Virginia Tech Board of Visitors Meeting March 25-26, 2018

Minutes

- A. Minutes: SCHEV BOV Orientation Meeting of October 25, 2017
- B. Minutes: Board of Visitors Task Force Meeting of January 25, 2018
- C. Minutes: Board of Visitors Executive Committee Meeting of March 13, 2018
- D. Minutes: Academic, Research, and Student Affairs Committee
- E. Minutes: Buildings and Grounds Committee
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- H. Resolution: Approval of Appointments to the Virginia Coal and Energy Research and Development Advisory Board
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- J. Resolution: Approval to Change Authority to Manage Staff Career Achievement Award
- K. Report: Research and Development Disclosures
- L. Resolution: Approval of Issuance of Quitclaim Deed on Property Located in Northampton County, Virginia
- M. Resolution: Approval of Appointment to Blacksburg-Virginia Polytechnic Institute Sanitation Authority
- N. Resolution: Approval on Representation of the Board at Public Hearings for Authorities
- O. Resolution: Approval of Tuition and Fee Rates for 2018-19
- P. Resolution: Approval of Year-to-Date Financial Performance Report (July 1, 2017 December 31, 2017)
- Q. Resolution: Approval of 2018-19 Compensation for Graduate Assistants
- R. Resolution: Approval of the Capital Project for the Student-Athlete Performance Center
- S. Resolution: Approval of the Capital Project for the ACC Network Studio
- T. Resolution: Approval of the Capital Project for the Squires Commonwealth Ballroom Improvements
- U. Resolution: Ratification of Board of Visitors Executive Committee Meeting Actions of March 13, 2018
- V. Report: President's Report
- W. Report: Constituent Reports
- X. Resolution: Approval of Emeritus Requests (15)
- Y. Resolution: Approval of Endowed Chairs, Professorships, and Fellowships (14)

Z. Resolution: Approval of Faculty Research Leaves (75)

AA. Resolution: Approval of Academic Honor Conferring Upon Minnis E. Ridenour an Honorary Doctor of Letters Degree

BB. Resolution: Ratification of the Personnel Changes Report

CC. Resolution: Naming of University Facilities (4)

DD. Report: Information Session of March 25, 2018

MINUTES

March 26, 2018

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, March 26, 2018, at 1:17 p.m. in Torgersen Boardroom (Room 2100), Virginia Tech Campus, Blacksburg, Virginia.

Present

Ms. Greta J. Harris

Mr. C. T. Hill

Ms. Anna L. James

Mr. Mehmood S. Kazmi

Ms. Letitia A. Long

Mr. Robert J. Mills

Ms. Deborah Leigh Martin Petrine (Vice Rector)

Mr. Michael J. Quillen

Mr. Wayne H. Robinson

Mr. Dennis H. Treacy (Rector)

Mr. Horacio A. Valeiras

Absent

Mr. L. Chris Petersen Mr. Mehul P. Sanghani

Mr. Jeff Veatch

Constituent Representatives:

Dr. Hans Robinson, Faculty Representative

Mr. Robert Sebek, Staff Representative

Mr. Brett Netto, Graduate Student Representative

Mr. Sevi Olusina, Undergraduate Student Representative

Also present were the following: President Timothy Sands, Ms. Batul Al-Saigh, Mr. Zo Amani, Deputy Chief William Babb, Dr. Tom Brown, Mr. Robert Broyden, Ms. Lori Buchanan, Mr. Brock Burroughs, Mr. Ralph Byers, Ms. D'Elia Chandler, Dr. Cyril Clarke, Ms. Shelia Collins, Mr. Al Cooper, Mr. John Cusimano, Mr. Brian Daniels, Dr. Karen DePauw, Dr. John Dooley, Mr. Corey Earles, Dr. Jack Finney, Chief Kevin Foust, Dr. Lance Franklin, Dr. Michael Friedlander, Ms. Rachel Gabriele, Mr. David Guerin, Ms. Dee Harris, Dr. Lee Hawthorne, Ms. Kay Heidbreder, Mr. Tim Hodge, Ms. Amy Hogan, Dr. Rachel Holloway, Ms. Rachel Iwicki, Ms. Sabria Grace Kazmi, Dr. Chris Kiwus, Ms. Sharon Kurek, Dr. Theresa Mayer, Ms. Heidi McCov, Ms. Nancy Meacham, Dr. Scott Midkiff, Mr. Mike Mulhare, Ms. April Myers, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Patty Perillo, Mr. Charles Phlegar, Dr. Ellen Plummer, Dr. Menah Pratt-Clarke, Mr. Chris Rahmes, Dr. Scot Ransbottom, Ms. Savita Sharma, Mr. Dwight Shelton, Ms. Sara Simpkins, Ms. Kayla Smith, Mr. Jon Clark Teglas, Ms. Tracy Vosburgh, Dr. Lisa Wilkes, Dr. Sherwood Wilson, Mr. Chris Yianilos, faculty, staff, students, quests, and reporters.

There was no public comment period.

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Rector Treacy welcomed everyone to the Board meeting. He also wished President Sands and Ms. Long a very Happy Birthday.

Rector Treacy announced that the agenda would be re-ordered slightly. The Finance and Resource Management Committee report and action items will be moved up to follow the Consent Agenda Open Items to enable a Board member who has to leave early to vote on the important matter of tuition and fees.

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APPROVAL/ACCEPTANCE OF THE CONSENT AGENDA OPEN ITEMS* (Refer to Attachments A through K)

[*Note: Items on the consent agenda are matters of importance that have been reviewed carefully by members of the board in preparation for the meeting but have been determined not to require discussion by the board or its committees.]

Rector Treacy asked for a motion to approve/accept the consent agenda open session items as listed. The motion was made by Ms. Petrine, seconded by Ms. Harris, and approved unanimously.

- Ratify minutes from the State Council of Higher Education for Virginia (SCHEV) Board of Visitors Orientation Meeting held October 25, 2017 – Attachment A
- Approve minutes of the Board of Visitors Meeting held November 6, 2017
- Approve minutes of the Board of Visitors Task Force on Board Structure and Governance Meeting held January 25, 2018 – Attachment B
- Approve minutes of the Board of Visitors Executive Committee Meeting held March 13, 2018 – Attachment C
- Report of the Academic, Research, and Student Affairs Committee (3/26/18) Attachment D
- Report of the Buildings and Grounds Committee (3/26/18) Attachment E
- Report of the Compliance, Audit, and Risk Committee (3/25/18) Attachment F
- Report of the Finance and Resource Management Committee (3/25/18) Attachment G

From the Academic, Research, and Student Affairs Committee Consent Agenda:

 Resolution to Approve Appointments to the Virginia Coal and Energy Research and Development Advisory Board – Attachment H

This resolution appoints Victoria Sue Ratliff, Ed.D., to the Advisory Board for two years beginning March 26, 2018, and ending March 26, 2020.

From the Buildings and Grounds Committee Consent Agenda:

 Resolution for Approval for Appalachian Power Company Easement – Attachment I

This resolution authorizes the Vice President for Operations to execute the easement to Appalachian Power Company.

From the Finance and Resource Management Committee Consent Agenda:

 Resolution for Approval to Change Authority to Manage the Staff Career Achievement Award – Attachment J

This resolution delegates to the Vice President for Human Resources the authority to manage the Staff Career Achievement Award nomination and selection process. Any future changes to the selection criteria will continue to require approval of the Board of Visitors.

Consent agenda information item; no Board of Visitors action required:

Report of Research and Development Disclosures – Attachment K

(Copies of consent agenda items are filed with the permanent minutes and marked as noted above.)

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REPORT OF THE FINANCE AND RESOURCE MANAGEMENT COMMITTEE

Rector Treacy called on Mr. Valeiras for the report of the Finance and Resource Management Committee.

As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Harris, and approved unanimously.

Resolution to Approve the Proposed Tuition and Fee Rates for 2018-19

That the proposed tuition and fee rates be approved, effective Fall Semester 2018, including ratification of the 2018-19 Tuition and Fee rates for the Virginia Tech Carilion School of Medicine. This approval is based on the assumption that the final outcome of the General Assembly will materially align with the University's planning assumptions for revenues and expenses; therefore, the Board reserves the right to reconsider the 2018-19 tuition and fee rates based on the budget decisions of the Special Session of the General Assembly, which will be convened in April. (Copy filed with the permanent minutes and marked Attachment O.)

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As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Petrine, and approved unanimously.

Resolution to Approve the Year-to-Date Financial Performance Report (July 1, 2017 – December 31, 2017)

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017, through December 31, 2017, and the Capital Outlay report be approved. (Copy filed with the permanent minutes and marked Attachment P.)

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As part of the Finance and Resource Management Committee report, approval of the following resolution was moved by Mr. Valeiras, seconded by Ms. Harris, and approved unanimously.

Resolution to Approve the 2018-19 Compensation for Graduate Assistants

That the graduate assistant compensation program for 2018-19 be approved. (Copy filed with the permanent minutes and marked Attachment Q.)

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As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

Resolution to Approve the Capital Project for the Student-Athlete Performance Center

That the resolution authorizing Virginia Tech to complete the Student-Athlete Performance Center be approved. (Copy filed with the permanent minutes and marked Attachment R.)

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As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

Resolution to Approve the Capital Project for the ACC Network Studio

That the resolution authorizing Virginia Tech to complete the ACC Network Studio be approved. (Copy filed with the permanent minutes and marked Attachment S.)

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As part of the Finance and Resource Management Committee report by Mr. Valeiras and with the endorsement of the Buildings and Grounds Committee, approval of the following resolution was moved by Mr. Valeiras, seconded by Mr. Quillen, and approved unanimously.

Resolution to Approve the Capital Project for the Squires Commonwealth Ballroom Improvements

That the resolution authorizing Virginia Tech to complete the Squires Commonwealth Ballroom Improvements be approved. (Copy filed with the permanent minutes and marked Attachment T.)

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REPORT OF THE ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE

Rector Treacy called on Ms. Petrine for the report of the Academic, Research, and Student Affairs Committee.

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REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

Rector Treacy called on Mr. Quillen for the report of the Buildings and Grounds Committee.

As part of the Buildings and Grounds Committee report, approval of the following resolution was moved by Mr. Quillen, seconded Mr. Hill, and approved unanimously.

Resolution to Approve Issuance of a Quitclaim Deed on Property Located in Northampton County, Virginia

That this resolution authorizing the Vice President for Operations, his successors and/or assigns, to execute a Quitclaim Deed and any and all documents that may be necessary to accommodate the Virginia Department of General Services and release and convey any and all interest Virginia Tech may have in the approximately one (1) acre of land adjoining U. S. Highway 13 near Fairview in Northampton County, Virginia, to Northampton County be approved. (Copy filed with the permanent minutes and marked Attachment L.)

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Note: Ms. Long departed from the meeting at this point (1:45 p.m.) and was not present for subsequent votes. Her departure did not affect the quorum.

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As part of the Buildings and Grounds Committee report, approval of the following resolution was moved by Mr. Quillen, seconded Mr. Mills, and approved unanimously.

Resolution to Approve Appointment to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority

That this resolution recommending that Lucius Merritt be reappointed as a Town of Blacksburg-Virginia Tech joint representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors for a term expiring January 1, 2022, be approved. (Copy filed with the permanent minutes and marked Attachment M.)

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As part of the Buildings and Grounds Committee report, approval of the following resolution was moved by Mr. Quillen, seconded Ms. Harris, and approved unanimously.

Resolution Appointing Representative of the Board at Public Hearings for Authorities

That this resolution recommending the Vice President for Operations be named as the university's representative to any public hearings required for changes to the governing documents of the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, the Montgomery Regional Solid Waste Authority, the New River Valley Emergency Communications Regional Authority, the New River Valley Regional Water Authority, and the Virginia Tech Montgomery Regional Airport Authority be approved. (Copy filed with the permanent minutes and marked Attachment N.)

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REPORT OF THE COMPLIANCE, AUDIT, AND RISK COMMITTEE

Rector Treacy called on Mr. Kazmi for the report of the Compliance, Audit, and Risk Committee.

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REPORT OF THE GOVERNANCE AND ADMINISTRATION COMMITTEE

The Governance and Administration Committee did not meet.

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REPORT OF THE TASK FORCE ON BOARD STRUCTURE AND GOVERNANCE

The Rector called on Ms. Petrine for a report on the Task Force meeting that was held on January 25, 2018, at the Hotel Roanoke. Minutes of that meeting were approved as part of the open session consent agenda (see Attachment B).

At the November 2017 Board meeting, Rector Treacy asked the Task Force on Board Structure and Governance to reconvene in January to conduct a mid-term assessment of the new board structure and report back to the Governance and Administration Committee at the March 2018 meeting. Members of the Task Force are Ms. Harris, Mr. Sanghani, Mr. Valeiras, Ms. Heidbreder, and Ms. O'Rourke. Rector Treacy appointed Vice Rector Petrine to replace him as chair of the task force.

Ms. Petrine summarized the key points. Feedback indicates that the new committee structure is working well generally. When topics overlap committees, meeting jointly for a portion of the meeting time may be appropriate. Use of consent agendas has allowed more time for discussion. At least through June, reporting on Beyond Boundaries and InclusiveVT at every meeting should be continued. Regular updates on the strategic/continuous planning process are requested at either the Sunday information session or to the Governance and Administration Committee; a focus on achieving efficiencies should be incorporated into planning. The Board orientation/retreat held last year was very successful, and it is recommended to be scheduled annually on the Saturday preceding the August/September Board meeting. Board self-assessment is a new accreditation requirement; the Governance and Administration Committee will plan for this in the fall and conduct an assessment in spring 2019. Ms. Petrine concluded that the Task Force will meet again sometime this summer between the June and August meetings to conduct another assessment of the new committee structure.

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Rector Treacy announced that he had asked the Governance and Administration Committee to consider undergraduate and graduate student representation, including the selection process, how they are governed, how committee assignments are made, etc. The Governance and Administration Committee will make recommendations to the Task Force this summer regarding adjustments that need to be made, if any.

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REPORT ON THE MEDICAL SCHOOL INTEGRATION

The Rector called on Ms. Petrine for a **report on the Medical School Integration**. Ms. Petrine serves as the BOV liaison to the Medical School Integration Steering Committee, and she provided the following updates:

- The various workgroups continue to work on integration, especially the IT group and the Personnel group which are on target to meet an early April deadline for transferring employees from Carilion to the university.
- Agreements between Carilion and the university are close to completion, thanks to Kay Heidbreder and a workgroup dedicated to negotiating language acceptable to all parties.
- The application and accompanying materials required to request approval to integrate the school of medicine were submitted, in person, to the university's accrediting body, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), which is located in Atlanta, Georgia. SACSCOC will be voting in June on the university's request.
- For the fifth straight year, the medical school had a 100 percent match rate for its graduating class.

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EXECUTIVE COMMITTEE

The Executive Committee is empowered to act on behalf of the Board between regular Board meetings. Rector Treacy announced that the Executive Committee met on March 13, 2018. At that meeting, the Executive Committee considered and approved three resolutions related to the integration of the Virginia Tech Carilion School of Medicine (VTCSOM).

In order for the integration to occur on July 1, 2018, Virginia Tech was required to submit an application to the university's accrediting body, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) by March 15, 2018.

Rector Treacy asked for a motion by a member of the Executive Committee to ratify these actions from the March 13, 2018 meeting. Approval of the following resolution was moved by Mr. Kazmi, seconded Mr. Quillen, and approved unanimously.

Resolution to Ratify Actions Taken by the Executive Committee at the Meeting Held on March 13, 2018

- That the resolution ratifying the actions taken by the Executive Committee of the Board of Visitors at a special meeting convened on March 13, 2018, as follows, be approved.
- Resolution to Approve the Virginia Tech Carilion School of Medicine Doctor of Medicine (MD) Degree Program
- Resolution to Incorporate into the Virginia Tech Faculty Handbook the Types of Faculty Appointments and Related Policies for Faculty of the Virginia Tech Carilion School of Medicine
- Resolution to Reaffirm the Virginia Tech Mission for the Southern Association of Colleges and Schools Commission on Colleges

(Copy filed with the permanent minutes and marked Attachment U.)

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PRESIDENT'S REPORT

A copy of **President Sands' remarks to the Board of Visitors** is filed with the permanent minutes and marked Attachment V.

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Constituent Reports (no action required)

Undergraduate Student Representative to the Board – Mr. Seyi Olusina Graduate Student Representative to the Board – Mr. Brett Netto Staff Representative to the Board – Mr. Robert Sebek Faculty Representative to the Board – Dr. Hans Robinson

(Copies filed with the permanent minutes and marked Attachment W.)

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Motion to Begin Closed Session

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

- Appointment of faculty to Emeritus status, the consideration of individual salaries of faculty, consideration of Endowed Professors, review of departments where specific individuals' performance will be discussed, and consideration of personnel changes including appointments, resignations, tenure, and salary adjustments of specific employees and faculty leave approvals;
- 2. The status of current litigation and briefing on actual or probable litigation;
- 3. Special Awards,

all pursuant to the following subparts of 2.2-3711 (A), <u>Code of Virginia</u>, as amended, .1, .7, and .10. The motion was seconded by Mr. Wayne Robinson and passed unanimously.

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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. Rector Treacy called the meeting to order and asked Ms. Petrine to make the motion to return to open session. Ms. Petrine 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 provision of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the <u>Code of Virginia</u> 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 Ms. Harris and passed unanimously.

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APPROVAL/ACCEPTANCE OF CONSENT AGENDA CLOSED SESSION ITEMS* (Refer to Attachments X through Z)

[*Note: Items on the consent agenda are matters of importance that have been reviewed carefully by members of the board in preparation for the meeting but have been determined not to require discussion by the board or its committees.]

Rector Treacy asked for a motion to approve/accept the consent agenda items that were considered in closed session, as listed. The motion was made by Mr. Valeiras, seconded by Ms. Petrine, and approved unanimously.

- Resolutions for Approval of Emeritus Status (15) Attachment X
- Resolutions for Approval of Endowed Chairs, Professorships, and Fellowships (14) Attachment Y
- Resolutions for Approval of Faculty Leave Requests (75) Attachment Z

(Copies of consent agenda items are filed with the permanent minutes and marked as noted above.)

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Upon motion by Ms. Petrine and second by Mr. Mills, unanimous approval was given to the **Resolution Conferring Upon Minnis E. Ridenour an Honorary Doctor of Letters Degree** as considered in Closed Session. This will be only the tenth honorary degree conferred in the history of the university. This item was reviewed by the Finance and Resource Management and the Academic, Research, and Student Affairs Committees. (Copy filed with the permanent minutes and marked Attachment AA.)

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Upon motion by Ms. Petrine and second by Ms. Harris, unanimous approval was given to the resolution for ratification of the **Personnel Changes Report** as considered in Closed Session. This item was reviewed by the Finance and Resource Management and the Academic, Research, and Student Affairs Committees. (Copy filed with the permanent minutes and marked Attachment BB.)

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Upon motion by Mr. Quillen and second by Mr. Wayne Robinson, unanimous approval was given to the **Ratification of the Selection of the 2018-19 Student Representatives** to the Board as considered in Closed Session.

Rachel Iwicki of Springfield, Virginia, a junior majoring in both mechanical engineering in the College of Engineering, and Russian in the College of Liberal Arts and Human Sciences, was named the undergraduate student representative.

Lorenzo (Zo) Amani of Fayetteville, North Carolina, a doctoral student in public administration and public affairs in the College of Architecture and Urban Studies, was named the graduate student representative.

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Upon motion by Mr. Robinson and second by Ms. Harris, unanimous approval was given to the resolutions to **Name University Facilities (4)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment CC.)

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Litigation Report No Action Required

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Appointment of Nominating Committee for Officers of the Board for 2018-19

Rector Treacy appointed the **Nominating Committee** for Officers of the Board.

Chair: Ms. Petrine Member: Ms. James Member: Mr. Kazmi

The committee will bring nominations for Rector, Vice Rector, and Secretary to the June Board meeting.

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REPORT OF THE MARCH 25, 2018, INFORMATION SESSION

An information session (open session) for the Board of Visitors was held on Sunday, March 25, 2018, from 1:30 to 3:00 p.m. in the Solitude Room at The Inn at Virginia Tech. There were no action items, and there was no public comment period. The agenda included:

- Presentation on Sexual Assault by Dr. Kelly Oaks, Assistant Vice President for Equity and Accessibility.
- Presentation on InclusiveVT by Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs and Vice Provost for Inclusion and Diversity.
- Briefing on the Strategic Plan by Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs and Vice Provost for Inclusion and Diversity.
- Legislative Update by Mr. M. Dwight Shelton, Interim Senior Vice President for Operations and Administration; Mr. Chris Yianilos, Executive Director of Government Relations; and Ms. Elizabeth Hooper, Director of State Government Relations.

(Copies of the presentations are filed with the permanent minutes and marked Attachment DD.)

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Following a motion by Mr. Mills and second by Mr. Hill, the meeting was adjourned at 3:30 p.m.

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The date of the next regular meeting is June 3-4, 2018, in Blacksburg, Virginia.

Dennis H. Treacy, Rector

Kim O'Rourke, Secretary

STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA BOARDS OF VISITORS ORIENTATION OCTOBER 25, 2017 DRAFT MINUTES

Mr. Heywood Fralin, Chair, State Council of Higher Education for Virginia, welcomed the group and mentioned SCHEV's strategic plan established during Mr. Minor's tenure as Council chair. He introduced Mr. Peter Blake, Director of SCHEV. Mr. Blake provided a brief overview of the agenda and introduced the panel.

Getting to "Best": Opportunities and Challenges in Achieving Virginia's Higher Education
Goals

Ms. Chris Chmura, CEO and Chief Economist, Chmura Economics and Analytics, gave a presentation on the demographic and economic landscape.

Ms. Chmura expressed the fact that there needs to be a greater alignment between institutions and in-demand jobs. Students must leave institutions with some sort of credential and the assortment of programs offered by the institutions must meet the job market demand.

Dr. Bill Murray, SCHEV Council member, presented a brief review on higher education. He stressed the importance of civic culture in higher education.

Higher education advantages:

Classroom Research Economic Development Civic Culture

Mr. Blake gave an overview of the Virginia Plan for Higher Education. The objective of the Plan is to be the best educated state by 2030. Virginia is currently in 6th place with 47% of the population holding a bachelor degree and 4% a sub-associate workforce credential of value. (If the objective is achieved 70% of the population will have a degree.)

SCHEV's role is to work together with the institutions to meet the state's needs and to look for gaps in the system. SCHEV will then inform policy makers of the gaps that exist and work with the institutions to fill those gaps.

The panel answered questions from attendees.

<u>Doing the Right Things: Best Practices of High-performing Public-institution Boards (and Intersecting with the Guardians Initiative)</u>

Mr. Blake introduced Mr. Richard Legon, President of the Association of Governing Boards of Universities and Colleges (AGB).

Mr. Legon reminded attendees to review the AGB materials and items on the SCHEV website. He reminded the attendees that as board members, they have a fiduciary duty, and they need to be advocates and stewards of higher education. Board members have an opportunity and responsibility to change the perception and volatility of higher education. Mr. Legon stated the U.S. is an international leader in higher education and higher education is about quality and opportunity.

Mr. Legon answered questions from attendees.

Doing Things Right: Boards' Legal and Ethical Responsibilities

Mr. Henry Light, Secretary, State Council of Higher Education for Virginia, introduced the panel.

Mr. Alan Gernhardt, Senior Attorney, FOIA Advisory Council, provided a brief overview of the Freedom of Information Act.

Mr. Al Wilson, Senior Assistant Attorney General, talked about the Virginia Conflicts of Interest Act. He discussed the Office of the Attorney General's role in representing the public institutions, and provided historical context. Mr. Wilson advised members to communicate with counsel on legal matters.

Mr. Gernhardt and Mr. Wilson answered questions from attendees.

Boards' Fiduciary Obligations: Building Budgets While Balancing Priorities, Needs and Realities

Council member Dr. Rosa Atkins introduced the panel.

Mr. Justin Brown, Senior Associate Director of the Joint Legislative Audit Review Committee (JLARC) provided an overview of JLARC reports on higher education produced in response to the legislature's concern about increased costs.

Mr. Michael Maul, Associate Director of the Virginia Department of Planning and Budget, discussed development of operating budgets for the institutions. He talked about state

revenues and how state operating funds are allocated to address state priorities. Education, Medicaid and Corrections are priorities that demand a large percentage of the budget. Higher education is a discretionary expense, by contrast.

Mr. William M. "Bill" Ginther, Chair of the Committee on Finance, Budget and Investment of the VCU Board of Visitors, spoke about the fiduciary role of a board member. He reviewed a list of information that board members should know, including the student makeup, financial aid, university budget, history of budget cuts, peer review, and the timeline for budget and tuition planning.

Effective Institutional Governance: Board Leadership and Executive Administration for 21st-Century Challenges

Mr. Blake introduced the moderator of the panel, Dr. Deborah DiCroce. Dr. DiCroce said the central question of the session is who is responsible for what. She has heard the role of the board described as "noses in; fingers out."

What is the secret sauce for effective board/executive relations?

Dr. Glenn DuBois, Chancellor, Virginia Community College System, said that the goal for board meetings is for each member to go home feeling as if it was important that they attended. He also cautioned members to be careful with emails.

Dr. Teresa Sullivan, President of the University of Virginia, said that each board member brings his or her own talents and strengths to the board. A member should make those things known and they should share their knowledge and not assume the administration is aware of it. A member should also be forthright if they came in with an agenda – it is better for the president to know it.

Dr. Brian Hemphill, President of Radford University, said clear, concise, transparent communication is important. He has a regular call with the rector to talk about issues several times per month. He tells members they never have to wonder what is going on because he is transparent about it.

Ms. Marianne Radcliff, Rector of the Board of Visitors for Longwood University, said good relations depend on each party feeling as if it has the whole story and is not missing something. Trust and openness are important and if you lose it, the institution suffers.

<u>Talk about board decisions about tuition increases in the current environment and in</u> addressing affordability

Chancellor DuBois said it is often a struggle to keep the institution's mission focused on access. He said he usually will devote three meetings on tuition decisions. He said he is not proud of having recommended tuition increases and does not take such decisions lightly.

President Sullivan said boards probably do not have any meetings in which tuition setting issues are not considered. She encouraged board members to make the tuition decision early enough so that students who are undecided will have the information before they accept offers.

President Hemphill said that a large percentage of students are first-generation and/or on financial aid, so the board should consider carefully how policy decisions will affect them.

Regarding what a board members expects from the president and administration in regard to tuition setting, Ms. Radcliff agreed that the issue is a constant part of the conversation – it is part of recruiting, retention, enrollment management, etc.

Advice to new board members

Chancellor DuBois encouraged new members to ask questions and to contact senior staff to provide additional information. He tries to inform new members during meetings if he feels that a topic may be confusing.

President Sullivan encouraged the members to acquaint themselves with the culture and feel of the institution. She said that they should go to different events and get a flavor of what it is like on a daily basis.

President Hemphill – rather than encourage board members to call vice presidents, all requests for information should go to the board liaison to keep things from getting out of control. He suggested that board members should not get in arguments about details of the institutional plans, and should not ask for daily spending reports. Board members should always keep the role of the board in mind.

Ms. Radcliff encouraged members to have fun. She said it is pleasant to feel like you have done something good for higher education. It should be enjoyable.

The panel answered questions.

Adjournment

Mr. Blake and Mr. Fralin provided a summary of the session and thanked members for their attendance.

The meeting adjourned at 3:41 p.m., at which time the Secretary of the Commonwealth distributed certificates of completion and Governor's pins to new appointees.

Beverly Covington SCHEV Staff	
Henry Light	
Council Chair	

MINUTES

January 25, 2018

The Task Force on Board Structure and Governance of the Board of Visitors of Virginia Polytechnic Institute and State University met on Thursday, January 25, 2018, at 1:00 p.m. at the Hotel Roanoke and Conference Center, Bent Mountain Room, 110 Shenandoah Avenue, NW, Roanoke.

Present

Ms. Debbie Petrine (committee chair)

Ms. Greta Harris

Mr. Mehul Sanghani

Mr. Horacio Valeiras (by telephone)

Ms. Kay Heidbreder

Ms. Kim O'Rourke

Members of the public present: Mark Owczarski

Ms. Petrine convened the meeting at 1:00 p.m.

The primary purpose of the meeting was to assess the new committee structure and meeting format that was implemented in September. This review was planned when the new structure was first implemented. Two additional agenda items included the format for the annual BOV orientation/retreat, and a Board self-assessment.

Evaluation of New Committee Structure and Timeline:

The Task Force considered feedback received from Board members, representatives, and members of the administration and also discussed proposed legislation pending before the General Assembly that would affect boards of visitors.

• <u>Committee structure</u> – The new committee structure and timeline are working well, generally. There is increased interaction among Board members and more transparency. Some of the committees appear to have a heavier agenda than others, but that may even out over the next few meetings as additional means of reporting are explored rather than relying on "standing" presentations. The Board's or a committee's role in guiding the university on strategic issues is of paramount importance; the misperception held by some that the number of voting items is an indicator of a committee's importance needs to be discouraged. Given the change in the committee structure, it may be appropriate at times for some administrators to speak to another committee rather than to the one with which he/she has been associated with traditionally, depending on the topic. Joint meetings should continue to be held when warranted. The Board members' active engagement in planning information session and committee agendas should be reinforced by consistently ending each meeting with a discussion of the agenda for the next meeting.

Although Virginia Tech typically ranks the lowest or among the lowest of its peers in terms of administrative expenses, some Board members would like to see a more formalized process for evaluating efficiencies and identifying ways to create greater efficiencies and savings. A report on administrative efficiencies was provided at the November meeting of the Finance and Resource

Management Committee. There was a suggestion that a subcommittee of the Strategic Planning Committee be formed to ensure that an emphasis on efficiency is integrated into the Strategic Plan. Monitoring strategies and progress toward achieving efficiencies should be added to the scope of one of the committees (e.g., Finance and Resource Management or Governance and Administration).

There was a brief discussion about how committees potentially could be realigned, but the consensus was to continue under the current structure through June 2018 and then re-evaluate.

- <u>Consent agendas</u> The use of consent agendas has been useful in enabling more time to be devoted
 to discussion of strategic issues. The items that appear on consent agendas are not of lesser
 importance than other items and are reviewed thoroughly by Board members prior to the meeting.
 However, the Task Force recognized some members of the university community or public may
 perceive consent agenda items to be of lesser importance and discussed the need to be sensitive in
 selecting items to be placed on the consent agenda.
- <u>Presentations</u> In general, presentations are improving in terms of being more concise and focused on strategic issues, but many presentations continue to be overly detailed. The Board wants strategic-level presentations that conclude with potential high-level implications to the university. Going forward, presenters will be asked to end their presentation with one slide that has a bulleted list of the three or four key points that the presenter wants the Board to take away. These take-away points should be used by the presenter to help focus his/her presentation as it is being developed.

Detailed presentations can be loaded into the portal for the Board to review prior to the meeting. However, during the meeting, the presenter should skip over most of the slides and focus on those of a strategic nature, ending with the key-take-away-points slide. In most cases, presentations should be limited to five to ten minutes.

• <u>Information Sessions</u> – Because the success of Beyond Boundaries is linked to InclusiveVT, the consensus of the Task Force was to continue reporting on Beyond Boundaries and InclusiveVT at every Board information session at least through June and then consider changes; however the format for reporting to the Board has not been perfected. It was suggested that a template be developed for indicating progress that is being made. The report could be loaded to the portal for the BOV to review beforehand, and the information session could then be used for questions and/or strategic discussion, if needed.

The undergraduate student representative has expressed an interest in providing a presentation once a year rather than reading a written report. The Task Force was receptive to the idea of each representative giving a presentation in place of delivering a report (with the same amount of time allotted) once each year on a rotating basis. The practice of giving a written report at the other three meetings would be continued.

Rather than reporting on the process of strategic and continuous planning during the information session, these reports could be moved to the Governance and Administration Committee.

The Task Force considered an idea that was presented to reserve 10 to 15 minutes of each Sunday Information Session for a focused workshop on fundamental areas that all Board members should understand at a detailed level in order to make informed decisions. Examples include the promotion and tenure process (timing of reviews, levels of review, criteria, etc.), capital outlay process, agency

- 229, the organizational structure, shared governance, etc. The Task Force recommended implementing this suggestion on a trial basis.
- Next steps It was the consensus of the Task Force that the new committee structure should be evaluated again after the June 2018 meeting, with no changes made to the committees until that time.

Format for Annual Board Orientation/Retreat:

Holding the orientation/retreat prior to the first BOV meeting of the year proved very useful for new Board members and should be continued. The general consensus was that it would be preferable to hold the orientation/retreat on the Saturday preceding the August/September Board meeting. There was some discussion of holding the retreat at various Virginia Tech sites other than the main campus.

Board Self-Assessment:

The Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) has a new accreditation standard requiring boards to evaluate themselves periodically. Because this is a new standard, a common "best practice" among universities has not yet been established. Virginia Tech's next site visit by SACS will occur most likely in 2021 (timeline was affected slightly by the medical school acquisition), and documentation will have to be provided to SACS in the prior year. The Association of Governing Boards (AGB) provided a proposal with several options for assisting Virginia Tech with a self-assessment. The Task Force was in general agreement with Level One, which entails AGB administering an on-line survey of the Board and President and providing a report of the results and summary of best practices. If the Board accepts the recommendation of the Task Force, Governance and Administration would be the appropriate committee to oversee this survey. The likely timeframe would be to introduce the self-assessment topic at the September 2018 orientation and then conduct the survey towards the end of the academic year, with results provided to the BOV in June 2019.

The meeting was adjourned at 3:05 p.m.	
	Deborah Petrine, Chair

MINUTES

March 13, 2018

The Executive Committee of the Board of Visitors of Virginia Polytechnic Institute and State University met in open session on Tuesday, March 13, 2018, at 2:45 p.m. at 13869 Park Center Drive, Ballroom 1, Herndon, VA 20171.

Present Absent

Mr. Dennis H. Treacy (Rector)

Mr. Mehmood S. Kazmi

Mr. Michael Quillen

Mr. Mehul P. Sanghani

Mr. Horacio Valeiras (via telephone)

Ms. Deborah Petrine

Mr. Valeiras joined the meeting via telephone from 7835 Ivanhoe Avenue, La Jolla, California 92037.

Also present were the following: President Timothy Sands, Ms. Kay Heidbreder, Ms. Kim O'Rourke.

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Rector Treacy convened the meeting and explained that the university is making application to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to approve the integration of the Virginia Tech Carilion School of Medicine (VTCSOM) into Virginia Tech. In order for the integration to occur on July 1, 2018, Virginia Tech must submit its application to SACSCOC by March 15, 2018. Because Virginia Tech is accredited by SACSCOC, that body must approve the integration. Several resolutions must be approved by the Board of Visitors and accompany the application.

The Virginia Tech Carilion School of Medicine Doctor of Medicine (MD) degree program was approved on March 12, 2018, by Virginia Tech's University Council, which consists of faculty, staff, and student representatives, by a unanimous vote of the majority of the Council's voting members. As Mr. Treacy was speaking, President Sands received via email a letter from the President of Virginia Tech's Faculty Senate, Professor Hans Robinson, indicating that the Faculty Senate also had voted unanimously to approve the integration of the VTCSOM Doctor of Medicine degree program into Virginia Tech's graduate offerings and the integration of the VTCSOM itself into Virginia Tech as a college.

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After some discussion, upon motion by Mr. Quillen to approve the three resolutions as a block and second by Mr. Sanghani, unanimous approval was given to the following three resolutions:

- 1. Resolution to Approve the Virginia Tech Carilion School of Medicine Doctor of Medicine (MD) Degree Program. (Copy filed with the permanent minutes and marked Attachment A.)
- 2. Resolution to Incorporate into the Virginia Tech Faculty Handbook the Types of Faculty Appointments and Related Policies for Faculty of the Virginia Tech Carilion School of Medicine. (Copy filed with the permanent minutes and marked Attachment B.)
- 3. Resolution to Reaffirm the Virginia Tech Mission for the Southern Association of Colleges and Schools Commission on Colleges. (Copy filed with the permanent minutes and marked Attachment C.)

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The Rector then brought to the attention of the Executive Committee a request from one of the constituent representatives to the Board to consider making some changes to the process for selection of student representatives to the Board and the mechanism for providing support for the student representatives given the creation in August 2017 of a new Office of the Vice President for Policy and Governance, which supports the Board of Visitors. After lengthy discussion, the Executive Committee recommended that the Rector charge the Board's Governance and Administration Committee with looking into the matter and providing recommendations.

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The date of the next regular meeting is March 25-26, 2018, in Blacksburg, Virginia.

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Following a motion by Mr. Kazmi and second by Mr. Quillen, the meeting was adjourned at 4:25 p.m.

Dennis H. Treacy, Rector
Kim O'Rourke, Secretary

Minutes

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE Inn at Virginia Tech and Skelton Conference Center Monday, March 26, 2018

Committee Members Present:

Debbie Petrine, chair, Tish Long, Brett Netto (graduate student representative), Hans Robinson (faculty representative), Wayne Robinson. Regrets: Chris Peterson

Board Members Present:

Greta Harris, Anna James, Seyi Olusina (undergraduate student representative), Robert Sebek (staff representative), Dennis Treacy, Horacio Valeiras.

Guests:

Tommy Amal, Beth Armstrong, Patty Becksted, Rosemary Blieszner, Tom Brown, Kris Bush, Bob Broyden, D'Elia Chandler, Cyril Clarke, David Clubb, Ali Cross, Brian Daniels, Karen DePauw, John Dooley, Juan Espinoza, Jack Finney, Chris Flynn, Mike Friedlander, Randal Fullhart, Rachel Gabriele, Alphonso Garrett, Alan Grant, Cathy Grimes, David Guerin, Kristina Hartman, Lee Hawthorne, Kay Heidbreder, Tim Hodge, Amy Hogan, Rachel Holloway, Megan Hughes, Cyndi Hutchinson, Rachel Iwicki, Robin Jones, Cathy Kropff, Sharon Kurek, Peggy Layne, Theresa Mayer, Erin McCann, Nancy Meacham, Scot Midkiff, Sally Morton, Kim O'Rourke, Mark Owczarski, Patty Perillo, Charlie Phlegar, Ellen Plummer, Menah Pratt-Clarke, April Myers, D.J. Preston, Scot Ransbottom, Karen Eley Sanders, Timothy Sands, Savita Sharma, Kayla Smith, Natasha Smith, Robert Sumichrast, Don Taylor, Judy Taylor, Jon Clark Teglas, Tracy Vosburgh, Lon Wagner, Paul Winistorfer, Chris Wise, Chris Yianilos.

OPEN SESSION

- 1. Welcome and Acceptance of Agenda. Debbie Petrine, chair of the committee, welcomed committee members and attendees to the Open Session. The agenda was accepted.
- 2. Report of Closed Session Items. D. Petrine reported on actions taken in the joint Closed Session of the Academic, Research, and Student Affairs Committee and the Finance and Resource Management Committee. The committee approved 15 appointments to Emeritus status, 14 appointments to Endowed Chairs, Professorships, or Fellowships, 75 faculty research leave requests, and one academic honor.
 - The Faculty Personnel Changes Report for the quarter ending December 31, 2017 was unanimously ratified by the Academic, Research, and Student Affairs committee and the Finance, Audit, and Resource Management committee.
- 3. Consent Agenda. The committee unanimously approved or accepted the items listed on the Open Session Consent Agenda: the minutes of the committee's November 6, 2017 meeting, a report of reappointments to endowed chairs,

professorships, or fellowships, and one appointment to the Virginia Coal and Energy Research and Development Advisory Board.

The committee unanimously approved the items on the Consent Agenda.

4. Provost's Update. Cyril Clarke, interim executive vice president and provost, brought several items to the attention of the committee. The Beyond Boundaries initiative is a comprehensive evaluation of the future of the university that lays out core elements at the center of the institution's mission while underscoring the university's commitment to service. In addition to confirming the university's commitment to being a comprehensive institution, Beyond Boundaries positions the university to identify areas of excellence. These areas of excellence are expressed in the five Destination Areas and four Strategic Growth Areas. The implementation of these areas is supported by a new academic budgeting process that is adaptive and responsive to the university's aspirations. Resources for the Destination Areas to date include 54 dedicated faculty lines: 19 of the lines are filled and 35 searches are underway. Two-thirds of the current searches are cluster hires in which faculty from varied disciplines work collaboratively on the same Destination Area. Advancing diversity is an intentional element of these hires and the colleges and provost's office are financially supporting new hires with broad and diverse representation. The budgeting process, called the Partnership for an Incentive Based Budget (PIBB), is a comprehensive budget model designed to provide incentives for meeting established goals in departments and colleges.

The university continues to make progress on the acquisition and integration into the university of the Virginia Tech Carilion School of Medicine (VTCSOM) scheduled for July 1, 2018. The Executive Committee of the Board of Visitors met and approved three resolutions necessary for submission to the university's accreditation agency, the Southern Association for Colleges and Schools Commission on Colleges (SACSCOC). The Faculty Senate, Commission on Faculty Affairs, and the University Council offered support of the integration. The VTCSOM Board of Directors met and approved the integration of the school into the university. Several agreements between the partners are in process and personnel are on track to be transferred from Carilion to the university in April.

The university can celebrate the creation of a new program in the honors college supported by a generous gift from Virginia Tech alumnus David Calhoun, '79. The Calhoun Honors Discovery Program is a cross-college program that will use team-based learning dedicated to interdisciplinary problem solving. The initiative is an opportunity for the university to launch a substantive pilot program to test thematic areas of learning and scholarship.

Overall, after several months as interim, the provost's observation is a positive one. As an entity within the university, academic affairs is running smoothly with good relationships between the administration, the Faculty Senate, and the Commission on Faculty Affairs. The academic deans are constructively engaged especially with foundational initiatives such as Destination Areas and the

associated hiring. There are exciting developments in Roanoke and in the National Capital Region including discussions on how the university can support initiatives that are important to the commonwealth's research and other goals.

5. Research. Theresa Mayer, vice president for research and innovation, led a discussion with the committee regarding Virginia Tech's role in advancing innovation-led growth and high-quality job creation across the commonwealth. A number of factors, including the formation of the Virginia Research Investment Fund (VRIF) and the release of the final report of the Commonwealth Research Asset Assessment Study, are changing statewide discussions and leading to exciting opportunities for higher education institutions in the commonwealth.

Two Virginia Tech-led teams were awarded \$2.92M by the VRIF by the VRIF in its first round.

Released in January 2018, the TEConomy Partners LLC report, is an assessment of Virginia's research assets. The report, Strategic Directions to Advance Creation across Innovation-Led Growth and High-Quality Job Commonwealth, was prepared for the State Council of Higher Education for Virginia (SCHEV) on behalf of the Virginia Research Investment Committee. The report evaluated Virginia's current capabilities in the commercialization of its academic research and development (R&D), assessed Virginia's future opportunities and capacities for commercializing the results of academic R&D, and developed recommendations on where and how the commonwealth should direct its resources to accomplish the Virginia Research Investment Committee's (VRIC) mandate.

Among the report's findings, the study revealed that the commonwealth's innovation ecosystem is underperforming, and that Virginia declined in overall research funding from 2010 to 2015 while the nation grew. Virginia Tech is well positioned to support the efforts of the commonwealth and the recommendations outlined in the report. Strategies include growing public-private collaborations in advancing translational research; strengthen university technology transfer and commercialization; bridge the gap between university research and Virginia-based company innovation; shore up Virginia's regionally based innovation and generate more start-ups and advance high-growth companies.

6. Student Affairs. Patty Perillo, vice president for student affairs, led the committee in a discussion regarding trends shaping the current student culture and how student affairs is responding. Students born between 1995 and 2012 are sometimes referred to as the iGen or Generation Z (Twenge, 2017). Drawing from four large national studies, research has identified several trends that reflect changes in today's students and provide insight into how to best support student development and progress. The Division of Student Affairs continuously collects information and data from students and other sources to shape and inform decisions regarding supporting student development while they are at Virginia Tech. An integrated model of well-being guides the division's delivery of a vast

array of programs and services with the goal of providing continuity of care for every student.

7. Academic Affairs

A. Enrollment Management Update. J. Espinoza, assistant vice provost for enrollment management, reported to the committee on current efforts in admissions and other enrollment management areas. The enrollment management group is adjusting recruitment, admissions, and enrollment processes and programs to support and advance the university's priorities. These adjustments will continue to roll out over the next admissions cycle.

For the freshman class of 2021, the university received 27,266 applications, made offers of admission to 18,776 individuals, and 7,075 accepted admission. For the freshman class of 2022, the university received 32,121 applications, made early-decision offers to 1,341 individuals and made regular admission offers to 16,699 individuals. The growth in applications represents an 18.7% growth in total undergraduate applications received in 2017. The university continues to experience an annual increase in the percentage of in-state and out-of-state applicants, international applicants, and applicants who identify as American Indian/Alaska Native, African American, Hispanic, or two or more races.

- **B. College Update.** Alan Grant, dean of the College of Agriculture and Life Sciences, provided the committee with an update on the college including Extension. The college continues to lead the university on meeting its land-grant teaching, research, and Extension missions for the commonwealth. The college uses evolving technology, scholarship, and research and has impact across the commonwealth through 108 local Extension offices, 11 Agricultural Research and Extension Centers (ARECs), two departmental research centers. Virginia Tech and Virginia State University (located in Petersburg, VA) serve as the two land grant institutions for the commonwealth. The college organizes its student, faculty, research, teaching, learning, and Extension activities and facilities through its mission to create healthy communities along several dimensions: environment, economy, food, and health.
- 8. Council of College Deans Update. Robert Sumichrast, dean of the Pamplin College of Business and representative to the committee from the Council of College Deans, shared with the committee that the university's promotion and tenure process has concluded successfully due to the tremendous amount of work on the part of all involved. The process was thorough and thoughtful. The college deans are in full support of the Destination Areas (DAs) including the current and future commitments to research and instruction by faculty members participating in the DAs. As Virginia Tech looks to the future, the deans welcome the opportunity to have the DAs and Strategic Growth Areas (SGAs) well represented in the university's strategic plan. Calibrating the speed with which DAs are implemented and the manner in which the university allocates resources to the DAs will be important for future planning.

College resources are challenged by needs associated with infrastructure and faculty start-ups. Resources are needed to address deferred maintenance (in lab space, for example). Sally Morton, dean of the college of science, convened an ad-hoc committee to look at department-level startup requests and found that the university was in line with national trends. The ad-hoc committee suggested the allocation of additional resources and developing mechanisms to share space and equipment.

9. Agenda Items for June 2018 Committee Meeting. D. Petrine asked for discussion of additional items for inclusion on the agenda for the June board meeting. Agenda development will be finalized by the end of April. In addition to standing items, and items requiring a committee or board vote, possible agenda items include: information from the Division of Student Affairs on ways in which the university is addressing diversity and inclusivity for students; a demonstration of the presentation delivered to prospective students; an update on technology transfer from the Research and Innovation Division; information on the retention of faculty from the office of the provost; and update on faculty hires associated with the Destination Areas.

10. Adjourn

ENDOWED PROFESSORSHIP James S. Tucker Professorship

In concurrence with the recommendations of the honorifics committees of the Bradley Department of Electrical and Computer Engineering and the College of Engineering, Dean Julia Ross nominates Dr. Jason Lai to continue as the James S. Tucker Professor.

Dr. Lai earned the Ph.D. and M.S. in Electrical Engineering from the University of Tennessee, Knoxville, Tennessee in 1989 and 1985, respectively. He received the B.S. from the National Taiwan Normal University, Taipei, Taiwan in 1975. After receiving the Ph.D. in 1989, he worked at the Power Electronics Applications Center (1989-93) and Oak Ridge National Laboratory (1993-96). He joined the Bradley Department of Electrical and Computer Engineering in 1996 as a tenure-track associate professor. He received tenure and was promoted to the rank of full professor in 2004.

Dr. Lai has established an outstanding research program in power electronics for energy applications and has founded the highly successful Future Energy Electronics Center (FEEC). His research focuses on high-power converters for energy applications. He has established a strong reputation as a highly successful scholar who is able to couple his research with industrial applications and consider practical limitations such as cost and thermal issues. He has secured over \$17M in external funding to support this research, with his personal share exceeding \$13.7M. He has published 285 conference papers and has given numerous keynote addresses and other invited talks. His innovation is further demonstrated by the award of 27 U.S. and international patents and the IEEE Gerald Gliman Innovation Award in 2016.

Dr. Lai is a dedicated and effective educator and mentor. He teaches courses in power electronics and electronic circuit design. He is very active in teaching short courses on power inverters and other topics related to power electronics. He has advised 44 M.S. and 26 Ph.D. students to completion. Four of his former Ph.D. students are in faculty positions at other institutions. He is currently advising four M.S. and 10 Ph.D. students.

Dr. Lai actively involves undergraduate students in research and mentors student teams for design competitions. His team won the Third Place Finalist in the 2016 Google Little Box Challenge. It was the only U.S. and university team among 2,000 teams worldwide to win. Another student team won the Grand Prize Award in the International Future Energy Challenge (IFEC) in July 2011. Other student teams mentored by Dr. Lai won the Best Presentation Award in 2003 and the Best Performance Award in 2001 at the International Future Energy Challenge. An undergraduate student team mentored by Dr. Lai won the First Place Award of \$10,000 from the TI Engibous Prize Analog Design Competition in 2009.

Dr. Lai has received numerous external and internal honors that recognize his success as a researcher and educator. He was named an IEEE Fellow in 2007 for "contributions to high performance high power inverters." He has won 13 "best paper" or similar awards from leading conferences in his field. Within Virginia Tech, Professor Lai was presented with the Dean's Award for Research Excellence in 2010.

Dr. Lai's service record is equally impressive. He has actively served on numerous leadership positions in professional societies. He served as the Program Chair, General Chair, and Steering Committee Chair for the IEEE Applied Power Electronics Conference (APEC) in 2004, 2005, and 2006, respectively. He founded the IEEE Asian Conference on Energy, Power, and Transportation Electrification (ACEPT) and has served as the General Chair annually since 2016. He was the founding chair in 2001 and the Steering Committee Chair in 2011 for IFEC, General Chair for the 2008 NSF Workshop on Advanced Power Conditioning for Alternate Energy Systems, General Chair for the 2000 IEEE Workshop on Computers in Power Electronics, and General Chair for the 1992 EPRI Power Electronics Devices and Components Workshop. He also served as chairs of the Standards Committee from 1995 to 2003 and Academic Affairs from 2011 to 2014 for the IEEE Power Electronics Society.

REAPPOINTMENT:

The president and interim executive vice president and provost have confirmed the reappointment of Dr. Jason Lai to the James S. Tucker Professorship for five years effective August 10, 2018 with a salary supplement provided by the endowment and, if available, with funds from the eminent scholars match program.

March 26, 2018

Student Affairs Presentation and Discussion, March 2018

Materials attached:

- 1. Powerpoint presentation (25 slides)
- 2. Article from March 9, 2018 The Atlantic (PDF)

Trends Shaping the Current Student Culture & How Student Affairs is Responding

Patricia A. Perillo, Vice President for Student Affairs Chris Wise, Assistant Vice President for Student Affairs



UNDERSTANDING "iGen"

(sometimes referred to as Generation Z)
Born 1995 - 2012

Twenge, J.M. (2017). iGen: Why today's super-connected kids are growing up less rebellious,

that

more tolerant, less happy - and completely unprepared for adulthood and what means for the rest of us. New York, NY: Atria Books



Data Collection

Drawing from 4 large, nationally representative surveys of 11 million Americans:

- -American Freshman Survey (1966)
- General Social Survey (1972)
- Monitoring the Future (1976)
- Youth Risk Behavior Surveillance System (1991)



Trends Shaping Students (& Us)

- In no hurry
- Internet
- In person no more
- Insecure
- Irreligious

- Insulated but not intrinsic
 - Income insecurity
- Indefinite
- Inclusive
- Independent



Environmental Impacts on Student Well-Being

- Parents/family/friends
- Academic rigor
- Living situation
- Nutrition opportunities/eating habits
- Identity individual and/or group
- Sickness/illness long or shortterm
- Exercise/movement
- Technology

- Money financial situation
- Social choices co-curricular activities
- Faith religion/faith in the process and future
- Relationships
- Expectations of self and others
- National/international events
- Outdoors fresh air/light



Prevention and Intervention

- Integrated model of well-being
- Collecting and using data
- Where we are today
- Planning for the future
- Examples of well-being programs related to environmental impacts and data



Questions, Comments or Concerns?



The following are supplemental slides that may be discussed at the BOV Committee meeting, while also serving as background materials to previous slides.



- Trend - In No Hurry

The Extension of Childhood Into Adolescence

- The entire developmental trajectory, from childhood to adolescence, has slowed.
- Young adults are postponing the "usual" activities of adulthood such as getting a job or driver's license, managing their money, staying at home alone, and socializing without parents.
- Teens keep in more constant contact with parents and fight less with them.
- Young adults spend less time on homework and they go out, date, drink, and have sex less.

-Trend - Internet

How Much Time They Spend on Their Phones (and What That Has Replaced)

- High school seniors spend approximately 6 hours a day on social media: 2 ¼ hours texting; 2 hours using internet; 1.5 hours electronic gaming; and, ½ hour video-chatting.
- In the late 1970s, the majority of teens read a book or magazine nearly every day; in 2015 only 16% did.
- Newspaper readership plummeted from nearly 70% in the early 1990s to only 10% in 2015.



-Trend - In Person No More

The Decline of In-Person Social Interaction

- From the late 1980s to 2016, teens spend 7 hours less a week with friends (one-on-one or at party).
- Teens are less likely to drive in a car with friends or go to a movie, party, or mall. In fact, teens are less likely to take part in face-to-face social activity measured across 4 data sets.
- Preliminary evidence shows that less social interaction will lead to less developed social skills.
- In an era of social media, social rejection increases and can increase aggression, create feelings of hopelessness, and affect emotional eating.

-Trend - Insecure

The Sharp Rise in Mental Health Issues

- More time on screens = more likely to be unhappy; feel lonely more often; become more depressed and anxious; increased risk of suicide.
- Life satisfaction for teens is on the decline.
- Forty-eight percent more girls, and 27% more boys, felt left out in 2015 compared to teens in 2010.
- Fifty-seven percent more teens are more sleep deprived in 2015 than those in 1991.
- In 1983, 4% of high school seniors had seen a professional counselor; in 2015 it increased to 11%.

- Trend - Irreligious

The Decline in Religion

- In 1970, 5% of college students stated their parents were not associated with religion; in 2016 it was 17%.
- Young people associate religion with rigidity and intolerance.
- The religious landscape is now more polarized on issues of identity (such as LGBT).
- Late millennials and iGens are least likely of all generations to say that they are spiritual. Forty five percent indicated they were a "spiritual person" in 2000 and in 2016 it was 36%.
- In 2016, one out of three, 18-24 year olds said they did not believe in God.
- In 2004, 84% of young adults prayed; in 2016 approximately 25% never prayed.

Trend - Insulated But Not Intrinsic

The Interest in Safety and the Decline in Civic Involvement

- Teens are more likely to avoid risk and danger and are more interested in physical and emotional safety.
- They have less tickets, less accidents, increased seat belt use, less binge drinking, less physical fighting and less empathy; they want to contribute but don't take action.
- They want to be safe from people who disagree with them and want higher authorities to fix the situation rather than do it themselves.
- They see college as a means to an end, are interested in making money and less interested in meaningful work.
- They place greater value on individualistic attitudes and less value on community involvement.

Trend - Income Insecurity

New Attitudes Toward Work

- Teens tend to be practical, forward thinking, and safe.
- Young adults are less interested in face-to-face interactions at work.
- In 1984, 50% had an interest in being successful in their own business while in 2016 only 37% shared this value.
- Between 1977 and 2015, there was a marked increase in beliefs about external locus of control (life was controlled by outside forces).
- Teens desire an increase in leisure time and work-life balance more than previous generations.
- High school seniors see more barriers getting in the way of success (e.g., gender discrimination and getting the job they want FAIRS will take too much work.)

-Trend - Indefinite

New Attitudes Toward Sex, Relationships, and Children

- Teens exhibit cautious attitudes toward relationships.
- In 2006, 50% of 18-29 year olds believed sex between unmarried adults was not wrong; in 2016 it has risen to 65%.
- 77% of 12th graders in 2015 said they wanted to get married (same in 1976).
- Fewer young adults are having sex, are in committed relationships and prioritize marriage and family; they believe that having children is economically challenging.
- Having a relationship conflicts with their individualistic value of "make self happy."
- Since 1990, birth rates for women in their early 20s has plummeted by 36%.

-Trend - Inclusive

Acceptance, Equality, and Free Speech Debates

- iGen expects equality.
- Reporting of same sex experiences is on the rise.
- There is a nascent movement to declare gender as fluid not just changeable but not easily contained in two categories.
- The years 2000 and 2010 ushered in a sea change in attitudes toward LGBT people; some of the largest and most rapid generational and time-period differences in existence.
- In 2016, 60% of 18-30 year olds supported the Black Lives Matter movement compared to 37% of 50-64 year olds.
- In 2015, most 12th graders said high school was at least 50% another race, 2x that in 1980. But, only 25% of white teens say that diverse environments are desirable.

Trend - Independent

Their Political Views

- Social media sites connect people to their personal cocoons, clustering people with people who think like them.
- More young Americans hold strong political views, yet few are interested in staying informed or taking action.
- In 2016, 54% of 18-29 year olds identified as independent compared to 33% in 1980.
- There is a significant increase in young adults' support for abortion, legalization of marijuana, and, no death penalty.
- Young adults are more apt to oppose gun control, national health care, and government environmental regulations.
- They want college and childcare funded by the government.



Ways Student Affairs is responding to iGen



Integrated Model

- Moved from historically "siloed" departments to Student Affairs units working together
- Upstream approach to well-being
- Team delivery of programs/services
- Student well-being is everyone's responsibility
- Enhanced collaborations
- More effective transitions (handoffs)
- Program development towards risk behaviors
- Improved continuity of care





At Virginia Tech We Collect and Use Data to Make Decisions

- Cook Counseling Center data
- American College Health Association National Collegiate Health Assessment (NCHA)
- Schiffert Health Center data
- Center for Collegiate Mental Health reports
- Healthy Minds Network study
- Frequency of exercise GPA study
- Sense of belonging/pride competitive sports
- Student employee leadership study



Data Collection - 2016

Top factors affecting individual academic performance (self-reported on NCHA by Virginia Tech students)

- 1. Stress **30%**
- 2. Anxiety 20%
- 3. Sleep difficulties 19%
- 4. Cold/flu/sore throat 16%
- 5. Internet/computer use 13%
- 6. Extra curricular activities 13%
- 7. Depression 11%
- 8. Concern for family/friend 10%
- 9. Work 10%



Where We Are Today

- Increased resources in mental health
- Increased educational opportunities
- Increased peer education efforts
- Research and assessment to evaluate impact
- Partnerships/collaborations outside of wellness units
- Development of programs/trainings targeting risk, based on data
- Well-being landing site
- Exploring technological opportunities to reach students



Planning for the Future

- Improved facilities War Memorial Hall project
- Well-Being Living-Learning Community
- Growth in on-site psychiatry services
- Continued increase in Cook Counseling Center counselors and potential for increased hours and/or opportunities to deliver services
- Technology-based services
- Financial wellness programming
- Partnership development opportunities



Addressing Well-Being Well-Being Programs Related to Environmental Impacts and Data

- Individual and group counseling
- Pet therapy
- Friends help friends in distress
- How of Happiness program
- 21st Birthday program
- Better sleep techniques

- Mindfulness trainings
- Variety of health education trainings peer-led
- Unwind Offline
- Healthy cooking classes
- Recovery community



Addressing Well-Being Well-Being Programs Related to Environmental Impacts and Data

- Disability accommodations & coaching
- Exercise referral program from Cook Counseling
- Hokie Movement campaign
- Anxiety and depression workshops
- HEART program for eating disorders

- Recreation programs with high touch exposure and reflection
- Anxiety and depression workshops
- Venture Out/Outdoor programs
- Body Matters
- Destination Spring Break



Have Smartphones Destroyed a Generation?

More comfortable online than out partying, post-Millennials are safer, physically, than adolescents have ever been. But they're on the brink of a mental-health crisis.



Jasu Hu

JEAN M. TWENGE

SEPTEMBER 2017 ISSUE | TECHNOLOGY

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NE DAY last summer, around noon, I called Athena, a 13-year-old who lives in Houston, Texas. She answered her phone—she's had an iPhone since she was 11—sounding as if she'd just woken up. We chatted about her favorite songs and TV shows, and I asked her what she likes to do with her friends. "We go to the mall," she said. "Do your parents drop you off?," I asked, recalling my own middle-school days, in the 1980s, when I'd enjoy a few parent-

free hours shopping with my friends. "No—I go with my family," she replied. "We'll go with my mom and brothers and walk a little behind them. I just have to tell my mom where we're going. I have to check in every hour or every 30 minutes."

Those mall trips are infrequent—about once a month. More often, Athena and her friends spend time together on their phones, unchaperoned. Unlike the teens of my generation, who might have spent an evening tying up the family landline with gossip, they talk on Snapchat, the smartphone app that allows users to send pictures and videos that quickly disappear. They make sure to keep up their Snapstreaks, which show how many days in a row they have Snapchatted with each other.

Sometimes they save screenshots of particularly ridiculous pictures of friends. "It's good blackmail," Athena said. (Because she's a minor, I'm not using her real name.) She told me she'd spent most of the summer hanging out alone in her room with her phone. That's just the way her generation is, she said. "We didn't have a choice to know any life without iPads or iPhones. I think we like our phones more than we like actual people."

I've been researching generational differences for 25 years, starting when I was a 22-year-old doctoral student in psychology. Typically, the characteristics that come to define a generation appear gradually, and along a continuum. Beliefs and behaviors that were already rising simply continue to do so. Millennials, for instance, are a highly individualistic generation, but individualism had been increasing since the Baby Boomers turned on, tuned in, and dropped out. I had grown accustomed to line graphs of trends that looked like modest hills and valleys. Then I began studying Athena's generation.

Around 2012, I noticed abrupt shifts in teen behaviors and emotional states. The gentle slopes of the line graphs became steep mountains and sheer cliffs, and many of the distinctive characteristics of the Millennial generation began to disappear. In all my analyses of generational data—some reaching back to the 1930s—I had never seen anything like it.

The allure of independence, so powerful to previous generations, holds less sway over today's teens.

At first I presumed these might be blips, but the trends persisted, across several years and a series of national surveys. The changes weren't just in degree, but in kind. The biggest difference between the Millennials and their predecessors was in how they viewed the world; teens today differ from the Millennials not just in their views but in how they spend their time. The experiences they have every day are radically different from those of the generation that came of age just a few years before them.

What happened in 2012 to cause such dramatic shifts in behavior? It was after the Great Recession, which officially lasted from 2007 to 2009 and had a starker effect on Millennials trying to find a place in a sputtering economy. But it was exactly the moment when the proportion of Americans who owned a smartphone surpassed 50 percent.

the more I talked with young people like Athena, the clearer it became that theirs is a generation shaped by the smartphone and by the concomitant rise of social media. I call them iGen. Born between 1995 and 2012, members of this generation are growing up with smartphones, have an Instagram account before they start high school, and do not remember a time before the internet. The Millennials grew up with the web as well, but it wasn't ever-present in their lives, at hand at all times, day and night. iGen's oldest members were early adolescents when the iPhone was introduced, in 2007, and high-school students when the iPad entered the scene, in 2010. A 2017 survey of more than 5,000 American teens found that three out of four owned an iPhone.

The advent of the smartphone and its cousin the tablet was followed quickly by hand-wringing about the deleterious effects of "screen time." But the impact of these devices has not been fully appreciated, and goes far beyond the usual

concerns about curtailed attention spans. The arrival of the smartphone has radically changed every aspect of teenagers' lives, from the nature of their social interactions to their mental health. These changes have affected young people in every corner of the nation and in every type of household. The trends appear among teens poor and rich; of every ethnic background; in cities, suburbs, and small towns. Where there are cell towers, there are teens living their lives on their smartphone.

To those of us who fondly recall a more analog adolescence, this may seem foreign and troubling. The aim of generational study, however, is not to succumb to nostalgia for the way things used to be; it's to understand how they are now. Some generational changes are positive, some are negative, and many are both. More comfortable in their bedrooms than in a car or at a party, today's teens are physically safer than teens have ever been. They're markedly less likely to get into a car accident and, having less of a taste for alcohol than their predecessors, are less susceptible to drinking's attendant ills.

Psychologically, however, they are more vulnerable than Millennials were: Rates of teen depression and suicide have skyrocketed since 2011. It's not an exaggeration to describe iGen as being on the brink of the worst mental-health crisis in decades. Much of this deterioration can be traced to their phones.

Even when a seismic event—a war, a technological leap, a free concert in the mud—plays an outsize role in shaping a group of young people, no single factor ever defines a generation. Parenting styles continue to change, as do school curricula and culture, and these things matter. But the twin rise of the smartphone and social media has caused an earthquake of a magnitude we've not seen in a very long time, if ever. There is compelling evidence that the devices we've placed in young people's hands are having profound effects on their lives—and making them seriously unhappy.

N THE EARLY 1970s, the photographer Bill Yates shot a series of portraits at the Sweetheart Roller Skating Rink in Tampa, Florida. In one, a shirtless teen stands with a large bottle of peppermint schnapps stuck in the waistband of his

jeans. In another, a boy who looks no older than 12 poses with a cigarette in his mouth. The rink was a place where kids could get away from their parents and inhabit a world of their own, a world where they could drink, smoke, and make out in the backs of their cars. In stark black-and-white, the adolescent Boomers gaze at Yates's camera with the self-confidence born of making your own choices—even if, perhaps especially if, your parents wouldn't think they were the right ones.

Fifteen years later, during my own teenage years as a member of Generation X, smoking had lost some of its romance, but independence was definitely still in. My friends and I plotted to get our driver's license as soon as we could, making DMV appointments for the day we turned 16 and using our newfound freedom to escape the confines of our suburban neighborhood. Asked by our parents, "When will you be home?," we replied, "When do I have to be?"

But the allure of independence, so powerful to previous generations, holds less sway over today's teens, who are less likely to leave the house without their parents. The shift is stunning: 12th-graders in 2015 were going out less often than *eighth-graders* did as recently as 2009.

Today's teens are also less likely to date. The initial stage of courtship, which Gen Xers called "liking" (as in "Ooh, he likes you!"), kids now call "talking"—an ironic choice for a generation that prefers texting to actual conversation. After two teens have "talked" for a while, they might start dating. But only about 56 percent of high-school seniors in 2015 went out on dates; for Boomers and Gen Xers, the number was about 85 percent.

The decline in dating tracks with a decline in sexual activity. The drop is the sharpest for ninth-graders, among whom the number of sexually active teens has been cut by almost 40 percent since 1991. The average teen now has had sex for the first time by the spring of 11th grade, a full year later than the average Gen Xer. Fewer teens having sex has contributed to what many see as one of the most positive youth trends in recent years: The teen birth rate hit an all-time low in 2016, down 67 percent since its modern peak, in 1991.

Even driving, a symbol of adolescent freedom inscribed in American popular culture, from *Rebel Without a Cause* to *Ferris Bueller's Day Off*, has lost its appeal for today's teens. Nearly all Boomer high-school students had their driver's license by the spring of their senior year; more than one in four teens today still lack one at the end of high school. For some, Mom and Dad are such good chauffeurs that there's no urgent need to drive. "My parents drove me everywhere and never complained, so I always had rides," a 21-year-old student in San Diego told me. "I didn't get my license until my mom told me I had to because she could not keep driving me to school." She finally got her license six months after her 18th birthday. In conversation after conversation, teens described getting their license as something to be nagged into by their parents—a notion that would have been unthinkable to previous generations.

Independence isn't free—you need some money in your pocket to pay for gas, or for that bottle of schnapps. In earlier eras, kids worked in great numbers, eager to finance their freedom or prodded by their parents to learn the value of a dollar. But iGen teens aren't working (or managing their own money) as much. In the late 1970s, 77 percent of high-school seniors worked for pay during the school year; by the mid-2010s, only 55 percent did. The number of eighth-graders who work for pay has been cut in half. These declines accelerated during the Great Recession, but teen employment has not bounced back, even though job availability has.

Of course, putting off the responsibilities of adulthood is not an iGen innovation. Gen Xers, in the 1990s, were the first to postpone the traditional markers of adulthood. Young Gen Xers were just about as likely to drive, drink alcohol, and date as young Boomers had been, and more likely to have sex and get pregnant as teens. But as they left their teenage years behind, Gen Xers married and started careers later than their Boomer predecessors had.

Gen X managed to stretch adolescence beyond all previous limits: Its members started becoming adults earlier and finished becoming adults later. Beginning with Millennials and continuing with iGen, adolescence is contracting again—but only because its onset is being delayed. Across a range of behaviors—drinking, dating,

spending time unsupervised—18-year-olds now act more like 15-year-olds used to, and 15-year-olds more like 13-year-olds. Childhood now stretches well into high school.

Why are today's teens waiting longer to take on both the responsibilities and the pleasures of adulthood? Shifts in the economy, and parenting, certainly play a role. In an information economy that rewards higher education more than early work history, parents may be inclined to encourage their kids to stay home and study rather than to get a part-time job. Teens, in turn, seem to be content with this homebody arrangement—not because they're so studious, but because their social life is lived on their phone. They don't need to leave home to spend time with their friends.

If today's teens were a generation of grinds, we'd see that in the data. But eighth-, 10th-, and 12th-graders in the 2010s actually spend less time on homework than Gen X teens did in the early 1990s. (High-school seniors headed for four-year colleges spend about the same amount of time on homework as their predecessors did.) The time that seniors spend on activities such as student clubs and sports and exercise has changed little in recent years. Combined with the decline in working for pay, this means iGen teens have more leisure time than Gen X teens did, not less.

So what are they doing with all that time? They are on their phone, in their room, alone and often distressed.

Jasu Hu

NE OF THE IRONIES of iGen life is that despite spending far more time under the same roof as their parents, today's teens can hardly be said to be closer to their mothers and fathers than their predecessors were. "I've seen my friends with their families—they don't talk to them," Athena told me. "They just say 'Okay, okay, whatever' while they're on their phones. They don't pay attention to their family." Like her peers, Athena is an expert at tuning out her parents so she can focus on her phone. She spent much of her summer keeping up with friends, but nearly all of it was over text or Snapchat. "I've been on my phone more than I've been with actual people," she said. "My bed has, like, an imprint of

In this, too, she is typical. The number of teens who get together with their friends nearly every day dropped by more than 40 percent from 2000 to 2015; the decline has been especially steep recently. It's not only a matter of fewer kids partying; fewer kids are spending time simply hanging out. That's something most teens used to do: nerds and jocks, poor kids and rich kids, C students and A students. The

my body."

roller rink, the basketball court, the town pool, the local necking spot—they've all been replaced by virtual spaces accessed through apps and the web.

You might expect that teens spend so much time in these new spaces because it makes them happy, but most data suggest that it does not. The Monitoring the Future survey, funded by the National Institute on Drug Abuse and designed to be nationally representative, has asked 12th-graders more than 1,000 questions every year since 1975 and queried eighth- and 10th-graders since 1991. The survey asks teens how happy they are and also how much of their leisure time they spend on various activities, including nonscreen activities such as in-person social interaction and exercise, and, in recent years, screen activities such as using social media, texting, and browsing the web. The results could not be clearer: Teens who spend more time than average on screen activities are more likely to be unhappy, and those who spend more time than average on nonscreen activities are more likely to be happy.

There's not a single exception. All screen activities are linked to less happiness, and all nonscreen activities are linked to more happiness. Eighth-graders who spend 10 or more hours a week on social media are 56 percent more likely to say they're unhappy than those who devote less time to social media. Admittedly, 10 hours a week is a lot. But those who spend six to nine hours a week on social media are still 47 percent more likely to say they are unhappy than those who use social media even less. The opposite is true of in-person interactions. Those who spend an above-average amount of time with their friends in person are 20 percent less likely to say they're unhappy than those who hang out for a below-average amount of time.

The more time teens spend looking at screens, the more likely they are to report symptoms of depression.

