures and the year-to-date budget may occur for a variety of reasons, such as an accelerated or delayed flow of documents through the accounting system, a change in spending patterns at the college level, or increases in revenues for a particular area.

Quarterly budget estimates are prepared to provide an intermediate measure of income and expenditures. Actual revenues and expenditures may vary from the budget estimates. The projected year-end budgets are, however, the final measure of accountability since the institution has a legislative mandate to remain within the total revenue and expenditure amounts appropriated by the General Assembly for the two divisions of Virginia Tech, including transfers from the Commonwealth's Central Appropriation for classified salary increase and fringe benefit rate changes.

The year-end Financial Performance Report will differ significantly from the University's financial statement as a result of the implementation of GASB statements 34 and 35, which fundamentally alter the financial reporting concepts for outside readers of the University's financial statements. The Financial Performance Report focuses on fund and program groups providing a display of inflows and outflows consistent with the state appropriation and accounting requirements. The new GASB statements 34 and 35 require financial statements to focus on inflows to the University but not between fund groups. For example, transfers between fund groups will not be displayed on the financial statements. The financial statements will recognize tuition through the nature or type of revenue received by the institution and not by another fund group such as student financial aid; accordingly, allocation of student financial aid to students for university fees will not appear as a cash expenditure in the operating statement when awarded. Further, the new financial statements will display an annual depreciation expense, for equipment and capital improvements, instead of a cash expenditure. The treatment of debt payments will also be different; the Financial Performance Report displays the outflow of interest and principal, while GASB allows only the display of interest costs.

OPERATING BUDGET

1. Tuition and Fee revenue was higher than projected because unfunded scholarship awards were slightly lower than projected.
2. Revenue in All Other Income and academic expenses were lower than projected due to timing of expenses in the Virginia Bioinformatics Institute and the corresponding transfer of Tobacco Indemnification revenue into the Educational and General Program. Activity at the Veterinary Medicine Hospital and the Equine Medical Center was less than historical projections.
3. While the Commonwealth requires that revenue and expenses be balanced for Educational and General programs, year end variances are possible for continuing education programs. For 2002-2003, revenues exceeded expenses in continuing education programs.
4. The budget for federal revenue is established to match projected allotments from the federal government. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agriculture Experiment Station Division was less than the projected budget due to lower than anticipated federal expenditures and the timing of receipt of federal drawdowns.
5. While the Commonwealth requires that revenue and expenses be balanced for Educational and General Programs, year-end variances are possible for Federal Funds due to the timing difference between drawdowns and expenses. In 2002-2003, Federal Fund revenues slightly exceeded expenses due to the timing of drawdowns for expenditures incurred late in 2001-2002.
6. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
7. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. The original annual revenue and expenditure budgets were established based on a 10% growth target in sponsored activity levels and were increased again during the third quarter to provide sufficient operating authority. Revenue and expenditures were slightly less than projected, but significantly ahead of 2001-2002 activity levels. Excess revenues over expenditures is attributable, for the most part, to increased overhead recoveries which will be budgeted for expenditure in the upcoming years.
8. Total expenses for Student Financial Assistance were slightly lower than the projected budget. The University will request that the Commonwealth reappropriate these funds for expenditure in the 2003-04 fiscal year.
9. Revenues and expenses in All Other Programs are less than projected due to lower-than-projected activity in the Alumni Affairs program and the local funds.
10. The year-end General Fund revenue budget has been increased by \$210,500 for a transfer from Student Financial Aid to the Educational and General program for assistantships in the Minority Agricultural Opportunities Program, by \$29,790 for VIVA libraries distribution costs, and by \$1,268,566 to match the actual central appropriations transfer based on revisions in statewide fringe benefit rates and full funding of the 2.5% bonus. The General Fund revenue budget has been reduced by \$15,611,210 (net of a \$2.2 million dollar prepayment made in June 2002) resulting from the Round 2 budget reduction approved by the Governor in October 2002 and by an additional \$9,562 by the 2003 General Assembly. The original General Fund revenue budget of \$160,693,000 is net of the Round 1 reduction that decreased the 2002-2003 General Fund budget by \$24,385,544. The combination of this Round 1 reduction and the Round 2 reduction of \$17,811,210, reflect a total General Fund reduction of \$42,196,754 million in 2002-03. In addition to this \$42.2 million, the University received reductions of \$10.9 million in agency 229 Educational and General Programs, \$2.4 million in the Equipment Trust Fund Program, and \$5.9 million in the Maintenance Reserve Program, for a total of \$61.4 million in 2002-2003.
11. The annual budget for Tuition and Fees has been reduced by \$104,152 to finalize the revenue estimates for the Virginia/Maryland Regional College of Veterinary Medicine, but increased by \$150,000 for projected tuition revenue from the Institute of Distance and Distributed Learning, which was moved from All Other Income. In addition, the budget was increased by \$8,302,420 for the net tuition increase approved for Spring 2003. The revised budget includes \$750,000 of additional unfunded scholarships.
12. The year-end revenue budget for All Other Income has been increased for the finalization of the internal annual operating budget, the continuation of flight instruction for an additional 12 months, additional income in printing services, and an increase in the Continuing Education budget to support equipment purchases. The corresponding expenditure budgets have been adjusted accordingly.
13. The General Fund revenue budget for the Cooperative Extension/Agriculture Experiment Station Division was increased by \$1,021,183 to match the actual central appropriations transfer based on revisions in statewide fringe benefit rates and full funding of the 2.5% bonus paid to faculty and classified staff. The General Fund budget has been reduced by \$6,618,168 resulting from the 12% Round 2 budget reduction approved by the Governor in October 2002. The original General Fund revenue budget of \$56,788,000 is net of the Round 1 reduction that decreased the 2002-2003 General Fund budget by \$4,260,968. The combination of this Round 1 reduction and the Round 2 reduction of \$6,618,168 reflect a total reduction of \$10,879,136 assigned to the Cooperative Extension/Agriculture Experiment Station Division in 2002-2003. This \$10.9 million reduction combined with the other reductions described in footnote 10 above, results in a total University reduction amount of \$61.4 million in 2002-2003. The corresponding expenditure budgets have been adjusted accordingly.
14. The annual budget for Federal Appropriations in the Cooperative Extension/Agriculture Experiment Station Division has been adjusted to reflect additional federal funds, which are available to be expended prior to June 30, 2003. The corresponding expenditure budgets have been adjusted accordingly.
15. The annual budget for All Other Income has been increased by \$435,876 for timber sales at the Southern Piedmont Agricultural Research and Extension Center. The corresponding expenditure budget has been adjusted accordingly.
16. The annual budget for Sponsored Programs was increased by \$14 million based on projected growth in sponsored program activities. In addition, the budget was increased by \$92,490 based on a revised projection of revenue for the College Plates program.
17. The projected year-end revenue and expense budgets for Student Financial Aid were reduced by \$210,500 for the transfer from Student Financial Aid to the Educational and General program for assistantships in the Minority Academic Opportunities Program. Also, budgets were reduced by \$2,046,275 for the Virginia Graduate and Undergraduate Assistance Program (VGUAP). The VGUAP Program was eliminated by the Governor on November 15, 2002.
18. The projected annual revenue and expenditure budgets for All Other Programs were adjusted to reflect the reduction of General Fund support for the Unique Military Activities resulting from the Round 2 budget reduction approved by the Governor in October 2002, an increase in federal spending on the Federal Work Study program, and outstanding 2001-2002 commitments that were initiated but not completed before June 30, 2002.

OPERATING BUDGETS
2002-2003 Fiscal Year

Dollars in Thousands

| | July 1, 2002 to June 30, 2003 | | | Annual Budget for 2002-2003 | | |
|---|-------------------------------|------------|--------------|-----------------------------|------------|---------------------|
| | Actual | Budget | Change | Original | Adjusted | Change |
| Educational and General Programs | | | | | | |
| University Division | | | | | | |
| <u>Revenues</u> | | | | | | |
| - General Fund | \$146,851 | \$146,851 | \$0 | \$160,963 | \$146,851 | \$-14,112 (10) |
| - Tuition and Fees | 161,200 | 160,734 | 466 (1) | 152,385 | 160,734 | 8,349 (11) |
| - All Other Income | 26,617 | 28,490 | -1,873 (2) | 28,096 | 28,490 | 394 (12) |
| Total Revenues | \$334,668 | \$336,075 | \$-1,407 | \$341,444 | \$336,075 | \$-5,369 |
| <u>Expenses</u> | | | | | | |
| - Academic Programs | \$-222,646 | \$-223,565 | \$919 (2) | \$-218,721 | \$-223,565 | \$-4,844 (10,11,12) |
| - Support Programs | -111,579 | -112,510 | 931 (2) | -122,723 | -112,510 | 10,213 (10,11,12) |
| Total Expenses | \$-334,225 | \$-336,075 | \$1,850 | \$-341,444 | \$-336,075 | \$5,369 |
| NET | \$443 | \$0 | \$443 (3) | \$0 | \$0 | \$0 |
| CE/AES Division | | | | | | |
| <u>Revenues</u> | | | | | | |
| - General Fund | \$51,191 | \$51,191 | \$0 | \$56,788 | \$51,191 | \$-5,597 (13) |
| - Federal Appropriation | 13,992 | 14,966 | -974 (4) | 13,317 | 14,966 | 1,649 (14) |
| - All Other Income | 1,062 | 1,036 | 26 | 600 | 1,036 | 436 (15) |
| Total Revenues | \$66,245 | \$67,193 | \$-948 | \$70,705 | \$67,193 | \$-3,512 |
| <u>Expenses</u> | | | | | | |
| - Academic Programs | \$-61,315 | \$-62,585 | \$1,270 (4) | \$-66,591 | \$-62,585 | \$4,006 (13,14,15) |
| - Support Programs | -4,839 | -4,608 | -231 | -4,114 | -4,608 | -494 (13,15) |
| Total Expenses | \$-66,154 | \$-67,193 | \$1,039 | \$-70,705 | \$-67,193 | \$3,512 |
| NET | \$91 | \$0 | \$91 (5) | \$0 | \$0 | \$0 |
| Auxiliary Enterprises | | | | | | |
| Revenues | \$129,525 | \$127,667 | \$1,858 (6) | \$124,034 | \$127,667 | \$3,633 (6) |
| Expenses | -122,270 | -126,855 | 4,585 (6) | -122,419 | -126,855 | -4,436 (6) |
| Reserve Drawdown (Deposit) | -7,255 | -812 | -6,443 (6) | -1,615 | -812 | 803 (6) |
| NET | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sponsored Programs | | | | | | |
| Revenues | \$149,750 | \$152,892 | \$-3,142 (7) | \$138,800 | \$152,892 | \$14,092 (16) |
| Expenses | -138,882 | -152,892 | 14,010 (7) | -138,800 | -152,892 | -14,092 (16) |
| Reserve Drawdown (Deposit) | -10,868 | 0 | -10,868 (7) | 0 | 0 | 0 |
| NET | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Student Financial Assistance | | | | | | |
| Revenues | \$10,691 | \$10,691 | \$0 | \$12,948 | \$10,691 | \$-2,257 (17) |
| Expenses | -10,683 | -10,691 | 8 (8) | -12,948 | -10,691 | 2,257 (17) |
| NET | \$8 | \$0 | \$8 | \$0 | \$0 | \$0 |
| All Other Programs * | | | | | | |
| Revenues | \$4,355 | \$4,851 | \$-496 (9) | \$4,665 | \$4,851 | \$186 (18) |
| Expenses | -4,233 | -4,851 | 618 (9) | -4,665 | -4,851 | -186 (18) |
| Reserve Drawdown (Deposit) | -122 | 0 | -122 | 0 | 0 | 0 |
| NET | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total University | | | | | | |
| Revenues | \$695,234 | \$699,369 | \$-4,135 | \$692,596 | \$699,369 | \$6,773 |
| Expenses | -676,447 | -698,557 | 22,110 | -690,981 | -698,557 | -7,576 |
| Reserve Drawdown (Deposit) | -18,245 | -812 | -17,433 | -1,615 | -812 | 803 |
| NET | \$542 | \$0 | \$542 | \$0 | \$0 | \$0 |

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

AUXILIARY ENTERPRISE BUDGET

1. Revenues are higher than budgeted in Residence and Dining Halls due to an increase in dining dollars being deposited into student accounts, higher-than-budgeted summer conference and rent revenue collected in Residential Programs, and meal plan sales. Expenses are lower than budgeted due to savings in salary costs, a one-time debt refund, and the budgeted system contingency funds not being utilized.
2. Expenditures are lower than budgeted in Parking and Transportation due to a delay in the billing for the new parking building project, delays in the installation of additional parking gates, and other operating savings.
3. Revenues are higher than budgeted in Telecommunications due to higher-than-anticipated income from data connections in new facilities, as well as service and equipment sales to university departments. Expenses are lower than projected due to delays in equipment purchases.
4. Revenues are lower than budgeted in the University Services System due less-than-anticipated interest earnings, student fee collections, sales, and the budgeted system contingency funds not being utilized. Expenditures are lower than projected due to savings in salary, wage and operating costs, and the budgeted system contingency funds not being utilized.
5. Revenues are higher than budgeted in Intercollegiate Athletics due to higher-than-anticipated football income, parking income, ticket-handling fees from increased on-line ticket orders, revenue from concessions, income from the NCAA in support of operations, and income from the multimedia contract and the Big East conference. Expenditures are lower than budgeted due to the timing expenses for one-time projects, operating savings, and less-than-budgeted costs of participating in the bowl game.
6. Expenses are lower than budgeted in the Electric Service due to the timing of project expenditures, operating savings, and the budgeted system contingency not being utilized.
7. Revenues are higher than budgeted in the Donaldson Brown Hotel and Conference Center due to higher-than-anticipated food, lodging, and conference sales, higher-than-anticipated investment income, and improved accounts receivable billing.
8. Revenues are higher than budgeted in the Other Enterprise Functions due to an increase in royalty income collected from the sale of Virginia Tech merchandise through the Licensing Auxiliary, an increase in the sale of software to students through the Software Sales Auxiliary, and higher-than-anticipated income collected in the Hokie Passport Office from electronic door access installations. Expenses are lower than projected due to equipment maintenance and replacement savings in Hokie Passport, savings in supplies and printing costs in Student Orientation resulting from placing the Hokie Handbook on-line instead of in print (as in done previous years), wage and equipment savings in the Golf Course, operating savings in the Library Photocopy Auxiliary, and the timing of renovation expenses.
9. The projected annual revenue, expenditure, and reserve drawdown budgets for Residence and Dining Halls were adjusted to reflect an increase in dining sales, delayed Cochrane Hall (West-end Market) renovation expenses, and a technical correction in the accounting for the Electronic Door Access project.
10. The projected year-end budget was increased for outstanding 2001-2002 commitments and projects that were initiated but not completed before June 30, 2002.
11. The projected annual expenditure and reserve drawdown budgets for Parking and Transportation Services were adjusted to accommodate the conversion of a bond anticipation loan to a permanent drawdown of reserves for the Coliseum Lot renovation.
12. The projected annual revenue and reserve drawdown budgets for Telecommunications were adjusted to provide a one-time rate reduction to the University's Educational and General programs.
13. The projected annual revenue, expenditure, and reserve drawdown budgets for the University Services System were adjusted to accommodate the loss of income from the vendor vacancy in the Squires food court, delayed capital expenses associated with the construction of McComas Hall, and to reclassify amounts planned for as revenue to expenditure reimbursements in Student Health and Counseling Services.
14. The projected annual revenue, expenditure, and reserve drawdown budgets for Intercollegiate Athletics were adjusted to accommodate the following: higher-than-anticipated sales and Big East income, increased NCAA income, higher-than-anticipated licensing revenue, increased multi-media revenue, lower-than-anticipated interest earnings, adjustments to personnel costs, additional basketball and track expenses, additional equipment, facility and renovation expenses, routine updates to the Memorabilia room, increased insurance premiums, additional football expenses, other operational cost increases, the cost of televising the Western Michigan football game, adjustments to debt service expenses, a heating system for Worsham Field, participation in the 2002 Hispanic College Fund Classic Preseason game, and participation in the 2002 San Francisco Bowl game.
15. The projected annual revenue, expenditure and reserve drawdown budgets for the Electric Service were adjusted to reflect less-than-anticipated electric sales and to provide a one-time rate reduction to the University's Educational and General programs.
16. The projected annual revenue, expenditure and reserve drawdown budgets for the Donaldson Brown Hotel and Conference Center were adjusted to accommodate payment to the Hilton Hotels Corporation for technical assistance provided during the design phase of the new hotel project.
17. The projected annual revenue, expenditure, and reserve drawdown budgets in the Other Enterprise Functions were adjusted to increase the Licensing and Trademark contribution to scholarships and athletic programs as a result of increased royalties collected from the sale of Virginia Tech merchandise, increased student software sales and associated software purchases, to accommodate roof repair expenses at the campus golf club house, increased legal expenses in Licensing and Trademark as a result of litigation with an Austrian corporation (VATECH) over trademark infringement, to reflect revenues collected from Coca-Cola in accordance with the University's pouring rights contract and associated expenditures, and to provide a one-time reduction in University costs. In addition, an annual budget was established for the accumulation of cash from all of the auxiliary enterprise functions to provide temporary financial assistance to the University's educational and general programs, in accordance with the budget reduction plans approved by the Board in November 2002. This cash is planned to be utilized by the University during Fiscal Year 2003-2004 to temporarily mitigate the impact of the budget reductions.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Dollars in Thousands

| | July 1, 2002 to June 30, 2003 | | | Annual Budget for 2002-2003 | | |
|--|-------------------------------|-----------|------------|-----------------------------|-----------|----------------|
| | Actual | Budget | Change | Original | Adjusted | Change |
| Residence and Dining Halls | | | | | | |
| Revenues | \$45,549 | \$44,867 | \$682 (1) | \$44,327 | \$44,867 | \$540 (9) |
| Expenses | -43,300 | -44,891 | 1,591 (1) | -44,252 | -44,891 | -639 (9,10) |
| Reserve Drawdown (Deposit) | -2,249 | 24 | -2,273 | -75 | 24 | 99 (9,10) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Parking and Transportation | | | | | | |
| Revenues | \$4,007 | \$3,952 | \$55 | \$3,952 | \$3,952 | \$0 |
| Expenses | -4,451 | -4,745 | 294 (2) | -3,885 | -4,745 | -860 (10,11) |
| Reserve Drawdown (Deposit) | 444 | 793 | -349 | -67 | 793 | 860 (10,11) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Telecommunications Services | | | | | | |
| Revenues | \$13,197 | \$12,833 | \$364 (3) | \$14,083 | \$12,833 | \$-1,250 (12) |
| Expenses | -14,141 | -14,271 | 130 (3) | -14,169 | -14,271 | -102 (10) |
| Reserve Drawdown (Deposit) | 944 | 1,438 | -494 | 86 | 1,438 | 1,352 (10,12) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| University Services System | | | | | | |
| Revenues | \$16,590 | \$17,004 | \$-414 (4) | \$17,142 | \$17,004 | \$-138 (13) |
| Expenses | -16,412 | -17,248 | 836 (4) | -17,182 | -17,248 | -66 (10,13) |
| Reserve Drawdown (Deposit) | -178 | 244 | -422 | 40 | 244 | 204 (10,13) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Intercollegiate Athletics | | | | | | |
| Revenues | \$26,332 | \$25,660 | \$672 (5) | \$21,730 | \$25,660 | \$3,930 (14) |
| Expenses | -23,177 | -23,781 | 604 (5) | -19,689 | -23,781 | -4,092 (10,14) |
| Reserve Drawdown (Deposit) | -3,155 | -1,879 | -1,276 | -2,041 | -1,879 | 162 (10,14) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Electric Service | | | | | | |
| Revenues | \$13,525 | \$13,428 | \$97 | \$15,053 | \$13,428 | \$-1,625 (15) |
| Expenses | -14,699 | -15,093 | 394 (6) | -15,343 | -15,093 | 250 (10,15) |
| Reserve Drawdown (Deposit) | 1,174 | 1,665 | -491 | 290 | 1,665 | 1,375 (10,15) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Donaldson Brown Hotel and Conference Center | | | | | | |
| Revenues | \$4,003 | \$3,732 | \$271 (7) | \$3,732 | \$3,732 | \$0 |
| Expenses | -3,664 | -3,760 | 96 | -3,739 | -3,760 | -21 (10,16) |
| Reserve Drawdown (Deposit) | -339 | 28 | -367 | 7 | 28 | 21 (10,16) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Enterprise Functions | | | | | | |
| Revenues | \$6,322 | \$6,191 | \$131 (8) | \$4,015 | \$6,191 | \$2,176 (17) |
| Expenses | -2,426 | -3,066 | 640 (8) | -4,160 | -3,066 | 1,094 (10,17) |
| Reserve Drawdown (Deposit) | -3,896 | -3,125 | -771 | 145 | -3,125 | -3,270 (10,17) |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL AUXILIARIES | | | | | | |
| Revenues | \$129,525 | \$127,667 | 1,858 | \$124,034 | \$127,667 | 3,633 |
| Expenses | -122,270 | -126,855 | 4,585 | -122,419 | -126,855 | -4,436 |
| Reserve Drawdown (Deposit) | -7,255 | -812 | -6,443 | -1,615 | -812 | 803 |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