If you were going to give advice for a happy adolescence based on this survey, it would be straightforward: Put down the phone, turn off the laptop, and do

something—anything—that does not involve a screen. Of course, these analyses don't unequivocally prove that screen time *causes* unhappiness; it's possible that unhappy teens spend more time online. But recent research suggests that screen time, in particular social-media use, does indeed cause unhappiness. One study asked college students with a Facebook page to complete short surveys on their phone over the course of two weeks. They'd get a text message with a link five times a day, and report on their mood and how much they'd used Facebook. The more they'd used Facebook, the unhappier they felt, but feeling unhappy did not subsequently lead to more Facebook use.

Social-networking sites like Facebook promise to connect us to friends. But the portrait of iGen teens emerging from the data is one of a lonely, dislocated generation. Teens who visit social-networking sites every day but see their friends in person less frequently are the most likely to agree with the statements "A lot of times I feel lonely," "I often feel left out of things," and "I often wish I had more good friends." Teens' feelings of loneliness spiked in 2013 and have remained high since.

This doesn't always mean that, on an individual level, kids who spend more time online are lonelier than kids who spend less time online. Teens who spend more time on social media also spend more time with their friends in person, on average—highly social teens are more social in both venues, and less social teens are less so. But at the generational level, when teens spend more time on smartphones and less time on in-person social interactions, loneliness is more common.

So is depression. Once again, the effect of screen activities is unmistakable: The more time teens spend looking at screens, the more likely they are to report symptoms of depression. Eighth-graders who are heavy users of social media increase their risk of depression by 27 percent, while those who play sports, go to religious services, or even do homework more than the average teen cut their risk significantly.

Teens who spend three hours a day or more on electronic devices are 35 percent more likely to have a risk factor for suicide, such as making a suicide plan. (That's

much more than the risk related to, say, watching TV.) One piece of data that indirectly but stunningly captures kids' growing isolation, for good and for bad: Since 2007, the homicide rate among teens has declined, but the suicide rate has increased. As teens have started spending less time together, they have become less likely to kill one another, and more likely to kill themselves. In 2011, for the first time in 24 years, the teen suicide rate was higher than the teen homicide rate.

Depression and suicide have many causes; too much technology is clearly not the only one. And the teen suicide rate was even higher in the 1990s, long before smartphones existed. Then again, about four times as many Americans now take antidepressants, which are often effective in treating severe depression, the type most strongly linked to suicide.

hat's the connection between smartphones and the apparent psychological distress this generation is experiencing? For all their power to link kids day and night, social media also exacerbate the age-old teen concern about being left out. Today's teens may go to fewer parties and spend less time together in person, but when they do congregate, they document their hangouts relentlessly—on Snapchat, Instagram, Facebook. Those not invited to come along are keenly aware of it. Accordingly, the number of teens who feel left out has reached all-time highs across age groups. Like the increase in loneliness, the upswing in feeling left out has been swift and significant.

This trend has been especially steep among girls. Forty-eight percent more girls said they often felt left out in 2015 than in 2010, compared with 27 percent more boys. Girls use social media more often, giving them additional opportunities to feel excluded and lonely when they see their friends or classmates getting together without them. Social media levy a psychic tax on the teen doing the posting as well, as she anxiously awaits the affirmation of comments and likes. When Athena posts pictures to Instagram, she told me, "I'm nervous about what people think and are going to say. It sometimes bugs me when I don't get a certain amount of likes on a picture."

Girls have also borne the brunt of the rise in depressive symptoms among today's teens. Boys' depressive symptoms increased by 21 percent from 2012 to 2015, while girls' increased by 50 percent—more than twice as much. The rise in suicide, too, is more pronounced among girls. Although the rate increased for both sexes, three times as many 12-to-14-year-old girls killed themselves in 2015 as in 2007, compared with twice as many boys. The suicide rate is still higher for boys, in part because they use more-lethal methods, but girls are beginning to close the gap.

These more dire consequences for teenage girls could also be rooted in the fact that they're more likely to experience cyberbullying. Boys tend to bully one another physically, while girls are more likely to do so by undermining a victim's social status or relationships. Social media give middle- and high-school girls a platform on which to carry out the style of aggression they favor, ostracizing and excluding other girls around the clock.

Social-media companies are of course aware of these problems, and to one degree or another have endeavored to prevent cyberbullying. But their various motivations are, to say the least, complex. A recently leaked Facebook document indicated that the company had been touting to advertisers its ability to determine teens' emotional state based on their on-site behavior, and even to pinpoint "moments when young people need a confidence boost." Facebook acknowledged that the document was real, but denied that it offers "tools to target people based on their emotional state."

burning. Her phone had overheated and melted into the sheets. National news outlets picked up the story, stoking readers' fears that their cellphone might spontaneously combust. To me, however, the flaming cellphone wasn't the only surprising aspect of the story. Why, I wondered, would anyone sleep with her phone beside her in bed? It's not as though you can surf the web while you're sleeping. And who could slumber deeply inches from a buzzing phone?

Curious, I asked my undergraduate students at San Diego State University what they do with their phone while they sleep. Their answers were a profile in obsession. Nearly all slept with their phone, putting it under their pillow, on the mattress, or at the very least within arm's reach of the bed. They checked social media right before they went to sleep, and reached for their phone as soon as they woke up in the morning (they had to—all of them used it as their alarm clock). Their phone was the last thing they saw before they went to sleep and the first thing they saw when they woke up. If they woke in the middle of the night, they often ended up looking at their phone. Some used the language of addiction. "I know I shouldn't, but I just can't help it," one said about looking at her phone while in bed. Others saw their phone as an extension of their body—or even like a lover: "Having my phone closer to me while I'm sleeping is a comfort."

It may be a comfort, but the smartphone is cutting into teens' sleep: Many now sleep less than seven hours most nights. Sleep experts say that teens should get about nine hours of sleep a night; a teen who is getting less than seven hours a night is significantly sleep deprived. Fifty-seven percent more teens were sleep deprived in 2015 than in 1991. In just the four years from 2012 to 2015, 22 percent more teens failed to get seven hours of sleep.

The increase is suspiciously timed, once again starting around when most teens got a smartphone. Two national surveys show that teens who spend three or more hours a day on electronic devices are 28 percent more likely to get less than seven hours of sleep than those who spend fewer than three hours, and teens who visit social-media sites every day are 19 percent more likely to be sleep deprived. A meta-analysis of studies on electronic-device use among children found similar results: Children who use a media device right before bed are more likely to sleep less than they should, more likely to sleep poorly, and more than twice as likely to be sleepy during the day.

I've observed my toddler, barely old enough to walk, confidently swiping her way through an iPad.

Electronic devices and social media seem to have an especially strong ability to disrupt sleep. Teens who read books and magazines more often than the average are actually slightly less likely to be sleep deprived—either reading lulls them to sleep, or they can put the book down at bedtime. Watching TV for several hours a day is only weakly linked to sleeping less. But the allure of the smartphone is often too much to resist.

Sleep deprivation is linked to myriad issues, including compromised thinking and reasoning, susceptibility to illness, weight gain, and high blood pressure. It also affects mood: People who don't sleep enough are prone to depression and anxiety. Again, it's difficult to trace the precise paths of causation. Smartphones could be causing lack of sleep, which leads to depression, or the phones could be causing depression, which leads to lack of sleep. Or some other factor could be causing both depression and sleep deprivation to rise. But the smartphone, its blue light glowing in the dark, is likely playing a nefarious role.

HE CORRELATIONS BETWEEN depression and smartphone use are strong enough to suggest that more parents should be telling their kids to put down their phone. As the technology writer Nick Bilton has reported, it's a

policy some Silicon Valley executives follow. Even Steve Jobs limited his kids' use of the devices he brought into the world.

What's at stake isn't just how kids experience adolescence. The constant presence of smartphones is likely to affect them well into adulthood. Among people who suffer an episode of depression, at least half become depressed again later in life. Adolescence is a key time for developing social skills; as teens spend less time with their friends face-to-face, they have fewer opportunities to practice them. In the next decade, we may see more adults who know just the right emoji for a situation, but not the right facial expression.

I realize that restricting technology might be an unrealistic demand to impose on a generation of kids so accustomed to being wired at all times. My three daughters were born in 2006, 2009, and 2012. They're not yet old enough to display the traits of iGen teens, but I have already witnessed firsthand just how ingrained new media are in their young lives. I've observed my toddler, barely old enough to walk, confidently swiping her way through an iPad. I've experienced my 6-year-old asking for her own cellphone. I've overheard my 9-year-old discussing the latest app to sweep the fourth grade. Prying the phone out of our kids' hands will be difficult, even more so than the quixotic efforts of my parents' generation to get their kids to turn off MTV and get some fresh air. But more seems to be at stake in urging teens to use their phone responsibly, and there are benefits to be gained even if all we instill in our children is the importance of moderation. Significant effects on both mental health and sleep time appear after two or more hours a day on electronic devices. The average teen spends about two and a half hours a day on electronic devices. Some mild boundary-setting could keep kids from falling into harmful habits.

In my conversations with teens, I saw hopeful signs that kids themselves are beginning to link some of their troubles to their ever-present phone. Athena told me that when she does spend time with her friends in person, they are often looking at their device instead of at her. "I'm trying to talk to them about something, and they don't actually look at my face," she said. "They're looking at their phone, or they're

looking at their Apple Watch." "What does that feel like, when you're trying to talk to somebody face-to-face and they're not looking at you?," I asked. "It kind of hurts," she said. "It hurts. I know my parents' generation didn't do that. I could be talking about something super important to me, and they wouldn't even be listening."

Once, she told me, she was hanging out with a friend who was texting her boyfriend. "I was trying to talk to her about my family, and what was going on, and she was like, 'Uh-huh, yeah, whatever.' So I took her phone out of her hands and I threw it at my wall."

I couldn't help laughing. "You play volleyball," I said. "Do you have a pretty good arm?" "Yep," she replied.

This article has been adapted from Jean M. Twenge's forthcoming book, iGen: Why Today's Super-Connected Kids Are Growing Up Less Rebellious, More Tolerant, Less Happy—and Completely Unprepared for Adulthood—and What That Means for the Rest of Us.

Related Video

Enrollment Management Update

JUAN ESPINOZA

ASSISTANT VICE PROVOST FOR ENROLLMENT MANAGEMENT AND INTERIM DIRECTOR OF UNDERGRADUATE ADMISSIONS





FRESHMAN SNAPSHOT CLASS OF 2021

27,266
Freshman applicants

18,776
Offered admission

7,075
Accepting admission

369
Participating in the Corps of Cadets

22% Early Decisions

1,835 Legacies

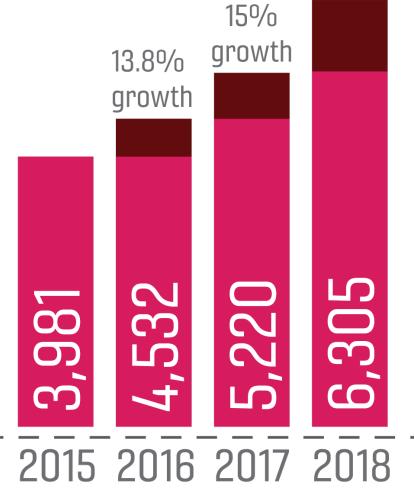
(legacy = parent, grandparent, sibling)

1,644
High schools represented



Admissions Diversity Statistics: Underserved / Underrepresented

Applications from students who identify as American Indian / Alaska Native, African American, Hispanic, or two or more races



20.7%

growth





6. Animal and Poultry Sciences

- 7. Business Information Technology
- 8. Architecture
- Mathematics
- 10. Psychology

INCOMING FRESHMEN COME FROM

45

STATES

TERRITORY

49 NATIONS 545 TOTAL INT'L

Top 5 home states of out-of-state freshmen:

- New Jersey
- 2. Maryland
- 3. North Carolina
- Pennsylvania
- 5. New York



International: 2,587 Applications 1,881 Offers

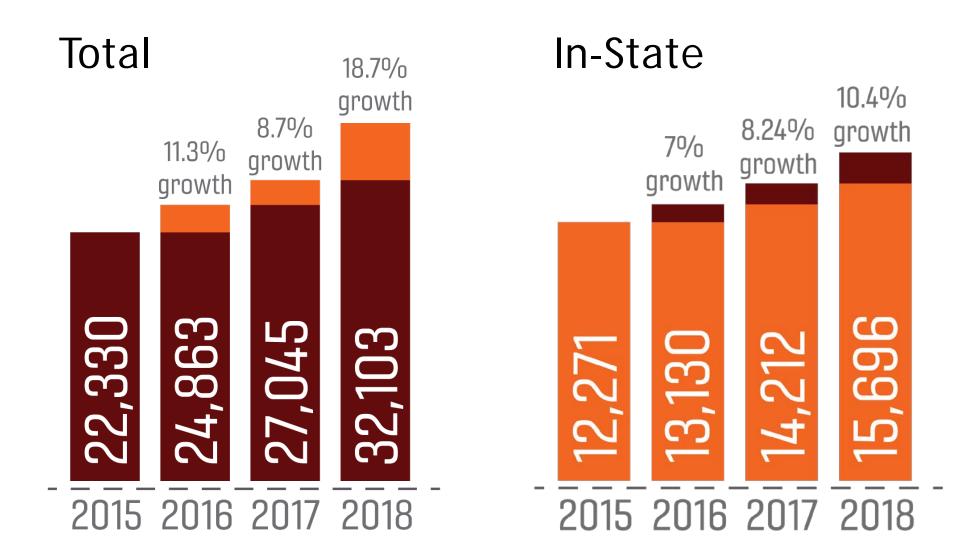
545 Acceptances

Veterans: 36 Applications 16 Offers 8 Acceptances



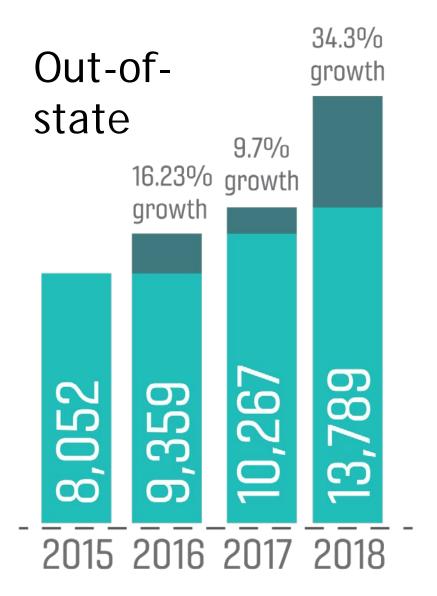
data as of 5/16/17

Historic Admissions Cycle

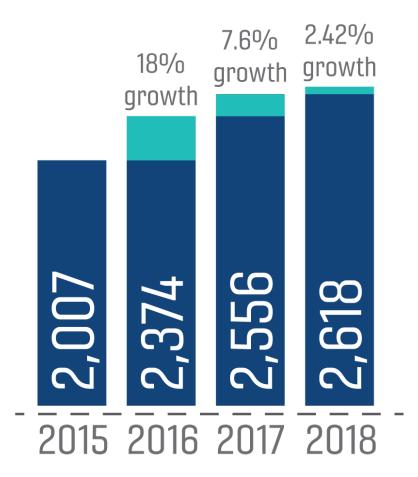




Historic Admissions Cycle



International







ALAN GRANT, DEAN



A rich history — a bold future

1872 VIRGINIA AGRICULTURAL & MECHANICAL COLLEGE
1887 VIRGINIA AGRICULTURAL EXPERIMENT STATION
1914 VIRGINIA COOPERATIVE EXTENSION





Same mission - evolving technology





Life sciences



AGRICULTURAL
PROFITABILITY &
ENVIRONMENTAL
SUSTAINABILITY

FOOD, NUTRITION, AND HEALTH

BIODESIGN & BIOPROCESSING

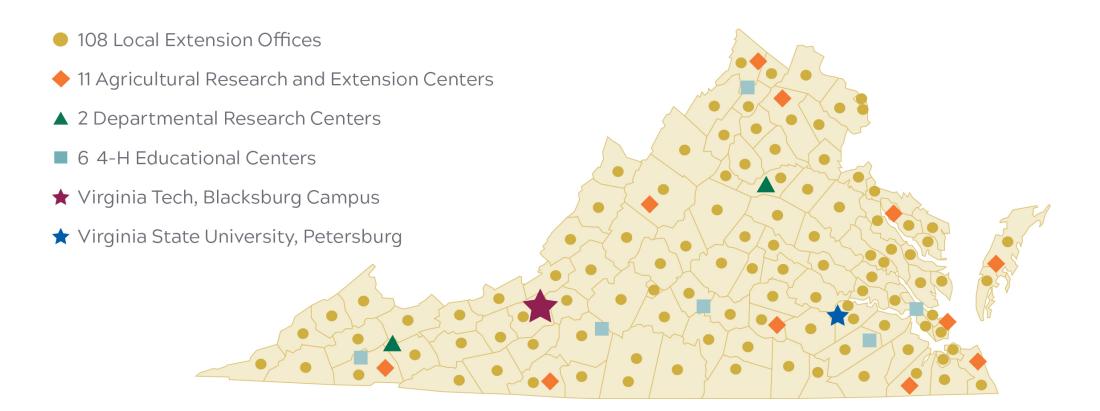
GREEN INDUSTRY

INFECTIOUS DISEASES

COMMUNITY VIABILITY



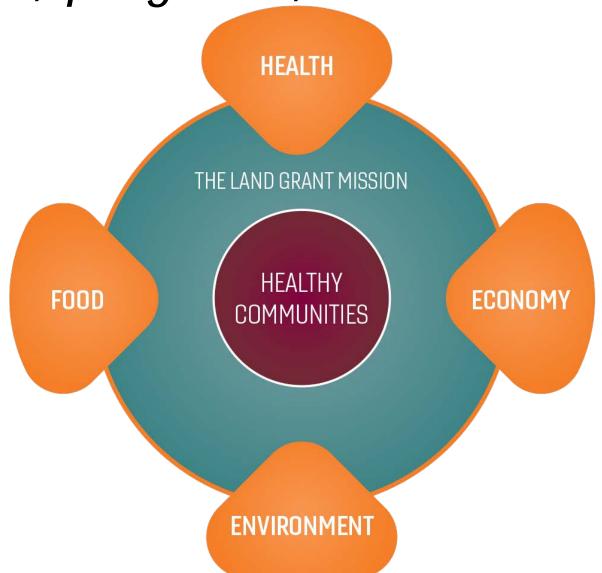
Impacts in Virginia - and around the world







What CALS brings to the world with its people, programs, and technology



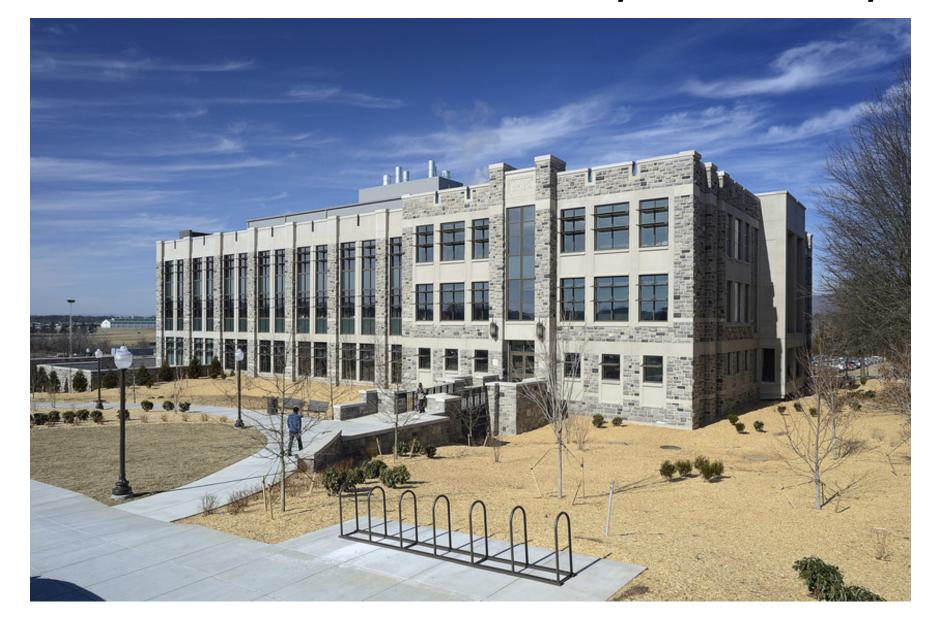


1. Student experience - solving real problems





2. Facilities - to enhance partnerships





3. World-class talent - a diverse faculty & staff







Using 3 lenses to chart new paths

LAND-GRANT MISSION: INTEGRATED RESEARCH,
 EXTENSION, TEACHING

 OUR VALUE PROPOSITION TO THE WORLD: CREATE "HEALTHY" COMMUNITIES

 OUR STRATEGIC DRIVERS: STUDENTS, FACULTY, FACILITIES





School of Plant and Environmental Sciences

DEPARTMENT OF HORTICULTURE

+

DEPARTMENT OF PLANT PATHOLOGY, PHYSIOLOGY, AND WEED SCIENCE

+

DEPARTMENT OF CROP AND SOIL ENVIRONMENTAL SCIENCES

SCHOOL OF PLANT AND ENVIRONMENTAL SCIENCES



Investing in students





Investing in facilities





Investing in faculty





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Investing in our communities

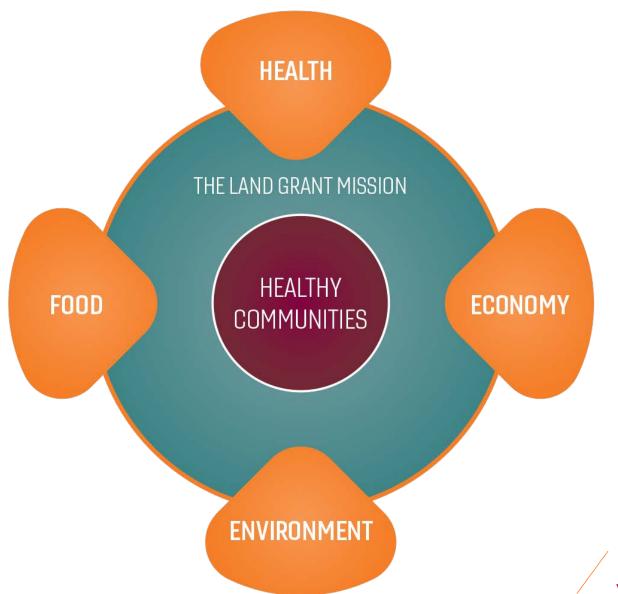
OUR FOCUS:

STUDENT EXPERIENCE
WORLD-CLASS TALENT
STATE-OF-THE-ART
FACILITIES

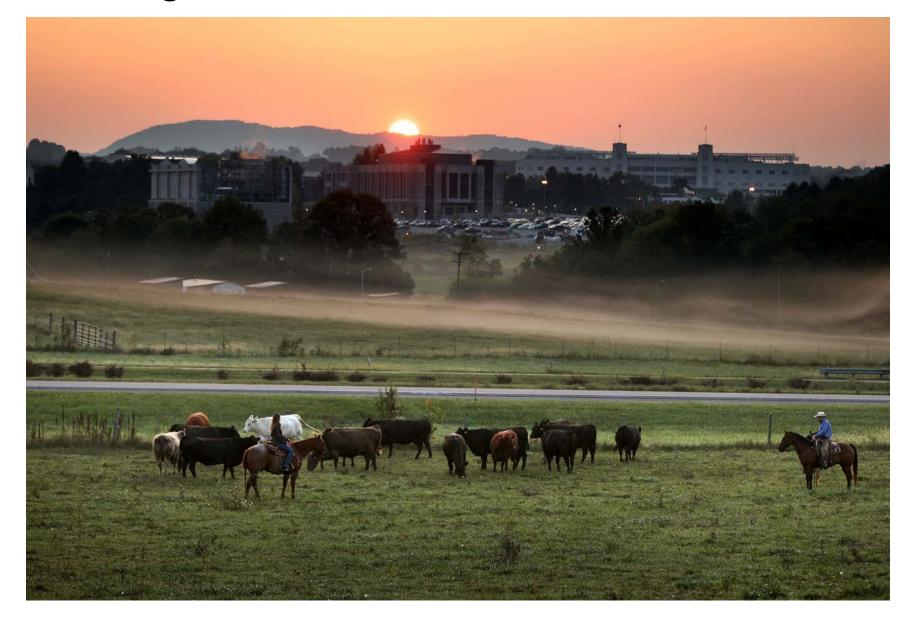
OUR

PRIORITIES:

INVEST IN
STUDENTS
INVEST IN FACULTY
INVEST IN
FACILITIES



A bright future for CALS





Committee Minutes

BUILDINGS AND GROUNDS COMMITTEE

The Inn at Virginia Tech – Duck Pond Room March 26, 2018

Closed Session

10:00 a.m.

Board Members Present: Mr. Mike Quillen, Mr. C.T. Hill, Mr. Robert Mills, Mr. Dennis Treacy

VPI & SU Staff: Mr. Mark Gess, Dr. Chris Kiwus, Ms. Kayla Smith, Dr. Sherwood Wilson

- 1. Motion for Closed Session.
- 2. Briefing by Legal Counsel on Probable Litigation: The Committee received a briefing from Legal Counsel on Probable Litigation.
- 3. Motion to Reconvene in Open Session.

Open Session

10:30 a.m.

Board Members Present: Mr. Mike Quillen, Mr. C.T. Hill, Mr. Robert Mills

VPI & SU Staff: Ms. Jennifer Altman, Dr. Ruben Avagyan, Mr. Mac Babb, Mr. Whit Babcock, Mr. John Beach, Ms. Kim Briele, Mr. Bob Broyden, Dr. David Clark, Mr. Nick Clements, Mr. Van Coble, Mr. Joe Crane, Mr. Brian Daniels, Mr. Bob Dellinger, Mr. Billy Dudding, Mr. Kevin Foust, Dr. Lance Franklin, Mr. Tom Gabbard, Ms. Elaine Gall, Mr. Mark Gess, Dr. Chris Kiwus, Mr. Bob Massengale, Ms. Heidi McCoy, Ms. Robin McCoy, Ms. Sarah McCoy, Mr. Grant Morris, Mr. Mike Mulhare, Dr. Ed Nelson, Mr. Mark Owczarski, Mr. Charlie Phlegar, Mr. Todd Robertson, Mr. Robert Sebek, Dr. Frank Shushok, Ms. Karlee Siepierski, Ms. Kayla Smith, Mr. Jason Soileau, Mr. Dwyn Taylor, Mr. Jack Washington, Dr. Erik Westman, Dr. Sherwood Wilson

- 1. Tour of Holden Hall and the Power Plant: The Committee toured Holden Hall and the Power Plant.
- **2. Consent Agenda:** The Committee approved or accepted the items listed on the Consent Agenda:

- a. Approval of the Minutes for the November 5, 2017 meeting. The Committee approved the minutes from the last meeting.
- b. Resolution for Appalachian Power Company Easement: The Committee approved a resolution to execute an easement requested by Appalachian Power approximately seventeen feet (17') in width by approximately seventeen feet (17') in length for an underground electrical facility vault, and fifteen feet (15') in width by approximately two hundred five feet (205') in length for an underground electric transmission line, over, under, upon and across university property adjoining Prices Fork Road on the Moore Farm in the Prices Fork Magisterial District of Montgomery County, Virginia.
 - **c.** Acceptance of Capital Project Status Report: The Committee accepted the Capital Project Status Report.
- 3. Utilities and Energy Management Presentation: The Committee received a presentation from Dr. Chris Kiwus regarding campus utilities and from Dr. Ruben Avagyan regarding energy management initiatives. Highlights included an overview of the university's steam, chilled water and electric service operations as well as energy conservation measures completed through the five-year energy action plan.
- * 4. Resolution for Issuance of a Quitclaim Deed: The Committee approved a request to issue a Quitclaim Deed to Northampton County, Virginia relative to an approximately one (1) acre parcel of land on U. S. Highway 13 near Fairview, in Northampton County, Virginia in which Northampton County believes Virginia Tech holds an interest.
- * 5. Resolution on Appointment to Sanitation Authority: The Committee received and approved a resolution requesting approval for Lucius Merrit's reappointment as a joint representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors.
- * 6. Resolution on Representation of the Board at Public Hearings for Authorities: The Committee approved a resolution to appoint the Vice President for Operations as the Board of Visitors' representative to any public hearings required for proposed modifications to the governing documents of five public service Authorities (sanitation, solid waste, emergency communications, water, and airport).
 - **7. Design Preview for Student-Athlete Performance Center:** The Committee previewed the design underway for the Student-Athlete Performance Center.
 - **8.** Introduction of the Interim University Building Official: The Committee was introduced to the Interim University Building Official, Ms. Elaine Gall.

9. June Agenda Discussion: The Committee discussed potential topics for inclusion on the June meeting agenda.

Joint Open Session with Finance and Resource Management 11:30 a.m.

Board Members Present: Ms. Greta Harris, Ms. Anna James, Mr. C. T. Hill, Mr. Robert Mills, Mr. Mike Quillen, Mr. Robert Sebek – staff representative, Mr. Horacio Valeiras

VPI & SU Staff: Ms. Jennifer Altman, Mr. Mac Babb, Mr. Whit Babcock, Mr. Bob Broyden, Mr. Nick Clements, Mr. John Cusimano, Mr. Brian Daniels, Dr. John Dooley, Dr. Lance Franklin, Mr. Tom Gabbard, Mr. Mark Gess, Dr. Robin Jones, Dr. Chris Kiwus, Mr. Bob Massengale, Ms. Robin McCoy, Ms. Sarah McCoy, Ms. Nancy Meacham, Mr. Grant Morris, Mr. Mark Owczarski, Mr. Charlie Phlegar, Dr. Scot Ransbottom, Dr. Tim Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Dr. Frank Shushok, Jr., Ms. Kayla Smith, Mr. Jason Soileau, Mr. Dwyn Taylor, Mr. Jack Washington, Dr. Sherwood Wilson

* 1. Approval of Resolution for Student-Athlete Performance Center: The university's Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an Athlete Nutrition Center, currently known as the Student-Athlete Performance Center.

The desired program will enhance the student experience of athletes in all 22 intercollegiate sports; approximately 580 students, and can be accommodated with a complete renovation of the fourth floor of the Jamerson Center with the addition of a balcony. The renovation and expansion will provide state-of-the-art spaces for dining, nutrition, recruiting, donor hospitality, and allow for a seamless transition to the Cassell Coliseum concourse. The project schedule anticipates major construction to start in Summer 2019 with occupancy by early 2021.

The Athletics program has received \$16.165 million in private gifts for the designated capital improvements and to create an endowment for the upkeep and maintenance of the Student-Athlete Performance Center. This resolution seeks approval to proceed with planning, constructing, and equipping activities to implement the program at a total project cost not to exceed \$15.165 million. The Athletics program is continuing its efforts to raise additional private funds to enhance the space. This resolution includes authorization to adjust the total project budget up by 10 percent and not more than new private gifts designated to the project beyond the existing \$15.165 million.

The Committees recommended the Resolution for the Student-Athlete Performance Center to the full Board for approval.

* 2. Approval of Resolution for ACC Network Studio: The university's Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an ACC Broadcast Studio expansion. As a member of the Atlantic Coast Conference, Virginia Tech will participate in the new ACC Network channel to be launched in 2019. Improved and expanded broadcasting facilities are needed to meet required telecasts of athletic events on the new channel.

The scope of work to establish the necessary broadcasting facilities include interior renovations to an existing control room, constructing two new control rooms, two new studios, and installing other infrastructure and equipment.

To meet the schedule expectations of the ACC network for a Fall 2019 launch, the Athletics program desires to start the renovations in Spring 2018, complete the project by early Spring 2019, and operate the studios for several months prior to network broadcasting. The estimated project cost inclusive of design, construction, infrastructure improvements, and equipment is \$10 million. This request is for authorization to proceed with the design, construction, and infrastructure improvements for a \$10 million ACC Network Studio project.

The Committees recommended the Resolution for the ACC Network Studio to the full Board for approval.

Approval of Resolution for Commonwealth Ballroom Improvements: The Commonwealth Ballroom, located on the second floor of the Squires Student Center, is the largest ballroom on campus and was originally built in 1937 with renovations and additions occurring in 1969 and 1991. It hosts approximately 160 events each year including major activities such as orientation, career fairs, Gobbler Nights, and Ring Dance. The ballroom has reached an age and condition with deferred maintenance that requires repairs and improvements to meet the university's expectations for event hosting.

The proposed scope of work for the Commonwealth Ballroom project includes replacing outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers and installation of a Skyfold dividing wall. Construction is anticipated to start in Fall 2018 and be complete in Spring 2019 in time for commencement.

The total project costs for Improvements is \$3.246 million. This request seeks authorization to complete the Squires Commonwealth Ballroom Improvements project.

The Committees recommended the Resolution for Commonwealth Ballroom Improvements to the full Board for approval.

There being no further business, the meeting adjourned at 11:50 a.m.

* Requires full Board approval.

Project Name	Project Description	Estimated Total Project Cost	Non-General Funds	Project Teams	Contract Completion Date	Project Status
FEASIBILITY						
Global Business Analytics Complex	The Feasibility Study for the Global Business and Analytics Complex (G-BAC) will investigate facility options for up to four buildings comprising a replacement for the Pamplin College of Business, creation of a Data Analytics and Decision Sciences facility, and two living/learning communities.	TBD	TBD	Moseley Architects/RAMSA	November 2017	Feasibility Study is complete. Final renderings and cost estimate were received in October 2017. Pamplin College of Business is continuing fundraising efforts for the project.
Global System Sciences	Envisioned as a destination, the facilities will serve as the headquarters of what is anticipated to be a world-renowned group focused on solving critical regional and global problems, including environmental, animal and human health. This facility will include disciplinary and interdisciplinary faculty of the College of Science, College of Natural Resources, College of Agriculture and Life Sciences, and the College of Veterinary Medicine, and University Institutes to facilitate education and research related to this important destination area.	TBD	TBD	EYP	TBD	A/E contract issued to project team for Feasibility Study. Kickoff meeting scheduled for March 2018.
Newman Library Feasibility Study	The project will evaluate existing building's infrastructure, code compliance requirements for egress, change of building use, and restroom facilities.	TBD	TBD	Colley Architects Blacksburg, VA TBD	February 2018	Feasibility study is complete. Final deliverable has been received with occupancy, restroom fixture count, and egress addressed. Project budgeting and phasing strategy are under development.
Southgate Dining Food Production Center	The purpose of this feasibility study is to provide Virginia Tech Dining Services with appropriate and sufficient information to determine the most desirable option for the future growth of the Food Processing Facility. The three options being explored are: 1. Renovation/Additions to existing facility, 2. Renovation/Addition & New Building - Separate functions, 3. New Building.	TED.	TBD	Architects Alliance	TBD	Feasibility study is underway. A/E will be providing deliverables for each of the design options including
				TBD	עפו	potential site locations for a new facility by spring 2018.
DESIGN						
Boiler Package 12	Demolition and disposal of decommissioned coal fired boiler (No. 6) and installation of a new 100 lbs/hour natural gas/oil fired packaged boiler (No. 12)	\$6.800,000	\$6,800,000	Affiliated Engineers, Inc. (AEI) Atlanta, GA	- Winter 2019	Project design is underway. Preliminary Design documents due in April 2018 which will initiate pre- purchase of new boiler.
		•• ••••		TBD		
Chiller Plant Phase II	This project includes the replacement and upgrade of plant equipment in the existing campus chiller plants and the expansion of the underground distribution infrastructure to link campus chiller substations and bring additional existing campus buildings on line. Improvements include the replacement of two outdated chillers in the North Plant with two new upgraded larger capacity chillers; and addition of two new 1,500 ton chillers in the Southwest Plant. The project also includes the replacement and upgrade of ancillary equipment with state-of-the-art, optimally sized pumping and system support equipment.	\$40,821,000	\$9,800,000	Affiliated Engineers, Inc. (AEI) Atlanta, GA	Fall 2020	Preliminary Design phase is underway. Project slated to go out for bid for construction in summer 2018.
				TBD		
Corps Leadership and Military Science	Three story structure that provides a centralized and consolidated home to the Corps of Cadets administration and ROTC programs.	TBD	TBD	Clark Nexsen	TBD	Preliminary Design documents completed. Project on hold pending state authorization for general fund for development of working drawings and construction.
				TBD		

Project Name	Project Description	Estimated Total Project Cost	Non-General Funds	Project Teams	Contract Completion Date	Project Status
Creativity & Innovation District Living Learning Community	This project involves the provision of a new residential life building in the newly emerging Creativity & Innovation District. The proposed 203,000 GSF (520 bed) facility will support the growing living/learning community (LLC) anticipated for this key area of campus and is a realization of Virginia Tech's Beyond Boundaries initiative.	\$105,500,000	\$105,500,000	VMDO Charlottesville, VA	- Fall 2021	Design-build project. Criteria/Bridging Document Phase initiated with targeted completion by July 2018. Design-build term procurements will initiate in spring 2018.
Dietrick Hall Enclosure & Spirit Plaza	This project will expand dining services by enclosing approximately 6,400 GSF of overhang area to create new interior dining space. The exterior plaza area will be renovated to create an outdoor venue that can provide an environment to study and host events and gatherings.	\$7,000,000	\$7,000,000	AECOM Roanoke, VA	TBD	A/E design services contract being finalized. Schematic design is scheduled to be complete in spring 2018.
HITT Hall and the	Program elements envision a 30,000 GSF HITT Hall space connected to Bishop-Favrao Hall, a 15,000 GSF Fusion Lab, a 30,000 GSF Smart Dining space and a 5,000 GSF Data for the Masses student activity space. Project intent is to showcase technology and innovation as a key component of the Intelligent Infrastructure Destination Area.	\$ \$50,000,000	\$50,000,000	TBD	TDD	Design-build project. Criteria consultant contract negotiations ongoing. Criteria/Bridging Documents targeted for completion by fall 2018.
Intelligent Infrastructure Complex (Smart Dining)				TBD	TBD	
Holden Hall Renovation	This project includes the renovation of an approximately 21,000 GSF portion of Holden Hall fronting the Drillfield. The remaining 21,000 GSF of the existing building will be demolished and replaced with approximately 80,000 GSF of new engineering instruction and research space for a total building size of 101,000 GSF.	\$61.886.000	\$17,500,000	Moseley Architects Virginia Beach, VA	Fall 2021	Preliminary Design phase is underway. Construction start targeted for summer 2019.
				W.M. Jordan Co.		
Improve Kentland Facilities (Phase II)	This project includes new construction of three buildings totaling approximately 28,900 GSF including a metabolic research laboratory, an applied reproduction facility, and a bovine extension teaching/research facility to serve Agency 229, Virginia Cooperative Extension and the Virginia Agricultural Experiment Station.		00 \$0	Spectrum Design, PC Roanoke, VA	TBD	Project bid-busted in December 2016. Project was re-designed and re-bid in fall 2017 and busted a second time. Recourse strategy underway.
				TBD		
	This project is the first of two phases to renew existing facilities for the College of Agriculture and Life Sciences' livestock and poultry programs. This first phase includes approximately 126,000 GSF of new and renovated facilities located along Plantation Road and Giles Road and at Kentland Farm.		\$0	Spectrum Design, PC Roanoke, VA		Schematic Design phase is ongoing with a target for completion of phase in March 2018. Preliminary Design phase to follow.
Livestock and Poultry Research Facilities (Phase I)		\$22,500,000		TBD	Summer 2020	
Multi-Modal Transit Facility	This is a Capital Lease Project administered by the Town of Blacksburg (ToB) and funded by Federal Transportation Administration grants and a university match. The project is targeted for LEED Platinum to provide a campus sustainability demonstration showcase.		N/A	Wendel Associates Buffalo, NY	Fall 2020	BOV approval was given in November 2017. Ninety percent (90%) design re-submittal due in March 2018. Bid documents slated for advertisement by the Town of Blacksburg in spring 2018. Construction
				TBD		is anticipated to begin in late summer/fall 2018.
Student Wellness Improvements	The project provides a comprehensive solution for student wellness services through upgrades to McComas Hall and major renovations to War Memorial Hall to meet the needs of the Schiffert Health Center, Cook Counseling Center, Recreational Sports, College of Liberal Arts and Human Sciences programs, and the College of Agriculture and Life Sciences (Human Nutrition Foods & Exercise).		\$63,000,000	CannonDesign Baltimore, MD TBD	Winter 2021	Project transitioned from Feasibility Study to full project delivery design services in late fall 2017. Schematic Design package expected March 2018. CM at Risk contractor procurement being initiated.

Project Name	Project Description	Estimated Total Project Cost	Non-General Funds	Project Teams	Contract Completion Date	Project Status
Undergraduate Science Laboratory	The project will construct a new undergraduate science laboratory facility of 102,000 gross square feet (GSF) to accommodate the growing demand for STEM-H degrees at Virginia Tech.	\$71,709,000	\$0	ZGF Architects Washington, DC	Fall 2021	Schematic Design is ongoing and on schedule for completion in May 2018. Preliminary design phase expected to begin in June 2018.
Undergraduate Science Laboratories Renovations	This project will repurpose six laboratory/teaching spaces in Derring Hall and one laboratory in Hahn Hall. These repurposed laboratories will expand space to meet growing demand for course sections in biology, chemistry, organic chemistry, and microbiology.		\$10,000,000	Studio Twenty Seven Architecture Washington, DC	August 2019	Project was bid in November 2017 and received no bids. Project is currently undergoing a sequence revision and minor design changes. Project is slated to re-bid in spring 2018.
CONSTRUCTION				<u>I</u>		
Athletic Facilities Improvements	This is an umbrella project for improvements to multiple athletics facilities, including Rector Field House, Baseball, Tennis, and Cassell Coliseum Bowman Room (Nutrition Center).	\$37,500,000	\$37,500,000	Rector: Cannon Design Baseball: Cannon Design Tennis: TKA Architects (Criteria Documents) Nutrition: Hanbury Architects	Rector: Spring 2018 Baseball: Spring 2018	Sub-projects as follows: 1) Rector Field House - Includes building renovation and new additions to provide indoor infield, batting and pitching cages for softball, and indoor throws area for Indoor Track & Field, new entry, restrooms, team rooms, and support spaces. Construction is scheduled for completion in March 2018. 2) Baseball - Includes demolition of the existing press box and seating bowl, and construction of a new, larger press box structure to include suites, press, game operations, radio/TV broadcast, ticket office, team store, concessions, restrooms, and support spaces. Also includes renovations to the existing Weaver Baseball Center to add a team locker room, team lounge, training, equipment, coaches locker room, and support spaces. Construction is scheduled for completion in March 2018. 3) Tennis - Includes an addition and renovation to provide for improved tennis team and training facilities. The Design/Build Team originally selected was not able to hold their technical / cost proposals beyond December 31, 2017. The procurement of a Design/Build Team will be re-started when funding is approved. 4) Student-Athlete Performance Center - Includes the renovation and new construction to provide improvements for athletic team training and nutrition program by expanding the existing Bowman Room. Funding has been received by the Department of Athletics. Schematic Design requested at the March BOV Meeting.
				Rector: Branch Associates Baseball: Whiting-Turner Contracting Co. Tennis: D/B Contractor TBD Student-Athlete Performance Center: TBD	Tennis: TBD Nutrition: TBD	
Fire Alarm Systems and Access	This project provides for critical life safety improvements in several educational and general facilities on campus. Fire alarm systems will be installed or expanded in as many campus buildings as funding allows, including Architecture Annex, Food Science & Technology, Lane Hall, Litton-Reaves Hall, Norris Hall, Patton Hall, Randolph Hall, War Memorial Hall (Gym), Wallace Annex, and Whittemore Hall.	\$4,900,000	\$0	Multiple A/E Firms		Architecture Annex, Food Science & Technology, Lane Hall, Patton Hall, Wallace Annex, War Memorial Hall (Gym), Whittemore Hall, and Randolph Hall are complete. Installation of Fire Alarm System in Norris Hall and Litton Reaves Hall are in progress and are scheduled to be completed this spring.
				Multiple Contractors	Summer 2018	
Lane Electric Substation Expansion	This project will expand the existing electrical sub-station to add approximately 37 percent additional power capacity to serve the campus Life Sciences and Northwest Precincts and the Corporate Research Center's proposed expansion.		\$6,500,000	Appalachian Electric Power and Virginia Tech Electric Service	Summer 2019	The project is administered by the VTES in coordination with Appalachian Power Company (APCo) and Appalachian Electric Power (AEP). Construction of two control buildings is complete and VTES is continuing electrical fit-out inside. New electrical lines have been checked and are satisfactory. APCo is continuing fit-out of additional metering points. Transformer procurement is complete, and delivery is scheduled.
				Appalachian Electric Power and Virginia Tech Electric Service		

Project Name	Project Description	Estimated Total Project Cost	Non-General Funds	Project Teams	Contract Completion Date	Project Status
O'Shaughnessy Hall Renovation	This project includes major renovation of a 72,000 GSF student residence building into a living-learning community. The residence hall originally housed 350 students and upon completion will house 344 students.		\$21,500,000	Moseley Architects Virginia Beach, VA	August 2018	Renovations are underway on multiple floors simultaneously, resident room and bathroom finishes are underway and site utility work is ongoing. Project is on schedule for occupancy in August 2018.
				WM Jordan, Roanoke, VA		
Renovate/Renew Academic Buildings	This project will renovate three existing campus buildings - Sandy Hall, Liberal Arts Building, and the original portion of Davidson Hall. Collectively, these renovations will increase the functionality of three underutilized building assets, address several deferred maintenance issues, and reduce critical space deficiencies. Small additions are planned for Sandy and Liberal Arts Buildings to meet current emergency egress code requirements. New elevators in Sandy and Liberal Arts Buildings will provide ADA access.	\$35,029,000	\$0	Glavè & Holmes Architecture Richmond, VA	August 2018	Construction is underway on all three buildings. Davidson Hall and Liberal Arts Building are expected to complete by the start of Fall Semester 2018. Sandy Hall is lagging slightly behind due to unforeseen site conditions.
				Branch & Associates Roanoke, VA		
Unified Communications and Network Renewal Project	This project replaces outdated equipment and upgrades campus communications systems, providing infrastructure and equipment enhancements over a five year period. The project scope includes upgrades to the Internet Protocol (IP) Network, the cable plant, and equipment rooms in buildings throughout campus.		\$16,508,000	Multiple A/E Firms	December 2017	The network equipment for the data center has been ordered. Network and systems engineering teams are collaborating with our vendor partners to develop and refine the project plan. The HVAC systems issue in Derring Hall has been resolved and the facilities project is substantially complete. Project closeout activities are underway. Last report for this item.
				Various Contractors		
Upper Quad Residential Facilities	This project provides for the demolition and construction of replacements for Brodie and Rasche residence halls to serve the Corps of Cadets. The new residence halls totaling approximately 210,000 GSF will provide over 1,000 beds in double and triple rooms sharing hall community bathrooms. These new residence halls will be constructed at the approximate location of the original Rasche Hall and Brodie Hall. Both buildings will provide double and triple occupancy rooms that meet the residence and in-room storage space needs of the cadets. Both new residence halls will provide dedicated meeting, community, and group spaces, specifically designed to meet Corps program and organization needs. Thomas Hall and Monteith Hall will also be demolished as part of this project.	\$91,000,000	\$91,000,000	Clark Nexsen Charlotte, NC	Pearson - August 2015 New Cadet Hall - April 2017	The Upper Quad project is complete and the closeout audit of the project is underway. Clark Nexsen is compiling final A/E closeout documents. Last report for this item.
				Barton Malow Company Charlottesville, VA		
Virginia Tech Carilion (VTC) Biomedical Research Expansion	This project, executed under the Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA), will construct an approximately 139,000 GSF building adjacent to the Virginia Tech - Carilion Research Institute in Roanoke, VA. The new facility will include high intensity biomedical research capable laboratories with surgical-type suites, Bio-safety Level Three laboratories, and animal imaging facilities that require high field magnetic resonance imaging. The remaining space will include high intensity dry laboratory research and training spaces including computational facilities, offices, procedural training rooms, and technical training space.	\$89,865,000	\$0	AECOM	Spring 2020	The Comprehensive Agreement was executed with Carilion Clinic in December 2017. Site construction is underway while the project design documents continue to develop. Foundation and structural steel permits expected to be issued in February. Ninty-five percent (95%) Working Drawings expected late March.
				Skanska		

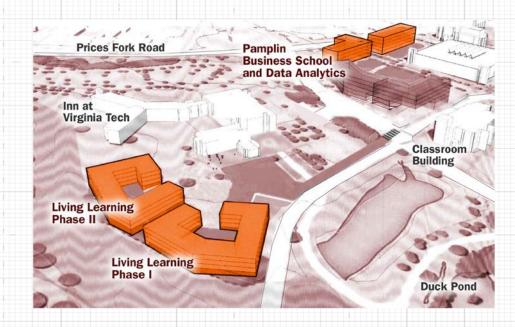
CAPITAL PROJECT STATUS REPORT

Christopher H. Kiwus, PE, PhD Associate Vice President and Chief Facilities Officer



- PROJECTS IN FEASIBILITY

- Global Business Analytics Complex
- Global System Sciences
- Newman Library Feasibility Study
- Southgate Dining Food Production Center





- PROJECTS IN DESIGN

- Boiler Package 12
- Chiller Plant Phase II
- Corps Leadership & Military Science
- Creativity & Innovation District Living Learning Community
- Dietrick Hall Enclosure & Spirit Plaza
- HITT Hall & the Intelligent Infrastructure Complex (Smart Dining)





- PROJECTS IN DESIGN

- Holden Hall Renovation
- Improve Kentland Facilities (Phase II)
- Livestock and Poultry Research Facilities (Phase I)
- Multi-Modal Transit Facility
- Student Wellness Improvements
- Undergraduate Science Laboratory
- Undergraduate Science Laboratories Renovations





PROJECTS UNDER CONSTRUCTION

- Athletic Facilities Improvements
- Fire Alarm Systems and Access
- Lane Electric Substation Expansion
- O'Shaughnessy Hall Renovation
- Renovate/Renew Academic Buildings
- Unified Communications and Network Renewal Project
- Upper Quad Residential Facilities
- Virginia Tech Carilion (VTC) Biomedical Research Expansion





OVERVIEW OF UTILITIES AND ENERGY MANAGEMENT

MARCH 26, 2018

Overview of Utilities and Energy Management

PRODUCTION, **DELIVERY, AND MANAGEMENT OF** SAFE, RELIABLE, AND EFFICIENT **UTILITY AND ENERGY SYSTEMS** PROACTIVE AND
EFFECTIVE
STEWARDSHIP OF
UNIVERSITY
RESOURCES AND
THE ENVIRONMENT



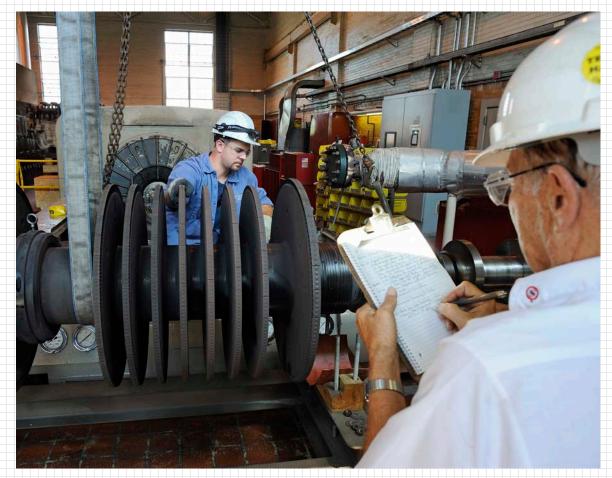
UTILITY AND ENERGY SYSTEMS

UNIVERSITY MANAGED

- ELECTRICAL DISTRIBUTION
- HEATING
- Cooling
- MECHANICAL DISTRIBUTION SYSTEMS

EXTERNALLY MANAGED

- WATER/SEWAGE (LOCAL AUTHORITY)
- Natural Gas (Atmos Energy)





UTILITY AND ENERGY SYSTEMS

THE UNIVERSITY OPERATES AND MAINTAINS:

- Co-generation power plant
- ELECTRIC DISTRIBUTION UTILITY
- CENTRAL CHILLED WATER PLANTS
- ASSOCIATED DISTRIBUTION SYSTEMS REQUIRED TO TRANSPORT UTILITY SERVICES
 - ABOVE THREE COMPONENTS
 - Potable Water





POWER PLANT









HOT WATER

- OPENED IN 1901
- ANNUAL STEAM OUTPUT > 943 BILLION BTUS
- 6,250-KILOWATT, 12,470-VOLT STEAM-TURBINE-POWERED GENERATOR EXTRACTS & EXHAUSTS STEAM
- 7 MILES OF STEAM LINES & PIPING
- PROVIDES STEAM, HEATING, HOT WATER, & A PORTION OF ELECTRICITY NEEDS
- PRIMARY FUEL SOURCES: COAL & NATURAL GAS
- SECONDARY FUEL SOURCES: FUEL OIL
- CONTINUAL EVALUATION OF FUEL PRICES, OPERATING COSTS, & THERMAL LOADS TO DETERMINE WHICH ASSETS TO USE TO MEET THERMAL DEMANDS
- EFFICIENCY TRACKED VIA CONTINUOUS EMISSIONS MONITORING SYSTEM



VIRGINIA TECH ELECTRIC SERVICE

- UNIVERSITY-OPERATED FOR MORE THAN 100 YEARS
- OPERATES IN A SIMILAR MANNER TO OTHER ELECTRIC UTILITY ORGANIZATIONS
- MOST OF THE ELECTRIC POWER USED BY VTES CUSTOMERS IS PURCHASED UNDER A CONTRACT WITH AEP
- STRIVES TO OFFER EXCELLENT CUSTOMER SERVICE AND THE BEST OVERALL VALUE
- SERVES THE BLACKSBURG CAMPUS AND ABOUT 6,000 RESIDENTIAL AND COMMERCIAL CUSTOMERS
- RATES ARE COMPARABLE TO THOSE OF OTHER ELECTRIC UTILITY PROVIDERS





DISTRICT CHILLER PLANTS

- Two district campus chilled water plants
- COMPLEX METHOD TO COOL WATER AND PUMP IT TO NEARBY BUILDINGS.
- IN GENERAL, A CHILLED WATER PLANT IS 50 PERCENT MORE EFFICIENT THAN INDIVIDUAL COOLING SYSTEMS.
- LONG-RANGE PLANS CALL FOR BUILDING MORE CENTRALIZED CHILLED WATER PLANTS IN VARIOUS PARTS OF CAMPUS. THIS WILL IMPROVE ENERGY EFFICIENCY, REDUCE COSTS, AND ALLOW FOR ADDITIONAL GROWTH.
- \$40.8 MILLION PROJECT TO UPGRADE EXISTING CHILLER PLANT EQUIPMENT IS UNDERWAY.





Overview of Utilities and Energy Management

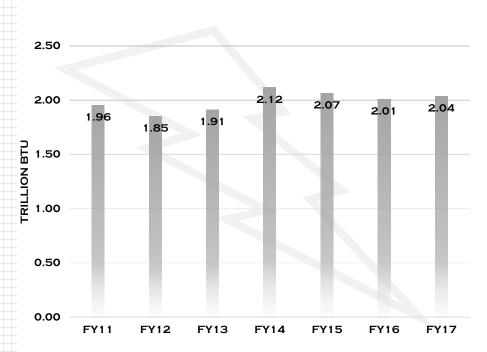
PRODUCTION, **DELIVERY, AND MANAGEMENT OF** SAFE, RELIABLE, AND EFFICIENT **UTILITY AND ENERGY SYSTEMS** PROACTIVE AND
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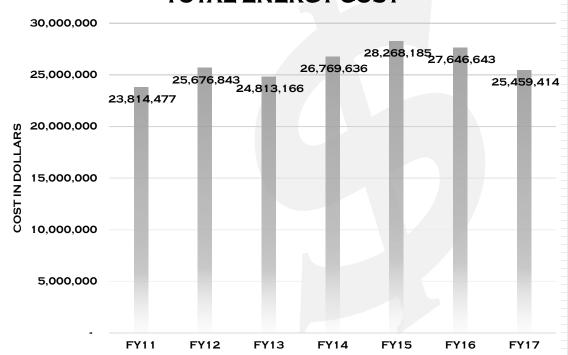
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ENERGY DASHBOARD

TOTAL ENERGY CONSUMPTION



TOTAL ENERGY COST



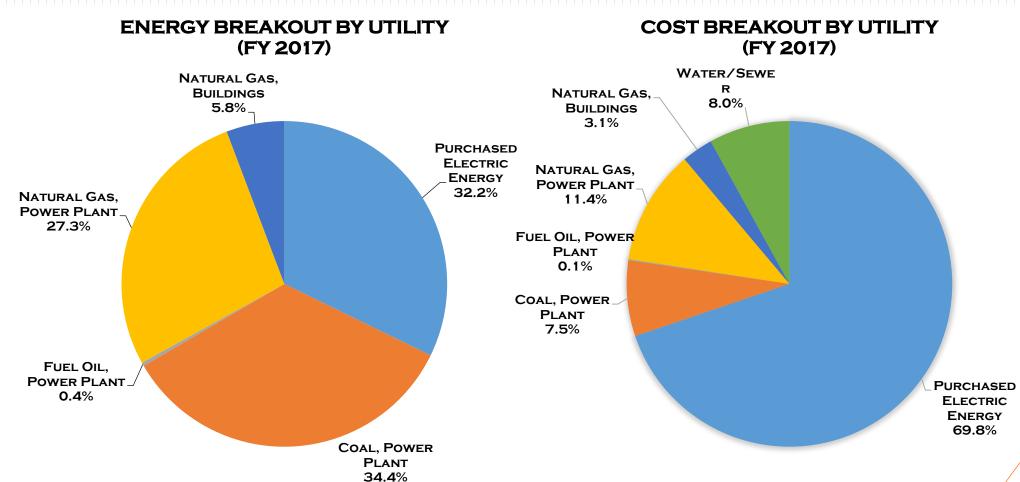
2.04 TRILLION BTU

FY17 TOTAL PURCHASED ENERGY
CONSUMPTION

\$25.5 MILLION
FY17 TOTAL PURCHASED ENERGY COST



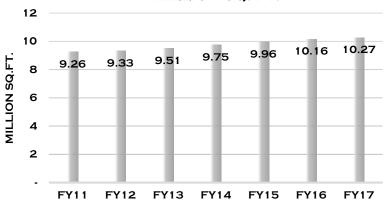
ENERGY DASHBOARD



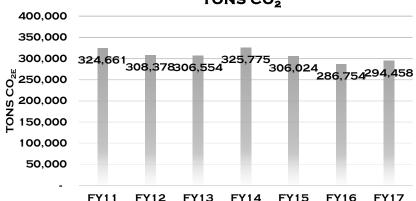


ENERGY DASHBOARD

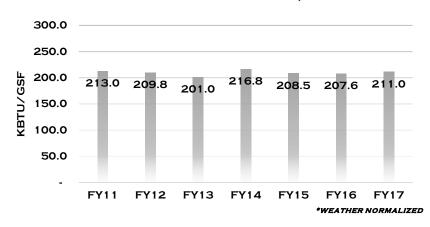
MAIN CAMPUS GROSS AREA MILLION SQ. FT.



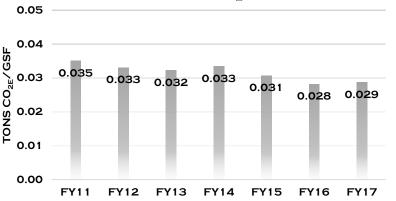
TOTAL CARBON FOOTPRINT TONS CO₂



ENERGY INTENSITY* THOUSAND BTU/SQ. FT.



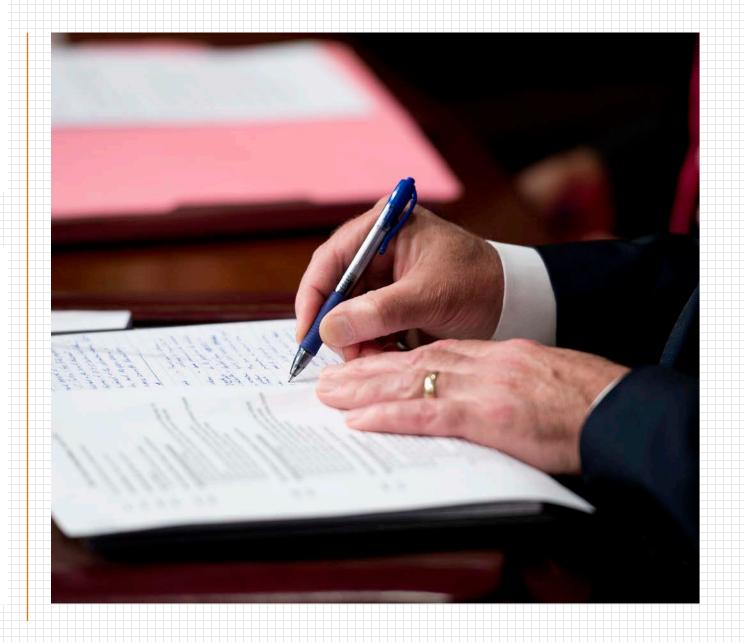
CARBON FOOTPRINT INTENSITY TONS CO₂/ sq. ft.





MANAGEMENT: ORGANIZATION AL COMMITMENT

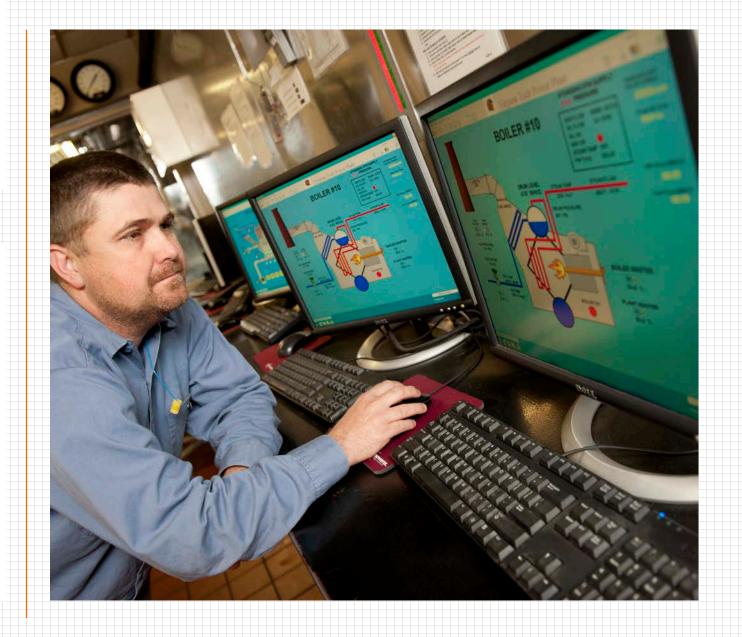
- University Policy Guidance
- ENERGY AND SUSTAINABILITY COMMITTEE
- CLIMATE ACTION COMMITMENT
- Master Plan Scope Considerations
- OFFICE OF SUSTAINABILITY
- OFFICE OF ENERGY MANAGEMENT





Office of Energy Management

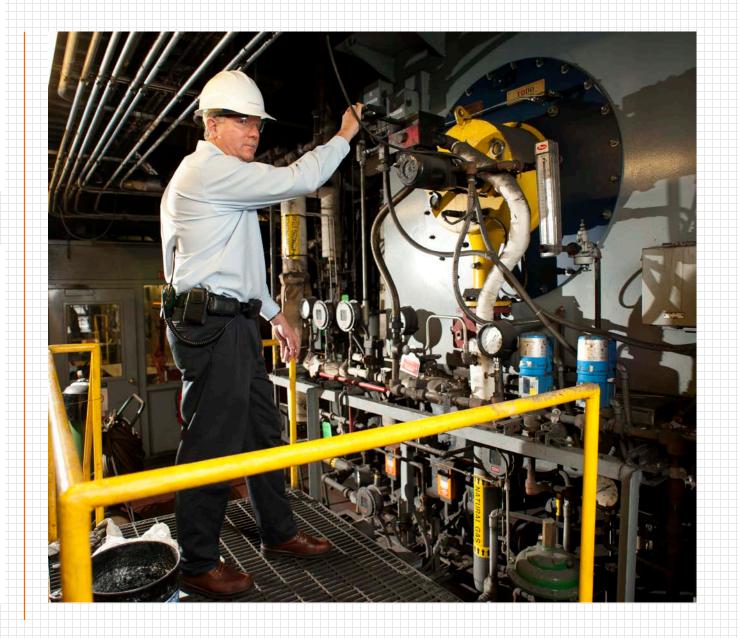
- MONITOR AND ANALYZE ENERGY CONSUMPTION ON CAMPUS
- ESTABLISH ENERGY-REDUCTION GOALS AND THE ROADMAP TO ACHIEVE THEM
- COORDINATE IMPLEMENTATION OF ENERGY REDUCTION PROGRAMS
- OVERSEE EXECUTION OF ENERGY RETROFIT PROJECTS
- VERIFY POST-RETROFIT ENERGY SAVINGS
- REPORT ENERGY STATISTICS TO VARIOUS STAKEHOLDERS





ENERGY MANAGEMENT: KEY INITIATIVES

- INSTALLATION OF NEW, DEDICATED GAS LINE TO THE CENTRAL STEAM PLANT TO PROVIDE RELIABLE NATURAL GAS THAT WILL REDUCE DEPENDENCE ON COAL
- ADDITION OF NEW, HIGH-EFFICIENCY NATURAL GAS BOILER TO THE CENTRAL STEAM PLANT THAT WILL HELP INCREASE UTILIZATION OF NATURAL GAS AND IMPROVE ENERGY EFFICIENCY
- PERFORMANCE OF CAMPUS-WIDE ENERGY AUDITS AND BUILDING ENERGY BENCHMARKING
- ESTABLISHMENT OF A FIVE-YEAR ENERGY ACTION PLAN
- IMPLEMENTATION OF ENERGY CONSERVATION PROJECTS ALIGNING WITH THE ESTABLISHED FIVE-YEAR ENERGY ACTION PLAN
- ESTABLISHMENT OF IN-HOUSE ENERGY AUDIT
 TEAM





FIVE-YEAR ENERGY ACTION PLAN

- IDENTIFIED 50 "ENERGY HOGS" OR ENERGY INTENSIVE BUILDINGS
- REPRESENTING ONLY 35% OF THE UNIVERSITY'S GROUNDS, THESE FACILITIES COLLECTIVELY ACCOUNT FOR APPROXIMATELY 70% OF THE UTILITY COSTS ASSOCIATED WITH OPERATION OF THE MAIN CAMPUS
- FOLLOWING THIS STUDY, A
 COMPREHENSIVE FIVE-YEAR
 ENERGY ACTION PLAN WAS
 DEVELOPED TO CONCENTRATE
 ON 10 "ENERGY HOGS" PER
 YEAR

2016

Optimize the Pumping System in the North Chiller Plant

Install Steam Meters in Campus Buildings

Conduct Energy Audits on 10 Energy intensive Buildings

Purchase and install an Energy Management and Continuous Commissioning Software Platform (EMCCSP) 2017

Connect 10 Energyintensive Buildings to EMCCSP

Retro-Commision 10 Energy-intensive Buildings

Conduct Energy Audits on 10 Energyintensive Buildings

Install Steam Meters in Campus Buildings

Implement Energy Retrofit Projects 2018

Connect 10 Energyintensive Buildings to EMCCSP

Retro-Commision 10
— Energy-intensive
Buildings

Conduct Energy

Audits on 10 Energyintensive Buildings

Install Steam Meters in Campus Buildings

Implement Energy Retrofit Projects 2019

Connect 10 Energyintensive Buildings to EMCCSP

> Retro-Commision 10 Energy-intensive Buildings

Conduct Energy Audits on 10 Energyintensive Buildings

Install Steam Meters in Campus Buildings

Implement Energy Retrofit Projects 2020

Connect 10 Energyintensive Buildings to EMCCSP

Retro-Commision 10 Energy-intensive Buildings

Conduct Energy Audits on 10 Energyintensive Buildings

Install Steam Meters in Campus Buildings

Implement Energy Retrofit Projects



FIVE-YEAR ENERGY ACTION PLAN

KEY INITIATIVES

- CONVERSION OF THE NORTH CHILLER PLANT TO VARIABLE PRIMARY FLOW
- CHILLED WATER METERING
- STEAM METERING
- ENERGY MANAGEMENT AND FDD TOOL
- ENERGY AUDITS
- ENERGY RETROFIT PROJECTS
- EXISTING BUILDING COMMISSIONING





FIVE-YEAR ENERGY ACTION PLAN

KEY METRICS

- More than \$5.5 million invested in first two phases, avg. simple payback of 4.75 years
- PHASE THREE UNDERWAY, \$3.7 MILLION INVESTMENT AVAILABLE
- EXPECTED SAVINGS OF UP TO \$6 MILLION ANNUALLY UPON FULL INTEGRATION OF PLAN
- ACHIEVED ABOUT 14,851 TON REDUCTION IN CARBON EMISSIONS TO DATE

OTHER BENEFITS

- IMPROVEMENT OF INDOOR AIR QUALITY AND ILLUMINATION
- INCREASED LONGEVITY OF MECHANICAL AND LIGHTING SYSTEMS
- IMPROVEMENT OF THE ENERGY ACCOUNTING PROCESS



ENERGY MANAGEMENT: ONGOING INITIATIVES

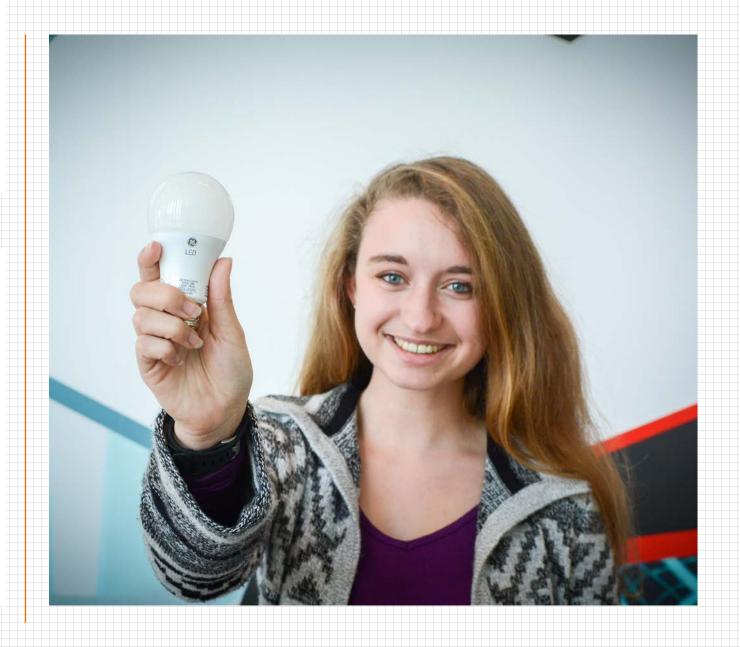
- VIRGINIA TECH GUIDELINES FOR ENERGY EFFICIENT DESIGN
- Design and Construction Standards
- LEED® BUILDINGS
- ENERGY STAR®
- ENVIRONMENTAL PROTECTION AGENCY WATERSENSE REQUIREMENTS
- PJM DEMAND RESPONSE AND "LIGHTS OUT POWER DOWN!"





ENERGY MANAGEMENT: LIVING LABORATORY

- PART-TIME STUDENT EMPLOYEES
 TO ASSIST WITH ON-GOING
 ENERGY EFFICIENCY
 INITIATIVES, DATA ANALYSIS,
 AND WEBSITE DEVELOPMENT
- VARIOUS STUDENT
 ORGANIZATIONS AND GROUPS
 ON CAMPUS ACTIVELY PROMOTE
 SUSTAINABILITY AND ENERGY
 CONSERVATION
- BRIDGE TO OFFICE OF SUSTAINABILITY STUDENT INITIATIVES AND INTERNSHIP PROGRAM





THE FUTURE

- CONSTRUCTION OF A NEW POWER PLANT
 - LOCATION PRESCRIBED BY MASTER PLANNING
 - PRODUCTION, RESEARCH, INSTRUCTION IMPACTS
 - NATURAL GAS FUEL SOURCE WITH ADDITIONAL BAYS FOR OTHER SOURCES
- CHILLED WATER DISTRIBUTION SYSTEM UPGRADE
- EXPANSION OF SENSING, METERING, MONITORING, AND CONTROLS
- EXPANSION OF LEED PORTFOLIO
 - LEED PLATINUM AT MMTF (SUSTAINABILITY SHOWCASE)
- DEVELOPMENT OF A 5-YEAR ALTERNATIVE ENERGY ACTION PLAN





Questions?





DESIGN PREVIEW FOR THE STUDENT-ATHLETE PERFORMANCE CENTER

This partnership between Dining Services and the Department of Athletics seeks to create a 200-250 seat nutrition center centrally located within the athletics area of campus. This approximately 29,000 gross square foot renovation and new construction project, currently in schematic design, is intended to provide a competitive advantage for athletics. While available to all students, this facility will tailor its offerings towards the needs of athletes. Meal offerings will be designed to provide performance-based nutrition. Its capacity is also designed to serve the existing group of Virginia Tech athletes in close proximity to their training and performance spaces. This arrangement fosters community, supports athletic performance, and offers a flexible meeting and event space for related uses.

Capital Project Information Summary – Student-Athlete Performance Center

BUILDINGS AND GROUNDS COMMITTEE

March 26, 2018

Title of Project:

Student-Athlete Performance Center

Location:

This facility is a renovation of, and addition to, the existing Gordan D. Bowman Memorial Club Room (Bowman Room). This room is on the fourth floor of the Jamerson Athletic Center, located between Lane Stadium and Cassell Coliseum. Additional light renovation and minor construction will also occur on floors one through three.

Current Project Status and Schedule:

The project is currently in the schematic design phase. Full construction is targeted to begin in summer 2019, with a potential for early groundbreaking for site work in late 2018. Occupancy is targeted in early 2021.

Project Description:

This project supports overall recruitment and branding efforts by the Department of Athletics, while also providing another dining center to the campus population. Capturing views of the indoor practice facility, outdoor football practice field, and Lane Stadium will provide visual reinforcement of the athletics brand to users of the space. The facility will also be designed to meet best practices for sustainable design and operations. The total project budget is \$15.165 million, with the potential for an increase to \$16.682 million (contingent upon receipt of additional private gifts).

Brief Program Description:

This project focuses on a partial renovation of, and addition to, the fourth floor of the Jamerson Athletic Center. On this floor, approximately 5,700 square feet of additional seating (including balconies) will be constructed. This figure also includes the enclosure of a portion of the existing roof to widen the entry corridor from Cassell Coliseum and to create limited office space. The approximately 10,000 square foot fourth floor renovation focuses on modification to, and or creation of, additional dining, servery, and kitchen space. The approximately 10,000 square feet of third floor renovations focus on enhancing structural stability to accommodate enhanced weight on the fourth floor. The scope of this renovation is expected to be both light and heavy, with further details emerging as design progresses. New elevator-related construction (of 565 square feet) will also occur. New construction on floors one and two focuses on the elevator shaft (for a total of 1,130 square feet). 1,200 square feet of additional renovation will also occur on these floors for elevator egress.

Contextual Issues and Design Intent:

Primary exterior materials include precast concrete, Hokie Stone, and a glazing system. The facade of the structure contains five separately accessible balconies.

Architect/Engineer:

Hanbury

Construction Manager:

To be determined

STUDENT-ATHLETE PERFORMANCE CENTER

Board of Visitors Design Preview



COENTIFE Ration

New Construction: ~7,400 GSF

■ Renovation: ~21,500 GSF

Delivery Method: Design-Bid-Build

■ Funding: \$15.165 Million (Total Project)

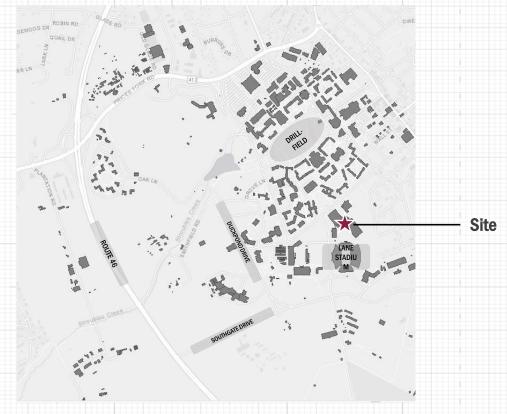
Design Phase: Schematic

Construction Start: Summer 2019*

■ Targeted Occupancy: Early 2021



COENTER





Citing Condition (Interior)







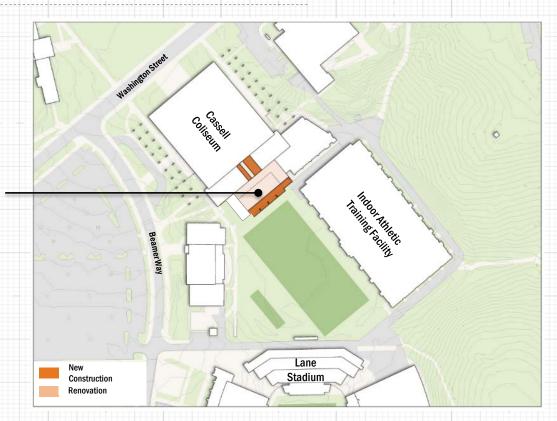
Citing Tollierion (Exterior)





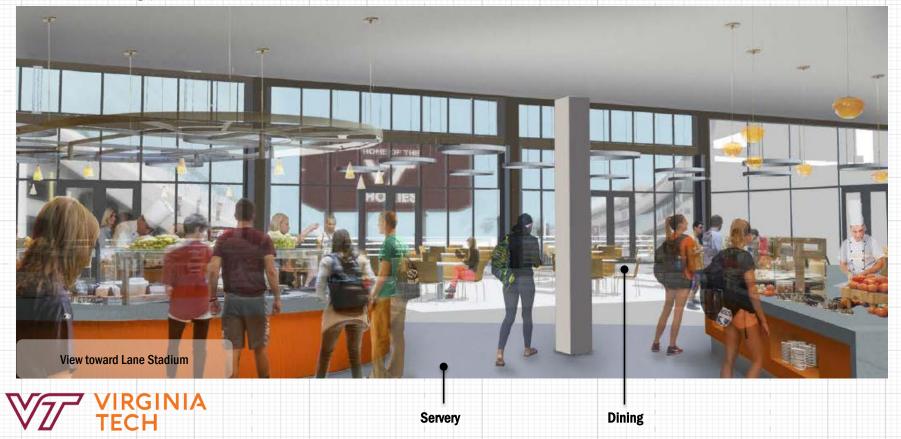
SENTER

Student-Athlete Performance Center





REFERENCE State (View toward Lane Stadium)

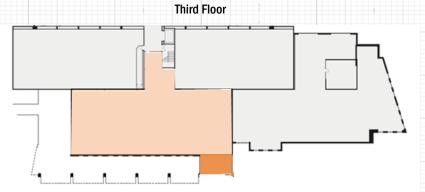


- STUDENT-ATHLETE PERFORMANCE GENTER an MM. Access to Cassell Coliseum Freight Entry **Elevator** New Construction Renovation **Exterior Balconies**





New Construction
Renovation





STUDENT-ATHLETE PERFORMANCE CENTER on

■ That the Design Preview graphics be approved, and authorization be provided to continue with the project design consistent with the drawings shown.



Committee Minutes

COMPLIANCE, AUDIT, AND RISK COMMITTEE

Solitude Room, The Inn at Virginia Tech 10:00 a.m.

March 25, 2018

Closed Session

Committee Members Present: Mr. Mehmood Kazmi (chair), Ms. Tish Long, Mr. Robert Mills Jr., Mr. Horacio Valeiras

Board Members Present: Ms. Debbie Petrine, Mr. Mike Quillen, Mr. Dennis Treacy (rector)

VPI & SU Staff: Mr. Brian Daniels, Ms. Kay Heidbreder, Ms. Sharon Kurek, Dr. Timothy Sands, Mr. M. Dwight Shelton Jr.

1. **Motion to Reconvene in Closed Session.** Motion to begin closed session.

2. Internal Audit Report.

The following internal audit report was issued by the Office of Audit, Risk, and Compliance (OARC) since the November 5, 2017 meeting. Where applicable, management developed action plans to effectively address the issue in the reports with a reasonable implementation timeframe. OARC conducts follow-up on management's implementation of agreed upon improvements for previously issued audit recommendations.

- a. Fire Safety Compliance: The audit received a rating of improvements are recommended. An audit recommendation was issued to management related to the performance of required fire evacuation drills. Additionally, an observation for central administration was noted with respect to the perceived role and jurisdictional authority of the Virginia State Fire Marshal's Office at the university. Finally, low-priority recommendations of a less significant nature were noted with regard to the completion of required training courses and inspections.
- 3. **Update on Fraud, Waste, and Abuse Cases:** The Committee received an update on outstanding fraud, waste, and abuse cases.

4. **Discussion with the Executive Director of Audit, Risk, and Compliance:** The Executive Director discussed audits of specific departments and units where individual employees were identified.

Open Session

Committee Members Present: Mr. Mehmood Kazmi (chair), Ms. Tish Long, Mr. Robert Mills Jr., Dr. Hans Robinson (faculty representative), Mr. Horacio Valeiras

Board Members Present: Ms. Greta Harris, Mr. C.T. Hill, Ms. Anna James, Mr. Brett Netto (graduate student representative), Mr. Seyi Olusina (undergraduate student representative), Ms. Debbie Petrine, Mr. Mike Quillen, Mr. Dennis Treacy (rector),

VPI & SU Staff: Mr. Bill Abplanalp, Mr. Tommy Amal, Mr. Bob Broyden, Ms. Lori Buchanan, Dr. Cyril Clarke, Mr. Al Cooper, Mr. Brian Daniels, Dr. Karen DePauw, Dr. Lance Franklin, Dr. Michael Friedlander, Ms. Kay Heidbreder, Ms. Kina Kelly, Dr. Chris Kiwus, Ms. Sharon Kurek, Dr. Theresa Mayer, Ms. Erin McCann, Ms. Nancy Meacham, Dr. Scott Midkiff, Mr. Ken Miller, Ms. April Myers, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Patty Perillo, Dr. Menah Pratt-Clarke, Dr. Timothy Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Dr. Robert Sumichrast, Mr. Jon Clark Teglas, Mr. Steve Vantine, Ms. Tracy Vosburgh, Dr. Sherwood Wilson

- 1. **Motion to Reconvene in Open Session.** Motion to begin open session.
- 2. **Welcome and Introductory Remarks.** The chair of the Compliance, Audit, and Risk Committee welcomed committee members and guests and provided opening remarks.
- 3. **Consent Agenda:** The Committee approved and accepted the items listed on the Consent Agenda.
 - a. Approval of Minutes of the November 5, 2017 Meeting: The Committee reviewed and approved the minutes of the November 5, 2017 meeting.
 - b. Update of Responses to Open Internal Audit Comments: The Committee reviewed the university's update of responses to all previously issued internal audit reports. As of September 30, 2017, the university had 12 open recommendations. Three audit comments have been issued during the

- second quarter of the fiscal year. As of December 31, 2017, the university has addressed nine comments, leaving six open recommendations in progress.
- c. Audit Plan Status Report: The committee reviewed the Audit Plan Status Report. The Office of Audit, Risk, and Compliance (OARC) has completed 29 percent of its audit plan in accordance with the fiscal year 2017-18 annual audit plan.
- d. Internal Audit Reports: The following internal audit reports were issued by OARC since the November 5, 2017 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management's implementation of agreed upon improvements for previously issued audit recommendations. The committee requested an update at the next meeting on efforts to improve lab safety training compliance as mentioned in several of the audit reports listed below.
 - i. Biomedical Engineering and Mechanics: The audit received a rating of improvements are recommended. An audit recommendation was issued to management where opportunities for further improvement were noted in the area of lab safety training oversight. Additionally, a low-priority recommendation of a less significant nature was noted with regard to cost transfers.
 - ii. Chemistry: The audit received a rating of improvements are recommended. An audit recommendation was issued to management where opportunities for further improvement were noted in the area of lab safety training oversight.
 - iii. Research: Lab Safety: The audit received a rating of improvements are recommended. Low-priority recommendations of a less significant nature were noted with regards to chemical registrations and communication with principal investigators.
 - iv. College of Engineering Compliance Review: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of fiscal responsibility, wage payroll, leave reporting, and emergency preparedness.

- v. Vice President for Research and Innovation Compliance Review: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas of fiscal responsibility, wage payroll, leave reporting, and expenditures.
- e. Auditor of Public Accounts Intercollegiate Athletics Programs Report for the Year Ended June 30, 2017: The Committee received a report on the Auditor of Public Accounts (APA) 2017 Intercollegiate Athletics review for fiscal year 2017. The APA performed certain agreed-upon procedures to evaluate whether the Schedule of Revenues and Expenses of the Intercollegiate Athletics Programs for fiscal year ended June 30, 2017, is in compliance with the National Collegiate Athletic Association (NCAA) bylaws. During the APA review, no matters were brought to the APA's attention that would lead them to believe the amounts of the Schedule of Revenues and Expenses should be adjusted. This review does not constitute an audit and therefore no opinion is issued.
- f. Report on Audits of University Related Corporations: The university-related corporations include Virginia Tech Foundation, Inc., Virginia Tech Services, Inc., Virginia Tech Intellectual Properties, Inc., Virginia Tech Applied Research Corporation, Virginia Tech Innovations Corporation, and Virginia Tech India Research and Education Forum. Consistent with the Board of Visitors' resolution establishing university-related corporations, each corporation is annually required to provide audited annual financial statements, management letters from external auditors, and management's responses to the university's president. Each corporation is also required to submit an annual certification stating that all procedures outlined in the resolution have been met. All corporations are in full compliance with the Board of Visitors' requirements regarding audits.
- g. Statewide Reviews and Special Reports: This report is related to ongoing and forthcoming statewide reviews. Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Office of the State Inspector General and Virginia Department of Veterans Services.
- 4. **Enterprise Risk Management Program:** The Committee received an update on the Enterprise Risk Management (ERM) program. Since receiving the charge to develop an ERM program for Virginia Tech, OARC developed a framework and facilitated its implementation over the previous months resulting in senior

leadership's identification of key residual risks. In consideration of long-term and strategic organizational objectives, leadership assessed key risks in terms of likelihood of occurrence, significance of impact, and velocity. After consolidation of leadership's input, six thematic areas emerged as the enterprise risk landscape. The highest rated risks were graphically represented in a heat map.

- 5. Internal Audit Reports: The following internal audit reports were issued by OARC since the November 5, 2017 meeting. Where applicable, management developed action plans to effectively address the issues in the report with a reasonable implementation timeframe. As noted above, OARC conducts follow-up on management's implementation of agreed upon improvements for previously issued audit recommendations.
 - a. Research: Animal Care and Use: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted related to vivaria access controls and completion of post approval monitoring tasks. Additionally, low-priority recommendations of a less significant nature were noted with regards to tracking animal use and completion of training requirements.
 - b. Virginia Cooperative Extension Central District: The audit received a rating of improvements are recommended. Audit recommendations were issued to management where opportunities for further improvement were noted in the areas fiscal responsibility, wage payroll, leave reporting, expenditures, funds handling, key control, emergency preparedness, and record retention.
- Discussion of Future Topics. The chair of the Compliance, Audit, and Risk Committee thanked committee members and guests for attendance and participation and provided closing remarks on topics to be included in future committee meetings.

There being no further business, the meeting adjourned at 11:45 a.m.

Internal Audit Report

COMPLIANCE, AUDIT, AND RISK COMMITTEE

March 9, 2018

Background

One audit project will be presented in closed session due to the presence of public safety topics. This report provides a summary of the audit rating issued this period, and the full rating system definitions.

Closed Session Report	Rating
Fire Safety Compliance	Improvements Are Recommended

Summary of Audit Ratings

The Office of Audit, Risk, and Compliance's rating system has four tiers from which to assess the controls designed by management to reduce exposures to risk in the area being audited. The auditor can use professional judgment in constructing the exact wording of the assessment in order to capture varying degrees of deficiency or significance.

Definitions of each assessment option

Effective – The audit identified opportunities for improvement in the internal control structure, but business risks are adequately controlled in most cases.

Improvements are Recommended – The audit identified occasional or isolated business risks that were not adequately or consistently controlled.

Significant or Immediate Improvements are Needed – The audit identified several control weaknesses that have caused, or are likely to cause, material errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management should undertake immediate corrective actions to mitigate the associated business risk and possible damages to the organization.

Unreliable – The audit identified numerous significant business risks for which management has not designed or consistently applied controls prior to the audit.

Persistent and pervasive control weaknesses have caused or could cause significant errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management must undertake immediate corrective actions to bring the situation under control and avoid (additional) damages to the organization.

RECOMMENDATION:

That the audit report reviewed above be accepted by the Compliance, Audit, and Risk Committee.

March 25, 2018

Update of Responses to Open Audit Comments

COMPLIANCE, AUDIT, AND RISK COMMITTEE

December 31, 2017

As part of the internal audit process, university management participates in the opening and closing conferences and receives copies of all final audit reports. The audited units are responsible for implementing action plans by the agreed upon implementation dates, and management is responsible for ongoing oversight and monitoring of progress to ensure solutions are implemented without unnecessary delays. Management supports units as necessary when assistance is needed to complete an action plan. As units progress toward completion of an action plan, the Office of Audit, Risk, and Compliance (OARC) performs a follow-up visit within two weeks after the target implementation date. OARC is responsible for conducting independent follow up testing to verify mitigation of the risks identified in the recommendation and formally close the recommendation. As part of management's oversight and monitoring responsibility, this report is provided to update the Compliance, Audit, and Risk Committee on the status of outstanding recommendations. Management reviews and assesses recommendations with university-wide implications and shares the recommendations with responsible administrative departments for process improvements, additions or clarification of university policy, and inclusion in training programs and campus communications. Management continues to emphasize the prompt completion of action plans.

The report includes outstanding recommendations from compliance reviews and audit reports. Consistent with the report presented at the November Board meeting, the report of open recommendations includes three attachments:

- Attachment A summarizes each audit in order of final report date with extended and on-schedule open recommendations.
- Attachment B details all open medium and high priority recommendations for each audit in order
 of the original target completion date, with an explanation for those having revised target dates
 or priority levels.
- Attachment C charts performance of implementing recommendations on schedule over the last seven years. The 100 percent on-schedule rate for fiscal year 2018 reflects closing 18 of 18 recommendations by the original target date.

The report presented at the November 5, 2017 meeting covered audit reports reviewed and accepted through September 30, 2017 and included 12 open medium and high priority recommendations. Activity for the guarter ended December 31, 2017 resulted in the following:

Open recommendations as of September 30, 2017	12
Add: medium and high priority recommendations accepted November 5, 2017	3
Subtract: recommendations addressed since September 30, 2017	9
Remaining open recommendations as of December 31, 2017	6

While this report is prepared as of the end of the quarter, management continues to receive updates from OARC regarding auditee progress on action plans. Through February 23, 2018, OARC has closed one of the six outstanding medium and high priority recommendations for an adjusted total of five open recommendations. The remaining open recommendations are progressing as expected and are on track to meet their respective target due dates. Management continues to work conjointly with all units and provides assistance as needed to ensure action plans are completed timely.

ATTACHMENT A

Audits with Open Recommendations

COMPLIANCE, AUDIT, AND RISK COMMITTEE

December 31, 2017

	Audit Name		Total Recommendations								
Report Date		A 151 N 1	ISSUED	COMPLETED			OPEN	PEN			
Report Date	Addit Name	Audit Number			Exte	nded	On-sc	hedule	Total		
					High	Medium	High	Medium	Open		
01-Feb-17	University Scholarships and Financial Aid	17-1303	1					1	1		
23-Aug-17	University Policy Review	17-1323	1					1	1		
23-Aug-17	Virginia Tech Carilion Research Institute	17-1343	1					1	1		
23-Aug-17	Athletics NCAA - Recruiting	17-1355	1					1	1		
25-Aug-17	IT: General Controls	17-1325	6	4			1	1	2		
Totals:			10	4	0	0	1	5	6		

ATTACHMENT B

Open Audit Recommendations

COMPLIANCE, AUDIT, AND RISK COMMITTEE

December 31, 2017

					Priority		Targe	t Date	Follow	
Report Date	Item	Audit Number	Audit Name	Recommendation Name	Original	Revised	Original	Revised	Up Status	Status of Recommendations with Revised Priority / Target Dates
23-Aug-17	1	17-1343	Virginia Tech Carilion Research Institute	Payments to Human Behavior Study Participants	Medium		15-Feb-18		1	
23-Aug-17	2	17-1355	Athletics NCAA - Recruiting	Communication to Outside Entities	Medium		28-Feb-18		1	
01-Feb-17	3	17-1303	University Scholarships and Financial Aid	Awarding Not Based on Fund Criteria	Medium		01-Mar-18		1	
25-Aug-17	4	17-1325	IT: General Controls - VTCRI	End-User Device Security	Medium		01-Mar-18		1	
25-Aug-17	5	17-1325	IT: General Controls - VTCRI	Security Awareness Training	High		01-Mar-18		1	
23-Aug-17	6	17-1323	University Policy Review	Policy Governance Strategy	Medium		30-Jun-18		2	

Follow Up Status

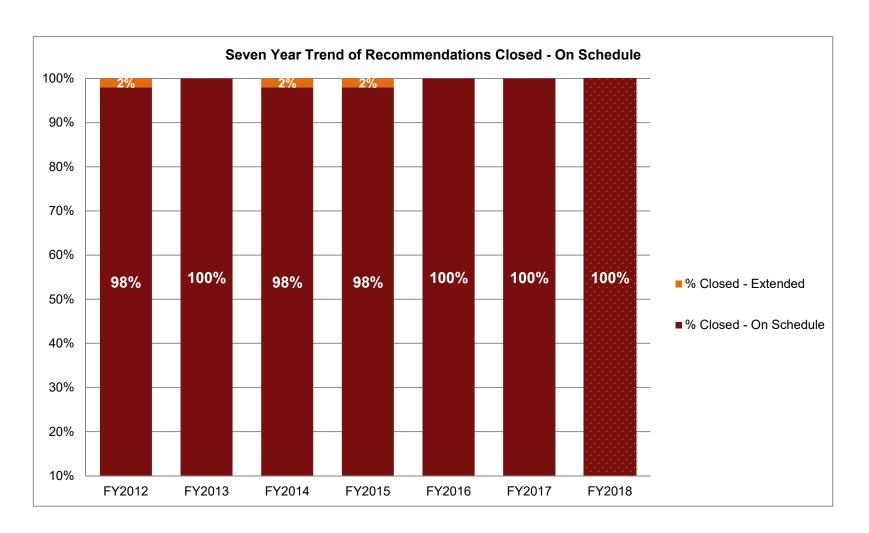
- As of December 31, 2017, management confirmed during follow up discussions with the Office of Audit, Risk, and Compliance (OARC) that actions are occurring and the target date will be met. OARC will conduct testing after the due date to confirm that the management action plan is implemented in accordance with the recommendations.
- 2 Target date is beyond current calendar quarter. Management has follow-up discussions with the auditor to monitor progress, to assist with actions that may be needed to meet target dates, and to assess the feasibility of the target date.

ATTACHMENT C

Management Performance and Trends Regarding Office of Audit, Risk, and Compliance Recommendations

COMPLIANCE, AUDIT, AND RISK COMMITTEE

December 31, 2017



Audit Plan Status Report

COMPLIANCE, AUDIT, AND RISK COMMITTEE

March 9, 2018

Audit Plan Update

Audits were performed in accordance with the fiscal year 2017-18 annual audit plan at a level consistent with the resources of the Office of Audit, Risk, and Compliance (OARC). Six risk-based audits and two compliance reviews have been completed since the November board meeting. Additionally, two advisory service projects, in the areas of Marketing Study Abroad and Secure Research Environment for Controlled Unclassified Information, were completed at the request of management.

Due to personnel turnover and/or management request, three risk-based audits, Biological Systems Engineering, Recreational Sports, and Services for Students with Disabilities, have been cancelled.

The following eight audit projects are underway: Biochemistry, Controller's Office: Risk Management, Endowed Professorship Utilization, Global Activities, IT: Mobile Device Security, Telecommunications Operations, University Student Financial Aid, and Vice President for Advancement compliance review. Additionally, three advisory service projects, requested by management in the areas of Club Sports, Steger Center for International Scholarship, and Virginia Tech Carilion School of Medicine, are underway.

So far in fiscal year 2017-18, OARC has completed 29 percent of its audit plan as depicted in Exhibit 1.

Exhibit 1
FY 2017-18 Completion of Audit Plan

Audits	
Total # of Audits Planned	34
Total # of Supplemental Audits	1
Total # of Carry Forwards	7
Total # of Planned Audits Canceled and/or Deferred	4
Total Audits in Plan as Amended	38
Total Audits Completed	11
Audits - Percentage Complete	29%
Audits - Percentage Complete or Underway	58%
Note: Includes Compliance Reviews and Advisory Services	

Internal Audit Reports

COMPLIANCE, AUDIT, AND RISK COMMITTEE

March 9, 2018

Background

This report provides a summary of audit ratings issued this period and the full rating system definitions. The following reviews have been completed during this reporting period. The Office of Audit, Risk, and Compliance has made a concerted effort to ensure progress on the annual audit plan.

Consent Agenda Reports	Rating
Biomedical Engineering and Mechanics	Improvements are Recommended
Chemistry	Improvements are Recommended
Research: Lab Safety	Improvements are Recommended
College of Engineering Compliance Review	Improvements are Recommended
Vice President for Research and Innovation Compliance Review	Improvements are Recommended
Reports for Discussion	Rating
Research: Animal Care and Use	Improvements are Recommended
Virginia Cooperative Extension – Central District	Improvements are Recommended

Summary of Audit Ratings

The Office of Audit, Risk, and Compliance's rating system has four tiers from which to assess the controls designed by management to reduce exposures to risk in the area being audited. The auditor can use professional judgment in constructing the exact

wording of the assessment in order to capture varying degrees of deficiency or significance.

<u>Definitions of each assessment option</u>

Effective – The audit identified opportunities for improvement in the internal control structure, but business risks are adequately controlled in most cases.

Improvements are Recommended – The audit identified occasional or isolated business risks that were not adequately or consistently controlled.

Significant or Immediate Improvements are Needed – The audit identified several control weaknesses that have caused, or are likely to cause, material errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management should undertake immediate corrective actions to mitigate the associated business risk and possible damages to the organization.

Unreliable – The audit identified numerous significant business risks for which management has not designed or consistently applied controls prior to the audit. Persistent and pervasive control weaknesses have caused or could cause significant errors, omissions, or irregularities to go undetected. The weaknesses are of such magnitude that senior management must undertake immediate corrective actions to bring the situation under control and avoid (additional) damages to the organization.

RECOMMENDATION:

That the internal audit reports listed above be accepted by the Compliance, Audit, and Risk Committee.

March 25, 2018

Presentation of Auditor of Public Accounts Intercollegiate Athletics Programs Report for Year Ended June 30, 2017

FINANCE AND RESOURCE MANAGEMENT COMMITTEE AND COMPLIANCE, AUDIT, AND RISK COMMITTEE

February 9, 2018

The Auditor of Public Accounts (APA) performed certain agreed-upon procedures to evaluate whether the Schedule of Revenues and Expenses of Intercollegiate Athletics Program of the university is in compliance with National Collegiate Athletic Association (NCAA) Constitution 3.2.4.15.1, for the year ended June 30, 2017. The APA did not perform an audit of the financial statements of the Intercollegiate Athletics Programs, so no opinion was issued. The APA performed procedures that addressed internal controls, affiliated and outside organizations, Schedule of Revenues and Expenses of Intercollegiate Athletics Programs (Schedule), and separate procedures for specific revenues and expenses. During the APA review, no matters were brought to the APA's attention that would lead them to believe the amounts on the Schedule of Revenues and Expenses should be adjusted.

The purpose of the Schedule is to present a summary of revenues and expenses of the intercollegiate athletics programs of the university for the year ended June 30, 2017. Total revenues of the Intercollegiate Athletics Programs for the year ended June 30, 2017 were \$87.4 million with the majority of the revenues coming from the football and basketball programs. Expenses for the year were \$90.7 million, resulting in an operating deficit of \$3.3 million. The following attachments provide additional information regarding athletic finances:

- Attachment A displays the five-year trend analysis of athletic revenues and expenses.
 The analysis indicates an upward slope in both revenues and expenses with a deficit in fiscal years 2016 and 2017.
- Attachment B shows the five-year trend for the net income/deficit. The current year
 deficit occurred primarily due to the decision to use funds other than gifts to fund
 scholarships as explained below.
- Attachment C offers a breakout of fiscal year 2017 net operating income by athletic program, showing how the proceeds from football and men's basketball support other athletic programs.
- Attachment D is the report issued by the APA on Intercollegiate Athletics Programs for the year ended June 30, 2017.

As with all auxiliaries, the university requires the Athletic Department to maintain adequate fund balances or reserves necessary to protect operations from volatility of changes in athletic program revenues and to serve as a contingency fund. Any proposed use of reserve funds must be approved in advance through the budget process. In fiscal year 2017 a use of reserves was approved, in part, to cover an expected scholarship fundraising shortfall anticipated at the beginning of the fiscal year. Athletic scholarships are primarily funded by

gifts, and less than 20 percent of those gifts are from endowment income, which tend to have predictable annual distributions. Therefore, the majority of scholarships are funded by revenues generated from annual fundraising campaigns, which tend to be less predictable. In addition, such gifts tend to be received mainly in the latter part of each fiscal year (between December and March). If the fundraising campaign falls short of budgeted targets, the athletic department must use a combination of current year operating revenues or athletic department reserves to make up the shortfall.

For fiscal year 2017, athletics department approved budget authorized the use of \$4 million from other operating funds to cover scholarship expenses, since on July 1, 2016, only \$1.7 million of cash from gifts was available for scholarships. The gift resources at that time were insufficient to cover the athletic scholarship expenses for the Fall 2017 semester. However, as the year progressed, the fund raising campaign for fiscal year 2017 exceeded the budgeted target and the cash balance held by the Virginia Tech Foundation, Inc. at June 30, 2017 to fund athletic scholarships was approximately \$7.3 million. The contribution revenue for these funds will be recognized in fiscal year 2018 when the Athletic department will transfer these resources from the Foundation to fund scholarships.

See page 8 of Attachment D for the Schedule of Revenues and Expense of Intercollegiate Athletics Programs for the year ended June 30, 2017.

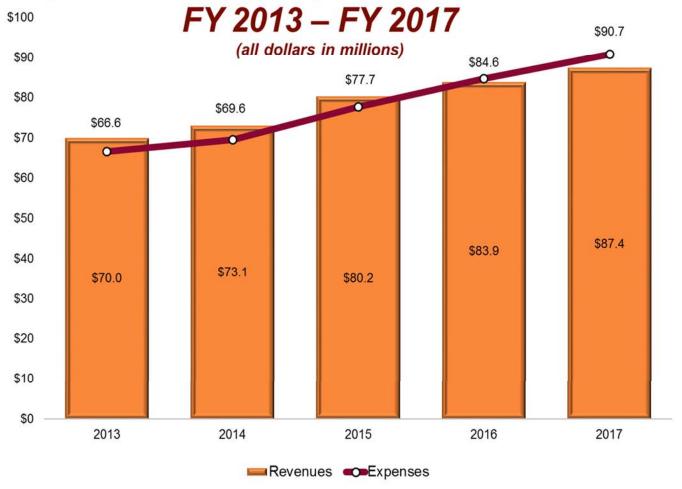
Additional Activities related to NCAA Reporting

House Bill 1897 passed by the 2015 General Assembly prohibits the total of school funds and student fees used to support intercollegiate athletics programs from exceeding a certain percentage of athletics revenues. The bill requires any school that violates this prohibition to submit to the General Assembly a five-year plan for coming into compliance. Virginia Tech participated in a statewide "athletic task force" as required by Section 23-1.2 Code of Virginia, to develop and implement a standardized reporting format for each higher education institution in Virginia to annually report its intercollegiate athletics revenue and expenses to the APA. This new standardized report will be utilized to assess compliance with the requirements of HB1897. These percentages are larger for smaller institutions which do not have significant ticket sales or conference distributions. The first measurement period for evaluating HB 1897 is fiscal year 2017. The university has received no further communication from the APA regarding reporting of Athletic revenues and expenses.

Virginia Tech does not anticipate having to make any significant changes to comply with the task force guidance. Additionally, since the university's athletic fees are the lowest in the Commonwealth, the university should not be effected by the fixed percentage of fees ceiling required by the legislation. For Virginia Tech, essentially the requirement states that student fees must remain below 20 percent of total athletic revenues. For fiscal year 2017, student fees were 10.1 percent of total revenues.

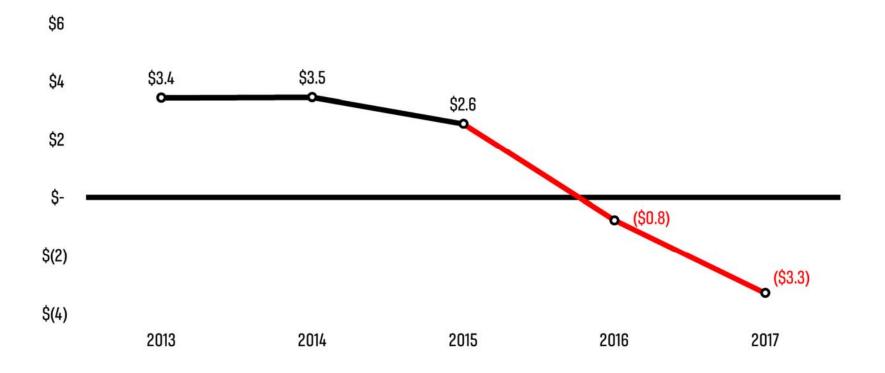
The second requirement in the legislation states that any percentage increase in student fees must be matched by a similar increase in all other revenues, as calculated on a five year rolling average. Traditionally, the university has kept athletic fee increases very low, but this new requirement must be kept in mind for future increases.

Intercollegiate Athletic Programs Revenue & Expenses



Intercollegiate Athletic Programs Net Operating Income (Deficit) FY 2013 – FY 2017

(all dollars in millions)



Intercollegiate Athletic Programs Net Operating Income (Deficit) FY 2017

	Revenue	Expenses		Income/Deficit
Football	\$ 54,251,228	\$ 30,878,285	\$	23,372,943
Men's Basketball	9,964,883	9,754,587		210,296
Women's Basketball	1,443,287	4,810,669		(3,367,382)
Other Sports	21,768,122	45,272,880		(23,504,758)
	\$ 87,427,520	\$ 90,716,421	\$	(3,288,901)

Other Sports is the total of Men's Other Sports, Woman's Other Sports, and Non-Program Specific activities as displayed on the "Schedule of Revenues and Expenses of Intercollegiate Athletics Programs" on the NCAA report. There are 16 other sports programs such as baseball, softball, golf, tennis, track & field, etc.









VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

INTERCOLLEGIATE ATHLETICS PROGRAMS FOR THE YEAR ENDED JUNE 30, 2017

Auditor of Public Accounts Martha S. Mavredes, CPA www.apa.virginia.gov

www.apa.virginia.gov (804) 225-3350



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Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295 Richmond, Virginia 23218

January 16, 2018

The Honorable Ralph S. Northam Governor of Virginia

The Honorable Robert D. Orrock, Sr. Chairman, Joint Legislative Audit
And Review Commission

Timothy D. Sands
President, Virginia Polytechnic Institute
And State University

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the President of Virginia Polytechnic Institute and State University, solely to assist the University in evaluating whether the accompanying Schedule of Revenues and Expenses of Intercollegiate Athletics Programs of the University is in compliance with National Collegiate Athletic Association (NCAA) Constitution 3.2.4.15.1, for the year ended June 30, 2017. University management is responsible for the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs (Schedule) and the Schedule's compliance with NCAA requirements. The sufficiency of the procedures is solely the responsibility of the University. Consequently, we make no representation regarding sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Agreed-Upon Procedures Related to the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs

Procedures described below were limited to material items. For the purpose of this report, and as defined in the agreed-upon procedures, items are considered material if they exceed four percent of total revenues or total expenses, as applicable. The procedures that we performed and our findings are as follows:

Internal Controls

- We reviewed the relationship of internal control over Intercollegiate Athletics Programs
 to internal control reviewed in connection with our audit of the University's financial
 statements. In addition, we identified and reviewed those controls unique to
 Intercollegiate Athletics Programs, which were not reviewed in connection with our audit
 of the University's financial statements.
- Intercollegiate Athletics Department management provided a current organizational chart. We also made certain inquiries of management regarding control consciousness, the use of internal audit in the department, competence of personnel, protection of records and equipment, and controls regarding information systems with the information technology department.
- 3. Intercollegiate Athletics Department management provided us with their process for gathering information on the nature and extent of affiliated and outside organizational activity for or on behalf of the University's Intercollegiate Athletics Programs. We tested these procedures as noted below.

Affiliated and Outside Organizations

- 4. Intercollegiate Athletics Department management identified all intercollegiate athletics-related affiliated and outside organizations and provided us with copies of audited financial statements for each such organization for the reporting period.
- 5. Intercollegiate Athletics Department management prepared and provided to us a summary of revenues and expenses for or on behalf of the intercollegiate athletics programs by affiliated and outside organizations included in the Schedule.
- 6. Intercollegiate Athletics Department management provided to us any additional reports regarding internal control matters identified during the audits of affiliated and outside organizations performed by independent public accountants. We were not made aware of any internal control findings.

Schedule of Revenues and Expenses of Intercollegiate Athletics Programs

7. Intercollegiate Athletics Department management provided to us the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs for the year ended June 30, 2017, as prepared by the University and shown in this report. We recalculated the addition of the amounts in the Schedule, traced the amounts on the Schedule to management's trial balance worksheets, and agreed the amounts in management's trial balance worksheets to the Intercollegiate Athletics Department's accounts in the accounting records. We noted no differences between the amounts in the Intercollegiate

Athletics Department's accounting records and the amounts on the trial balance. We discussed the nature of adjusting journal entries with management and are satisfied that the adjustments are appropriate.

8. We compared each major revenue and expense account over ten percent of total revenues or total expenses, respectively, to prior period amounts and budget estimates. Variances exceeding ten percent of prior period amounts or budget estimates are explained below:

Line Item	Explanation
Contributions	This line item decreased by \$3.57 million, or 18.6 percent, in the current year due to Athletics not fully utilizing its contributions raised for scholarship funding but rather using the operating budget for a portion of the scholarship expense. Contributions are recognized when used to support operations and unused contributions are deferred to subsequent fiscal years.

Revenues

- 9. We reviewed a sample of ticket sales reconciliations performed for accuracy and proper review and approval. We determined the reconciliations reviewed to be accurate and substantially in agreement with the amounts reported in the Schedule.
- 10. We obtained an understanding of the institution's methodology for allocating student fees to intercollegiate athletics programs. We compared student fees reported in the Schedule to amounts reported in the accounting records and an expected amount based on fee rates and enrollment. We found these amounts to be substantially in agreement with minor differences attributed to the methodology used for projecting student fee revenue.
- 11. We obtained the amount reported in the Schedule for direct institutional support. This amount was deemed to be immaterial for detailed testing.
- 12. Intercollegiate Athletics Department management provided us with a listing of settlement reports and game guarantee agreements for away games during the reporting period. We reviewed these settlement reports and guarantee agreements for selected games and agreed selected amounts to proper posting in the accounting records and supporting documentation.
- 13. Intercollegiate Athletics Department management provided us with a listing of all contributions of moneys, goods or services received directly by the Intercollegiate Athletics Programs from any affiliated or outside organization, agency or group of

individuals that constitutes ten percent or more of all contributions received during the reporting period. Except for contributions received from the Virginia Tech Foundation, an affiliated organization, we noted no individual contribution that constituted more than ten percent of total contributions received for Intercollegiate Athletics Programs. We reviewed contributions from the Virginia Tech Foundation, which exceeded ten percent of all contributions, and agreed them to supporting documentation.

- 14. We obtained the amount reported in the Schedule for in-kind contributions. This amount was deemed to be immaterial for detailed testing.
- 15. Intercollegiate Athletics Department management provided us with a listing and copies of all agreements related to participation in revenues from broadcast, television, radio, internet, and e-commerce rights. We gained an understanding of the relevant terms of the agreements and agreed selected amounts to proper posting in the accounting records and supporting documentation.
- 16. Intercollegiate Athletics Department management provided us with a listing and copies of all agreements related to participation in revenues from tournaments, conference distributions, and NCAA distributions. We gained an understanding of the terms of the agreements and agreed selected amounts to proper posting in the accounting records and supporting documentation.
- 17. We obtained the amount reported in the Schedule for program sales, concessions, novelty sales, and parking. This amount was deemed to be immaterial for detailed testing.
- 18. We obtained the amount reported in the Schedule for royalties, licensing, advertisements, and sponsorships. This amount was deemed to be immaterial for detailed testing.
- 19. The Virginia Tech Foundation manages athletics-related endowment funds on behalf of the University. The University has access to request endowment income from the Foundation in accordance with certain budgetary restrictions. This amount was deemed to be immaterial for detailed testing.
- 20. We obtained the amount reported in the Schedule for the University's participation in a post-season bowl. This amount was deemed to be immaterial for detailed testing.
- 21. We obtained the amount reported in the Schedule for other revenue. This amount was deemed to be immaterial for detailed testing.

Expenses

- 22. Intercollegiate Athletics Department management provided us a listing of institutional student aid recipients during the reporting period. Since the University used the NCAA Compliance Assistant software to prepare athletic aid detail, we selected 40 individual student-athletes across all sports and obtained the students' account detail from the institution's student information system. We agreed each student's information to the information reported in the NCAA Membership Financial Reporting System. We also ensured that the total aid amount for each sport agreed to amounts reported as Financial Aid in the student accounting system with minor differences attributed to how book charges post to the accounting system.
- 23. We obtained the amount reported in the Schedule for game guarantee agreements for home games. This amount was deemed to be immaterial for detailed testing.
- 24. Intercollegiate Athletics Department management provided us with a listing of coaches, support staff, and administrative personnel employed and paid by the University during the reporting period. We selected and tested individuals, including football and men's and women's basketball coaches, and compared amounts paid during the fiscal year from the payroll accounting system to their contract or other employment agreement document. We found that recorded expenses equaled amounts paid as salary and bonuses and were in agreement with approved contracts or other documentation.
- 25. Intercollegiate Athletics Department management provided us with a listing of severance payments made during the reporting period. This amount was deemed to be immaterial for detailed testing.
- 26. We discussed the Intercollegiate Athletics Department's recruiting expense and team travel policies with Intercollegiate Athletics Department management and documented an understanding of those policies. We compared these policies to existing University and NCAA policies and noted substantial agreement of those policies.
- 27. We selected a sample of disbursements for team travel, game expenses, direct overhead and administrative expenses, and other operating expenses. We compared and agreed the selected operating expenses to adequate supporting documentation. We found all reviewed amounts to be properly approved, reasonable to intercollegiate athletics, and properly recorded in the accounting records.
- 28. We obtained a listing of debt service payments, lease payments, and rental fees for athletics facilities for the reporting year. We agreed all significant facility payments

- included in the Schedule, including the two highest payments, to supporting documentation.
- 29. We obtained an understanding of the University's methodology for charging indirect cost to the athletic department. We evaluated indirect cost charges for reasonableness and noted proper reporting of these charges in the Schedule.

Other Reporting Items

- 30. We obtained repayment schedules for all outstanding intercollegiate athletics debt during the reporting period. We recalculated annual maturities reporting in the notes to the Schedule and agreed total annual maturities and total outstanding athletic related debt to supporting documentation.
- 31. We agreed total outstanding institutional debt to the University's audited financial statements.
- 32. We agreed the fair value of athletics dedicated endowments to supporting documentation provided by the University.
- 33. We agreed the fair value of institutional endowments to supporting documentation, including the audited financial statements of the University's Foundation.
- 34. We obtained a schedule of athletics related capital expenditures made during the period. We selected a sample of transactions to validate existence and accuracy of recording and recalculated totals.

Additional Procedures

- 35. We compared the sports sponsored, as reported in the NCAA Membership Financial Reporting System, to the squad lists of the institution. We noted agreement of the sports reported.
- 36. We obtained the institution's Sports Sponsorship and Demographics Forms Report for the reporting year. We validated that the countable sports identified by the institution met the minimum requirements for number of contests and minimum number of participants as defined in NCAA Bylaw 20.9.6.3. We ensured that countable sports have been properly identified in the NCAA Membership Financial Reporting System for the purpose of revenue distribution calculations.
- 37. We obtained a listing of student-athletes receiving Pell Grant awards from the institution's student information system and agreed the total value of these Pell Grants

to the amount reported in the NCAA Membership Financial Reporting System. We noted agreement of the amounts reported.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs or any of the accounts or items referred to above. Accordingly, we do not express such an opinion. Had we performed additional procedures or had we conducted an audit of any financial statements of the Intercollegiate Athletics Department of Virginia Polytechnic Institute and State University in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to the University. This report relates only to the accounts and items specified above and does not extend to the financial statements of Virginia Polytechnic Institute and State University or its Intercollegiate Athletics Department taken as a whole.

This report is intended solely for the information and use of the President and the University and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

JRQ/clj

For the year ended Julie 30, 2017		Men's	Women's	Men's	Women's	Non-Program	
	Football	Basketball	Basketball	Other Sports	Other Sports	Specific	Total
Operating revenues:							
Ticket sales	\$ 14,599,726	\$ 2,528,127	\$ 166,414	\$ 17,800		\$ -	\$ 17,312,067
Student fees	-	-	-	-	2,304,921	6,580,953	8,885,874
Direct institutional support	-	-	-	-	643	2,020	2,663
Guarantees	4,300,000	7,500	-	1,000	1,000	-	4,309,500
Contributions	7,874,708	744,793	687,339	601,121	2,031,737	3,681,034	15,620,732
In-Kind	40,353	52,068	7,430	4,977	8,280	33,615	146,723
Media rights	17,609,812	4,493,678	300,399	30,000	37,500	-	22,471,389
NCAA distributions	-	1,645,122	9,436	70,663	12,584	2,613,736	4,351,541
Conference distributions (non-media or bowl)	4,972,248	99,024	63,030	160,626	156,511	2,000	5,453,439
Program, novelty, parking, and concession sales	1,617,603	81,782	20,011	20,231	8,375	20,992	1,768,994
Royalties, licensing, advertisement and sponsorships	1,219,449	177,775	79,176	165,125	181,125	749,644	2,572,294
Athletics restricted endowment and investments income	725,601	135,014	110,052	665,105	848,488	137,011	2,621,271
Other operating revenue	108,580	-	-	100,000	-	519,305	727,885
Bowl revenues	1,183,148						1,183,148
Total operating revenues	54,251,228	9,964,883	1,443,287	1,836,648	5,591,164	14,340,310	<u>87,427,520</u>
Operating expenses:							
Athletic student aid	3,579,878	536,358	683,943	2,789,011	4,375,190	1,463,593	13,427,973
Guarantees	612,949	598,657	146,181	23,533	25,530	-	1,406,850
Coaching salaries, benefits, and bonuses paid by the							
University and related entities	8,826,626	3,964,395	1,584,861	2,534,261	2,381,430	-	19,291,573
Support staff/administrative compensation, benefits, and							
bonuses paid by the University and related entities	1,856,546	598,449	460,545	108,292	137,381	10,023,319	13,184,532
Severance payments	53,511	334,161	58,516	42,744	13,158	76,957	579,047
Recruiting	652,455	63,588	189,242	224,442	234,369	42,091	1,406,187
Team travel	940,966	845,903	476,120	1,137,375	932,325	115	4,332,804
Sports equipment, uniforms, and supplies	998,939	375,599	109,102	472,192	434,858	235,543	2,626,233
Game expenses	1,311,179	433,906	244,183	255,041	163,566	1,788,991	4,196,866
Fundraising, marketing and promotion	190,506	159,626	29,928	54,801	63,748	698,762	1,197,371
Spirit groups	451,883	113,343	15,085	-	-	213,397	793,708
Athletic facility leases and rental fees	2,000	910	700	133,718	126,574	30	263,932
Athletic facility debt service	4,088,355	283,629	283,629	-	-	918,823	5,574,436
Direct overhead and administrative expenses	3,232,112	529,513	215,152	505,499	505,785	3,347,967	8,336,028
Indirect cost paid to the institution by athletics	92,280	-	-	-	-	4,999,761	5,092,041
Medical expenses and insurance	184,480	72,906	49,809	242,632	318,520	342,678	1,211,025
Memberships and dues	3,915	1,235	15,090	9,601	12,909	34,027	76,777
Student-Athlete Meals (non-travel)	874,797	146,533	71,299	153,392	176,018	115,132	1,537,171
Other operating expenses	1,312,307	695,876	177,284	372,102	327,471	1,684,226	4,569,266
Bowl expenses	1,612,601		<u>-</u>	<u>-</u>			1,612,601
Total operating expenses	30,878,285	9,754,587	4,810,669	9,058,636	10,228,832	25,985,412	90,716,421
Excess (deficiency) of revenues over (under) expenses	\$ 23,372,943	\$ 210,296	\$ (3,367,382)	\$ (7,221,988)	\$ (4,637,668)	\$ (11,645,102)	
Other Reporting Items:							
Total athletics-related debt							\$ 74,926,000
Total institutional debt							\$ 456,772,000
Value of athletics-dedicated endowments							\$ 61,694,166
Value of institutional endowments							\$ 946,513,459
Total athletics-related capital expenditures							\$ 7,044,000

The accompanying Notes to the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs are an integral part of this Schedule.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY NOTES TO SCHEDULE OF REVENUES AND EXPENSES OF INTERCOLLEGIATE ATHLETICS PROGRAMS FOR THE YEAR ENDED JUNE 30, 2017

BASIS OF PRESENTATION

The accompanying Schedule of Revenues and Expenses of Intercollegiate Athletic Programs has been prepared on the accrual basis of accounting. The purpose of the Schedule is to present a summary of revenues and expenses of the intercollegiate athletic programs of the University for the year ended June 30, 2017. The Schedule includes those intercollegiate athletics revenues and expenses made on behalf of the University's athletics programs by outside organizations not under the accounting control of the University. Because the Schedule presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in fund balances, or cash flows for the year then ended. Revenues and expenses directly identifiable with each category of sport presented are reported accordingly. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Non-Program Specific."

AFFILIATED ORGANIZATIONS

The University received \$18,018,489 from the Virginia Tech Foundation, Inc. Approximately \$9,427,973 of these funds were used for grant-in-aid scholarships for student-athletes. These amounts received are included in the accompanying schedule as follows: \$7,030,217 is included in the Contributions line item and \$2,397,756 is included in the Athletics Restricted Endowment and Investment Income line item.

3. LONG-TERM DEBT

In October 2001, a \$26,285,000 note was issued for the Athletic Department. This note was issued for the South End Zone addition to Lane Stadium. Part of the original debt was refinanced in January 2008 with a \$2,860,000 note that will be repaid through 2020 and has an outstanding balance of \$2,775,000. The remaining original debt issuance was refinanced in February 2011 with an \$11,540,000 note that will be repaid through 2027 and has an outstanding balance of \$7,625,000.

In May 2004, a \$52,715,000 revenue bond was issued for the Athletic Department. This bond was issued for the West Side Expansion to Lane Stadium which was completed in 2006. The majority of this debt was refinanced in November 2012 with a \$32,365,000 note. This note has an outstanding balance of \$26,745,000 and will be repaid with private fund raising and operating revenues through 2029. The remaining original debt issuance was repaid with private fund raising and operating revenues during 2014.

In November 2009, an \$8,705,000 note was issued for the Athletic Department. This note was issued for the Hahn Hurst Basketball Practice Center. Part of the original debt was refinanced in November 2016 with a \$5,385,000 note that will be repaid through 2030 and has an outstanding balance of \$5,385,000. The remaining original debt issuance has an outstanding balance of \$1,160,000 which will be repaid with private fund raising and operating revenues through 2020.

In October 2015, a \$510,000 revenue bond was issued for the Athletic Department. This bond was issued for the Indoor Practice Facility. This note has an outstanding balance of \$510,000 and will be repaid with general operating revenues through 2035.

In August 2016, a \$31,509,000 internal loan was issued for the Athletic Department. This loan was issued for improvements to the Baseball Stadium and Rector Field House. This note has an outstanding balance of \$30,726,000 and will be repaid with general operating revenues through 2034.

A summary of future principal and interest commitments for fiscal years subsequent to June 30, 2017 is presented as follows:

Year Ended June 30,	Principal	Interest	Total
2018	\$ 3,367,326	\$ 2,281,627	\$ 5,648,953
2019	3,468,090	2,175,244	5,643,334
2020	3,905,333	2,017,228	5,922,561
2021	4,111,801	1,843,209	5,955,010
2022	4,293,470	1,655,040	5,948,510
2023 - 2027	23,376,195	5,584,575	28,960,770
2028 - 2032	24,260,675	2,124,405	26,385,080
2033 - 2035	8,143,407	213,246	8,356,653
Total	<u>\$74,926,297</u>	<u>\$17,894,574</u>	<u>\$92,820,871</u>

4. UNIVERSITY ADMINISTRATION FEE

As with all auxiliary enterprises, the University charges the Athletic Department an administrative fee. During the fiscal year, the Department paid \$5,092,041 to the University. This amount is included on the Indirect Cost Paid to the Institution by Athletics line item, and includes \$92,280 in Football, and \$4,999,761 in the Non-Program Specific category.

CAPITAL ASSETS

Capital assets consisting of buildings, infrastructure, and equipment are stated at appraised historical cost or actual cost where determinable. Construction in progress (CIP) is capitalized at actual cost as expenses are incurred. All gifts of capital assets are recorded at fair market value as of the donation date.

Equipment is capitalized when the unit acquisition cost is \$2,000 or greater and the estimated useful life is one year or more. Software is capitalized when the acquisition and/or the development costs exceed \$100,000. Renovation costs are capitalized when expenses total more than \$100,000, the asset value significantly increases, or the useful life is significantly extended. Routine repairs and maintenance are charged to operating expense in the year the expense is incurred.

Depreciation is computed using the straight-line method over the useful life of the assets. The useful life is 40 to 60 years for buildings, ten to 50 years for infrastructure and land improvements, and three to 30 years for fixed and movable equipment.

A summary of changes in capital assets follows for the year ending June 30, 2017 (all dollars in thousands):

December 11 and 12 and	Beginning Balance	<u>Additions</u>	Retirements	Ending Balance
Depreciable capital assets:	6474 500	ć 7 04	ć 440	6472 226
Buildings	\$171,582	\$ 794	\$ 140	\$172,236
Moveable equipment	7,340	426	256	7,510
Software	313	-	-	313
Fixed equipment	13,242	83	2,552	10,773
Infrastructure	<u> 19,805</u>	<u>202</u>	<u>578</u>	<u>19,429</u>
Total depreciable capital assets, at cost	212,282	<u>1,505</u>	<u>3,526</u>	210,261
Less accumulated depreciation:				
Buildings	46,330	3,865	72	50,123
Moveable equipment	4,929	553	256	5,226
Software	225	20	-	245
Fixed equipment	5,954	515	2,550	3,919
Infrastructure	16,699	653	481	16,871
Total accumulated depreciation	74,137	5,606	3,359	76,384
Total depreciable capital assets, net				
of accumulated depreciation	138,145	(4,101)	<u> 167</u>	133,877
Non-depreciable capital assets:				
Construction in progress	1,907	6,681	1,131	7,457
Total non-depreciable capital				
assets	1,907	6,681	1,131	7,457
Total capital assets, net of				
accumulated depreciation	<u>\$140,052</u>	<u>\$2,580</u>	<u>\$1,298</u>	<u>\$141,334</u>

OPERATING DEFICIT

As with all auxiliaries, the University requires the Athletic Department to maintain adequate fund balances or reserves necessary to protect operations from volatility of changes in athletic program revenues and to serve as a contingency fund. Any proposed use of reserve funds must be approved in advance through the budget process. In fiscal year 2017 a use of reserves was approved, in part, to cover an expected scholarship fundraising shortfall. Athletic scholarships are primarily funded by gifts, and less than 20 percent of those gifts are from endowments, which tend to have predictable annual distributions. Therefore, the majority of scholarships are funded by annual fundraising campaigns and are more volatile and such gifts tend to be received mainly in the latter part of each fiscal year (between December and March). If the fundraising campaign falls short of budgeted targets, the Athletic Department must use a combination of current year operating revenues or Athletic Department reserves to make up the shortfall. For fiscal year 2017, the approved budget authorized the use of \$4 million from other operating funds to cover scholarship expenses, because on July 1, 2016, only \$1.7 million of cash from gifts was available for scholarships. As the year progressed, the fund raising campaign for fiscal year 2017 exceeded the budgeted target and the cash balance held by the Virginia Tech Foundation, Inc. at June 30, 2017 to fund scholarships was approximately \$7.3 million. The contribution revenue for these funds will be recognized in fiscal year 2018 as they are used to fund scholarships. The operating deficit for fiscal year 2017 occurred primarily due to the decision to use funds other than gifts to fund scholarships.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

As of June 30, 2017

BOARD OF VISITORS

James L. Chapman, IV, Rector

Dennis H. Treacy, Vice Rector

Greta J. Harris
Charles T. Hill
Mehmood S. Kazmi
L. Chris Petersen
Deborah L. Petrine
Michael J. Quillen
Wayne H. Robinson
J. Thomas Ryan
Mehul P. Sanghani
Steve Sturgis
Horacio A. Valeiras

Montasir M. Abbas Faculty Representative

Alex B. Parrish Staff Representative

Tara Reel, Gabriel Cohen Student Representatives

Kim O'Rourke Secretary to the Board of Visitors

UNIVERSITY OFFICIALS

Timothy D. Sands, President

Whit Babcock, Director of Intercollegiate Athletics Programs

Report on Audits of University-Related Corporations

COMPLIANCE, AUDIT, AND RISK COMMITTEE

February 1, 2018

In accordance with the resolution passed by the Finance and Audit Committee on April 25, 1985, and as amended on November 13, 1995 and March 31, 2008, each university-related corporation is required to provide the University's President audited annual financial statements, management letters from the external auditors, management's responses thereto, and an annual certification that all procedures outlined in the resolution have been met. These financial statements, management letters, and management responses have been reviewed as of June 30, 2017, and found to meet the standards set forth in the audit resolution.

VIRGINIA TECH CORPORATIONS COMPLIANCE WITH AUDIT RESOLUTION

Corporation	Audited Financial Statement	Management Letter	Response to Management Letter	External Auditor Length of Service	Certification Letter
VT Applied Research Corporation	✓	1	1	2	✓
VT Foundation, Inc.	✓	1	1	2	✓
VT Intellectual Properties, Inc.	✓	1	1	2	✓
VT Services, Inc.	✓	1	1	2	✓
VT Innovations Corporation	✓	5	1	3	✓
VT India Research and Education Forum⁴	✓	1	1	3	✓

¹ No management recommendations resulted from the audit.

² Corporation using same audit firm as in years past; management team has been rotated within the past five years in accordance with the audit resolution.

³ Corporation has not been in existence for five years. Hence, the requirement in the affiliation agreement to rotate the external audit firm or the audit team after a consecutive five year team is not applicable.

⁴ The financial statement year end for VT India Research and Education Forum (VTIREF) is March 31.

⁵ The auditor's issued a management letter to VTIC regarding a "significant" corrected misstatement concerning VTIC's misclassification of long-term debt as current debt on the financial statements. The error was corrected and no management response was necessary. The auditors issued a clean audit opinion.

Statewide Reviews and Special Reports

COMPLIANCE, AUDIT, AND RISK COMMITTEE

March 25, 2018

Background

Virginia Tech is subject to reviews by a variety of Commonwealth agencies, including the Auditor of Public Accounts (APA), the Office of the State Inspector General (OSIG), and others. In addition to the annual audits of the university's financial statements and its Intercollegiate Athletics program conducted by the APA, Virginia Tech has been included along with other agencies in statewide reviews typically included as part of an agency's annual work plan. Due to the breadth of the programs and the dollar volume of activities at Virginia Tech, the university is often selected for inclusion in a variety of statewide reviews. The following report provides an analysis of statewide audit activities consistent with the university's planned approach to manage and report on these audit activities.

OSIG Chemical Inventory Management

In accordance with the Code of Virginia § 2.2-309 [A](10), OSIG conducts performance audits of executive branch state agencies, including colleges and universities, to ensure state funds are spent as intended and to evaluate the efficiency and effectiveness of programs. As previously reported in the September meeting, all higher education institutions, including Virginia Tech, were originally notified that OSIG will conduct a performance audit at a sampling of Virginia's colleges and universities during fiscal year 2018. Virginia Tech, among others, was subsequently notified in February 2018 of its inclusion for the planning phase of this project centered on chemical inventory management.

<u>Virginia Department of Veterans Services (DVS)</u>

Virginia Tech received notice of its selection in a Compliance Survey, which will be conducted to ensure that schools, training establishments, and their approved courses are in compliance with all applicable provisions of the laws administered by the U.S. Department of Veterans Affairs and State Approving Agency (DVS). This limited scope review will monitor compliance based on a review of records for a specific set of students.

1

Presentation Date: March 25, 2018

ENTERPRISE RISK MANAGEMENT (ERM) PROGRAM UPDATE

March 25, 2018

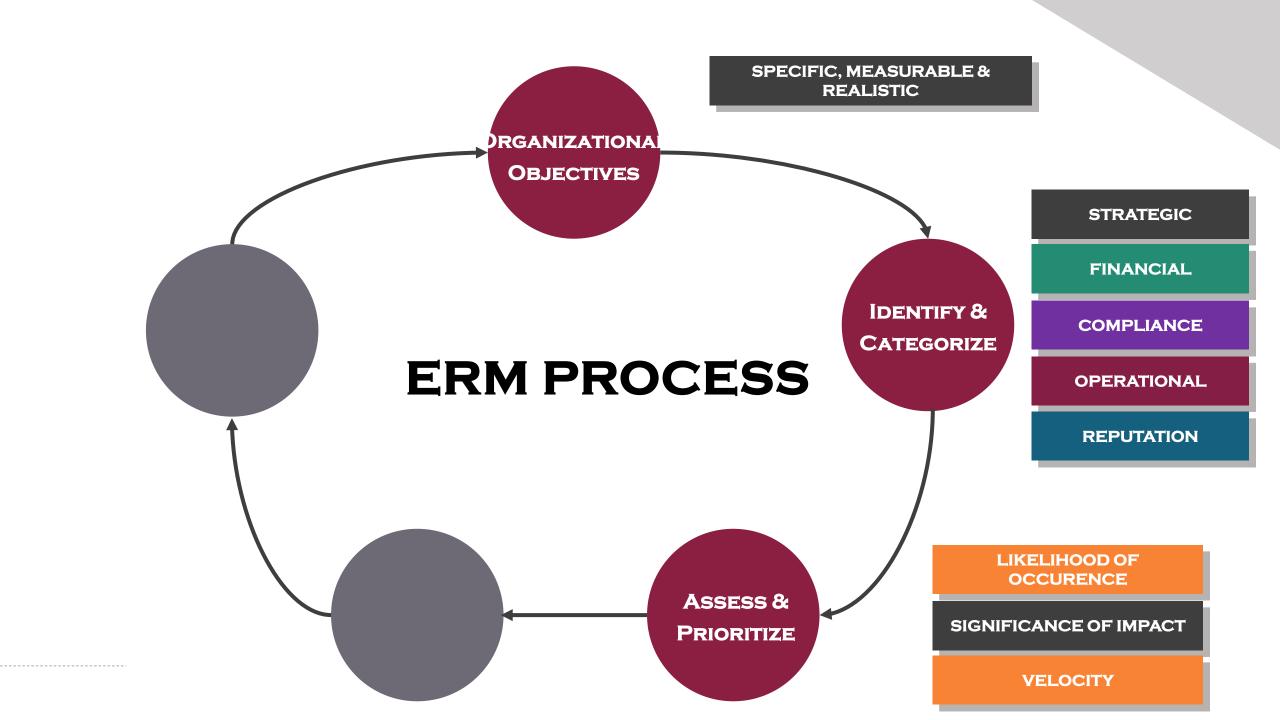
SHARON KUREK

EXECUTIVE DIRECTOR OF AUDIT, RISK, & COMPLIANCE



ERM TIMELINE

CHARGE & ERM KEY RISKS OVERVIEW OVERVIEW BOY **FRAMEWORK** OF OF **ERM** IDENTIFIED **OVERVIEW KEY RISKS KEY RISKS** SEPTEMBER **JUNE 2018 AUGUST 2018** NOVEMBER **MARCH 2018 FACILITATING ASSIGNMENT OF RISK OWNERSHIP BENCHMARKING WITH** MGT **ERM ANALYSIS OF CURRENT PROCESSES PEERS & FRAMEWORK DEVELOPMENT OF RISK MITIGATION** FRAMEWORK **DEVELOPMENT** PLAN PERIODIC REPORTING TO OARC & **IMPLEMENTATIO** N RESULTING IN **ERM COMMITTEES** KEY



RESIDUAL RISK ASSESSMENT

1-Insignificant No impact on reputation No potential impact on the retention/recruitment of faculty No potential impact on the retention/recruitment of faculty No potential impact on overall research funding Responsibility of junior management and staff to resolve 2-Minor Consequences can be absorbed under normal operating conditions		TWIPACT V
1-Insignificant No potential impact on the retention/recruitment of faculty No potential impact on overall research funding Responsibility of junior management and staff to resolve Consequences can be absorbed under normal operating conditions Local impact on reputation Potential negative impact on image, enrollment Potential negative impact on retention/recruitment of faculty Little impact on overall research funding Responsibility of middle management to resolve 3 - Moderate State-wide impact on reputation Enrollment of students or image will be affected in the short-term Recruitment and retention of faculty will be affected in the short-term Loss of research funding for X-X grantees Responsibility of senior and middle management to resolve Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution	Level	Risk description
1 - Insignificant No potential impact on the retention/recruitment of faculty No potential impact on overall research funding Responsibility of junior management and staff to resolve Consequences can be absorbed under normal operating conditions Local impact on reputation Potential negative impact on image, enrollment Potential negative impact on retention/recruitment of faculty Little impact on overall research funding Responsibility of middle management to resolve State-wide impact on reputation Enrollment of students or image will be affected in the short-term Recruitment and retention of faculty will be affected in the short-term Loss of research funding for X-X grantees Responsibility of senior and middle management to resolve Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		No impact on reputation
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Responsibility of junior management and staff to resolve Consequences can be absorbed under normal operating conditions Local impact on reputation Potential negative impact on image, enrollment Potential negative impact on retention/recruitment of faculty Little impact on overall research funding Responsibility of middle management to resolve State-wide impact on reputation Enrollment of students or image will be affected in the short-term Recruitment and retention of faculty will be affected in the short-term Loss of research funding for X-X grantees Responsibility of senior and middle management to resolve Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution	1 - Insignificant	No potential impact on the retention/recruitment of faculty
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Local impact on reputation Potential negative impact on image, enrollment Potential negative impact on retention/recruitment of faculty Little impact on overall research funding Responsibility of middle management to resolve State-wide impact on reputation Enrollment of students or image will be affected in the short-term Recruitment and retention of faculty will be affected in the short-term Loss of research funding for X-X grantees Responsibility of senior and middle management to resolve Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		Responsibility of junior management and staff to resolve
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Potential negative impact on retention/recruitment of faculty Little impact on overall research funding Responsibility of middle management to resolve State-wide impact on reputation Enrollment of students or image will be affected in the short-term Recruitment and retention of faculty will be affected in the short-term Loss of research funding for X-X grantees Responsibility of senior and middle management to resolve Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		Local impact on reputation
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3 - Moderate Recruitment and retention of faculty will be affected in the short-term Loss of research funding for X-X grantees Responsibility of senior and middle management to resolve Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		State-wide impact on reputation
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Responsibility of senior and middle management to resolve Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution	3 - Moderate	Recruitment and retention of faculty will be affected in the short-term
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Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		Adverse impact on university reputation at the regional level
4 - Major Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		Accreditation is threatened
Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		Long-term reduction in enrollment
major sponsored programs Responsibility of the Board and senior management to resolve Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution	4 - Major	Ability to retain and recruit faculty
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Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		major sponsored programs
National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		Responsibility of the Board and senior management to resolve
Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		Loss of accreditation
Ability to retain and recruit faculty Revocation of sponsored research funding across the institution		National / Global impact on reputation
Ability to retain and recruit faculty Revocation of sponsored research funding across the institution	E Critical	Significant reduction in enrollment
· · · · · · · · · · · · · · · · · · ·	5 - Critical	Ability to retain and recruit faculty
Posponsibility of the Poord and the President to resolve		Revocation of sponsored research funding across the institution
responsibility of the Board and the President to resolve		Responsibility of the Board and the President to resolve

RESIDUAL (NET) RISK: THE RESULT OF AN ASSESSMENT OF THE POTENTIAL "IMPACT" AND "LIKELIHOOD" OF A RISK AFTER TAKING INTO ACCOUNT THE EFFECTIVENESS OF THE CONTROLS AND OTHER MITIGATIONS PUT INTO PLACE TO MANAGE THE RISK.