CAPITAL OUTLAY BUDGET

Educational and General Projects

1. The project total budget and cumulative expenses reflect the appropriations available for fiscal year 2003. The annual budget was adjusted because the state froze 50 percent of the fiscal year 2003 allocation and because some expenses budgeted in fiscal year 2002 were processed in fiscal year 2003.
2. Blanket Authorizations allow unforeseen renovation needs within \$500,000 to be authorized administratively for expediency. The following projects have been completed in blanket authorizations: Laundry Facility Renovation, Print Shop Renovation, Airport Terminal, Richardson Property Acquisition, Architecture Demo Phase II, Fiber Optics Facility, Tidewater Property Acquisition, and Tidewater Building Acquisition. The acquisition of two donated parcels of land in the tidewater area are in process for a total estimated cost of \$15,000 for transaction expenses.
3. The project is complete and was closed June 30, 2003. The cumulative expenses reflect the final project costs.
4. The project includes two components, the Student Services building and the Southgate Center Addition. Both items are complete and the project was closed June 30, 2003. The Virginia Tech Foundation financed and built the facilities. Final costs for the project total \$9.680 million.
5. The project is complete and was closed June 30, 2003. The cumulative expenses reflect the final project costs.
6. This project is complete and was closed June 30, 2003. The cumulative expenses reflect the final project costs.
7. The project is complete and will be closed when final payments are processed. The total project cost is expected to be \$2.1 million. The annual budget was adjusted because bills budgeted in fiscal year 2002 were received from the contractor in fiscal year 2003.
8. The project is complete and outstanding items with the contractor continue to defer closing the project. The total project cost is expected to be \$1.670 million. The annual budget was adjusted to reflect an estimated closing date in fiscal year 2003.
9. This project will provide state-of-the-art teaching laboratories, faculty offices, and lecture hall space. The project is under construction with an estimated completion date of January 2004. The total project cost is expected to be \$26.774 million because of bid savings. The annual budget was adjusted to reflect billing estimates from the contractor.
10. This project will replace outdated structures at the Dairy Cattle Center with state-of-the-art facilities. The project is under construction with an estimated completion date of February 2004. The annual budget was adjusted to reflect a schedule delay caused by inclement weather.
11. The project is substantially complete and will be closed when final payments are processed. The annual budget was adjusted to reflect an estimated closing date in fiscal year 2003.
12. This comprehensive project addresses health and safety issues throughout campus such as fire alarm systems, air quality, and access for persons with disabilities. This project includes multiple items in various phases of design and construction. The estimated completion date is November 2003.
13. This project will build a facility that will replace the outdated facilities in Henderson Hall. Construction is underway with an estimated completion date of April 2004. The annual budget was adjusted because contract negotiations delayed the start date.
14. This project will build a research building for the Bioinformatics program. Construction is underway with an estimated completion date of November 2003. The annual budget was adjusted to reflect a schedule delay caused by inclement weather and for billing estimates from the contractor.
15. The project is complete and was closed June 30, 2003. The cumulative expenses reflect the final project costs.
16. The project was cancelled because of unforeseen building conditions and was closed June 30, 2003.
17. This project will provide a presentation arena. The project is under construction with an estimated completion date of March 2004. The annual budget was adjusted to reflect billing estimates from the contractor.
18. The original Winchester property has been sold and the project was closed June 30, 2003. The cumulative expenses reflect the final project costs.
19. This project includes the construction of a federally funded laboratory located near the Brooks Center. Planning is underway with an estimated construction completion date of June 2005.
20. This project will build a second biological and computational research building located adjacent to the phase I building. The project is under construction with an estimated completion date of August 2004. The annual budget was adjusted to reflect a start date of February 3, 2003.

2002 General Obligation Bond Program

21. This project envisions a state-of-the-art laboratory facility to support plant science teaching and research. Construction is underway with an estimated completion date of June 2005. The annual budget was adjusted to reflect estimated costs to complete bid documents.
22. This project is envisioned to build a 47,000 gross square foot laboratory building to support microbiology research. The bid date for this project has been set at September 2004 and programming is underway.
23. This project is to construct a new laboratory facility to support instructional programs in the Building Construction department. The total project budget includes an existing \$1 million of nongeneral fund support that may be used to initiate planning. The bid date has been set at September 2005.
24. This project is envisioned to update about 46,500 gross square feet of the most out-of-date general assignment classrooms on campus. The bid date has been set at August 2005.
25. This project is envisioned to update the building's power and HVAC infrastructure to support modern instructional technology. The bid date has been set at September 2006.
26. This project is envisioned to repair existing exterior precast concrete panels that are failing. The bid date has been set at December 2005.

CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF JUNE 30, 2003
(\$000)

| | CURRENT YEAR | | | TOTAL PROJECT BUDGET | | | | | | |
|---|------------------------|-----------------------|--------------|----------------------|-------------------------|-----------------|--------------|--------------|---------------------|---------|
| | ORIGINAL ANNUAL BUDGET | REVISED ANNUAL BUDGET | YTD EXPENSES | STATE SUPPORT | GENERAL OBLIGATION BOND | NONGENERAL FUND | REVENUE BOND | TOTAL BUDGET | CUMULATIVE EXPENSES | |
| <u>Educational and General Projects</u> | | | | | | | | | | |
| Maintenance Reserve | \$ 3,167 | \$ 2,950 | \$ 1,224 | \$ 2,950 | \$ 0 | \$ 0 | \$ 0 | \$ 2,950 | \$ 1,224 | (1) |
| Blanket Authorizations | 0 | 15 | 0 | 0 | 0 | 14,000 | 0 | 14,000 | 4,115 | (2) |
| Dry Rendering Facility | 153 | 256 | 256 | 595 | 0 | 423 | 1,648 | 2,666 | 2,666 | (3) |
| Student Services Building | 2,709 | 4,990 | 0 | 0 | 0 | 9,680 | 0 | 9,680 | 0 | (4) |
| Torgersen Hall | 0 | 105 | 98 | 14,449 | 0 | 12,500 | 0 | 26,949 | 26,942 | (5) |
| Shanks Hall and Shultz Hall Conversion | 0 | 27 | 38 | 0 | 0 | 9,982 | 0 | 9,982 | 9,166 | (6) |
| Addition to Cheatham Hall | 870 | 1,406 | 1,367 | 0 | 0 | 2,471 | 0 | 2,471 | 2,061 | (7) |
| Airport Taxiway Construction | 0 | 275 | 0 | 0 | 0 | 3,129 | 0 | 3,129 | 1,395 | (8) |
| Chemistry/Physics - Phase II | 13,970 | 15,279 | 13,773 | 23,431 | 0 | 3,763 | 0 | 27,194 | 18,196 | (9) |
| Dairy Science Facilities | 3,179 | 2,486 | 692 | 5,343 | 0 | 0 | 0 | 5,343 | 1,147 | (10) |
| Hampton Roads Wing Replacement | 789 | 1,199 | 932 | 1,345 | 0 | 83 | 0 | 1,428 | 1,162 | (11) |
| Health, Safety, and Accessibility | 1,962 | 1,962 | 1,048 | 2,500 | 0 | 0 | 0 | 2,500 | 1,334 | (12) |
| Career Services Facility | 2,474 | 1,467 | 546 | 0 | 0 | 0 | 4,608 | 4,608 | 896 | (13) |
| Bioinformatics Building - Phase I | 15,484 | 11,547 | 11,054 | 0 | 0 | 0 | 21,864 | 21,864 | 13,752 | (14) |
| Geotechnical Research Laboratory | 100 | 568 | 536 | 0 | 0 | 880 | 0 | 880 | 848 | (15) |
| Microelectronics Laboratories | 607 | 357 | 316 | 0 | 0 | 1,800 | 0 | 1,800 | 813 | (16) |
| Multipurpose Livestock Arena | 1,909 | 985 | 249 | 1,900 | 0 | 1,818 | 0 | 3,718 | 323 | (17) |
| Winchester Office and Laboratory Complex | 0 | 0 | 0 | 2,123 | 0 | 691 | 0 | 2,814 | 2,814 | (18) |
| Fisheries and Aquatics Research Center | 56 | 56 | 0 | 0 | 0 | 800 | 0 | 800 | 0 | (19) |
| Bioinformatics Building Phase II | 7,421 | 4,011 | 670 | 20,436 | 0 | 0 | 0 | 20,436 | 670 | (20) |
| TOTAL | 54,850 | 49,941 | 32,799 | 75,072 | 0 | 62,020 | 28,120 | 165,212 | 89,524 | |
| <u>2002 General Obligation Bond Program</u> | | | | | | | | | | |
| Agriculture & Natural Resources Research Laboratory | 5,516 | 165 | 134 | 1,367 | 23,168 | 256 | 0 | 24,791 | 1,592 | (21,32) |
| Biology Building | 749 | 0 | 0 | 0 | 14,263 | 0 | 4,000 | 18,263 | 0 | (22,32) |
| Bishop-Favrao Hall | 249 | 0 | 0 | 0 | 2,500 | 5,000 | 0 | 7,500 | 0 | (23,32) |
| Classroom Improvements, Phase I | 340 | 0 | 0 | 0 | 4,530 | 0 | 0 | 4,530 | 0 | (24,32) |
| Cowgill Hall HVAC and Power | 377 | 0 | 0 | 0 | 7,500 | 0 | 0 | 7,500 | 0 | (25,32) |
| Litton-Reaves Hall Exterior Repairs | 282 | 0 | 0 | 0 | 2,500 | 0 | 0 | 2,500 | 0 | (26,32) |
| Main Campus Chilled Water Central Plant | 76 | 0 | 0 | 0 | 2,800 | 0 | 0 | 2,800 | 0 | (27,32) |
| Henderson Hall and Performing Arts Center | 973 | 0 | 0 | 0 | 6,542 | 2,235 | 40,000 | 48,777 | 0 | (28,32) |
| Williams, Agnew, & Burruss Renovation | 4,780 | 4,257 | 2,338 | 5,048 | 5,452 | 652 | 0 | 11,152 | 2,776 | (29,32) |
| Vivarium Facility | 567 | 0 | 0 | 0 | 12,000 | 0 | 4,750 | 16,750 | 0 | (30,32) |
| Institute of Critical Technologies and Applied Sciences | 1,313 | 0 | 0 | 0 | 13,996 | 0 | 17,000 | 30,996 | 0 | (31,32) |
| TOTAL | 15,222 | 4,422 | 2,472 | 6,415 | 95,251 | 8,143 | 65,750 | 175,559 | 4,368 | |

CAPITAL OUTLAY BUDGET (continued)

27. This project is envisioned to provide cooling capacity to the north zone of campus to support several new construction and renovation projects. The bid date has been set at April 2005.
28. This project is envisioned to renovate Henderson Hall to house the School of the Arts program and to construct a state-of-the-art performance theatre. The bid date has been set at April 2006.
29. The project envisions the renovation of Williams Hall, Agnew Hall, and Part of Burruss Hall for state-of-the-art instructional space. The Williams Hall component is under construction with a budget of \$5.701 million including \$4.566 million of VCBA Bonds and \$482,000 of General Fund. The project includes \$652,000 of nongeneral fund authorization for the Williams Hall component as a placeholder until the 2002 General Obligation Bond funds are available. The bid date for the Agnew and Burruss components is set for October 2006. The annual budget was adjusted to reflect expected construction payments in fiscal year 2003 for Williams Hall.
30. This project is envisioned to build a state-of-the-art animal care facility to support various research programs. The bid date has been set at March 2005 and a preplanning exercise is underway.
31. This project is envisioned to build a state-of-the-art, multidisciplinary research laboratory facility. Planning is underway with an estimated bid date of November 2004.
32. The original annual budget was based on an estimated effective date of November 5, 2002 for General Obligation Bond funds. The annual budget was adjusted to reflect the timing of the project in the state's Capital Implementation Plan.

Auxiliary Enterprises Projects

1. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise Budgeting Process. The total budget and expense amounts reflect the authorization available for the 2002-2004 biennium. The annual budget was adjusted to reflect actual authorizations available for fiscal year 2003.
2. Blanket Authorizations allow unforeseen renovation needs within \$500,000 to be authorized administratively for expediency. This blanket currently has no active project authorizations. The following Auxiliary projects have been completed in this blanket: four Telecommunications Upgrade projects for the residence halls, Hillcrest Renovations, Owens Parapet, and Planning for the Coliseum Roof Repair.
3. Individual repair projects for this appropriation have been completed over several years. The remaining project balance will be used as appropriate projects are identified.
4. Several parking improvement projects have been completed in this authorization. The project includes \$203,000 of General Fund because a portion of the Stormwater Management project was consolidated with the Stadium Parking project. The annual budget reflects work for four improvement projects. The outstanding project budget balance is envisioned for parking structures that are on hold.
5. The project is complete and was closed June 30, 2003. The cumulative expenses reflect the final project costs.
6. The project is substantially complete and will be closed when final payments are processed. The final project cost is expected to be \$2,992,000. The annual budget was adjusted because bills budgeted in fiscal year 2002 were received from the contractor in fiscal year 2003.
7. This project will build about 187,000 gross square feet to support alumni, continuing education, and hotel programs. The project is under construction with an estimated completion date of April 2005. The annual budget was adjusted to reflect a schedule delay caused by extended working drawing time.
8. This project was envisioned to build a new clubhouse and driving range; the project is on hold pending the relocation of the golf course holes.
9. Phase I, South End Zone, is complete and the total cost is expected to be \$34.565 million. Phase II, West Side Stands, is ready to bid the current documents, and a second set of documents is being prepared for a new design concept. The annual budget was adjusted because bills expected from the contractor in fiscal year 2002 were processed in fiscal year 2003.
10. This project is to install electronic access systems in the 19 residence halls constructed prior to 1983. The project will be implemented in three phases. Phases I and II are complete and Phase III is underway. The annual budget was adjusted because expenses budgeted for fiscal year 2002 were processed in fiscal year 2003.
11. This project is to construct a new residence hall of approximately 256 beds along with office spaces for residential services and judicial affairs. Preliminary programming has been completed to establish site and utilities coordination with the Career Services project. The project is on hold pending review of future residential fees, and the annual budget was adjusted accordingly.
12. This project will build a new electric service facility located off campus consisting of service and storage areas for trucks and equipment. The project is under construction with an estimated completion date of October 2003. The annual budget was adjusted for a schedule delay caused by inclement weather.
13. This project will develop additional field areas and support structures for use by the intramural sports program. The project is complete and will be closed when final payments are processed. The annual budget was adjusted because bills budgeted in fiscal year 2002 were received from the contractor in fiscal year 2003.
14. This project is envisioned to modernize the servery of the second floor of Dietrick dining hall. Preliminary design is underway with an estimated completion date of August 2004. The annual budget was adjusted to reflect estimated planning cost for fiscal year 2003.
15. This project is envisioned to build dining, student activity, meeting, and classroom space. The project is on hold pending further review of the site location and the program priorities.
16. This project is envisioned to expand the existing student center by adding dining, student activity, meeting, and classroom space. The project is on hold pending further review of the site and program priorities; the annual budget was adjusted accordingly.
17. This project was approved in the 2003 session and became effective May 2, 2003. It will install seating stands and restrooms to support the field adjacent to McComas Hall.

Capital Outlay Projects Authorized as of June 30, 2003 (Continued)

| | CURRENT YEAR | | | TOTAL PROJECT | | | | | | |
|---|------------------------|-----------------------|------------------|------------------|-------------------------|-------------------|-------------------|-------------------|---------------------|------|
| | ORIGINAL ANNUAL BUDGET | REVISED ANNUAL BUDGET | YTD EXPENSES | STATE SUPPORT | GENERAL OBLIGATION BOND | NONGENERAL FUND | REVENUE BOND | TOTAL BUDGET | CUMULATIVE EXPENSES | |
| Auxiliary Enterprises Projects | | | | | | | | | | |
| Maintenance Reserve | \$ 2,800 | \$ 3,103 | \$ 3,103 | \$ 0 | \$ 0 | \$ 5,903 | \$ 0 | \$ 5,903 | \$ 3,103 | (1) |
| Auxiliary Enterprise Blanket Authorizations | 0 | 0 | 0 | 0 | 0 | 7,500 | 0 | 7,500 | 2,691 | (2) |
| Major Repairs-Dorm/Dining System | 0 | 0 | 0 | 0 | 0 | 288 | 8,577 | 8,865 | 8,125 | (3) |
| Parking Auxiliary Projects | 939 | 939 | 486 | 203 | 0 | 220 | 26,899 | 27,322 | 7,220 | (4) |
| Special Purpose Housing - Phase III | 0 | 1 | 1 | 0 | 0 | 660 | 10,658 | 11,318 | 10,957 | (5) |
| Substation Expansion | 690 | 2,230 | 2,130 | 0 | 0 | 0 | 3,800 | 3,800 | 2,893 | (6) |
| Alumni/CEC/Hotel Complex | 6,849 | 2,987 | 1,222 | 0 | 0 | 25,099 | 20,732 | 45,831 | 3,124 | (7) |
| Golf Course Facilities | 0 | 0 | 0 | 0 | 0 | 1,500 | 0 | 1,500 | 0 | (8) |
| Expand Lane Stadium - Phases I and II | 5,580 | 8,312 | 7,120 | 0 | 0 | 11,000 | 82,800 | 93,800 | 33,373 | (9) |
| Improve Security Access in Residence Halls | 520 | 761 | 401 | 0 | 0 | 1,366 | 0 | 1,366 | 1,006 | (10) |
| New Residence Hall | 0 | 2 | 2 | 0 | 0 | 1,041 | 15,000 | 16,041 | 86 | (11) |
| Electric Service Facility | 2,529 | 2,162 | 1,128 | 0 | 0 | 251 | 2,749 | 3,000 | 1,322 | (12) |
| Recreation Fields | 273 | 829 | 586 | 0 | 0 | 1,529 | 0 | 1,529 | 1,286 | (13) |
| Dietrick Servery/HVAC, Phase II | 326 | 150 | 104 | 0 | 0 | 0 | 5,000 | 5,000 | 104 | (14) |
| Dining and Student Union Facility | 316 | 0 | 0 | 0 | 0 | 0 | 6,250 | 6,250 | 0 | (15) |
| G. Burke Johnston Student Center Addition | 316 | 38 | 38 | 0 | 0 | 0 | 6,250 | 6,250 | 38 | (16) |
| Soccer/Lacrosse Complex | 0 | 0 | 0 | 0 | 0 | 750 | 0 | 750 | 0 | (17) |
| TOTAL | 21,138 | 21,514 | 16,321 | 203 | 0 | 57,107 | 188,715 | 246,025 | 75,328 | |
| GRAND TOTAL | \$ 91,210 | \$ 75,877 | \$ 51,592 | \$ 81,690 | \$ 95,251 | \$ 127,270 | \$ 282,585 | \$ 586,796 | \$ 169,220 | |

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agriculture Experiment Station Division for the period of July 1, 2002 through June, 2003 and the Capital Outlay report be accepted.

**ALUMNI HOTEL AND CONFERENCE CENTER
9(d) DEBT FINANCING**

The project budget for the Alumni Hotel and Conference Center (Capital Outlay Project 16143) is \$43,118,000. Of that amount, \$20,732,000 has been authorized to be debt financed pursuant to Article X, Section 9(d), of the constitution of Virginia. The new 193,020 GSF complex will house the university's alumni, continuing education, and hotel programs.

The alumni program is currently located in a facility that was originally constructed in 1935 as a faculty residence hall. The continuing education and hotel functions were added to the structure in the late 1960's. Since then, the alumni and continuing education programs have expanded beyond the capacity of the existing facility, and the facility's age and location limit the possibility of expanding the building to accommodate program growth.

To finance the project, bonds will be issued through the Virginia College Building Authority (VCBA), and the university will enter into a loan agreement and promissory note with the Authority. Current construction on the project has been temporarily financed through a Bond Anticipation Note (the "BAN"), which will be repaid upon the issuance of the bonds.

The proposed resolution identifies the President, the Executive Vice President and Chief Operating Officer, and the University Treasurer as authorized officers to execute with the Authority the loan agreement, promissory note and any documents necessary for the financing or refinancing of the Project.

**RESOLUTION OF THE BOARD OF VISITORS OF
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**

ALUMNI/HOTEL CENTER - 9(d) FINANCING

WHEREAS, pursuant to Chapter 3.2, Title 23 of the Code of Virginia of 1950, as amended (the "Act"), the General Assembly of Virginia has authorized the Virginia College Building Authority (the "Authority") to develop a pooled bond program (the "Program") to purchase bonds and other debt instruments issued by public institutions of higher education in the Commonwealth of Virginia (the "Institutions") to finance or refinance the construction of projects of capital improvement specifically included in a bill passed by a majority of those elected to each house of the General Assembly of Virginia (the "Projects");

WHEREAS, the Authority intends to issue from time to time under the Program its Educational Facilities Revenue Bonds (Public Higher Education Financing Program) (the "Bonds") to finance the purchase of bonds and other debt instruments issued by the Institutions to finance or refinance the Projects, all in the furtherance of the purposes of the Act and the Program;

WHEREAS, the Board of Visitors of Virginia Polytechnic Institute and State University (the "Board") adopted a resolution on March 18, 2002 (the "Prior Resolution") approving, subject to certain conditions, the issuance by Virginia Polytechnic Institute and State University (the "Institution") of its revenue bonds or notes to finance, together with other available funds, certain of the Institution's Projects, including, among others, the 2003A Project (as defined below), on a long-time basis through, among other methods, the Program, in an aggregate amount not to exceed \$50,204,000, plus such other amounts as provided for and described in the Prior Resolution, and the borrowing of money in anticipation of the issuance of such bonds or notes for the purposes of such bonds or notes;

WHEREAS, pursuant to the Prior Resolution, the Institution issued its Variable Rate Revenue Bond Anticipation Note, Series 2002 on June 7, 2002 in the principal sum advanced thereunder not to exceed \$30,000,000, as amended and restated by its Amended and Restated Variable Rate Revenue Bond Anticipation Note, Series 2002 dated June 6, 2003 in the principal sum advanced thereunder not to exceed \$15,000,000 (the "BAN"), to provide interim financing for certain of the Institution's Projects, including, among others, the 2003A Project;

WHEREAS, the Institution is currently authorized to draw on the BAN only for the 2003A Projects, and the amounts expected to be outstanding under the BAN at the time of the issuance of the 2003A Note (as defined below) shall relate only to the 2003A Project;

WHEREAS, if the Institution wishes to finance or refinance a Project through the Program, it will be necessary for the Institution to enter into a Loan Agreement (a "Loan Agreement") between the Authority and the Institution and to evidence the loan to be made by the Authority to the Institution pursuant to the Loan Agreement by issuing the Institution's promissory note (the "Note") pursuant to Section 23-19 of the Code of Virginia of 1950, as amended, and pursuant to the Loan Agreement, the Authority will agree to issue its Bonds and to use certain proceeds of the Bonds to purchase the Note issued by the Institution, and the Institution will agree to use the proceeds received from the Authority to finance or refinance the costs of the Project, including retiring the BAN, and to make payments under the Loan Agreement and the Note in sums sufficient to pay, together with certain administrative and arbitrage rebate payments, the principal of, premium, if any, and interest due on that portion of the Bonds issued to purchase the Note;

WHEREAS, in accordance with the Prior Resolution, the Institution now proposes to sell to the Authority its Note (the "2003A Note") to be issued under a Loan Agreement (the "2003A Loan Agreement") to finance or refinance from all or a portion of the proceeds of certain Bonds issued by the Authority in 2003 (the "2003A Bonds") all or a portion of the costs of construction and improvement of the Alumni/Hotel Center (the "2003A Project"), including the redemption of all of the principal, and interest accrued thereon to the redemption date, of the BAN advanced for such 2003A Project, which is located on the Institution's Blacksburg, Virginia campus;

WHEREAS, it is the desire of the Board that the terms of, and applicable to, the 2003A Note comply with the Prior Resolution; and

WHEREAS, it is the desire of the Board to delegate to such Authorized Officers (as hereinafter defined) of the Institution the authority to approve, on behalf of the Board, the forms of the 2003A Loan Agreement and the 2003A Note and, similarly, to authorize such Authorized Officers of the Institution to execute, deliver and issue in the name of and on behalf of the Institution, the 2003A Loan Agreement, the 2003A Note and any and all documents necessary to effectuate the financing or refinancing of all or a portion of the costs of the 2003A Project through the Program with the Authority and to facilitate the purchase of the 2003A Note by the Authority.

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

Section 1. Pursuant to Section 3 of the Prior Resolution, the University Treasurer of the Institution has examined the alternatives available to the Institution for financing the 2003A Project on a long-term basis and recommends to the Board to finance or refinance the 2003A Project through the Program, and the Board, having considered such recommendation, hereby determines to issue, in accordance with the Prior Resolution, the 2003A Note, which shall be dated, be in such an aggregate principal amount, mature, bear interest at such rates payable on such dates and be subject to redemption at such times and upon such terms, all to be determined as provided for herein.

Section 2. The 2003A Project is hereby designated a Project to be undertaken and financed or refinanced by the Authority and, accordingly, the President, the Executive Vice President and Chief Operating Officer and the University Treasurer of the Institution (collectively, the "Authorized Officers"), or any of them, are each hereby delegated and invested with full power and authority, within the limitations prescribed in Section 2 of the Prior Resolution, to approve the forms of the 2003A Loan Agreement and 2003A Note, and any pledge to the payment of the 2003A Note of the Institution's total gross university sponsored overhead, unrestricted endowment income, tuition and fees, indirect cost recoveries, auxiliary enterprise revenues, general and nongeneral fund appropriations and other revenues not required by law or restricted by a gift instrument to be used for another purpose, any of which are not required by law or by binding contract entered into on or prior to the date of issuance of the 2003A Bonds to be devoted to some other purpose on a basis that is senior in priority to the 2003A Bonds, as may be provided in the 2003A Loan Agreement, and, in accordance with the terms of the Prior Resolution, the amount of the proceeds of the 2003A Note to be used to redeem all of the outstanding principal amount of the BAN, and interest accrued thereon to the redemption date, advanced for the 2003A Project and such approval is hereby authorized, subject to the provisions of Section 4 hereof.

Section 3. Subject to the provisions of Section 4 hereof, the Authorized Officers, or any of them, are each hereby delegated and invested with full power and authority to execute, deliver and issue, on behalf of the Board, (a) the 2003A Loan Agreement and the 2003A Note whose approval of such documents in accordance with Section 2 hereof shall be evidenced conclusively by the execution and delivery of the 2003A Loan Agreement and 2003A Note, respectively, and (b) any and all other documents, instruments or certificates as may be deemed necessary to consummate the financing or refinancing of all or a portion of the costs of the 2003A Project through the Program, the construction of the 2003A Project and the Institution's participation in the Program, and to further carry out the purposes and intent of this Resolution. The Authorized Officers are directed to take such steps and deliver such certificates prior to the delivery of the 2003A Note as may be required under existing obligations of the Institution.

Section 4. The authorizations given above as to the approval, execution, delivery and issuance of the 2003A Loan Agreement and the 2003A Note are subject to the following parameters: (a) that the principal amount of the 2003A Note following the date of issuance of the 2003A Note shall not be greater than \$20,732,000 representing the aggregate amount of the 2003A Project authorized by the General Assembly of Virginia, plus amounts needed to fund issuance costs, reserve funds, and other financing expenses or as may otherwise be adjusted under applicable law, (b) that the interest rate payable under the 2003A Note shall not exceed a "true" or "Canadian" interest cost more than 50 basis points higher than the interest rate for "AA" rated securities with comparable maturities, as reported by Delphis-Hanover, or another comparable service or index, on the date that the interest rates on the 2003A Note are determined, taking into account original issue discount or premium, if any, (c) that the weighted average maturity of the principal payments due under the 2003A Note shall not be in excess of 20 years, (d) that the last principal payment date under the 2003A

Note shall not extend beyond the period of the reasonably expected economic life of the 2003A Project, and in no event shall the 2003A Note mature more than 25 years from its date of issuance, (e) that the financing of the 2003A Project and the terms and provisions of the 2003A Loan Agreement and the 2003A Note will comply with the Alternative Construction and Financing Guidelines, as amended, modified or supplemented, issued by the Commonwealth's Secretary of Finance, (f) that the actual interest rates, maturities, terms and dates of redemption, if any, and date of the 2003A Note shall be approved by an Authorized Officer, which approval will be evidenced by the execution of the 2003A Note, and (g) that on date of issuance of the 2003A Note the Institution intends to retire the BAN, and on and thereafter, the Institution shall not draw on the BAN for any purpose.

Section 5. The Board acknowledges, on behalf of the Institution, that if the Institution fails to make any payments of debt service due under any Loan Agreement or Note, including the 2003A Loan Agreement and the 2003A Note, the Program authorizes the State Comptroller to charge against the appropriations available to the Institution all future payments of debt service on that Loan Agreement and Note when due and payable and to make such payments to the Authority or its designee, so as to ensure that no future default will occur on such Loan Agreement or Note.

Section 6. The Board agrees that if the Authority determines that the Institution is an "obligated person" under Rule 15c2-12 of the Securities and Exchange Commission with respect to any issue of Bonds, the Institution will enter into a continuing disclosure undertaking in form and substance satisfactory to the Authority and the Institution and will comply with the provisions and disclosure obligations contained therein.

Section 7. The Board hereby ratifies, approves and confirms that any projects of the Institution financed directly or indirectly by bonds, notes or other obligations that have been issued by the Authority are designated as projects to be undertaken by the Authority.

Section 8. This resolution shall take effect immediately upon its adoption.

RECOMMENDATION:

That the above resolution allowing the Authorized Officers to execute with the Authority the 2003A Loan Agreement, the 2003A Note and any documents necessary for the financing or refinancing of the Project be approved.

August 25, 2003

REPORT ON WEST SIDE STADIUM EXPANSION

August 2003

At its June 2003 meeting, the Board of Visitors approved the continuation of the planning activities for the West Side phase of the Stadium Expansion capital project to a sufficient level to allow the University to request construction bids. In addition, the University committed to continue the financial planning activities for the West Side project and to report to the Board of Visitors on the status of the project at its August 2003 meeting. This report provides a brief update on the first year performance of the South End Zone project and on the status of the West Side proposal.

South End Zone Expansion

The construction of the South End Zone expansion was completed in time for the 2002 football season. The South End Zone project is expected to cost \$34.56 million. The South End Zone had occupancy of 93% (suites), 72% (premium seating), and 89% (general admission seats) during the 2002 football season. This represents a very successful year for the South End Zone project since these totals exceed the original revenue estimates.

West Side Expansion Proposal

During the 2002 legislative session the Commonwealth provided the University with the authority to construct the West Side expansion. The University has continued the planning efforts on the expansion of the West Side. The design and program requirements for the West Side project have continued to evolve over the last two years; Schedule 1 to this report provides an overview of major components of this project, including the financial and fund raising plans.

As noted above, the planning efforts for the current version of the project are ongoing. The University's best estimate for the completion of the planning activities is January 1, 2004. This date will allow for construction bids to be issued in January 2004, with the anticipation of the acceptance of a successful bid and a construction start of March 1, 2004. The goal for a start date at that time would be to finish the West Side expansion in time for the fall 2005 season. For this to occur, the University anticipates the start of a second, smaller construction project for the foundation and site utilities work, by December 1, 2003 with a completion date of February 28, 2004. Using this two-construction bid, staged approach, the University believes that there is a reasonable chance to complete the project for the fall 2005 season.

The current financial plan envisions a \$52.52 million project to be funded by a private fund raising campaign of \$15 million in conjunction with the restriction of the existing stadium-wide Capital Assessment Fee to the West Side project to service debt and to establish a debt service reserve. The fund raising effort is

currently projected to include a five-year campaign, starting in 2003-04, and a five-year payment period.

The financial plan for the West Side assumes a 70% occupancy rate for both the suites and the club seating. The project includes 782 new indoor club seats, the conversion of 1,650 outdoor premium seats to 1600 outdoor club seats, and 23 suites (excluding the President's Box) with a total of 547 seats. A new President's Box, with an estimated 189 seats, is also included in the plan. The proposal includes annual rates of \$1,500 and \$2,000 for the club seating along with annual rates of \$55,000, \$65,000 and \$100,000 for the suites. The occupancy rate and rates for the premium seating are critical components of the financing plan, since the annual debt service cost is covered primarily by these annual ticket and seating revenues.

Consistent with the South End Zone project and prior financial plans for the West Side, the financial plan includes a requirement that the project cash reserve balance equals or exceeds 300 percent of the annual debt service payment at all times after the completion of the project. Further, the financial plan uses a 5.5 percent interest rate assumption, which is a realistic estimate for the timeframe in which the debt could be issued.

These updated assumptions continue to present a financially viable project, subject to the completion of the fund raising campaign, and the ability to meet the 70 percent occupancy levels at the stated prices. Based on the results of the South End Zone project and the continuing success of the football program, the University feels that the probability is high that the fund raising campaign will be successful and that there will be significant interest in the premium seating options that will be available through this project.

As a result of the success with the South End Zone project, continuing fan support, Athletic Department interest in proceeding with the West Side, entry into the Atlantic Coast Conference, and a viable financial plan for the West Side Expansion, a resolution recommending action by the Board of Visitors on the West Side Component of the project is attached.

The Board of Visitors resolution would authorize construction of the West Side phase and allow the University to accept a bid for the construction of the West Side. With this approval, and subject to the continued feasibility of the financial, fund raising, and construction plans, the University, through the final approval of the Executive Vice President and Chief Operating Officer, would proceed with the goal of issuing the construction bids in sufficient time to complete the West Side project by the fall 2005 season.

**Lane Stadium West Side Expansion Project
Financial Summary
August 2003**

| | |
|------------------------------------|---|
| Project Cost: | \$52.5 million |
| Fundraising Target: | \$15 million |
| Fundraising Strategy: | 5 year campaign with a five-year payment period |
| Financing Strategy: | Fundraising targeted to decrease the weighted average maturity of debt and meet debt service coverage requirements. |
| Debt Service: | |
| • Amount | \$56.9 million |
| • Annual payment | \$6.3 million in years 1-3, \$3.9 million in year 4 |
| • Period | 25 years |
| • Interest rate | 5.50% |
| • Annual reserve coverage | 304% |
| Annual Revenue Projections: | |
| • Project-generated revenue | \$3.8 million |
| • Ticket revenue surcharge | \$0.8 million |
| • Estimated occupancy rate | 70% |
| Reserve Balance: | Projected to be \$35.2 million at end of the debt service period. |

LANE STADIUM WEST SIDE EXPANSION PROJECT RESOLUTION
August 25, 2003

WHEREAS, the University has provided reports and updates to the Board of Visitors and sought guidance from the Board at each stage of the West Side Stadium Expansion project; and,

WHEREAS, additional design considerations were identified and the project currently envisions 24 suites, 782 inside club seats, and the conversion of 1,650 existing outside seats to 1,600 outside club seats; and,

WHEREAS, the estimated cost is \$52.52 million to redesign, construct, and renovate; and,

WHEREAS, this project has been approved by the Executive Branch and the General Assembly, and has been approved as an authorized capital project in the 2002 Appropriation Act; and,

WHEREAS, the financial plan for the West Side component of the Stadium Expansion project anticipates sufficient revenues through private contributions, premium seating, and a \$3 stadium-wide Capital Assessment Fee for six years, and that the base level of private funding required to establish the financial viability of the West Side project is \$15 million; and,

WHEREAS, the University has sales experience for premium seating as a result of the actual experience gained through sales of the South End Zone in the Summer of 2002; and,

WHEREAS, bid and construction activities must begin no later than March 1, 2004, if the facility is going to be substantially complete for the 2005 football season, now,

THEREFORE, BE IT RESOLVED THAT:

The West Side Stadium Expansion project be approved; and,

The Executive Vice President and Chief Operating Officer be authorized to initiate the bid process and subsequent construction of the West Side component of the Stadium Expansion project.

RECOMMENDATION: That the Board of Visitors authorizes the Executive Vice President and Chief Operating Officer to make the final determination to proceed with the bid and construction of the West Side component of the Stadium Expansion project.

MINUTES
STUDENT AFFAIRS COMMITTEE OF THE BOARD OF VISITORS
August 25, 2003

Present: Mr. T. Rodman Layman, Chair
Mr. Michael Anzilotti
Mr. Allan Bradley
Mr. L. Bruce Holland
Mr. John Rocovich, Rector

Visitors: Ms. Kim Badinelli, Mr. Thomas Brown, Dr. Landrum Cross, Ms. Jean Elliott, Mr. Tim Hall, Mr. Jon Jaudon, Mr. Richard Johnson, Mr. Erik Kneubuehl, Dr. David Ostroth, Mr. Paraj Patel, Ms. Donna Sanzenbach, Dr. Edward Spencer, Dr. Charles Steger, Dr. Brian Warren

West End Market
Cochrane Hall
8:00 a.m.

- 1. Breakfast, Overview of Dining Services, and Walking Tour of Dining Halls.** Mr. Richard J. Johnson, Director of Housing and Dining Services, hosted a breakfast for committee members at West End Market. Immediately following, he presented the highlights of the Dining Services area. Featured in the presentation were the numerous awards the Dining Services program has earned over the last few years. Mr. Johnson also reviewed the financial performance of the program as well as new program enhancements: the opening of Squires Food Court to meal plan holders, and the renovation of two shops in the Owens Food Court—Frank’s Deli and the Bistro Internationale’. He concluded this segment with a tour of dining facilities: West End Market, The Depot at Dietrick, Owens Food Court, and Hokie Grill.

Conference Room C
Donaldson Brown Hotel & Conference Center
9:30 a.m.

- 2. Opening remarks, introduction of committee members, and approval of June 2, 2003, minutes.** Mr. T. Rodman Layman, Chair, provided opening remarks, introduced the committee members, and submitted the minutes of the June 2, 2003, Student Affairs Committee meeting to the committee for review and approval. The minutes were approved with one addition. Mr. Layman asked that an additional item be added under Item 5, Presentation on University Unions and Student Activities: “Ms. Melinda Vann provided details on the number of tickets sold for Student

Activities events during the previous year. The total dollar amount was \$337,916.50 for 69,306 tickets sold, making the average ticket price \$4.87½.”