PROBABILITY (Likelihood of Occuring)

Level	Risk description	Probability
1 - Remote	Event may only occur in exceptional circumstances	0-5%
2 - Unlikely	Event could occur at some time	6-35%
3 - Moderate	Event should occur at some time	36-65%
4 - Likely	Event will probably occur in most circumstances	66-95%
5 - Almost certain	Event is expected to occur in most circumstances	96 - 100%

VELOCITY (Speed of Onset)

Level	Risk description
1 - Slow	Very slow onset; longer than 9 months to impact after occurrence
3 - Medium	Medium onset; between 3 to 9 months; Limited time for reaction and response planning
5 - Rapid	Very rapid onset; little or no warning, instantaneous; within 3 months after occurrence

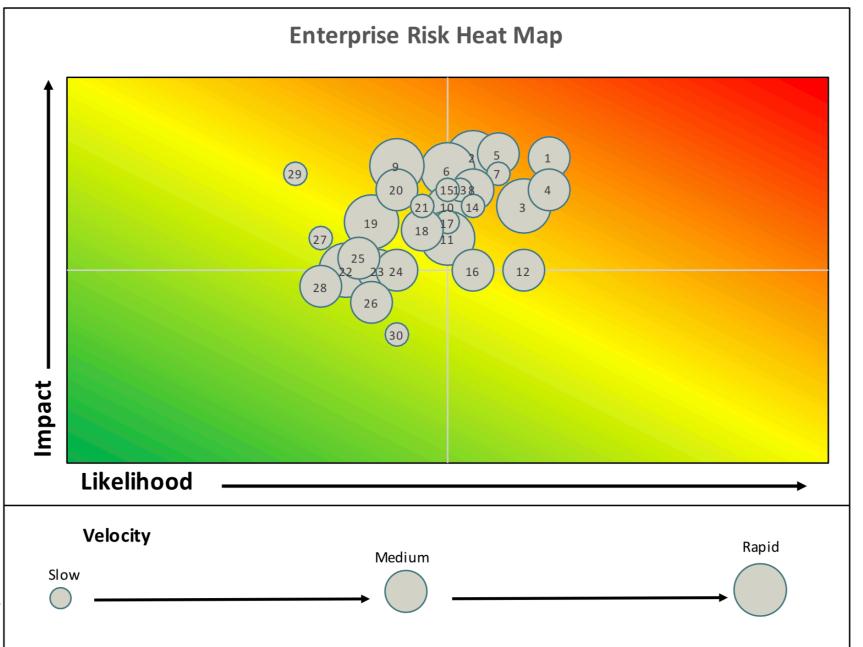
ERM CONTEXT

- STRENGTHEN VIRGINIA TECH'S ROLE AS A GLOBAL LAND-GRANT INSTITUTION
- OUR BIGGEST RISK IS TO NOT MOVE THE UNIVERSITY FORWARD... NOT JUST SURVIVE BUT THRIVE BY ADAPTING AND ANTICIPATING THE CHANGING LANDSCAPE OF HIGHER EDUCATION
- SUCCESS REQUIRES THE WILLINGNESS TO TAKE
 MEASURED RISK, PERHAPS FAILING A TIME OR TWO, TO
 YIELD INNOVATIVE RESULTS
- EVALUATE SUB-RISKS THROUGH THE LENS OF THIS OVERARCHING PERSPECTIVE

ENTERPRISE RISK LANDSCAPE

CAMPUS EXTERNAL UNIVERSITY CULTURE AND RESEARCH **ACADEMIC FINANCIAL ENVIRONMENT OPERATIONS CLIMATE FACULTY & STAFF EXPANDING LEADERSHIP &** LEGAL & FEDERAL & STATE RESEARCH **RECRUITMENT &** PHYSICAL GOVERNANCE REGULATORY FUNDS COMPLIANCE RETENTION **FOOTPRINT** GLOBAL SOCIO-POLITICAL Tuition COMPETITIVE SAFETY & **ATHLETICS** ENGAGEMENT **ENVIRONMENT DEPENDENCY** SECURITY GROWTH EVOLVING **INTEGRITY &** RESOURCE IT SECURITY & PEDAGOGY & **PARTNERS CONFLICTS OF** TITLE IX MANAGEMENT **OPERATIONS DELIVERY** INTEREST **DIVERSITY & ALUMNI & ENROLLMENT** RESTRICTED INFRASTRUCTURE ADVANCEMENT **FRIENDS** Inclusion RESEARCH MANAGEMENT & FACILITIES DISASTER STUDENT **ENDOWMENT ACADEMIC** INTELLECTUAL **RECOVERY & ACCREDITATION** QUALITY **EXPERIENCE** MANAGEMENT **PROPERTY** BUSINESS CONTINUITY REPUTATIONAL / COMPLIANCE

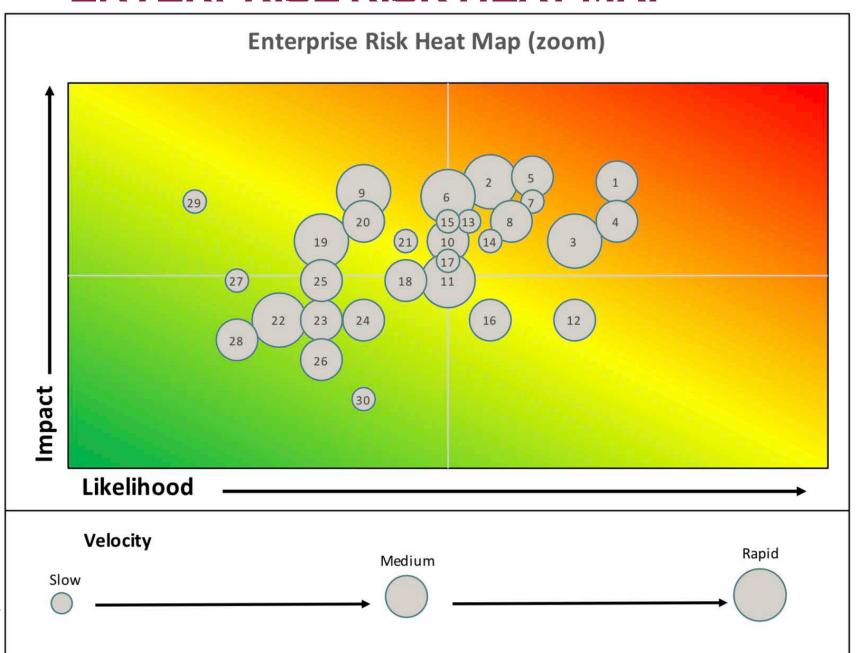
ENTERPRISE RISK HEAT MAP



Graph Legend

	-8-11-1
Number	Risk
1	Federal & State Funds
2	Legal & Regulatory
3	Socio-Political Environment
4	Tuition Dependency
5	Leadership & Governance
6	Athletics
7	Expanding Physical Footprint
8	Faculty & Staff Recruitment & Retention
9	Safety & Security
10	Research Compliance
11	IT Security & Operations
12	Global Engagement
13	Resource Management
14	Competitive Growth
15	Advancement
16	TitleIX
17	Infrastructure & Facilities
18	Partners
19	Integrity & Conflicts of Interest
20	Evolving Pedagogy & Delivery
21	Diversity & Inclusion
22	Disaster Recovery & Business Continuity
23	Enrollment Management
24	Restricted Research
25	Endowment Management
26	Student Experience
27	Academic Quality
28	Alumni & Friends
29	Accreditation
30	Intellectual Property

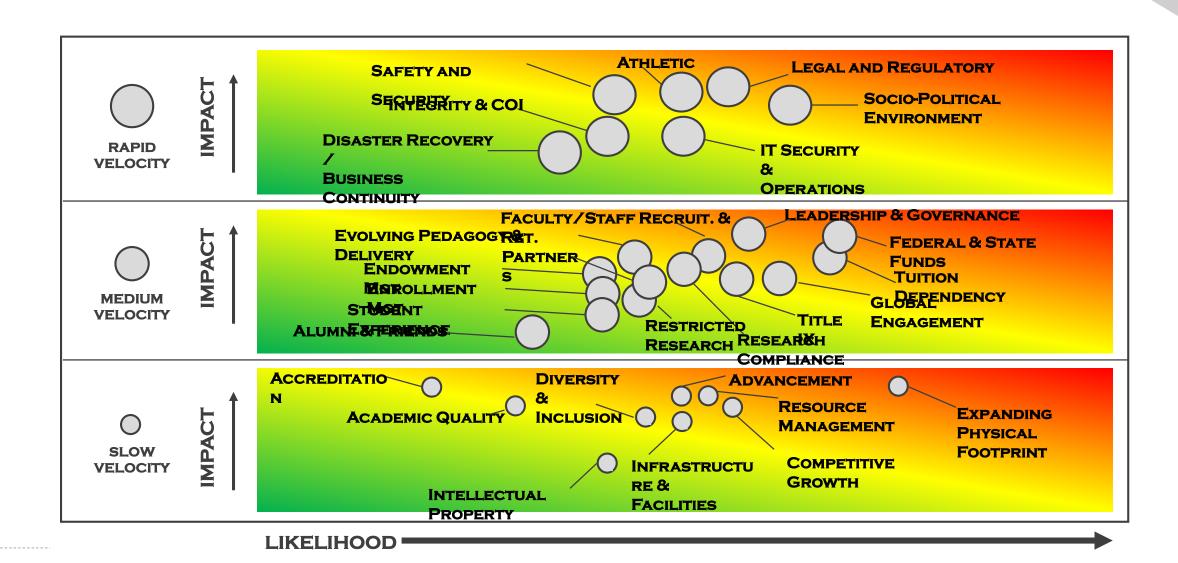
ENTERPRISE RISK HEAT MAP



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napn L	egenu
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9	Safety & Security
10	Research Compliance
11	IT Security & Operations
12	Global Engagement
13	Resource Management
14	Competitive Growth
15	Advancement
16	Title IX
17	Infrastructure & Facilities
18	Partners
19	Integrity & Conflicts of Interest
20	Evolving Pedagogy & Delivery
21	Diversity & Inclusion
22	Disaster Recovery & Business Continuity
23	Enrollment Management
24	Restricted Research
25	Endowment Management
26	Student Experience
27	Academic Quality
28	Alumni & Friends
29	Accreditation
30	Intellectual Property

ENTERPRISE RISK HEAT MAP - VELOCITY





QUESTIONS?



Committee Minutes

FINANCE AND RESOURCE MANAGEMENT COMMITTEE Solitude Room, The Inn at Virginia Tech March 25, 2018

Open Session

Board Members Present: Ms. Greta Harris, Mr. C. T. Hill, Ms. Anna James, Mr. Mehmood Kazmi, Ms. Tish Long, Mr. Robert Mills, Mr. Brett Netto – graduate student representative, Mr. Seyi Olusina – undergraduate student representative, Ms. Debbie Petrine, Mr. Mike Quillen, Dr. Hans Robinson – faculty representative, Mr. Dennis Treacy, Mr. Horacio Valeiras

VPI & SU Staff: Mr. Tommy Amal, Ms. Beth Armstrong, Ms. Nikeshia Arthur, Mr. Whit Babcock, Mr. Omar Banks, Ms. Patty Becksted, Dr. Rosemary Blieszner, Mr. Bob Broyden, Ms. Lori Buchanan, Dr. Cyril Clarke, Ms. Michelle Collins, Ms. Shelia Collins, Mr. Al Cooper, Mr. John Cusimano, Mr. Brian Daniels, Dr. Karen DePauw, Dr. John Dooley, Dr. Michael Friedlander, Dr. David Guerin, Ms. Kay Heidbreder, Ms. Mary Helmick, Mr. Tim Hodge, Ms. Elizabeth Hooper, Ms. Sharon Kurek, Dr. Theresa Mayer, Ms. Erin McCann, Ms. Heidi McCoy, Ms. Nancy Meacham, Dr. Scott Midkiff, Mr. Ken Miller, Dr. Sally Morton, Ms. April Myers, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Patty Perillo, Mr. Charlie Phlegar, Dr. Ellen Plummer, Dr. Menah Pratt-Clarke, Dr. Tim Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Ms. Kayla Smith, Dr. Ken Smith, Mr. Brad Sumpter, Mr. Jon Clark Teglas, Ms. Tracy Vosburgh, Dr. Lisa Wilkes, Dr. Sherwood Wilson, Mr. Chris Yianilos

1. Opening Remarks

- 2. **Consent Agenda:** The Committee considered for approval and acceptance the items listed on the Consent Agenda.
 - a. Approval of Minutes of the November 6, 2017 Meeting
- b. Resolution on Staff Career Achievement Award: Resolution to delegate authority to manage the Staff Career Achievement Award nomination and selection process to the Vice President for Human Resources with no changes to the nomination criteria.
 - c. Update on Advancement: Advancement provided a quarterly update to the Committee on their division and fundraising efforts.

The Committee approved the items on the Consent Agenda and recommended the Resolution on Staff Career Achievement Award to the full Board for approval.

- 3. Report on 2018 Legislative Session: The Committee received a report on the current status of the 2018 legislative session at the Information Session. The report presented the major elements of the Executive Budget and key items impacting the university in both the House and Senate budget proposals. The General Assembly session adjourned on March 10, 2018 without agreement between the House and Senate on the biennial budget. Governor Northam has called for an April 11th Special Session for the General Assembly to complete the work on the state budget. The agenda item provided an opportunity for the university to address any further question from the Committee members regarding the legislative session.
- 4. University's Annual Financial Statements: The Committee received an overview of the university's annual financial statements for the fiscal year ending June 30, 2017. The financial statements were prepared in accordance with generally accepted accounting principles, and the Auditor of Public Accounts issued an unmodified (or clean) opinion.

At June 30, 2017, the university had total net position of \$1.4 billion, an increase of \$64 million or 4.8 percent since fiscal year 2016. Total unrestricted net assets increased by \$11.8 million or 33.4 percent to negative \$23.5 million. The negative balance in the unrestricted net assets is due to the implementation of GASB 68 Accounting and Financial Reporting for Pensions in fiscal year 2015. GASB 68 required state and local government employers that participate in a state's defined benefit retirement plan to recognize their allocable portion of the state's net pension liability. In prior years, the net pension liability was reported in total for all state agencies on the Commonwealth's Comprehensive Annual Financial Report.

Total revenues for fiscal year 2017 were \$1.43 billion, a decrease of \$8.3 million or 0.6 percent over fiscal year 2016. This was due to the net impact of increases in operating revenues from student tuition and fees and growth in auxiliary enterprises, which were offset by decreases in capital grants and gifts and capital appropriations received last fiscal year. Total operating expenses for fiscal year 2017 were \$1.37 billion, an increase of \$49.3 million or 3.7 percent. The increase was primarily due to increase in salaries, wages, and fringe benefits related to salary merit programs for faculty and staff.

5. Intercollegiate Athletics Program Report for Year Ended June 30, 2017: The Committee received a report on the Auditor of Public Accounts (APA) Intercollegiate Athletics Program review for fiscal year 2017. The APA performed certain agreed-

upon procedures to evaluate whether the Schedule of Revenues and Expenses of the Intercollegiate Athletics Program for fiscal year ended June 30, 2017, is in compliance with the National Collegiate Athletic Association (NCAA) bylaws. During the review, no matters were brought to the APA's attention that required an adjustment to the amounts on the Schedule of Revenues and Expenses. This review does not constitute an audit and therefore no opinion is issued.

* 6. Resolution for Approval of Tuition and Fee Rates for 2018-19: The Committee reviewed for approval the proposed tuition and fee rates for 2018-19. For 2018-19, the university proposed a \$332 or 2.9 percent increase in tuition and fees for in-state undergraduate students for total tuition and fees of \$11,595 and an \$836 or 2.9 percent increase in tuition and fees for out-of-state undergraduate students for total tuition and fees of \$29,883. An average 2.8 percent increase in room and board is recommended.

For on-campus graduate programs, a \$380 or 2.9 percent increase is recommended for in-state students for total tuition and fees of \$13,485, while the university recommended a \$761 or 2.8 percent increase for out-of-state students for total tuition and fees of \$27,604. For off-campus graduate programs, a \$420 or 2.9 percent increase is recommended for a total of \$14,909 for in-state students and \$814 or 2.8 percent increase for a total of \$29,494 is recommended for out-of-state students.

In Veterinary Medicine, a \$575 or 2.4 percent increase is recommended for Virginia/Maryland students for total tuition and fees of \$24,772 and a \$1,309 or 2.5 percent increase for a total of \$53,305 is recommended for out-of-state students.

In February 2018, the independent Board of Directors of the Virginia Tech Carilion School of Medicine (VTCSOM) voted to retain their 2017-18 tuition and fee rate of \$52,745 for the 2018-19 academic year. The university concurs with that decision and asked the Board of Visitors to ratify the VTCSOM tuition rates for the 2018-19 academic year as part of the integration.

The Committee recommended the resolution for Tuition and Fees for 2018-19, effective Fall Semester 2018 including ratification of the 2018-19 Tuition and Fee rates for the Virginia Tech Carilion School of Medicine to the full board for approval. This approval is based on the assumption that the final outcome of the General Assembly will materially align with the university's planning assumptions for revenues and expenses; therefore, the Board reserves the right to reconsider the 2018-19 tuition and fee rates based on the budget decisions of the Special Session of the General Assembly.

* 7. Approval of Year-to-Date Financial Performance Report (July 1, 2017 – December 31, 2017): The Committee reviewed for approval the Year-to-Date Financial Performance Report for July 1, 2017 – December 31, 2017. For the second quarter, routine budget adjustments were made to reflect revisions to projected revenues and expenditures.

The annual Intercollegiate Athletics budget was increased by \$2.1 million for additional revenue of \$1 million for participation in the Camping World Bowl, additional self-generated revenue, and private fundraising. Residential and Dining revenues were higher than projected primarily due to higher than budgeted occupancy rates and meal plan sales due to the larger freshmen class.

For year-to-date ending December 31, 2017, \$15.6 million was expended for Educational and General capital projects, and \$34.8 million was expended for Auxiliary Enterprises capital projects. Capital outlay expenditures for year-to-date ending December 31, 2017 totaled \$50.4 million.

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

* 8. Approval of 2018-19 Compensation for Graduate Assistants: The Committee reviewed for approval the proposed 2018-19 schedule of stipends and support for the health insurance program for graduate students. The key components of the graduate student compensation package include competitive stipends, tuition assistance, and health insurance. The university proposes advancing the stipend scale for 2018-19 by providing a 2.0 percent increase, effective November 25, 2018, and continue the university share of graduate assistant health insurance coverage of 88 percent.

The Committee recommended the 2018-19 Compensation for Graduate Assistants to the full Board for approval.

9. **Other Business:** The Committee discussed other topics as needed.

There being no further business, the meeting adjourned at 5:37 p.m.

<u>Joint Closed Session with Academic, Research and Student Affairs</u> March 26, 2018

The Finance and Resource Management Committee and the Academic, Research, and Student Affairs Committee met in a joint closed session to ratify the Faculty Personnel Changes Report for the quarter ending December 31, 2017, and to consider:

- 15 appointments to Emeritus/Emerita status
- 14 appointments to Endowed Chair, Professorship, or Fellowship
- 75 faculty research leave requests
- Approval of one academic honor

The Committees recommended these matters to the full Board for approval.

<u>Joint Open Session with the Buildings and Grounds Committee</u> March 26, 2018

Board Members Present: Ms. Greta Harris, Ms. Anna James, Mr. C. T. Hill, Mr. Robert Mills, Mr. Mike Quillen, Mr. Robert Sebek – staff representative, Mr. Horacio Valeiras

VPI & SU Staff: Ms. Jennifer Altman, Mr. Mac Babb, Mr. Whit Babcock, Mr. Bob Broyden, Mr. Nick Clements, Mr. John Cusimano, Mr. Brian Daniels, Dr. John Dooley, Dr. Lance Franklin, Mr. Tom Gabbard, Mr. Mark Gess, Dr. Robin Jones, Dr. Chris Kiwus, Mr. Bob Massengale, Ms. Robin McCoy, Ms. Sarah McCoy, Ms. Nancy Meacham, Mr. Grant Morris, Mr. Mark Owczarski, Mr. Charlie Phlegar, Dr. Scot Ransbottom, Dr. Tim Sands, Ms. Savita Sharma, Mr. M. Dwight Shelton Jr., Dr. Frank Shushok, Jr., Ms. Kayla Smith, Mr. Jason Soileau, Mr. Dwyn Taylor, Mr. Jack Washington, Dr. Sherwood Wilson

* 1. Approval of Resolution for Student-Athlete Performance Center: The university's Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an Athlete Nutrition Center, currently known as the Student-Athlete Performance Center.

The desired program will enhance the student experience of athletes in all 22 intercollegiate sports; approximately 580 students, and can be accommodated with a complete renovation of the fourth floor of the Jamerson Center with the addition of a balcony. The renovation and expansion will provide state-of-the-art spaces for dining, nutrition, recruiting, donor hospitality, and allow for a seamless transition to the Cassell Coliseum concourse. The project schedule anticipates major construction to start in Summer 2019 with occupancy by early 2021.

The Athletics program has received \$16.165 million in private gifts for the designated capital improvements and to create an endowment for the upkeep and maintenance of the Student-Athlete Performance Center. This resolution seeks approval to proceed with planning, constructing, and equipping activities to implement the program at a total project cost not to exceed \$15.165 million. The Athletics program is continuing its efforts to raise additional private funds to enhance the space. This resolution includes authorization to adjust the total project budget up by 10 percent and not more than new private gifts designated to the project beyond the existing \$15.165 million.

The Committees recommended the Resolution for the Student-Athlete Performance Center to the full Board for approval.

* 2. Approval of Resolution for ACC Network Studio: The university's Six-Year Capital Outlay Plan approved by the Board of Visitors included a project for an ACC Broadcast Studio expansion. As a member of the Atlantic Coast Conference, Virginia Tech will participate in the new ACC Network channel to be launched in 2019. Improved and expanded broadcasting facilities are needed to meet required telecasts of athletic events on the new channel.

The scope of work to establish the necessary broadcasting facilities include interior renovations to an existing control room, constructing two new control rooms, two new studios, and installing other infrastructure and equipment.

To meet the schedule expectations of the ACC network for a Fall 2019 launch, the Athletics program desires to start the renovations in Spring 2018, complete the project by early Spring 2019, and operate the studios for several months prior to network broadcasting. The estimated project cost inclusive of design, construction, infrastructure improvements, and equipment is \$10 million. This request is for authorization to proceed with the design, construction, and infrastructure improvements for a \$10 million ACC Network Studio project.

The Committees recommended the Resolution for the ACC Network Studio to the full Board for approval.

* 3. Approval of Resolution for Commonwealth Ballroom Improvements: The Commonwealth Ballroom, located on the second floor of the Squires Student Center, is the largest ballroom on campus and was originally built in 1937 with renovations and additions occurring in 1969 and 1991. It hosts approximately 160 events each year including major activities such as orientation, career fairs, Gobbler Nights, and Ring Dance. The ballroom has reached an age and condition with deferred

Attachment G

maintenance that requires repairs and improvements to meet the university's expectations for event hosting.

The proposed scope of work for the Commonwealth Ballroom project includes replacing outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers and installation of a Skyfold dividing wall. Construction is anticipated to start in Fall 2018 and be complete in Spring 2019 in time for commencement.

The total project costs for Improvements is \$3.246 million. This request seeks authorization to complete the Squires Commonwealth Ballroom Improvements project.

The Committees recommended the Resolution for Commonwealth Ballroom Improvements to the full Board for approval.

There being no further business, the meeting adjourned at 11:50 a.m.

* Requires full Board approval.

University Advancement Update

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

February 9, 2018

The Advancement program continues to pursue new levels of excellence on many fronts. Our efforts within the fiscal year to date have resulted in extraordinary fundraising success, revised engagement strategies and programming throughout alumni relations, and enhanced communications university-wide and throughout the division. This report summarizes the fundraising results for the second quarter of fiscal year 2018 (through January 2018) and provides an overview of projects that highlight the realized synergies of the Advancement model.

FUNDRAISING UPDATE

- New Gifts and Commitments (NG&C) for the first portion of fiscal year 2018 (through January 2018) is just over \$80 million. This total includes receipt of an anonymous gift that is both the largest outright gift to the university and the largest ever contribution in support of athletics.
- The private gift income (Cash) total is nearly \$91 million for the first seven months of fiscal year 2018.

These positive results and upward momentum have us on track to reach our established, annual fundraising goals for the fiscal year.

ALUMNI REUNION PROGRAMMING

The Alumni Association has aggressively launched and promoted the new all-alumni Spring reunion program, scheduled for June 7 - 10, 2018. This new format will bring together thousands of Hokies from several reunion classes for an exciting weekend of activities including behind-the-scenes tours, exciting speakers, interactions with athletic coaches and world-renowned researchers, great food, and entertainment. The events will cater to young alumni, members of the Old Guard-Society of Golden Alumni, and anyone in between. This event is gearing up to be one of Virginia Tech's largest endeavors for alumni engagement for the year.

For more information, visit: https://www.alumni.vt.edu/events/2018/06/reunion2018.html.

UNIVERSITY RELATIONS UPDATE

The University Relations team continues to create and support exposure for the various moments that define Virginia Tech, such as President Sands' State of the University Address, the Virginia Tech Carilion Biomedical Research Expansion groundbreaking in Roanoke, and the recent ribbon cutting of the new route 460 overpass. These efforts create awareness of the institution's imprint throughout the region, the nation, and the world. We are telling our story across our many media platforms.

ADVANCEMENT MODEL IMPACT

The crosscutting integration of the advancement model is more evident than ever across our development operation, university relations, and alumni relations areas. As a division, we launched our crowdfunding site, Jump, and the coordinated implementation of Spring Forward, our first giving day to be held on March 20, 2018, is well underway. Our Fall Annual Giving campaign, Hokies Give Back, had multiple units collaborating on a highly segmented, multichannel, multi-touch campaign that has raised \$600,000 and counting.

VIRGINIA TECH FOUNDATION REINVESTMENT FEE UPDATE

Reinvestment Fee is an assessment on gifts and contributions to support the costs of fundraising and related operations of the university and the Foundation. The Virginia Tech Foundation (VTF) created an internal task force last year to review existing practices related to the reinvestment fee. The task force was charged to explore the philosophy surrounding the current implementation of the reinvestment fee, review benchmarking data of peer institutions administering similar programs, and to consider options to adjust the fee structure to meet strategic goals. The task force recommended a modification of the reinvestment fee structure as described below, and the recommendation was adopted.

Current Reinvestment Fee:

Since December 2002, all gifts to the Virginia Tech Foundation were charged a 7 percent reinvestment fee to provide unrestricted revenue to help support fundraising costs.

Rationale for Revisiting the Reinvestment Fee

After nearly 15 years, it was important to revisit the fee to ensure that it aligned with key goals:

- Encourage principal gifts
- Support growing alumni participation
- Support endowment growth
- Maintain inflation-adjusted endowment value
- Support future growth of VTF budget

Changes Effective July 1, 2018

- Apply the fee consistently across all areas of the university
- Gifts to current operations and realized bequests: 5 percent Reinvestment Fee
- Endowed gifts and capital gifts: 0% Reinvestment Fee
- The payout on all new endowments on or after July 1, 2018, will be held for 4 quarters, or 12 months, and repurposed as VTF unrestricted revenue to support fundraising costs.
- The endowment administration fee will remain at 0.95 percent with the option to increase it to 1.00 percent, if deemed necessary to support costs.

• The revenue generation model will be re-examined on a regular basis.

Anticipated Outcomes

- Encourage endowed gifts
- Maintain principal of endowed gifts
- Reduce amount of debt required for capital projects
- Increase gift revenue for strategic university needs
- Maintain fee structure to be competitive with peer higher education institutions

2018-20 Appropriation Request Review of Executive Budget Amendments and 2018 General Assembly Session

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

March 12, 2018

Overview of the Appropriations Process

2018-20 Biennial Budget

On September 27, 2017, the university submitted budget requests, based on its approved Six-Year plan, to the Department of Planning and Budget. The requests were considered by the Executive Branch and used to inform the development of the Governor's proposed 2018-20 Executive Budget amendments. Governor McAuliffe presented the Executive Budget amendments on Monday, December 18, 2017. The General Assembly session opened on January 10, 2018 and adjourned on March 10, 2018 without agreement between the House and Senate on the biennial budget. The Governor will now call the legislature back into Special Session to continue work on the state budget.

Traditionally, each chamber of the General Assembly will review the Executive Budget proposal, introduce amendments as necessary, and pass an amended biennial budget proposal to be reviewed by the opposite chamber. As the two chambers' budgets often differ from each other, the budget proposals are taken up by a Conference Committee. The Committee, which is composed of members of each chamber, then produces a compromise budget for final approval in both the House and Senate. Once approved, the Governor has 30 days to review the General Assembly's budget and propose any vetoes for consideration at the reconvened session in April. After final General Assembly approval, the budget becomes a chapter within the current year's Acts of Assembly, and is thereafter referred to as the Appropriation Act.

This report presents the major elements of the Executive Budget proposal and General Assembly actions for the upcoming biennium.

Decision Package Summary

In September 2017, the Office of the Governor instructed agencies to work with their respective Cabinet Secretary to limit submissions of decision packages (budget requests) to those that supported the Governor's policies, primarily advancing the long-term health of the commonwealth's economy.

The university shared the institution's budget priorities with the Office of the Secretary of Education and submitted targeted budget requests to the Department of Planning and Budget in October. The university's budget requests included the following items for 2018-20:

1

		\$s in M	illions
<u>Univ</u>	ersity Division	FY19	FY20
1)	Advance Faculty Salary Competitiveness to the 60th Percentile	\$3.1	\$8.9
2)	Increase Access for Virginia Undergraduates and STEM-H	2.5	4.9
3)	Advance Strategic Research Opportunities	5.0	10.0
4)	Establish Learning Systems Innovations & Effectiveness	0.2	0.4
5)	Expand K-12 Pathways	0.4	0.4
6)	Develop Destination Areas	1.4	3.9
7)	Support Unique Military Activities	0.3	0.3
	Subtotal	12.9	28.8
CE/	AES Division		
1) 2)	Advance Faculty Salary Competitiveness Advance Agricultural and Natural Resources Initiative with	8.0	2.3
,	Public-Private Partnerships	2.5	5.0
	Subtotal	3.3	7.3
	Total Request	\$16.2	\$36.1

A summary of actions included in the Executive Budget that impact Virginia Tech and the higher education operating environment is found in Attachment 1 under the "Executive Budget" column.

2018 General Assembly Session

The General Assembly session opened on January 10, 2018. The 2018-20 Executive Budget is one of the major legislative proposals being considered by the General Assembly. House and Senate members submitted amendments to the proposed Executive Budget Bill by January 12, 2018 for consideration by the respective body's financial committee. Through that process, the university submitted targeted requests for additional funding in support of:

		\$s in N	/lillions
<u>Univ</u>	ersity Division <i>(\$ in millions)</i>	FY19	FY20
1)	Increase Access for Virginia Undergraduates and STEM-H	\$2.5	\$4.9
2)	Advance Health & Life Sciences Research Impact	2.5	5.0
3)	Advance Research in Cybersecurity	0.75	1.5
4)	Advance Research in Data Analytics & Data Sciences	0.75	1.5
5)	Advance Research in Autonomous Systems Research	1.0	2.0
6)	Support Unique Military Activities	0.3	0.3
	Subtotal	7.8	15.2

CE/AES Division

1) Enhance Virginia's Agriculture & Natural Resources Industry	2.5	5.0
Total Request	\$10.3	\$20.2
Capital Requests		
1 Virginia Tech Carilion Biosciences Addition - Equipment	\$	6.1
2 Planning Data Analytics and Decision Sciences Building		4.5
3 Planning Randolph Hall Replacement	1	1.0
Total Capital Request	\$	21.6

General Assembly

The House Appropriations and Senate Finance Committees published their proposed changes to the 2018-20 Executive Budget amendments on February 18, 2018. Because the Conference Committee was unable to reach a compromise on the biennial budget prior to the scheduled adjournment of the General Assembly, the major items impacting the university in both the House and Senate budget proposals are summarized in Attachment 2.

Legislation with Potential Impact

During the 2018 General Assembly session, 3,720 pieces of legislation were considered by lawmakers. The university has followed this legislation, particularly that which may impact the university, and advocated or influenced legislation impacting higher education, when appropriate.

Legislation was proposed on a wide range of higher education-related topics. The following represent a sample of <u>finance-related</u> items that may have an impact on the university, and their final status:

Legislation that passed:

- HB3: Requires the State Board for Community Colleges and Virginia Community College System coordinate with SCHEV, the Department of Education, and the Virginia Association of School Superintendents to develop and implement (i) a plan to achieve and maintain the same standards in dual enrollment courses regarding quality, consistency, and level of evaluation and review as courses offered by associate-degree-granting public institution of higher education; ii) a uniform certificate of general studies program or passport program credit course credit; and iii) a course credit meeting other academic requirements of a public institution of higher education.
- <u>SB568:</u> Requires institutions to provide estimated loan repayment amounts to every student at least once during each academic year.

Legislation that did not pass:

- <u>HB643</u>: Proposed that first responders receive a tuition reduction of 5 percent regardless of the domicile of the individual.
- <u>HB658:</u> Proposed that no student, outside of those participating in a Reserve Officers' Training Corps program, shall be required to live in a campus housing facility.
- <u>HB982</u>: Proposed to eliminate the targeted financial incentives to public institutions
 of higher education and rebased all General Fund appropriations to public
 institutions of higher education based on a new set of metrics.
- <u>HJ80</u>: Directed the Joint Legislative Audit and Review Commission to perform compliance reviews of the management agreements between the Commonwealth and the College of William & Mary, UVA, VCU, and Virginia Tech.
- <u>SB570</u>: Proposed that any member of the Virginia National Guard, regardless of active status or domicile, be eligible for in-state tuition.
- <u>SB824</u>: Requires that institutions provide students and the public an opportunity for public comment during a board of visitors meeting at least 30 days prior to any vote on an increase in undergraduate tuition or mandatory fees.
- <u>Tuition Cap Legislation</u>; Multiple bills were introduced that would have limited institutional authority to set tuition rates. This legislation will be studied by the Joint Subcommittee on the Future Competitiveness of Virginia Higher Education prior to the 2019 session.
 - Implementation of a four-year "class cap" on tuition increases for each incoming cohort, and
 - Capping tuition increases at various external indices including the Consumer Price Index (CPI), the National Average Wage Index (NAWI), the state's median income increase, or the percentage of any state required compensation program.
 - Capping increases for room and board at the CPI.

Future Actions

The Governor will now call the legislature into a Special Session to continue work on the budget.

PROPOSED APPROPRIATIONS FROM THE EXECUTIVE BUDGET AND EACH HOUSE OF THE GENERAL ASSEMBLY

as of February 20, 2018 \$s in Thousands

perating Budget Executive B		Executive Budget House Budge			et Senate Budget			
General Fund	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20		
University Division E&G								
Degrees in Data Science & Technology, Science & Engineering, Healthcare, & Education	-	-	\$ 2,608	\$ 5,216	-	-		
2% Faculty & Staff Raise, Effective December 1, 2019 (Executive)	-	\$ 2,056	-	-	-	-		
2% Faculty & Staff Raise, Effective June 10, 2019 (House)	-	-	-	3,625	-	-		
2% Contingent Faculty & Staff Raise, Effective June 10, 2019 (Senate)	-	-	-	-	-	\$ 3,625		
1% Staff Employee Merit Increase, Effective June 10, 2019 (House)	-	-	-	388	-	-		
Up to 2% Contingent Staff Bonus (House)	-	-	673	-	-	-		
Restoration of Interest Earnings and Credit Card Rebate	\$ 700	700	700	700	\$ 700	700		
Subtotal of Proposed New Fuding for 2018-20	700	2,756	3,981	9,929	700	4,325		
Technical Adjustments to True-Up State Budget for July 1, 2018								
(Not new funding. Reflects state actions funded in 17-18 for compensation and benefit changes)	6,748	6,748	6,748	6,748	6,748	6,748		
Subtotal University Division Operating	7,448	9,504	10,729	16,677	7,448	11,073		
Student Financial Aid								
Virginia Undergraduate Financial Aid	474	1,572	474	1,572	237	786		
Unique Military Activities	-	-	300	300	-	-		
Higher Education Research Initiative								
CyberX - Leasing and Establishment of Hub facility	_	-	_	10,000	-	-		
CyberX - Research Faculty, Entrepreneurship Programs, Internships, & Operations of Hub	_	_	_	15,000	-	-		
CyberX - Virginia Research Investment Fund to Scale Initiative at Hub and Spoke Sites	-	-	-	15,000	-	-		
CyberX - Renovations & Equipment at Hub and Spoke Sites (Capital)	-	-	3,000	7,000	-	-		
Subtotal Higher Education Research Initiative (CyberX)	-	-	3,000	47,000	-	-		
Higher Education Equipment Trust Fund								
Traditional Allocation	10,332	10,332	10,332	10,332	10,332	10,332		
Research Allocation	5,240	5,240	5,240	5,240	5,240	5,240		
Subtotal Equipment Trust Fund	15,572	15,572	15,572	15,572	15,572	15,572		
SUBTOTAL - UNIVERSITY DIVISION	23,494	26,648	30,075	81,121	23,257	27,431		
Cooperative Extension/AES Division (CE/AES)								
Soil Scientist Assistance Program	-	-	200	200	-	-		
Operation & Maintenance of New Facilities	-	-	500	500	-	-		
2% Faculty & Staff Raise, Effective December 1, 2019 (Executive)	-	666	-	-	-	-		
2% Faculty & Staff Raise, Effective June 10, 2019 (House)	-	-	-	1,142	-	-		
2% Contingent Faculty & Staff Raise, Effective June 10, 2019 (Senate)	-	-	-	-	-	1,142		
1% Staff Employee Merit Increase, Effective June 10, 2019 (House)	-	-	-	162	-	-		
Up to 2% Contingent Staff Bonus (House)	-	-	281	-	-	-		
Subtotal of Proposed New Fuding for 2018-20	-	666	981	2,003	-	1,142		
Technical Adjustments to True-Up State Budget for July 1, 2018		0 100						
(Not new funding. Reflects state actions funded in 17-18 for compensation and benefit changes)	2,123	2,123	2,123	2,123	2,123	2,123		
SUBTOTAL - CE/AES DIVISION	2,123	2,789	3,104	4,126	2,123	3,265		
TOTAL OPERATING BUDGET - STATE SUPPORT	\$ 25,617	\$ 29,437	\$ 33,179	\$ 85,247	\$ 25,380	\$ 30,695		

PROPOSED APPROPRIATIONS FROM THE EXECUTIVE BUDGET AND EACH HOUSE OF THE GENERAL ASSEMBLY

as of February 20, 2018 \$ in thousands

Capital Budget	State Support		State Support		State Support	
Mai da a sa Barara Evendo	Φ.	40.574		,,		40.574
Maintenance Reserve FY2019	\$	13,574	\$	13,574	\$	13,574
Maintenance Reserve FY2020		13,574		13,574		13,574
University Division						
Equipment						
VTCRI Biosciences Addition		-		6,100		6,100
Virginia Cooperative Extension/AES Division (VCE/VAES)						
Construction						
Hampton Roads Agricultural Research and Extension Center (AREC)		-	Fu	ıll Project		_

2018 GENERAL ASSEMBLY BUDGET PROPOSALS As of Tuesday, February 20, 2018

The Executive column reflects incremental adjustments to the 2018-20 biennial budget proposed by the Governor.

House and Senate columns reflect incremental changes proposed by each body to the Executive Budget at the end of the Regular Session.

UNIVERSITY OPERATING BUDGET

	Executive	House	Senate
Commonwealth Cyber Initiative - CyberX	N/A	Provides \$50 million over the biennium to create a Commonwealth Cyber Initiative, with Virginia Tech serving as the anchoring institution. Support includes operating and capital funding for the Hub and Spoke institutions/partners.	No change to the Executive Budget.
Enrollment Growth Support	N/A	Proposes funding across the system to grow degrees in four key areas (Data Science & Technology, Science & Engineering, Healthcare, and Education).	No change to the Executive Budget.
		\$2.6 million GF in the first year and \$5.2 million GF in the second year is proposed for Virginia Tech to achieve the following degree growth goals (16-17 is baseline):	
		Data Science & Technology: 30 more awards in the first year and 60 more awards in the second year.	
		Science and Engineering: 50 more awards in the first year and 100 more awards in the second year.	
Unique Military Activities	N/A	No change to the Executive Budget.	
Undergraduate Student Financial Aid	Proposes increased undergraduate student financial aid of \$474,238 (GF) in the first year and \$1,571,790 (GF) in the second year.	No change to amounts in Executive Budget. Language proposed to allow up to 15% of GF received for the Virginia Guaranteed Assistance Program be directed towards students enrolled in Data Science & Technology, Science & Engineering, Healthcare, and Education programs.	Reduces the Executive Budget's proposed increases to Student Financial Aid by 50 percent.

	Executive	House	Senate
E&G Interest Earnings and Credit Card Rebate	Restores financial incentives related to Higher Education Restructuring that had been eliminated; Results in approximately \$700,000 in each year of the biennium.	No change to Executive Budget.	No change to the Executive Budget.
Agency 229 Operating Budget Support	No change	 Proposes \$500k GF in each year to support Operation and Maintenance needs of new facilities. Proposes \$200k GF in each year "to restore the Soil Scientist Assistance Program." 	No change to the Executive Budget.

COMPENSATION & BENEFITS

Faculty and Staff Salary Increase	Proposes a two percent salary increase in the second year of the biennium for all state employees, effective December 1, 2019.	Accelerates proposal of 2 percent across-the-board increase to June 10, 2019. An additional 1 percent merit component is proposed for staff employees on June 10, 2019.	Executive proposal is eliminated. Creates a revenue reserve to be used to offset any downward revision to FY19 and FY20 revenues. If this reserve is not needed to offset downward revenue revisions, the resources shall be used to fund a 2% statewide salary increase effective June 10, 2019.
Staff Employee Contingent Bonus	N/A	Contingent upon FY18 revenues exceeding target by at least \$32.8 million, a one-time bonus of up to 2 percent for staff employees is proposed for December 1, 2018.	No change to the Executive Budget.
Health Insurance	Provides support to cover the Employee share of the projected 6% increase in FY19 and 8.5% increase in FY20.	Eliminates proposed support for Employee share of cost increase, instead opting to supplement the compensation program described above.	No change to the Executive Budget.
Optional Retirement Plan	N/A	Language calls on the Virginia Retirement System, the Department of Accounts, and the universities of higher education to work to develop a methodology to identify and report separately personnel services	Language calls on the Virginia Retirement System, the Department of Accounts, and the universities of higher education to work to develop a methodology to identify and report separately personnel services

Executive	House	Senate
	expenditures for university personnel in positions that use to be classified positions but have been transitioned to university staff positions. Language also proposes surcharge on institutions offering their own optional retirement plan to positions that would have previously been required to participate in the Virginia Retirement System.	positions that use to be classified positions

STATEWIDE INITIATIVES

STATEWIDE INTRATIVES	STATEWIDE INITIATIVES			
Internship Program	N/A	Language is proposed to allow flexibility in the use of state scholarship funding to support students participating in a private sector partner internship program.	Provides \$200k General Fund per year to support internship program. The state grant shall be matched equally by the partner with non-state funding. Goal of program is to support identified workforce needs, research and research commercialization, regional economic growth, job readiness of students, and reduce educational loan debt.	
Higher Education Joint Subcommittee/Restructuring	N/A	House directs Joint Subcommittee on the Future Competitiveness of Higher Education in Virginia to "identify and evaluate policies and processes that facilitate alignment of institutional programs and activities with the strategic economic objectives of the Commonwealth of Virginia and its communities and regions; and (k) identify practices by which institutions can develop public-private partnerships and recruit business organizations and other publicand private-sector partners to assist in accomplishing the foregoing objectives."	on the Future Competitive of Higher	
Statewide Higher Education Finance Plan	N/A	N/A	"The staff of the House Appropriations and Senate Finance Committees will work with the State Council of Higher Education for Virginia staff, the Virginia Economic Development Partnership, and higher education stakeholders to develop a	

	Executive	House	Senate
			statewide higher education finance plan that incorporates the priorities of the Joint Subcommittee. This plan will be a component of the Joint Subcommittee's final report."
Procurement	N/A	Aligns the small purchase threshold for Level III Institutions with the levels set for other state agencies.	No change to the Executive Budget.
Tuition Increase Public Comment	N/A	Proposes requiring at least 30 days notice to students, any parent who has co-signed a student loan, and the public of 1) the projected range of increase in undergraduate tuition or mandatory fees, 2) an explanation of the need for the increase, and 3) the date and location of the board meeting at which those individuals will be permitted to provide public comment in advance of any vote.	No change to Executive Budget.
Equipment Trust Fund	Proposes continuation of current year funding of \$10,331,639 for traditional equipment and \$5,240,458 for research equipment.	No change to Executive Budget.	No change to Executive Budget.
GO Virginia	Proposes additional General Fund support of \$637,000 to increase program administration.	Proposes to increase support by \$5 million GF in the first year and \$10 million in the second year of the biennium. Language also proposes adjustments to award limits, etc.	Eliminates the new funding proposed in the Executive Budget. Authorizes a like amount of funding to be reallocated from existing resources in the Growth and Opportunity Fund.
Virginia Management Fellows Program	Proposes funding for an additional cohort of this two-year program for the upcoming biennium.	No change to Executive Budget.	Retains Executive Budget funding, yet allows the Secretary of Finance to contract with any university for the continuation of the program. Also requires a report to the HAC and SFC on the efficacy of the program.

	Executive	House	Senate
Mandatory Fee Limit	Proposes lowering the current five percent annual limit on increases of non-E&G mandatory to three percent. (As a Level III institution, VA Tech is exempt from this language)		No change to Executive Budget.
Student Loan Ombudsperson	Proposes \$115,333 (GF) in the first year and \$124,000 (GF) in the second year to the State Council for Higher Education in Virginia (SCHEV) for a new student loan ombudsperson to assist borrowers.		No change to Executive Budget.

CAPITAL BUDGET

Capital Projects	No new state support for higher education capital projects.	 Proposes support for Furniture, Fixtures & Equipment for the VT-Carilion Research Institute Biosciences addition. 	Proposes \$6.1 million for Furniture, Fixtures & Equipment for the VT-Carilion Research Institute Biosciences addition.
		 Proposes replacement of the Virginia Tech Agricultural Experiment Station in Hampton Roads in the FY19 statewide capital funding pool. 	
Maintenance Reserve	Proposes funding of \$27,148,422 for the biennium, an increase of \$3.9 million per year over the 2017-18 allocation to the university.	No change to Executive Budget.	No change to Executive Budget.

Review of 2018 Legislative Session

March 25, 2018

CHRIS YIANILOS

EXECUTIVE DIRECTOR OF GOVERNMENT RELATIONS

ELIZABETH HOOPER

DIRECTOR OF STATE GOVERNMENT RELATIONS

DWIGHT SHELTON

INTERIM SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION, VICE PRESIDENT FOR FINANCE AND CFO

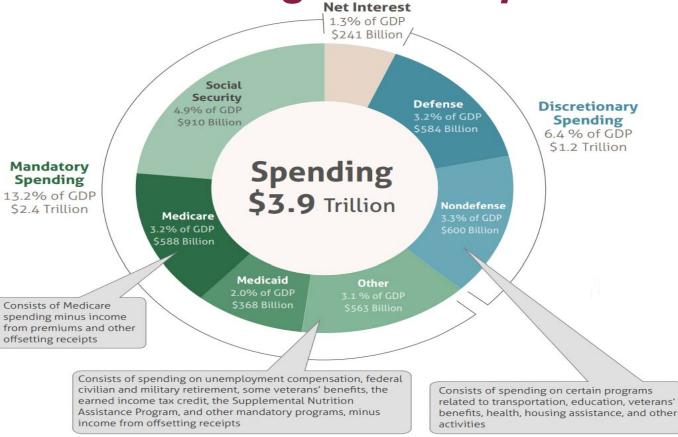


Overview

- Federal Legislative Update
- General Assembly Legislative Update
- 2018-20 State Budget Update
 - Background and Current Events
 - Budget Actions
 - Timeline



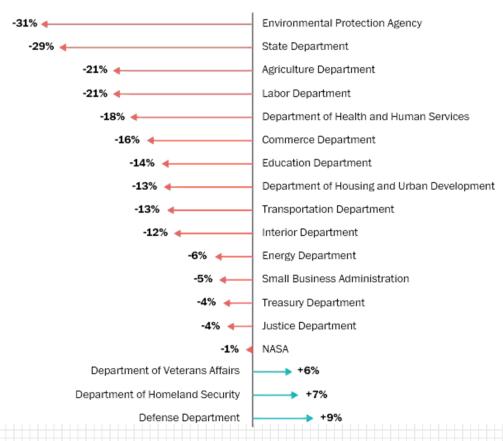
Federal Legislative Update





Federal Legislative Update

Federal Agencies Affected by the Administration's Proposed Budget





General Assembly Legislative Update

Legislation that FAILED TO PASS included:

- Student Housing (HB658) prohibited requiring students, outside of ROTC, to live on-campus
- Higher Education Funding (HB982) re-based state funding around a new (yet undefined) set of performance metrics.
- Restructuring Review (HJ80) called for a JLARC review of Level III management agreements
- <u>Public Comment (HB1473/SB824)</u> required opportunity for public comment prior to any governing board vote on tuition and fee increases.
- <u>Tuition Cap Legislation</u> several bills would have limited institutional authority to set tuition rates:
 - Four-year 'class cap' on tuition increases for each incoming cohort
 - Capping increases at various indices like the CPI or National Average Wage Index.
 - Required discounts for first responders, in-state tuition for National Guard
 - Legislation impacting pricing will be studied by the Joint Subcommittee on the Future Competitiveness of Higher Education prior to the 2019 session.



General Assembly Legislative Update

Legislation that PASSED included:

- Student Directory Information (HB1/SB512) Places requirements around the release of student directory information.
- <u>Dual Enrollment (HB3)</u> requires SCHEV and each public institution to establish:
 - Quality standards for dual enrollment courses.
 - Process to certify these courses as universal transfer courses that satisfy requirements at any public institution.
- <u>Campus Free Speech (HB344)</u> Requires the institution to develop policies and materials related to campus free speech, annually report on such policies, and make the Commonwealth aware of free speech complaints filed in court.
- Open Educational Resources (HB454) Directs the Board of Visitors to develop guidelines for the adoption and use of low-cost and no-cost Open Educational Resources.
- <u>Substance Abuse Advisory Committee (HB852/SB120)</u> Creates statewide Advisory Committee to develop strategic plan for substance use education, prevention, and intervention at Virginia's institutions of higher education.
- 911 Regional Authority (HB1500/SB821) –Virginia Tech and three participating localities may develop funding formula based on usage data.
- <u>Cat and Dog Category E Research (SB28)</u> Prevents the Commonwealth from funding any medically unnecessary category E research using cats or dogs.
- Student Loan Information (SB568) Requires institutions to provide estimated loan repayment amounts to students each year



September 2017

- Governor provided opportunity for limited agency operating budget requests
- University submitted the 2018-24 Six-year Capital Plan
- University submitted nine requests for consideration in Governor's Executive Budget

December 2017	<u>2018-19</u>	<u>2019-20</u>
 Executive Budget Results: dollars in millions Restoration of Restructuring-related Financial Benefits (E&G Interest Earnings and Credit Card Purchase Rebate) 	\$ 0.7	\$ 0.7
 Undergraduate Student Financial Aid Increase 	0.5	1.6
 Maintenance Reserve funding Increase 	3.9	3.9



Environment:

- The economic climate in the state has steadily improved. There was cautious optimism that the state would outperform revenue estimates.
- Continued uncertainty due to federal budget and impact of federal tax reform on state revenue.
- S&P gave Virginia a "negative outlook" due to lack of reserve and structural imbalance

University Budget Amendments to House and Senate:

- Enrollment Growth
- Research Health/Life Sciences, Cybersecurity, Decision Sciences and Data Analytics, Autonomous Systems
- Unique Military Activities Support
- Agriculture & Natural Resources Industry Initiative (Agency 229)
- VTCRI Biosciences Addition Equipment and Furnishings
- Planning for the Data Analytics and Decision Sciences Building
- Planning for the Randolph Hall Renovation/Replacement



2018-20 State Budget Update Executive and Money Committees' Budgets

Incremental General Fund - dollars in millions

	Executive			Executive House				Sen	ate		
University Division E&G (Agency 208)	2018-19	2019-20		2018	-19	2019	-20	2018	-19	2019	9-20
Enrollment Growth	\$ -	\$ -		\$	2.6	\$	5.2	9	\$ -		\$ -
Restoration of Interest Earnings/CC Rebate	0.7	0.7			0.7		0.7		0.7		0.7
Subtotal University Division E&G	0.7	0.7			3.3		5.9		0.7		0.7
Undergraduate Student Financial Aid	0.5	1.6			0.5		1.6		0.2		0.8
Unique Military Activities	_	-			0.3		0.3		-		-
Maintenance Reserve Support	3.9	3.9			3.9		3.9		3.9		3.9
Total University Division	\$ 5.1	\$ 6.2		\$	8.0	\$ '	11.7	\$	4.8	\$	5.4

Totals exclude technical adjustments for current year costs totaling \$6.7 million, which are required to bring the university budget into alignment with the state as of July 1, 2018, and are not new resources. Totals also exclude state funding for proposed compensation and benefit adjustments in the new biennium.



Executive and Money Committees' Budgets

Incremental General Fund – dollars in millions

VCE/VAES Division E&G (Agency 229)

Operation & Maintenance of New Facilities Soil Scientist Assistance Program

Total VCE/VAES Division

	Executive											
	2018-19		2019-20									
	\$	-	\$ -									
		-	-									
7	\$	_	\$ -									

	House												
201	8-19	2019	9-20										
\$	0.5	\$	0.5										
	0.2		0.2										
\$	0.7	\$	0.7										

Senate										
2018-19)	2019-20								
\$	-	\$ -								
	-	-								
\$	_	\$ -								

Totals exclude technical adjustments for current year costs totaling \$2.1 million, which are required to bring the university budget into alignment with the state as of July 1, 2018, and are not new resources. Totals also exclude state funding for proposed compensation and benefit adjustments in the new biennium.



Compensation & Benefits Summary

	Executive	House	Senate
Faculty Salaries	2% increase, December 1, 2019	2% increase, June 10, 2019	2% increase, June 10, 2019 Contingent upon FY19 state revenues
Staff Salaries	2% increase, December 1, 2019	3% increase, June 10, 2019 Up to 2% bonus, December 1, 2018, Contingent upon FY18 state revenues	2% increase, June 10, 2019 Contingent upon FY19 state revenues
Health Insurance	Employee share of increase funded by state/university	No change to traditional employee/employer share of increase.	Employee share of increase funded by state/university

NGF Resource Requirement:

- University Division (Agency 208) is expected to share approximately 60% of the cost in E&G programs, and 100% of the cost in Auxiliary and Sponsored Programs.
- CE/AES (Agency 229) is expected to share approximately 5% of the cost in E&G programs.



Capital Projects Funding Summary

Proposed General Fund Support - dollars in millions

Replace Hampton Roads AREC

VTCRI Biosciences Addition – Equipment and Furnishings

Executive

_

-

House

Funded*

\$ 6.1

Senate

_

6.1

*Project included in construction pool in House Budget. Funding amount is not yet known.



Commonwealth Cyber Initiative (CyberX)

- House Budget provides \$50 million to develop an engine for research, innovation, and commercialization of cybersecurity technologies.
 - Virginia Tech would serve as the anchoring institution, or "Hub", in Northern Virginia.
 - Institutions throughout the Commonwealth would participate as "Spokes".
 - Goal to attract investment and grow talent pipeline in cyber workforce.
 - Proximity is crucial for developing knowledge clusters and innovation ecosystems
 - Facilitates collaboration between students, researchers, and firms to translate ideas into new products and services.



New Partnership Proposal and VBHEC* Outcomes Agreement Proposal

- House Budget would direct the Joint Subcommittee on the Future Competitiveness of Higher Education in Virginia to identify policies and processes to align institutional programs and activities with strategic economic goals of the Commonwealth.
 - Focus on retaining human capital through internships, work-study, and other experiential learning opportunities
 - Language also directs the Joint Subcommittee to evaluate policies and practices related to affordability
- <u>Senate Budget</u> would direct the Joint Subcommittee to develop individual <u>outcome</u> <u>agreements</u> with Level III institutions on goals, initiatives, and mutual expectations to advance strategic objectives of the Commonwealth.
 - Provides authority to Op-Six group to expedite development of pilot outcome agreements in 2018
 - Implementation of pilot agreement would need majority approval from members of the Joint Subcommittee
 - Could include enhanced enrollment autonomy in exchange for state goal achievement

*Virginia Business Higher Education Council



Statewide Internship Pilot Program

- House Budget allows use of existing General Fund scholarship allocation for internships.
 - Prioritizes use for students in Data Science & Technology, Science & Engineering, Health Care, and Education
 - Grant must be matched equally with non-state funding (private partner) and/or by institution with private funds
- Senate Budget provides \$400,000 General Fund over biennium for pilot program.
 - Grants awarded on a competitive basis with criteria determined by SCHEV
 - Grant must involve a private sector partner and be matched equally by non-state funding
 - Designed to meet strategic workforce needs of the Commonwealth, support regional economic growth and diversification plans (GO Virginia), stimulate research and commercialization, and enhance job readiness



Timeline

General Assembly Calendar

- Adjourned on March 10th
 - No final budget was passed
- Governor Northam has called for an April 11th Special Session for General Assembly to complete work on the state budget
- Reconvened (Veto) Session scheduled to begin on April 18th
 - Review Governor vetoes and amendments to legislation



Discussion



Presentation of the University's Annual Financial Report FINANCE AND RESOURCE MANAGEMENT COMMITTEE

February 9, 2018

Fiscal year 2017 represented another successful year in the continued advancement of Virginia Tech's strategic plan, and proactive resource management has enabled the university to maintain a strong financial position. The university received an additional \$11.0 million in General Fund Appropriations and experienced improved returns on investments during fiscal year 2017. The strategic allocation of new and continuing resources and the leveraging of enrollment growth enabled the university to successfully manage the impact of increasing expenditures, while continuing the trend of moderating increases in tuition rates.

Summary of Audit Results

- Unmodified audit opinion (Previously called an Unqualified audit opinion)
- No material weakness in internal controls
- No instances of noncompliance or other matters required to be reported under Government Auditing Standards
- No written audit recommendations involving internal control

Assets, Liabilities and Net Position at June 30, 2017 & 2016 (all dollars in millions)

			Char	nge
	2017	2016	Amount	Percent
Current assets	\$ 220.6	\$ 324.7	\$ (104.1)	(32.1%)
Capital assets, net	1,680.5	1,666.9	13.6	0.8%
Other assets	627.4	511.7	115.6	22.6%
Total assets	2,528.5	2,503.3	25.1	1.0%
Deferred outflows of resources	84.6	58.1	26.5	45.6%
Current liabilities	261.6	262.3	(0.6)	(0.2%)
Noncurrent liabilities	936.1	930.6	5.4	0.6%
Total liabilities	1,197.7	1,192.9	4.8	0.4%
Deferred inflows of resources	13.0	30.2	(17.2)	(57.0%)
Invested in capital assets, net	1,201.3	1,163.8	37.5	3.2%
Restricted	224.5	209.8	14.7	7.0%
Unrestricted	(23.5)	(35.3)	11.8	33.4%
Total net position	1,402.3	1,338.3	64.0	4.8%

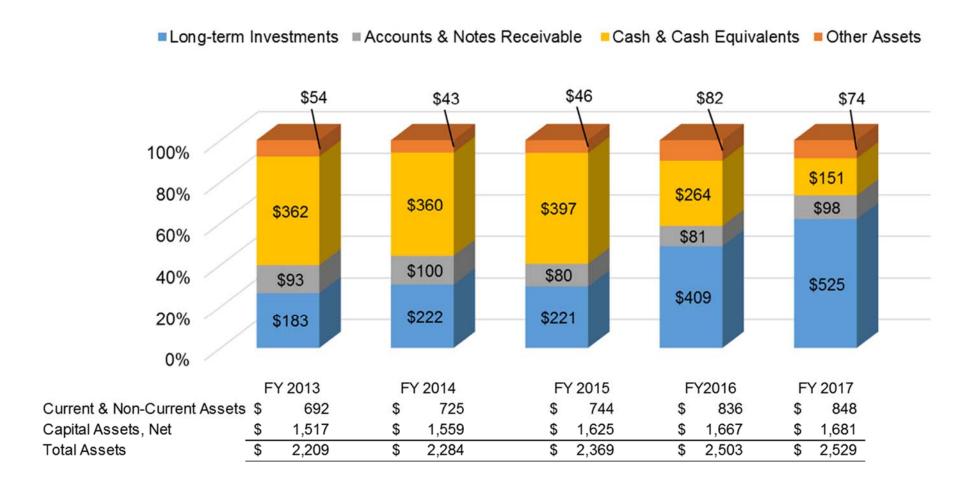
The balance sheet shows positive results for fiscal year 2017 with the key indicators as follows:

- Assets increased by \$25.1 million or 1.0% with the growth occurring in the major components of noncurrent assets. The increase in capital assets, net (\$13.6 million) reflects the ongoing construction and renovation of university research and instructional facilities. The increase in other assets (\$115.6 million) and corresponding decrease in current assets (\$104.1 million) was primarily due to the implementation of the university's strategy to invest more funds in long-term investments.
- Total liabilities increased by \$4.8 million or 0.4%. The current liabilities category decreased by \$0.6 million and the noncurrent liabilities category increased by \$5.4 million. The growth in noncurrent liabilities is primarily due to an increase in the pension liability (\$34.9 million) offset by a reduction in long term debt payable (\$31.1 million).
- The growth in total assets exceeded the growth in total liabilities resulting in a year-over-year increase of the university's net position of \$64.0 million (4.8%), reflecting the university's continued investment in new facilities and equipment supporting the university's missions as well as prudent management of university's fiscal resources.

Composition of Current & Non-Current Assets

Showing the Strategy to Move Cash & Cash Equivalent to Long-Term Investments and Consistent Growth in Assets Over the Past Five Years

(all dollars in millions)



Composition of Current & Non-Current Liabilities

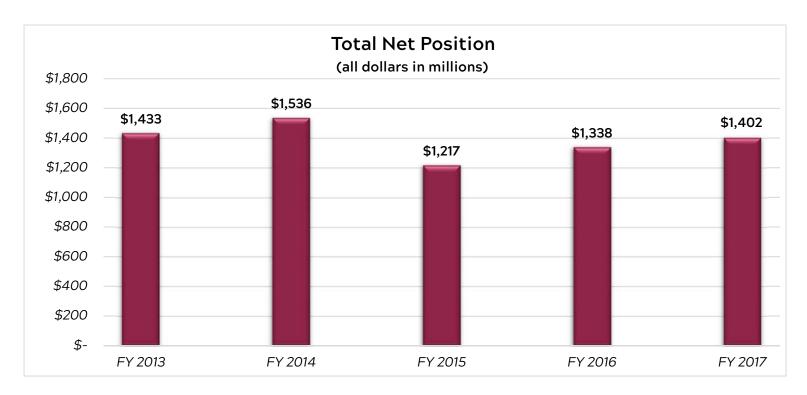
Showing the Impact of GASB* 68 Accounting & Financial Reporting for Pensions (all dollars in millions)



^{*} GASB: Governmental Accounting Standards Board. Beginning in FY 2015, the university had to record pension liability due to the implementation of GASB Statement 68. Prior to FY 2015, this liability was recorded only on the Commonwealth's Comprehensive Annual Financial Report (CAFR).

Trends in Net Position
For the years ended June 30, 2013-2017
(all dollars in millions)

_	FY 2013		FY 2014		FY 2015		_FY	′ 2016	FY 2017	
Capital assets, net of related debt	\$	992	\$	1,057	\$	1,112	\$	1,164	\$	1,201
Restricted, nonexpendable		0		0		0		0		0
Restricted, expendable:										
Capital projects		11		3		6		36		40
Other		147		162		172		173		184
Unrestricted		283		314		(74)		(35)		(24)
Total Net Position		1,433		1,536		1,217		1,338		1,402



Unrestricted Net Position

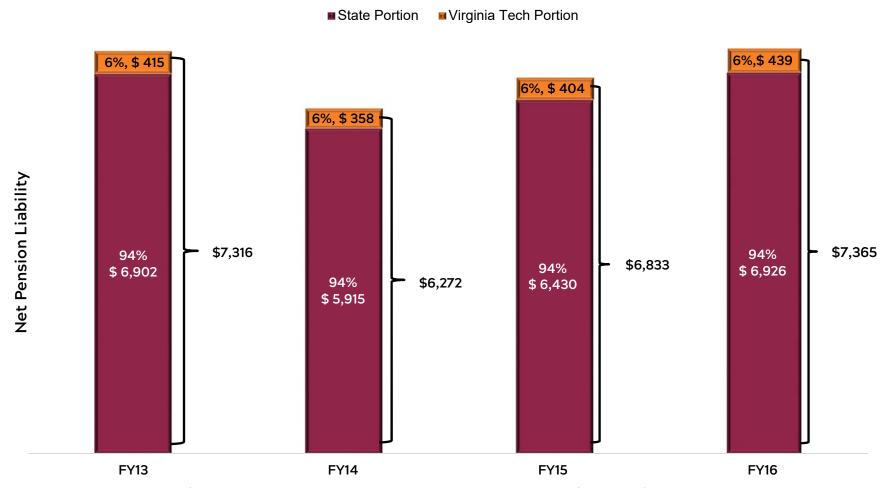
(all dollars in millions)



The cumulative effect of the implementation of GASB 68 reduced unrestricted net position by \$387 million in FY 2015, \$382 million in FY 2016 and by \$376 million in FY 2017.

Impact of the Implementation of GASB 68 on Defined Benefit Pension Plans

(all dollars in millions)



- Measurement dates for pension amounts will always be one year in arrears from the financial statement dates.
- Therefore, for the university's fiscal year 2017 financial statement, the fiscal year 2016 pension information was used. For this period, the total net pension liability for these plans increased by \$531.6 million for the Commonwealth, and correspondingly by \$34.9 million for the university. However, most of the impact on pension expense and net position is deferred to future periods.

Summary of Composition of Investments at June 30, 2017

(all dollars in millions)

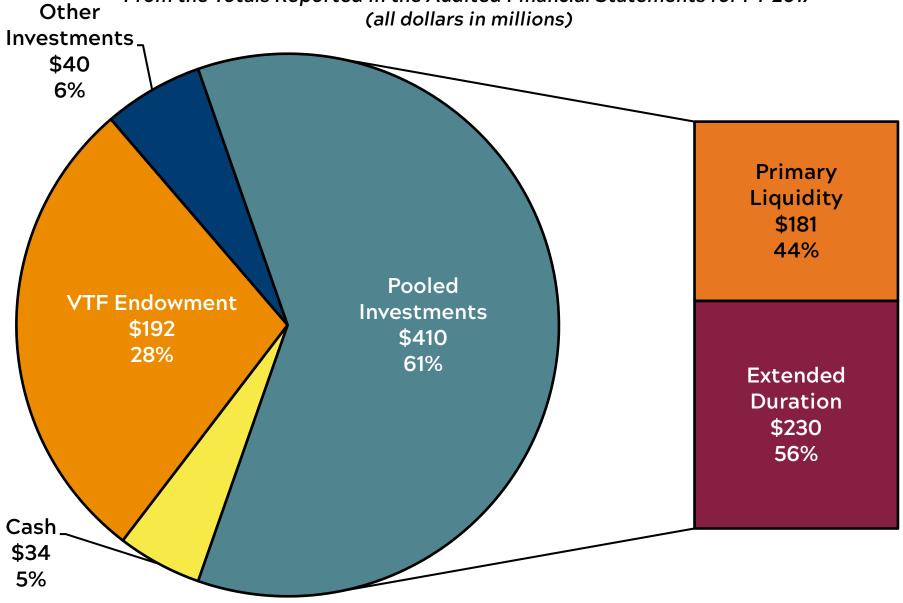
	Cash Equivalents		Short-Term Investments		J		Т	otal
			90	days to				
Description and Credit Rating	<90	days		1 year		1 year		
U.S. Treasury Securities (N/A)	\$		\$	-	\$	35.2	\$	35.2
Debt Securities (Aaa to A3)		-		-		84.0		84.0
Repurchase Agreements		12.7		_		-		12.7
Federal Agency Securities				_				
Unsecured bonds and notes (Aaa)		53.0		-		101.5		154.5
Mortgage backed securities (AAA to Aaa)						58.8		58.8
SNAP		10.6		-		-		10.6
Investments with VTF		1.7				191.5		193.2
Other Investments (Aaa to P-1)		39.3				54.0		93.3
June 30, 2017 Balance	\$	117.3	\$	-	\$	525.0	\$	642.3
June 30, 2016 Balance		202.8		-		408.7		611.5
Change in Investment Balances	\$	(85.5)	\$	-	\$	116.3	\$	30.8

^{*} SNAP funds are non-arbitrage safe harbor investments for unspent tax exempt bond proceeds.

Virginia Tech
Summary Schedule of Cash and Investment Totals
From the Totals Reported in the Audited Financial Statements - June 30, 2017 and June 30, 2016
(dollars in millions)

		Totals at 6/30/2016		
	Current	Noncurrent	Total Cash &	Total Cash &
Financial Statement Totals	Assets	Assets	Investments	Investments
Cash	8.4	25.8	34.1	61.4
Cash equivalents (< 90 days)	93.1	24.2	117.3	202.8
Total Cash & Cash equivalents	101.5	50.0	151.4	264.1
Short-term Investments (>90 days < 1 year)	-	-	-	-
Long-term Investments (> 1 year)				
Invested in the VTF Endowment Pool		191.5	191.5	129.9
Invested with other investment managers		333.5	333.5	278.8
Total Long-term Investments		525.0	525.0	408.7
Grand totals Cash & Investments	101.5	574.9	676.4	672.8

Schedule of Cash & Investments by Investment Pool From the Totals Reported in the Audited Financial Statements for FY 2017 (all dollars in millions)

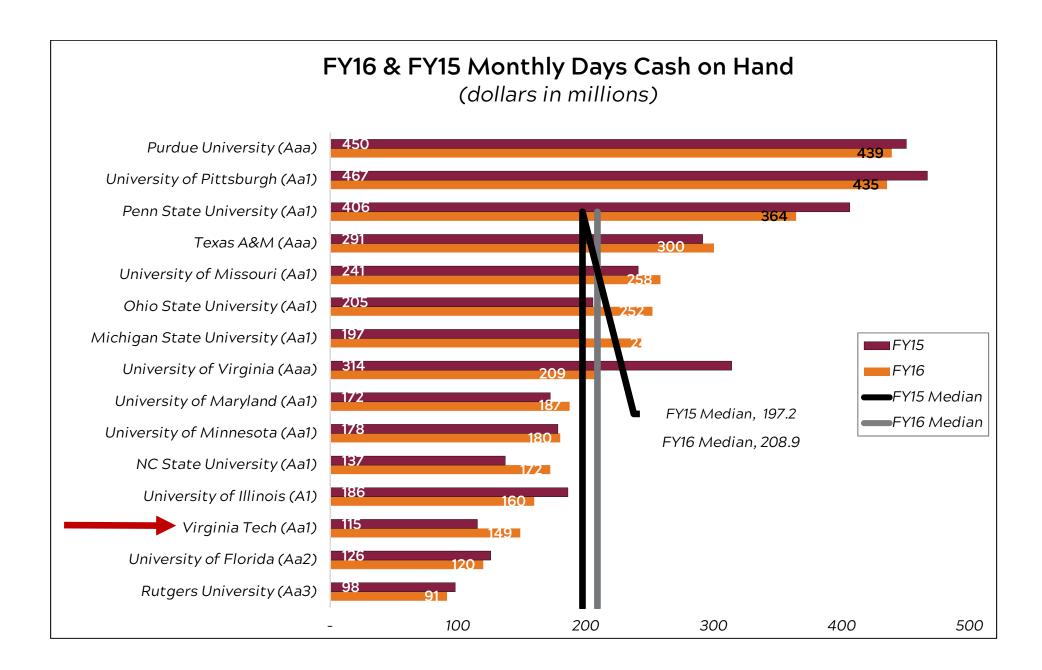


Ongoing Investments in Capital Assets Summary Changes in Capital Assets for the year ending June 30, 2017

(all dollars in millions)

	Beginning Balance	Additions	Retirement s	Ending Balance
Depreciable capital assets				
Buildings (includes capital leases)	\$1,737.3	\$52.8	\$2.2	\$1,787.9
Moveable equipment	518.4	46.8	22.8	542.4
Software and intangible assets	22.3	4.4	0.1	26.6
Fixed equipment	132.5	2.5	3.5	131.5
Infrastructure	124.5	1.6	0.6	125.6
Library books	<i>7</i> 7.5	0.6	0.8	77.4
Total depreciable capital assets, at cost	2,612.5	108.8	29.9	2,691.3
Less accumulated depreciation				
Total accumulated depreciation	1,145.0	101.3	26.4	1,219.9
Total depreciable capital assets,	1,467.5	7.5	3.5	1,471.4
Nondepreciable capital assets	·			·
Land	46.5	0.4	0.0	46.8
Livestock	0.6	0.0	_	0.6
Construction in progress	148.4	62.3	53.2	157.5
Equipment in process	3.1	3.3	2.7	3.7
Software in development	0.9	0.0	0.5	0.4
Total nondepreciable capital assets	199.4	66.1	56.3	209.1
Total capital assets, net	\$1,666.9	\$73.5	\$59.9	\$1,680.5

Major projects comprising "Construction in Progress": Upper Quad residential facilities (\$80.1 million), athletic facility improvements (\$8.4 million), renovation of Sandy Hall, the Liberal Arts Building, and the front section of Davidson Hall (\$6.8 million), improvement of door access in residence halls (\$6.7 million), the Biocomplexity Institute's data center expansion in Steger Hall (\$5.2 million), and on-going capital renovations throughout the university (\$50.3 million).



Monthly Days Cash on Hand measures the number of days a university is able to operate (cover its cash operating expenses) from unrestricted cash and investments that can be liquidated within one month.

Summary of Revenues, Expenses, and Changes in Net Position For the years ending June 30, 2017 and 2016

(all dollars in millions)

				Char	ige	
2017		2016		Amount		Percent
	_					
\$	1,031.5	\$	1,020.6	\$	10.9	1.1%
	1,364.7		1,315.4		49.3	3.7%
	(333.2)		(294.8)		(38.4)	13.0%
	261.7		250.7		11.0	4.4%
	93.5		67.3		26.2	38.9%
	355.2		318.0		37.2	11.7%
	22.0		23.2		(1.2)	(5.2%)
	42.0		98.4		(56.4)	(57.3%)
	64.0		121.6		(57.6)	(47.4%)
	1,338.3		1,216.7		121.6	10.0%
\$	1,402.3	\$	1,338.3	\$	64.0	4.8%
	\$ 	\$ 1,031.5 1,364.7 (333.2) 261.7 93.5 355.2 22.0 42.0 64.0 1,338.3	\$ 1,031.5 \$ 1,364.7 (333.2) 261.7 93.5 355.2 22.0 42.0 64.0 1,338.3	\$ 1,031.5 \$ 1,020.6 1,364.7 1,315.4 (333.2) (294.8) 261.7 250.7 93.5 67.3 355.2 318.0 22.0 23.2 42.0 98.4 64.0 121.6 1,338.3 1,216.7	\$ 1,031.5 \$ 1,020.6 \$ 1,364.7	\$ 1,031.5 \$ 1,020.6 \$ 10.9 1,364.7 1,315.4 49.3 (333.2) (294.8) (38.4) 261.7 250.7 11.0 93.5 67.3 26.2 355.2 318.0 37.2 22.0 23.2 (1.2) 42.0 98.4 (56.4) 64.0 121.6 (57.6) 1,338.3 1,216.7 121.6

Operating loss: Under GASB reporting, public universities will always show an operating loss because state appropriations, gifts and investment income are all considered non-operating revenues.