- 3. Athletic Department Report.** Mr. Jon Jaudon, Associate Director of Athletics, on behalf of Mr. James Weaver, Director, presented a quarterly report on the Athletic Department. He discussed the results of the substance abuse program, which was revised and implemented in the 2001-2002 academic year. Since implementation of the program, positive results have decreased dramatically. The goal is zero positives and they will continue to random test athletes both on- and off-season. Mr. Jaudon shared the academic results of Spring Semester 2003. More than half of student athletes are earning GPAs of 3.0 or higher and the average graduation rate for student athletes is 72 percent. Mr. Jaudon then outlined the Sportsmanship Summit that will occur on August 28 in Cassell Coliseum. The summit will focus on Hokies Respect, a new sportsmanship awareness program designed to promote first-class fan conduct at Virginia Tech sporting events. Mr. John Rocovich, Rector, asked how many teams will be added now that Virginia Tech has joined the Atlantic Coast Conference. Mr. Jaudon indicated there are no plans for adding teams in the immediate future, but they probably will in the next five to ten years.
- 4. Overview of the Division of Student Affairs and Update on Division Restructuring.** Dr. Landrum Cross, Vice President for Student Affairs, updated the committee on restructuring that took place in the division last year. The restructuring became necessary for two related reasons. First, over the past two years the division lost seven percent of its overall budget due to state budget cuts, forcing the division to streamline its administrative functions. Second, under the university’s ASO Retirement option, employees received incentives to retire, and departments with ASO retirees lost both the person and the position itself. Student Affairs lost four key employees through the retirement option and was unable to replace them. To compensate for these two factors, the division was reorganized so that departments with similar missions and responsibilities were grouped together and now report to an associate or assistant vice president (AVP) rather than a director, as under the previous structure. This change substantially reduced costs at the director level. In addition to the AVPs, Dr. Cross retained direct supervision of the Commandant of Cadets and two professional staff positions in his office. Dr. Cross then asked the three AVPs to speak briefly.

Dr. David Ostroth, Associate Vice President for Student Affairs, briefed the committee about the areas reporting to him. Made up of portions of the former Dean of Students Office, the new office of Student Life & Advocacy supports students and parents with problems, manages Summer Orientation, and provides support for Multicultural Programs. University Unions and Student Activities has been internally

restructured. Other areas under the Associate Vice President are Recreational Sports and the Cranwell International Center.

Dr. Edward Spencer, Assistant Vice President for Student Affairs, reviewed the changes in his area which transitioned from Residential and Dining Programs to the Office of Student Programs. This office now has four departments (Housing and Dining Services, Residence Life, Fraternity and Sorority Life, and Judicial Affairs), three supporting areas (Planning and Business Services, Human Resources, and Public Relations and Information Technology), and special responsibilities for on-campus crisis management, learning communities, and town/gown community relations.

Dr. Brian Warren, Assistant Vice President for Student Affairs, provided an overview of the four departments now reporting to him. These include Cook Counseling Center, Schiffert Health Center, Career Services, and Services for Students with Disabilities, formerly handled in the Dean of Students Office.

5. Update on Summer Orientation. Mr. Thomas Brown, Interim Director of Student Life and Advocacy, updated the committee on the summer orientation process and activities. This summer, 4,724 freshmen (94.8 percent) and 557 transfer students (74.3 percent), along with thousands of parents, attended Summer Orientation 2003, reporting a 98 percent satisfaction rate with the program. New for the summer program was added emphasis on academic success, campus safety, and online registration for new students and their guests. Running the freshmen and transfer programs simultaneously is yielding high attendance, but continues to create a challenging pace for staff members.

6. Update on Fall Opening Activities. Dr. Spencer announced that the residence halls opened for the fall semester on August 20 with 164 students beyond capacity, with 130 accommodated as temporary roommates of Resident Advisors and the other 34 assigned temporarily to 14 different study lounges. These students are gradually reassigned to permanent rooms vacated by other students who do not show up for the fall and who resign during the early part of the semester.

Due to time constraints, the remainder of the presentation on Fall Opening Activities was deferred to the November Board of Visitors meeting.

7. Adjournment. There being no further business, the meeting adjourned at 11:40 a.m.

**Report of the
Ad Hoc Committee on Bylaws Revisions
August 24, 2003**

Committee Chairman Rod Layman convened a brief meeting of the ad hoc committee on August 24, 2003, to consider some additional By-laws revisions proposed by a member of the Board. The meeting was announced by the Rector at the Board's strategic planning session (an open meeting) earlier in the afternoon. In addition to the committee members, others attending the meeting included Jim Severt, Minnis Ridenour, and Kim O'Rourke.

The committee determined how best to incorporate the Board member's suggestions into the proposal for By-laws revisions, and the new proposed document will be presented to the Board at its meeting on August 25. To enable the Board members to give adequate consideration to the proposed changes, Mr. Layman will not ask the Board to act on the resolution at the August 25, 2003, Board meeting. Rather, he will bring the resolution back to the Board for a vote on November 3, 2003.

[NOTE: CHANGES/ADDITIONS ARE HIGHLIGHTED.]

**RESOLUTION FOR REVISIONS TO THE BY-LAWS OF
THE BOARD OF VISITORS**

Whereas, on April 6, 2003, the Board of Visitors authorized the Rector to appoint an ad hoc committee to evaluate whether the Board's guidelines stipulating the review period for Board Resolutions might be strengthened and to report to the Board no later than August 10, 2003; and

Whereas, the Rector thereupon appointed John Lawson, T. Rodman Layman, Jacob Lutz, and Brian Montgomery to serve on the ad hoc committee and named Mr. Layman as the chairman; and

Whereas, the ad hoc committee during its review discovered that portions of the By-laws of the Board of Visitors were no longer accurate, and the Rector subsequently broadened the scope of the committee's charge to include proposals to clarify or update the By-laws to conform with statutory changes and prior Board resolutions that had not been incorporated in the document; and

Whereas, on June 2, 2003, the chairman of the ad hoc committee presented the committee's report and recommendations for By-laws revisions to the Board of Visitors in order to allow ample time for review prior to action being taken at the August 25, 2003, Board meeting; and

Whereas, further recommendations suggested by members of the Board have been incorporated into this proposal;

Now, therefore, be it resolved that the Board of Visitors hereby adopts the recommendations of the ad hoc committee as attached, dealing with resolutions, ex officio members, closed sessions, constituent representatives, removal of board members, and conflicts of interest, and directs that these changes be implemented immediately.

Recommendation:

That the above resolution adopting changes to the By-laws of the Board of Visitors be approved and implemented immediately.

NOTE: Because this version contains additional changes not included in the version contained in the Board's notebook distributed prior to the August meeting, the Board will not be asked to act on this proposed resolution until the November 2003 Board meeting.

[NOTE: CHANGES/ADDITIONS ARE HIGHLIGHTED.]

Proposed Changes to the By-laws of the Board of Visitors

Resolutions (add new section 4A. to Art. I)

In order to permit mature consideration and to facilitate preparation of agendas and dissemination to all members of the Board, all proposed resolutions of the Board of Visitors shall be presented to the Secretary to the Board at least fifteen (15) days prior to the meeting at which they are proposed to be considered, with mailing to the members and constituent representatives to occur ten (10) or more days prior to the meeting. Any amendments or additions to or deletions from the agenda must be presented to the Board Secretary in sufficient time to enable the changes to be distributed to the Board members and constituent representatives at least three (3) working days prior to the meeting. An emergency may be declared by a two-thirds (2/3) majority of the members present at the meeting to permit consideration of a proposal not adhering to this time requirement. Except in emergency situations, all action items and resolutions should come to the full Board from one of its standing or special committees or from the President of the University.

Ex officio Member (clarification of Art. 1, Sec. 1)

The term of the ex officio member of the Board of Visitors begins immediately upon his or her election as President of the Board of the Virginia Department of Agriculture and Consumer Services and continues for the duration of his or her service as president. (Section 23-115, *Code of Virginia*, as amended)

[NOTE: CHANGES/ADDITIONS ARE HIGHLIGHTED.]

Closed Sessions (amend Art. 1, Sec. 2)

Change all occurrences of “executive session” to “closed session” to be consistent with the Freedom of Information Act. Also, amend the following sentences to update the *Code* section as follows: “~~Executive~~Closed sessions may be held for specific matters. These matters are enumerated in Section 2.2-3711, *Code of Virginia*, as amended.”

Constituent Representatives (add a new Sec. 2 to Art. I, adjust subsequent section numbers in Art. I accordingly.)

Representatives are appointed by the Board to the Board from the Undergraduate student body and the Graduate student body as non-voting, advisory representatives, pursuant to statutory authority (section 23-9.2:5, *Code of Virginia*, as amended). The term of appointment is for one year commencing July 1. Such representatives shall be welcomed at all open meetings of the Board and may be appointed to standing or special committees of the Board.

The President of the Faculty Senate shall also be welcomed to sit with the Board in open session and participate in discussion, without authority to vote or make or second motions. Similarly, this representative shall also be welcomed to attend meetings of the Board’s committees in open session and to provide information and advice as deemed appropriate by the chair of that committee.

[Wording adapted from BOV resolution of January 18, 1988]

[NOTE: CHANGES/ADDITIONS ARE HIGHLIGHTED.]

Related Corporations (replace first paragraph of Art. III, Sec. 1)

A number of corporations are intricately tied with the university by virtue of affiliation agreements that they have entered into with the university and that comply with the format for affiliation agreements that the Board of Visitors has approved. Each corporation has its own board. The boards of these corporations focus on areas of special interest to the University. A listing of these affiliated corporations and their affiliation agreements shall at all times be kept on file with the Secretary of the Board of Visitors.

Related Corporations (delete existing Art. III, Sec. 2)

Rationale – Language NOT to be included in By-laws: As the needs of the university evolve, new affiliated corporations may be formed or existing affiliated corporations may cease to exist. Because the Board has approved a format for affiliation agreements, all affiliation agreements are reviewed by the Board in accordance with a specified schedule, and the Board must approve all renewals of affiliation agreements, it is no longer necessary to enumerate the related corporations in the Board's By-laws document. Further, it would be cumbersome to revise the Board's By-laws each time there was a change to an affiliated corporation. Therefore, deletion of this Section 2 is proposed.

[NOTE: CHANGES/ADDITIONS ARE HIGHLIGHTED.]

Removal of Board Members (restate Art. VII, Section 2)

If any Visitor fails to perform the duties of his office for one year without good cause shown to the Board, the Board shall, at the next meeting after the end of such year, cause the fact of such failure to be recorded in the minutes of their proceedings, and certify the same to the Governor, and the office of such Visitor shall thereupon be vacant. (Section 23-120, *Code of Virginia*, as amended)

Conflict of Interest (restate Art. VII, Section 3)

Each Board member is subject to the provisions of the State and Local Government Conflict of Interests Act and must file reports as necessary. (Section 2.2-3114(B), *Code of Virginia*, as amended)

NOTE: Because this version contains additional changes not included in the version contained in the Board's notebook distributed prior to the August meeting, the Board will not be asked to act on this proposed resolution until the November 2003 Board meeting.

Update on Review of Race-Conscious Programs – August 25, 2003

At the June 1, 2003 meeting of the ad hoc subcommittee on narrow-tailoring, the Provost presented the findings of the comprehensive internal review of race-conscious programs. This review found five major areas that used race or ethnicity in selection decisions and required additional review and analysis. The five areas were: undergraduate admissions, private scholarships and fellowships, the Minority Academic Opportunities Program, sponsored research requirements of the federal government, and the McNair Scholars program (also federally funded).

Following the June meeting, senior managers associated with each of these activities were charged with reviewing current practices and bringing forward recommendations for continuing current practices in a narrowly-tailored, legally-compliant fashion or moving to race-neutral alternatives. Committees were also asked to incorporate the findings of the Supreme Court in the *Michigan* rulings to the extent they applied to the program area. The university Office of Equal Opportunity provided expertise and procedural guidance in developing the recommendations in each area.

On June 23, 2003 the Supreme Court issued its landmark rulings in the *Michigan* cases. The major outcome of the court decisions was to strike down the formula-based "points" system of Michigan's undergraduate admissions process, while upholding the law school's use of race in a more subjective, individualized selection process. In its ruling, the Court affirmed the validity of campus diversity as a legitimate interest of higher education and the continued use of race/ethnicity in a narrowly-tailored fashion. Interpretation of the rulings is varied. Formal guidance from the Virginia Office of the Attorney General is anticipated to be provided in the near future. In addition, the Department of Education's Office of Civil Rights is updating its guidance to universities on admissions and other programs in light of the recent rulings.

On July 18, 2003 the university submitted its recommendations in the five areas of review to the Office of the Attorney General for comment. The university is awaiting feedback from the Office of the Attorney General on these recommendations and the other findings of our overall review.

The ad hoc subcommittee met on Sunday, August 24, 2003 to receive an update on the status of the review and recommendations. The Provost articulated three goals of the university as it moves forward in its review. These goals are:

1. To understand and comply with the existing legal environment.
2. To monitor and report progress in achieving a diverse campus environment.
3. To identify and implement the best practices for improving and maintaining the diversity of our student body.

The Vice Provost for Academic Affairs also discussed strategies to increase the number of qualified minority applicants and the percentage of minority applicants who accept our offer of admission.

RESOLUTION
August 25, 2003

WHEREAS, Donald R. Johnson was appointed to the Board of Virginia Polytechnic Institute and State University on July 1, 1999, to serve a four-year term ending June 30, 2003; and

WHEREAS, Mr. Johnson is a loyal and dedicated alumnus, a member of the Class of 1970, having earned a Bachelor of Arts degree in political science; and

WHEREAS, during his years of service on the Board, Mr. Johnson participated as a member of the Academic Affairs Committee from 2000 to 2003, serving as its chair from 2001 to 2003, and by virtue of this role was also as a member of the Executive Committee from 2001 to 2003; and

WHEREAS, Mr. Johnson served on the Finance and Audit Committee from 1999 to 2000, and participated on the Special Committee on Research from 2001 to 2003; and

WHEREAS, Mr. Johnson has demonstrated his ongoing commitment to the university through his enthusiastic and generous support of intercollegiate athletics as evidenced by his membership in the Hokie Club; and

WHEREAS, throughout his years of service, Don Johnson has provided leadership and vision on behalf of the university's students and research mission; and

WHEREAS, the members of the Board have thoroughly enjoyed getting to know Don and his wife, Brenda, and have enjoyed their company at Board meetings, football games, and other university special events;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University extend their deepest appreciation to Donald R. Johnson for his loyalty and devoted service to his alma mater, and for his faithful dedication to the university and its missions.

RECOMMENDATION:

That the above resolution recognizing Donald R. Johnson for his service as a member of the Board of Visitors be approved.

RESOLUTION
August 25, 2003

WHEREAS, William C. Latham was appointed to the Board of Virginia Polytechnic Institute and State University for a second time on July 1, 1999, to serve a four year term ending June 30, 2003, having previously served as a member of the Board from July 1, 1985 to June 30, 1989; and

WHEREAS, Mr. Latham was elected by his peers to serve as Vice Rector of the Board from July 1, 2002 until June 30, 2003 and by virtue of this position also served as a member of the Executive Committee and the Special Committee on Research from July 2002 to June 2003; and

WHEREAS, Mr. Latham participated as a member of the Building and Grounds Committee from August 1999 through June 2003, serving as its Chair from June 2002 to June 2003, providing leadership and wisdom for the benefit of the university's capital projects, and on an ad hoc committee in the Spring of 2003 to study narrow tailoring of race-conscious programs; and

WHEREAS, Mr. Latham is a loyal and dedicated alumnus, a member of the Class of 1955, having earned a Bachelor of Science degree from the College of Agriculture and Life Sciences; and

WHEREAS, testament to his love for Virginia Tech and his devotion to the ideal of *Ut Prosim* are Mr. Latham's many years of service and leadership on the Alumni Association Board, the Hospitality and Tourism Management Advisory Council, the Virginia Tech Foundation Board, and Hokies for Higher Education; and

WHEREAS, Mr. Latham has exhibited his commitment to the development of Virginia Tech by his leadership on both university and college level campaign councils, and through his own generosity to Virginia Tech, as displayed by his charter membership in the *Ut Prosim* President's Circle and his distinction as a Golden Hokie in athletics; and

WHEREAS, the members of the Board have thoroughly enjoyed Bill and Betty's good company at Board meetings and other university functions to which they have added immeasurably by their charm, wit, and good favor;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University extend their deepest appreciation to William C. Latham for his steadfast loyalty and devoted service to his alma mater, and for his long record of faithful dedication to the university, its students, and its missions.

RECOMMENDATION:

That the above resolution recognizing William C. Latham for his service as a member of the Board of Visitors be approved.

RESOLUTION
August 25, 2003

WHEREAS, Beverly H. Sgro was appointed to the Board of Virginia Polytechnic Institute and State University on July 1, 1999, to serve a four-year term ending June 30, 2003; and

WHEREAS, Dr. Sgro is a loyal and dedicated alumna, having earned a Master of Science degree in 1973, and a doctoral degree in 1990; and

WHEREAS, during her years of service on the Board, Dr. Sgro participated as a member of the Academic Affairs Committee from 1999 to 2000 and from 2001 to 2003; and,

WHEREAS, Dr. Sgro was also a member of the Student Affairs committee from 2000 to 2001, and served as Chair of the Special Committee on Research from 2002 to 2003; and

WHEREAS, throughout her years of service, Beverly Sgro has provided leadership and vision on behalf of the university's students and research mission, bringing a special and rare perspective as a former Secretary of Education for the Commonwealth of Virginia; and

WHEREAS, the members of the Board have thoroughly enjoyed getting to know Bev and her husband, Joe, and have enjoyed their company at Board meetings, athletic events, and other university functions;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University extend their deepest appreciation to Beverly H. Sgro for her dedicated service and ongoing commitment to the university, its students, and its missions.

RECOMMENDATION:

That the above resolution recognizing Beverly H. Sgro for her service as a member of the Board of Visitors be approved.

RESOLUTION
August 25, 2003

WHEREAS, Bruce B. Smith is a loyal alumnus of Virginia Tech, a member of the Class of 1985; and

WHEREAS, Mr. Smith was appointed to the Board of Visitors of Virginia Polytechnic Institute and State University on July 1, 2002; and

WHEREAS, Mr. Smith was obligated to vacate his position on the Board prematurely in order to carry out his professional responsibilities; and

WHEREAS, Mr. Smith was a member of the Student Affairs Committee, providing leadership and insight for the benefit of Virginia Tech's students; and

WHEREAS, he has demonstrated his commitment to the university through his generous record of giving as evidenced by his membership in the *Ut Prosim* Society and by his distinction as a Lifetime Golden Hokie; and

WHEREAS, Mr. Smith has brought honor and renown to Virginia Tech by his outstanding achievements as a professional football player;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University express their appreciation to Bruce B. Smith for his contributions and dedicated service to the university and its missions.

RECOMMENDATION:

That the above resolution recognizing Bruce B. Smith for his service as a member of the Board of Visitors be approved.

RESOLUTION
August 25, 2003

WHEREAS, Joseph W. Wampler was appointed to the Board of Visitors of Virginia Polytechnic Institute and State University in May 2001 by virtue of his role as President of the Virginia Board of Agriculture and Consumer Services; and

WHEREAS, Mr. Wampler served the Board and the university through his participation on the Student Affairs Committee from May 2001 to March 2003; and

WHEREAS, Mr. Wampler is a loyal alumnus, a member of the Class of 1967, having received a Bachelor of Science in Animal Science; and

WHEREAS, he was a loyal and effective representative of the Virginia agriculture community who brought a special and necessary perspective to the deliberations of this land-grant university's governing board; and

WHEREAS, Mr. Wampler has demonstrated years of commitment to this institution, as evidenced by his attendance at university functions, and by his support of Virginia Tech and its programs; and

WHEREAS, the members of the Board have had the special pleasure of getting to know Joe and his wife, Faye, and to enjoy their company at meetings of the Board, football games, and university special events;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Board of Visitors of Virginia Polytechnic Institute and State University express their sincere gratitude to Joseph W. Wampler for his dedication and faithful service to the Commonwealth and the students of Virginia Tech.

RECOMMENDATION:

That the above resolution recognizing Joseph W. Wampler for his service as a member of the Board of Visitors be approved.