Increase (Decrease) in Revenues For the years ending June 30, 2017 and 2016

(all dollars in millions)

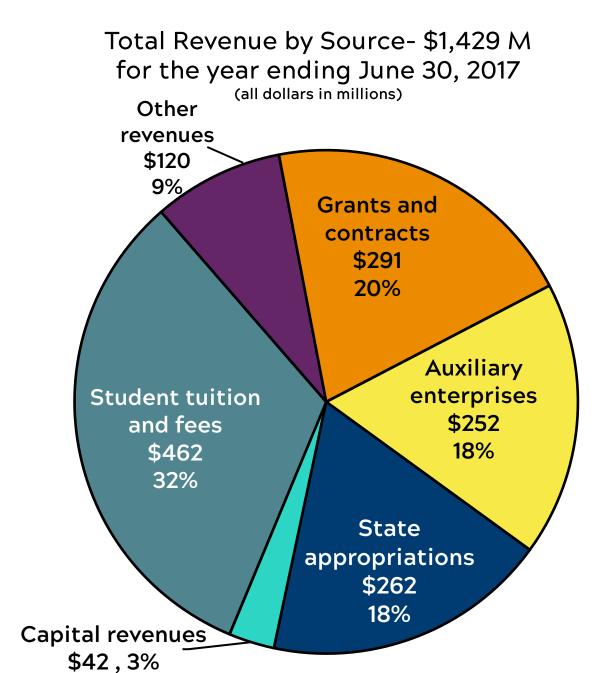
					Change		
	2017			2016		unt	Percent
Operating revenues							
Student tuition and fees, net	\$ 4	161. <i>7</i>	\$	449.2	\$ 12	2.5	2.8%
Grants and contracts	29	90.8		301.9	(1	1.1)	(3.7%)
Auxiliary enterprises	2	251.9		244.3	7	.6	3.1%
Other operating revenue		27.1		25.2	1	.9	7.5%
Total operating revenues	1,0	31.5	1,	020.6	10.	.9	1.1%
Non-operating revenues							
State appropriations	2	261.7		250.7	11	Ο.	4.4%
Other non-operating revenue		93.5		67.3	26	5.2	38.9%
Total non-operating revenues	35	55.2		318.0	37	.2	11.7%
Other revenues							
Capital appropriations		_		36.9	(36	.9)	(100.0%)
Capital grants and gifts		44.5		65.9	(21	<mark>.4)</mark>	(32.5%)
Loss on disposal of capital asse		(2.5)		(4.4)	1	.9	(43.2%)
Total capital revenue, gains		12.0		98.4	(56.	.4)	(57.3%)
Total revenues	\$1,42	28.7	\$1,	437.0	\$ (8	<mark>.3)</mark>	(0.6%)

Operating revenues increased by \$10.9 million or 1.1%. This growth came primarily from two categories: (1) Student tuition & fees (\$12.5 million or \$2.8%) was expected given an increasing student population and the rise in both in-state and out-of-state tuition and fees rates. (2) The growth in auxiliary enterprise revenue (\$7.6 million or 3.1%) followed a similar pattern.

Non-operating revenues increased by \$37.2 million primarily from increases in state appropriations (\$11.0 million), and greater returns on investments (\$17.6 million).

Other Revenues: Capital appropriations were not received in the current year.

Capital grants and gifts decreased by \$21.4 million, largely due to a reduction in revenue from the 21st Century bond programs (\$22.7 million) as a result of completing the new classroom building and a small decrease in the private gifts and capital grants and contracts.



Changes in Operating Expenses by Function

For the years ending June 30, 2017 and 2016

(all dollars in millions)

						Cha	inge
	2017		2016			Amount	Percent
Instruction	\$ 3.	58	\$	336	•	\$ 22	7%
Research	3	311		317		(6)	(2%)
Public service	9	98		100		(3)	(3%)
Auxiliary enterprises	2	219		203		16	8%
Subtotal	98	86		956	•	30	3%
Support, maintenance, and other expenses							
Academic support		87		82		6	7%
Student services		19		16		2	15%
Institutional support	•	70		63		7	11%
Operations and maintenance of plant		85		84		1	1%
Student financial assistance*		17		14		2	15%
Depreciation and amortization	1	101		100		1	1%
Total support, maintenance, and other expense	3	79		360	•	20	6%
Total operating expenses	\$ 1,36	65	\$	1,315	- :	\$ 49	4%

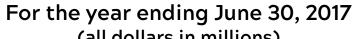
^{*}Includes loan administrative fees and collection costs.

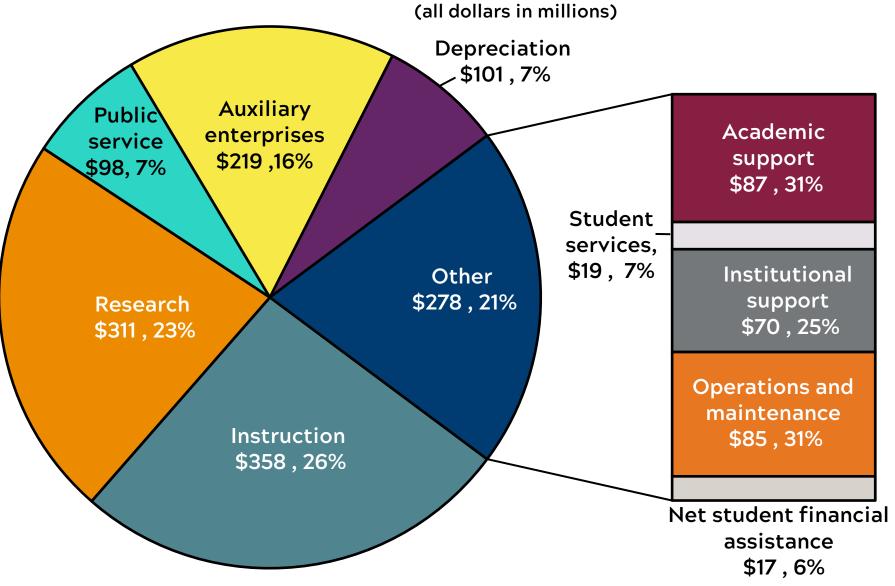
Instruction had the largest increase (\$22 million), of which the majority occurred in the compensation and benefits category, reflecting the university's commitment to maintaining a high quality faculty and staff.

Auxiliary also saw a significant growth (\$16 million) spread across several categories including compensation and benefits and contractual services.

Research expenditures decreased slightly primarily due to a decrease in Federal grants and contracts expenditures.

Total Operating Expenses by Function - \$1,365 M





Changes in Expenses by Natural Classification For the years ending June 30, 2017 and 2016

(all dollars in millions)

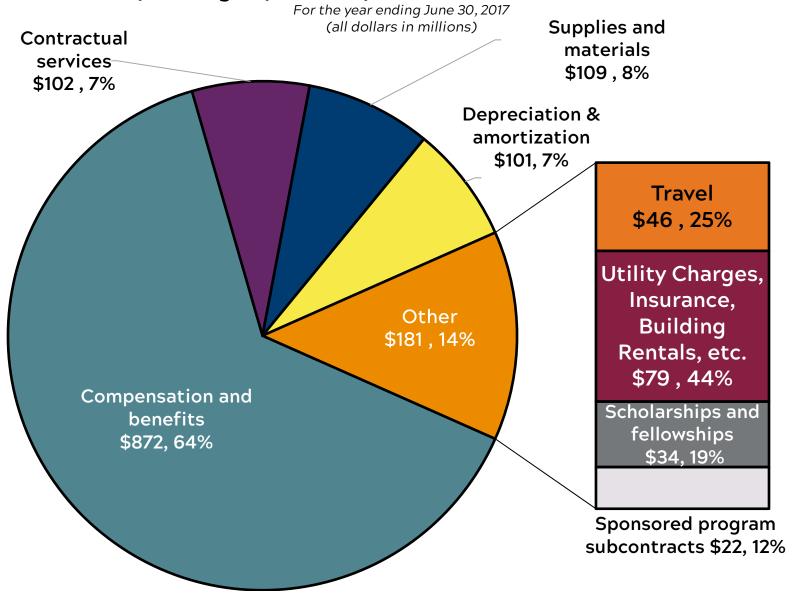
		_				Change				
		2017		2016		Amount		Percent		
Compensation and benefits	\$	872	\$	830		\$	42	5%		
Contractual services		102		87			15	17%		
Supplies and materials		109		107			2	2%		
Travel		46		44			2	5%		
Other operating expenses		79		83			(4)	(5%)		
Scholarships and fellowships *		34		32			2	7%		
Sponsored program subcontract	S	22		33			(11)	(33%)		
Depreciation and amortization		101		100	_		1	1%		
Total operating expenses		1,365	\$	1,315		\$	49	4%		

Compensation and benefits comprised \$871.9 million or 63.9% of the university's total operating expenses. This category increased by \$42.2 million (5.1%). The general salary increase funded by the commonwealth was the major contributor to the increase in this category, along with increased costs of fringe benefits.

Contractual services increased by \$14.5 million with the growth spread across various contractual services accounts with some larger increases in auxiliaries.

*Includes tuition remission charged to grants and contracts and financial aid included in other programmatic categories.

Total Operating Expenses by Natural Classification - \$1,365 M



Long-term Debt Payable Activity as of June 30, 2017

(all dollars in millions)

	Beginning						Ending		Current	
_	Ba	alance Additions F		Retirements		Balance		Portion		
Bonds payable										
Section 9(c) general obligation revenue bond	\$	144.8	\$	53.1	\$	63.8	\$	134.1	\$	8.0
Section 9(d) revenue bonds		64.6		-		3.0		61.6		2.8
Notes payable		241.4		38.5		52.8		227.1		16.1
Capital lease and installment purchase obliga		74.7		0.2		3.5		71.4		3.7
Total long-term debt payable	\$	525.5	\$	91.8	\$	123.1	\$	494.2	\$	30.6
Current year debt defeasance				(91.6)		(87.9)				
Total additions/retirements, net of current ye	ar def	easance	\$	0.2	\$	35.2				

The Commonwealth, on behalf of the university, refinanced approximately 17% of the outstanding debt during fiscal year 2017.

Sponsored Programs

For the years ending June 30, 2013 - 2017 *(all dollars in millions)*

	2013	2014	2015	2016	2017
Number of awards received	2,272	2,443	2,189	2,291	2,423
Value of awards received	\$ 271.1	\$303.6	\$296.6	\$278.1	\$304.3
Research expenditures reported to NSF	\$496.2	\$ 513.1	\$ 504.3	\$521.8	\$ 522.4
NSF Rank	38	39	44	43	N/A*

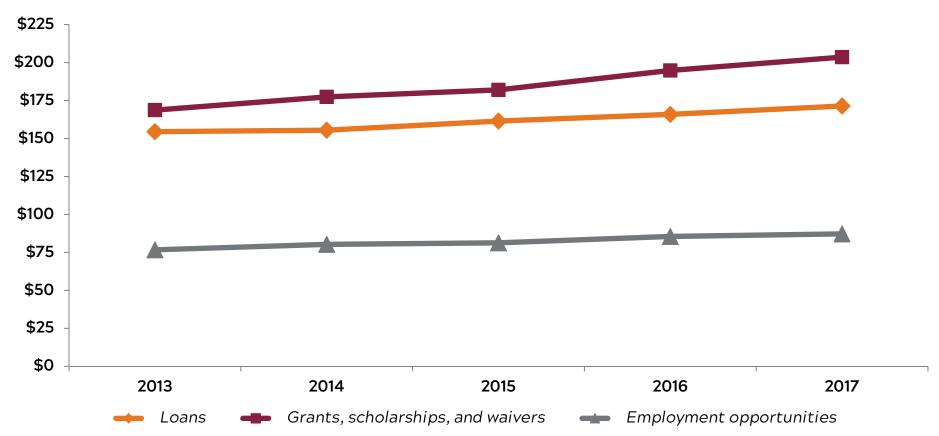
Student Financial Aid

For the years ending June 30, 2013-2017

	2013	2014	2015	2016	2017
Number of students receiving selected types of financial					
Loans	12,506	12,279	12,253	12,282	12,430
Grants, scholarships, and waivers *	18,353	18,305	18,242	18,409	18,746
Employment opportunities	9,935	10,329	10,437	10,934	11,201
Total amounts by major category, (all dollars in millions)					
Loans	\$ 154.5	\$ 155.5	\$ 161.5	\$ 165.9	\$ 171.4
Grants, scholarships, and waivers*	168.7	177.4	182.0	194.8	203.6
Employment opportunities	76.7	80.3	81.3	85.5	87.2
Total Financial Aid	\$399.9	\$413.2	\$424.8	\$446.2	\$462.2

^{*}Periods prior to 2014-2015 have been restated to remove prepaid awards from the scholarships total.

Student Financial Aid For years ending June 30, 2013 - 2017 (all dollars in millions)



Virginia Tech students have lower debt than the national average. Fifty-one percent of the undergraduate Virginia Tech Class of 2016 borrowed an average of \$28,884. While comparative national data is not yet available, the average debt of graduates at national public and nonprofit four-year institutions has been three to five percent higher than Virginia Tech graduates for the last several years.

Conclusion:

Despite a challenging financial landscape, the university continues to make progress on several fronts including the following:

- Continued investment in facilities supporting the university's strategic plan with the prudent use of debt financing.
- Strong student demand the university continues to have growth in applications and the successive improvements of overall quality of each entering class.
- Moderation in tuition rate increases has enabled the university to maintain its competitive advantage over peer institutions. With a total cost (including room and board) of \$21,276 per year for Virginia undergraduates. Virginia Tech ranked 9th among Virginia four-year public institutions, and 17th out of a group of 24 SCHEV public peer institutions in 2016-17.
- Virginia Tech's NSF research ranking was 43rd in 2016.
- Continued growth in unrestricted net position despite the impact of GASB 68 for pension liabilities. However, in fiscal year 2018 GASB 75 (Accounting & Financial Reporting for Postemployment Benefits other than Pensions) will become effective and will require the university to recognize an additional liability for Other Post-Employment Benefits (OPEB).



Successful Audit & Strong Financial Position

Unmodified audit opinion

No material weakness or audit recommendation involving internal controls

No instances of noncompliance







No written audit recommendations Involving internal control



Aa1 and AA Credit Rating



Target AA- or Better

3.67% Debt Ratio

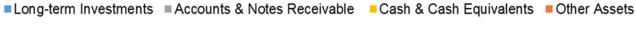


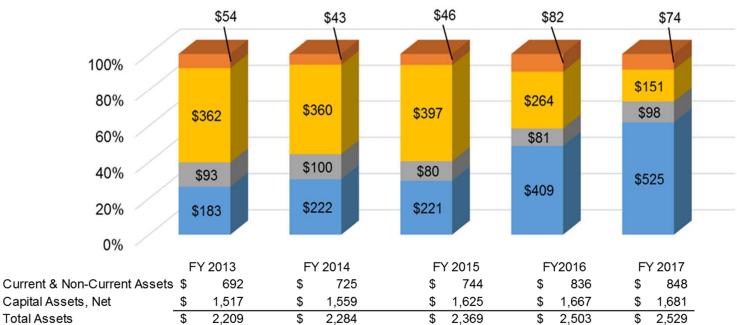
Target 5% or Below



Composition of Current & Non-Current Assets Showing the Strategy to Move Cash & Cash Equivalent to Long-Term Investments and Consistent Growth in Assets Over the Past Five Years

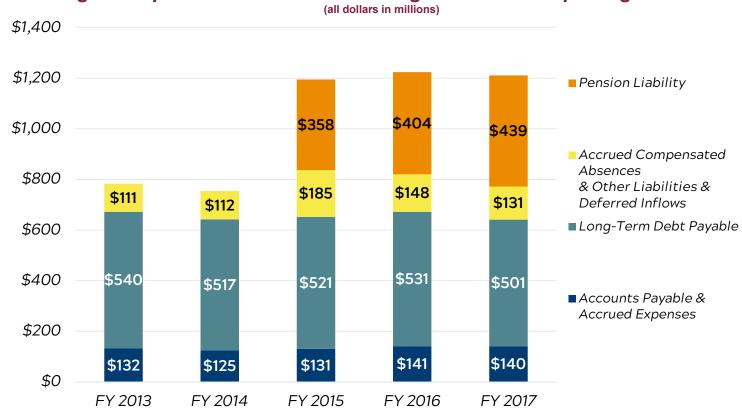
(all dollars in millions)







Composition of Current & Non-Current Liabilities Showing the Impact of GASB 68 Accounting & Financial Reporting for Pensions





Summary of Revenues, Expenses, and Changes in Net Position For the years ending June 30, 2017 and 2016

(all dollars in millions)

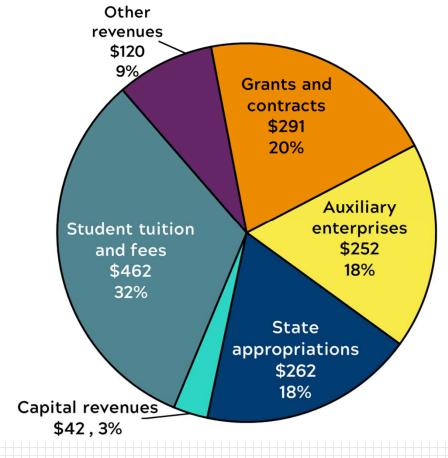
					Chang		ige
		2017		2016		mount	Percent
Operating revenues Operating expenses	\$	1,031.5	\$	1,020.6	\$	10.9	1.1% 3.7%
Operating loss		(333.2)		(294.8)		(38.4)	13.0%
State appropriations		261.7		250.7		11.0	4.4%
Other non-operating revenues and expenses		93.5		67.3		26.2	38.9%
Non-operating revenue		355.2		318.0		37.2	11.7%
Income before other revenues & expenses		22.0		23.2		(1.2)	(5.2%)
Other revenues, expenses, gains or losses		42.0		98.4		(56.4)	(57.3%)
Increase in net position		64.0		121.6		(57.6)	(47.4%)
Net position - beginning of year		1,338.3		1,216.7		121.6	10.0%
Net position - end of year	\$	1,402.3	\$	1,338.3	\$	64.0	4.8%

Operating loss: Under GASB reporting, public universities will always show an operating loss because state appropriations, gifts and investment income are all considered non-operating revenues.



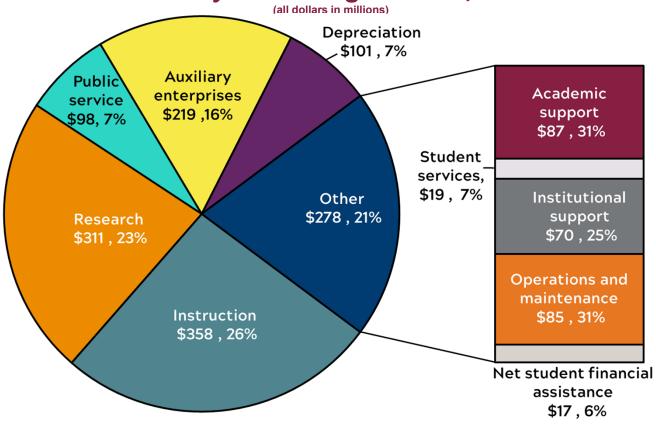
Total Revenue by Source - \$1,429 M for the year ending June 30, 2017

(all dollars in millions)





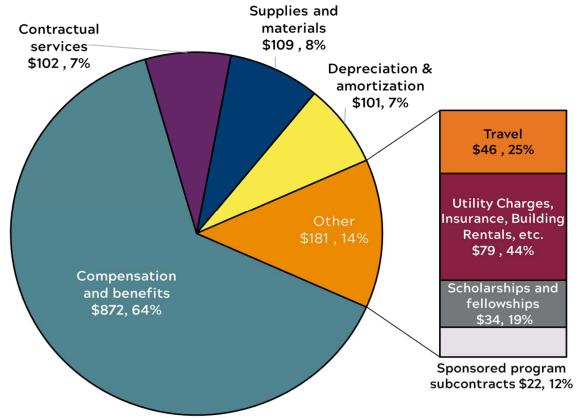
Total Operating Expenses by Function - \$1,365 M for the year ending June 30, 2017





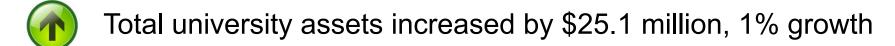
Total Operating Expenses by Classification - \$1,365 M for the year ending June 30, 2017

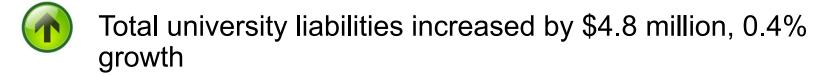






Snapshot of Financial Position





Total net position grew by 4.8% or \$64.0 million

Capital assets \$37.5 million

Restricted \$14.7 million

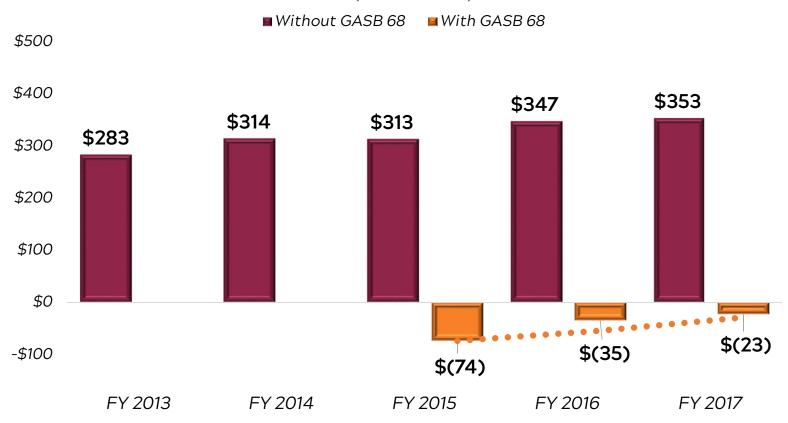
Unrestricted \$11.8 million

\$64.0 million



Unrestricted Net Position

(all dollars in millions)





Conclusion

Continued Investment in Facilities



Strong Student Demand



Moderate Tuition Increases



Ranked 43rd in 2016 NSF Research Ranking



Continued Growth in Net Position



GASB 75 Will Require Additional FY 2018 Liability Adjustments (OPEB)





Presentation of Auditor of Public Accounts Intercollegiate Athletics Programs Report for Year Ended June 30, 2017

FINANCE AND RESOURCE MANAGEMENT COMMITTEE AND COMPLIANCE, AUDIT, AND RISK COMMITTEE

February 9, 2018

The Auditor of Public Accounts (APA) performed certain agreed-upon procedures to evaluate whether the Schedule of Revenues and Expenses of Intercollegiate Athletics Program of the university is in compliance with National Collegiate Athletic Association (NCAA) Constitution 3.2.4.15.1, for the year ended June 30, 2017. The APA did not perform an audit of the financial statements of the Intercollegiate Athletics Programs, so no opinion was issued. The APA performed procedures that addressed internal controls, affiliated and outside organizations, Schedule of Revenues and Expenses of Intercollegiate Athletics Programs (Schedule), and separate procedures for specific revenues and expenses. During the APA review, no matters were brought to the APA's attention that would lead them to believe the amounts on the Schedule of Revenues and Expenses should be adjusted.

The purpose of the Schedule is to present a summary of revenues and expenses of the intercollegiate athletics programs of the university for the year ended June 30, 2017. Total revenues of the Intercollegiate Athletics Programs for the year ended June 30, 2017 were \$87.4 million with the majority of the revenues coming from the football and basketball programs. Expenses for the year were \$90.7 million, resulting in an operating deficit of \$3.3 million. The following attachments provide additional information regarding athletic finances:

- Attachment A displays the five-year trend analysis of athletic revenues and expenses.
 The analysis indicates an upward slope in both revenues and expenses with a deficit in fiscal years 2016 and 2017.
- Attachment B shows the five-year trend for the net income/deficit. The current year
 deficit occurred primarily due to the decision to use funds other than gifts to fund
 scholarships as explained below.
- Attachment C offers a breakout of fiscal year 2017 net operating income by athletic program, showing how the proceeds from football and men's basketball support other athletic programs.
- Attachment D is the report issued by the APA on Intercollegiate Athletics Programs for the year ended June 30, 2017.

As with all auxiliaries, the university requires the Athletic Department to maintain adequate fund balances or reserves necessary to protect operations from volatility of changes in athletic program revenues and to serve as a contingency fund. Any proposed use of reserve funds must be approved in advance through the budget process. In fiscal year 2017 a use of reserves was approved, in part, to cover an expected scholarship fundraising shortfall anticipated at the beginning of the fiscal year. Athletic scholarships are primarily funded by

gifts, and less than 20 percent of those gifts are from endowment income, which tend to have predictable annual distributions. Therefore, the majority of scholarships are funded by revenues generated from annual fundraising campaigns, which tend to be less predictable. In addition, such gifts tend to be received mainly in the latter part of each fiscal year (between December and March). If the fundraising campaign falls short of budgeted targets, the athletic department must use a combination of current year operating revenues or athletic department reserves to make up the shortfall.

For fiscal year 2017, athletics department approved budget authorized the use of \$4 million from other operating funds to cover scholarship expenses, since on July 1, 2016, only \$1.7 million of cash from gifts was available for scholarships. The gift resources at that time were insufficient to cover the athletic scholarship expenses for the Fall 2017 semester. However, as the year progressed, the fund raising campaign for fiscal year 2017 exceeded the budgeted target and the cash balance held by the Virginia Tech Foundation, Inc. at June 30, 2017 to fund athletic scholarships was approximately \$7.3 million. The contribution revenue for these funds will be recognized in fiscal year 2018 when the Athletic department will transfer these resources from the Foundation to fund scholarships.

See page 8 of Attachment D for the Schedule of Revenues and Expense of Intercollegiate Athletics Programs for the year ended June 30, 2017.

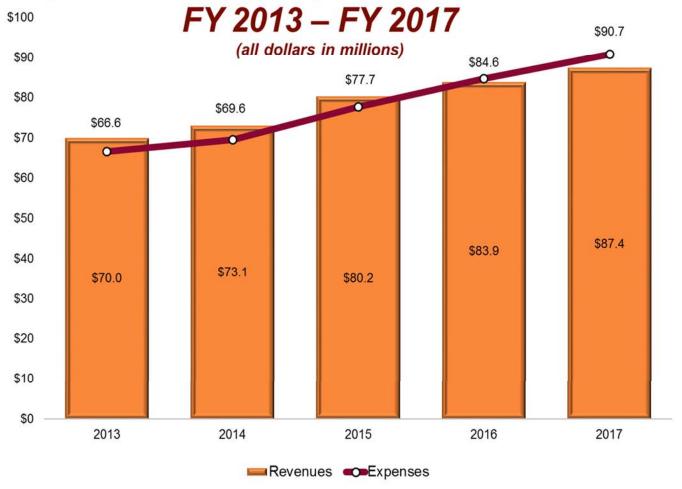
Additional Activities related to NCAA Reporting

House Bill 1897 passed by the 2015 General Assembly prohibits the total of school funds and student fees used to support intercollegiate athletics programs from exceeding a certain percentage of athletics revenues. The bill requires any school that violates this prohibition to submit to the General Assembly a five-year plan for coming into compliance. Virginia Tech participated in a statewide "athletic task force" as required by Section 23-1.2 Code of Virginia, to develop and implement a standardized reporting format for each higher education institution in Virginia to annually report its intercollegiate athletics revenue and expenses to the APA. This new standardized report will be utilized to assess compliance with the requirements of HB1897. These percentages are larger for smaller institutions which do not have significant ticket sales or conference distributions. The first measurement period for evaluating HB 1897 is fiscal year 2017. The university has received no further communication from the APA regarding reporting of Athletic revenues and expenses.

Virginia Tech does not anticipate having to make any significant changes to comply with the task force guidance. Additionally, since the university's athletic fees are the lowest in the Commonwealth, the university should not be effected by the fixed percentage of fees ceiling required by the legislation. For Virginia Tech, essentially the requirement states that student fees must remain below 20 percent of total athletic revenues. For fiscal year 2017, student fees were 10.1 percent of total revenues.

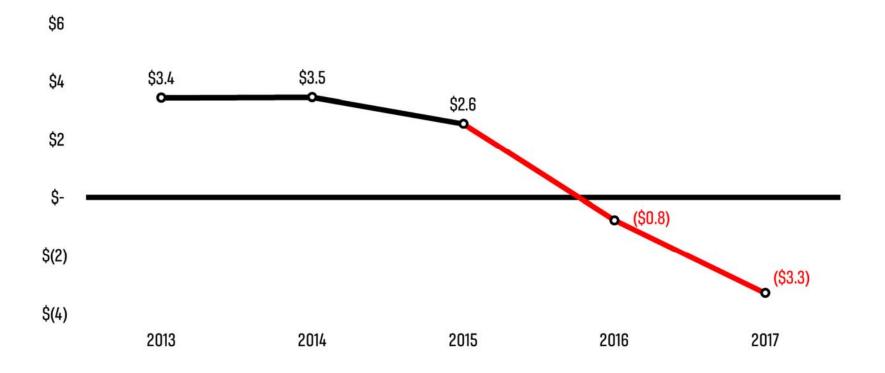
The second requirement in the legislation states that any percentage increase in student fees must be matched by a similar increase in all other revenues, as calculated on a five year rolling average. Traditionally, the university has kept athletic fee increases very low, but this new requirement must be kept in mind for future increases.

Intercollegiate Athletic Programs Revenue & Expenses



Intercollegiate Athletic Programs Net Operating Income (Deficit) FY 2013 – FY 2017

(all dollars in millions)



Intercollegiate Athletic Programs Net Operating Income (Deficit) FY 2017

	Revenue	venue Expenses		Net Income/Deficit		
Football	\$ 54,251,228	\$	30,878,285	\$	23,372,943	
Men's Basketball	9,964,883		9,754,587		210,296	
Women's Basketball	1,443,287		4,810,669		(3,367,382)	
Other Sports	21,768,122		45,272,880		(23,504,758)	
	\$ 87,427,520	\$	90,716,421	\$	(3,288,901)	

Other Sports is the total of Men's Other Sports, Woman's Other Sports, and Non-Program Specific activities as displayed on the "Schedule of Revenues and Expenses of Intercollegiate Athletics Programs" on the NCAA report. There are 16 other sports programs such as baseball, softball, golf, tennis, track & field, etc.









VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

INTERCOLLEGIATE ATHLETICS PROGRAMS FOR THE YEAR ENDED JUNE 30, 2017

Auditor of Public Accounts Martha S. Mavredes, CPA www.apa.virginia.gov

www.apa.virginia.gov (804) 225-3350



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Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295 Richmond, Virginia 23218

January 16, 2018

The Honorable Ralph S. Northam Governor of Virginia

The Honorable Robert D. Orrock, Sr. Chairman, Joint Legislative Audit
And Review Commission

Timothy D. Sands
President, Virginia Polytechnic Institute
And State University

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the President of Virginia Polytechnic Institute and State University, solely to assist the University in evaluating whether the accompanying Schedule of Revenues and Expenses of Intercollegiate Athletics Programs of the University is in compliance with National Collegiate Athletic Association (NCAA) Constitution 3.2.4.15.1, for the year ended June 30, 2017. University management is responsible for the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs (Schedule) and the Schedule's compliance with NCAA requirements. The sufficiency of the procedures is solely the responsibility of the University. Consequently, we make no representation regarding sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Agreed-Upon Procedures Related to the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs

Procedures described below were limited to material items. For the purpose of this report, and as defined in the agreed-upon procedures, items are considered material if they exceed four percent of total revenues or total expenses, as applicable. The procedures that we performed and our findings are as follows:

Internal Controls

- We reviewed the relationship of internal control over Intercollegiate Athletics Programs
 to internal control reviewed in connection with our audit of the University's financial
 statements. In addition, we identified and reviewed those controls unique to
 Intercollegiate Athletics Programs, which were not reviewed in connection with our audit
 of the University's financial statements.
- Intercollegiate Athletics Department management provided a current organizational chart. We also made certain inquiries of management regarding control consciousness, the use of internal audit in the department, competence of personnel, protection of records and equipment, and controls regarding information systems with the information technology department.
- 3. Intercollegiate Athletics Department management provided us with their process for gathering information on the nature and extent of affiliated and outside organizational activity for or on behalf of the University's Intercollegiate Athletics Programs. We tested these procedures as noted below.

Affiliated and Outside Organizations

- 4. Intercollegiate Athletics Department management identified all intercollegiate athletics-related affiliated and outside organizations and provided us with copies of audited financial statements for each such organization for the reporting period.
- 5. Intercollegiate Athletics Department management prepared and provided to us a summary of revenues and expenses for or on behalf of the intercollegiate athletics programs by affiliated and outside organizations included in the Schedule.
- 6. Intercollegiate Athletics Department management provided to us any additional reports regarding internal control matters identified during the audits of affiliated and outside organizations performed by independent public accountants. We were not made aware of any internal control findings.

Schedule of Revenues and Expenses of Intercollegiate Athletics Programs

7. Intercollegiate Athletics Department management provided to us the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs for the year ended June 30, 2017, as prepared by the University and shown in this report. We recalculated the addition of the amounts in the Schedule, traced the amounts on the Schedule to management's trial balance worksheets, and agreed the amounts in management's trial balance worksheets to the Intercollegiate Athletics Department's accounts in the accounting records. We noted no differences between the amounts in the Intercollegiate

Athletics Department's accounting records and the amounts on the trial balance. We discussed the nature of adjusting journal entries with management and are satisfied that the adjustments are appropriate.

8. We compared each major revenue and expense account over ten percent of total revenues or total expenses, respectively, to prior period amounts and budget estimates. Variances exceeding ten percent of prior period amounts or budget estimates are explained below:

Line Item	Explanation
Contributions	This line item decreased by \$3.57 million, or 18.6 percent, in the current year due to Athletics not fully utilizing its contributions raised for scholarship funding but rather using the operating budget for a portion of the scholarship expense. Contributions are recognized when used to support operations and unused contributions are deferred to subsequent fiscal years.

Revenues

- 9. We reviewed a sample of ticket sales reconciliations performed for accuracy and proper review and approval. We determined the reconciliations reviewed to be accurate and substantially in agreement with the amounts reported in the Schedule.
- 10. We obtained an understanding of the institution's methodology for allocating student fees to intercollegiate athletics programs. We compared student fees reported in the Schedule to amounts reported in the accounting records and an expected amount based on fee rates and enrollment. We found these amounts to be substantially in agreement with minor differences attributed to the methodology used for projecting student fee revenue.
- 11. We obtained the amount reported in the Schedule for direct institutional support. This amount was deemed to be immaterial for detailed testing.
- 12. Intercollegiate Athletics Department management provided us with a listing of settlement reports and game guarantee agreements for away games during the reporting period. We reviewed these settlement reports and guarantee agreements for selected games and agreed selected amounts to proper posting in the accounting records and supporting documentation.
- 13. Intercollegiate Athletics Department management provided us with a listing of all contributions of moneys, goods or services received directly by the Intercollegiate Athletics Programs from any affiliated or outside organization, agency or group of

individuals that constitutes ten percent or more of all contributions received during the reporting period. Except for contributions received from the Virginia Tech Foundation, an affiliated organization, we noted no individual contribution that constituted more than ten percent of total contributions received for Intercollegiate Athletics Programs. We reviewed contributions from the Virginia Tech Foundation, which exceeded ten percent of all contributions, and agreed them to supporting documentation.

- 14. We obtained the amount reported in the Schedule for in-kind contributions. This amount was deemed to be immaterial for detailed testing.
- 15. Intercollegiate Athletics Department management provided us with a listing and copies of all agreements related to participation in revenues from broadcast, television, radio, internet, and e-commerce rights. We gained an understanding of the relevant terms of the agreements and agreed selected amounts to proper posting in the accounting records and supporting documentation.
- 16. Intercollegiate Athletics Department management provided us with a listing and copies of all agreements related to participation in revenues from tournaments, conference distributions, and NCAA distributions. We gained an understanding of the terms of the agreements and agreed selected amounts to proper posting in the accounting records and supporting documentation.
- 17. We obtained the amount reported in the Schedule for program sales, concessions, novelty sales, and parking. This amount was deemed to be immaterial for detailed testing.
- 18. We obtained the amount reported in the Schedule for royalties, licensing, advertisements, and sponsorships. This amount was deemed to be immaterial for detailed testing.
- 19. The Virginia Tech Foundation manages athletics-related endowment funds on behalf of the University. The University has access to request endowment income from the Foundation in accordance with certain budgetary restrictions. This amount was deemed to be immaterial for detailed testing.
- 20. We obtained the amount reported in the Schedule for the University's participation in a post-season bowl. This amount was deemed to be immaterial for detailed testing.
- 21. We obtained the amount reported in the Schedule for other revenue. This amount was deemed to be immaterial for detailed testing.

Expenses

- 22. Intercollegiate Athletics Department management provided us a listing of institutional student aid recipients during the reporting period. Since the University used the NCAA Compliance Assistant software to prepare athletic aid detail, we selected 40 individual student-athletes across all sports and obtained the students' account detail from the institution's student information system. We agreed each student's information to the information reported in the NCAA Membership Financial Reporting System. We also ensured that the total aid amount for each sport agreed to amounts reported as Financial Aid in the student accounting system with minor differences attributed to how book charges post to the accounting system.
- 23. We obtained the amount reported in the Schedule for game guarantee agreements for home games. This amount was deemed to be immaterial for detailed testing.
- 24. Intercollegiate Athletics Department management provided us with a listing of coaches, support staff, and administrative personnel employed and paid by the University during the reporting period. We selected and tested individuals, including football and men's and women's basketball coaches, and compared amounts paid during the fiscal year from the payroll accounting system to their contract or other employment agreement document. We found that recorded expenses equaled amounts paid as salary and bonuses and were in agreement with approved contracts or other documentation.
- 25. Intercollegiate Athletics Department management provided us with a listing of severance payments made during the reporting period. This amount was deemed to be immaterial for detailed testing.
- 26. We discussed the Intercollegiate Athletics Department's recruiting expense and team travel policies with Intercollegiate Athletics Department management and documented an understanding of those policies. We compared these policies to existing University and NCAA policies and noted substantial agreement of those policies.
- 27. We selected a sample of disbursements for team travel, game expenses, direct overhead and administrative expenses, and other operating expenses. We compared and agreed the selected operating expenses to adequate supporting documentation. We found all reviewed amounts to be properly approved, reasonable to intercollegiate athletics, and properly recorded in the accounting records.
- 28. We obtained a listing of debt service payments, lease payments, and rental fees for athletics facilities for the reporting year. We agreed all significant facility payments

- included in the Schedule, including the two highest payments, to supporting documentation.
- 29. We obtained an understanding of the University's methodology for charging indirect cost to the athletic department. We evaluated indirect cost charges for reasonableness and noted proper reporting of these charges in the Schedule.

Other Reporting Items

- 30. We obtained repayment schedules for all outstanding intercollegiate athletics debt during the reporting period. We recalculated annual maturities reporting in the notes to the Schedule and agreed total annual maturities and total outstanding athletic related debt to supporting documentation.
- 31. We agreed total outstanding institutional debt to the University's audited financial statements.
- 32. We agreed the fair value of athletics dedicated endowments to supporting documentation provided by the University.
- 33. We agreed the fair value of institutional endowments to supporting documentation, including the audited financial statements of the University's Foundation.
- 34. We obtained a schedule of athletics related capital expenditures made during the period. We selected a sample of transactions to validate existence and accuracy of recording and recalculated totals.

Additional Procedures

- 35. We compared the sports sponsored, as reported in the NCAA Membership Financial Reporting System, to the squad lists of the institution. We noted agreement of the sports reported.
- 36. We obtained the institution's Sports Sponsorship and Demographics Forms Report for the reporting year. We validated that the countable sports identified by the institution met the minimum requirements for number of contests and minimum number of participants as defined in NCAA Bylaw 20.9.6.3. We ensured that countable sports have been properly identified in the NCAA Membership Financial Reporting System for the purpose of revenue distribution calculations.
- 37. We obtained a listing of student-athletes receiving Pell Grant awards from the institution's student information system and agreed the total value of these Pell Grants

to the amount reported in the NCAA Membership Financial Reporting System. We noted agreement of the amounts reported.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs or any of the accounts or items referred to above. Accordingly, we do not express such an opinion. Had we performed additional procedures or had we conducted an audit of any financial statements of the Intercollegiate Athletics Department of Virginia Polytechnic Institute and State University in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to the University. This report relates only to the accounts and items specified above and does not extend to the financial statements of Virginia Polytechnic Institute and State University or its Intercollegiate Athletics Department taken as a whole.

This report is intended solely for the information and use of the President and the University and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

JRQ/clj

For the year ended Julie 30, 2017		Men's	Women's	Men's	Women's	Non-Program	
	Football	Basketball	Basketball	Other Sports	Other Sports	Specific	Total
Operating revenues:							
Ticket sales	\$ 14,599,726	\$ 2,528,127	\$ 166,414	\$ 17,800		\$ -	\$ 17,312,067
Student fees	-	-	-	-	2,304,921	6,580,953	8,885,874
Direct institutional support	-	-	-	-	643	2,020	2,663
Guarantees	4,300,000	7,500	-	1,000	1,000	-	4,309,500
Contributions	7,874,708	744,793	687,339	601,121	2,031,737	3,681,034	15,620,732
In-Kind	40,353	52,068	7,430	4,977	8,280	33,615	146,723
Media rights	17,609,812	4,493,678	300,399	30,000	37,500	-	22,471,389
NCAA distributions	-	1,645,122	9,436	70,663	12,584	2,613,736	4,351,541
Conference distributions (non-media or bowl)	4,972,248	99,024	63,030	160,626	156,511	2,000	5,453,439
Program, novelty, parking, and concession sales	1,617,603	81,782	20,011	20,231	8,375	20,992	1,768,994
Royalties, licensing, advertisement and sponsorships	1,219,449	177,775	79,176	165,125	181,125	749,644	2,572,294
Athletics restricted endowment and investments income	725,601	135,014	110,052	665,105	848,488	137,011	2,621,271
Other operating revenue	108,580	-	-	100,000	-	519,305	727,885
Bowl revenues	1,183,148						1,183,148
Total operating revenues	54,251,228	9,964,883	1,443,287	1,836,648	5,591,164	14,340,310	<u>87,427,520</u>
Operating expenses:							
Athletic student aid	3,579,878	536,358	683,943	2,789,011	4,375,190	1,463,593	13,427,973
Guarantees	612,949	598,657	146,181	23,533	25,530	-	1,406,850
Coaching salaries, benefits, and bonuses paid by the							
University and related entities	8,826,626	3,964,395	1,584,861	2,534,261	2,381,430	-	19,291,573
Support staff/administrative compensation, benefits, and							
bonuses paid by the University and related entities	1,856,546	598,449	460,545	108,292	137,381	10,023,319	13,184,532
Severance payments	53,511	334,161	58,516	42,744	13,158	76,957	579,047
Recruiting	652,455	63,588	189,242	224,442	234,369	42,091	1,406,187
Team travel	940,966	845,903	476,120	1,137,375	932,325	115	4,332,804
Sports equipment, uniforms, and supplies	998,939	375,599	109,102	472,192	434,858	235,543	2,626,233
Game expenses	1,311,179	433,906	244,183	255,041	163,566	1,788,991	4,196,866
Fundraising, marketing and promotion	190,506	159,626	29,928	54,801	63,748	698,762	1,197,371
Spirit groups	451,883	113,343	15,085	-	-	213,397	793,708
Athletic facility leases and rental fees	2,000	910	700	133,718	126,574	30	263,932
Athletic facility debt service	4,088,355	283,629	283,629	-	-	918,823	5,574,436
Direct overhead and administrative expenses	3,232,112	529,513	215,152	505,499	505,785	3,347,967	8,336,028
Indirect cost paid to the institution by athletics	92,280	-	-	-	-	4,999,761	5,092,041
Medical expenses and insurance	184,480	72,906	49,809	242,632	318,520	342,678	1,211,025
Memberships and dues	3,915	1,235	15,090	9,601	12,909	34,027	76,777
Student-Athlete Meals (non-travel)	874,797	146,533	71,299	153,392	176,018	115,132	1,537,171
Other operating expenses	1,312,307	695,876	177,284	372,102	327,471	1,684,226	4,569,266
Bowl expenses	1,612,601			<u>-</u>	<u>-</u>		1,612,601
Total operating expenses	30,878,285	9,754,587	4,810,669	9,058,636	10,228,832	25,985,412	90,716,421
Excess (deficiency) of revenues over (under) expenses	\$ 23,372,943	\$ 210,296	\$ (3,367,382)	\$ (7,221,988)	\$ (4,637,668)	\$ (11,645,102)	<u>\$ (3,288,901)</u>
Other Reporting Items:							
Total athletics-related debt							\$ 74,926,000
Total institutional debt							\$ 456,772,000
Value of athletics-dedicated endowments							\$ 61,694,166
Value of institutional endowments							\$ 946,513,459
Total athletics-related capital expenditures							\$ 7,044,000

The accompanying Notes to the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs are an integral part of this Schedule.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY NOTES TO SCHEDULE OF REVENUES AND EXPENSES OF INTERCOLLEGIATE ATHLETICS PROGRAMS FOR THE YEAR ENDED JUNE 30, 2017

BASIS OF PRESENTATION

The accompanying Schedule of Revenues and Expenses of Intercollegiate Athletic Programs has been prepared on the accrual basis of accounting. The purpose of the Schedule is to present a summary of revenues and expenses of the intercollegiate athletic programs of the University for the year ended June 30, 2017. The Schedule includes those intercollegiate athletics revenues and expenses made on behalf of the University's athletics programs by outside organizations not under the accounting control of the University. Because the Schedule presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in fund balances, or cash flows for the year then ended. Revenues and expenses directly identifiable with each category of sport presented are reported accordingly. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Non-Program Specific."

AFFILIATED ORGANIZATIONS

The University received \$18,018,489 from the Virginia Tech Foundation, Inc. Approximately \$9,427,973 of these funds were used for grant-in-aid scholarships for student-athletes. These amounts received are included in the accompanying schedule as follows: \$7,030,217 is included in the Contributions line item and \$2,397,756 is included in the Athletics Restricted Endowment and Investment Income line item.

3. LONG-TERM DEBT

In October 2001, a \$26,285,000 note was issued for the Athletic Department. This note was issued for the South End Zone addition to Lane Stadium. Part of the original debt was refinanced in January 2008 with a \$2,860,000 note that will be repaid through 2020 and has an outstanding balance of \$2,775,000. The remaining original debt issuance was refinanced in February 2011 with an \$11,540,000 note that will be repaid through 2027 and has an outstanding balance of \$7,625,000.

In May 2004, a \$52,715,000 revenue bond was issued for the Athletic Department. This bond was issued for the West Side Expansion to Lane Stadium which was completed in 2006. The majority of this debt was refinanced in November 2012 with a \$32,365,000 note. This note has an outstanding balance of \$26,745,000 and will be repaid with private fund raising and operating revenues through 2029. The remaining original debt issuance was repaid with private fund raising and operating revenues during 2014.

In November 2009, an \$8,705,000 note was issued for the Athletic Department. This note was issued for the Hahn Hurst Basketball Practice Center. Part of the original debt was refinanced in November 2016 with a \$5,385,000 note that will be repaid through 2030 and has an outstanding balance of \$5,385,000. The remaining original debt issuance has an outstanding balance of \$1,160,000 which will be repaid with private fund raising and operating revenues through 2020.

In October 2015, a \$510,000 revenue bond was issued for the Athletic Department. This bond was issued for the Indoor Practice Facility. This note has an outstanding balance of \$510,000 and will be repaid with general operating revenues through 2035.

In August 2016, a \$31,509,000 internal loan was issued for the Athletic Department. This loan was issued for improvements to the Baseball Stadium and Rector Field House. This note has an outstanding balance of \$30,726,000 and will be repaid with general operating revenues through 2034.

A summary of future principal and interest commitments for fiscal years subsequent to June 30, 2017 is presented as follows:

Year Ended June 30,	Principal	Interest	Total
2018	\$ 3,367,326	\$ 2,281,627	\$ 5,648,953
2019	3,468,090	2,175,244	5,643,334
2020	3,905,333	2,017,228	5,922,561
2021	4,111,801	1,843,209	5,955,010
2022	4,293,470	1,655,040	5,948,510
2023 - 2027	23,376,195	5,584,575	28,960,770
2028 - 2032	24,260,675	2,124,405	26,385,080
2033 - 2035	8,143,407	213,246	8,356,653
Total	<u>\$74,926,297</u>	<u>\$17,894,574</u>	<u>\$92,820,871</u>

4. UNIVERSITY ADMINISTRATION FEE

As with all auxiliary enterprises, the University charges the Athletic Department an administrative fee. During the fiscal year, the Department paid \$5,092,041 to the University. This amount is included on the Indirect Cost Paid to the Institution by Athletics line item, and includes \$92,280 in Football, and \$4,999,761 in the Non-Program Specific category.

CAPITAL ASSETS

Capital assets consisting of buildings, infrastructure, and equipment are stated at appraised historical cost or actual cost where determinable. Construction in progress (CIP) is capitalized at actual cost as expenses are incurred. All gifts of capital assets are recorded at fair market value as of the donation date.

Equipment is capitalized when the unit acquisition cost is \$2,000 or greater and the estimated useful life is one year or more. Software is capitalized when the acquisition and/or the development costs exceed \$100,000. Renovation costs are capitalized when expenses total more than \$100,000, the asset value significantly increases, or the useful life is significantly extended. Routine repairs and maintenance are charged to operating expense in the year the expense is incurred.

Depreciation is computed using the straight-line method over the useful life of the assets. The useful life is 40 to 60 years for buildings, ten to 50 years for infrastructure and land improvements, and three to 30 years for fixed and movable equipment.

A summary of changes in capital assets follows for the year ending June 30, 2017 (all dollars in thousands):

December 11 and 12 and	Beginning Balance	<u>Additions</u>	Retirements	Ending Balance
Depreciable capital assets:	6474 502	ć 7 04	ć 440	6472 226
Buildings	\$171,582	\$ 794	\$ 140	\$172,236
Moveable equipment	7,340	426	256	7,510
Software	313	-	-	313
Fixed equipment	13,242	83	2,552	10,773
Infrastructure	<u> 19,805</u>	<u>202</u>	<u>578</u>	<u>19,429</u>
Total depreciable capital assets, at cost	212,282	<u>1,505</u>	<u>3,526</u>	210,261
Less accumulated depreciation:				
Buildings	46,330	3,865	72	50,123
Moveable equipment	4,929	553	256	5,226
Software	225	20	-	245
Fixed equipment	5,954	515	2,550	3,919
Infrastructure	16,699	<u>653</u>	481	16,871
Total accumulated depreciation	74,137	5,606	3,359	76,384
Total depreciable capital assets, net				
of accumulated depreciation	138,145	(4,101)	<u> 167</u>	133,877
Non-depreciable capital assets:				
Construction in progress	1,907	6,681	1,131	7,457
Total non-depreciable capital				
assets	1,907	6,681	1,131	7,457
Total capital assets, net of				
accumulated depreciation	\$140,052	<u>\$2,580</u>	<u>\$1,298</u>	<u>\$141,334</u>

OPERATING DEFICIT

As with all auxiliaries, the University requires the Athletic Department to maintain adequate fund balances or reserves necessary to protect operations from volatility of changes in athletic program revenues and to serve as a contingency fund. Any proposed use of reserve funds must be approved in advance through the budget process. In fiscal year 2017 a use of reserves was approved, in part, to cover an expected scholarship fundraising shortfall. Athletic scholarships are primarily funded by gifts, and less than 20 percent of those gifts are from endowments, which tend to have predictable annual distributions. Therefore, the majority of scholarships are funded by annual fundraising campaigns and are more volatile and such gifts tend to be received mainly in the latter part of each fiscal year (between December and March). If the fundraising campaign falls short of budgeted targets, the Athletic Department must use a combination of current year operating revenues or Athletic Department reserves to make up the shortfall. For fiscal year 2017, the approved budget authorized the use of \$4 million from other operating funds to cover scholarship expenses, because on July 1, 2016, only \$1.7 million of cash from gifts was available for scholarships. As the year progressed, the fund raising campaign for fiscal year 2017 exceeded the budgeted target and the cash balance held by the Virginia Tech Foundation, Inc. at June 30, 2017 to fund scholarships was approximately \$7.3 million. The contribution revenue for these funds will be recognized in fiscal year 2018 as they are used to fund scholarships. The operating deficit for fiscal year 2017 occurred primarily due to the decision to use funds other than gifts to fund scholarships.

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

As of June 30, 2017

BOARD OF VISITORS

James L. Chapman, IV, Rector

Dennis H. Treacy, Vice Rector

Greta J. Harris
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Mehmood S. Kazmi
L. Chris Petersen
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Horacio A. Valeiras

Montasir M. Abbas Faculty Representative

Alex B. Parrish Staff Representative

Tara Reel, Gabriel Cohen Student Representatives

Kim O'Rourke Secretary to the Board of Visitors

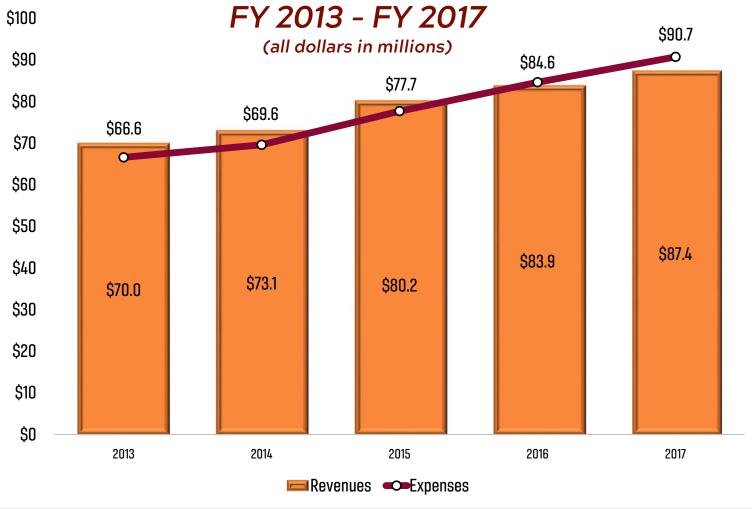
UNIVERSITY OFFICIALS

Timothy D. Sands, President

Whit Babcock, Director of Intercollegiate Athletics Programs

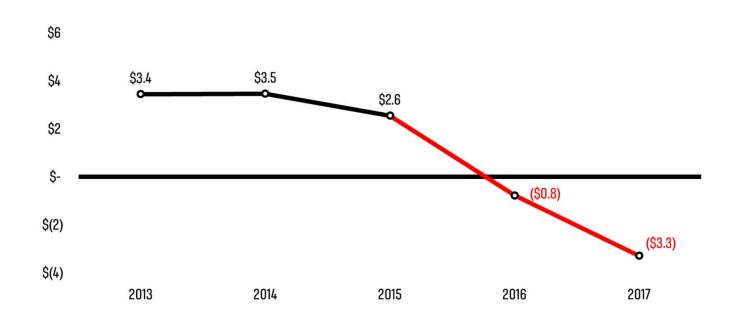


Intercollegiate Athletic Programs Revenue & Expenses



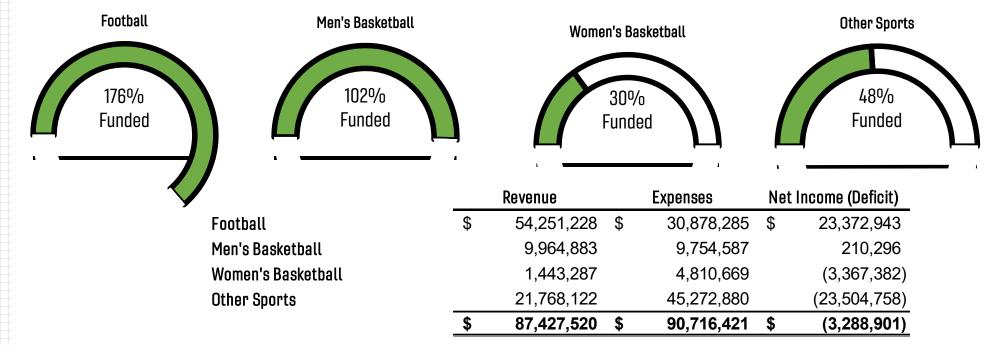
Intercollegiate Athletic Programs Net Operating Income (Deficit) FY 2013 - FY 2017

(all dollars in millions)





Intercollegiate Athletic Programs Net Operating Income (Deficit) FY 2017



Other Sports is the total of Men's Other Sports, Woman's Other Sports, and Non-Program Specific activities as displayed on the "Schedule of Revenues and Expenses of Intercollegiate Athletics Programs" on the NCAA report. There are 16 other sports programs baseball, softball, golf, tennis, track& field, etc.



RESOLUTION FOR APPROVAL OF APPOINTMENTS TO THE VIRGINIA COAL AND ENERGY RESEARCH AND DEVELOPMENT ADVISORY BOARD

WHEREAS, the Virginia Coal and Energy Research and Development Advisory Board was established in 1977 by the enabling legislation for the Virginia Center for Coal and Energy Research, and the legislation enabling the center requires approval by the Virginia Tech Board of Visitors of new appointments, reappointments, and changes in the membership of the advisory board; and

WHEREAS, a proposed new appointment to the board is Victoria Sue Ratliff, Ed.D; and

WHEREAS, Dr. Ratliff is the vice president of academic and student services at Mountain Empire Community College, received a B.S. in business administration from Tusculum College (1988), an M.B.A. from Morehead State University (2003), and an Ed.D. in educational leadership from Liberty University (2013);

NOW, THEREFORE, BE IT RESOLVED, that Victoria Sue Ratliff, Ed.D. be appointed as a member of the Virginia Center for Coal and Energy Research and Development Advisory Board for two years beginning March 26, 2018 and ending on March 26, 2020.

RECOMMENDATION:

That the Board of Visitors approve this resolution.

March 26, 2018

RESOLUTION FOR APPALACHIAN POWER COMPANY EASEMENT

Appalachian Power Company has requested Virginia Polytechnic Institute and State University grant an easement that is approximately seventeen feet (17') in width by approximately seventeen feet (17') in length for an underground electrical facility vault, and fifteen feet (15') in width by approximately two hundred five feet (205') in length for an underground electric transmission line, over, under, upon and across university property adjoining Prices Ford Road on the Moore Farm in the Price's Fork Magisterial District of Montgomery County, Virginia.

RESOLUTION FOR APPALACHIAN POWER COMPANY EASEMENT

WHEREAS, Appalachian Power Company ("APCo") desires to acquire an approximately seventeen feet (17') wide by approximately seventeen feet (17') long, and a fifteen feet (15') wide by approximately two hundred five feet (205') long, underground easement for the installation of an electrical facility vault and an electrical transmission line, respectively, over, under, upon and across the real property of Virginia Polytechnic Institute and State University ("Virginia Tech") at the Moore Farm in the Town of Blacksburg, Prices Fork Magisterial District of Montgomery County, Virginia; and

WHEREAS, said easement is more particularly described on APCo's Drawing entitled "Job Name: APCo 750 UG Relocation, County/Parrish: Montgomery/Prices Fork District, Township: Blacksburg," dated August 15, 2017 and attached hereto as Exhibit A; and

WHEREAS, the requested easement will relocate an above ground electrical cabinet located in a shopping center, increasing pedestrian and vehicular safety, and should reduce equipment service delays and traffic and parking inconveniences to the tenants and customers of Hethwood Square; and

WHEREAS, Virginia Tech desires to grant the requested easement to APCo;

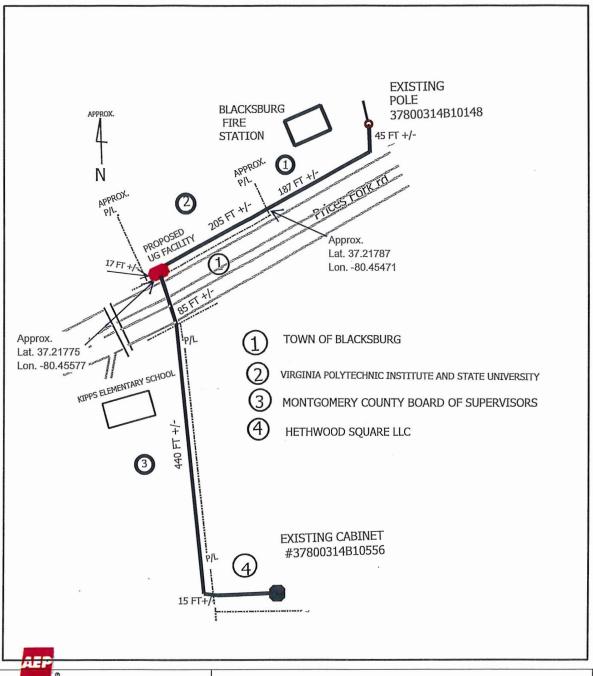
NOW, THEREFORE BE IT RESOLVED, that the Vice President for Operations, his successors and/or assigns, be authorized to execute a Deed of Easement to APCo as described herein, in accordance with applicable university policies and procedures as permitted by the Higher Education Restructuring Act and Management Agreement with the Commonwealth of Virginia, and the <u>Code of Virginia</u> (1950), as amended.

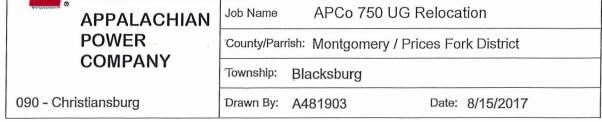
RECOMMENDATION:

That the above resolution authorizing the Vice President for Operations to execute the easement to APCo be approved.

March 26, 2018

EXHIBIT A





RESOLUTION TO CHANGE AUTHORITY TO MANAGE STAFF CAREER ACHIEVEMENT AWARD

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

February 19, 2018

WHEREAS, in 2011 the Board of Visitors (the Board) authorized the establishment of the Staff Career Achievement Award to recognize retiring staff members who have distinguished themselves through their exemplary performance over a long period of time; and

WHEREAS, the award program approved by the Board specified that up to five exemplary staff retirees could be recognized each year; and

WHEREAS, the number of staff retirees has increased and the number of nominations has increased since the program's inception; and

WHEREAS, the Staff Career Achievement Award Selection Committee, the Staff Senate. and the Commission on Staff Affairs and Policies has recommended that the university expand the number of award recipients to ensure distinguished staff can be recognized; and

WHEREAS, the Division of Human Resources oversees the award program nomination and selection process and fully supports expanding the number of award recipients in years where there are more than five exemplary retired staff; and

WHEREAS, the university recommends no changes to the nomination criteria (*Nominees must have served a minimum of ten years at Virginia Tech and have a history of outstanding performance in their position*.).

NOW, THEREFORE, BE IT RESOLVED, that the Board delegate authority to manage Staff Career Achievement Award nomination and selection process to the Vice President for Human Resources; and

BE IT FURTHER RESOLVED, that any changes to the selection criteria will still be at the discretion of the Board of Visitors.

RECOMMENDATION:

That the above resolution to change the authority to manage the Staff Career Achievement Award be approved.

March 25, 2018

RESEARCH AND DEVELOPMENT DISCLOSURE REPORT October 25, 2017 through March 9, 2018

Reason for Conflict	External Entity	Owner	Principal Investigator	Co - P.I.'s	College	Period of Performance	Award Amount	Project Description
Faculty-Employee Owned Business	Land Design Technologies, LLC	Clayton Hodges Randel Dymond Kevin Young	John Provo		Civil & Environmental Engineering Office of Economic Development	Nov 2017 thru Dec. 31, 2018	Master Agreement for \$50,000	John Provo has been awarded a grant from the US Economic Development Administration (EDA) This grant is structured to assist small business in proof of concept and commercialization activities. Land Design Technologies was selected to receive assistance (\$15,000 to start) to further develop a toolset that will advance design in green infrastructure and stormwater management. Dr. Provo will oversee the developer performing this work.
Faculty-Employee Owned Business	DeepSig, Inc.	T. Charles Clancy Timothy O'Shea			Hume Center	Jan. 1, 2018 thru Dec. 31, 2020	Cost Share amount up to \$1.8M	DeepSig, Inc. has partnered with Virginia Tech on a proposal to SCHEV for the Virginia Research Investment Fund. This project is designed to further develop university IP licensed by DeepSig and help move it toward commercialization. The award funds aprox. \$1.2M to VT with required cost share of aprox. \$1.8M to be provided by DeepSig. Management Plans are being developed.
Faculty-Employee Owned Business	Zebra Analytix, Inc.	Masoud Agah			Electrical & Computer Engineering	Jan. 1, 2017 thru Dec. 31, 2018	Master Agreement up to \$200,000	Zebra Analytix, Inc. is seeking to subcontract research and development work to Virginia Tech. Currently the company has submitted to NSF for a SBIR Phase 1 grant, partnering with VT. Other proposals are also under development. Management Plans will be developed and in place prior to any awards being executed. The nature of the research will involve the design and fabrication of purge and trap microchips.
Faculty-Employee Owned Business	VoltMed Inc.	Rafael Davalos Christopher Arena Sara Arena			BEAM	Jan. 1, 2018 thru Dec. 31, 2018	Master Agreement up to \$750,000	This start-up company has applied for several grants and contracts and seeks to subcontract to VT once they receive an award. Virginia Tech has received a recent SCHEV award from the Virginia Research Investment Fund. Under this project a subcontract will be made to VoltMed. Management Plans will be developed and in place prior to execution.
Faculty-Employee Owned Business	Acomhal Research, Inc.	Robert Gourdie James Smyth Samy Lamouille			VT Carilion Research Institute	Feb. 1, 2018 thru Dec. 31, 2018	Master Agreement up to \$175,000	Acomhal Research is a newly formed biomedical research company. The company is actively pursuing SBIR and STTR funding. If awarded the company will subcontract to Virginia Tech. The company plans to use lab space per university policies. Management Plans are under development and will be in place prior to subcontract execution.

RESOLUTION FOR ISSUANCE OF A QUITCLAIM DEED ON PROPERTY LOCATED IN NORTHAMPTON COUNTY, VIRGINIA

Virginia Polytechnic Institute and State University ("Virginia Tech") is requesting approval to issue a Quitclaim Deed to Northampton County, Virginia relative to an approximately one (1) acre parcel of land on U. S. Highway 13 near Fairview, in Northampton County, Virginia in which Northampton County believes Virginia Tech holds an interest.

RESOLUTION FOR ISSUANCE OF A QUITCLAIM DEED ON PROPERTY LOCATED IN NORTHAMPTON COUNTY, VIRGINIA

WHEREAS, by deed dated June 16, 1965 recorded in the Clerk's Office of the Circuit Court of Northampton County, Virginia, in Deed Book 153, Page 607, Henry Lee Gladden and Roxie M. Gladden, his wife, conveyed an approximately one (1) acre parcel of land on U. S. Highway 13, near Fairview in Northampton County, Virginia, to the Board of Supervisors of Northampton County for so long as the real property is used as a roadside picnic area, and when no longer used in that manner then the real property was to transfer to the Northampton County Federation of Home Demonstration Clubs; and

WHEREAS, the Northampton County Federation of Home Demonstration Clubs was affiliated with the Virginia Cooperative Extension, but the Northampton County Federation of Home Demonstration Clubs was not an incorporated or otherwise legally created entity in its own right; and

WHEREAS, Northampton County believes that Virginia Polytechnic Institute and State University ("Virginia Tech") and Virginia State University ("VSU"), through their association with Virginia Cooperative Extension, may be successors to the Northampton County Federation of Home Demonstration Clubs; and

WHEREAS, pursuant to the Higher Education Restructuring Act and corresponding Management Agreement with the Commonwealth of Virginia, Virginia Tech is not required to secure Department of General Services ("DGS") review and the Governor's approval for this matter; and

WHEREAS, Virginia Tech filed a Memorandum Regarding Deed Dated June 16, 1965 Recorded in the Clerk's Office of the Circuit Court of Northampton County, Virginia, in Deed Book 153, Page 607 with the Circuit Court of Northampton County, Virginia, which Memorandum disclaimed any and all interest in the approximately one (1) acre parcel of land that Virginia Tech may have, whether by virtue of its association with the Virginia Cooperative Extension, the entity that oversaw the Northampton County Federation of Home Demonstration Clubs, or under the terms of use of the real property that was set forth in the deed; and

WHEREAS, DGS is assisting VSU in the matter and prefers that VSU issue a Quitclaim Deed to Northampton County; and

WHEREAS, DGS is requesting that Virginia Tech issue a Quitclaim Deed to Northampton County; and

WHEREAS, Virginia Tech is agreeable to issuing a Quitclaim Deed to accommodate DGS' request;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Operations, his successors and/or assigns, be authorized to execute a Quitclaim Deed and any and all documents that may be necessary to accommodate DGS and release and convey any and all interest Virginia Tech may have in the approximately one (1) acre of land adjoining U. S. Highway 13 near Fairview in Northampton County, Virginia to Northampton County in accordance with applicable policy and procedures for conveyances of real property as permitted by the Higher Education Restructuring Act and Management Agreement with the Commonwealth of Virginia, and the *Code of Virginia*, 1950, as amended.

RECOMMENDATION:

That the above resolution authorizing the Vice President for Operations, his successors and/or assigns, to execute a Quitclaim Deed and any and all documents that may be necessary to accommodate DGS and release and convey any and all interest Virginia Tech may have in the approximately one (1) acre of land adjoining U. S. Highway 13 near Fairview in Northampton County, Virginia to Northampton County be approved.

RESOLUTION ON APPOINTMENT TO THE BLACKSBURG-VIRGINIA POLYTECHNIC INSTITUTE SANITATION AUTHORITY

The university is requesting approval for Lucius Merritt's reappointment as a joint member as the university's representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors.

RESOLUTION ON APPOINTMENT TO THE BLACKSBURG-VIRGINIA POLYTECHNIC INSTITUTE SANITATION AUTHORITY

WHEREAS, the Blacksburg-Virginia Polytechnic Institute Sanitation Authority (the Authority) consists of five directors who are responsible for the management and operation of the Authority; and,

WHEREAS, one director is appointed by each of the political subdivisions, and the other three directors are appointed jointly by the Virginia Tech Board of Visitors and the Blacksburg Town Council; and,

WHEREAS, it is necessary to appoint and reappoint members of its Board of Directors in connection therewith; and,

WHEREAS, Lucius Merritt currently serves as a joint representative for a term that expired January 1, 2018;

WHEREAS, the town council and Virginia Tech desire to reappoint Lucius Merritt, as a joint representative for a term expiring January 1, 2022;

NOW, THEREFORE, BE IT RESOLVED, that Lucius Merritt be named as a joint representative and member on the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, retroactive to January 1, 2018, for a term expiring January 1, 2022.

RECOMMENDATION:

That the resolution recommending that Lucius Merritt be reappointed as joint representative as the university's representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors be approved.

March 26, 2018

RESOLUTION ON REPRESENTATION OF THE BOARD AT PUBLIC HEARINGS FOR AUTHORITIES

WHEREAS, the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, the Montgomery Regional Solid Waste Authority, the New River Valley Emergency Communications Regional Authority, the New River Valley Regional Water Authority, and the Virginia Tech Montgomery Regional Airport Authority Boards each consist of five members who are responsible for the management and operation of the Authority; and,

WHEREAS, one member is appointed by each of the participating political subdivisions, which include Virginia Tech, Montgomery County, and the Towns of Blacksburg and Christiansburg; and,

WHEREAS, the Board of Visitors approves the appointment of each of the university's representatives to the respective Authorities; and,

WHEREAS, all of the current university representatives to these Authorities are or report to the Vice President for Operations; and,

WHEREAS, certain changes to the governing documents (joinder agreements, articles of incorporation, etc.) for these Authorities require a public hearing by the governing body of each participating locality, prior to that locality's vote to approve the modified documents; and,

WHEREAS, Virginia Tech desires to appoint the Vice President for Operations as the university's representative to any public hearings required for such amendments to the governing documents of these Authorities; and

WHEREAS, the Vice President for Operations is expected to relay a summary of any pertinent comments received at the public hearing regarding the proposed changes to the Board of Visitors when these documents are presented for approval;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Operations, currently Sherwood G. Wilson, be named as the university's representative to any public hearings required for changes to the governing documents of the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, the Montgomery Regional Solid Waste Authority, the New River Valley Emergency Communications Regional Authority, the New River Valley Regional Water Authority, and the Virginia Tech Montgomery Regional Airport Authority.

RECOMMENDATION:

That the above resolution recommending the Vice President for Operations be named as the university's representative to any public hearings required for changes to the governing documents of the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, the Montgomery Regional Solid Waste Authority, the New River Valley Emergency Communications Regional Authority, the New River Valley Regional Water Authority, and the Virginia Tech Montgomery Regional Airport Authority.

Proposed Tuition and Fee Rates for 2018-19

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

March 12, 2018

Development of 2018-19 Tuition and Fee Rates

The university has traditionally developed tuition and fee proposals in February and March of each year, with final rates submitted to the Board of Visitors in late March or April. This process allowed the university to incorporate the impact of legislative actions taken during the General Assembly session into the tuition and fee proposals. Finalizing these rates at the March-April Board of Visitors meeting helps students plan for the financial costs of the upcoming academic year and allows the University Scholarships and Financial Aid Office to deliver timely and effective financial aid award information to current and prospective students.

The 2018 General Assembly session adjourned on March 9, 2018. A final 2018-20 biennial budget was not agreed to, and state budget negotiations continue to take place. However, based on the university's current understanding of the range of incremental General Fund support that the university may receive in 2018-19, the university recommends moving forward with tuition and fee recommendations to provide students and families with pricing information in a timely manner. With that understanding, the following tuition and fee recommendation is proposed to address the university's estimated 2018-19 resource needs.

Attached Schedules 1 - 7 provide a summary of all tuition and fee rates proposed for 2018-19, including any increase/decrease from the prior year.

Tuition

The defined state process envisions utilizing the Six-Year Financial Plans that are developed in accordance with state guidelines and approved by the Board as the framework for the development of tuition and Educational & General (E&G) fees, given certain assumptions about General Fund support provided by the General Assembly. However, development of tuition and fee recommendations for the coming year must consider the actual level of support proposed by the commonwealth and nongeneral fund cost assignments when available. The university has worked to balance these criteria in developing the proposed annual 2018-19 rates shown below. Semester rates equal one-half of annual rates.

1

Full-Time Students	2017-18 <u>Charge</u>	Proposed <u>2018-19</u>
<u>Undergraduate</u> Resident Nonresident	\$ 11,093 28,273	\$ 11,420 29,104
Graduate Resident On-Campus Nonresident On-Campus Resident Off-Campus Nonresident Off-Campus	12,935 26,069 14,319 27,906	13,310 26,825 14,734 28,715

Presentation Date: March 25, 2018

Impact of Student Financial Aid Programs

As reported to the Board in November 2017, the university maintains a robust student financial aid program to ensure access and affordability of the institution's programs. Consistent with this, it is important to remember that the proposed charges represent the gross amount assessed to students and may be offset by one of the university's various financial assistance programs, including the Funds For the Future program, which shelters returning undergraduate students from tuition increases at increasing levels dependent upon income, and by new investments that expand the overall student financial aid program. The university continues to make strategic investments into student financial aid programs that support low- to middle-income students and support enrollment management strategies.

Part-Time Students

Part-time tuition charges for all student categories are derived from the full-time rate and are directly related to the number of credit hours taken. For tuition calculation purposes, the full-time undergraduate semester rate is divided by twelve credit hours and the full-time graduate student semester rate is divided by nine hours. The proposed per hour charges for 2018-19 are:

	2017-18 <u>Charge</u>	Proposed <u>2018-19</u>
<u>Undergraduate</u>		
Resident	\$462.25/hour	\$475.75/hour
Nonresident	1,178.00/hour	1,212.75/hour
<u>Graduate</u>		
Resident On-Campus	718.50/hour	739.50/hour
Nonresident On-Campus	1,448.25/hour	1,490.25/hour
Resident Off-Campus	795.75/hour	818.50/hour
Nonresident Off-Campus	1,550.50/hour	1,595.25/hour

Special Tuition Rates

Summer and Winter Session Rate

The Higher Education Opportunity Act of 2011 outlines several objectives that seek to expand access to and enhance the completion of degrees across the commonwealth's higher education system. Increasing year-round utilization of facilities and advancing opportunities for degree completion during non-traditional academic time periods is an important strategy to supporting these objectives. To position the university for continued innovation in non-traditional session enrollment growth, in 2012-13 the university shifted the assessment of undergraduate tuition to a per credit hour basis at a ten percent discount of the regular session hourly rates for those students enrolled on-campus. For 2018-19, the university proposes to continue this assessment methodology for the Winter and Summer sessions. This approach provides a financial incentive for students to complete their degree at an accelerated pace and offers improved flexibility for faculty to innovate academic offerings during these non-traditional sessions.

The proposed per hour charges for Winter and Summer 2019 are:

	2017-18	Proposed
	<u>Charge</u>	2018-19
Undergraduate On-Campus		
Resident	\$416.25/hour	\$428.25/hour
Nonresident	1,060.00/hour	1,091.00/hour

Veterinary Medicine

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

Effective for the Fall 1996, the enrollment policy was modified to admit ten nonresident students (i.e. non-Virginia and non-Maryland residents) per year until fully implemented in the Fall of 1999. This change did not affect the enrollment totals for Virginia or Maryland. For 2018-19, the enrollment plan envisions 40 nonresident students in the entering cohort.

Each year the tuition proposal is reviewed with the Virginia-Maryland Regional College of Veterinary Medicine Budget and Program Review Board (established to review the college's budget and comprised of representatives from Virginia Tech and the University of Maryland). The university, in conjunction with the Budget and Program Review Board, proposes to increase the tuition rates for all veterinary medicine students for 2018-19. The current and proposed annual tuition rates are displayed below:

	2017-18	Proposed
	<u>Charge</u>	2018-19
Virginia-Maryland Students	\$ 20,810	\$ 21,372
Nonresident Students	48,005	49,301

Virginia Tech Carilion School of Medicine

The Board of the Virginia Tech Carilion School of Medicine (VTCSOM), currently an independent non-profit entity, set tuition for 2018-19 at its February 26, 2018 meeting. The 2018-19 medical education tuition rate displayed below is recommended for ratification by the Virginia Tech Board of Visitors, to be implemented upon the School's integration as a college of Virginia Tech on July 1, 2018.

Proposed <u>2018-19</u>

Medical Education \$ 51,818

Program Specific Online Graduate Tuition Rates

For select online graduate programs with significant demand beyond the commonwealth's borders and the capacity for growth, the university has developed a tiered set of tuition rates that apply to all students in each program. These rates ensure coverage of the direct and indirect cost of instruction and satisfy state policy requiring that nonresident students be assessed at least the average cost of education. This rate structure is organized into three tiers; market assessment and review of program costs determine each program's rate tier. Students are also assessed the basic E&G fees (Library and Technology). Because they are 100 percent online, these programs are not assessed the Commonwealth Facility and Equipment Fee assessment.

The proposed per credit hour tiered tuition rates and the approved programs in each tier are summarized below:

Program Specific Online Graduate Tuition	_	17-18 narge	posed 18-19
Tier 1 Rate	\$	925	\$ 950
Master of Information Technology			
<u>Tier 2 Rate</u>		875	900
Master of Natural Resources			
Master of Agriculture and Life Sciences (a)			
<u>Tier 3 Rate</u>		775	800
Graduate Certificate in Local Government Management			

⁽a) Online Master of Agriculture and Life Sciences will transition from Tier 3 to Tier 2 beginning in Fall 2018.

Professional Masters and Certificate Pilot Tuition Rate

To support the strategic goal of increasing the number of students enrolled in professional masters and certificate programs (PM&C), specifically at sites outside of the Blacksburg campus, the university proposes piloting a residency-neutral tuition rate for select hybrid and seat-based graduate programs. Programs approved for this rate will display market demand that extends beyond the commonwealth, generate net revenue above the direct and indirect cost of instruction (therefore, above the average cost of education), and generate enrollment without financial aid or discounting. In some cases, a program-specific supplemental fee may also be approved. Tuition will be assessed on a per-credit basis for all credits enrolled. For 2018-19, the following program is approved to pilot a residency-neutral tuition rate:

Professional Masters and Certificate Tuition Rate	Proposed <u>2018-19</u>
Evening MBA Data Analysis and Applied Statistics (DAAS)	\$1,025

Special Tuition Rate for Elementary and Secondary School Personnel

The original policy regarding special tuition rates for elementary and secondary school personnel was approved in 1984 and allowed public school teachers to attend graduate classes at Virginia Tech on a reduced tuition schedule for purposes of recertification. Recertification is a statewide requirement that can strengthen the total education system. The original policy underscored the university's commitment to improving the quality of elementary and secondary education through the continued education of elementary and secondary school teachers.

In January 1989 the Board of Visitors approved a revised policy. Teachers, counselors, administrators, and supervisors employed by elementary and secondary school systems in the Commonwealth of Virginia could enroll in graduate classes, both on-campus and at off-campus locations, and pay approximately 60 percent of the authorized tuition rate. The Board of Visitors also expanded the policy in two ways. First, all elementary and secondary school personnel became eligible for the reduced tuition rate. Second, all graduate hours qualify for the plan, not just recertification hours. Further, elementary and secondary school personnel may enroll in an unlimited number of graduate courses for the purpose of recertification or for an advanced degree.

In February 1999 the Board of Visitors approved an expansion of the special tuition rate to include undergraduate-level courses for vocational teachers who do not have a bachelor's degree.

In 2015-16, the Board of Visitors established a 25 percent discount, resulting in a special tuition rate for elementary and secondary school personnel of 75 percent of the corresponding campus tuition rates (excludes professional and executive programs). Continuing the 25 percent discount for 2018-19 is recommended.

The following table shows the proposed special rates for Elementary and Secondary School Personnel per credit hour for 2018-19 Virginia residents:

	2017-18 <u>Charge</u>	Proposed <u>2018-19</u>
Undergraduate	\$347.00/hour	\$357.00/hour
Graduate		
Blacksburg Campus Extended Campus	539.00/hour 597.00/hour	555.00/hour 614.00/hour

Special Tuition Rate for Study-Abroad Programs

Providing the opportunity for students to study abroad is an important strategy in strengthening the international programs of Virginia Tech. The Board of Visitors has previously approved a special tuition rate for students who participate in the various study-abroad programs operated

by the university. The special tuition rate reflects instructional services that all students receive, but excludes the cost of on-campus services.

In 2008-09 the study abroad rate was 80 percent of the on-campus tuition rates. The university proposes to continue the special tuition rate for study-abroad programs. Consistent with prior years, the special tuition rate for study abroad would not apply for students studying at the Center for European Studies and Architecture.

The following table shows the proposed special rates for study-abroad programs per credit hour for 2018-19:

	2017-18 <u>Charge</u>	Proposed <u>2018-19</u>
Undergraduate		
Resident	\$370.00/hour	\$381.00/hour
Nonresident	942.00/hour	970.00/hour
Graduate		
Resident	575.00/hour	592.00/hour
Nonresident	1,159.00/hour	1,192.00/hour

Educational and General Fees

Technology Service Fee

In accordance with the language in the 1998 Appropriation Act, the university implemented an Educational and General technology service fee effective with the 1998 fall semester. The fee is currently \$74 per academic year. Part-time students pay half the full-time rate. The technology service fee is paid by all students. A \$2 increase in the technology service fee is recommended for 2018-19. For 2018-19, the technology service fee will be \$76 per academic year or \$38 per semester for full-time students.

Library Fee

Beginning in Fall 2013, the university instituted an annual fee to support a robust scholarly environment to advance academic achievement. The library fee supports comprehensive library resources, online access to library resources for enrolled students, and enhancements to student library services. The fee is currently \$96 per year. Part-time students pay half of the full-time rate. A \$3 increase in the Library fee is recommended for 2018-19. For 2018-19, the library fee will be \$99 per academic year or \$49.50 per semester for full-time students.

Commonwealth Facility and Equipment Fee

The 2003 General Assembly required the establishment of a capital fee to be assessed to all nonresident students at institutions of higher education for 2003-04 to pay a portion of the debt service on bonds issued under the 21st Century Debt Program issued for construction of new facilities on campus. The 2004 General Assembly increased the nongeneral fund portion of lease payments for the 2004-06 allocation of equipment under the Higher Education Equipment Trust fund and stipulated the source of the nongeneral funds be an increase in fees for

nonresident students at public institutions of higher education starting in 2005-06. Part-time students pay one-half the full-time rate. The Commonwealth Facility and Equipment fee of \$604 is paid by all nonresident students. No change in the Commonwealth Facility and Equipment fee is proposed for 2018-19.

Immigration Services Fee

To support the administrative costs associated with immigration services provided to degree seeking international students and improvements to those services, both undergraduate and graduate, the university proposes an Immigration Services Fee of \$275 per semester for 2018-19. This fee will help support costs uniquely associated with the administration of international student enrollment including academic and financial verification, immigration regulation, Student and Exchange Visitor Program System (SEVIS) reporting requirements, financial processing fees, and compliance with United States Government regulations. International students on a domestic campus will be assessed the fee. For international Graduate students on assistantship, the fee will be remitted under Section 4-2.01b.6 of the Virginia Appropriation Act in recognition of their service to the University. This fee will be phased-in starting with new international students enrolling in Fall 2018.

Average Cost of Education

The Commonwealth of Virginia has a well-established methodology for computing the per student educational cost for colleges and universities. This process identifies the average educational cost for all undergraduate and graduate students, including part-time and full-time students taking classes at both on-campus and off-campus locations. The Average Cost of Education does not include professional programs such as veterinary medicine.

Until 2004, the Average Cost of Instruction was utilized as the measure of per student instructional cost. The Average Cost of Instruction identified the instructional cost components within the Educational and General appropriation and computed an average instructional cost.

In 2004, a new state policy replaced the Average Cost of *Instruction* with the Average Cost of *Education*. The Average Cost of Education is the instructional funding need generated by the base budget adequacy model. The Average Cost of Education is not comparable to the Average Cost of Instruction due to the differences in methodology.

The Average Cost of Education now serves as the basis for ensuring that nonresident undergraduate and graduate students cover at least 100 percent of the average cost of their education as the General Assembly instructed colleges and universities in the 1991 legislative session. Nonresident tuition and mandatory E&G fee rates for the upcoming academic year are examined against the Average Cost of Education in the prior year to insure they cover 100 percent of the Average Cost of Education. Commonwealth policy continues to allow the university to recover the full cost from nonresidents as a group.

Because the State Council of Higher Education for Virginia does not compute the Average Cost of Education until July, the following table presents Virginia Tech's estimate of the Average Cost of Education and coverage percentages by student category for 2018-19. The Average Cost of Education is estimated to be \$18,974. The proposed Virginia Tech nonresident tuition and mandatory E&G fees are 151 percent of the Average Cost of Education and are in compliance

with state tuition policy. Average percentages of the Cost of Education by individual student category are summarized in the following schedule.

	<u>2017-18</u>		<u>2018</u>	-19 Proposed
	<u>Amount</u>	% of Average	<u>Amount</u>	% of Average
Estimated Average Cost of Education	\$ 18,418		\$ 18,974	
<u>Undergraduates*</u>				
Residents	11,263	61%	11,595	61%
Nonresidents	28,443	154%	29,279	154%
Graduates*				
Residents	13,105	71%	13,485	71%
Nonresidents	26,239	142%	27,000	142%
Residency Residents		62%		62%
Nonresidents		150%		151%
Nonicolucino		130 70		13170

^{*} Amounts include proposed tuition and E&G fees. The nonresident facility and equipment fee is not comparable to the Average Cost of Education.

Excess Credit Hour Surcharge

The 2006 General Assembly (§ 23-7.4F Code of Virginia) required the establishment of a surcharge to be assessed to all resident undergraduate students beginning in the semester after 125 percent of credit hours required for baccalaureate degrees have been completed.

This applies to students entering on or subsequent to August 1, 2006. The surcharge amount is the difference between the Average Cost of Education and the in-state undergraduate tuition and mandatory E&G fees. In effect, the surcharge requires the student to pay the Average Cost of Education once they have exceeded 125 percent of degree requirements.

The following table displays the actual 2017-18 surcharge amount and an estimated surcharge amount for 2018-19 based on Virginia Tech's estimate of the Average Cost of Education for 2018-19 and the proposed 2018-19 tuition and mandatory E&G fees included in this package.

	2017-18 Charge	Estimated 2018-19*
Average Cost of Education	\$ 18,734	\$18,974
In State Undergraduate Tuition and E&G Fees	11,263	11,595
Surcharge-Annual	7,471	7,379
Surcharge Per Credit Hour	311	307

^{*}The Average Cost of Education for 2018-19 is an estimated value pending SCHEV's computation in July 2018.

Comprehensive Fee

In 2017-18, students attending Virginia Tech paid a Comprehensive Fee totaling \$1,967 to support seven different services. The Student Activity Fee, the Health Service Fee, the Athletic Fee, the Transportation Services Fee, the Recreational Sports Fee, the Student Services Fee, and the Student Cultural Activities Fee are consolidated into one fee in order to streamline the process for collecting and accounting for these charges. The \$1,967 per student fee is the lowest Comprehensive Fee charged by any four-year institution in Virginia. Comprehensive fees at the other five doctoral institutions range from \$2,141 to \$5,538. Individual descriptions and recommended amounts for 2018-19 are below for each component of the Comprehensive Fee.

Student Activity Fee

Full-time students currently pay \$326 annually for the Student Activity Fee, which covers the maintenance and operation of the student centers, student programs, and supports student activities as determined by the Student Budget Board. Part-time students pay one-half of this fee. After considering available resources, including incremental revenue from enrollment growth, a \$5 decrease in the Student Activity Fee is recommended for 2018-19. Incremental revenue will support planned compensation programs, adjustments to fringe benefit rates, personnel costs, utility costs, student affairs support services, Cultural and Community Center assistant directors, increased student organization funding, and operating costs. If approved, the current \$326 per year charge will be replaced by a \$321 annual, or \$160.50 per semester, charge in the 2018-19 academic year.

Health Service Fee

Full-time students currently pay \$425 per year for normal medical and nursing attention and counseling services provided by Schiffert Student Health Services, Cook Counseling Center, and Virginia Tech Rescue Squad operations. Part-time students pay one-half of this fee. After considering available resources, including incremental revenue from enrollment growth, a \$22 increase in the Health Service Fee is recommended for 2018-19. This increase is needed to cover planned compensation programs, adjustments to fringe benefit rates, seven additional counselors and a psychiatric nurse practitioner for Cook Counseling, Schiffert Health Center salary adjustments and allergy clinic licensed practical nurse, utility costs, student affairs support services, and operating costs. If approved, the current \$425 per year charge will be replaced by a \$447 annual, or \$223.50 per semester, charge in the 2018-19 academic year.

Athletic Fee

Full-time students currently pay \$308 per year, to support a portion of the athletic program operations. Part-time students pay one-half of this fee. After considering available resources, including incremental revenue from enrollment growth, a \$9 increase in the Athletic Fee is recommended for 2018-19. This increase is needed to cover facility and maintenance costs, athlete medical costs, employee healthcare, and inflationary pressures on non-revenue sports and activities. The student fee revenue covers the costs of athletic administration and sponsoring intercollegiate varsity sports that do not generate revenue. This fee entitles students to free admissions into sporting events, while recognizing that student seating is limited thus not guaranteed. If approved, the current \$308 per year charge will be replaced by a \$317 annual, or

\$158.50 per semester, charge in the 2017-18 academic year. Based on the university's understanding, the 2018-19 Athletic fee recommendation is in compliance with § 23-1.2 of the Code of Virginia.

Transportation Services Fee

Students enrolled at Virginia Tech have unlimited access to bus transportation provided by the Blacksburg Transit System through a contract the university negotiates with the Town of Blacksburg each year. In the current year, students pay \$137 per year for unlimited ridership and for the services of the Office of Alternative Transportation. Part-time students pay one-half of the fee. An estimated four million student trips on the Blacksburg Transit will occur in 2017-18. In addition to the convenience for students, the bus system and alternative transportation programs save the university considerable resources by lowering requirements for on-campus parking. After considering available resources, including incremental revenue from enrollment growth, a \$28 increase in the Transportation Services Fee is recommended for 2018-19. This is due to the need for increased service levels in high density areas, enhanced transit service routes, transit contract increases, the university's portion of a regional bike share program, planned compensation programs, adjustments to fringe benefit rates, personnel costs, and operating costs. For 2018-19, the current \$137 per year charge is recommended to increase to \$165 annually, or \$82.50 per semester.

Recreational Sports Fee

Full-time students currently pay \$322 annually for the Recreational Sports Fee, which supports debt retirement, maintenance, operations, intramural and extramural sports club programs, and recreational activities. Part-time students pay one-half of the full-time fee. After considering available resources, including incremental revenue from enrollment growth, a \$9 decrease in the Recreational Sports Fee is recommended for 2018-19. Incremental revenue will support planned compensation programs, adjustments to fringe benefit rates, personnel costs, utility costs, student affairs support services, equipment maintenance operations, outdoor fitness park, and operating costs. For 2018-19, the current \$322 per year charge is recommended to decrease to \$313 annually, or \$156.50 per semester.

Student Services Fee

Full-time students currently pay \$268 annually for the Student Services Fee, which supports Career Services; non self-supporting student services components of the Hokie Passport Office, including the cost of new student IDs; the Division of Student Affairs; and the campus wireless network.

After considering available resources, including incremental revenue from enrollment growth, a \$9 increase for the Career Services fee component is recommended for 2018-19 to cover planned compensation programs, personnel costs, adjustments to fringe benefit rates, increased utility costs, employer relations assistant, part-time wage support, graduate assistant, software for internship and mentorship programs, increases in operating costs, and career event expenses. A \$10 increase is recommended for the Wireless fee component to cover network infrastructure renewal. A \$2 increase is recommended for the Student Affairs fee component to cover additional student conduct personnel. The Hokie Passport component is proposed to remain unchanged. For 2018-19, the current \$268 charge is recommended to increase to

\$289 annually, or \$144.50 per semester, fee in the 2018-19 academic year. Part-time students pay one-half of this fee.

Student Cultural Activities Fee

Full-time students currently pay \$181 annually for the Student Cultural Activities Fee, which supports the presence and practice of the arts across campus for all students, and provides free or greatly reduced admission to enrolled students. Part-time students pay one-half of this fee. After considering available resources, including incremental revenue from enrollment growth, an \$8 decrease in the Student Cultural Activities Fee is recommended for 2018-19. Incremental revenue will support planned compensation programs, adjustments to fringe benefit rates, utility costs, and operating costs. If approved, the current \$181 charge will be replaced with a \$173 annual, or \$86.50 per semester, fee in the 2018-19 academic year.

Summary of Comprehensive Fee

	2017-18	Proposed
	Charge	2018-19
	Annual Fee	Annual Fee
Student Activity Fee	\$ 326	\$ 321
Health Service Fee	425	447
Athletic Fee	308	317
Transportation Services Fee	137	165
Recreational Sports Fee	322	313
Student Services Fee	268	289
Student Cultural Activities Fee	181	173
Total	\$1,967	\$2,025

Room and Board Charges

The university's Residential and Dining Programs serve students by providing on-campus housing and dining services. Generally, all entering freshmen must live on campus, and housing is available on a limited basis for returning students who choose to live on campus. The university establishes optional room and board rates based on a derivation of the Board-approved fee to appropriately reflect costs for Summer Session and summer conferences. All students living on campus must select a meal plan, with the exception of students who elect to reside in the Oak Lane – Phase IV housing development; off-campus students may elect to participate in one of the meal plan programs.

Room Fees

An average 2.3 percent increase is proposed to cover planned compensation programs, adjustments to fringe benefit rates, personnel costs, utility costs, student affairs costs, facility renovation projects, residential facilities planning, operating costs, and facility maintenance. Northern Virginia Gallery proposed rates include local operating alignments. The proposed room rates by location and room type are listed below:

	2017-18 Charge Annual Fee	Proposed 2018-19 Annual Fee
Double Occupancy:		
Lower Quad (Pre-1983)	4,818	4,930
Payne Park - Traditional - Double	5,302	5,424
Main Campbell & Newman - Double	5,432	5,558
Hillcrest - Double	5,840	5,976
Cochrane Hall	5,998	6,136
Ambler Johnston & O'Shaughnessy - Traditional	6,166	6,308
Payne Park - Suite - Double	6,390	6,538
Payne Park - Large Suite - Double	6,544	6,696
Upper Quad (Pearson & New Residence Hall)	6,596	6,748
New Residence Hall West - Double	6,694	6,848
East & West Ambler Johnston - Private Bath	7,074	7,238
East & West Ambler Johnston - Efficiency	7,164	7,330
Single Occupancy:		
Payne Park - Traditional - Single	7,248	7,416
Main Campbell & Newman - Single	7,378	7,548
Hillcrest - Single	7,940	8,124
Payne Park - Suite - Single	8,814	9,018
New Residence Hall West - Single	9,120	9,330
Other:		
Special Purpose Housing	6,014	6,154
Graduate Life Center, Donaldson Brown - Double	6,694	6,848
Oak Lane IV	7,180	7,346
Graduate Life Center, Donaldson Brown - Single	9,120	9,330
The Gallery (NOVA) – 4-Person Unit	6,080	6,460
The Gallery (NOVA) – 3-Person Unit	7,304	7,480
The Gallery (NOVA) – 2-Person Unit	8,038	8,140

Living Learning Community Fee

The Living Learning Community Fee is an optional charge for students participating in a Living Learning Community in Lee Hall, East & West Ambler Johnston, Pritchard Hall, and Harper Hall. These dormitories offer unique living and learning opportunities to the student residents who choose to pay the optional program fee of \$100 annually. The fee supports the cost of operating the program. No increase in fee is recommended for 2018-19, and programming will be offered in one additional residence hall: O'Shaughnessy Hall.

Residential Telecommunications Fee

All students living on campus pay the Residential Telecommunications Fee, which supports residential cable television service, wired network connectivity, and high-performance wireless network coverage. Residential students currently pay \$394 annually for telecommunication services. No increase in fee is recommended for 2018-19.

Board Fees

Students living on-campus currently have a choice of three types of flexible meal plans. The Flex Plan operates like a debit account with a designated amount for the purchase of food in the dining facilities. Students are able to increase their Flex account balance during the year by depositing cash to their Flex accounts. Consistent with the purchasing power of traditional meal plans, the intent of annual rate changes for the Flex Plans is to hold overall purchasing power constant year-to-year.

A 3.8 percent increase is proposed for board fees to cover increased food costs, planned compensation programs, personnel costs, adjustments to fringe benefit rates, increased salary compensation, utility costs, student affairs support services, facility maintenance and renovation projects, dining capital project planning, and operating costs. The proposed board rates by meal plan program are listed below:

	2017-18	Proposed
	Charge	2018-19
	<u>Annual Fee</u>	<u> Annual Fee</u>
Major Flex Plan	\$3,478	\$3,610
Mega Flex Plan	3,728	3,870
Premium Flex Plan	3,988	4,140

Campus Fees

Specialized campus fees are designed to cover costs that are unique to a specific campus. These fees are charges established for a specific campus which are beyond regular tuition and fees and are equal for students, both resident and nonresident.

Northern Virginia Center Student Services Fees

The comprehensive fee, which supports a number of on-campus services, is not charged to off-campus students. However, students attending courses at the Northern Virginia Center benefit from several of these services including the infrastructure and use of the wireless network, as well as the issuance and use of student identification cards. Full-time students currently pay \$132 annually for the Northern Virginia Center Student Services Fee. A \$10 increase is recommended for the wireless network component to cover network infrastructure refreshment. If approved, the current \$132 charge will be replaced with a \$142 annual, or \$71 per semester, fee in the 2018-19 academic year. Part-time students would pay one-half of this fee.

Virginia Tech Carilion School of Medicine Student Services Fees

Medical students attending courses at the VTCSOM in Roanoke benefit from several of the traditional comprehensive fee services including the infrastructure and use of the wireless network, as well as the issuance and use of student identification cards. These students will also have access to health and wellness services and student government activities. Upon integration with Virginia Tech as of July 1, 2018, students at the VTCSOM will be assessed the following fees:

	Proposed 2018-19
	Annual Fee
VTCSOM Student Services Fee	\$142
VTCSOM Health Services Fee	425
VTCSOM Student Government/Activity Fee	185

Fee Rates for the Steger Center for International Scholarship

The Steger Center for International Scholarship (formerly known as the Center for European Studies and Architecture) in Riva San Vitale, Switzerland, opened in the Fall of 1993. The Center serves as a resident educational facility for Virginia Tech students from many academic programs. Providing the opportunity for students to study abroad is an important strategy in strengthening the international programs of Virginia Tech, an objective of both the university and the Commonwealth.

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

Students attending the Steger Center for International Scholarship are assessed the same tuition as on-campus students, and it is recommended that this tuition policy continue.

For housing and dining services at the Center, the proposed fees are higher than on-campus rates to reflect the higher cost of living at the Center. Students are not required to pay the oncampus Comprehensive Fee while studying abroad. Students currently pay a \$100 Steger Center student activity fee, which provides students with community-building social and recreational events and activities. The university proposes no increase in the student activity fee for the 2018-19 academic year and no increase in the room and board fee based on the facility's operating costs. If approved, Steger Center students will pay a \$100 Student Activity Fee and \$7,100 per semester for room and board. The university proposes the following semester rates for Virginia Tech students:

	2017-18	Proposed
	Charge	2018-19
	Semester Rate	Semester Rate
Steger Center Student Activity Fee	\$ 100	\$ 100
Steger Center Room & Board Costs	7,100	7,100

Washington-Alexandria Architecture Center Fee

To support the cost of operations and ensure the quality of the Washington-Alexandria Architecture Center (WAAC), the college recommends that a supplemental fee be assessed to Virginia Tech and WAAC Consortium students in residence at the center on a per-semester basis. This Educational & General fee will help manage the cost of instructional facilities and

equipment and support students in their academic efforts in the robust curricular environment of the WAAC. No change in the fee is recommended for 2018-19, as shown below:

	2017-18	Proposed
	Charge	2018-19
	Semester Fee	Semester Fee
Full-time	\$300	\$300
Part-time	150	150

Supplemental Program Fees

Supplemental Program Fees are designed to cover costs that are unique to a specific discipline. To maintain the intent of the Commonwealth's funding policies regarding the collection and allocation of tuition revenues, Program Fees are charges established for a specific program which are beyond regular tuition and fees and are equal for students, both resident and nonresident.

Architecture + Design Fee

Architecture, industrial design, interior design, and landscape architecture students in the School of Architecture + Design need access to appropriate studio equipment, academic programming, and technology. Since Fall 2008, the university has recognized this differential cost of instruction for students with majors in the School of Architecture + Design through a supplemental program fee. This fee supports costs that are unique to Architecture + Design students including: the updating, equipment, and materials for instructional studios, student projects, quality enhancements, and operational support of instructional studios. No change in the supplemental fee is recommended for students admitted prior to Fall 2018. For students admitted in Fall 2018, an annual fee of \$1,500 is recommended, as displayed below. The new rate will be fully implemented over four years.

	2017-18 <u>Annual Fee</u>	Proposed 2018-19 <u>Annual Fee</u>
Entered Prior to Fall 2018		
Full-time	\$949.00	\$949.00
Part-time	474.50	474.50
Entering Fall 2018		
Full-time	N/A	1,500
Part-time	N/A	750

Building Construction Fee

To ensure that the Myers Lawson School of Construction has adequate resources to staff, equip, and enhance the provisions of the Building Construction program, an annual program fee is proposed to recognize the differential cost of instruction for students in the Building Construction major. This fee is important for ensuring the necessary resources to support costs unique to Building Construction students and continued program quality including the continuing need for modernization of equipment and instrumentation for instructional space and student

projects, staffing needs of the BUILD lab, required upgrades to lab space, and adequate staff support to ensure the effective maintenance of equipment and technology in the daily operation of the lab. No change in the supplemental fee is recommended for students admitted prior to Fall 2018. For students admitted in Fall 2018, an annual fee of \$1,500 is recommended, as displayed below. The new rate will be fully implemented over four years.

	2017-18 <u>Annual Fee</u>	Proposed 2018-19 <u>Annual Fee</u>
Entered Prior to Fall 2018		
Full-time Part-time	\$775 387.50	\$775 387.50
Entering Fall 2018		
Full-time	N/A	1,500
Part-time	N/A	750

Engineering Fee

To ensure that engineering students continue to receive a state-of-the-art education in a quality learning environment, the university began recognizing the higher cost of instruction in the College of Engineering (COE) through the establishment of a supplemental fee in fall 2007. This fee supports costs that are unique to College of Engineering students including: the continuing need for modernization of instrumentation and materials for instructional laboratories and student projects, instructional space costs, effective maintenance of instrumentation and technology, quality enhancements, and operation of the instructional laboratories. No change in the supplemental fee is recommended for students admitted prior to Fall 2018. For students admitted in Fall 2018, an annual fee of \$2,000 is recommended, as displayed below. The new rate will be fully implemented over four years.

Entered Prior to Fall 2018 Undergraduate	2017-18 <u>Annual Fee</u>	Proposed 2018-19 <u>Annual Fee</u>
Full-time	\$775	\$775
Part-time	387.50	387.50
<u>Graduate</u>		
Full-time	1,049	1,049
Part-time	525	525
Entering Fall 2018		
Undergraduate and Graduate		
Full-time	N/A	2,000
Part-time	N/A	1,000

Pamplin College of Business Fee

Delivering a high-quality business education requires the resources to address costs unique to the Pamplin College of Business. To ensure continued excellence in the Pamplin College of Business, a per-credit hour fee was established in 2013-14 to provide dedicated resources to be utilized exclusively for the Pamplin College of Business. For 2018-19, the university recommends establishing a new rate of \$75 per credit hour fee, to be phased in over four years beginning with 1000 level courses.

	2017-18 <u>Charge</u>	Proposed <u>2018-19</u>
2000, 3000, and 4000 Level Courses	\$25/hour	\$25/hour
1000 Level Courses	N/A	\$75/hour

Agriculture Fee

To ensure that the College of Agriculture has adequate resources to deliver cutting-edge, high-quality instruction and maintain critical laboratory facilities and equipment, an annual program fee is proposed for students in the College of Agriculture. An annual fee of \$750 is proposed for students entering in Fall 2018, and will be phased-in over the next four years to all students in the college, as displayed below:

	2017-18	Proposed
	Charge	2018-19
	<u>Annual Fee</u>	<u> Annual Fee</u>
Entering Fall 2018		
Undergraduate and Graduate		
Full-time	N/A	\$750
Part-time	N/A	375

Course Specific Charges

The university may establish course specific charges for study abroad costs, field trips, course materials, laboratory cost, or other extraordinary costs tied to individual courses. The university avoids establishing course charges for materials and laboratory charges in programs with specialized program fees.

Graduate Degree Program Fees

Specialized graduate degree programs provide a valuable service by meeting targeted educational and professional development needs. Because both the academic units and the university have added costs associated with providing high demand specialized graduate degree programs, specialized graduate program fees address these incremental college and university costs required to deliver high quality programs. To maintain the intent of the commonwealth's funding policies regarding the collection and allocation of tuition revenues, Specialized Graduate Program Fees are charges established for a specific graduate program,

potentially at a specific location, beyond regular tuition and fees and are equal for students, both resident and nonresident.

Veterinary Medicine Facility Fee

Capital improvements have enhanced the College of Veterinary Medicine instructional space. Increased and enhanced facilities were necessary for the recruitment and retention of high-quality faculty and students. All Veterinary Medicine students are assessed a facility fee. Proceeds from the facility fee will be used exclusively for College of Veterinary Medicine instructional space improvements. A \$50 reduction in the fee is recommended for 2018-19, as displayed below.

	2017-18	Proposed
	<u>Charge</u>	2018-19
Veterinary Medicine Facility Fee	\$1,250	\$ 1,200

Master of Public Health (MPH) Fee

The MPH fee provides resources for program-specific course development, faculty and leadership support, and instructional needs. No increase in the fee is proposed for 2018-19. Part-time students pay one-half of the fee.

		Proposed
	2017-18	2018-19
	<u>Annual Fee</u>	<u>Annual Fee</u>
Full-time	\$525	\$525
Part-time	262.50	262.50

Master of Business Administration Fee

The Master of Business Administration (MBA) program fee, aligns pricing of the Virginia Tech MBA program and provides funding for the college's academic program, expanded recruitment efforts, and enhanced career placement services for students.

The fee is not assessed to Executive MBA or Professional MBA students (which have separate rate structures). Both On and Off campus students pay this fee. No increase is proposed for 2018-19, as presented below:

	2017-18	Proposed
	<u>Charge</u>	<u>2018-19</u>
MBA	\$175/hour	\$175/hour

Master of Science in Business Administration (MSBA) Fee

To ensure the Pamplin College of Business MSBA programs in Business Analytics (BA) and Hospitality & Tourism Management (HTM) are positioned to deliver high-quality instruction, recruit a diverse pool of high-caliber students, and provide experiential learning opportunities and career services to graduating students, the university proposes recognizing the differential cost of the MSBA-BA and MSBA-HTM programs through the assessment of a supplemental E&G program fee. This fee will be assessed on a per-credit hour basis for each credit hour taken by the student. No increase is proposed for 2018-19, as presented below:

	2017-18	Proposed
	<u>Charge</u>	<u>2018-19</u>
Business Analytics (BA),	\$175/hour	\$175/hour
Hospitality & Tourism Management (HTM)	175/hour	175/hour

Professional & Executive Model Graduate Degree Program Fees

While similar to specialized graduate program fees, the industry standard for this type of professional education program is to be quoted in terms of a total cost, for the entire program period. Programs generally span from 12 to 24 months. A new multi-year total cost is developed for each incoming cohort. The annual program fees are established as the difference between applicable tuition and fees and the total cost during the cohort period. The program fee for a cohort's second year is established when tuition and fee rates are established for that year; this can be impacted by various factors including cost assignments by the General Assembly, but are designed to honor the previously quoted total cost of the entire program period. Each Executive Model program and its total cost proposal are summarized below.

Professional Master of Business Administration (PMBA) Supplemental Fee

The PMBA program is intended for experienced working professionals to complete an MBA on a part-time basis in an accelerated format. The program is designed on the cohort model with face-to-face weekend classes (in Richmond and Roanoke) while leveraging online technology for supplemental instructional delivery to provide flexibility for busy working professionals to complete the program over a two-year period. A \$2,000 increase in the total program cost is proposed for resident students entering in the Fall 2018 cohort. No change to the total program cost is proposed for nonresident students entering in the Fall 2018 cohort. The charges for the Professional MBA program are displayed in the table below.

2017-18

Proposed

Two-Year

	Program Cost	<u>Charge</u>	2018-19	<u>2019-20</u>
Fall 2017 Cohort PMBA Total Cost – Resident Less: Off-campus Tuition & Fees PMBA Fee – 2017 Resident	\$40,500	\$20,475 (14,489) 5,986	\$20,025 (14,909) 5,116	
PMBA Total Cost –Nonresident Less: Off-campus Tuition & Fees PMBA Fee – 2017 Nonresident	63,180	29,455 (28,680) 775	33,725 (29,494) 4,231	
Fall 2018 Cohort PMBA Total Cost – Resident Less: Off-campus Tuition & Fees PMBA Fee – 2018 Resident	\$42,500	N/A	\$17,909 (14,909) 3,000	\$24,591 <u>TBD</u> TBD
PMBA Total Cost – Nonresident Less: Off-campus Tuition & Fees PMBA Fee – 2018 Nonresident	63,180	N/A	\$32,494 (29,494) 3,000	\$30,686 <u>TBD</u> TBD
	4 ^		· · · · · · · · · · · · · · · · · · ·	

Placeholder

Executive Graduate Programs

For new cohorts beginning in 2016-17 in the Ph.D. in Executive Business Research and Executive Master of Natural Resources, the university established an Executive Graduate tuition & fee structure comprised of Executive Graduate tuition, the technology fee, the library fee, a facility & equipment fee, and a program-specific supplemental fee. Continuing this structure for 2018-19 is recommended. Full-Time semester rates are one-half of the full-time annual rates.

	2018-19
Executive Graduate Tuition (Full-Time)	\$28,715
Technology Fee	76
Library Fee	99
Facility & Equipment Fee	604
Executive Graduate Tuition and Fees	\$29,494
Part-Time Per Credit Hour Executive Graduate Tuition	\$1,595.25

Executive Master of Natural Resources (XMNR) Supplemental Fee

In 2010-11, the College of Natural Resources expanded the existing Master of Natural Resources program delivered in the National Capital Region by adding an executive format cohort. The program is an accelerated graduate degree for working professionals with significant management experience. Each new cohort is established with Executive Graduate tuition & fees (residency neutral) and an XMNR program fee for all students to achieve the proposed total program cost summarized below.

	Total Program Cost	Spring 2018	Summer 2018	Proposed Fall 2018
Spring 2018 Starting Cohort XMNR Total Cost (less) Executive Graduate Tuition & Fees XMNR Fee – 2018 Cohort	\$48,000	\$18,340 (14,340) 4,000	\$11,946 (7,946) 4,000	\$17,714 (14,747) 2,967
	Total Program Cost	Proposed Spring 2019	Summer 2019	Fall 2019
Spring 2019 Starting Cohort XMNR Total Cost (less) Executive Graduate Tuition & Fees XMNR Fee – 2019 Cohort	\$48,000	\$18,747 (14,747)	\$12,171 (8,171)	\$17,082 TBD

PhD in Executive Business Research (ExPhD)

The Pamplin College of Business launched a new Ph.D. in Business with a concentration in Executive Business Research that started in Fall 2016. The program is administered through the College's Falls Church facility in the National Capital Region and provides business professionals with rigorous training in analytical and research techniques, exposure to the scholarly literature in business, and dissertation research experience that is translational in nature. The ExPhD degree program is a three-year doctoral program with a plan of study that includes enrollment in most, but not all, summer, fall, winter, and spring semesters. The degree is marketed as a total fixed cost program, with a goal of assessing the initial cohort \$40,000 per year per student for a total cost of \$120,000. Each new cohort will be established with Executive Graduate tuition & fees and a per credit hour ExPhD program fee for all students to achieve the proposed total cost summarized below. This program fee will be assessed on a per credit hour basis in order to provide flexibility in a student's plan of study. No increase to the total cost proposed for third cohort of the program that starts in Fall 2018.

	Total			
	Program Cost	Year 1 Cost	Year 2 Cost	Year 3 Cost
Fall 2016 Cohort				
ExPhd Total Program Cost	\$120,000	\$40,000	\$40,000	\$40,000
(less) Executive Graduate T&F		(32,141.75)	(30,139)	(32,699.25)
ExPhd Program Fee Estimated Total		7,858.25	9,861	7,300.75
ExPhd Program Fee - Per Credit		374	519	365
	Total			
	Program Cost	Year 1 Cost	Year 2 Cost	Year 3 Cost
Fall 2017 Cohort				
ExPhd Total Program Cost	\$120,000	\$40,000	\$40,000	\$40,000
(less) Executive Graduate T&F		(31,791.75)	(32,699.25)	(TBD)
ExPhd Program Fee Estimated Total		8,208.25	7,300.75	TBD
ExPhd Program Fee - Per Credit		410.25	365 TBD	
	Total			
	Program Cost	Year 1 Cost	Year 2 Cost	Year 3 Cost
Fall 2018 Cohort				
ExPhd Total Program Cost	\$120,000	\$40,000	\$40,000	\$40,000
(less) Executive Graduate T&F		(32,699.25)	(TBD)	(TBD)
ExPhd Program Fee Estimated Total		7,330.75	TBD	TBD
ExPhd Program Fee - Per Credit		365	TBD	TBD

Parking Fee

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

The increases below are necessary to cover planned compensation programs, adjustments to fringe benefit rates, personnel costs, utility costs, facility and maintenance costs, and operating costs. The university also proposes to continue to provide a parking rate discount to encourage car-pooling and remote lot parking in an effort to reduce the amount of vehicular traffic on campus. Annual student parking fees at other Virginia doctoral institutions for 2017-18 range from \$240 to \$750 for students, dependent upon the type and proximity of parking facilities.

			Increase	
Parking Permit Type	2017-18 Charge	Proposed 2018-19	<u>\$</u>	%
Commuter/Graduate Student	\$289	\$289	\$ 0	0%
Commuter/Graduate Student Premium	N/A	389	N/A	N/A
Faculty/Staff	312	338	26	8%
Residential Student	399	419	20	5%

History of Tuition Legislation in Virginia

The period of 1989 to the present has been one of significant change in the level of state support, tuition policies, and rates. The substantial growth in tuition continues to be a source of increasing concern to institutions of higher education, students, parents, and state officials.

During the period of 1989 to 1996, tuition increased dramatically across the Commonwealth due to the decline in General Fund support for higher education. At Virginia Tech, undergraduate tuition increased by 49 percent for resident students and 91 percent for nonresident students in the six-year period 1989-90 to 1995-96, a direct result of six rounds of reductions in state General Fund support.

In 1994 the Appropriation Act included language which established tuition rate growth caps of 3 percent for resident students and 7.5 percent for nonresident students for each year of the biennium. For 1996-97 through 1998-99, the Appropriation Act included language to freeze tuition for Virginia undergraduates at the 1995-96 level. The 1999 General Assembly approved a 20 percent reduction in tuition and mandatory Educational and General fees for Virginia undergraduate students and offset the reduction in revenue by providing new General Fund support. The 2000 Appropriation Act included language to continue tuition and mandatory Educational and General fees at 1999-00 levels for Virginia undergraduate students during the 2000-02 biennium.

To address state revenue shortfalls, language in the 2002 Appropriation Act provided authority to increase tuition and mandatory Educational and General fees for Virginia undergraduate students by 9 percent. The 2003 General Assembly allowed for the annualization of the Spring 2003 tuition increases and limited increases in tuition and mandatory Educational and General

fees for Fall 2003 for Virginia undergraduate students to 5 percent plus nongeneral fund cost assignments.

The authority granted by the 2004 General Assembly continues, and establishes that "The Board of Visitors . . . of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates, provided that the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in the act."

Effective July 1, 2006, the university entered into a management agreement with the Commonwealth of Virginia. A critical element of this agreement is the reaffirmation of the Board of Visitors' authority to establish tuition and fee rates. This rate setting authority, coupled with the sum sufficient revenue authority to establish nongeneral fund appropriations as provided in the management agreement, provides a much more stable environment for planning and establishment of future tuition and fee rates.

For 2007-08, the 2007 General Assembly established a Tuition Incentive for allocation to institutions contingent upon limiting the increase of tuition and E&G fees for in-state undergraduate students to 6 percent plus in-state undergraduate financial aid. The 2008 General Assembly continued the incentive fund concept to encourage institutions to limit the instate undergraduate tuition and E&G fee increases to 3 percent for E&G operations and 1 percent for student financial aid in 2008-09.

Language included in the 2009 budget, and continued in 2010, reiterated the intent of the federal American Recovery and Reinvestment Act of 2009 (ARRA) to "mitigate the need to raise tuition on in-state students at public colleges and universities." As a result of this Act, the University division received over \$11 million in funding in 2009-10. This funding came along with an understanding, expressed verbally by state budget-writers, that higher education institutions would use ARRA funding to mitigate the need to increase tuition to Virginia residents beyond 5 percent.

The Governor's Commission on Higher Education, Reform, Innovation, and Investment introduced the Higher Education Opportunity Act of 2011 at the start of the 2011 General Assembly. In this legislation, institutional tuition and fee-setting authority is retained by the Board of Visitors. However, total tuition and fee revenue is limited to the aggregate cost of education for all enrolled students, minus state General Fund support. The model does allow for exclusion of Virginia resident tuition and fee revenue directed towards financial aid, an institution's nongeneral fund share of the state mandated salary and fringe increases, improving faculty salary competitiveness, and unavoidable cost increases to ensure flexibility and inclusion of specific institutional characteristics, missions, and goals. The university is in compliance with this test; thus, the Board of Visitors retains the authority to set tuition and fee levels.

Summary of Tuition and Fee Rates

A summary of the recommended tuition rates is shown on Schedules 1 and 2, and a summary of fees is attached on Schedules 3 and 4. Finally, the total of all mandatory costs for students to attend Virginia Tech is detailed on Schedule 5 for undergraduate students, Schedule 6 for graduate students, and Schedule 7 for professional degree students.

RECOMMENDATION:

That the proposed tuition and fee rates be approved, effective Fall Semester 2018 including ratification of the 2018-19 Tuition and Fee rates for the Virginia Tech Carilion School of Medicine. This approval is based on the assumption that the final outcome of the General Assembly will materially align with the University's planning assumptions for revenues and expenses; therefore, the Board reserves the right to reconsider the 2018-19 tuition and fee rates based on the budget decisions of the Special Session of the General Assembly.

Schedule 1

VIRGINIA TECH 2018-19 TUITION RECOMMENDATIONS SUMMARY OF ANNUAL CHARGES

RECOMMENDATION

	0047.40	Daniel	Ra	
	2017-18 Charge	Proposed 2018-19	Incre \$	ease %
Undergraduate Students				
Resident Nonresident	\$11,093 28,273	\$11,420 29,104	\$327 831	2.9% 2.9%
Graduate Students				
On-Campus Programs				
Resident Nonresident	12,935 26,069	13,310 26,825	375 756	2.9% 2.9%
Off-Campus Programs				
Resident Nonresident	14,319 27,906	14,734 28,715	415 809	2.9% 2.9%
Veterinary Medicine				
Virginia/Maryland Out-of-State Non-Maryland	20,810 48,005	21,372 49,301	562 1,296	2.7% 2.7%
VTC School of Medicine	N/A	51,818	N/A	N/A

VIRGINIA TECH 2018-19 SPECIAL TUITION RATES SUMMARY OF HOURLY RATES

	2017-18	Proposed	Increa	ase
	Charge	2018-19	\$	%
Regular Part-Time Students (a)				
<u>Undergraduate Students</u>				
Resident	\$462.25	\$475.75	\$13.50	2.9%
Nonresident	1,178.00	1,212.75	34.75	2.9%
Graduate Students				
On-Campus Programs				
Resident	718.50	739.50	21.00	2.9%
Nonresident	1,448.25	1,490.25	42.00	2.9%
Off-Campus Programs				
Resident	795.75	818.50	22.75	2.9%
Nonresident	1,550.50	1,595.25	44.75	2.9%
Summer and Winter Sessions				
On-Campus Programs				
Undergraduate Resident	416.25	428.25	12.00	2.9%
Undergraduate Nonresident	1,060.00	1,091.00	31.00	2.9%
Online Graduate				
Tier 1	925.00	950.00	25.00	2.7%
Master of Information Technology (MIT)				
Tier 2	875.00	900.00	25.00	2.9%
Master of Natural Resources (MNR)				
Master of Agriculture and Life Sciences (OMALS) (b)				
Tier 3				
Graduate Certificate in Local Government Mgt (LGMC)	775.00	800.00	25.00	3.2%
Professional/ Executive Graduate				
Evening MBA, Data Analysis and Applied Statistics (DAAS)	N/A	1,025.00	N/A	N/A
Executive Graduate Tuition Rate (XMNR, BXBR)	1,550.50	1,595.25	44.75	2.9%
School Personnel				
Undergraduate Resident	347.00	357.00	10.00	2.9%
Graduate Resident				
Blacksburg Campus	539.00	555.00	16.00	3.0%
Extended Campus	597.00	614.00	17.00	2.8%
Study Abroad Programs (c)				
Undergraduate Resident	370.00	381.00	11.00	3.0%
Undergraduate Nonresident	942.00	970.00	28.00	3.0%
Graduate Resident	575.00	592.00	17.00	3.0%
Graduate Nonresident	1,159.00	1,192.00	33.00	2.8%

⁽a) Part-time tuition charges for all student categories are derived from the full-time rate and are directly related to the number of credit hours taken. For tuition calculation purposes, the full-time undergraduate semester rate is divided by 12 credit hours and the full-time graduate student semester rate is divided by 9 hours.

⁽b) Online Master of Agriculture and Life Sciences will transition from Tier 3 to Tier 2 begining in Fall 2018.

⁽c) Tuition rates for study abroad do not include students studying at the Steger Center for International Scholarship

VIRGINIA TECH 2018-19 FEE RECOMMENDATIONS SUMMARY OF ANNUAL CHARGES

	2017-18	Proposed	Incre	ase
	Charge	2018-19	\$	%
Educational and General Fee				<u> </u>
Technology Service Fee	\$ 74	\$ 76	\$ 2	2.7%
Library Fee	96	99	3	3.1%
Commonwealth Facility and Equipment Fee (Nonresident Stude	604	604	0	0.0%
Immigration Services Fee (International Students)	N/A	550	N/A	N/A
Comprehensive Fee				
Student Activity Fee	326	321	-5	-1.5%
Health Service Fee	425	447	22	5.2%
Athletic Fee	308	317	9	2.9%
Transportation Services Fee	137	165	28	20.4%
Recreational Sports Fee	322	313	-9	-2.8%
Student Services Fee	268	289	21	7.8%
Student Cultural Activities Fee	181	173		-4.4%
Total Comprehensive Fee	1,967	2,025	58	2.9%
Campus Fees				
Northern Virginia Center Student Services	132	142	10	7.6%
VTCSOM Student Services Fee	N/A	142	N/A	N/A
VTCSOM Health Services Fee	N/A	425	N/A	N/A
VTCSOM Student Govt/Student Activity Fee	N/A	185	N/A	N/A
	100	100	0	0.0%
Steger Center Student Activity Fee Steger Center (Room & Board)	7,100	7,100	0	0.0%
Washington-Alexandria Architecture Center Fee	300	300	0	0.0%
Washington-Alexandra Architecture Center Fee	300	300	U	0.0 /6
Room Fees				
Double Occupancy:				
Lower Quad (Pre-1983 Dormitories)	4,818	4,930	112	2.3%
Payne Park - Traditional - Double	5,302	5,424	122	2.3%
Main Campbell & Newman - Double Occupancy	5,432	5,558	126	2.3%
Hillcrest - Double Occupancy	5,840	5,976	136	2.3%
Cochrane Hall	5,998	6,136	138	2.3%
Ambler Johnston and O'Shaughnessy - Traditional Double	6,166	6,308 6,539	142 148	2.3%
Payne Park - Suite - Double Payne Park - Suite - Double (Large Suite)	6,390 6,544	6,538 6,696	152	2.3% 2.3%
Upper Quad (Pearson & New Cadet Hall)	6,596	6,748	152	2.3%
New Residence Hall West - Double Occupancy	6,694	6,848	154	2.3%
East & West Ambler Johnston - Private Bath Double	7,074	7,238	164	2.3%
East & West Ambier Johnston - Efficiency Double	7,164	7,330	166	2.3%
Single Occupancy:	7,101	7,000	100	2.070
Payne Park - Traditional - Single	7,248	7,416	168	2.3%
Main Campbell & Newman - Single Occupancy	7,378	7,548	170	2.3%
Hillcrest - Single Occupancy	7,940	8,124	184	2.3%
Payne Park - Suite - Single	8,814	9,018	204	2.3%
New Residence Hall West - Single Occupancy	9,120	9,330	210	2.3%
Other:				
Special Purpose Housing	6,014	6,154	140	2.3%
Graduate Life Center at Donaldson Brown - Double	6,694	6,848	154	2.3%
Oak Lane IV	7,180	7,346	166	2.3%
Graduate Life Center at Donaldson Brown - Single	9,120	9,330	210	2.3%
The Gallery (NOVA) - 4-Person Unit	6,080	6,460 7,480	380 176	6.3%
The Gallery (NOVA) - 3-Person Unit The Gallery (NOVA) - 2-Person Unit	7,304 8,038	7,480 8,140	176 102	2.4% 1.3%
Living Learning Community Fee	100	100	0	0.0%
Residential Telecommunications Fee	394	394		
	3 94	39 4	0	0.0%
Board Fees	0.470	0.040	400	0.007
Major Flex Plan	3,478	3,610	132	3.8%
Mega Flex Plan	3,728	3,870 4,140	142	3.8%
Premium Flex Plan	3,988	4,140	152	3.8%

VIRGINIA TECH 2018-19 SUPPLEMENTAL PROGRAM FEES

All charges are academic year unless otherwise noted.		2017-18	Proposed		ease
Program Fees		Charge	2018-19	\$	<u>%</u>
Architecture + Design					
Undergraduate & Graduate Returning Fall 2018	Full-time	\$ 949	\$ 949	0	0.0%
3 3	Part-time	474.50	474.50	0	0.0%
Undergraduate & Graduate Entering Fall 2018	Full-time	N/A	1,500	N/A	N/A
	Part-time	N/A	750.00	N/A	N/A
Building Construction					
Undergraduate Returning Fall 2018	Full-time	775	775	0	0.0%
	Part-time	387.50	387.50	0	0.0%
Undergraduate Entering Fall 2018	Full-time	N/A	1,500	N/A	N/A
	Part-time	N/A	750	N/A	N/A
<u>Engineering</u>					
Undergraduate Returning Fall 2018	Full-time	775	775	0	0.0%
•	Part-time	387.50	387.50	0	0.0%
Graduate Returning Fall 2018	Full-time	1,049	1,049	0	0.0%
	Part-time	525	525	0	0.0%
Undergraduate & Graduate Entering Fall 2018	Full-time	N/A	2,000	N/A	N/A
	Part-time	N/A	1,000	N/A	N/A
Pamplin College of Business					
Undergraduate 2000-4000 Level Courses	Per Credit Hour	25	25	0	0.0%
Undergraduate 1000 Level Courses	Per Credit Hour	N/A	75	N/A	N/A
•	1 CI OlCult Flour	14// (70	14// (14// (
Agriculture	= ""				
Undergraduate and Graduate Entering Fall 2018	Full-time Part-time	N/A N/A	750 375	N/A	N/A N/A
Specialized Graduate Degree Programs	Part-time	IN/A	3/5	N/A	IN/A
		1.050	1 200	(EO)	4.00/
Veterinary Medicine Facility Fee		1,250	1,200	(50)	-4.0%
Master of Public Health	Full-time	525	525	0	0.0%
	Part-time	262.50	262.50	0	0.0%
Mantan of Duning and Administration (MDA)	Dan One dit Have	475	475	0	0.00/
Master of Business Administration (MBA)	Per Credit Hour	175	175	0	0.0%
Master of Science in Business Administration (MSBA)	Per Credit Hour	175	175	0	0.0%
Concentrations in Business Analytics (BA) and Hospital	ity & Tourism Manage	ement (HTM)			
Executive Model Creducte Degree Pregrams (c)					
Executive Model Graduate Degree Programs (a)					
Professional MBA Fall 2017 Cohort					
Resident	Full-time	5,986	5,116	(870)	-14.5%
Resident	Per Credit Hour	249.50	213	(070)	- 14.570
Nonresident	Full-time	775	4,231	3,456	445.9%
	Per Credit Hour	32.50	176.50	-,	
Fall 2018 Cohort	Full-time	N/A	3,000	N/A	N/A
i ali 2010 Conort	Per Credit Hour	N/A	125	N/A	N/A
			0		
Executive Master of Natural Resources (XMNR)					
Spring 2018 Cohort		8,000	2,967	(5,033)	-62.9%
Spring 2019 Cohort		N/A	8,000	N/A	N/A
Evenutive DLID in Dunings Commented in Dunings Day	orah (EvDLID)				
Executive PHD in Business Concentration in Business Rese Fall 2016 Cohort	arch (ExPHD) Per Credit Hour	519	265	(1E1\)	-29.7%
Fall 2017 Cohort	Per Credit Hour	410.25	365 365	(154) (45)	-29.7% -11.0%
Fall 2018 Cohort	Per Credit Hour	410.25 N/A	365 365	(43) N/A	-11.076 N/A
7 dii 2010 0011010	i di Gibalti loal	14// 1	500	14// (14// (

⁽a) Executive Model Graduate Degree Program fees are designed to balance the difference between the quoted price (for a multi-year program) and actual tuition and fees.

Schedule 5

VIRGINIA TECH TOTAL COST TO STUDENTS Comparison of 2017-18 and 2018-19 Annual Charges

UNDERGRADUATE STUDENTS

	2017-18	Proposed	Increa	
	Charge	2018-19	\$	%
Resident				
Tuition Educational and General Fee	\$11,093	\$11,420	\$327	2.9%
Subtotal Tuition and E & G Fee	170 11,263	<u>175</u> 11,595	<u>5</u> 332	2.9%
Comprehensive Fee	1,967	2,025	58	2.9%
Total All Residents	13,230	13,620	390	2.9%
Room (Lower Quad Dorms & Telecommunications Fee) (a)	5,212	5,324	112	2.1%
Board (Major Flex Plan) ^(a)	3,478	3,610	132	3.8%
Subtotal Room and Board	8,690	8,934	244	2.8%
Total Cost for Residents Living on Campus	21,920	22,554	634	2.9%
<u>Nonresident</u>				
Tuition	28,273	29,104	831	2.9%
Educational and General Fee Subtotal Tuition and E & G Fee	774 29,047	<u>779</u> 29,883	<u>5</u> 836	<u>0.6%</u> 2.9%
Comprehensive Fee	1,967	2,025	58	2.9%
Total All Nonresidents	31,014	31,908	894	2.9%
Room (Lower Quad Dorms & Telecommunications Fee) (a)	5,212	5,324	112	2.1%
Board (Major Flex Plan) ^(a)	3,478	3,610	132	3.8%
Subtotal Room and Board	8,690	8,934	244	2.8%
Total Cost for Nonresidents Living on Campus	39,704	40,842	1,138	2.9%

⁽a) The majority of freshmen are housed in Lower Quad dorms and choose the Major Flex Plan.

VIRGINIA TECH TOTAL COST TO STUDENTS Comparison of 2017-18 and 2018-19 Annual Charges

	2017-18	Proposed	Increa	ase
	Charge	2018-19	\$	%
GRADUATE STUDENTS				
On-Campus Programs				
Resident				
Tuition	\$12,935	\$13,310	\$375	2.9%
Educational and General Fee	170	175	5	2.9%
Subtotal Tuition and E & G Fee	13,105	13,485	380	2.9%
Comprehensive Fee	1,967	2,025	58_	2.9%
Total Cost for Residents	15,072	<u>15,510</u>	438	2.9%
Nonrogidant				
Nonresident Tuition	26,069	26 925	756	2.9%
Educational and General Fee	ŕ	26,825		
Subtotal Tuition and E & G Fee	774	779	<u> </u>	<u>0.6%</u> 2.8%
	26,843	27,604		
Comprehensive Fee	1,967	2,025	58	2.9%
Total Cost for Nonresidents	28,810	29,629	<u>819</u>	2.8%
Off-Campus Programs				
Resident				
Tuition	14,319	14,734	415	2.9%
Educational and General Fee	170	175	5	2.9%
Subtotal Tuition and E & G Fee	14,489	14,909	420	2.9%
Northern Virginia Center Student Services Fee	132	142	10	7.6%
Total Cost for Residents	14,621	15,051	430	2.9%
Nonresident				
Tuition	27,906	28,715	809	2.9%
Educational and General Fee	774	779	5	0.6%
Subtotal Tuition and E & G Fee	28,680	29,494	814	2.8%
Northern Virginia Center Student Services Fee	132	142	10	7.6%
Total Cost for Nonresidents	28,812	29,636	824	2.9%

VIRGINIA TECH TOTAL COST TO STUDENTS Comparison of 2017-18 and 2018-19 Annual Charges

	2017-18	Proposed	Incre	
VETERINARY MEDICINE	Charge	2018-19	\$	<u></u> %
VETERINART MEDICINE				
Virginia/Maryland Students				
Tuition	20,810	21,372	562	2.7%
Educational and General Fee	170	175	5	2.9%
Comprehensive Fee	1,967	2,025	58	2.9%
Vet Med Facility Fee	1,250	1,200	-50	-4.0%
Total Cost for Virginia/Maryland Students	24,197	24,772	<u>575</u>	2.4%
Out-of-State Students				
Tuition	48,005	49,301	1,296	2.7%
Educational and General Fee	774	779	5	0.6%
Comprehensive Fee	1,967	2,025	58	2.9%
Vet Med Facility Fee	1,250	1,200	<u>-50</u>	-4.0%
Total Cost for Out-of-State Students	51,996	53,305	1,309	2.5%
VIRGINIA TECH CARILION SCHOOL OF MEDICINE				
Tuition	N/A	51,818	N/A	N/A
Educational and General Fee	N/A	175	N/A	N/A
VTCSOM Student Services Fees (a)	N/A	752	N/A	N/A
Total Cost	N/A	52,745	N/A	N/A

⁽a) Includes VTCSOM Student Services, Health Services, and Student Government/Activities fees that apply to all Medical students.



Budget Background

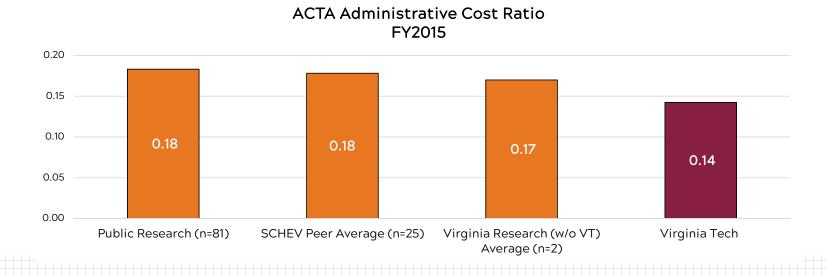
- Multi-year planning strategy spreads costs and ensures focused implementation
- Annual changes to fringe rates, compensation programs, and General Fund operating support impact budget needs
- Continuous review of operations and opportunity for efficiency enhancements ensure maximization of existing resources
- Annual Budget call process encourages units to describe efforts to reduce costs to meet budget needs before seeking new resources



Review of Efficiency & Cost Control **Efforts**

Administrative Efficiency

- July 2017 the American Council of Trustees and Alumni (ACTA) published report on administrative spending.
- Using IPEDS data, the study calculates a ratio of Institutional Support (administrative) spending compared to Instruction and Academic Support (instructional) spending.
- Virginia Tech's ratio is 0.14, meaning VT spent \$0.14 on Institutional Support for each \$1.00 of spending on Instruction and Academic Support. This ratio is lower than peer averages.



Data Source: IPEDS

Administrative Efficiency

- Enhanced administrative systems and processes allow the university to grow at scale and operate more efficiently
 - Classroom utilization and scheduling platform in place (25Live)
 - Inbound freight initiative
 - Leave Reporting and Time Worked system automation
 - Admissions Document Management automation
 - Continued implementation of paperless processes:
 - Online Payroll information (Pay stubs, W2, reimbursements)
 - eBilling and Reporting (grades, schedules, bills, other student communications)
- One-time investments in energy reduction programs has allowed the university to curb long-term energy usage and create future savings
- Initiation of a series of targeted reviews of specific elements of the university's administrative operating functions to confirm the efficiency of those units and/or identify opportunities for increased efficiency and cost containment
- An external review of procurement processes and business practices revealed that the Procurement department is using best
 practices for procurement activities, and is working to implement additional recommendations from this report.
- Virginia Tech, along with University of Virginia, developed the concept for a multi-university collaborative procurement function; millions of dollars in cost savings for the university are being achieved through this effort.



Open Educational Resources

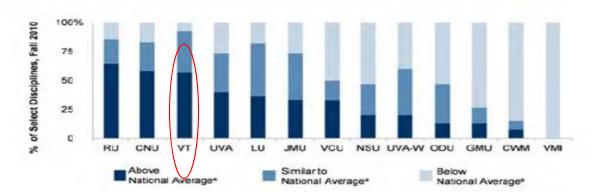
- Virginia Tech's University Libraries has developed an "Open Educational Resources Initiative"
 - Effort to make materials accessible, affordable, flexible, adaptable, engaging, innovative
- Faculty Grants and support to encourage the use, creation, and adaptation of openly licensed resources to support student learning
 - Three projects fund thus far in 2017-18:
 - <u>Fundamentals of Business</u> open textbook, utilized by more than 700 undergraduates at Virginia Tech in Fall 2017, and 70,000 downloads world-wide
 - Electromagnetics open textbook released in beta, being tested at Virginia Tech and other institutions
 - <u>Veterinary Medicine</u> instructional video series called "The Normal Canine" covers patient examination techniques
 - In partnership with ICAT, the "Digital Dog" is being developed using virtual reality to study canine anatomy
- University Libraries held multiple Open Textbook Adoption workshops for faculty in 2017



Faculty Costs

- Over last 10 years, the ratio of Tenured and Tenure-track Instructional Faculty to Non-Tenure-Track Instructional Faculty has fallen from 5.6:1 to 3.6:1.
 - From 2004 through 2017, non-tenure-track instructional faculty teaching loads have increased 19 percent.
 - These reflect the intentional utilization of Instructor and Collegiate Faculty tracks to maximize instructional spending.
- JLARC: More than 50 percent of Virginia Tech disciplines had higher tenured and tenuretrack faculty teaching loads than national average

Figure 17: Average Student Credit Hour Loads for Tenured and Tenure-Track Faculty Vary Widely But Do Not Consistently Differ From Those Nationwide (Fall 2010)



Note: Although efforts were taken to ensure that Virginia institutions adhered to the Delaware Study methodology used for the national averages, JLARC staff were unable to independently validate or verify the data provided by some Virginia institutions. This may result in some distortion relative to national averages. The Virginia data is therefore not directly comparable to the Delaware Study averages, and should not be interpreted as such. Data for UMW and VSU was unavailable. See Appendix B for more detail.



^{* &}quot;Above" is more than 10% above national average; "similar" is within 10% above or below national average; "below" is more than 10% below national average.

Budget Development:Cost Driver Review

2018-20 State Budget Update

Executive and Money Committees' Budgets

Incremental General Fund - dollars in millions

	Exec	utive	House		Senate					
University Division E&G (Agency 208)	2018-19	2019-20	2018	-19	2019	9-20	2018	-19	2019)-20
OPERATING BUDGET										
Enrollment Growth	\$ -	\$ -	\$	2.6	\$	5.2	\$	S -	,	\$ -
Restoration of Interest Earnings/CC Rebate	0.7	0.7		0.7		0.7		0.7		0.7
Subtotal University Division E&G	0.7	0.7		3.3		<u>5.9</u>		0.7		0.7
Undergraduate Student Financial Aid	0.5	1.6		0.5		1.6		0.2		8.0
Unique Military Activities	_	-		0.3		0.3		_		_
Subtotal Operating Budget	1.2	2.3		4.1		7.8		0.9		1.5
CAPITAL BUDGET										
Maintenance Reserve Support	3.9	3.9		3.9		3.9		3.9		3.9
Total University Division	\$ 5.1	\$ 6.2	\$	8.0	\$	11.7	\$	4.8	\$	5.4

NOTE: Totals exclude state share of the compensation proposals and technical adjustments for fringe rate changes and annualizations of prior year costs. Annualization adjustments by the state, which total \$6.7 million, are required to bring the university budget into alignment with the state as of July 1, 2018, and are not new resources.