**Resolution to Revise
The University Policy on Commemorative Tributes
at
Virginia Polytechnic Institute and State University**

Whereas, The Board of Visitors of Virginia Polytechnic Institute and State University is responsible for the naming of all buildings, portions of buildings, streets, major academic components of the university, and other physical facilities, and for authorizing the erection or hanging of plaques, portraits or other permanent memorials honoring individuals or organizations on the campus or outlying properties of the university; and

Whereas, on May 16, 1969, the Board of Visitors adopted a Policy on Commemorative Tributes and appointed a Commemorative Tributes Committee to make recommendations to the President of the university and to the Board of Visitors regarding the conferring of commemorative tributes; and

Whereas, the Policy on Commemorative Tributes was revised on May 2, 1980, and again on October 15, 1992, to modify the composition of the Commemorative Tributes Committee and to delineate the responsibilities of the Board of Visitors, the Commemorative Tributes Committee, and the university administration; and

Whereas, now, preparation for the Campaign for Virginia Tech requires that the Policy on Commemorative Tributes contain clear and concise guidelines to serve as an efficient resource for fundraising operations; and

Whereas, in consideration of the nature of corporate culture and its uncertain evolution over time, the policy should limit corporate namings to a specified period of time and to internal spaces only; and

Whereas, in recognition of the central role of University Development officials in negotiating with donors and the role of the Virginia Tech Foundation in safeguarding private donations, the Board of Visitors acknowledges the function and responsibility of University Development and the Virginia Tech Foundation in the establishment of named professorships, fellowships, chairmanships, and lectureships from charitable gifts and thus does not include them in this policy, and yet reserves the right of the Board of Visitors to approve the conferral of these honors to faculty upon the recommendation of the President of the University;

Now, therefore, be it resolved that, in consideration of the critical value of the revised Policy on Commemorative Tributes to the capital campaign, the Board of Visitors adopts the revised policy dated August 25, 2003.

Recommendation:

That the above resolution revising the Policy on Commemorative Tributes be approved.

Virginia Polytechnic Institute and State University

No. 12005

Rev.: 3

Policy and Procedures

Date: August 25, 2003

Subject: Policy On Commemorative Tributes

1. Purpose
2. Policy
3. References
4. Approval and Revisions

1. Purpose

The following policy and procedures apply to the commemorative naming of physical spaces and/or other entities the University Commemorative Tributes Committee will take under consideration, such as: buildings, portions of buildings, streets or other physical facilities, and to the erection and plan for donor recognition walls or hanging of plaques, portraits or other permanent memorials honoring individuals or organizations on the campus or outlying properties of the University, as well as specific academic units, such as departments, schools, colleges, institutes, or centers that may be named in honor of individuals.

2. Policy

The university will approve commemorative namings of buildings, physical facilities, specific academic components, and the erection of plaques, signs, and portraits as a commemorative tribute in appropriate instances where the university has significantly benefited from the relationship with the person or organization and such naming brings no adverse reflection on the university. The process for securing a naming opportunity is as follows:

1. The University Commemorative Tributes Committee is responsible for reviewing proposals for the naming of buildings, other physical facilities, centers, institutes, etc., and for making recommendations to the president.
2. After review, the president will submit his/her selected proposals for commemorative tributes to the Board of Visitors.
3. Board of Visitors will act on those proposals recommended by the president. Final approval rests with the Board of Visitors.
4. The Board of Visitors authorizes the President, upon the recommendation of the Commemorative Tributes Committee, to approve the erection of plaques, permanent signs and other memorials (such as bricks and benches), and the commissioning and hanging of portraits related to the naming.
5. This policy applies only to the naming of facilities in honor of persons or organizations and does not apply to the identification of rooms or facilities with numbers, letters, colors, or generic terms.

2.1 Commemorative Tributes Committee

The Commemorative Tributes Committee will consist of the following:

1. Vice President for Development and University Relations, Chair
2. University Provost and Vice President for Academic Affairs
3. Executive Vice President and Chief Operating Officer
4. Vice President for Student Affairs
5. Vice President for Business Affairs
6. Vice President for Alumni Relations
7. President of the Faculty Senate
8. President of the Student Government Association
9. Executive Vice President and Chief Operating Officer of the VT Foundation, Inc.

(As the university's organizational structure evolves, the President is authorized by the Board of Visitors to adjust the titles of the committee's membership to reflect those organizational changes.)

2.2 Policy for All Commemorative Tributes

- Consideration should be given to the desirability of an appropriate relationship between the use of the physical facility and the person or organization for which the facility is named.
- In reviewing proposals for names of buildings or other facilities, it is appropriate for the members of the Commemorative Tributes Committee to contact appropriate members of the university community to obtain and/or validate information.
- Any building or other facility bearing the name of a person or organization should be clearly identifiable, distinctive, significant, enduring, and functional and should reflect honor on the person or organization for whom it is named. Portions of buildings or rooms within buildings generally should meet these same criteria. In addition, names assigned to portions of buildings or rooms should be helpful to users in identification of the facilities.
- This policy applies only to the naming of facilities in honor of persons or organizations and does not apply to the identification of rooms or facilities with numbers, letters, colors, or generic terms.

2.3 Policy for Names in Tribute of Corporate Entities

- 1) Corporate names are considered to be generally appropriate for naming of internal spaces. Such naming opportunities must be stated in the proposal, as part of the negotiation, prior to consideration by the Commemorative Tributes Committee.
- 2) Corporate names are not considered to be appropriate for the external identification of campus buildings.
- 3) Internal physical spaces may be named for a negotiated period of approximately ten years or less. Exceptions may be granted in extraordinary situations.

2.4 Policy for Building Names in Tribute of Individuals

The following guidelines should be observed in naming buildings or portions of buildings:

1. Entire buildings, building additions, or portions of buildings may be named in honor of an individual or individuals.
2. The naming of a building, part of a building, or other facility or property of the university is a high honor and would not be done casually. The honor is reserved for those who have made extraordinary contributions to the University through their achievements in service and/or in financial support to the University.
3. To merit recognition in the naming of a building or portion of a building, an individual's relationship to the University should be truly exceptional in both quality and impact and be of significant duration.
4. When financial contributions are a factor, the level of contribution needed to name a building, addition to a building, or portion of a building (as may be the case in a major renovation project) will vary depending on the financing considerations, purpose, size, prominence on campus, and the level of private support needed for construction. Such gift commitments must be payable over a defined pledge term and the donor must provide a legally binding commitment enforceable against his/her assets/estate until the pledge is retired.
 - a. In cases of existing construction, outright gifts and/or irrevocable deferred gifts, e.g., life income plans, may be used. The amount credited toward the naming opportunity will be based on the present value of the charitable gift plan.
 - b. In cases of new construction and when financial support is needed for construction, only outright gifts of readily marketable assets may be used.
 - c. The required gift level for naming spaces within buildings, such as auditoriums, classrooms, laboratories, etc. will be established following the same principles as to naming of existing major facilities.
5. Buildings or other physical facilities are not named for an individual who has been employed by the University during the year preceding the naming.
6. Building names should reflect honor on the university as well as on the person or persons being honored and are considered to be permanent.

2.5 Plaques and Portraits, and Miscellaneous Items of Recognition

1. Donor walls, plaques, and portraits and miscellaneous items (bricks, benches, etc.) should be encouraged to commemorate truly outstanding contributions, either in service or financial support, of persons or organizations.
2. Such tributes should be located inside or outside buildings or facilities that have strong identification with the persons or organizations being honored.
3. The cost of such plaques, portraits, and miscellaneous recognition items generally should be borne by donors interested in the tributes.
4. All external designs need to be reviewed and approved by the university architect in order to assure compliance with the university's master plan.

2.6 Departments, Schools, Colleges, Institutes, Centers, or Other Academic Units

1. A major academic unit may be named in honor of an individual in recognition of service to the university and/or in recognition of financial contributions sufficient to provide physical facilities and equipment for its academic and/or research programs, or which would provide sufficient income to cover an appropriate portion of the annual operating costs of the unit, or both.
2. The name applied to an academic unit should be appropriate to its purpose, and should reflect honor on the university as well as upon the person for which it is named.
3. Because the life of a university center or institute is not expected to continue indefinitely, gift funding for an institute or a center may be accomplished by endowment or current gifts. If accomplished by a current gift, the name of the institute or center shall generally be limited to the term during which the expendable gift provides funding. The policies and procedures for naming the center or institute shall be the same as for naming other major academic units of the University.

3. References

Policy 5410, "Official Building Names and Numbers"

4. Approval and Revisions

Approved by the Board of Visitors on May 16, 1969 - Policy for Commemorative Tributes.

Revision 1 - Approved May 2, 1980 by the Board of Visitors, to update policy into standard policy format for inclusion in the University policies.

Revision 2 - Section 2.1 updated to include title changes of existing members and add additional vice presidents to the committee. Approved by Dr. James McComas on October 15, 1992

Approved February 27, 2001 by the Vice President for Development and University Relations, Elizabeth A. Flanagan.

Approved: Administrative updates approved by Dr. Charles Steger on October 31, 2001.

Revision 3 – Full revision. Approved by the Board of Visitors on August 25, 2003.

Attachment U

Allan J. Bradley, Undergraduate Student Representative
Constituency Report
August 25, 2003

Good Afternoon Members of the Board, my name is Allan Bradley and I am the new Undergraduate Representative. I am a senior majoring in Industrial and Systems Engineering with a minor in Spanish. Originally from Orlando, Florida I have lived in Blacksburg for the last 4 years while attending Virginia Tech. In my time at Virginia Tech I have worked with various community service organizations such as the Special Olympics, Boys and Girls Club, and volunteer teaching for Roanoke City Schools. I have also been heavily involved with the Student Government Association and continue to maintain that connection.

I started as the chair of the student life committee in the Senate, and in my second year I moved on to be the treasurer managing a budget of over \$100,000 and overseeing fundraising and accounting of The Big Event, which is the largest service day at Virginia Tech. Currently I am still serving on the Executive Board of the SGA, and have a committee that I work with on discussing university issues and finding the sentiment of the undergraduate student body. Last year I also sat on the University Council, attended some Strategic Budgeting and Planning Commission meetings, and represented the SGA on this Commission for Student Affairs.

I will continue to use the SGA as a ready resource for gauging undergraduate opinion through their programming such as a Voter Registration Drive, starting in the second week of September that will be going through residence halls and other SGA programs including the J.Crew clothing sale and the Orange Effect, a student issues forum in late October, and "Virginia 21." "Virginia 21" is an association of the presidents of the Student Government Associations at all Public Higher Education Universities in the state of Virginia that is aimed at increasing the interest in politics of 18-24 year olds and urging them to take a stand at the polls in upcoming elections. Virginia 21 is not a "think-tank" but an "action-tank." The SGA may also host a conference in late October for all Student Government Associations in the State of Virginia, and will also assist with the forum of the BOV in November.

In conclusion, I am very excited at the opportunity to maintain the interest and momentum of the undergraduate student body from the spring and summer, and I look forward to working with this charged Board that is eager to continue to steer Virginia Tech toward all of its goals.

Myrna Callison, Graduate Student Representative
Constituency Report
August 25, 2003

Good afternoon, Mr. Rector, President Steger, Members of the Board, Members of the administration, Faculty and Staff, and fellow students. My name is Myrna Callison and I am the Graduate Student Representative to the Board. I am a third year graduate student in the College of Engineering pursuing my PhD in Industrial and Systems Engineering, specializing in Human Factors. I have a Bachelor's degree in Occupational Therapy and a Master's degree in Organizational Management. I have 13 years of active duty service in the Army and hold the rank of Major. I am currently being sponsored by the Department of Defense and will return to active duty upon completion of my degree.

My research is in the area of patient handling. I am investigating the injuries that patient handlers (nurses, therapist, radiology technicians, etc.) incur while moving and transferring patients. This is an area that must be investigated due to the high incidence of injuries that are being experienced by this population. My research will help identify the different high-risk tasks that are currently being performed in acute care hospitals and will recommend several intervention methods.

Mahatma Gandhi stated "The future depends on what we do in the present". With this quote in mind, I believe that the future of this institution depends on the actions that we take now to improve the current state of the University. The Board of Visitors (BOV) is the essential tool in initiating change and developing the University. It is this ability to affect change that inspires me to become involved with the Board of Visitors. Through my position as Graduate Student representative, I hope to be a facilitator, communicator, and conduit of information regarding graduate student concerns.

Current concerns include the following:

1. Health care insurance
2. Infrastructure for graduate students in the other extended campuses, particularly in the Northern Virginia areas.
3. Interest by graduate students on their role in contributing to the Top 30 initiative of moving into the Top 30 Research Facility.
4. Building a graduate "community" throughout the university.
5. Diversity

I am happy to report that the issue of health insurance has been addressed and this is now available to all graduate students with an increased subsidy being given to students with assistantships. On behalf of the graduate students, I would like to thank the board and administration for their support of this issue and we look forward to working together to improve the quality of this health insurance and to increasing the subsidy.

I would also like to recognize the efforts of the Graduate Student Assembly, the Graduate School and other graduate organizations, in addressing the issue of building a graduate community. A 'Bill of Rights and Responsibilities of Graduate Students at Virginia Tech' is currently in draft form and will be discussed and review with the Graduate School. When this review is complete, it will then be passed on to University Governance for review.

Various workshops and forums are being planned for the graduate students to increase their role in building the graduate community and by doing this get their commitment and assistance in achieving Top 30 Status and support the teaching and research mission of this university.

I look forward to the different challenges this position brings and the opportunity to network with the many diverse individuals that comprise the academic community here at Virginia Tech. I am ready and willing to commit the time and energy that will be needed to make a worthwhile contribution to the issues and decisions this Board will face.

Attachment U

Dr. Diane L. Zahm, Faculty Representative
Board of Visitors - Constituency Report
August 25, 2003

Mr. Rector and Members of the Board of Visitors, President Steger, and Guests:

First of all, I would like to tell you how excited I am to be able to take part in planning and policymaking for the university. And I want to thank the Board for continuing to invite the President of the Faculty Senate to the table. We recognize that this is a privilege that not all Boards provide to their faculties, and you need to know how much we appreciate it.

I am faculty in the Department of Urban Affairs and Planning. My background includes professional work in neighborhood organization and government agency strategic planning. I am particularly interested in community participation and collaboration. I expect those interests will carry over into my work with you this year.

It would be difficult to describe the sentiment of faculty at this point. Some are frustrated, others are hurt or angry, and some may even have given up. Last year it seemed like so many things were being done "TO" us rather than "WITH" us.

But what is done is done and we have to look at what's ahead. From our discussions yesterday, it is clear to me that we all have the same objectives in mind. We want to make Virginia Tech a truly great school, but we are facing a number of obstacles, not the least of which is the lack of support from the General Assembly.

We talked about the quality of education. I think we have done the best job we can to continue to provide quality to our students. But, as I mentioned, I'm not sure a class is as good with 110 students as it is with 25 or 50 or even 75 student – because I can't give students the amount of individual care and attention I believe they deserve.

We've cut courses, cut sections, increased class sizes, closed minors. As an advisor, I know how frustrating this is for students; I also find that I am looking more often for substitutions for classes that simply are not available. This means we're graduating students who are not necessarily taking the courses we believe they need for a particular major. What they are getting is what I might term "A CLOSE SECOND."

Another example is the waiver of the university core laboratory requirement. Our students will still have a science “experience” while at Virginia Tech. But what we know about learning suggests that some will not understand the material as well as we might like because they won’t have the benefit of hands-on learning. And we need to find a way to change that.

I had a faculty member tell me the other day that she is now purchasing her own copy paper so she can provide handouts to students. Due to departmental budget cuts, faculty have been asked to provide everything -- including the syllabus and the course contract -- on-line.

And I guess the most exasperating thing for faculty is the general impression that we basically have nothing to do, that I only have to show up for class a few times a week. And I get three months of vacation every year, plus a really long Christmas vacation.

Let me take a moment to fill you in on my life as a faculty member, since my life is no different from other faculty, except maybe in terms of the exact types of projects and activities we choose to undertake.

In my “three months off” (as my own mother describes them), I completed a report on village planning for Montgomery County, developed the framework for a zoning ordinance for Fincastle, participated in the redesign of the public housing communities in Charlottesville, and was a member of a panel discussion on crime prevention and traffic calming in Hampton. I also wrote an issue paper and a strategic plan as a member of the board of directors for an international organization.

I supervised two wage student employees as part of an ASPIRES grant on community organization and violence, received a grant from the National Sheriff’s Association on Homeland Security and Neighborhood Watch, and visited the Kettering Foundation about funding for two projects, one on deliberative democracy on campus and the other for public policy forums on health care.

I continued to advise current students and meet with prospective students, and participated in two master’s defenses and a doctoral prelim exam. At the same time, I significantly revamped the two courses I am teaching this semester, and developed the curriculum for a laboratory to supplement one of those classes -- and that I will teach as an overload.

I ran out of “vacation” before I finished my to-do list. As I indicated, my life is not terribly different from others on the faculty. We’re all trying to do too much with too little – and all the while trying to figure out what gets the highest priority and where we should spend our energies and our resources. Most of the time it’s not just a question of balance; our lives feel like they are spinning completely out of control.

Although we understand that things like athletics and construction are funded from different sources, it is sometimes difficult for faculty to walk around campus or read the paper and see where we are moving ahead – and know how fast we’re falling behind. In some ways the transition to the ACC, which took up a lot of column inches this summer was a real slap in the face.

Another concern is Virginia Tech’s desire to be a “Top 30” institution, which many faculty believe has tipped the balance in favor of graduate programs and sponsored research. And this is very troubling for faculty who work in fields where opportunities for sponsored research are limited (and especially in departments responsible for teaching huge numbers of students as part of the university core curriculum).

And there are other concerns, but I won’t elaborate on those today.

Our conversations this weekend suggest to me that the Board and the faculty are really on the same page with regard to many of our issues. I believe you understand how difficult it is to recruit and retain top-notch faculty. So I’m hoping we can talk openly about the role of faculty on this campus and the things we can do as a Board to be sure that faculty understand how much you value and respect the work we do.

Thank you.

RESOLUTION FOR EMERITUS STATUS
August 25, 2003

WHEREAS, Dr. William G. Camp faithfully served Virginia Tech for 23 years in the College of Liberal Arts & Human Sciences and the College of Agriculture & Life Sciences beginning in 1980; and

WHEREAS, as a member of the Department of Agricultural & Extension Education, he was an excellent teacher who taught numerous and varied courses at both the undergraduate and graduate levels, using innovative teaching approaches such as distance-delivered instruction; and

WHEREAS, he faithfully served as the departmental coordinating counselor for many years and advised hundreds of students; and

WHEREAS, he made a significant contribution to research and scholarship in both career and technical education, and agricultural education by conducting significant studies, editing journals, publishing numerous articles, and authoring books; and

WHEREAS, he conducted the most quoted study in agricultural education, the Supply and Demand Study; and

WHEREAS, he played an instrumental role in establishing and directing the second ever Governor's School for Agriculture in the nation; and

WHEREAS, he provided service and leadership to the FFA, Omicron Tau Theta, the American Vocational Education Research Association, and others too numerous to mention;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. William G. Camp for his service to the university with the title of Professor Emeritus of Agricultural & Extension Education.

RECOMMENDATION:

That the above resolution recommending Dr. William G. Camp for emeritus status be approved.

**RESOLUTION FOR EMERITUS STATUS
August 25, 2003**

WHEREAS, Dr. Marvin G. Cline faithfully served Virginia Tech for 25 years in the College of Liberal Arts & Human Sciences, beginning in 1977; and

WHEREAS, as a member of the faculty in the Department of Educational Leadership & Policy Studies, he was a dedicated teacher of courses for graduate-level students in the Educational Research & Evaluation Program; and

WHEREAS, he advised and counseled graduate students, and he served as research advisor for an average of 19 Ph.D. and Ed.D. students each year; and

WHEREAS, he made significant contributions in database construction, experimental design, evaluation theory, and educational measurement through sponsored research studies of such national programs as early childhood education (Head Start), experimental educational programs for low income children, programs for the homeless, and day care for preschool children living in poverty; and

WHEREAS, he served in a number of national and regional professional associations and as peer reviewer/manuscript editor for two journals; and

WHEREAS, he served as a consultant to senior policy administrators in numerous federal, state, and local educational agencies;

THEREFORE, be it resolved that the Board of Visitors recognize Dr. Marvin G. Cline for his service to the university with the title of Professor Emeritus of Educational Leadership & Policy Studies.