2018-19 Known Cost Drivers

Major Components of the Budget include:

- Faculty/Staff Compensation (merit increase and Distinction Pool)
- Health care cost increase
 - Faculty and Staff increase of 6.1%
 - Graduate Assistant increase of up to 16%
- Student Financial Aid
 - Expansion of diversity initiatives and enrollment goals
 - Enhancements for the reduction of unmet need
- Enrollment Growth Support
- Destination Area Investments (new faculty)
- Compliance and Accreditation Requirements



Illustrations - Use the House Budget Proposal for State Support (dollars in millions)

Compensation

		Total	State	University
Institutional Faculty Merit Increase (2%)	_	\$ 7.5	\$ -	\$ 7.5
University Staff Salary Increase (2%)		1.4	-	1.4
State Staff Employee Bonus		0.9	0.7	0.2
National Distinction/Promotion & Tenure/Faculty Retention		2.9	-	2.9
	Total	\$ 12.7	\$0.7	\$ 12.0



Illustrations Use the House Budget Proposal for State Support (dollars in millions)

Mandatory and/or Unavoidable Costs

		Total	State	University
Annualization of 2017-18 State Salary and Fringe Rate Changes	_	\$ 0.8	\$ 0.3	\$ 0.5
Employee Health Insurance Increase		3.4	1.3	2.1
Graduate Assistant Health Insurance Increase		0.6	-	0.6
Fixed Costs		2.1	-	2.1
Compliance & Regulation		8.0	-	0.8
Financial Aid	_	4.1	-	4.1
	Total	\$ 11.8	1.6	\$ 10.2



Illustrations Use the House Budget Proposal for State Support (dollars in millions)

Institutional Priorities

	Total	State	University
Enrollment Growth Support (PIBB, Faculty, college support)	\$ 14.6	\$ 2.6	\$12.0
Destination Area Investment	2.0	-	2.0
Critical Needs (capacity to address needs for 18-19 from the budget call process; \$40M in requests received)	4.0	-	4.0
Prior Commitments (Advancement, HR, HS&T, Strategic Affairs, Academic support, LINK, system initiatives underway)	4.5	-	4.5
Total Total	\$ 25.1	2.6	\$ 22.5



Illustrations Use the House Budget Proposal for State Support (dollars in millions)

Total Cost Drivers

Compensation
Unavoidable and/or Mandatory Costs
Institutional Priorities

University	State	Total	
\$ 12.0	\$ 0.7	\$ 12.7	_
10.2	1.6	11.8	
22.5	2.6	25.1	
\$ 44.7	4.9	\$ 49.6	Total



Resourcing the Institution (dollars in millions)

		2018-19
Previously Identified Known Costs		\$ (49.6)
Resource Plan		
Incremental Operating General Fund Support*		2.6
Estimated State Support for Bonus/Fringe Increases*		2.3
FY18 Enrollment Above Budget		10.4
FY19 Planned Enrollment Growth		14.8
Tuition Rate Increase		13.4
Program Fee Revenue Increase		5.1
Library Fee, Immigration Services Fee		0.4
Reallocations		0.2
	Subtotal	49.2
*House Rudget proposal utilized as planning placeholder	Remaining Surplus/(Deficit)	(0.4)

*House Budget proposal utilized as planning placeholder.



2018-10

Discussion



2018-19 Proposed Tuition & Fee Rates

Overview

- Tuition and Fee Development Considerations
 - Market Highlights
 - National Trends
 - Market Benchmarking
- 2018-19 Tuition and Fee Recommendations
 - Undergraduate, Graduate, Professional Rates
 - Comprehensive Fees
 - Special Fees and Tuition Rates
- Discussion



Tuition and Fee Development Considerations

Market Highlights

- Virginia Tech is highly regarded among prospective students
- Variation in price sensitivity across disciplines
 - Engineering has high demand and is less sensitive
- Recent publicly available national discounting study* found that public discount rates continue to grow:

Resident: 13%

Nonresident: 22%

Virginia Tech: ~6% for each group (primarily need-based aid)

- Most incoming students expect a merit-based scholarship
- Benchmarking shows other institutions continue to use scholarships to compete for out-of-state students
 - Net Price benchmarking reveals some institutions discount significantly, even at higher incomes

*Source: Ruffalo – Noel Levitz 2017 Discounting Study



National Trends

- Many institutions are expanding the use of discipline-specific tuition
 - Virginia Tech's program-specific tuition are well below peer averages
- "Fixed" four-year pricing is not utilized at many public institutions
 - Since 2006, Virginia Tech has mitigated tuition increases on continuing students from low to middle-income families through the Funds for the Future financial aid program.
- Tuition "Resetting" is used to "catch-up" to market
 - Several Virginia institutions have made large increases (i.e. \$1,000 per cohort) to undergraduate rates to reposition their market standing
 - Resets are implemented on an incoming cohort-basis to protect current students
 - New revenue is often earmarked partially to student financial aid, along with other priorities



Virginia Public Four-Year Tuition and Fees 2017-18

	Tuition and E&G Fees		Non-E&G Mandatory Fees		Room 8	& Board	Total (Cost
<u>Institutions</u>	\$	Rank	\$	Rank	\$	Rank	\$	Rank
William and Mary (Freshmen)	\$16,506	1	\$5,538	2	\$11,799	1	\$33,843	1
Virginia Military Institute	8,884	5	9,330	1	9,236	13	27,450	2
University of Virginia (First Year)	13,810	2	2,258	13	10,992	4	27,060	3
Christopher Newport University	8,270	8	5,384	3	11,224	2	24,878	4
Virginia Commonwealth University	11,483	3	2,141	14	10,187	9	23,811	5
Longwood University	7,620	9	5,100	4	10,418	6	23,138	6
George Mason University	8,672	6	3,252	10	11,090	3	23,014	7
University of Mary Washington	8,306	7	3,822	7	10,216	8	22,344	8
Virginia Tech	11,263	4	1,967	15	8,690	15	21,920	9
James Madison University	6,250	12	4,628	5	10,112	11	20,990	10
Old Dominion University	6,648	11	3,702	8	10,122	10	20,472	11
UVA-Wise	5,529	14	4,296	6	10,314	7	20,139	12
Radford University	7,461	10	3,166	12	9,131	14	19,758	13
Virginia State University	5,547	13	3,179	11	10,880	5	19,606	14
Norfolk State University	5,478	15	3,558	9	9,866	12	18,902	15



Market Considerations Tuition and Mandatory Fees 2017-18 Benchmarking

	Average	VT Rank
In-state Undergraduate Virginia Tech Public SCHEV Peers Virginia Institutions	\$13,230 \$12,293 \$12,844	10 out of 24 6 out of 15
UVA CWM	\$16,068 \$22,044	
Out-of-state Undergraduate Virginia Tech Public SCHEV Peers Virginia Institutions Regional Competitive Peers (a)	\$31,014 \$33,147 \$30,640 \$30,932	13 out of 24 6 out of 15 3 out of 7

⁽a) Regional competitive peers: Pennsylvania State, Rutgers University, University of Maryland, Ohio State, University of Pittsburgh, and North Carolina State.



⁽b) Behind W&M, VMI, UVA, VCU, and CNU

Nonresident Undergraduate Market Update

Net Price

- Total cost of attendance less average institutional financial aid package.
- Key component of the economic decision faced by a student/family.
- Chart below displays gross and net price for student with family income of three times the Federal Poverty Level

	Cost of Attendance	Net Price	<u>Difference</u>	Average % Discount
Virginia Tech	\$44,880	\$42,997	\$ 1,883	4.2%
SCHEV Peer Average	49,688	38,731	10,957	22.1%
Advantage/(Disadvantage)	\$4,808	(\$4,266)	(\$9,074)	

	Cost of Attendance	Net Price	<u>Difference</u>	Average % Discount
Virginia Tech	\$44,880	\$42,997	\$ 1,883	4.2%
Regional Competitive Peers	46,297	35,897	10,400	22.5%
Advantage/(Disadvantage)	1,417	(\$7,100)	(\$8,517)	

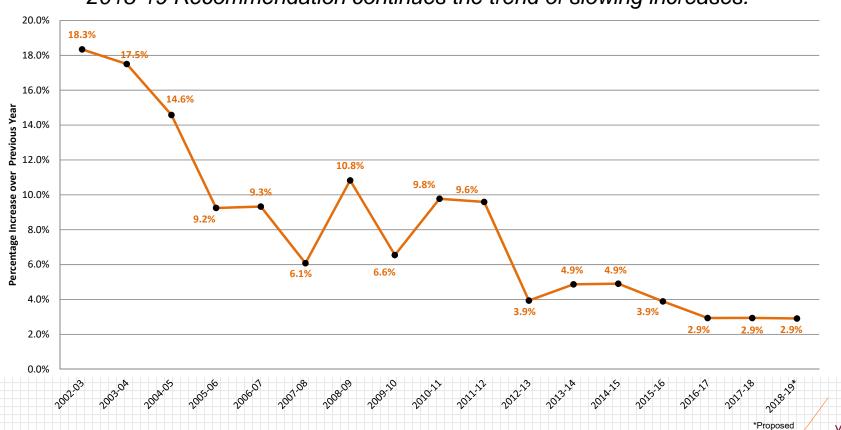
NOTE: Cost of Attendance includes tuition and mandatory fees, room and board, and estimated supply and student travel costs. Virginia Tech scholarships apply to tuition and mandatory fees only.



Tuition and Fee Rate Proposals

Virginia Undergraduate Tuition and Fee Increase History

2018-19 Recommendation continues the trend of slowing increases.



Resident Undergraduates

	2017-18 Proposed		Incre	ase
	Charge	2018-19	\$	%
Tuition	\$11,093	\$11,420	\$327	2.9%
E&G Fees	170	175	5	2.9%
Tuition & E&G Fees	11,263	11,595	332	2.9%
Comprehensive Fee	1,967	2,025	<u>58</u>	2.9%
Tuition & Mandatory Fees	13,230	13,620	390	2.9%
Room and Board	8,690	8,934	244	2.8%
Total Cost	\$21,920	\$22,554	\$634	2.9%



Nonresident Undergraduates

	2017-18	Proposed	Incre	ease
	Charge	2018-19	\$	%
Tuition	\$28,273	\$29,104	\$831	2.9%
E&G Fees	774	779	5	0.6%
Tuition & E&G Fees	29,047	29,883	836	2.9%
Comprehensive Fee	1,967	2,025	58	2.9%
Tuition & Mandatory Fees	31,014	31,908	894	2.9%
Room and Board	8,690	8,934	244	2.8%
Total Cost	\$39,704	\$40,842	\$1,138	2.9%



Graduate

	2017-18	Proposed	Incre	ease
	Charge	2018-19	\$	%
Resident Tuition	\$12,935	\$13,310	\$375	2.9%
E&G Fees	170	175	5	2.9%
Tuition & E&G Fees	13,105	13,485	380	2.9%
Comprehensive Fee	1,967	2,025	58	2.9%
Total Resident Graduate	\$15,072	\$15,510	\$438	2.9%
Nonresident Tuition	\$26,069	\$26,825	\$756	2.9%
E&G Fees	774	779	5	0.6%
Tuition & E&G Fees	26,843	27,604	761	2.8%
Comprehensive Fee	1,967	2,025	58	2.9%
Total Nonresident Graduate	\$28,810	\$29,629	\$819	2.8%



Veterinary Medicine Total Cost

	2017-18	Proposed	Increase				
	Charge	2018-19	\$	%			
Virginia/Maryland Students	\$24,197	\$24,772	\$575	2.4%			
Nonresident Students	\$51,996	\$53,305	\$1,309	2.5%			



Virginia Tech Carilion School of Medicine

Total Cost

The tuition rate below was approved by the Board of the VTCSOM in February 2018.

Upon integration as the ninth college at Virginia Tech as of July 1, 2018, and through the Board of Visitors' approval of the tuition and fees rates for 2018-19, the following tuition rate will be ratified for use by the university.

	2018-19
Medical Tuition	\$51,818
E&G Fees	175
Tuition & E&G Fees	51,993
VTCSOM Student Services Fee	752
Total Medical Student Cost	\$52,745



Comprehensive Fee Components for 2018-19

	2017-18	Proposed	Incr	ease
	Charge	2018-19	\$	%
Comprehensive Fee				
Student Activity Fee	\$ 326	\$ 321	\$ -5	-1.5%
Health Service Fee	425	447	22	5.2%
Athletic Fee	308	317	9	2.9%
Transportation Services Fee	137	165	28	20.4%
Recreational Sports Fee	322	313	-9	-2.8%
Student Services Fee	268	289	21	7.8%
Student Cultural Activities Fee	181	173	8	-4.4%
Total Comprehensive Fee	\$ 1,967	\$ 2,025	\$ 58	2.9%

Comprehensive fees at the other Virginia doctoral institutions range from \$2,141 to \$5,538.



Average Cost of Education

	2017	'-18	Estimated	2018-19		
	Amount	% of Average	Amount ⁽¹⁾	% of Average		
Average Cost of Education	\$18,418		\$18,974			
Undergraduates						
Residents	11,263	61%	11,595	61%		
Nonresidents	28,443	154%	29,279	154%		
Graduates						
Residents	13,105	71%	13,485	71%		
Nonresidents	26,239	142%	27,000	142%		
Residency						
Residents		62%		62%		
Nonresidents		150%		151%		

⁽¹⁾ Average Cost of Education for 2018-19 is estimated. Amounts include proposed tuition and E&G fees (the nonresident facility and equipment fee is not comparable to the Average Cost of Education.)



Differential Tuition Charges

	2017-18	Proposed
	Charge	2018-19
College of Engineering Fee (annual)		
Returning Fall 2018		
Undergraduate	\$ 775	\$ 775
Graduate	1,049	1,049
Enrolling in Fall 2018 – Undergraduate & Graduate	N/A	2,000
Architecture & Design Fee (annual)		
Returning Fall 2018 - Undergraduate & Graduate	949	949
Enrolling in Fall 2018 - Undergraduate & Graduate	N/A	1,500
Building Construction Undergraduate Fee (annual)		
Returning Fall 2018	775	775
Enrolling in Fall 2018	N/A	1,500
Pamplin College of Business Undergraduate Fee		
2000-4000 Level Courses (per credit hour)	25	25
1000 Level Courses (per credit hour)	N/A	75
College of Agriculture & Life Sciences Fee (annual)		
Enrolling in Fall 2018 – <i>Undergraduate and Graduate</i>	N/A	750



Other Tuition & Fees Highlights

Professional Masters and Certificate Pilot Tuition Rate

- New rate for entrepreneurial graduate programs that meet needs of industry
- Per-credit Tuition Rate of \$1,025 is recommended for Fall 2018 for:
 - Evening MBA
 - Data Analysis and Applied Statistics (DAAS)

Immigration Services Fee: \$275 per semester

- Supports costs unique to the administration of degree-seeking international student enrollment including academic and financial verification, federal reporting and tracking, and the Student and Exchange Visitor Program System (SEVIS) requirements.
- Phase-in starting with incoming students starting Fall 2018
- Graduate remission program will manage those on assistantships



Proposed 2018-19 Tuition and Fee Rates

RECOMMENDATION:

That the proposed tuition and fee rates be approved, effective Fall Semester 2018 including ratification of the 2018-19 Tuition and Fee rates for the Virginia Tech Carilion School of Medicine. This approval is based on the assumption that the final outcome of the General Assembly will materially align with the university's planning assumptions for revenues and expenses; therefore, the Board reserves the right to reconsider the 2018-19 tuition and fee rates based on the budget decisions of the Special Session of the General Assembly.

March 25, 2018



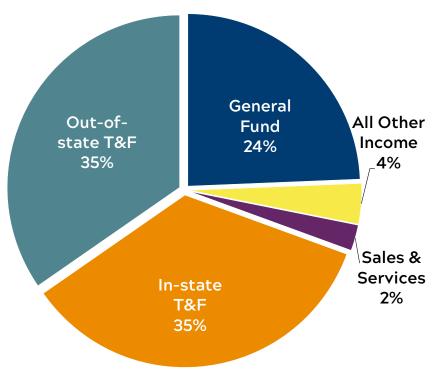
Discussion



Additional Information



University Division Revenue Sources Educational & General Program 2017-18



Components	\$ Millions	%
In-state T&F	<i>\$237.7</i>	35%
Out-of-state T&F	236.8	35%
General Fund	166.5	24%
All Other Income	25.9	4%
Sales & Services	16.6	2%
Total	\$683.5	100%

(Source: 2017-18 University Authorized Budget Document.)

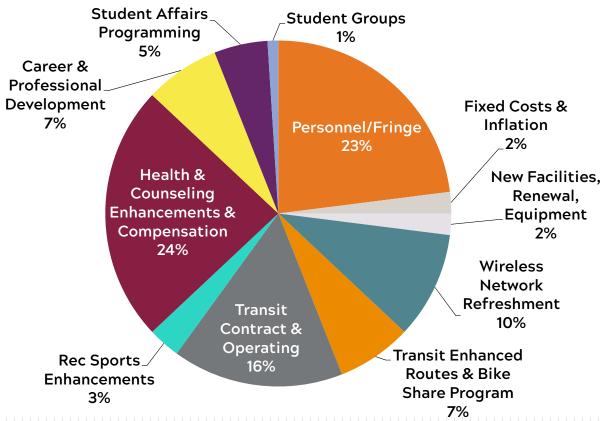


Factors Considered in Revenue Budget Development

- Six-Year Plan (2.9%)
- Estimated General Fund support
- Nongeneral Fund Cost Assignments
- Cost Drivers
 - Compensation, fringe benefit rates
 - Other Costs (fixed costs, utilities, health & safety)
- University Budget Priorities
 - Enhanced Student Financial Aid to help Low- to Middle-Income families
 - Enrollment Growth
 - Strategic Initiatives (Destination Areas)
- Market Considerations
 - Currently studying elasticity of demand

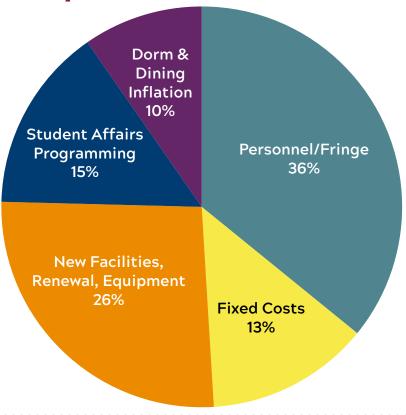


Comprehensive Fee Proposed increase of 2.9%





Room & BoardProposed increase of 2.8%





Student Service Enhancements

- Health Services: Cook Counseling Center Counselors (seven positions), Psychiatric Nurse Practitioner, Allergy Clinic Licensed Practical Nurse, Health Clinic Enhancements, Health Professional Recruitment & Retention Salary Support
- Wireless: Robust Wireless System Equipment Refreshment
- Transit: Bike Share Program, Enhanced High Volume Routes, Enhanced Campus Circular Frequency
- Career & Professional Development: Career Events, Software for Job/Internships & Mentorship Program, Employer Relations Asst
- Student Engagement & Campus Life: Student Budget Board Increase, Cultural & Community Center Support Personnel, Student Conduct
- Recreational Sports: Lee Quad Fitness Park, Fitness Facility Enhancements, Sport Equipment Electronics Maintenance
- Dining Services: Wage & Salary Retention Support, Inflation of Food Costs, Capital Project Planning



Financial Performance Report - Operating and Capital

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

July 1, 2017 to December 31, 2017

The Financial Performance Report of income and expenditures is prepared from two sources: actual accounting data as recorded at Virginia Tech and the annual budgets which are also recorded in the university accounting system. The actual accounting data reflect the modified accrual basis of accounting, which recognizes revenues when received rather than when earned and commitments to buy goods and services as encumbrances when obligated and as an expenditure when paid. The Original Budget was approved by the Board of Visitors at the June meeting. The Adjusted Budget reflects adjustments to incorporate actual experience or changes made during the fiscal year. These changes are presented for review and approval by the Finance and Resource Management Committee and the Board of Visitors through this report. Where adjustments impact appropriations at the state level, the university coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to December 2017-18 budget (year-to-date) is prepared from historical data which reflects trends in expenditures from previous years as well as known changes in timing. 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 budgetary performance.

OPERATING BUDGET 2017-18

Dollars in Thousands

	July 1, 20	17 to December 3	1, 2017	Annu	-18	
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs		<u></u> _				
<u>University Division</u>						
Revenues						
General Fund	\$86,757	\$86,757	\$0	\$161,675	\$162,004	\$329
Tuition and Fees All Other Income	293,695 20,199	294,079 20,122	-384 77	501,950 39,350	512,221 37,510	10,271 (6) -1,840 (7)
Total Revenues	\$400,651	\$400,958	\$-307	\$702,975	\$711,735	\$8,760
Cynones						
Expenses Academic Programs	\$-220,670	\$- 219,515	\$ - 1,155 (1)	\$-439,964	\$-445,447	\$-5,483
Support Programs	-131,112	-130,583	φ-1,133 (1) -529	-263,011	-266,288	-3,277
Total Expenses	\$-351,782	\$-350,098	\$-1,684	\$-702,975	\$-711,735	\$-8,760 (6,7)
NET	\$48,869	\$50,860	\$-1,991	\$0	\$0	\$0
CE/AES Division						
Revenues						
General Fund	\$38,150	\$38,150	\$0	\$70,961	\$71,006	\$45 (8)
Federal Appropriation	13,844	10,049	3,795 (2)	15,640	15,640	0
All Other Income	706	422	284	880	880	0
Total Revenues	\$52,700	\$48,621	\$4,079	\$87,481	\$87,526	\$45
<u>Expenses</u>						
Academic Programs Support Programs	\$-42,928 -3,397	\$-43,149 -3,488	\$221 91	\$-80,864 -6,617	\$-80,909 -6,617	\$-45 0
Total Expenses	\$-46,325	\$-46,637	\$312	\$-87,481	\$-87,526	\$-45 (8)
NET	\$6,375	\$1,984	\$4,391	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$179,141	\$176,465	\$2,676 (3)	\$333,313	\$335,182	\$1,869 (3)
Expenses	-178,745	-185,515	6,770 (3)	-326,617	-361,994	-35,377 (3)
Reserve Drawdown (Deposit)	-396	9,050	<u>-9,446</u> (3)	-6,696	26,812	33,508 (3)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$143,797	\$159,711	\$-15,914 (4)	\$344,174	\$344,879	\$705 (9)
Expenses	-162,488	-195,443	32,955 (4)	-344,174	-344,879	-705 (9)
Reserve Drawdown (Deposit)	18,691	35,732	-17,041	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
Revenues	\$12,639	\$13,317	\$-678	\$25,541	\$26,612	\$1,071 (10)
Expenses Reserve Drawdown (Deposit)	-12,979 340	-13,310 -7	331 347	-25,541 0	-26,612 0	-1,071 (10) 0
NET (2 opsoli)	\$0	\$0	\$0	\$0	\$0	\$0
All Other Programs *						
Revenue	\$4,091	\$4,894	\$-803 (5)	\$7,399	\$9,579	\$2,180 (11)
Expenses	-2,193	-2,723	530 (5)	-7,399	-10,034	-2,635 (11)
Reserve Drawdown (Deposit)	-1,898	2,171	273	0	455	455 (11)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$793,019	\$803,966	\$-10,947	\$1,500,883	\$1,515,513	\$14,630
Expenses Reserve Drawdown (Deposit)	-754,512 16,737	-793,726	39,214 -25,867	-1,494,187 -6,696	-1,542,780 27,267	-48,593 33,963
NET		42,604 \$52,844	<u>-25,867</u> \$2,400	<u>-6,696</u> \$0	<u>27,267</u> \$0	33,963
INE I	\$55,244	\$52,844	\$2,400	Φυ	Φ0	<u>\$0</u>

 $^{^{\}star}$ All Other Programs include federal work study, surplus property, and unique military activities.

OPERATING BUDGET

- 1. Academic program expenditures slightly higher than projected due to the timing of instructional expenditures for enrollment growth.
- 2. The budget for federal revenue is established to match projected allotments from the federal government that are expected to be drawn down during the state fiscal year. 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 greater than the projected budget due to the timing of federal draw that were requested in 2016-17, but received in 2017-18.
- 3. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
- 4. 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. Total sponsored research revenues and expenses are less than projected. Total sponsored program expenditures are 0.8% greater than December 31, 2016.
- 5. Revenue and expenses for All Other Programs were less than projected due to timing of revenues and surplus property expense activity.
- 6. The annual budget for Tuition and Fees has been increased \$1.7 million for the finalization of the budgets for tuition and E&G fees. The budget for Tuition and Fees has been increased \$8.6 million due to higher than projected undergraduate enrollment, lower than projected enrollment in the graduate programs, and a decrease in Summer session revenues. The corresponding expenditure budgets have been adjusted accordingly.
- 7. The All Other Income revenue budget for the University Division has been decreased \$1.4 million for budget finalizations in Sales and Services and Continuing Education. The All Other Income budget has been decreased \$14,389 for an adjustment in self-supporting activity. The corresponding expenditure budgets have been adjusted accordingly.
- 8. The General Fund revenue budget was increased \$45,441 for adjustments to the state central fund distribution. The corresponding expenditure budgets have been adjusted accordingly.
- 9. The Sponsored Programs revenue and expense budgets were increased \$705,132 to finalize budgets.
- 10. During budget finalizations, the Student Financial Assistance general funds revenue and expense budgets were increased \$687,145. In the first quarter of 2017-18, the Student Financial Assistance revenue and expenditure budgets were increased \$384,000 to support enrollment growth beyond the originally planned enrollment growth.
- 11. The projected annual budget for All Other Programs was increased \$2.2 million to finalize budgets and \$454,293 for outstanding 2016-17 commitments that were initiated but not completed before June 30, 2017.

UNIVERSITY DIVISION AUXILIARY ENTERPRISES

Dollars in Thousands

	July 1, 2017 to December 31, 2017			Annu	'-18	
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls *						
Revenues Expenses Reserve Drawdown (Deposit)	\$66,781 -60,431 -6,350	\$65,097 -62,446 -2,651	\$1,684 (1) 2,015 (1) -3,699 (1)	\$120,157 -117,364 -2,793	\$120,070 -121,848 1,778	\$-87 (7) -4,484 (7,8,9,10) 4,571 (7,8,9,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation Revenues Expenses Reserve Drawdown (Deposit) Net	\$8,855 -6,012 -2,843 \$0	\$8,498 -6,492 -2,006	\$357 480 -837 \$0	\$13,704 -13,266 -438 \$0	\$13,704 -13,557 <u>-147</u> \$0	\$0 -291 (9,10) (9,10) \$0
	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ
Revenues Expenses Reserve Drawdown (Deposit) Net	\$10,944 -11,065 121 \$0	\$12,374 -12,657 283 \$0	\$-1,430 (2) 1,592 (2) -162 \$0	\$22,087 -23,161 1,074 \$0	\$22,087 -24,700 <u>2,613</u> \$0	\$0 -1,539 (9,10,11)
University Services * **						
Revenues Expenses Reserve Drawdown (Deposit)	\$28,250 -24,727 -3,523	\$27,894 -26,225 -1,669	\$356 1,498 (3) -1,854 (3)	\$48,521 -47,655 -866	\$48,521 -49,909 1,388	\$0 -2,254 (8,9,10,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics *						
Revenues Expenses Reserve Drawdown (Deposit)	\$34,076 -42,115 8,039	\$33,257 -42,161 8,904	\$819 (4) 46 -865 (4)	\$69,283 -68,903 -380	\$72,449 -72,905 456	\$3,166 -4,002 (8,9,10,13) <u>836</u> (8,9,10,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service *						
Revenues Expenses Reserve Drawdown (Deposit)	\$15,243 -15,718 475	\$15,521 -16,583 1,062	\$-278 (5) 865 (5) -587 (5)	\$36,061 \$-35,531 -530	\$34,720 -34,562 -158	\$-1,341 (14) 969 (9,10,14) 372 (9,10,14)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues Expenses Reserve Drawdown (Deposit)	\$7,091 -6,606 <u>-485</u>	\$6,214 -6,582 368	\$877 (6) -24 -853 (6)	\$11,855 -11,799 -56	\$11,955 -12,487 532	\$100 (15) -688 (8,9,10,15)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions ***						
Revenues Expenses Reserve Drawdown (Deposit)	\$7,901 -12,071 4,170	\$7,610 -12,369 4,759	\$291 298 -589	\$11,645 -8,938 -2,707	\$11,676 -32,026 20,350	\$31 (16) -23,088 (8,9,10,16)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues Expenses Reserve Drawdown (Deposit)	\$179,141 -178,745 -396	\$176,465 -185,515 9,050	\$2,676 6,770 -9,446	\$333,313 -326,617 -6,696	\$335,182 -361,994 26,812	\$1,869 -35,377 33,508
Net	\$0	\$0	<u>\$0</u>	\$0	\$0	<u>\$0</u>

^{*} University Systems include Dormitory and Dining Hall System, University Services System, Intercollegiate Athletics System, and Electric Service System. The Systems were created to provide assurance to bond holders that system revenues are pledged for the payment of debt service and to allow for dedicated repair and replacement that are not subject to liens of any creditor of the university.

^{**} University Services System includes Career Services, Center for the Arts, Health Services, Recreational Sports, Student Centers & Activities, Student Organizations, and the VT Rescue Squad.

^{***} Other Enterprise Functions include Golf Course, Hokie Passport, Library Café, Library Photocopy, Licensing & Trademark, Little Hokie Hangout, New Student and Family Programs, Pouring Rights, Printing Services, Software Sales, Student Athlete Academic Support Services (SAASS), Tailor Shop and Clearing Accounts.

AUXILIARY ENTERPRISE BUDGET

- 1. Revenues in Residence and Dining Halls are higher than projected due to residence hall occupancy and Dining self-generated revenue being greater than planned. Expenses are lower than projected due to timing of operating and project expenses.
- 2. Revenues and expenses for Telecommunications Services are lower than projected due to lower than anticipated special project volume.
- 3. Expenses for the University Services System are lower than projected due to the timing of expenses.
- 4. Revenues for Intercollegiate Athletics are higher than projected due to higher than anticipated football and basketball ticket sales.
- 5. Revenue and expenses for the Electric Service auxiliary are lower than projected due to lower than anticipated electricity consumption. Expenses are also lower than projected due to lower than forecasted total cost of purchased electricity.
- 6. Revenues for the Inn at Virginia Tech and Skelton Conference Center are higher than projected due to timing of revenues.
- 7. The projected annual revenue, expense, and reserve budgets for Residence and Dining Halls were reduced for decreased Steger Center enrollment.
- 8. The projected annual expense and reserve budgets for Auxiliary Enterprises were increased \$77,093 for state compensation actions for high-turnover positions.
- 9. The projected annual expense budget for Auxiliary Enterprises was adjusted for \$5.9 million in outstanding 2016-17 commitments and projects that were initiated but not completed before June 30, 2017. This amount includes \$1.0 million for Residence Halls, \$3.2 million in Dining Hall commitments and projects, and \$0.3 million for Electric Service. The remainder is spread across the other auxiliary programs.
- 10. The projected annual expense and reserve draw budgets for the Auxiliary Enterprises were increased \$462,322 for the auxiliary share of the state's assessment of a one-time Virginia Retirement System (VRS) investment in 2015 which lowered future VRS actuarial rates.
- 11. The projected annual expense and reserve budgets for Telecommunications Services were increased for enhancement of network security software and Roanoke campus network infrastructure.
- 12. The projected annual expense and reserve budgets for the University Services System were adjusted for two additional counseling positions and psychiatric nurse practitioner for Cook Counseling Center, Career and Professional Development personnel, health and recreation sports services in Roanoke, and Recreational Sports challenge course.
- 13. The projected annual revenue budget for Intercollegiate Athletics was increased \$3.2 million to accommodate additional revenue of \$1 million for the football team's participation in the Camping World Bowl, \$1.1 million in self generated revenue, and \$1.1 million in private fundraising for the Cassell seating project, men's basketball locker room, and athlete meals. Annual expense and reserve draw budgets were increased \$4.6 million to accommodate increases of \$825,000 for coaching staff transitions, athletic contracts, and competitive compensation, \$2.1 million for Camping World Bowl expenses, \$519,000 for sports expenses, \$254,000 for operating expenses, \$120,000 for English Field astroturf, \$565,000 for Cassell seating project, \$522,000 for men's basketball locker room project, and \$807,000 for videoboards and audio projects, and decrease of \$1.1 million for the technical realignment of Student Athlete Academic Support Services.
- 14. The projected annual revenue and expense budgets for the Electric Services auxiliary were adjusted for decreased 2017-18 cost of wholesale electricity.
- 15. The projected annual revenue, expense, and reserve budgets for the Inn at Virginia Tech and Skelton Conference Center were increased \$776.680 for construction of an outdoor patio.
- 16. The projected annual revenue, expense, and reserve budget for Other Enterprise Functions were increased for Licensing and Trademark activity, student affairs operating support, \$22.0 million internal financing of board approved Athletics facilities improvements project (\$10.0 million in 1st Qtr and \$12.0 million in 2nd Qtr), Library Café maintenance needs, and scholarship expenses in Licensing and Trademark.

CAPITAL OUTLAY PROJECTS AUTHORIZED AS OF DECEMBER 31, 2017

Dollars in Thousands

		FISCAL YEAR ACTIVITY			TOTAL PROJECT BUDGET								
	PROJECT	ANNUAL	-	TD	STATE		IGENERAL	REVENUE	TOTAL	CUMULATIVE			
	INITIATED	BUDGET	EXP	ENSES	SUPPORT		FUND	BOND	BUDGET	_EX	PENSES		
EDUCATIONAL AND GENERAL PROJECTS													
Design Phase													
Improve Kentland Facilities	Sep 2013	\$ 6,000	\$	15	\$ 9,363	\$	-	\$ -	\$ 9,363	\$	905 (1)		
Renovate Undergraduate Science Laboratories	Jul 2016	6,250		748	-		10,000	-	10,000		1,171 (2)		
Agriculture Production Facilities	Oct 2016	1,080		159	22,136		-	-	22,136		180 (3)		
Chiller Plant Phase II	Oct 2016	4,040		549	31,024		-	9,797	40,821		604 (4)		
Holden Hall Renovation	Oct 2016	3,840		485	44,386		-	17,500	61,886		1,386 (5)		
Gas-Fired Boiler at the Central Steam Plant	Apr 2017	3,375		6	-		6,800	-	6,800		6 (6)		
Planning: Intelligent Infrastructure and Construction Complex	Apr 2017	2,880		2	-		6,000	-	6,000		2 (7)		
Planning: Undergraduate Science Laboratory Building	Jul 2017	2,500		2	-		3,084	-	3,084		2 (8)		
Construction Phase													
Maintenance Reserve	On-going	12,860		3,994	20,297		_	_	20,297		9,401 (9)		
Academic Buildings Renewal	Sep 2013	18,600		8,186	35,029		_	_	35,029		13,960 (10)		
Address Fire Alarm Systems and Access	Jun 2014	1,265		90	4,891		_	_	4,891		3,315 (11)		
Health Sciences & Technology	Oct 2016	10,200		0	48,307		17,765	23,793	89,865		0 (12)		
Close-Out													
Classroom Building	Dec 2012	1,050		602	42,652		_	_	42.652		42,204 (13)		
Biocomplexity Data Center	Sep 2015	900		465	-,		5.900	_	5,900		5,215 (14)		
Eastern Shore AREC Storage Building	Apr 2016	381		320	-		535	-	535		474 (15)		
TOTAL EDUCATIONAL AND GENERAL PROJECTS		\$ 75,221	\$	15,624	\$ 258,085	\$	50,084	\$ 51,090	\$ 359,259	\$	78,825		

6

CAPITAL OUTLAY BUDGET

Educational and General Projects

- 1. This project is to provide a metabolism research laboratory, an applied reproduction facility, and a building for animal demonstration, handling, and holding spaces. The state authorized design funding effective July 2013 and construction funding effective July 2015. Bid efforts in 2016 and 2017 were more than ten percent over budget. The university plans to rebid in spring 2018 under a modified bid package and more aggressive outreach effort. The annual budget was based on an anticipated construction start date in fall 2017 and will be underspent.
- 2. This project will renovate seven laboratories within Derring Hall and Hahn Hall for undergraduate science laboratory classes in biology, chemistry, physics, and microbiology. Construction of Phase 1 in Derring 3004 is underway. The remaining work, Phase 2, was bid in December 2017 and received no responses. The project will be rebid in spring 2018. The university has extended the overall completion schedule, simplified the project phasing, and will engage in a more aggressive outreach effort to enhance interest to contractors. The annual budget was based on an anticipated construction start date in January 2018 and will be underspent.
- 3. This project is for the first of two phases to renew the existing facilities for the livestock and poultry programs. This first phase includes an approximate total scope of 126,000 gross square feet of new and renovated facilities at the Blacksburg campus and three nearby university production and research farms. Schematic design is underway.
- 4. This project continues the strategic infrastructure advancements initiated by the Chiller Plant, Phase I project. This Phase II project includes the upgrade of campus utility systems and addresses several strategic needs for shifting the campus to a lower resource consuming cooling service with improved redundancies. Preliminary design is underway.
- 5. This project is for a complete renovation and 60,000 gross square foot expansion of Holden Hall to accommodate the instruction and research programs of Materials Science and Engineering, Mining and Minerals Engineering, and Computer Science Engineering. Preliminary design is underway.
- 6. This project will design, purchase, and install a new Gas-Fired Boiler within the Central Steam Plant. Preliminary design is underway.
- 7. This planning project is for Hitt Hall, the Fusion Laboratories, and the Smart Dining Center. The total project funding plan calls for \$50 million to cover the three programs. Criteria document development for Design-Build is underway.
- 8. This planning project is for an entirely state funded 102,000 gross square foot science laboratory building adjacent to the new classroom building. The university is temporarily funding the project and will be reimbursed by the state once construction funding is appropriated. Schematic design is underway.
- 9. The total project budget amount reflects the Maintenance Reserve appropriation balance carried forward from fiscal year 2017 and the state's fiscal year 2018 appropriation of \$9.719 million. The state maintenance reserve program requires a biennial budget expenditure of 85 percent, which is \$17.3 million of cumulative expenses by June 30, 2018. The annual budget amount reflects the spending level required to slightly exceed the performance requirement.
- 10. This project is for the renovation of Davidson Hall-Front Section, Sandy Hall, and the Liberal Arts Building. The project is under construction with substantial completion expected in summer 2018.
- 11. This project supports progress on fire alarm systems and accessibility improvements for several E&G buildings. The eight completed projects include Food Science and Technology Building, Architecture Annex, Lane Hall, Wallace Annex, War Memorial Hall, Whittemore Hall, Patton Hall, and Randolph Hall. The final two projects, Norris Hall and Litton Reaves Hall, are underway and anticipated to be complete by June 2018.
- 12. This project is being delivered under a Public Private Partnership with Carilion Clinic. The building will be located adjacent to the existing Virginia Tech-Carilion Research Institute facility in Roanoke, Virginia. The Comprehensive Agreement between Virginia Tech and Carilion Clinic was signed December 22, 2017 with an expected completion within 26 months.
- 13. The project is complete and occupied since August 2016. The project may be closed and financial accounts terminated when final invoices are received and paid.
- 14. The project is complete and occupied since July 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.
- 15. The project is complete and occupied since August 2017. The project may be closed and financial accounts terminated when final invoices are received and paid.

Capital Outlay Projects Authorized as of December 31, 2017 (Continued)

Dollars in Thousands

		FISCAL YEAR ACTIVITY				TOTAL PROJECT BUDGET										
	PROJECT INITIATED				YTD EXPENSES		STATE SUPPORT		NONGENERAL FUND		REVENUE BOND		TOTAL BUDGET		MULATIVE (PENSES	
AUXILIARY ENTERPRISE PROJECTS																
Design Phase																
Student Wellness Improvements	Jun 2016	\$	2,259	\$	235	\$	-	\$	6,010	\$	56,990	\$	63,000	\$	761	
Creativity & Innovation District Residence Hall	Oct 2016		3,200		95		-		-		26,818		26,818		350	` '
Dietrick First Floor and Plaza Renovation	Sept 2017		500		0		-		5,000		2,000		7,000		-	(3)
Construction Phase																
Maintenance Reserve	On-going		7,000		4,964		_		7,000		_		7.000		4,964	(4)
Lane Substation Expansion	Sept 2015		4,000		1,355		_		2,000		4,500		6,500		2,082	` '
O'Shaughnessy Renovation	Apr 2016		16,000		6,673		_		8,867		12,633		21,500		8,904	
Athletic Facilities Improvements	Aug 2016		20,000		17,062		-		37,500		-		37,500		23,159	` '
Close-Out																
Unified Communications & Network Renewal	Apr 2012		1,637		92		_		9,564		6,944		16,508		14,962	(8)
Upper Quad Residential Facilities	May 2013		4,668		3,832		-		35,671		53,729		89,400		86,928	
Residential Door Access Improvements	Dec 2015		757		462		-		7,735		-		7,735		7,440	
TOTAL AUXILIARY ENTERPRISE PROJECTS		\$	60,021	\$	34,771	\$		\$	119,347	\$	163,613	\$	282,961	\$	149,551	=
GRAND TOTAL		\$ 1	35,242	\$	50,394	\$ 2	58,085	\$	169,431	\$ 2	214,703	\$	642,219	\$	228,377	<i>-</i>

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017 through December 31, 2017 and the Capital Outlay report be approved.

March 25, 2018 8

Auxiliary Enterprises Projects

- 1. This project includes improvements to War Memorial Hall for Cook Counseling; Hokie Wellness; Recreational Sports; Human Nutrition, Foods, and Exercise; and the School of Education. Deferred maintenance and code requirements will be addressed and air conditioning to the building installed. Renovations to Schiffert Health Center in McComas Hall are included to convert the area vacated by counseling services to accommodate student health services. The project budget was increased in the second guarter to reflect full project authorization in November 2017.
- 2. This project is planning a new residential community with approximately 600 beds, including 176 beds for student-athletes, and academic collaborative spaces to support creativity and innovation programs. An A/E firm has been selected and a programming study is underway to finalize the building requirements, delivery method, and schedule for a summer 2021 opening. The current project authorization reflects a traditional 350 bed residential program. The authorization will need a future adjustment based on the results of the programing study.
- 3. This project includes refurbishing the first floor of Dietrick Hall, inserting a modern food service venue, enclosing 6,400 gross square feet of overhang, and improvements to the outdoor plaza. Design is underway with occupancy expected fall 2019.
- 4. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise budgeting process. The units prepare five-year plans that outline their highest priority deferred maintenance needs. The annual budget and total project budget reflect the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2018. The auxiliary maintenance reserve program covers 104 assets with a total replacement value of \$1.1 billion.
- 5. This project expands the Lane Substation on Innovation Drive. The project includes the purchase and installation of two 28,000 kilovolt-amps (kVA) transformers, two circuit switchers, six distribution reclosers with space for an additional four reclosers, a control house and associated relay, and control equipment. The project should be complete in summer 2019.
- 6. This project will update O'Shaughnessy Hall's interior; mechanical, electrical, and plumbing systems; elevators; address other deferred maintenance items as needed; and installing air conditioning. Improvements include converting O'Shaughnessy into a living-learning community to modernize the residential program within the building. Construction started late spring 2017 with occupancy expected fall 2018.
- 7. This project includes four high priority Athletic facility improvements: Rector Field House, Baseball Facilities, athletic nutrition center, and Tennis Facilities. Construction for Rector Field House and Baseball Facilities is underway with completion of both expected late spring of 2018. Feasibility studies are complete for an athletic nutrition center and Tennis Facilities improvements.
- 8. This project is substantially complete. The total cost is expected to be \$16.508 million. The project may be closed and financial accounts terminated when final invoices are received and paid.
- 9. This project is substantially complete. The total cost is expected to be \$89.4 million. The project may be closed and financial accounts terminated when final invoices are received and paid.
- 10. This project is substantially complete. The total cost is expected to be \$7.735 million. The project may be closed and financial accounts terminated when final invoices are received and paid. The annual budget was increased in the second quarter to reflect expected cash outflows for fiscal year 2018.

Project Expenses by Activity Second Quarter



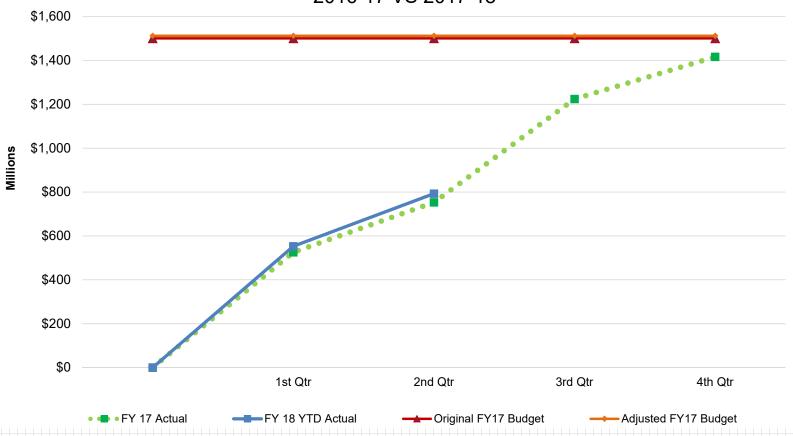


TIM HODGE, ASSOCIATE VICE PRESIDENT FOR BUDGET AND FINANCIAL PLANNING

BOB BROYDEN, ASSOCIATE VICE PRESIDENT FOR CAPITAL ASSETS AND FINANCIAL MANAGEMENT



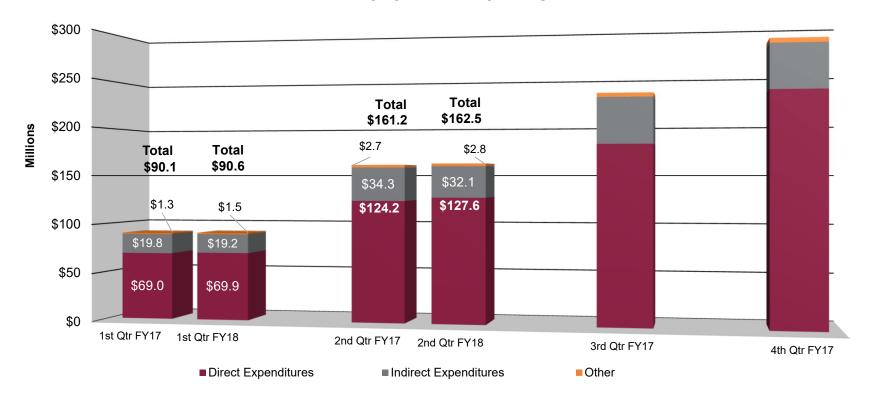






Sponsored Program Expenditures

2016-17 VS 2017-18





Auxiliary Enterprises

Annual Budgets

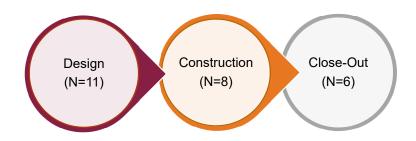
- \$12M internal financing of board approved Athletics facilities improvements
- Recreational Sports Challenge Course \$330k
- Telecommunications: \$1.2M Roanoke Infrastructure
- Intercollegiate Athletics
 - Bowl Game \$2.1M, sport facility projects \$2M, salary/operating \$1M, sport expense \$519k

Financial Performance

- Residence and Dining Halls: higher than budgeted occupancy and meal plans sales
- Athletics: higher than budgeted basketball/football ticket sales
- Telecommunications: lower than projected project volume
- Other activities are performing as planned



Capital Outlay

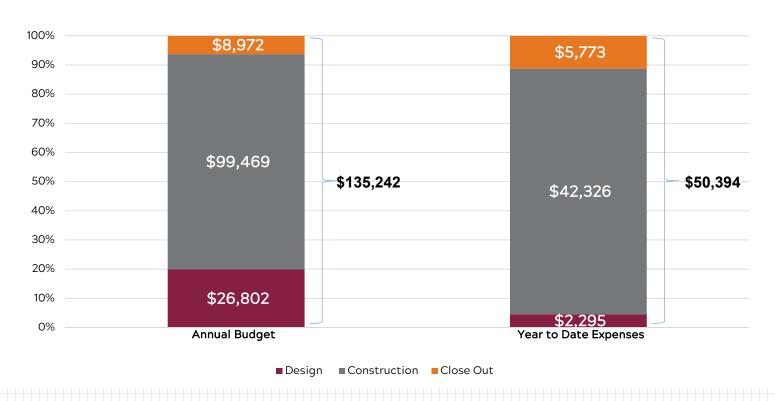


- Total capital program level currently authorized
 - \$642 million over multiple years
- Cumulative program expenses
 - \$228 million inception-to-date
- All spending and commitments are within authorized budgets



Project Expenses by Activity Second Quarter

(dollars in thousands)



*This graph depicts percentage of project expenses in each of the separate phases of Design, Construction, and Close Out of the capital projects.



Capital Outlay

- Major Planning Activity Underway
 - Improve Kentland Facilities
 - Student Wellness Improvements
 - Renovate Undergraduate Science Laboratories
 - Agriculture Production Facilities
 - Chiller Plant, Phase II
 - Holden Hall Renovation
 - Creativity and Innovation Residence Hall
 - Gas Fired Boiler
 - Intelligent Infrastructure and Construction Complex
 - Undergraduate Science Laboratory Building
 - Dietrick First Floor and Plaza Renovation



Capital Outlay

- Major Construction Activity Underway
 - Athletic Facilities Improvements
 - Academic Buildings Renewal
 - O'Shaughnessy Renovation
 - Lane Substation Improvements
 - Health Sciences and Technology



Summary

- Operating Budget:
 - On track
- Capital Projects:
 - All spending and commitments are within authorized budgets

RECOMMENDATION:

That the report of income and expenditures for the University Division and the Cooperative Extension/Agricultural Experiment Station Division for the period of July 1, 2017 through December 31, 2017 and the Capital Outlay report be approved.

March 25, 2018



2018-19 Compensation for Graduate Assistants

FINANCE AND RESOURCE MANAGEMENT COMMITTEE

February 2, 2018

Background

Graduate students who work as graduate assistants while pursuing their master's or doctoral degrees provide a valuable service to the university. Many teach undergraduate classes while others support faculty in scholarly and sponsored research activities. To be competitive in the recruitment and retention of high quality graduate students, it is important for the university to provide compensation packages that are comparable with those offered by peer institutions. The key components of the total compensation package are a stipend, tuition assistance, and health insurance benefit.

Graduate Stipends

One of the primary goals of Virginia Tech during the 1980's was to build a graduate compensation program that was competitive with those offered by comparable institutions. Across the campus, graduate assistants have a variety of responsibilities. To recognize the differences in services performed by these students, the university created a stipend scale that defines ranges of stipend amounts, providing academic and administrative unit's flexibility in compensating graduate assistants. The levels within the stipend table have been adjusted over the years to remain competitive.

To respond to increasing competition for quality graduate students among peer institutions, the graduate student stipend scale was revised for Fall 2003 and approved by the Board of Visitors. The revision better positioned Virginia Tech departments as compared to their national peers and reflected the minimum stipend levels authorized by the National Science Foundation at the time. The Fall 2004 stipend scale added 10 additional stipend steps, numbered 41-50, to increase the university's competitive position in attracting outstanding Ph.D. students. In 2004-05, the graduate stipend scale was enhanced to function as 50 pay ranges (Attachment). These ranges provide flexibility in situations where a defined level of resources does not exactly match one of the existing steps, and allow for an actual stipend to be established within the range of a step.

In 2011-12, an academic year fixed dollar supplement was added to the graduate stipend scale to help offset university assigned costs such as the health fee. As a result, the graduate assistant stipend is currently comprised of two components: 1) a base stipend and 2) a fixed supplement. For administrative efficiency and processing, the two components are combined into the traditional stipend scale. As of January 25, 2018, the

Presentation Date: March 25, 2018

current average monthly stipend for full-time graduate assistants is \$2,026 per month, which falls within step 12 of the 2017-18 stipend scale.

Tuition Assistance

In the 1990's, the university developed a more comprehensive program of tuition remission for graduate students serving on assistantships. The tuition program is financed by four sources including: the General Fund appropriation for graduate student financial assistance, a tuition remission program in the Educational and General budget, tuition payments planned in the budgets of externally sponsored grants and contracts, and private funds. The tuition remission program for graduate students on assistantship includes the remission of tuition, mandatory E&G fees (excluding the state assigned Commonwealth Capital and Equipment Fee), and non-executive graduate program fees.

Health Insurance

At the March 2001 meeting of the Board of Visitors, a health insurance program for graduate students on assistantship was approved as a part of the graduate student compensation package to enhance the university's competitiveness in recruiting highly qualified graduate students. The program was designed to help full-time graduate students receiving a full or partial assistantship, including graduate research assistants, graduate teaching assistants, and graduate assistants, offset a portion of the cost of health insurance premiums. In 2009-10, university management worked with representatives of the graduate student community to review and improve the overall mix and value of benefits provided through the health insurance program; these enhancements were approved by the Board and included in the program for 2010-11. For the 2017-18 academic year, the Board of Visitors approved a health insurance subsidy rate of 88 percent for graduate assistants, matching the university's share of other employee health insurance programs.

In order to qualify for health insurance, full-time graduate students must have a 50 percent or greater appointment. Graduate students also have the option to decline coverage if they so choose. In 2017-18, the university provided 88 percent of the \$2,924 annual premium cost of the plan to 2,118 graduate students. The plan provided for a \$450 in-network annual deductible, \$5,750 per-person out-of-pocket maximum, \$25 copay for in-network doctors' visits, and an unlimited maximum benefit. Students can obtain optional dental benefits for an additional cost.

Proposed Graduate Assistant Compensation Plan for 2018-19

The university proposes the following actions:

- The university proposes to advance the stipend scale for 2018-19 by implementing a 2.0 percent increase, effective November 25th, 2018. This aligns with the university's planned faculty compensation program. In conformity with the treatment of stipend increases in prior years, the university would establish the effective date of the increases as August 10, 2018, annualizing the amount that would otherwise be effective November 25, 2018. This process will result in an overall increase of 1.2 percent in the stipend scale for the 2018-19 academic year. The shift to the beginning of the Fall academic term does not affect the total compensation for the graduate students; rather, it spreads the increase over the entire academic year, and provides the updated stipend scale in advance of the recruitment and contracting of graduate assistants for the fall semester.
- The university proposes continuing the university share of the graduate assistant health insurance coverage at 88 percent, based upon the university's current estimate of a 13 to 16 percent cost increase for graduate student insurance coverage.

RECOMMENDATION

That the graduate assistant compensation program for 2018-19 be approved.

March 25, 2018

2018-19 Full-Time Graduate Monthly Stipend Compensation Effective August 10, 2018

2018-19

	-	2018-19							
	Comp				Tota	al Stipend			
Step	Monthly Base	AY Supplement	Monthly		9 M	onth	12 Mon	12 Month	
Step 1	\$1,416 - \$1,416		\$ 1,461				- \$ 13,149		
Step 2	1,417 - 1,473		1,462		1,517		- 13,653		18,204
Step 3	1,474 - 1,52		1,518		1,571		- 14,139		18,852
Step 4	1,528 - 1,580		1,572		1,625		- 14,625		19,500
Step 5	1,582 - 1,639		1,627	-	1,679		- 15,111		20,148
Step 6	1,636 - 1,692		1,680	-	1,736		- 15,624		20,832
Step 7	1,693 - 1,744		1,737		1,789		- 16,101		21,468
Step 8	1,745 - 1,80		1,790		1,845		- 16,608		22,140
Step 9	1,803 - 1,853		1,847		1,898		- 17,082		22,776
Step 10	1,854 - 1,910		1,899		1,955	4-004	- 17,595		23,460
Step 11	1,911 - 1,962		1,956		2,006		- 18,054	•	24,072
Step 12	1,964 - 2,014		2,008		2,059		- 18,531		24,708
Step 12 Step 13	2,017 - 2,072		2,062		2,117	18,558	- 19,053		25,404
Step 13	2,077 - 2,072		2,118		2,170		- 19,530		26,040
			2,110						26,700
Step 15				-	2,225				
Step 16	2,181 - 2,234		2,226		2,279	,	- 20,511		27,348
Step 17	2,235 - 2,289		2,280		2,333	-,	- 20,997		27,996
Step 18	2,290 - 2,34		2,334		2,390	,	- 21,510		28,680
Step 19	2,346 - 2,399		2,391	-	2,444	,	- 21,996		29,328
Step 20	2,400 - 2,453		2,445		2,497	,,	- 22,473		29,964
Step 21	2,455 - 2,508		2,499		2,553	22,491	- 22,977		30,636
Step 22	2,509 - 2,560		2,554		2,604	22,986	- 23,436		31,248
Step 23	2,561 - 2,616		2,605	-	2,660	,	- 23,940		31,920
Step 24	2,617 - 2,67		2,661	-	2,716	,	- 24,444		32,592
Step 25	2,672 - 2,726		2,717	-	2,770	,	- 24,930		33,240
Step 26	2,727 - 2,779		2,771	-	2,823	,	- 25,407		33,876
Step 27	2,780 - 2,836		2,824		2,881	-, -	- 25,929		34,572
Step 28	2,837 - 2,889		2,882		2,933	-,	- 26,397		35,196
Step 29	2,890 - 2,943		2,934		2,987	-,	- 26,883		35,844
Step 30	2,944 - 2,998	3 400	2,988		3,043	26,892	- 27,387	35,856 -	36,516
Step 31	2,999 - 3,05°	1 400	3,044		3,095	27,396	- 27,855	36,528 -	37,140
Step 32	3,052 - 3,106	400	3,096	-	3,150	27,864	- 28,350		37,800
Step 33	3,108 - 3,160	400	3,152	-	3,205	28,368	- 28,845	37,824 -	38,460
Step 34	3,161 - 3,21	5 400	3,206	-	3,259	28,854	- 29,331	38,472 -	39,108
Step 35	3,216 - 3,269	9 400	3,260	-	3,313	29,340	- 29,817	7 39,120 -	39,756
Step 36	3,270 - 3,323	3 400	3,314	-	3,368	29,826	- 30,312	2 39,768 -	40,416
Step 37	3,324 - 3,378	3 400	3,369	-	3,422	30,321	- 30,798	3 40,428 -	41,064
Step 38	3,379 - 3,433	3 400	3,423	-	3,477	30,807	- 31,293	3 41,076 -	41,724
Step 39	3,434 - 3,488	3 400	3,478	-	3,533		- 31,797		42,396
Step 40	3,489 - 3,54	1 400	3,534	-	3,585		- 32,265	42,408 -	43,020
Step 41	3,542 - 3,599		3,586		3,643	32,274			43,716
Step 42	3,600 - 3,65		3,644		3,696	32,796			44,352
Step 43	3,652 - 3,70		3,697		3,749	33,273			44,988
Step 44	3,706 - 3,760		3,750		3,805	33,750			45,660
Step 45	3,762 - 3,813		3,806		3,858		- 34,722		46,296
Step 46	3,814 - 3,87		3,859		3,915		- 35,238		46,980
Step 47	3,873 - 3,922		3,917		3,967	35,253	- 35,703		47,604
Step 48	3,923 - 3,979		3,968		4,024	35,712			48,288
Step 49	3,980 - 4,033		4,025		4,077	36,225			48,924
Step 50	4,034 - 4,08		4,078		4,132	36,702			49,584
Stop 50	7,007 - 4,00	400	7,070	-	7,132	30,702	31,100	, -0,950 -	75,507



March 25, 2018

DWIGHT SHELTON,
INTERIM SR. VICE PRESIDENT FOR OPERATIONS AND
ADMINISTRATION

TIM HODGE, ASSOCIATE VICE PRESIDENT FOR BUDGET AND FINANCIAL PLANNING



Background

Graduate Assistants provide valuable services to the university, including teaching and support of scholarly and research activities.

Successful recruitment of high quality graduate students requires the university to offer competitive compensation packages.

Components of Total Compensation Package

- Stipend
- Tuition assistance
- Health insurance benefit



Graduate Stipend Components

- 1. Base stipend scale provides a range of stipend amounts reflective of differing levels of responsibility.
 - Current stipend scale has 50 pay ranges to ensure flexibility to the university programs.
- 2. Fixed supplement (established in 2011-12 to help offset university assigned costs such as the health fee)

As of January 2018, the current average monthly stipend for full-time graduate assistants is \$2,026 per month.



Tuition Assistance*: Financed by four sources

- 1. General Fund appropriation for graduate assistance.
- 2. Tuition remission program in the Educational and General budget.
- 3. Tuition payments planned in the budgets of externally sponsored grants and contracts.
- 4. Private funds.

*Includes remission of tuition, mandatory E&G fees, and non-executive graduate program fees.

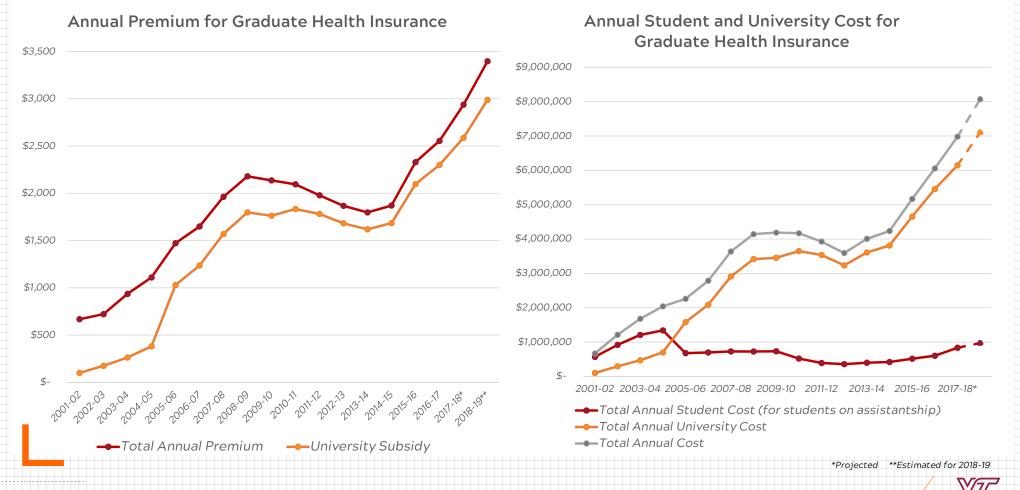


Health Insurance

- Health insurance for graduate students on assistantships was established in 2001.
- To qualify, full-time graduate students must have a 50 percent or greater assistantship appointment.
- In 2017-18, the university provided 88 percent of the \$2,924 annual premium cost to 2,118 graduate students.
 - The 88 percent subsidy matches the university's share of other employee health insurance programs.
- Graduate students may decline coverage.



Historical Graduate Healthcare Trends 2001-2018



Proposed Graduate Assistant Compensation Plan for 2018-19

- 1. Advance the stipend scale for 2018-19 by implementing a 2.0 percent increase.
 - This is congruent with planned faculty merit program
 - Effective November 25, 2018, but smoothed across entire year.
- 2. Continue the university share of graduate assistant health insurance coverage of <u>88 percent</u>.

RECOMMENDATION:

That the graduate assistant compensation program for 2018-19 be approved.

March 25, 2018



Discussion



Capital Project for Student-Athlete Performance Center

JOINT FINANCE AND RESOURCE MANAGEMENT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 16, 2018

The university's Six-Year Capital Outlay Plan approved by the Board of Visitors at its September 11, 2017 meeting includes a project for an Athlete Nutrition Center, currently known as the Student-Athlete Performance Center.

The Athletics department completed a feasibility study for the project in Fall 2016. The study shows the desired program can be accommodated with a complete renovation of the fourth floor of the Jamerson Center, construction of a balcony cantilevered from the fourth floor, and a new elevator tower. The scope includes renovations to areas on the first three floors of building for circulation. The renovation and expansion will provide state-of-the-art spaces for dining, nutrition, recruiting, donor hospitality, and allow for a seamless transition to the Cassell Coliseum concourse. This project will enhance the student experience of athletes in all 22 intercollegiate sports, approximately 580 students. The project schedule anticipates major construction to start in Summer 2019 with occupancy by early 2021.

The Athletics program has received private gifts to support the Student-Athlete Performance Center and desires to move forward with the project. The private support includes \$16.165 million with \$15.165 million designated to capital improvements and \$1 million designated to an endowment for upkeep, maintenance, and modernizations. Under this resolution, the university will proceed with planning, constructing, and equipping activities to implement the program at a total project cost not to exceed the \$15.165 million resource level designated for capital improvements. The Athletics program is continuing its efforts to raise additional private funds to enhance the space. This resolution also requests authorization to adjust the total project budget up by 10 percent and not more than new private gifts designated to the project beyond the existing \$15.165 million.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, and funding of nongeneral fund capital outlay projects. This request is for a full project authorization to move forward with design, construction, and equipping of the proposed Student-Athlete Performance Center project.

RESOLUTION OF A CAPITAL PROJECT FOR STUDENT-ATHLETE PERFORMANCE CENTER

WHEREAS, as a member of the Atlantic Coast Conference, Virginia Tech competes among the highest level of competition in the NCAA; and,

WHEREAS, proper facilities are a critical element to attract and maintain high caliber student athletes and coaches; and,

WHEREAS, the project scope includes a complete renovation of the fourth floor of the Jamerson Center, construction of a balcony cantilevered from the fourth floor, a new elevator tower, and renovations to areas on the first three floors of building; and,

WHEREAS, the Student-Athlete Performance Center provides Athletics with needed space for dining, nutrition, recruiting, donor hospitality, and will allow for a seamless transition to the Cassell Coliseum concourse; and,

WHEREAS, the university has received \$15.165 million of private gift support designated to implement capital improvements for the Student-Athlete Performance Center program; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, and funding of nongeneral funded major capital outlay projects; and,

WHEREAS, the total project budget is \$15.165 million and may be adjusted up by 10 percent and not more than new private gifts designated to the project beyond the existing \$15.165 million; and,

NOW THEREFORE BE IT RESOLVED, that the university be authorized to move forward with the necessary design, construction, and equipping to complete the Student-Athlete Performance Center project.

RECOMMENDATION:

That the above resolution authorizing Virginia Tech to complete the Student-Athlete Performance Center be approved.

STUDENT-ATHLETE PERFORMANCE CENTER

Board of Visitors Funding Resolution



STUDENT-ATHLETE PERFORMANCE

1. Performance-Based Meals

2. Multi-Use Opportunities

3. Convenience



STUDENT-ATHLETE PERFORMANCE

1. Serve 580+ student-athletes on a daily basis

2. Support top-tier recruitment efforts

3. Provide flexibility and accommodate the changing needs and best practices of performance-based meals



STUDENT-ATHLETE PERFORMANCE

COENTIFE Ration

New Construction: Fourth-floor balconies, service elevator tower

Renovation: Fourth floor of Jamerson Center

Floors 1-3 of Jamerson Center (structural support & egress)

Delivery Method: Design-Bid-Build

Funding: \$15.165 Million (Total Project)

Design Phase: Schematic

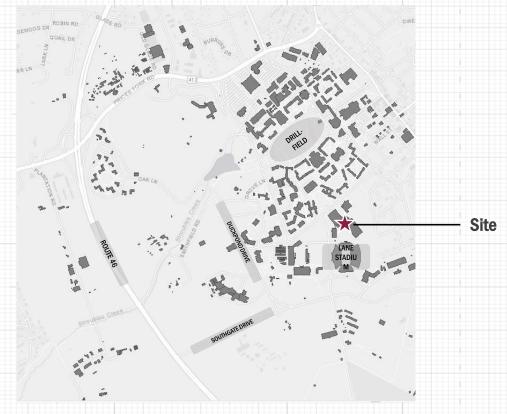
■ Construction Start: Summer 2019*

■ Targeted Occupancy: Early 2021



- STUDENT-ATHLETE PERFORMANCE

COENTER





- STUDENT-ATHLETE PERFORMANCE

Citing Tollierion (Exterior)





STUDENT-ATHLETE PERFORMANCE CENTER on

■ NOW THEREFORE BE IT RESOLVED, that the university be authorized to move forward with the necessary design, construction, and equipping to complete the Student-Athlete Performance Center project.



Capital Project for ACC Network Studio

JOINT FINANCE AND RESOURCE MANAGEMENT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 8, 2018

The university's Six-Year Capital Outlay Plan approved by the Board of Visitors at its September 11, 2017 meeting includes a project for an ACC Broadcast Studio expansion. As a member of the Atlantic Coast Conference, Virginia Tech will participate in the new ACC Network channel to be launched in 2019. Improved and expanded broadcasting facilities are needed to meet required telecasts of games on the new channel.

The scope of work to establish the necessary broadcasting facilities include interior renovations to an existing control room, constructing two new control rooms, two new studios, installing new fiber and internet cabling in the facility, installing a new archive and edit system, upgrading the HVAC system to handle the cooling and heating requirements, installing new fiber optic channels and duct banks to connect the studio to sports venues outside the stadium and to the campus fiber optic system, and broadcasting equipment.

To meet the schedule expectations of the ACC network for a Fall 2019 launch, the Athletics program desires to start the renovations in Spring 2018, complete the project by early Spring 2019, and operate the studios for several months prior to network broadcasting. The estimated project cost inclusive of design, construction, infrastructure improvements, and equipment is \$10 million. Because the project includes distinct infrastructure, interior renovations, and specialty equipment integration, the project will be procured and implemented in multiple contracts and multiple phases. As with all self-supporting projects, the university has developed a financing plan to provide assurance regarding the financial feasibility of the project. This plan calls for the use of short term debt which will be repaid by Athletics auxiliary revenue received from the ACC Network.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for authorization to proceed with the design, construction, and infrastructure improvements for a \$10 million ACC Network Studio project.

RESOLUTION OF A CAPITAL PROJECT FOR ACC NETWORK STUDIO

WHEREAS, Virginia Tech will participate in the new ACC Network channel to be launched in fall 2019; and,

WHEREAS, improved and expanded broadcasting facilities are needed to meet required telecasts of games on the new channel; and,

WHEREAS, The scope of work to establish the necessary facilities include interior renovations to an existing control room, constructing two new control rooms, two new studios, installing new fiber and internet cabling in the facility, installing a new archive and edit system, upgrading the HVAC system, installing new exterior fiber optic channels and duct banks to connect the studio to sports venues outside the stadium and to the campus fiber optic system, and broadcasting equipment; and,

WHEREAS, the work will be implemented as an umbrella project with multiple contracts and phases; and,

WHEREAS, the university has developed a 100 percent nongeneral fund resource plan sufficient for the total project costs of \$10 million; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the university has the authority to issue bonds, notes or other obligations that do not constitute State tax supported debt; and,

WHEREAS, the university will secure temporary short-term financing for the project that will be repaid by Athletics auxiliary revenue received from the ACC Network; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a \$10 million authorization for the ACC Network Studio project and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the \$10 million authorization, plus related issuance costs and financing expenses.

RECOMMENDATION:

That the above resolution authorizing Virginia Tech to complete the ACC Network Studio be approved.

March 26, 2018

ACC NETWORK STUDIO

Board of Visitors Funding Resolution

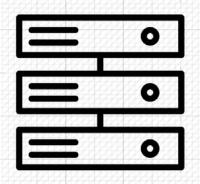


ACC NETWORK STUDIO

Project Drivers



Prepare for full network launch in 2019



Align equipment and infrastructure with broadcasting demands



- ACC NETWORK STUDIO

Project Information

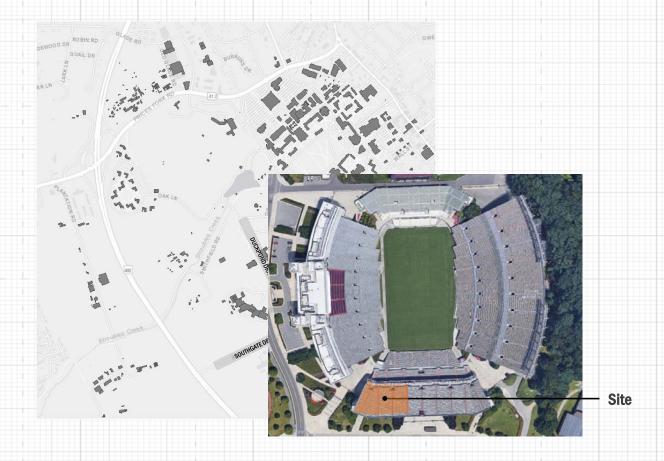
Total Project Cost:	\$10,000,000
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- Gross Square Feet: 5,127
- Construction Start (Target): Spring 2018
- Construction Completion (Target): Spring 2019



- ACC NETWORK STUDIO

Project Location





- ACC NETWORK STUDIO Floorplan **Control Rooms** Studio **Service Corridor** Visitor's Locker Room **Open Office** Stadium Exterior Circulation Restroo Support Media Office

- ACC NETWORK STUDIO

Existing Conditions







- ACC NETWORK STUDIO

Proposed Condition (UVA)





ACC NETWORK STUDIO

Recommendation

■ NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with a \$10 million authorization for the ACC Network Studio project and to secure temporary short-term financing through any borrowing mechanism that prior to such borrowing has been approved by the Board, as applicable, in an aggregate principal amount not to exceed the \$10 million authorization, plus related issuance costs and financing expenses.