RECOMMENDATION:

That the above resolution recommending Dr. Marvin G. Cline for emeritus status be approved.

**RESOLUTION FOR EMERITUS STATUS
August 25, 2003**

WHEREAS, Dr. G. Frederick Fregin faithfully served Virginia Tech for 20 years in the Virginia-Maryland Regional College of Veterinary Medicine, beginning in 1983; and

WHEREAS, as Director of the Marion duPont Scott Equine Medical Center (EMC), he led the center from its inception in 1983 to its current position as a pre-eminent referral medical center for the health care of horses; and

WHEREAS, he advised and counseled numerous veterinary students, residents, and interns who have studied at the EMC; and

WHEREAS, he contributed greatly to the college in the development of its instruction, research, and service programs, guiding the academic development of faculty serving under his direction; and

WHEREAS, as an emissary of the university in Northern Virginia, he served on numerous commissions, committees, and boards; and he made significant contributions the college's outreach programs, giving numerous talks and demonstrations on equine sports physiology and medicine; and

WHEREAS, he was instrumental in bringing new technology and medical devices to the state and was the driving force in taking the EMC's research agenda to a new threshold of activity, attracting millions of dollars in private donations;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. G. Frederick Fregin for his service to the university with the title of Professor Emeritus of Large Animal Clinical Sciences.

RECOMMENDATION:

That the above resolution recommending Dr. G. Frederick Fregin for emeritus status be approved.

**RESOLUTION FOR EMERITA STATUS
August 25, 2003**

WHEREAS, Dr. Patricia Proudfoot Kelly faithfully served Virginia Tech for 26 years in the College of Liberal Arts & Human Sciences, beginning in 1977; and

WHEREAS, as a member of the faculty of the Department of Teaching & Learning, she had a long history of outstanding mentoring of her undergraduate and graduate students, and she left a legacy of her work by preparing college and university professors to teach and lead their profession; and

WHEREAS, she received the Wine Award in 1984, serving as a model of a master teacher for English education students; and

WHEREAS, due to her distinguished record of scholarship, she substantively contributed to the improvement of teaching writing and young adult literature; and she made a significant difference in improving English education within Virginia through her influential work with the Southwest Virginia Writing Project, a national and state-funded outreach program; and

WHEREAS, her expertise and tireless efforts on the local, state, national, and international levels through participation in professional organizations increased the effectiveness and support of English and language-arts teachers; and

WHEREAS, her commitment to teacher education influenced practices and programs in Europe and Africa;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Patricia Proudfoot Kelly for her service to the university with the title of Professor Emerita of Teaching & Learning.

RECOMMENDATION:

That the above resolution recommending Dr. Patricia Proudfoot Kelly for emerita status be approved.

**RESOLUTION FOR EMERITUS STATUS
August 25, 2003**

WHEREAS, Dr. Wayne E. Leininger faithfully served Virginia Tech for 32 years in the Pamplin College of Business, beginning in 1971; and

WHEREAS, as a member of the faculty in the Department of Accounting & Information Systems (AIS), he was a dedicated teacher, advisor, mentor, and friend of both undergraduate and graduate level students; and

WHEREAS, he served as department head for 20 years, starting the doctoral program in the department; he also started the AIS programs at the undergraduate and graduate levels and was instrumental in establishing the AIS Advisory Board; and

WHEREAS, he published numerous refereed journal articles, refereed proceedings, and books concerning managerial accounting and information systems; and

WHEREAS, he was active with the accounting profession in Virginia by serving on the Board of Directors of the Virginia Society of Certified Public Accountants and as President of the Virginia Accounting & Auditing Conference;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Wayne E. Leininger for his service to the university with the title of Professor Emeritus of Accounting & Information Systems.

RECOMMENDATION:

That the above resolution recommending Dr. Wayne E. Leininger for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS
August 25, 2003

WHEREAS, Dr. Ronald D. Morse faithfully Virginia Tech for 28 years in the College of Agriculture & Life Sciences, beginning in 1975; and

WHEREAS, as a member of the faculty of the Department of Horticulture, he served as a graduate student advisor for many years, and was a respected teacher and mentor in the undergraduate program; and

WHEREAS, he devoted much of his career assisting Virginia farmers in no-till transplanting of vegetables, virtually eliminating soil erosion, and reducing quantities of herbicides while maintaining impressive crop yields; he tirelessly worked at developing and perfecting the “No-till Transplanter” used by farmers nationwide, and abroad; and

WHEREAS, he served in the international arena, assisting farmers in third world countries, and serving as advisor for four international doctoral graduate students;

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

RECOMMENDATION:

That the above resolution recommending Dr. Ronald D. Morse for emeritus status be approved.

**RESOLUTION FOR POSTHUMOUS EMERITA STATUS
August 25, 2003**

WHEREAS, Professor Marilyn L. Norstedt faithfully served Virginia Tech for over 30 years in the University Libraries, beginning in 1972; and

WHEREAS, through her excellent support for the English department, she gave tangible expression to this vision of partnership and demonstrated its many benefits; and

WHEREAS, in her capacity as both a technical services and public services librarian, she successfully built, defended, and taught others how to use the intellectual tools necessary for the identification and effective use of information in all formats, always being generous in contributing her time to serve as an excellent mentor for many faculty colleagues in the Virginia Tech Libraries and elsewhere, encouraging their professional growth; and

WHEREAS, she was a valued participant in the governance processes of the university, serving as Secretary of the Faculty Senate and twice as President of the Library Faculty Association; and

WHEREAS, throughout her professional career, she effectively advocated true partnership between the library and the teaching faculty, speaking out for the important principles and freedoms necessary to fulfill this goal; and she was in the forefront of the movement to modernize cataloging practices by using remote-access technologies for collective cataloging; and

WHEREAS, she demonstrated her commitment to supporting the goals of the library profession through her history of continued participation in the committees and programs of the American Library Association and the Virginia Library Association;

THEREFORE, be it resolved that the Board of Visitors posthumously recognizes Professor Marilyn L. Norstedt for her service to the university with the title of Associate Professor Emerita of the University Libraries.

RECOMMENDATION:

That the above resolution recommending Professor Marilyn L. Norstedt for emerita status be approved.

**RESOLUTION FOR EMERITUS STATUS
August 25, 2003**

WHEREAS, Dr. Bruce E. Reed faithfully served Virginia Tech for 36 years in the College of Liberal Arts & Human Sciences, beginning in 1967; and

WHEREAS, as a member of the faculty of the Department of Mathematics, he was a respected teacher of a wide range of undergraduate and graduate level mathematics courses, receiving three Certificates of Teaching Excellence and the Wine Award; he was named Professor of the Year by the Interfraternity & Panhellenic Council twice and by the Virginia Tech Mathematics Club five times; and

WHEREAS, he was highly regarded as a mathematics teaching administrator by solving difficult teacher/student conflicts and conducting special programs; he was the department's founder and leading participant in developing courses for students academically at risk; and

WHEREAS, he was the principal mathematics course scheduler and registration specialist for many years;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Bruce E. Reed for his service to the university with the title of Associate Professor Emeritus of Mathematics.

RECOMMENDATION:

That the above resolution recommending Dr. Bruce E. Reed for emeritus status be approved.

**RESOLUTION FOR EMERITUS STATUS
August 25, 2003**

WHEREAS, Dr. Jon M. Shepard faithfully served Virginia Tech for 14 years in the Pamplin College of Business, beginning in 1989; and

WHEREAS, as a member of the faculty of the Department of Management, he was a devoted and successful teacher of undergraduate and doctoral level students, receiving the Pamplin College 2000 Ph.D. Program Teaching Excellence Award; and

WHEREAS, he served effectively as the head of the department for 14 years, improving the quality and quantity of research among faculty and doctoral students; and

WHEREAS, he led successful attempts to revise departmental programs at the undergraduate, MBA, and doctoral levels; and

WHEREAS, he remained a productive researcher while serving as department head; and he contributed to the Commonwealth of Virginia through management training programs;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Jon M. Shepard for his service to the university with the title of Professor Emeritus of Management.

RECOMMENDATION:

That the above resolution recommending Dr. Jon M. Shepard for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS
August 25, 2003

WHEREAS, Dr. Charles W. Swann faithfully served Virginia Tech for 16 years in the College of Agriculture & Life Sciences, beginning in 1988; and

WHEREAS, as a member of the faculty in the Department of Crop & Soil Environmental Sciences, he was a dedicated extension peanut specialist at the Tidewater Agricultural Research & Extension Center, providing peanut crop management information which allowed Virginia's peanut producers to significantly reduce inputs and expenses for management of diseases, insects, and weeds, while maintaining efficacious management of pests; and

WHEREAS, he continually emphasized the introduction of new technology while supplying practical information that benefited all segments of the state's peanut industry, growers, shellers, and manufacturers, emphasizing the implementation of cultural practices that resulted in the development of a quality end-product; and

WHEREAS, he was selected by his coworkers to be chairman of the Cotton Leadership Committee, which quickly addressed the needs of growers of this intensively managed crop, providing information that helped Virginia growers to consistently produce good yields of quality cotton; and

WHEREAS, for a number of years he met the needs of peanut, cotton, soybean, and corn producers by assuming the additional responsibilities as weed scientist, providing relevant weed-management recommendations; and

WHEREAS, he was recognized by his peers throughout his career for his high quality work and was recognized nationally, as well as statewide, for his contributions to science, sharing his own knowledge and experience with his peers while keeping his scientific knowledge current through participation in a number of professional societies; and

WHEREAS, he won several awards for distinguished service including the Dow-Elanco Award for Excellence in Extension (1994) and the Alumni Association Extension Excellence Award (1996); and he was selected as a Fellow of the American Peanut Research & Education Society (1996);

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Charles W. Swann for his service to the university with the title of Professor Emeritus of Crop & Soil Environmental Sciences.

RECOMMENDATION:

That the above resolution recommending Dr. Charles W. Swann for emeritus status be approved.

**RESOLUTION FOR EMERITUS STATUS
August 25, 2003**

WHEREAS, Dr. Frank Edward Woeste faithfully served Virginia Tech for 26 years in the College of Agriculture & Life Sciences, beginning in 1977; and

WHEREAS, as a faculty member in the Department of Biological Systems Engineering, he developed a nationally-recognized wood-engineering teaching and research program; and

WHEREAS, he advised and counseled numerous undergraduate and graduate students during his career, serving as graduate advisor for 17 masters and 3 doctoral students; and

WHEREAS, he was a dedicated teacher of a variety of undergraduate and graduate courses, and produced and placed hundreds of highly qualified wood engineers in the truss industry, in design firms, and as trade-association representatives for wood products and construction; and

WHEREAS, he authored 3 books and over 100 refereed publications, trade articles, design guides, and sample design rules to solve practical problems; and

WHEREAS, the continuing education courses offered by him helped hundreds of practicing engineers and other industry personnel to stay current in the field; his research produced information with direct and immediate applications in the industry; and

WHEREAS, he was a recipient of several prestigious regional, national, and international awards from different professional and trade organizations;

THEREFORE, be it resolved that the Board of Visitors recognizes Dr. Frank Edward Woeste for his service to the university with the title of Professor Emeritus of Biological Systems Engineering.

RECOMMENDATION:

That the above resolution recommending Dr. Frank Edward Woeste for emeritus status be approved.

ENDOWED PROFESSORSHIP

Bank of America Professorship in Information Technology

The Bank of America Professorship in Information Technology was established in 1999 by a generous gift from Bank of America.

Dr. Cliff T. Ragsdale received his Ph.D. from the University of Georgia in 1989 and joined the Virginia Tech faculty in 1990. Dr. Ragsdale's primary areas of teaching and research are information technology and management science. He has published twenty-eight research articles in some of the leading journals in the fields of information technology and management science. He has also published one of the leading management science textbooks in the country, Spreadsheet Modeling and Decision Analysis: A Practical Introduction to Management Science, 4th edition. This was the first textbook to use Windows-based spreadsheet software as the primary medium for teaching introductory operations research and management science topics, and led to the transformation in the pedagogy of these courses at many schools. It is currently used at many of the top business and engineering schools in the country including Duke, California-Berkeley, Cornell, Dartmouth, Penn, Texas-Austin, and Carnegie-Mellon, and at schools in various countries around the world including England, France, Germany, Italy, Spain, Sweden, Belgium, Australia, and the Netherlands.

In 2001 he founded the Dominion Center for Energy Modeling and Optimization with a grant of \$200,000 he received from Dominion Energy. Over the past two years the Dominion Center has funded research projects by faculty at Virginia Tech, North Carolina State, William & Mary, and M.I.T., and over \$60,000 has gone to support graduate students at Virginia Tech.

He is an outstanding teacher, having received the Pamplin Certificate of Teaching Excellence. During his thirteen-year career in the Department of Business Information Technology (BIT), he has taught fifteen different courses and has an overall student teaching evaluation score of 4.24 on the 5-point scale used to evaluate faculty in the Pamplin College of Business. In 2001 he developed and taught the first online BIT course for the Masters of Information Technology program.

RECOMMENDATION:

That Dr. Cliff T. Ragsdale be appointed the Bank of America Professor in Information Technology, effective August 10, 2003, with a salary supplement provided by the endowment and, as available, from the Eminent Scholars match program.

ENDOWED PROFESSORSHIP

The C.R. Roberts Endowed Professorship of Clinical Veterinary Medicine

The C.R. Roberts Endowed Professorship of Clinical Veterinary Medicine was established through the C.R. Roberts Endowed Professorship Fund (2003). The fund was created in order to recognize the pioneering career of Dr. C. R. Roberts and to provide opportunities for other pioneering efforts in clinical veterinary medicine in the Virginia-Maryland Regional College of Veterinary Medicine (VMRCVM). Dean Peter Eyre, concurring with the Head of the Department of Small Animal Clinical Sciences, Dr. Don Barber, has nominated Dr. Michael S. Leib as the first C. R. Roberts Professor of Clinical Veterinary Medicine.

Dr. Leib joined the VMRCVM in 1983. As Professor of Small Animal Internal Medicine, his duties include teaching, research, and clinical service. He is a Diplomate of the American College of Veterinary Internal Medicine and is the recipient of numerous awards. He received the Norden Distinguished Teacher Award in 1987, and was the first Wine Award recipient from the college in 1991. He remains a member of the VT Academy of Teaching Excellence. Dr. Leib was also the recipient of the Dorsey Taylor Mahin Award for Clinical Excellence in 2001.

Dr. Leib's scholarly activity includes over 25 books or book chapters, over 78 peer-reviewed articles, and over 200 presentations at conferences and symposia both at home and abroad. Dr. Leib's research has focused on gastrointestinal disease, where he has made significant contributions to veterinarians' knowledge of disease syndromes. He has been principal investigator or co-principal investigator on over \$260,00 in funding.

Dr. Leib has contributed significantly to development of the VMRCVM over the years and continues to provide leadership through his exemplary accomplishments and contributions. The appointment is for five years, and is renewable.

RECOMMENDATION:

That Dr. Michael S. Leib be appointed the C.R. Roberts Endowed Professor of Clinical Veterinary Medicine, effective August 25, 2003, with a salary supplement provided by the endowment and, as available, from the Eminent Scholars match program.

FACULTY LEAVES

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

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

Christopher A. Beattie, Professor, Department of Mathematics, for Spring 2004, at DFG Research Center for Mathematics for Key Technologies, Berlin, Germany, to develop and evaluate methods of model reduction that are based on Krylov subspace approximation in realistic application settings.

Ann F. La Berge, Associate Professor, Center for Interdisciplinary Studies, for Spring 2004, to prepare an application for an National Endowment for the Humanities fellowship with the special initiative emphasizing health care and public health, and to research scientific studies that have led researchers and practicing physicians to make dietary and lifestyle recommendations in preparation to write a book.

Bruce W. Zoecklein, Professor, Department of Food Science & Technology, for January 12, 2004, to May 10, 2004, at Fresno State, California, to engage in collaborative research with faculty member to develop new vineyard management practices which will allow for transfer of this knowledge to the Virginia wine agricultural industry.

RECOMMENDATION:

That the above Study-Research Leaves be approved as requested.

CHANGE OF DUTY STATION

Dr. Brian R. Murphy, Director of the Conservation Management Institute and professor in the Department of Fisheries &

Wildlife Sciences, has been invited to participate in a Fulbright Scholar Program at the Autonomous University of Guadalajara (UAG), Mexico. The Fulbright provides partial salary. A change of duty station is requested so that he may accept the fellowship, teach a global seminar course that will link Virginia Tech (VT) and UAG students via videoconference, arrange a long-term exchange program for VT and UAG faculty and students, arrange a study abroad course in Mexico for 2004, and write joint research funding proposals for VT-UAG collaboration.

RECOMMENDATION:

That a change of duty station be approved for Dr. Murphy from December 15, 2003, to June 15, 2004.

DESCRIPTION OF FACULTY PERSONNEL CHANGES

(Prepared by Personnel Services)

I. FACULTY PERSONNEL & SALARY CHANGES

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

A. New Appointments

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

B. Adjustments in Appointment and/or Salary

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

II. SPONSORED RESEARCH FACULTY

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

A. New Appointments

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

B. Adjustments in Appointment and/or Salary

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

FACULTY PERSONNEL CHANGES
August 24-25, 2003

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|--|----------------------------|---|----------|--------|-------------|
| <u>Agriculture & Life Sciences</u> | | | | | |
| Broyles, Thomas | Instructor - Rstr | Agricultural & Extension Educ | 07-01-03 | 100 | \$ 45,000 |
| Hosig, Kathy | Associate Professor | Human Nutrition, Foods & Exercise | 12-25-03 | 100 | \$ 70,000 |
| Mariger, S. Christian | Instructor | Biological Systems Engineering | 06-25-03 | 100 | \$ 48,000 |
| <u>Architecture & Urban Studies</u> | | | | | |
| Dawkins, Casey | Assistant Professor | Urban Affairs & Planning | 08-10-03 | 100 | \$ 50,000 |
| Goldstein, Bruce | Assistant Professor | Urban Affairs & Planning | 12-25-03 | 100 | \$ 52,000 |
| Mayer, Heike | Assistant Professor | Urban Affairs & Planning | 08-10-03 | 100 | \$ 50,000 |
| O'Dell, Dawn | Assistant Professor | Art & Art History | 08-10-03 | 100 | \$ 46,000 |
| <u>Business</u> | | | | | |
| Cliff, Michael | Assistant Professor - Rstr | Finance | 08-10-03 | 100 | \$ 115,000 |
| Lattimer, Kara | Instructor | Pamplin College of Business | 06-28-03 | 100 | \$ 27,500 |
| <u>Engineering</u> | | | | | |
| Ali, Mir Farooq | Instructor - Rstr | Computer Science | 08-10-03 | 100 | \$ 42,000 |
| Ellingson, Steven | Assistant Professor | Bradley Dept of Electrical & Computer Engineering | 08-10-03 | 100 | \$ 78,000 |
| Hong, Dennis | Assistant Professor | Mechanical Engineering | 08-10-03 | 100 | \$ 66,000 |
| Hovakimyan, Naira | Associate Professor | Aerospace & Ocean Engineering | 08-10-03 | 100 | \$ 72,000 |
| Huxtable, Scott | Assistant Professor | Mechanical Engineering | 08-10-03 | 100 | \$ 67,000 |
| MacKenzie, Allen | Assistant Professor | Bradley Dept of Electrical & Computer Engineering | 08-10-03 | 100 | \$ 71,500 |
| Marr, Linsey | Assistant Professor | Civil & Environmental Eng | 08-10-03 | 100 | \$ 67,500 |
| Murali, T. M. | Assistant Professor | Computer Science | 08-10-03 | 100 | \$ 75,000 |
| Onufriev, Alexey | Assistant Professor | Computer Science | 08-10-03 | 100 | \$ 75,000 |
| Patil, Mayuresh | Assistant Professor | Aerospace & Ocean Engineering | 08-10-03 | 100 | \$ 66,000 |

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|--------------------------------|---|-------------|-----------|----------------|
| <u>Engineering</u> | | | | | |
| Patterson, Cameron | Associate Professor | Bradley Dept of Electrical & Computer Engineering | 08-10-03 | 100 | \$ 80,000 |
| Reid, Gerald | Instructor - Rstr | Bradley Dept of Electrical & Computer Engineering | 08-10-03 | 100 | \$ 47,500 |
| Robinson, Rose | Assistant Professor | Engineering Fundamentals | 08-10-03 | 100 | \$ 45,000 |
| Sandu, Adrian | Associate Professor | Computer Science | 08-10-03 | 100 | \$ 80,000 |
| Sandu, Corina | Assistant Professor | Mechanical Engineering | 08-10-03 | 100 | \$ 66,000 |
| Schaub, Hanspeter | Assistant Professor | Aerospace & Ocean Engineering | 08-10-03 | 100 | \$ 70,000 |
| Tatar, Deborah | Associate Professor | Computer Science | 08-10-03 | 100 | \$ 80,000 |
| Wang, Yue | Associate Professor w/Tenure | Bradley Dept of Electrical & Computer Engineering | 08-10-03 | 100 | \$ 90,000 |
| <u>Executive Vice President</u> | | | | | |
| Setubal, Joao | Associate Professor w/ Tenure | VA Bioinformatics Institute | 01-26-04 | 100 | \$ 100,000 |
| <u>Liberal Arts & Human Sciences</u> | | | | | |
| Black, Crystal | Instructor - Rstr | English | 08-10-03 | 50 | \$ 14,000 |
| Cachaper, Cecile | Visiting Asst Professor - Rstr | Educational Leadership & Policy Studies | 08-10-03 | 100 | \$ 39,000 |
| Falcon, Andrea | Visiting Asst Professor - Rstr | Philosophy | 08-10-03 | 100 | \$ 35,000 |
| Goodrum, Matthew | Visiting Asst Professor - Rstr | Ctr for Interdisciplinary Studies | 08-10-03 | 100 | \$ 40,000 |
| Groenke, Susan | Assistant Professor - Rstr | Teaching & Learning | 08-10-03 | 100 | \$ 42,000 |
| Gumbert, Heather | Instructor - Rstr | History | 08-10-03 | 100 | \$ 30,000 |
| Hudgins, Cathy | Instructor - Rstr | English | 08-10-03 | 75 | \$ 21,000 |
| Hurst, Lisa | Instructor - Rstr | English | 08-10-03 | 50 | \$ 14,000 |
| Miyazaki, Yasuo | Visiting Asst Professor - Rstr | Educational Leadership & Policy Studies | 08-10-03 | 100 | \$ 51,000 |
| Mosher, Kathryn | Instructor | Human Development/Child Development Laboratory | 08-10-03 | 100 | \$ 28,500 |
| Moyer, Lynette | Instructor - Rstr | English | 08-10-03 | 100 | \$ 28,000 |

Continued

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|-------------------------------------|-----------------------------------|----------|--------|-------------|
| <u>Liberal Arts & Human Sciences</u> | | | | | |
| Nelson, Scott | Visiting Assistant Professor - Rstr | Political Science | 08-10-03 | 100 | \$ 48,000 |
| Phillips, Richard | Visiting Assistant Professor - Rstr | Foreign Languages & Literatures | 08-10-03 | 100 | \$ 33,000 |
| Rowley, Chishamiso | Assistant Professor | Ctr for Interdisciplinary Studies | 08-10-03 | 100 | \$ 47,000 |
| Streett-Liebetrau, Lisa | Assistant Professor | Theatre Arts | 08-10-03 | 100 | \$ 40,000 |
| Tietjen, Philip | Instructor | English | 08-10-03 | 100 | \$ 28,000 |
| Two Horses, Mike | Visiting Assistant Professor - Rstr | Ctr for Interdisciplinary Studies | 08-10-03 | 100 | \$ 40,000 |
| <u>Natural Resources</u> | | | | | |
| Fleming, Kathleen | Visiting Assistant Professor - Rstr | Fisheries & Wildlife Sciences | 08-10-03 | 100 | \$ 43,000 |
| Hindman, Daniel | Assistant Professor | Wood Science & Forest Products | 09-01-03 | 100 | \$ 60,000 |
| <u>Science</u> | | | | | |
| Belden, Lisa | Assistant Professor | Biology | 01-10-04 | 100 | \$ 54,000 |
| Gugercin, Serkan | Assistant Professor | Mathematics | 08-10-03 | 100 | \$ 55,500 |
| Moore, Ignacio | Assistant Professor | Biology | 01-10-04 | 100 | \$ 54,000 |
| Toros, Fernanda | Visiting Assistant Professor - Rstr | Economics | 08-10-03 | 100 | \$ 65,000 |
| <u>Veterinary Medicine</u> | | | | | |
| Keoughan, Curry | Clinical Instructor - Rstr | Large Animal Clinical Sciences | 08-18-03 | 100 | \$ 65,000 |

TEACHING AND RESEARCH FACULTY

ADJUSTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|--|--|--|-------------|-----------|----------------|
| <u>Agriculture & Life Sciences</u> | | | | | |
| Doak, Samuel | Instructor - Rstr | Crop & Soil Environmental Science | 08-10-03 | 100 | \$ 37,867 |
| Cramer, Carole | Professor | Plant Pathology, Physiology, & Weed Science | 08-10-03 | 100 | \$ 97,740 |
| Hong, Chuanxue | Assistant Professor | Hampton Roads Agr Research & Extension Ctr | 08-01-03 | 100 | \$ 58,500 |
| Knowlton, Katharine | Assistant Professor | Dairy Science | 08-10-03 | 100 | \$ 61,500 |
| Luckhart, Shirley | Assistant Professor | Biochemistry | 08-10-03 | 100 | \$ 63,000 |
| Mills, Bradford | Associate Professor | Agricultural & Applied Economics | 07-01-03 | 100 | \$ 77,400 |
| Nickerson, Stephen | Professor & Head/Dir of Ag Technology Program | Dairy Science | 06-25-03 | 100 | \$ 108,000 |
| Nickols-Richardson, Sharon | Assistant Professor | Human Nutrition, Foods, & Exercise | 08-10-03 | 100 | \$ 64,000 |
| Nowak, Jerzy | Professor & Department Head | Horticulture | 08-10-03 | 100 | \$ 96,000 |
| Phillips, Steven | Assistant Professor | Eastern Shore Agr Research & | 07-01-03 | 100 | \$ 62,500 |
| Pierson, Merle | Professor | Food Science & Technology | 01-01-03 | 100 | \$ 162,500 |
| Reaves, Dixie | Associate Professor | Agricultural & Applied Economics | 07-01-03 | 100 | \$ 77,100 |
| Smith, Edward | Associate Professor | Animal and Poultry Science | 07-25-03 | 100 | \$ 69,000 |
| Stephenson, Stephen | Associate Professor | Agricultural & Applied Economics | 07-01-03 | 100 | \$ 71,100 |
| <u>Architecture & Urban Studies</u> | | | | | |
| Albright, Kathryn | Associate Professor | Architecture | 08-10-03 | 100 | \$ 61,690 |
| Bannan, Betsy | Instructor - Rstr | Art & Art History | 08-10-03 | 100 | \$ 27,500 |
| Dickinson, Joan | Visiting Asst Professor - Rstr | Interior Design | 08-10-03 | 100 | \$ 43,900 |
| Dudley, Larkin | Associate Professor | Ctr for Public Admin & Policy | 08-10-03 | 100 | \$ 61,505 |
| Dunay, Robert | Professor | Architecture | 08-10-03 | 100 | \$ 97,337 |
| Galloway, William | Associate Professor | Architecture | 08-10-03 | 100 | \$ 58,060 |
| Katen, Brian | Associate Professor | Landscape Architecture | 08-10-03 | 100 | \$ 53,990 |
| Poole, Scott | Professor | Architecture | 08-10-03 | 100 | \$ 68,710 |
| Rees, Joseph | Associate Professor | Ctr for Public Admin & Policy | 08-10-03 | 100 | \$ 100,208 |
| Rott, Hans | Professor | Architecture | 08-10-03 | 100 | \$ 76,980 |
| Stephenson, Max | Associate Professor | School of Pub & Internat Affairs | 08-10-03 | 100 | \$ 69,315 |
| Van Hook, Bailey | Professor | Art & Art History | 08-10-03 | 100 | \$ 80,688 |
| Woolfer, Heather | Assistant Professor | Architecture | 08-10-03 | 100 | \$ 51,500 |

Continued

TEACHING AND RESEARCH FACULTY

ADJUSTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---------------------------|---------------------|---|----------|--------|-------------|
| <u>Engineering</u> | | | | | |
| Bish, Ebru | Assistant Professor | Grado Dept of Industrial & Systems Engineering | 08-10-03 | 100 | \$ 65,000 |
| Brown, Eugene | Professor | Mechanical Engineering | 08-10-02 | 100 | \$ 92,254 |
| | | | 08-10-03 | 100 | \$ 89,254 |
| Case, Scott | Assistant Professor | Engineering Science & Mechanics | 05-10-03 | 100 | \$ 89,311 |
| Corcoran, Sean | Assistant Professor | Materials Science & Engineering | 05-10-03 | 100 | \$ 93,310 |
| | | | 08-10-03 | 100 | \$ 70,000 |
| Duma, Stefan | Assistant Professor | Mechanical Engineering | 08-10-03 | 100 | \$ 69,000 |
| Edwards, Marc | Professor | Civil & Environmental Engineering | 08-10-03 | 100 | \$ 90,000 |
| Goff, Richard | Associate Professor | Engineering Fundamentals | 08-10-03 | 100 | \$ 69,000 |
| Granata, Kevin | Associate Professor | Engineering Science & Mechanics | 05-10-03 | 100 | \$ 115,971 |
| Huang, Qin | Professor | Bradley Dept of Electrical & Computer Engineering | 08-10-03 | 100 | \$ 80,000 |
| Hyer, Michael | Professor | Engineering Science & Mechanics | 05-09-03 | 100 | \$ 107,020 |
| Leo, Donald | Associate Professor | Mechanical Engineering | 05-10-03 | 100 | \$ 99,975 |
| Lesko, John | Associate Professor | Engineering Science & Mechanics | 05-10-03 | 100 | \$ 106,640 |
| Love, Nancy | Associate Professor | Civil & Environmental Engineering | 08-10-03 | 100 | \$ 97,760 |
| Rahman, Saifur | Professor | Bradley Dept of Electrical & Computer Engineering | 05-10-03 | 100 | \$ 165,000 |
| Riad, Sedki | Professor | Bradley Dept of Electrical & Computer Engineering | 05-31-03 | 100 | \$ 120,887 |
| Smith-Jackson, Tonya | Assistant Professor | Grado Dept of Industrial & Systems Engineering | 08-10-03 | 100 | \$ 65,000 |
| Taaffe, Michael | Associate Professor | Grado Dept of Industrial & Systems Engineering | 07-01-03 | 100 | \$ 106,750 |
| Thole, Karen | Associate Professor | Mechanical Engineering | 05-10-03 | 100 | \$ 106,641 |
| Westman, Erik | Assistant Professor | Mining & Minerals Engineering | 08-10-03 | 100 | \$ 65,000 |
| Williams, Kimberly | Associate Professor | Chemical Engineering | 08-10-03 | 100 | \$ 80,000 |
| Woolsey, Craig | Assistant Professor | Aerospace & Ocean Engineering | 08-10-03 | 100 | \$ 70,000 |

Continued

TEACHING AND RESEARCH FACULTY

ADJUSTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|---|---|----------|--------|-------------|
| <u>Liberal Arts & Human Sciences</u> | | | | | |
| Abraham, Jane | Assistant Professor - Rstr | Teaching & Learning | 08-10-03 | 100 | \$ 45,000 |
| Becker, Andrew | Associate Professor | Foreign Languages | 08-10-03 | 100 | \$ 68,544 |
| Bunch-Lyons, Beverly | Associate Professor | History | 08-10-03 | 100 | \$ 60,000 |
| Emmel, JoAnn | Associate Professor | Apparel, Housing, & Resource Mgt | 08-10-03 | 100 | \$ 54,195 |
| Fu, Victoria | Professor | Human Development | 08-10-03 | 100 | \$ 81,397 |
| Hardcastle, Valerie | Professor | Philosophy | 06-25-02 | 100 | \$ 79,277 |
| Hausman, Bernice | Associate Professor | English | 08-10-03 | 100 | \$ 56,000 |
| Krouscas, James | Assistant Professor - Rstr | Teaching & Learning | 08-10-03 | 100 | \$ 48,000 |
| Mancini, Jay | Professor | Human Development | 08-10-03 | 100 | \$ 85,383 |
| | | | 08-10-03 | 100 | \$ 113,816 |
| Parrott, Kathleen | Professor | Apparel, Housing, & Resource Mgt | 08-10-03 | 100 | \$ 70,100 |
| Potter, Ken | Instructor - Rstr | Teaching & Learning | 08-10-03 | 100 | \$ 48,000 |
| Stevenson, Michelle | Assistant Professor | Human Development | 08-10-03 | 100 | \$ 47,450 |
| Tilley-Lubbs, Gresilda | Visiting Asst Professor - Rstr | Foreign Lang & Literatures | 08-10-03 | 100 | \$ 35,000 |
| Twiford, Travis | Associate Professor | Educational Leadership & Policy Studies | 06-25-03 | 100 | \$ 70,048 |
| <u>Natural Resources</u> | | | | | |
| Haas, Carola | Associate Professor | Fisheries & Wildlife | 07-01-03 | 100 | \$ 82,000 |
| Smith, Robert | Associate Professor | Wood Science & Forest Products | 06-10-03 | 100 | \$ 74,000 |
| <u>Science</u> | | | | | |
| Burns, John | Professor | Mathematics | 05-10-03 | 100 | \$ 213,280 |
| Merola, Joseph | Professor | Chemistry | 08-10-03 | 100 | \$ 122,715 |
| Wheeler, Robert | Professor | Mathematics | 08-10-03 | 100 | \$ 116,111 |
| <u>Veterinary Medicine</u> | | | | | |
| Lee, John | Professor & Assoc Dean, Research & Graduate Studies | Dean's Office | 07-01-03 | 100 | \$ 123,500 |
| White, Nathaniel | Professor | Large Animal Clinical Sciences | 04-01-03 | 100 | \$ 142,600 |

ADMINISTRATIVE AND PROFESSIONAL

NEW APPOINTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|---|--|-----------------|---------------|--------------------|
| <u>Agriculture & Life Sciences</u> | | | | | |
| Cooper, Sarah | Assoc Extension Agent | VA Cooperative Extension | 07-01-03 | 100 | \$ 32,000 |
| Gerloff, Emily | Assoc Extension Agent - Rstr | VA Cooperative Extension | 05-25-03 | 62.5 | \$ 20,000 |
| Kapsa, Jennifer | Assoc Extension Agent | VA Cooperative Extension | 07-01-03 | 100 | \$ 37,000 |
| Long, Robert | Assoc Extension Agent | VA Cooperative Extension | 07-10-03 | 100 | \$ 45,600 |
| Mallory, Kelly | Assoc Extension Agent | VA Cooperative Extension | 07-01-03 | 100 | \$ 31,000 |
| Marston, Cynthia | Assoc Extension Agent | VA Cooperative Extension | 08-10-03 | 100 | \$ 54,000 |
| Massey, Dorothy | Assoc Extension Agent - Rstr | VA Cooperative Extension | 07-10-03 | 100 | \$ 38,000 |
| Massey, Joseph | Assoc Extension Agent | VA Cooperative Extension | 07-10-03 | 100 | \$ 38,000 |
| Mullooly, Therese | Assoc Extension Agent | VA Cooperative Extension | 07-10-03 | 100 | \$ 36,600 |
| Shockley, William | Assoc Extension Agent | VA Cooperative Extension | 07-01-03 | 100 | \$ 37,000 |
| Stegner, Jacob | Assoc Extension Agent | VA Cooperative Extension | 08-10-03 | 100 | \$ 34,500 |
| Strohacker, Jaime | Assoc Extension Agent | VA Cooperative Extension | 07-01-03 | 100 | \$ 31,000 |
| Talley, Traci | Assoc Extension Agent | VA Cooperative Extension | 07-10-03 | 100 | \$ 34,000 |
| Taylor, Tonya | Assoc Extension Agent | VA Cooperative Extension | 07-01-03 | 100 | \$ 33,000 |
| <u>Athletics</u> | | | | | |
| Anderson, Trina | Dir of Basketball Operations, Women's Basketball | Athletics | 05-27-03 | 100 | \$ 24,000 |
| Armbruster, Megan | Director, Student Life | Athletics | 07-28-03 | 100 | \$ 32,000 |
| Kramer, Kelly | Asst Women's Basketball Coach | Athletics | 05-12-03 | 100 | \$ 64,500 |
| Odom, Robert | Asst Men's Basketball Coach | Athletics | 05-16-03 | 100 | \$ 60,000 |
| Skeeters, Eric | Asst Men's Basketball Coach | Athletics | 05-13-03 | 100 | \$ 50,000 |
| Smith, Alicia | Asst Softball Coach | Athletics | 07-21-03 | 100 | \$ 28,500 |
| Stubbs, Kristen | Asst Women's Tennis Coach | Athletics | 07-07-03 | 80 | \$ 18,000 |
| Zeno, Arthur | Adm Asst, Men's Basketball | Athletics | 06-25-03 | 100 | \$ 20,000 |
| <u>Provost</u> | | | | | |
| Anderson, Lori | Academic Advisor - Rstr | University Studies | 08-10-03 | 100 | \$ 30,000 |
| Campos, Mary Grace | Interim Program Coor - Rstr | Women's Center | 06-16-03 | 100 | \$ 30,000 |
| Lovegreen, Therese | Academic Advisor - Rstr | University Studies | 08-10-03 | 100 | \$ 30,000 |
| Smiley, Nini | Assistant Director | Minority Acad Opportunities Program | 07-01-03 | 100 | \$ 55,000 |
| Wells, Jill | Assistant Director | Undergraduate Admissions | 07-21-03 | 100 | \$ 30,000 |

Continued

ADMINISTRATIVE AND PROFESSIONAL

NEW APPOINTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|--|--------------------------------|----------|--------|-------------|
| <u>Veterinary Medicine</u> | | | | | |
| Brown, Jennifer | Instructor in Equine Surgery | Equine Medical Center | 08-01-03 | 100 | \$ 77,000 |
| Garcia-Seco, Elena | Instructor in Equine Surgery, Rstr | Large Animal Clinical Sciences | 07-01-03 | 100 | \$ 60,000 |
| <u>Vice President for Development & University Relations</u> | | | | | |
| Arthur, Salinda | Asst VP of Development for Colleges | Development | 06-16-03 | 100 | \$ 92,000 |
| <u>Vice President for Student Affairs</u> | | | | | |
| Blackburn, Sean | Residence Director - Rstr | Residential & Dining Programs | 07-10-03 | 100 | \$ 25,000 |
| Clark, Laura | Asst Dir of Student Support | Cranwell International Center | 06-25-03 | 100 | \$ 30,200 |
| Gosnell, Kellie | Area Coordinator | Residential & Dining Programs | 06-25-03 | 100 | \$ 30,000 |
| Grampetro, Beth | Residence Director | Residential & Dining Programs | 06-25-03 | 100 | \$ 25,000 |
| Jones, Rosa | Coordinator for Multicultural Programs | Student Life & Advocacy Office | 07-15-03 | 100 | \$ 32,000 |
| Kuresman, Kia | Coordinator of Theme Housing Programs | Residential & Dining Programs | 07-10-03 | 100 | \$ 33,000 |
| Lattimer, Charles | Project Adm for Coop Leadership Community - Rstr | VP for Student Affairs | 06-25-03 | 100 | \$ 45,000 |
| Norman, Eric | Dir of Fraternity and Sorority Life | Univ Unions & Student Affairs | 07-01-03 | 100 | \$ 55,000 |
| Rush, Bryan | Residence Director | Residential & Dining Programs | 07-10-03 | 100 | \$ 25,000 |
| Sparks, Richard | Coor of Orientation & Family Programs | Student Orientation | 06-25-03 | 100 | \$ 32,000 |
| White, Colleen | Victim Adjudication Services Coordinator | Judicial Affairs | 08-04-03 | 100 | \$ 27,000 |
| White, John | Area Coordinator | Residential & Dining Programs | 07-10-03 | 100 | \$ 30,000 |

ADMINISTRATIVE AND PROFESSIONAL

ADJUSTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|--|---|-----------------------------------|-----------------|---------------|--------------------|
| <u>Agriculture & Life Sciences</u> | | | | | |
| Barrett, John | Extension Agent | VA Cooperative Extension | 07-18-03 | 100 | \$ 36,600 |
| Calhoun, David | Asst Dir, Community Initiatives | VA Cooperative Extension | 07-01-03 | 100 | \$ 80,000 |
| Howe, John | Extension Agent & Acting Unit Coordinator | VA Cooperative Extension | 07-01-03 | 100 | \$ 47,200 |
| Marsh, Katrina | District Director | VA Cooperative Extension | 05-25-03 | 100 | \$ 62,000 |
| Parrish, Michael | Extension Agent | VA Cooperative Extension | 05-10-03 | 100 | \$ 45,774 |
| Riddell, James | District Director | VA Cooperative Extension | 06-10-03 | 100 | \$ 63,000 |
| <u>Architecture & Urban Studies</u> | | | | | |
| Knox, Paul | Dean | Architecture & Urban Studies | 07-01-03 | 100 | \$ 172,000 |
| <u>Athletics</u> | | | | | |
| Butt, Randall | Asst AD for Financial Affairs | Athletics | 07-01-03 | 100 | \$ 68,500 |
| Freel, Amy | Director of Sports Nutrition | Athletics | 07-01-03 | 100 | \$ 38,796 |
| Hartman, Charles | Head Baseball Coach | Athletics | 07-01-03 | 100 | \$ 65,000 |
| Henrickson, Bonnie | Head Women's Basketball Coach | Athletics | 07-01-03 | 100 | \$ 164,736 |
| Lange, Karen | Asst Women's Basketball Coach | Athletics | 07-01-03 | 100 | \$ 64,500 |
| <u>Business</u> | | | | | |
| Sen, Tarun | Interim Assoc Dean of Graduate & International Programs | Graduate & International Programs | 07-01-03 | 100 | \$ 134,167 |
| Sorensen, Richard | Dean | Business | 07-01-03 | 100 | \$ 195,000 |
| <u>Dean of Libraries</u> | | | | | |
| Hitchingham, Eileen | Dean | Library | 07-01-03 | 100 | \$ 151,505 |
| Seamans, Nancy | Dir for Instruction, Reference, & Outreach Services | Library | 07-01-03 | 100 | \$ 71,228 |
| <u>Engineering</u> | | | | | |
| Henneke, Edmund | Prof & Assoc Dean for Res & Graduate Studies | Engineering | 06-25-03 | 100 | \$ 163,400 |

Continued

ADMINISTRATIVE AND PROFESSIONAL

ADJUSTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|--|---|----------|--------|-------------|
| <u>Graduate School</u> | | | | | |
| Avery, Roger | Sr. Associate Dean | Dean-Graduate School | 05-25-03 | 100 | \$ 138,330 |
| <u>Liberal Arts & Human Sciences</u> | | | | | |
| Niles, Jerome | Professor/Dean | CLAHS - Dean's Office | 07-01-03 | 100 | \$ 171,000 |
| Shabanowitz, Brian | Assistant Dean | CLAHS - Dean's Office | 07-01-03 | 100 | \$ 77,938 |
| <u>President</u> | | | | | |
| Plummer, Ellen | Interim Director, Office for Equal Opportunity | Office for Equal Opportunity | 09-08-03 | 100 | \$ 70,200 |
| <u>Provost</u> | | | | | |
| Ammons, Katie | Assistant Director | Student Athlete Academic Support Services | 06-10-03 | 100 | \$ 35,500 |
| Gallagher, Teresa | Assoc Director for Systems | Office of Scholarships & Fin Aid | 08-10-03 | 100 | \$ 61,500 |
| Helms, Christopher | Director | Student Athlete Academic Support Services | 06-10-03 | 100 | \$ 67,590 |
| Howlett, Colin | Associate Director | Student Athlete Academic Support Services | 06-10-03 | 100 | \$ 41,000 |
| King, Marilyn | Sr. Associate Director | Office of Scholarships & Fin Aid | 08-10-03 | 100 | \$ 60,120 |
| <u>Veterinary Medicine</u> | | | | | |
| Eyre, Peter | Dean | Veterinary Medicine | 07-01-03 | 100 | \$ 186,915 |
| Swecker, William | Associate Professor | Large Animal Clinical Sciences | 06-25-03 | 100 | \$ 81,600 |
| <u>Vice President for Administration and Treasurer</u> | | | | | |
| Reed, Elizabeth | Director, Real Estate Mgmt | Real Estate Management | 07-10-03 | 100 | \$ 57,000 |
| <u>Vice President for Alumni Relations</u> | | | | | |
| Barker, Mara | Asst Dir of Alumni Relations | Alumni Relations | 07-01-03 | 100 | \$ 35,000 |
| Esteban, Heather | Asst Dir of Alumni Relations | Alumni Relations | 07-01-03 | 100 | \$ 32,500 |

Continued

ADMINISTRATIVE AND PROFESSIONAL

ADJUSTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|--|--|----------|--------|-------------|
| <u>Vice President for Alumni Relations</u> | | | | | |
| Jackson, Robin | Asst Dir of Alumni Relations | Alumni Relations | 07-01-03 | 100 | \$ 33,500 |
| <u>Vice President for Student Affairs</u> | | | | | |
| Amenkhienan, Charlotte | Counselor | Cook Counseling Center | 06-10-03 | 100 | \$ 46,760 |
| Bennett, Gary | Counselor | Cook Counseling Center | 06-10-03 | 100 | \$ 46,620 |
| Chitwood, Patty | Primary Care Coordinator/Staff Physician | Schiffert Health Center | 05-10-03 | 100 | \$ 87,000 |
| Cox, James | Asst Director, Cultural Programs | University Unions & Student Activities | 08-10-03 | 100 | \$ 92,000 |
| Keppel-Benson, Jane | Director of Training | Cook Counseling Center | 06-10-03 | 100 | \$ 50,539 |
| Romero-Aldaz, Patrick | Asst Director of Fraternity & Sorority Life - Rstr | University Unions & Student Activities | 05-10-03 | 100 | \$ 32,000 |
| <u>Vice Provost for Outreach</u> | | | | | |
| Anderson, Myron | Asst Director for Program Dev | Continuing Education Program Development | 07-25-03 | 100 | \$ 46,556 |
| Dooley, John | Vice Provost for Outreach & International Affairs | Vice Provost for Outreach | 05-10-03 | 100 | \$ 150,000 |
| Franklin, Timothy | Dir of Univ Outreach Programs, Southwest Virginia | Vice Provost for Outreach | 06-10-03 | 100 | \$ 110,000 |
| Jones, Roy | Assoc Director for Program Dev | Continuing Education Program Development | 07-25-03 | 100 | \$ 60,966 |
| Kleiber, Stephen | Asst Director, Admin & Finance | Vice Provost for Outreach | 06-10-03 | 100 | \$ 58,300 |
| Nelson, Edward | Asst Director for Program Dev | Continuing Education Program Development | 07-25-03 | 100 | \$ 68,146 |
| Schroder, Michael | Assistant Director | Continuing Education Program Development | 07-25-03 | 100 | \$ 58,925 |
| Swan, Jane | Director, Finance & Admin | Vice Provost for Outreach | 06-10-03 | 100 | \$ 61,270 |

SPECIAL RESEARCH FACULTY

NEW APPOINTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|---------------------------------|--|-----------------|---------------|--------------------|
| <u>Agriculture & Life Sciences</u> | | | | | |
| Ankrah, Samuel | Sr Project Associate - Rstr | Food Science & Technology, Ctr for Food & Nutrition Policy | 05-14-03 | 100 | \$ 50,000 |
| Janakiraman, Vasantharajan | Postdoctoral Associate - Rstr | Plant Pathology, Phys, & Weed Science | 06-15-03 | 100 | \$ 31,500 |
| Koontz, John | Research Associate - Rstr | Biochemistry | 07-28-03 | 100 | \$ 32,500 |
| Mammadov, Jafar | Postdoctoral Associate - Rstr | Crop & Soil Environmental Science | 08-01-03 | 100 | \$ 30,000 |
| Rhee, Sung Wu | Postdoctoral Associate - Rstr | Biochemistry | 08-01-03 | 100 | \$ 35,000 |
| Tchslavskaja, Ksenia | Postdoctoral Associate - Rstr | Entomology | 07-10-03 | 100 | \$ 30,000 |
| <u>Engineering</u> | | | | | |
| Burgos, Rolando | Research Scientist - Rstr | Ctr for Power Electronic Systems | 07-01-03 | 100 | \$ 55,000 |
| Harrison, Steve | Research Scientist - Rstr | Computer Science | 08-10-03 | 100 | \$ 80,000 |
| Kim, Bong Ju | Postdoctoral Associate - Rstr | Aerospace & Ocean Engineering | 07-23-03 | 100 | \$ 27,500 |
| Lee, Doohwan | Research Associate - Rstr | Chemical Engineering | 05-16-03 | 100 | \$ 30,000 |
| Seavey, Kevin | Research Scientist - Rstr | Chemical Engineering | 05-16-03 | 100 | \$ 42,000 |
| Wei, Zhigang | Postdoctoral Associate - Rstr | Engineering Sci & Mechanics | 08-10-03 | 60 | \$ 25,000 |
| <u>Executive Vice President</u> | | | | | |
| Atalay, M. Volkan | Research Assoc Professor - Rstr | VA Bioinformatics Institute | 01-05-04 | 100 | \$ 40,000 |
| Bradshaw, Patrick | Postdoctoral Associate - Rstr | VA Bioinformatics Institute | 07-01-03 | 100 | \$ 45,000 |
| Byrd, Cory | Project Associate - Rstr | VA Bioinformatics Institute | 05-27-03 | 100 | \$ 55,000 |
| Cetin-Atalay, Rengul | Research Asst Professor - Rstr | VA Bioinformatics Institute | 01-05-04 | 100 | \$ 40,000 |
| Craig, Johanna | Postdoctoral Associate - Rstr | VA Bioinformatics Institute | 08-11-03 | 100 | \$ 46,000 |
| Dou, Daolong | Postdoctoral Associate - Rstr | VA Bioinformatics Institute | 07-14-03 | 100 | \$ 45,000 |
| Fulton, Edward | Postdoctoral Associate - Rstr | VA Bioinformatics Institute | 06-02-03 | 100 | \$ 39,000 |
| Karkhanis, Tejal | Research Associate - Rstr | VA Bioinformatics Institute | 07-01-03 | 100 | \$ 42,000 |
| Kenyon, Ronald | Sr Project Associate - Rstr | VA Bioinformatics Institute | 08-01-03 | 100 | \$ 71,500 |
| Li, Hua | Postdoctoral Associate - Rstr | VA Bioinformatics Institute | 08-01-03 | 100 | \$ 45,000 |
| Li, Jiaxin | Research Associate - Rstr | VA Bioinformatics Institute | 08-06-03 | 100 | \$ 46,000 |
| Li, Xing Jing | Research Associate - Rstr | VA Bioinformatics Institute | 08-06-03 | 100 | \$ 50,000 |
| Rathore, Dharmendar | Research Asst Professor | VA Bioinformatics Institute | 06-30-03 | 100 | \$ 97,000 |
| Wang, Chunxia | Research Associate - Rstr | VA Bioinformatics Institute | 08-01-03 | 100 | \$ 64,000 |
| Wattam, Rebecca | Research Associate - Rstr | VA Bioinformatics Institute | 05-09-03 | 50 | \$ 30,000 |

Continued

SPECIAL RESEARCH FACULTY

NEW APPOINTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|---------------------------------|--|----------|--------|-------------|
| <u>Liberal Arts & Human Sciences</u> | | | | | |
| Minicucci, Paul | Senior Project Associate - Rstr | School of the Arts | 08-01-03 | 100 | \$ 65,000 |
| Ogle, Jeffrey | Sr. Research Associate - Rstr | Teaching & Learning | 07-01-03 | 100 | \$ 44,250 |
| Washington, James | Sr. Research Associate - Rstr | Teaching & Learning | 07-01-03 | 100 | \$ 49,374 |
| <u>Natural Resources</u> | | | | | |
| Baker, Shawn | Research Associate - Rstr | Forestry | 06-16-03 | 100 | \$ 38,500 |
| Lee, Jong | Research Scientist - Rstr | Sustainable Engineered Materials Institute | 08-10-03 | 100 | \$ 40,000 |
| McGee, John | Research Asst Professor - Rstr | Forestry | 07-01-03 | 100 | \$ 67,000 |
| Short, David | Project Associate - Rstr | Conservation Mgmt Institute | 07-01-03 | 100 | \$ 52,000 |
| <u>Research Division</u> | | | | | |
| Doerzaph, Zachary | Research Associate - Rstr | VT Transportation Institute | 07-31-03 | 100 | \$ 55,000 |
| Elseifi, Mostafa | Sr Research Associate - Rstr | VT Transportation Institute | 05-25-03 | 80 | \$ 49,200 |
| ElShawarby, Ihab | Sr Research Associate - Rstr | VT Transportation Institute | 06-16-03 | 100 | \$ 55,500 |
| Miller, Stephen | Research Associate - Rstr | VT Transportation Institute | 07-25-03 | 100 | \$ 95,000 |
| Moore, Craig | Project Associate - Rstr | Ctr for Geospatial Inform Tech | 07-21-03 | 100 | \$ 53,000 |
| <u>Science</u> | | | | | |
| Boucher, Thomas | Postdoctoral Associate - Rstr | Statistics | 08-10-03 | 100 | \$ 50,000 |
| Fearer, Stephanie | Research Associate - Rstr | Psychology | 08-10-03 | 100 | \$ 29,000 |
| Li, Xiangzhong | Postdoctoral Associate - Rstr | Chemistry | 05-12-03 | 100 | \$ 25,000 |
| Sirbu, Vasile | Research Scientist - Rstr | Psychology | 05-25-03 | 50 | \$ 25,000 |
| Tuba, Imre | Postdoctoral Associate - Rstr | Mathematics | 08-10-03 | 100 | \$ 45,500 |
| Zhou, Chuanming | Postdoctoral Associate - Rstr | Geological Sciences | 09-01-03 | 100 | \$ 28,000 |
| <u>Vice Provost for Outreach</u> | | | | | |
| Mosby, Justin | Project Associate - Rstr | Upward Bound/Talent Search | 06-16-03 | 100 | \$ 30,500 |

SPECIAL RESEARCH FACULTY

ADJUSTMENTS

| NAME | TITLE | DEPARTMENT | EFF DATE | % APPT | ANNUAL RATE |
|---|-----------------------------|---|---------------------|-------------------|------------------------|
| <u>Agriculture & Life Sciences</u> | | | | | |
| Dodd, H. Mannin | Research Associate - Rstr | Entomology | 06-10-03 | 100 | \$ 42,000 |
| Nagle, Steven | Research Associate - Rstr | Crop & Soil Environmental Science | 07-10-03 | 100 | \$ 34,500 |
| Storey, Maureen | Research Assoc Prof - Rstr | Food Science & Technology | 07-01-03 | 100 | \$ 107,000 |
| Zeckoski, Rebecca | Research Associate - Rstr | Biological Systems Engineering | 06-10-03 | 100 | \$ 33,000 |
| <u>Engineering</u> | | | | | |
| Vlachos, Pavlos | Research Asst Prof - Rstr | Engineering Science & Mechanics | 06-25-03 | 66 | \$ 57,200 |
| Wilson, Samuel | Sr Research Scientist, Rstr | Mechanical Engineering | 05-25-03 | 100 | \$ 133,900 |
| <u>Executive Vice President</u> | | | | | |
| Formadi, Emmanuel | Research Associate - Rstr | VA Bioinformatics Institute | 07-10-03 | 100 | \$ 50,000 |
| <u>Research Division</u> | | | | | |
| Barts, Robert | Research Associate - Rstr | Center for Wireless Telecommunications | 07-01-03 | 50 | \$ 25,312 |
| Cook, Sherri | Project Associate | VT Transportation Institute | 06-01-03 | 100 | \$ 66,960 |
| Thompson, Christie | Research Associate - Rstr | Cntr for Wireless Telecommunication | 05-25-03 | 50 | \$ 34,258 |
| <u>Science</u> | | | | | |
| Warren, Paige | Research Scientist | Biology | 07-01-03 | 73 | \$ 23,400 |

RESEARCH AND DEVELOPMENT DISCLOSURE REPORT
April 1, 2003 - June 30, 2003

| Reason for Conflict | Sponsor | Owner | Principal Investigator | Co - P.I.'s | College | Period of Performance | Award Amount | Short Title ⁽¹⁾ |
|------------------------|-----------------------------|-------------|------------------------|---------------|-------------|--------------------------|----------------|---|
| Faculty-owned Business | Nanosonic, Inc. | R. O. Claus | S. Corcoran | No Co-PI | Engineering | May 03 - Apr 05 | \$150,000 | Design and Synthesis of Nano-structured Corrosion Resistance Coating for Aging Aircraft |
| Faculty-owned Business | Nanosonic, Inc. | R. O. Claus | D. Stilwell | No Co-PI | Engineering | Jun 03 - Feb 04 | \$13,320 | Low-Cost Biodegradable Massive Sensor Networks for Submarine Detection |
| Faculty-owned Business | Adaptive Technologies, Inc. | W. Saunders | W. Saunders | W. F. O'Brien | Engineering | Feb 03 - May 03 | \$43,748 | Investigation of EMI Design Methods for Double Hearing Protection System Components |
| Faculty-owned Business | Technology in Blacksburg | W. Na | R. Burdisso | No Co-PI | Engineering | Apr 03 - Mar 05 | \$150,000 | Advanced Trailing Edge Blowing Strategies for Noise Control of Turbofan Engines |
| Faculty-owned Business | Panaphase | K. Ramu | K. Ramu | D. DeWolf | Engineering | Jan 03 - Jul 03 | \$3,750 | Advanced Electric Motor Development |
| Financial Interest | Samsung Electronics Co. | | J. Reed | D. S. Ha | Engineering | Apr 03 - Apr 04 | \$520,785 | Software Radios and Smart Antennas: Challenges for Creating Seamless Networks |
| Financial Interest | ConocoPhillips | | T. Oyama | No Co-PI | Engineering | Proposed Aug 03 - Jul-05 | Req. \$245,000 | Development of Hydrogen-Selective Membrane Technology |

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

**2003 MEN'S GOLF CHAMPIONSHIP
BONUS RECOMMENDATION**

The Virginia Tech Golf program completed a successful season by winning their third BIG EAST Conference Golf Championship over second-place Notre Dame in tournament play held in South Bend, Indiana. By virtue of winning the BIG EAST Championship, the Hokies earned an automatic bid for the 2003 NCAA Golf Championship. Coach Jay Hardwick was also named the 2003 BIG EAST Conference Men's Golf Coach of the Year.

Virginia Tech, seeded eleventh in the East Regional, was the only BIG EAST team in the 2003 NCAA Division I Men's Golf Championship. The East Regional Tournament was held at the Auburn University Club in Auburn, Alabama, on May 15 through 17. The Hokies finished 19th in the NCAA East Regional.

In recognition of the dedication and efforts of the men's golf coaching staff, and in accordance with the university's policy regarding post-season play bonus awards paid to Olympic Sport Coaches, the university proposes that a bonus in the amount of \$4,000 be awarded to Coach Jay Hardwick. This bonus is a one-time award and does not affect his base salary. All post-season bonuses are funded from the Athletic Department budget for post-season play.

RECOMMENDATION: That the above bonus award for Coach Jay Hardwick be ratified and approved.

August 25, 2003