Capital Project for the Squires Commonwealth Ballroom Improvements

JOINT FINANCE AND RESOURCE MANAGEMENT COMMITTEE AND BUILDINGS AND GROUNDS COMMITTEE

February 12, 2018

Squires Student Center was originally built in 1937 with renovations and additions occurring in 1969 and 1991. The Commonwealth Ballroom, located on the second floor of Squires, is the largest ballroom on campus. It hosts approximately 160 events each year by student organizations and university departments including major activities such as orientation, career fairs, Gobbler Nights, and Ring Dance. No other facility on campus has the capacity to support the large scale events held in the Commonwealth Ballroom. The ballroom has reached an age and condition with deferred maintenance that requires repairs and improvements to meet the university's expectations for event hosting.

The university originally planned to address the deferred maintenance under a maintenance reserve subproject and to address certain improvements as an operating activity funded by the Provost Office. The total costs of this work was expected to be under \$2 million. Thus, the university did not include a capital project for this work on the 2018-2024 Six-Year Capital Outlay Plan. During the planning phases for the work, the project encountered unexpected and unforeseen system requirements that increased the cost beyond the \$2 million capital outlay threshold. The proposed scope of work for the Commonwealth Ballroom project includes replacing outdated and nonfunctioning lighting systems, stage systems, ceiling tiles, and air handlers. A Skyfold dividing wall will be added to the Commonwealth Ballroom to increase usage capabilities by student organizations and the campus community. Construction is anticipated to start in Fall 2018 and be complete in Spring 2019 in time for commencement.

The total project costs for the Squires Commonwealth Ballroom Improvements is \$3.246 million. As with all self-supporting projects, the university has developed a financing plan to provide assurance regarding the financial feasibility of this project. The total project funding is \$3.246 million and calls for the use of \$2.812 million of Student Engagement and Campus Life auxiliary maintenance reserve funds and \$434 thousand of nongeneral fund sources from the Provost Office for the Skyfold dividing wall. The university Master Plan envisions a replacement facility, outside of Squires Hall, for hosting large university community events. A replacement facility is expected to be several years in the future. This refurbishment and enhancement of the Commonwealth Ballroom will ensure the university has access to an appropriate venue for hosting events until a replacement facility is available.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral fund capital outlay projects. This request is for a \$3.246 million authorization to complete the Squires Commonwealth Ballroom Improvements project.

1

Presentation Date: March 26, 2018

RESOLUTION OF A CAPITAL PROJECT FOR SQUIRES COMMONWEALTH BALLROOM IMPROVEMENTS

WHEREAS, the Commonwealth Ballroom, located on the second floor of Squires, is the largest ballroom on campus; and,

WHEREAS, the ballroom has reached an age and condition with deferred maintenance that requires repairs and improvements to meet the university's expectations for event hosting; and,

WHEREAS, originally the improvements were scheduled to be an auxiliary maintenance reserve subproject, however, unforeseen and unexpected system requirements increased the costs beyond the \$2 million capital outlay threshold; and,

WHEREAS, the proposed scope of work includes replacement of lighting systems, stage systems, ceiling tiles, air handlers, and installation of a Skyfold dividing wall; and,

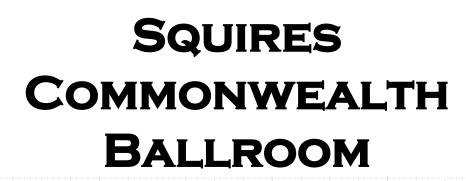
WHEREAS, the university has developed a 100 percent nongeneral fund resource plan sufficient for the total project costs of \$3.246 million; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects.

NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with the Squires Commonwealth Ballroom Improvements project with a total project cost not to exceed \$3.246 million.

RECOMMENDATION:

That the resolution authorizing Virginia Tech to complete the Squires Commonwealth Ballroom Improvements project be approved.



Board of visitors Funding Resolution EMENTS



- SQUIRES COMMONWEALTH BALLROOM IMPROVEMENTS



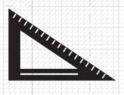
Constructed in

1969



~ 160 events in

2017



~12,500 square feet

(equals ~4.5 tennis courts)



Avg. revenue -\$117,000 /

year

(~ \$730 / event)



- SQUIRES COMMONWEALTH BALLROOM



Provides large, flexible event space



Facilitates student and departmental events

(e.g., orientation, career fairs, Ring Dance, Military Ball)



Requires work for repairs, updates to meet modern event needs (e.g., HVAC, A/V, air wall, fireproofing, ADA access)



- SQUIRES COMMONWEALTH BALLROOM IMPROYEMENTS

■ Total Project Cost: \$3.246 Million

■ Gross Square Feet: ~12,500

Construction Start (Target): Fall 2018

Construction Completion (Target): Spring 2019



- SQUIRES COMMONWEALTH BALLROOM



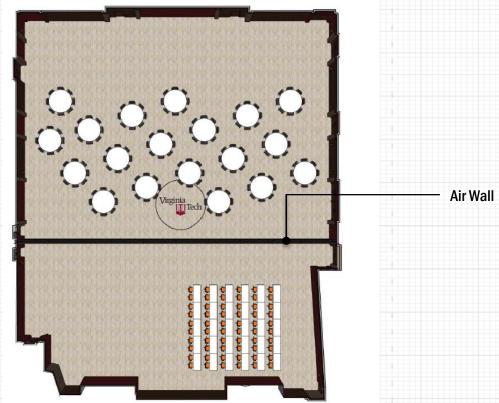


- Squires Commonwealth Ballroom

LMARRONIEMENTS



- SQUIRES COMMONWEALTH BALLROOM IMPROVEMENTS





- SQUIRES COMMONWEALTH BALLROOM IMPROVEMENTS

■ NOW, THEREFORE BE IT RESOLVED, that the university be authorized to move forward with the Squires Commonwealth Ballroom Improvements project with a total project cost not to exceed \$3.246 million.



RESOLUTION TO RATIFY ACTIONS OF THE EXECUTIVE COMMITTEE OF THE BOARD OF VISITORS ON MARCH 13, 2018

WHEREAS, the Bylaws of the Virginia Tech Board of Visitors, Article I, Section 6a, stipulate that the Executive Committee of the Board in the interim between meetings of the Board has full power to take actions on behalf of the Board and that all such actions taken by the Executive Committee are subject to ratification by the full Board at its next meeting; and

WHEREAS, approval of the Board of Visitors was required by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) for several resolutions that were to accompany Virginia Tech's application to SACSCOC to integrate the Virginia Tech Carilion School of Medicine into Virginia Tech; and

WHEREAS, to meet the March 15 application deadline of SACSCOC, the Executive Committee of the Board was convened by the Rector on March 13, 2018, to act upon these resolutions; and

WHEREAS, the next meeting of the full Board of Visitors is scheduled for March 26, 2018:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors of Virginia Polytechnic Institute and State University hereby ratifies the actions taken by the Executive Committee of the Board on March 13, 2018 (attached), which include:

- Resolution to Approve the Virginia Tech Carilion School of Medicine Doctor of Medicine (MD) Degree Program
- Resolution to Incorporate into the Virginia Tech Faculty Handbook the Types of Faculty Appointments and Related Policies for Faculty of the Virginia Tech Carilion School of Medicine
- Resolution to Reaffirm the Virginia Tech Mission for the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC)

RECOMMENDATION:

That the above resolution ratifying the actions taken by the Executive Committee of the Board of Visitors at a special meeting convened on March 13, 2018, be approved.

Resolution to Approve the Virginia Tech Carilion School of Medicine Doctor of Medicine (MD) Degree Program

WHEREAS, since 2007, Virginia Tech and Carilion Clinic have benefited from a partnership that has resulted in successfully launching the Virginia Tech Carilion Research Institute and the Virginia Tech Carilion School of Medicine, and

WHEREAS, the university has a strong strategic interest in continuing to advance research and education in biomedicine, neuroscience, infectious disease, cardiovascular sciences, metabolism and obesity, biomaterials and body-device interfaces; and

WHEREAS, the Virginia Tech Carilion Research Institute continues to exceed its goals and surpassed \$100M in total research funding awarded; and

WHEREAS, the Virginia Tech Carilion School of Medicine continues to exceed its goals as an accredited independent medical school; and

WHEREAS, the VTCSOM curriculum is innovative in its integration of research into the program of study resulting in the Doctor of Medicine (MD) degree including 126 on-going research projects with 73 VTCSOM faculty mentors; and

WHEREAS, 100% of the physicians who have completed their education at the VTCSOM pass the US Medical Licensing Exam Step 3, and the school has a 100% residency matching rate for each graduating class; and

WHEREAS, the school and the Virginia Tech and Carilion partners have agreed to integrate the school into Virginia Tech as a college; and

WHEREAS, Virginia Tech will confer the MD degree upon the integration of the school into the university; and

WHEREAS, the MD curriculum was developed and approved by the VTCSOM faculty, under the governance oversight of the VTCSOM's Medical Curriculum Committee that represents the faculty and the 11 departments that comprise the VTCSOM; and

WHEREAS, the MD curriculum continues to be taught and delivered solely by VTCSOM faculty and, thus, does not require resources from other colleges; and

WHEREAS, the VTCSOM including its MD curriculum is accredited by the Liaison Committee on Medical Education (LCME) which is jointly sponsored by the Association of American Medical Colleges (AAMC) and the American Medical Association (AMA): and

WHEREAS, the VTCSOM is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), the same body that accredits Virginia Tech; and

WHEREAS, the Virginia Tech faculty along with the students and staff have expressed their affirmation of the desire to integrate the VTCSOM and the MD degree program into the university as demonstrated by the approval of University Council on March 12, 2018; and

WHEREAS, the Bylaws of the Virginia Tech Board of Visitors, Article I, Section 6a, stipulate that the Executive Committee of the Board in the interim between meetings of the Board has full power to take actions on behalf of the Board and that all such actions taken by the Executive Committee are subject to ratification by the full Board at its next meeting;

NOW, THEREFORE BE IT RESOLVED, that the Executive Committee of the Board of Visitors of Virginia Polytechnic Institute and State University affirms and approves the integration of the VTCSOM as a college within Virginia Tech; and

BE IT FURTHER RESOLVED, that the Executive Committee of the Board of Visitors approves the integration of the VTCSOM's Doctor of Medicine degree and existing curriculum into the university's graduate offerings effective upon the integration of the Virginia Tech Carilion School of Medicine into Virginia Tech.

Recommendation:

That the resolution to approve the Virginia Tech Carilion School of Medicine Doctor of Medicine degree and existing curriculum be approved.

March 13, 2018

VTCSOM Medical Doctor (MD) Degree Curriculum

The Virginia Tech Carilion School of Medicine (VTCSOM) offers a program of study leading to the MD degree (MD). After the VTCSOM becomes an academic unit of Virginia Tech, the MD will be awarded by Virginia Tech.

The curriculum for the VTCSOM Doctor of Medicine degree (MD) is a 169-week, four-year program. The curriculum is designed around four "value domains" that shape course delivery and instruction. The four value domains are: basic science, clinical science, research, and interprofessionalism.

In addition to the four value domains, the VTCSOM's curriculum places patient care at the center of all learning. This approach trains students to be physicians who place patients at the center of medical practice. The VTCSOM's pedagogical approach is active and reduces passive learning, and uses patient case-studies in facilitator-guided, small-group discussions. As life-long learners, the medical students at the VTCSOM acquire, integrate, and apply knowledge in pedagogically active settings that include peer teaching, communication, and professionalism.

The VTCSOM curriculum is divided into two phases with Years 1 and 2 referred to as Phase I and Years 3 and 4 referred to as Phase II. During Phase I, the curriculum is separated into units of study referred to as blocks. Each block in Year 1 lasts eight weeks and each block in Year 2 lasts six weeks. The four value domains form the cornerstone of student instruction in blocks, rotations, and clinical practice. The curriculum will remain unchanged upon integration of the school into the university. See Appendix B for a sample plan of study.

VTCSOM Doctor of Medicine Curriculum				
Value Domains: basic science, clinical science, research, and interprofessionalism				
Phase I	Year 1	4, 8-week blocks of study		
	Year 2	4, 6-week blocks of study		
Phase II	Year 3 Carilion Clinic clerkships/clinical practice	Six-week rotations: internal medicine, surgery, family and community medicine, pediatrics, psychiatry, and OB/GYN. Two-week rotations: radiology, neurology Four-week block: research Electives		
	Year 4 Carilion Clinic clerkships/clinical practice	Four-week: emergency medicine Three, two-week electives: medical subspecialty, surgical subspecialty, ICU/critical care 18 to 26 weeks additional electives Two-week "Transition to Residency I" requirement Time for residency program interviews Two-week research rotation		

VTCSOM -- Sample Plan of Study

PHASE I - Year 1 Block Schedule: Normal Structure and Function

Block I: August - October (8 weeks)

Functional Biology of Cells and Tissues: Molecules, Genes, Chromosomes, Proteins, Cells, Tissues, Metabolism, Transcription, Translation, Early Development, Pharmacodynamics, Pharmacokinetics Interviewing and Professionalism: Interviewing Skills, Relationships with Colleagues, Medical Student Professionalism, Medicine as a Profession, Physician Privileges and Responsibilities, Medical Humanities Fundamentals and Foundations of Research: Scientific Method, Thinking like a Researcher, Quantitative / Quantitative Research, Basic Clinical Translational Research Principles, Hypothesis Generation, Introduction to Medical Literature, "Research Live"- Intro

Interprofessional Healthcare: Introduction to Team Building Concepts, Interpersonal Relationships and Development of Camaraderie and Partnerships

Block II: October - December (8 weeks)

Human Body I: Immunology, Cardiovascular, Respiratory, Musculoskeletal, Autonomic Nervous System, Nutrition

Physical Exam and Human Life Cycle I: Major Body Regions, Cultural Diversity in the Medical Interview, Vital Signs, Heart and Lungs, Infancy and Early Childhood Development, Medical Humanities

Research Tools: Biostatistics, Epidemiology, Keys to Successful Collaboration, "Research Live" - Block Topics, Research Rotations

Interprofessional Healthcare: Theoretical Foundations and Models of Healthcare, Public Health, Population Health, Normal Structure and Function of Society, Experiential Team Learning (e.g., following a family)

Block III: January - March (8 weeks)

Human Body II: GI Tract, Liver & Biliary, Renal, Endocrine, Reproduction, Nutrition

Physical Exam and Human Life Cycle II: Abdominal, Male and Female Genitourinary Exams, Sexuality, Difficult Patient Interview - Sensitive Topics, Adolescent to Adult Development, Medical Humanities

Research Application: Biostatistics, Epidemiology, Research Design and Methods, Law and Medicine, Regulatory Principles, Research Rotations, "Research Live" - Block Topics

Interprofessional Healthcare: Healthcare Professional Roles, Conflict Resolution, Negotiations, Leadership, Clinical Skills Team Training (simulation), Experiential Team Learning, Patient Safety, Quality Improvement

Block IV: March - May (8 weeks)

Biology of the Nervous System: Central Nervous System, Peripheral Nervous System, Special Sensory Structures, Nutrition

Neurological Exam - Biopsychosocial Aspects: Aging, Death and Dying, Palliative Care, Lifestyle Modification and Stages of Change, Medical Humanities

Research Outcomes: Manuscript Preparation, Journal Selection, Manuscript Revision, Grant Writing, Grant Review Process (Study Sections), Research Mentor Selection Deadline, Project Identification Deadline, "Research Live" - Block Topics

Interprofessional Healthcare: Clinical Skills Team Training (simulation), Introduction Health Delivery Systems, Experiential Team Learning, Patient Safety, Quality Improvement

PHASE I - Year 2 Block Schedule - Abnormal Structure and Function

Block V: July - August (6 weeks)

Fundamentals of Pathobiology: Cells and Tissues, Necrosis, Neoplasia, Inflammation, Genetic Disorders, Immunological Diseases, Infection, Microbiology, Virology, Pharmacology, Therapeutics

Communicating with Patients and Families: Enhancement of Interviewing Skills, Fundamentals of Case Presentations, Psychosocial Aspects of Disease, Domestic Violence, Ambulatory Care Experience

Research Project: Individual Student Research Project (hypothesis generation / specific aim), Ethics, "Research Live" - Block Topics

Interprofessional Healthcare: Global Health Issues, Team Training in Disaster Preparedness, Patient Safety, Quality Improvement

Block VI: September - October (6 weeks)

Pathobiology of the Human Body I: Hematology, Bleeding disorders, White Cell Disorders, Vascular Diseases, Heart, Pulmonary, ENT, Lymph Nodes and Spleen, Microbiology, Virology, Pharmacology, Therapeutics, Nutrition

The Physician & Society and Clinical Skills: H & P and Psychosocial Aspects of CV and Pulmonary Diseases, Stress management for Physicians, Medical Marriages, Lifestyle Balance, Changing Healthcare Systems, Managed Care, Medical Legal Issues, Ambulatory Ca

Research Project: Individual Student Research Project (research design, tests), IRB, Ethics, "Research Live" - Block Topics

Interprofessional Healthcare: Case Studies in Acute and Chronic Disease Management, Patient Safety, Quality Improvement

Block VII: November - December (6 weeks)

Pathobiology of the Human Body II: GI Tract, Liver, Pancreas, Renal, Male and Female GU, Breast, Microbiology, Virology, Pharmacology, Therapeutics, Nutrition

Health Promotion, Disease Prevention and Clinical Skills: H & P and Psychosocial Aspects of GI, Renal, and Urogenital Diseases, Ambulatory Care Experience, Writing Orders and Prescriptions

Research Project: Individual Student Research Project (anticipated outcomes and preliminary data), IRB, Ethics, "Research Live" - Block Topics

Interprofessional Healthcare: Case Studies in Acute and Chronic Disease Management Experiential Team Learning

Block VIII: January - February (6 weeks)

Pathobiology of the Human Body III: Endocrine, Skeletal and Soft Tissues, Skin, Environmental and Nutritional Diseases, Central and Peripheral Nervous Systems, Nutrition

Psychobiology and Substance Abuse: H & P and Psychosocial Aspects of Neurological Diseases, Clinical psychiatric syndromes and their underlying neurobiological dysfunctions, Ambulatory Care Experience,

Research Project: Individual Student Research Project (proposal in grant format), "Research Live" - Block Topics

Interprofessional Healthcare: Health Policy Analysis, Case Studies in Acute and Chronic Disease Management, Experiential Team Learning

The basic science curriculum taught in the first two years of the medical school's curriculum prepares students to enter into the more formal clinical phase in their third and fourth years.

PHASE II - Year 3 is spent at Carilion Medical Center with clinical faculty who are largely members of Carilion Clinic. There, students complete a year of required clerkships consisting of six-week rotations in the core clinical disciplines (internal medicine, surgery, family and community medicine, pediatrics, psychiatry, and OB/GYN) and two-week rotations in radiology and neurology. Research continues to be integrated into the clerkship year with a dedicated four-week block. In addition, there are four weeks available for electives in Year 3.

PHASE II - Year 4, students complete a four-week required clinical experience in Emergency Medicine as well as electives that must include one medical subspecialty, one surgical subspecialty, and one ICU/critical care rotation, each for two weeks. Students have 18 to 26 weeks of additional elective time, a two-week "Transition to Residency I" requirement, and additional flexible time for interviewing for residency programs and vacation. Finally, there is a required two-week research rotation, which can be lengthened for students whose research requires additional time.

RESOLUTION TO INCORPORATE INTO THE VIRGINIA TECH FACULTY HANDBOOK THE TYPES OF FACULTY APPOINTMENTS AND RELATED POLICIES FOR FACULTY IN THE VIRGINIA TECH CARILION SCHOOL OF MEDICINE

WHEREAS, the Virginia Tech Board of Visitors has voted affirmatively to acquire and integrate the Virginia Tech Carilion School of Medicine (VTCSOM) as a college within the university; and

WHEREAS, upon approval by all entities of the integration into the university of the VTCSOM, the VTCSOM faculty will be subject to Virginia Tech's faculty policies and resolutions approved by the Board of Visitors; and

WHEREAS, the vast majority of VTCSOM faculty members of all types, tracks, and ranks are not and will not be employed by Virginia Tech; and

WHEREAS, by September of 2018, at the time of annual approval by the Board of Visitors of the 2018-2019 Faculty Handbook, a new chapter will be added to the faculty handbook to include policies exclusive to VTCSOM faculty members who are not university employees; and

WHEREAS, in addition to the VTCSOM faculty appointments, additional policy language related to VTCSOM faculty listed below necessarily accompanies the adoption of the VTCSOM faculty appointment types; and

WHEREAS, as it is developed, additional policies related to VTCSOM faculty will be included in the chapter in the Faculty Handbook that is dedicated to individuals not employed by the university; and

WHEREAS, the Bylaws of the Virginia Tech Board of Visitors, Article I, Section 6a, stipulate that the Executive Committee of the Board in the interim between meetings of the Board has full power to take actions on behalf of the Board and that all such actions taken by the Executive Committee are subject to ratification by the full Board at its next meeting;

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Board of Visitors of Virginia Polytechnic Institute and State University approves the VTCSOM faculty appointment types, tracks, and ranks and other related VTCSOM policy statements listed below; and

BE IT FURTHER RESOLVED, that the VTCSOM faculty appointment types, tracks, and ranks are available exclusively to individuals not employed by Virginia Tech; and

BE IT FURTHER RESOLVED, that related policy language listed below regarding eligibility for VTCSOM appointment types, tenure to title, conflicts of commitment and interest, and additional policy obligations be included in the Faculty Handbook chapter dedicated to VTCSOM faculty; and

BE IT FURTHER RESOLVED, that all appropriate university policies including the Faculty Handbook be amended to reflect the adoption of the VTCSOM faculty appointment types, tracks, and ranks; and

NOW, BE IT FINALLY RESOLVED, that the adoption by the university of the VTCSOM's faculty appointment types, tracks, and ranks be effective upon final approval by all appropriate entities of the integration of the VTCSOM into Virginia Tech.

Recommendation:

That the resolution to incorporate into the Virginia Tech Faculty Handbook the types of faculty appointments and related policies for faculty in the Virginia Tech Carilion School of Medicine be approved.

Virginia Tech Carilion School of Medicine (VTCSOM)

Policies Governing Employment

All faculty employed by Virginia Tech, fully or in part, will be subject to employment policies stipulated in the Faculty Handbook. Faculty with assigned duties in the VTCSOM, but not employed by Virginia Tech, will be subject to the employment policies of their employer(s), but the VTCSOM will have sole responsibility for assigning duties, including discontinuation of assignments, in accordance with governance procedures stipulated in VTCSOM bylaws.

VTCSOM Faculty Appointments

Appointment to teach in the school is not coupled with an individual's primary employment.

Regular Faculty. Regular faculty have a primary or secondary appointment to the VTCSOM in a tenure-to-title track or non-tenure-to-title track. Ranks are assistant professor, associate professor, or professor.

Regular Primary. A primary appointment includes a substantial commitment to the education mission of the VTCSOM with regular engagement in teaching and service to the VTCSOM, and the pursuit of scholarship in medicine.

Regular Secondary. A secondary appointment at the VTCSOM is for an individual whose primary appointment (and/or employment) is in another college at Virginia Tech or at another academic institution (e.g. Jefferson College of Health Science or Radford University). Regular faculty with a secondary appointment are not eligible for tenure-to-title at the VTCSOM.

Instructional Faculty. Instructional faculty include faculty members with an adjunct appointment to the VTCSOM in the rank of adjunct assistant professor, adjunct associate professor, adjunct professor, clinical preceptors, instructors or senior instructors.

Definitions of Faculty Appointments in the VTCSOM					
Appointment		Track	Rank		
Regular*	Primary	Tenure-to-title	Asst, assoc, Prof		
	Primary	Non-tenure-to-title	Asst, assoc, Prof		
	Secondary	No/might have tenure at primary institution	Asst, assoc, Prof		
Instructional	Adjunct	No	Asst, Assoc, Adjunct		
	Clinical Preceptor	No	No ranks		
	Instructor	No	Instructor, Sr instructor, Visiting		

*Use of the term "regular" for VTCSOM faculty appointments is distinct from the use of the same term in section 2.6.4 where it is used to distinguish faculty appointments with opportunity for renewal from those appointments that are "restricted" and that have an end date such as research faculty whose salaries are paid from external funding, visiting professorships or other temporarily available faculty positions.

Tenure-to-title

Tenure-to-title is granted at the discretion of the school without any right to, interest in, or expectation of any compensation or guarantee for compensation or future employment and is granted only in the VTCSOM to individuals who are not employed by Virginia Tech. Tenure-to-title is recognition of a faculty member's significant accomplishments in teaching, clinical care (if relevant), scholarship, and service to the school.

Once conferred, tenure-to-title is subject to review by the department and school committees on appointment, retention, promotion and tenure (to title) and can be rescinded for imposition of a severe sanction or dismissal for cause.

The tenure-to-title and/or promotion in rank dossier is reviewed at three levels: (1) by an appropriately charged

departmental committee and the department head or chair, (2) by an appropriately charged college-level committee and the dean, (3) and by the provost. The department head or chair and dean make separate recommendations to the subsequent review levels. The provost reviews college and dean recommendations and makes recommendations to the president. The Board of Visitors grants final approval.

Conflicts of Commitment and Interest

In addition to university policies, VTCSOM faculty members are subject to the Standards for Commercial Support as promulgated by the Accrediting Council for Continuing Medical Education (AACME).

Source URL:

http://www.accme.org/requirements/accreditation-requirements-cme-providers/standards-for commercial-support

Additional Policy Obligations

Individuals with appointment to the VTCSOM faculty are subject to all relevant and appropriate sections of the Virginia Tech Faculty Handbook and university policies. Including Faculty Handbook section 2.7.1, Professional Responsibilities and Conduct; and section 3.6 Imposition of a Severe Sanction or Dismissal for Cause.

RESOLUTION TO REAFFIRM THE VIRGINIA TECH MISSION FOR THE SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS COMMISSION ON COLLEGES

WHEREAS, the Virginia Tech Board of Visitors desires to acquire the Virginia Tech Carilion School of Medicine; and

WHEREAS, to this end, the university has submitted a Significant Change prospectus to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) for their approval at their June, 2018 meeting; and

WHEREAS, the prospectus outlines the manner in which Virginia Tech will integrate the school into the university; and

WHEREAS, the SACSCOC requires that the university identify the ways in which the acquisition will or will not change or alter the university; and

WHEREAS, the Bylaws of the Virginia Tech Board of Visitors, Article I, Section 6a, stipulate that the Executive Committee of the Board in the interim between meetings of the Board has full power to take actions on behalf of the Board and that all such actions taken by the Executive Committee are subject to ratification by the full Board at its next meeting;

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Virginia Tech Board of Visitors reaffirms the university's mission:

Virginia Polytechnic Institute and State University (Virginia Tech) is a public land grant university serving the Commonwealth of Virginia, the nation, and the world community. The discovery and dissemination of new knowledge are central to its mission. Through its focus on teaching and learning, research and discovery, and outreach and engagement, the university creates, conveys, and applies knowledge to expand personal growth and opportunity, advance social and community development, foster economic competitiveness, and improve the quality of life.

AND, BE IT FURTHER RESOLVED, that the Executive Committee of the Virginia Tech Board of Visitors affirms that the mission of the university is appropriate as written and requires no changes to accommodate the acquisition of the Virginia Tech Carilion School of Medicine.

RECOMMENDATION:

That the resolution reaffirming the mission of the university be approved.

March 13, 2018

President's Remarks in BOV Open Session March 26th, 2018

Last week was one of the best philanthropic weeks in Virginia Tech's history. First, on March 19th, we announced a \$20M gift from alumnus, David Calhoun, Class of 1979. A \$15M endowment for the Calhoun Honors Discovery Program will support scholarships for 200 students in steady state. An additional \$5M will be used to develop and deliver the curriculum for the Program, and to launch the Calhoun Center for Higher Education Innovation, a center that will advance Virginia Tech's vision for the VT-shaped student experience as a Beyond Boundaries incubator.

The next day was Virginia Tech's first annual Giving Day. In 24 hours, Hokies all around the world gave more than 4,800 gifts totaling in excess of \$1.6M. The results exceeded expectations. The bar is set high for next year. I'd like to thank all of those who contributed, including our donors and the students, faculty, staff and alumni who brought energy and passion to this endeavor. Given that my March Madness bracket was entirely busted during the first round of the tournament (I had Virginia Tech defeating Virginia in the finals), I was able to redirect my competitive anxieties to watching the College of Engineering and the College of Liberal Arts and Human Sciences battle it out to the end in a Giving Day Challenge. Dean Blieszner and her crew pulled it out at the very end.

We are in the home stretch for Fall 2018 admissions. Admissions decisions were distributed a few weeks ago. For the fourth year in a row, we set a record for first-year application numbers. We exceeded 32,000, about 5,000 more than last year, and up 60% since Fall 2014. Soaring interest in Virginia Tech for both in-state and out-of-state students reflects the value of the degree and the 21st century student experience that we offer. Unfortunately, the growth in enrollment over the four years has not kept up with demand, and we are now in a position that we must wait-list or deny many qualified applicants who we know could be successful at Virginia Tech.

Declining support from the commonwealth over the past two decades combined with the physical limitations on the rate of infrastructure growth have required a moderated approach to growth. Last year's over-enrollment by about 500 students, while unintentional, did serve the purpose of revealing the stress points in our dining, housing, student services and curricular capacities. Going forward, we will focus on adding capacity in those critical areas. Incidentally, we were fortunate to retain 97.5% of our first-year students from Fall to Spring. I'd like to thank our faculty and our staff, especially in Student Affairs, facilities, academic advising and our academic departments for ensuring that our students received the support that they needed.

Growth has allowed for efficiencies of scale that have contributed to our ability to keep base tuition and fee rate increases to 2.9% for a third year in a row, provided our appropriation from

the state meets expectations for the coming year. To put 2.9% in perspective, this rate increase is in between two inflation indexes, the Consumer Price Index (cpi) and the Higher Education Price Index (HEPI). The HEPI is more strongly weighted to the escalating cost of attracting and retaining talent, and tends to drive a higher inflation rate. Our tuition rate increases have been the lowest in the commonwealth over these past three years. We have the lowest comprehensive fees and room & board rates of the 15 public four-year institutions in the commonwealth. The actual cost to Virginia Tech for providing an undergraduate education has been more or less constant in real dollars since 2000. To reduce the net price to our students, we are increasing our scholarship funding year-by-year. Gifts such as the Calhoun Honors Discovery Program and the Clark Foundation gift in September of last year make a tremendous difference for those students.

And while Virginia Tech retains a focus on careful stewardship of state and tuition funds, we face challenges in maintaining the quality of some of our signature programs that require expensive facilities and globally competitive salaries for faculty and staff. As a result, we are increasing the differential tuition rates for new first-year students in those programs. Continuing students will not see a differential tuition rate increase. Students in these programs should see steady improvement in the quality of the facilities and the academic support they receive that is critical to their success.

As the General Assembly session draws to a close, I am encouraged by three conversations that have gained traction to the extent that budget language is now being debated. The first is reflected in the transformative CyberX initiative introduced by the House of Delegates. CyberX would receive \$50M over the biennium, including \$10M in capital, to grow Virginia's research, innovation and talent pipelines at the intersection of data, security and autonomy. The House has asked Virginia Tech to coordinate this initiative by standing up a "hub" in northern Virginia that would connect the "spokes" of strength that are distributed around the commonwealth. Our \$57M in annual research expenditures in the data-security-autonomy confluence as well as our leadership of Virginia's Cyber Range has put us in a position to lead. We hope that the General Assembly and the Administration will support this initiative through the final stages of the budgeting process. Virginia Tech and our sister institutions, in concert with industry, can put Virginia in a global leadership position at this critical confluence that will define the economy and our way of living for the foreseeable future.

The second conversation in Richmond that I think is essential to realizing our Beyond Boundaries vision for the VT-shaped student experience is the concept of a high-impact internship that is catalyzed by resources from the state that would be matched by employers. Think of this as Cooperative Education 2.0. If nearly all of our students were able to graduate in four years without debt and with the skills and connections that are needed to seamlessly transition to a career, I think we would have made a tremendous leap toward the envisioned VT-shaped student experience. Both the House and Senate have incorporated language that would allow for pilot projects. Virginia Tech is excited to be at the forefront of this transformation of the student experience.

The final conversation is around new partnerships with the state around common goals, goals such as enhancing access and affordability, strengthening cooperative extension, and catalyzing economic growth. We are seeking a formal framework for those conversations that would identify opportunities for alignment between the needs of our institution and the expectations of the Virginia taxpayer. A partnership around those aligned objectives would include institutional commitments, state commitments, and the institutional flexibility needed to realize the mutually-agreed-upon objectives. It sounds simple, but it will require commitment, transparency and trust. I'm optimistic.

I would like to update you on the search processes for two senior leaders. The first is the Senior Vice President for Operations and Administration, a key member of the Executive Staff. The pool is very strong and we are optimistic that the search will be completed before the end of the spring semester. The second is the search for our Vice President for Human Resources. We are building that pool now, and the search is expected to be completed in early summer.

Finally, my bracket may have been busted, but athletics is quietly enjoying a breakout year. You all know about the success of football and men's basketball, and of course, women's basketball is enjoying an incredible post-season run in the WNIT – now in the final four - but the other sports are also having success. The evidence is in the Learfield Directors' Cup standings. As of a few days ago, we are in 7th place nationally for the year, behind Stanford, Penn State, Wisconsin, USC, Michigan and NC State. You may have heard that in Indoor Track and Field, the men placed 4th and the women 14th. The men's Distance Medley Relay won the NCAA title. Wrestling finished 8th at the NCAA tournament, and Women's Swimming and Diving finished 33rd. There is much more competition left this year, but a top-25 finish would be our best ever. No pressure, Whit!

And by the way, we congratulate Whit on being named one of four FBS Under Armour Athletic Directors of the year!

That concludes my report.

Board of Visitors Constituent Report Seyi Olusina, Undergraduate Representative March 26, 2018

Good afternoon Rector Treacy, President Sands, members of the board, administration, and distinguished guests.

Welcome back to Spring at Virginia Tech where there was no snow in the winter months but all the snow now. This academic year is really starting to pick up for students and faculty alike on campus.

Since the last time we met there has been a lot of great things going on. Our football team continued its streak of consecutive bowl appearances, our Men's basketball team made it to back to back NCAA tournaments and our Women's basketball team has continued to progress in the NIT tournament. One of the things that I am very proud since our last meeting is that Virginia Tech has been ranked as the 8th safest campus in the country by the National Council for Home Safety and Security. This I believe is a very important and amazing ranking. With tensions in our country at such a high I think it is important that students here now, as well as those to come, have faith that our campus is safe. I would like commend Mr. Sherwood Wilson, Virginia Tech Police, and the Emergency Management team for helping elevate Virginia Tech to this level and helping students feel safe. The work they are doing is truly encouraging.

There are some things that my constituents and I would like to bring to the attention of the Board. In the last 6 months there has been an increase all across the country of scandals that include fraternity and sorority life and athletics. There is a notion among students that we as university will not be looked into in either of these two categories because of lack of attention on our athletics or lack of incidences in the Greek community. Students hope that the Board will take a more proactive step and research and do their own findings into athletics and the Greek community. We do not want to wait until something tragic happens before we act. I ask the board to push the university to make sure that we are in compliance with every NCAA rule in every single sport across board and make sure that the integrity of Virginia Tech is also reflected in every sports team from the Coaches to the players. I hope that Greek life is encouraged to make sure they are doing more than just the bare minimum to hold credentials and that the processes put in place are fair for everyone. These two areas of campus life tend to have lives of their own and while Virginia Tech has managed them well historically I believe now is the time to do some self-evaluation to make sure we continue these positive trends.

With presentations coming this board meeting about Title IX, I would like to point to the need for additional support and resources to them and other resources like the Women's Center. The Women's Center continues to be busy but unfortunately, they do not have enough staff to be able to help students in a timely manner. This can lead to victims dealing with cases 4+ months after they initially started the process. This is not the fault of the Woman's center because the work they do is sensitive and needs to be thorough, but we as university need to support them so they can effectively support our students. Along the lines of resources, I would like to call attention the topic of mental health that is often brought up. We have for years been in "best practice" in regard to the number of counselors that we offer but best practices is not enough anymore. The need for more help is continuing to grow and students are growing tired and upset that they have to wait so long and are told that the resources are in best practice. Over the last 3-4 months we have had some unfortunate and extreme cases of mental health breaks. This is a spike from the trend of 0 from the last 6 years. Students are aware of this and want action. We as a university have the ability to redefine "best practices" by providing the true help and resources that are needed. Students want to be heard but especially in the areas of their mental health.

Students feel like there is still a great lack of communication with them when changes are made. The International Street Fair has existed at Virginia Tech for 50+ years but this year there is a big change. Students are no longer allowed to cook their traditional and native food and serve it to people. This was used as a big fundraiser for student groups. Cranwell International is a phenomenal resource and after recently getting a presentation from them I greatly appreciate the work they are doing. Students though feel ignored. The students partnered with Cranwell this year for the street fair and the change for food came as a surprise to them. They have been told that international food trucks will be there for food safety reasons, but students feel like they had no say in the decisions. For years this has been student run and they feel they have been robbed of some of their tradition. They also feel like when they have voiced their concerns and requested explanations the administration has been consistently dismissive and authoritative. This is an example of how Administration can do better in listening to the students and really understanding instead of just telling them why the change has been made and how the students cannot really change it.

Some positive things I would love to highlight is the Rescue Squad getting parking by the station and the success of giving back to the University. I was able to work with Parking Services last semester to get the Virginia Tech Rescue Squad free parking by their station. The Rescue Squad, which is student volunteer run, is one of the most accomplished squads in America and recently received a Silver Standard Award and are being looked at as benchmark for all Rescue Squads hoping to attain the Gold Award. They are on campus 24/7 365 days a year and the fact that they could not use the spots right beside their station without paying felt unfair. They send their thanks and gratitude to the University for helping them in what may seem a small thing to the school but a big deal for them. I believe it is the least the university could for students who give 20-40 hours a week to serve the school. This I believe shows the power of collaboration between administration and students. Virginia Tech also just participated in its first Giving day. We received about 5,000 gifts amounting to about 1.6 million dollars. This is amazing as Virginia Tech hopes to continue to grow in its philanthropy thanks to the help of Charlie Phlegar and Matt Winston and their teams. The senior class has also really started to understand the importance of giving back with the work of the Senior Class Gift and ISupport led by newly added Shaun Grahe. Seniors have been giving back \$20.18 to any college, department, club or organization, that they are a part of, at a phenomenal rate. This Senior Class gift program will continue to grow and continue to help instill the importance of giving back from an early stage.

This year has been incredible and I am enjoying my time as a representative and appreciate the honor to serve my fellow students. I look forward to training my successor in the coming months. With graduation around the corner I am sad to leave this place I have learned to call home, but I am excited because I will be going the University of North Carolina Chapel Hill to study Healthcare Administration. This means I will only be 3.5 hours away from Virginia Tech and will be back for every home game.

Thank you all for your time and service to the students of this University. The students appreciate the work that you all put into making our school amazing and I thank you for your commitment to us and Ut Prosim.

Graduate Student Representative to the Virginia Tech Board of Visitors Constituency Report March 2018

Dear Rector Treacy, President Sands, members of the Board, administrators, and guests:

Spring is upon us but with the recent weather you wouldn't know it. The spring semester brings multiple opportunities to celebrate our diversity: African-American History in February; Women's History in March; Asian Pacific-American History and Jewish History in May; and LGBTQ+ Pride in June. Virginia Tech does an excellent job celebrating its diversity through its cultural centers and by hosting talks, banquets, and networking for these diverse identities. However, these events are typically hosted in Blacksburg. Graduate students in these identity groups at the Roanoke and National Capital Region campuses would like to feel connected and have the support to host similar events on these campuses.

GSA partnered with the Disability Alliance at Virginia Tech to present "The Great Accessibility Challenges in honor of InclusiveVT 's Principles of Community Week challenging faculty, staff, and students to take only ADA accessible routes to their offices, classes, meetings, meals, etc. and share their experiences via Twitter. The Challenge also asked individuals to figure out where accessible, single-stall bathrooms exist on campus, and try using only those bathrooms and Tweet about their bathroom routes. Through the Challenge, GSA and the Disability Alliance had individuals directly report, via ADA and Accessibility Service at Virginia Tech's online portal, the barriers they encountered, including missing signage, broken sidewalks, and long and meandering routes. I know that the Disabilities Support Task Force commissioned by Provost Cyril Clarke will examine these issues and others that affect individuals with disabilities.

Graduate and undergraduate students are still equally concerned about the status of mental health services on campus. The GSA and SGA are co-authoring a resolution regarding the mandatory addition of mental health resources to all course syllabi. This is a similar idea to the required language concerning the Virginia Tech Honor Code. We all know that the Division of Student Affairs plans to hire more counselors for Cook Counseling this next academic year. Nevertheless, the need for mental health providers will continue to grow and, while admirable, the co-sponsored resolution could place additional strain upon an already overworked office. While my time left in this position is short, I will continue conversations with key stakeholders to investigate if there are additional options to have all Hokies look out for each other " or as a part of the "No Hokie Left Behind" initiative.

Respectfully submitted,

Brett R. Netto

Staff Senate Constituency Report Virginia Tech Board of Visitors March 26, 2018 Presented by Robert Sebek, Staff Senate President

Good afternoon Rector Treacy, members of the Board of Visitors, President Sands, administrators and distinguished guests. It is an honor to present to you updates from staff at Virginia Tech.

Staff Senate continues to explore issues of concern to our lowest paid staff members at the university. Jeri Baker, Director or Parking and Transportation, gave an informative presentation and had a valuable conversation at our March meeting on alternative transportation options, reduce parking pass fee options, and other services, highlighting changes that will improve the affordability of traveling to and parking on campus. Staff Senate will assist in raising awareness of these options.

As we near the end of tax filing season, staff have again raised the issue that employees who live in West Virginia, Maryland, and D.C. do not have taxes withheld as Virginia residents do. Senate leadership is continuing to reach out to Payroll to find out why we do not provide this service when many state agencies do. The burden of paying quarterly estimated withholdings hampers household budgeting for these employees.

I have established a Senate ad hoc committee to gather information and suggest solutions to issues around child care. The lack of access to affordable child care in the NRV affects the recruitment and retention of staff, faculty, and graduate students.

The Commission on Staff Policies and Affairs is continuing to look at the Winter Closing policy. After some researching, we have found that every other public college and university in Virginia moves some state holidays so they are observed between Christmas and New Year's. CSPA plans to survey employees on four possible ways of handling Winter Closing: 1. Do nothing. Employees will continue to use leave, or go on Leave Without Pay for those days. 2. Move state holidays to that time period. Some A/P faculty who do not receive state holidays would continue to use other leave for that period. 3. Declare those days Authorized Closing Days, like is done for severe weather and weeknight football games. There will be issues with how this is funded and entered in leave systems. 4. Cancel the Winter Closing. Individual departments may choose to close during that period and employees would negotiate with supervisors for time off, as they would any other time of the year.

Finally, Staff Senate is completing planning for our annual James. D. McComas Leadership Seminar, which invites staff across campus to attend a day-long program of speakers and discussions for improving and growing leaders on campus. This year's theme is mentoring leaders.

Respectfully submitted,

Robert Sebek President, Staff Senate

Faculty Constituency Report Virginia Tech Board of Visitors March 26, 2018

Hans Robinson, President—VT Faculty Senate

Good afternoon Rector Treacy, President Sands, members of the Board, Provost Clarke, and all others gathered here today.

We live in an age of data, where it seems every aspect of our lives is subject to quantitative measurement and analysis. Higher education is not exempted from this, and the life of faculty is more and more defined by obtaining, analyzing, and being evaluated by numerical metrics purporting to provide an objective numerical measure of nearly every aspect of our work.

Now, numbers are just carriers of information. They reflect whatever flaws and biases are present in the human-deviced processes that produced them. But for some reason, numbers have a seductive quality of detached objectivity and authoritative precision that makes it easy to avoid asking hard questions about what they actually measure and whether they have sufficient reliability and validity to be used for any purpose at all. This pro-numerical bias is quite pervasive, even at a university full of numerically savvy people who know how to do these things right.

Let me give you just a couple of examples.

At the end of each semester, students are asked to fill out what is a known as a SPOT survey (for Student Perception of Teaching) where they evaluate each of their instructors. The SPOT survey has many components, but the most important is the question that asks students to rate their instructor's overall effectiveness. This score is frequently the main vehicle by which faculty teaching is judged in annual evaluations, and therefore has a real impact on our salaries.

The problem is that what SPOT scores actually measure is student satisfaction. While this certainly has value, it is not the same thing as teaching effectiveness. It then comes as no surprise that some of the things that figure into student evaluation scores are how well dressed instructors are, how good jokes they tell, and, most importantly, what grade students expect to receive. Female faculty and faculty who speak with an accent consistently receive lower scores than their colleagues, and one of the best ways to lower your student evaluations is to make your course more challenging and ask students to work harder. These distortions are well known, yet SPOT scores continue to play a primary role in faculty evaluation simply because of convenience and probably also the seductive quality of a numerical score.

Another metrics-heavy area is student learning assessment, which is the name we give to methods designed to measure how much knowledge and skill students have acquired during a course. Accreditation agencies are increasingly demanding that universities use learning assessments to improve their instructional program. The problem with this is that there are very few documented examples of learning assessments actually leading to improved instruction. As outlined in this article (David Eubanks, "A Guide for the Perplexed," Intersection Fall 2018, pp 4-13), doing assessment right requires specialized (and therefore scarce) expertise, more time and resources than is available to the average faculty member, and sample sizes that are larger than most courses provide. Short of this, learning assessments are prone to be inconclusive or downright misleading. The rigor required to avoid this is virtually never applied to learning assessments, and yet we are told that they are crucial, and we need to do more of them.

I can come up with several other examples in this vein, but since my time is very limited, I thought I would balance my examples by pointing out aspects of University work where more metrics would in fact be beneficial. As an example, I would like to spotlight the recently released Electronic Faculty Reporting System,

or EFARS, although I would like preface my remarks here by stating that I'm not trying to single anyone out, it's just that EFARS offers a recent and instructive example of a much broader issue.

As faculty, we are required to report annually on our professional activities in areas such as teaching, research, and service. Until recently, this reporting was entirely paper-based, and the purpose of EFARS is to bring it into the electronic domain, partly so that the faculty's scholarly and other work can be more easily quantified—and turned into metrics. Unfortunately, EFARS was rolled out before it was ready for primetime, using categorizations that were inappropriate for many faculty, and was weighed down with a very cumbersome interface. Many of us experienced a doubling or tripling of the amount of time required for activity reporting, which across the university has added up to many thousands of hours of wasted faculty time, corresponding to hundreds of thousands if not millions of dollars in lost productivity.

EFARS is now in the process of being fixed, but if Virginia Tech had a mechanism in place for measuring the time cost for the routine administrative procedures such as faculty activity reporting, this problem would have been caught before it caused any damage. Somewhat ironically, such data would be much simpler to obtain than reliable measures of student learning or the impact of scholarly output.

That doesn't mean that we should give up on measuring such things. As a scientist, I believe in data. I believe it is possible to ask well-posed questions about how reality is put together and use the answers to enhance our understanding of the world and by extension improving the way we lead our lives. But I also know that doing this well is hard, and requires much more of us than simply going with the flow.

Given the pressures of today's environment, it is clear that Virginia Tech is all but destined to become ever more data-driven with the passage of time. And as the university undergoes this transition, I believe it is vital that we commit to letting decisions be guided by high quality data that is well understood and used only for the purposes it is designed for. If we don't do this hard work, we risk at best wasting resources on meaningless data collection tasks, and at worst creating perverse incentives that push the university in directions that are detrimental to its core mission. In other words, we need to do this right, or we need to not do it at all.

The good news is, as I just mentioned, that we have a university full of savvy people who know how to do this sort of thing right. Metrics and benchmarking is an issue that matters to faculty, and where we have all the requisite competency to make a difference. So it seems to me that this is an ideal subject for shared governance, and my purpose here today is to ask for a partnership with the administration to help answer questions on, of instance, the proper design and use of SPOT surveys, how to best use data to improve instruction, and how to measure scholarly impact without discouraging risk taking and creativity. If you take us up on this offer, I think you will find faculty more than eager to assist you in finding our way forward in an ever more data-driven and metrics-reliant world.

Thank you.

SUMMARY Emeritus/Emerita Faculty Resolutions (15)

March 26, 2018

College of Agriculture and Life Sciences (2)

David Moore Senior Extension Agent Emeritus

Erik Ervin Professor Emeritus of Crop and

Soil Environmental Sciences

College of Engineering (2)

Robert Broadwater Professor Emeritus of Electrical and

Computer Engineering

Robert Sturges Professor Emeritus of Industrial and

Systems Engineering

College of Liberal Arts and Human Sciences (3)

Penny Burge Professor Emerita of Educational

Research and Evaluation

Elizabeth Creamer Professor Emerita of Educational

Research and Evaluation

Steve Janosik Associate Professor Emeritus of

Higher Education

College of Science (1)

Fred Benfield Professor Emeritus of Ecology

College of Veterinary Medicine (5)

James Pickett Professor Emeritus of Ophthalmology

Gerhart Schurig Professor Emeritus of Immunology

and Dean Emeritus of the Virginia-Maryland

College of Veterinary Medicine

Geoffrey Saunders Associate Professor Emeritus of Pathology

Roger Avery Professor Emeritus of Virology

Marion Ehrich

Professor Emerita of Pharmacology and Toxicology

Pamplin College of Business (1)

Anthony Cobb

Associate Professor Emeritus of Management

Administration (1)

Ray Smoot

Vice President for Administration and Treasurer Emeritus

WHEREAS, beginning in 1992 and continuing for 24 years, Mr. David Moore faithfully served Virginia Tech as a faculty member in Virginia Cooperative Extension; and

WHEREAS, he faithfully served the citizens of the Middle Peninsula in the areas of agriculture and 4-H youth while mentoring both young and old; and

WHEREAS, he organized countless field days, crops conferences, test plots, and other educational programs to help strengthen the agricultural economy in the Middle Peninsula of Virginia, and

WHEREAS, he ably served as unit coordinator and extension agent, specializing in educational programs in agronomic crop production that emphasized the importance of best management practices to protect the Chesapeake Bay and its estuaries; and

WHEREAS, he worked closely with the Virginia Soybean Association, the Virginia Soybean Board, the Virginia Small Grains Association, local Farm Bureaus, and local agribusinesses to obtain grant funding to strengthen his educational programs for the benefit of their members; and

WHEREAS, he demonstrated his leadership qualities by serving as director of the Tidewater Soil and Water Conservation District and president of the Virginia Extension Service Association; and

WHEREAS, he received the 2004 Virginia Soybean Association's Research and Education Award, the university's 2009 Alumni Award for Excellence in Extension, the 2010 Distinguished Service Award from the National Association of County Agricultural Agents, and many other awards throughout his career; and

WHEREAS, he has demonstrated an unfailing and enthusiastic commitment to Virginia Cooperative Extension and to the citizens of the Middle Peninsula;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Mr. David Moore for his distinguished service to the university with the title Senior Extension Agent Emeritus.

RECOMMENDATION:

That the above resolution recommending Mr. David Moore for emeritus status be approved.

WHEREAS, beginning in 2001 and continuing for 17 years, Erik Ervin, Ph.D. faithfully served Virginia Tech as a faculty member in the Department of Crop and Soil Environmental Sciences in the College of Agriculture and Life Sciences; and

WHEREAS, he made significant contributions to the Virginia Turfgrass Industry through his work focusing on turfgrass stress physiology; and

WHEREAS, he ably served the community as a leader and educator in sustainable turfgrass management systems; and

WHEREAS, he supported many professional turfgrass industry trade associations by way of countless presentations and a wide variety of professional service activities with the American Society of Agronomy and Crop Science Society of America; and

WHEREAS, with dedication, he taught a wide variety of undergraduate and graduate courses ranging across the Crop and Soil Environmental Science curriculum, placing strong emphasis on standards and student learning; and

WHEREAS, he advised numerous students on master's and doctoral dissertations and helped them develop successful careers in both academic and industrial settings; and

WHEREAS, he provided many years of distinguished contributions to the department (interim CSES Head in 2017), college (Assistant Dean of Instruction, GALS), and university through dedicated service on numerous committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Erik Ervin for his distinguished service to the university with the title Professor Emeritus of Crop and Soil Environmental Sciences.

RECOMMENDATION:

That the above resolution recommending Erik Ervin, Ph.D. for emeritus status be approved.

WHEREAS, beginning in 1989 and continuing for 28 years, Dr. Robert P. Broadwater faithfully served Virginia Tech as a faculty member in the Bradley Department of Electrical and Computer Engineering, in the College of Engineering; and

WHEREAS, with dedication, he taught and lectured in undergraduate and graduate courses and made significant contributions to the teaching of graduate students throughout the Commonwealth of Virginia by incorporating contemplative methods; and

WHEREAS, he co-authored chapters in three books, "Real Time Control of Distributed Generation "Power Distribution," and "Load Control Experiment,"; and

WHEREAS, he directed 28 doctoral students and more than 40 masters students, and served on over 100 masters and doctoral committees; and

WHEREAS, he was principal or co-principal investigator on grants and contracts exceeding \$5.2M researching a new approach to analysis that he developed, referred to as Graph Trace Analysis; and

WHEREAS, his Graph Trace Analysis is being employed throughout the world by utility organizations, universities, and the Department of Defense to study electric power system problems involving transmission, substations, and electric power distribution, all in the same model; and

WHEREAS, problems spanning transmission to distribution could not be solved previously by traditional analysis methods, but now can be solved with his Graph Trace Analysis; and

WHEREAS, his Graph Trace Analysis is enabling the growth of renewable generation and also enabling the implementation of electric power system automation; and

WHEREAS, he provided many years of distinguished contributions to the department, the college, and the university through dedicated service on numerous and committees and working groups; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Robert P. Broadwater for his distinguished service to the university with the title of Professor Emeritus of Electrical and Computer Engineering.

RECOMMENDATION:

That the above resolution recommending Robert P. Broadwater, Ph.D. for emeritus status be approved.

WHEREAS, beginning in 1997 and continuing for 20 years, Robert H. Sturges, Jr., Ph.D., faithfully served Virginia Tech as a faculty member jointly in the Department of Industrial and Systems Engineering and the Department of Mechanical Engineering in the College of Engineering; and

WHEREAS, with dedication, he taught and lectured in undergraduate and graduate courses, being recognized with the Dean's Award for Excellence in Teaching, a Favorite Faculty Award, and a citation from the Center for Instructional Development and Educational Research; and

WHEREAS, he directed 22 Master's and 10 doctoral students, and served on doctoral committees in both the Departments of Industrial and Systems Engineering and Mechanical Engineering; and

WHEREAS, he directed the Robotics and Automation Laboratory for 16 years and established the Industrial Automation Laboratory, which he directed for 6 years; and

WHEREAS, he authored or co-authored over 150 peer-reviewed papers, two book chapters, a textbook, and 16 U.S. patents; and

WHEREAS, he made significant contributions to the understanding of assembly processes through the joining of mechanical and industrial engineering principles; and

WHEREAS, he was Principal or co-Principal Investigator on grants researching human activity in robotic environments; and

WHEREAS, he fostered inclusion and diversity by providing unique educational experiences for students through personal contact with each student in one-on-one problem reviews; and

WHEREAS, he provided many years of distinguished contributions to the department, the college, and the university through dedicated service on numerous commissions and committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Robert H. Sturges, Jr. for his distinguished service to the university with the title Professor Emeritus.

RECOMMENDATION:

That the above resolution recommending Robert H. Sturges, Jr., Ph.D. for emeritus status be approved.

WHEREAS, beginning in 1980 and continuing for 37 years, Penny L. Burge, Ph.D., faithfully served Virginia Tech as a faculty member in the School of Education in the College of Liberal Arts and Human Sciences; and

WHEREAS, she made significant scholarly contributions to programmatic and instructional assessment and evaluation through her work with the U.S. Armed Services, National Aeronautics and Space Agency, a multitude of national and international educational institutions, as well as community colleges and public schools of the Commonwealth of Virginia; and

WHEREAS, she has authored or co-authored over 60 referee journal articles, book chapters, and reviews; and

WHEREAS, she directed (chaired or co-chaired) 36 doctoral students, and served on over 60 master's and doctoral committees within educational research and evaluation, career and technical education, educational psychology, educational leadership, and counselor education programs; and helped them develop successful careers in both academic and industrial settings; and

WHEREAS, she ably served her profession as editor of the *Journal of Career and Technical Education* and as a long-standing member of the editorial board of the *Family and Consumer Science Research Journal*; and

WHEREAS, she provided many years of distinguished contributions to the department, college, and university through dedicated service on numerous committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Penny Burge for her distinguished service to the university with the title Professor Emerita of Educational Research and Evaluation.

RECOMMENDATION:

That the above resolution recommending Penny L. Burge, Ph.D. for emerita status be approved.

WHEREAS, Elizabeth Creamer, Ed.D., faithfully served Virginia Tech as an administrator and a faculty member in the School of Education in the College of Liberal Arts and Human Sciences for more than 38 years; and

WHEREAS, she has served as a faculty member in both the Gender Studies and the Educational Research and Evaluation Program in the School of Education; and

WHEREAS, she made many pro-active contributions to the Educational Research Evaluation program and its students through her service as program leader and to the department as departmental unit chair, and Interdisciplinary Studies program as director; and

WHEREAS, she was the principal investigator of over \$3M in grants from the National Science Foundation about the recruitment of women to STEM careers; and

WHEREAS, she has authored or co-authored over 80 books, referee journal articles, book chapters, and reviews; and

WHEREAS, she has been noted for her dedication to teaching, advising, and mentoring students; and

WHEREAS, she provided many years of distinguished service to the university, department, college, and university through dedicated service on numerous committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Elizabeth Creamer for her distinguished service to the university with the title Professor Emerita of Educational Research and Evaluation.

RECOMMENDATION:

That the above resolution recommending Elizabeth Creamer, Ed.D. for emerita status be approved.

WHEREAS, beginning in 1979 and continuing for 38 years, Steven Janosik, Ed.D. faithfully served Virginia Tech as a faculty member in the School of Education in the College of Liberal Arts and Human Sciences; and

WHEREAS, he made significant contributions to field of higher education through his work in higher education law focusing on campus crime, college administration, policy, liability and risk management, and professional standards and ethics; and

WHEREAS, he ably served the community as an executive board member of the National Association of Study Personnel Administrators and the Association for Student Judicial Affairs, served as editor of the Journal of College and University Housing, and on the media board and as reviewer for numerous other journals and outlets; and

WHEREAS, he supported the school, college and university by serving in multiple administrative positions including associate director of the School of Education, faculty chair of the Department of Leadership, Counseling, and Research, program coordinator for the Higher Education Program, associate dean of students and director of judicial programs as well as the associate director for residence life; and

WHEREAS, with dedication, he taught a wide variety of graduate courses ranging across the higher education program's curriculum, placing strong emphasis on standards and student learning; and

WHEREAS, he advised numerous students on master's and doctoral dissertations and helped them develop successful careers in both academic and industrial settings; and

WHEREAS, he provided many years of distinguished contributions to the department, college, and university through dedicated service on numerous committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Steve Janosik for his distinguished service to the university with the title Associate Professor Emeritus of Higher Education.

RECOMMENDATION:

That the above resolution recommending Steven Janosik, Ph.D. for emeritus status be approved.

WHEREAS, beginning in 1971 and continuing for 47 years, E. Fred Benfield, Ph.D. faithfully served Virginia Tech as a faculty member in the Department of Biological Sciences in the College of Arts and Sciences and later in the College of Science; and

WHEREAS, as a member of the faculty, he was a dedicated teacher of courses ranging from large sections of freshman biology to advanced graduate courses; and

WHEREAS, he advised numerous graduate students during his career in the Department of Biological Sciences, serving as the graduate advisor for 16 masters and 16 doctoral students, and he also served on graduate advisory committees in multiple departments and colleges; and

WHEREAS, he advised numerous undergraduate students helping them through their program at Virginia Tech and guiding them in their development of successful careers after graduation; and

WHEREAS, he contributed to research on the responses of stream systems to current and historical land-use change as reflected by ecosystem level processes and biodiversity. He also worked in pollution ecology, aquatic insect toxicology, distribution and abundance of aquatic macroinvertebrates, and arthropod defensive behavior; and

WHEREAS, he authored and co-authored some 100 publications and presented many papers at national and international scientific meetings; and

WHEREAS, he served extensively on committees and editorial boards of several professional societies including serving as president of the Society for Freshwater Science. In 2012 he received the Distinguished Service Award for his many contributions to the Society for Freshwater Science; and

WHEREAS, he served on many state and national technical advisory boards and committees; and

WHEREAS, he provided many years of distinguished contributions to the department, college, and university through dedicated service on numerous committees. For 17 years he served the department as associate department head; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. E. Fred Benfield for his distinguished service to the university with the title of Professor Emeritus of Ecology.

RECOMMENDATION:

That the above resolution recommending E. Fred Benfield, Ph.D. for emeritus status be approved.

WHEREAS, beginning in 1988 and continuing for 29 years, James Phillip Pickett DVM, DACVO faithfully served Virginia Tech as a faculty member in the Department of Small Animal Clinical Science in the Virginia Maryland College of Veterinary Medicine; and

WHEREAS, with dedication, he taught and lectured in professional and graduate courses; and

WHEREAS, he directed master's and doctoral students, and served on eight master's degree committees; and

WHEREAS, he was principal or co-principal investigator on 15 grants researching small animal ophthalmology; and

WHEREAS, through his work in ophthalmology, he brought international visibility to Virginia Tech; and

WHEREAS, he authored or co-authored over 34 refereed journal articles, 12 book chapters, and reviews; and

WHEREAS, he served as departmental representative to the research and graduate studies board, graduate affairs committee, residency committee, VVMA pet memorial fund, admissions committee, curriculum revision committee, college committee on computerized medical records, intern-resident seminar program, section chief ophthalmology section, veterinary teaching hospital administrative board, department promotion and tenure, Thompson professorial award committee member, department representative to graduate honor system judicial board, CVM representative to VCE/VAES initiative proposal, university disaster planning exercise, and

WHEREAS, he held leadership positions in professional organizations, including the credentials committee and genetics committee of the American College of Veterinary Ophthalmology, Professional Practice Disciplinary and Appeals Committee, Committee on Lab Animal Ophthalmology, Residency Committee.

WHEREAS, he received many professional honors and awards, Phi Zeta Veterinary Honor Society, Certificate of Residency-Comparative Ophthalmology, University of Wisconsin-Madison, Edward E. Thompson Professorial Award, Dr. and Mrs. Dorsey Taylor Mahin Award for Clinical Excellence, Veterinary Teaching Hospital Director's Award.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. James Phillip Pickett for his distinguished service to the university with the title Emeritus Professor of Ophthalmology.

RECOMMENDATION:

That the above resolution recommending James Phillip Pickett, DVM, Diplomate ACVO for emeritus status be approved.

WHEREAS, beginning in 1978 and continuing for 40 years, Gerhardt G. Schurig, DVM, PhD, faithfully served Virginia Tech as a Professor of Immunology, Head of the Department of Veterinary Biosciences, Director of the Center for Molecular Medicine and Infectious Diseases, Director of the World Health Organization Collaborating Center for Veterinary Education and Management in Public Health, Senior Associate Dean for Research and Graduate Studies, Director of the Institute for Biomedical and Public Health Sciences, and Dean of the Virginia-Maryland College of Veterinary Medicine; and

WHEREAS, he made significant contributions to the profession of veterinary medicine through his work in immunology and vaccine development; and

WHEREAS, he ably served said profession through active involvement in professional organizations with special acknowledgement of his role as President of the American Association of Veterinary Medical Colleges; and

WHEREAS, with dedication, he taught and mentored many undergraduate, graduate and professional students, placing strong emphasis on standards and student learning; and

WHEREAS, through his role as an administrator, he helped students and colleagues develop successful careers in academia, government, and industry; and

WHEREAS, he provided many years of distinguished contributions to the department, college and university through dedicated service on a variety of committees and boards; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognize Dr. Gerhardt G. Schurig for his distinguished service to the university with the title of Professor Emeritus of Immunology and Dean Emeritus of the Virginia-Maryland College of Veterinary Medicine.

RECOMMENDATION:

That the above resolution recommending Gerhardt G. Schurig, DVM, PhD, for emeritus status be approved.

WHEREAS, beginning in 1982 and continuing for 35 years, Geoffrey K. Saunders, DVM, MS, Diplomate ACVP, faithfully served Virginia Tech as a faculty member in the Department of Biomedical Sciences and Pathobiology in the Virginia-Maryland College of Veterinary Medicine; and

WHEREAS, he made significant contributions to the profession of veterinary medicine through his scholarly work in the area of anatomic pathology; and

WHEREAS, he ably served the veterinary community and clients of the Veterinary Teaching Hospital through the application of his clinical skills and knowledge; and

WHEREAS, with dedication, he taught a variety of professional courses, placing strong emphasis on standards and student learning; and

WHEREAS, he advised numerous students on master's and doctoral dissertations, helping them develop successful careers in the private sector, academia, government, and industry; and

WHEREAS, he provided many years of distinguished contributions to the department, college, and university through administrative leadership and dedicated service on committees and boards:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Geoffrey K. Saunders for his distinguished service to the university with the title Associate Professor Emeritus of Pathology.

RECOMMENDATION:

That the above resolution recommending Geoffrey K. Saunders, DVM, MS, Diplomate ACVP for emeritus status be approved.

RESOLUTION FOR EMERITUS STATUS

WHEREAS, beginning in 1999 and continuing for 18 years, Roger J. Avery, Ph.D., faithfully served Virginia Tech as a Senior Associate Dean in the Graduate School as well as Senior Associate Dean for Research and Graduate Studies and faculty member in the Department of Biomedical Sciences and Pathobiology in the Virginia-Maryland College of Veterinary Medicine; and

WHEREAS, he made significant contributions to the profession of veterinary medicine through his work in virology; and

WHEREAS, he ably served said profession through active involvement in professional organizations; and

WHEREAS, with dedication, he provided instruction to undergraduate, graduate and professional students and administered graduate programs, placing strong emphasis on standards and student learning; and

WHEREAS, through direct mentorship and administration, he helped numerous students develop successful careers in academia, government, and industry; and

WHEREAS, he provided many years of distinguished contributions to the department, college and university through dedicated service on numerous committees and boards;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Roger J. Avery for his distinguished service to the university with the title Professor Emeritus of Virology.

RECOMMENDATION:

That the above resolution recommending Roger J. Avery, Ph.D. for emeritus status be approved.

RESOLUTION FOR EMERITA STATUS

WHEREAS, beginning in 1976 and continuing for 40 years, Marion F. Ehrich, MS, RPh, PhD, Diplomate ABT, faithfully served Virginia Tech as a faculty member in the Department of Biomedical Sciences and Pathobiology in the Virginia-Maryland College of Veterinary Medicine; and

WHEREAS, she made significant contributions to the professions of veterinary and human medicine through her work in pharmacology and toxicology; and

WHEREAS, she ably served said professions through active involvement in numerous professional organizations and federal agencies including the Society of Toxicology, the U.S. Environmental Protection Agency, the U.S. Department of Defense, the National Institutes of Health, and the National Academy of Sciences; and

WHEREAS, with dedication, she taught a wide variety of undergraduate, graduate and professional courses ranging across various health sciences curricula, placing strong emphasis on standards and student learning; and

WHEREAS, she advised numerous students on master's and doctoral dissertations and helped them develop successful careers in the private sector, academia, government, and industry; and

WHEREAS, she provided many years of distinguished contributions to the department, college, and university through dedicated service on numerous committees and boards;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Marion Ehrich for her distinguished service to the university with the title Professor Emerita of Pharmacology and Toxicology.

RECOMMENDATION:

That the above resolution recommending Marion F. Ehrich, M.S., R.Ph., Ph.D., Diplomate ABT for emerita status be approved.

RESOLUTION FOR EMERITUS STATUS

WHEREAS, beginning in 1978 and continuing for 39 years, Anthony T. Cobb, Ph.D. faithfully served Virginia Tech as a faculty member in the Department of Management in the Pamplin College of Business; and

WHEREAS, he made significant contributions to research through his work in organizational behavior focusing on organizational politics, organizational justice, and behavioral ethics; and

WHEREAS, he ably served the community as a management consultant working both pro bono and in service to college's mission of outreach; and

WHEREAS, he supported the Diggs Teaching Scholars association as president and the Academy of Teaching Excellence as a contributing member; and

WHEREAS, with dedication, he taught a wide variety of undergraduate and graduate courses ranging across the management curriculum, placing strong emphasis on standards and student learning; and

WHEREAS, he served the teaching mission at the departmental, college, and university levels leading associations of teaching excellence, and has received awards of teaching excellence at the departmental, college, and university levels as well as from student associations, and

WHEREAS, he advised numerous students on master's and doctoral dissertations and helped them develop successful careers in both academic and industrial settings; and

WHEREAS, he provided many years of distinguished contributions to the department, college, and university through dedicated service on numerous committees;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Dr. Anthony T. Cobb for his distinguished service to the university with the title of Associate Professor Emeritus of Management.

RECOMMENDATION:

That the above resolution recommending Anthony T. Cobb, Ph.D. for emeritus status be approved.

RESOLUTION TO APPOINT RAYMOND D. SMOOT, JR., Ph.D. VICE PRESIDENT FOR ADMINISTRATION AND TREASURER EMERITUS

WHEREAS, Raymond (Ray) D. Smoot, Jr., Ph.D. (Virginia Tech Class of 1969) has devoted his scholarship, administrative acumen, and passion for higher education to Virginia Tech, beginning in 1965 when he came to Virginia Tech as an undergraduate student and continuing even beyond the official end of his service with the Virginia Tech Foundation in 2012; and

WHEREAS, Ray Smoot demonstrated an early avid and scholarly interest in higher education administration as a master's student at Virginia Tech and a doctoral student at The Ohio State University, from which he was awarded a Ph.D. in Higher Education Administration before returning to begin his career in higher education at Virginia Tech; and

WHEREAS, at Virginia Tech, Ray Smoot has carried the title and portfolio of assistant vice president for administration, vice president for business affairs, interim athletic director, vice president for finance, vice president for administration, and treasurer. He faithfully dedicated his professional career to serving and leading the university in these multiple administrative roles by managing the university's real estate and property acquisitions, insurance, and cash flow; licensing the university's trademarks; and establishing and leading several corporations and venture capital efforts; and was instrumental in establishing the university's international centers and executing other significant successful and enduring educational and financial enterprises; and

WHEREAS, while in his administrative roles with the university, Dr. Smoot simultaneously served as the secretary-treasurer of the Virginia Tech Foundation, Inc., managing its substantial assets, a robust endowment, and investment portfolios for the benefit of the university. Upon his retirement from the university in 2003, he became the first full-time leader of the Foundation, assuming the role of Chief Executive Officer until his departure from the Foundation in 2012. Over his decades of service to the Foundation, its assets grew from \$11 million to \$1.3 billion and include such facilities as the Pete Dye River Course and the Virginia Tech Research Center-Arlington, which is vital to achieving the vision for Virginia Tech; and

WHEREAS, Dr. Smoot's vision and leadership led to the creation in 1985 of the Virginia Tech Corporate Research Center, Inc., an incubator for entrepreneurship and innovation that has served as a home for hundreds of companies, employed thousands of workers, and achieved internationally acclaimed success; and

WHEREAS, a testament to his financial acumen and mastery at building strategic partnerships, Ray Smoot was instrumental in bringing together the City of Roanoke, the Norfolk and Southern Railroad, and the Virginia Tech Foundation to devise a financial plan to restore the Hotel Roanoke and create the Conference Center, which has been a catalyst for revitalizing the City of Roanoke; and

WHEREAS, imbued as a student with the spirit of *Ut Prosim*, and with a devotion to the Commonwealth of Virginia as well as his beloved alma mater, Ray Smoot remains a

dedicated business and civic leader who continues to be proponent for higher education and a driving force for economic development in the region;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors of Virginia Polytechnic Institute and State University expresses appreciation to Raymond (Ray) D. Smoot, Jr., Ph.D., for his dedicated life-long commitment to the educational values instilled in him as a student at Virginia Tech and his significant contributions to the regional, national, and international success of the university, and recognizes him for his distinguished service in the spirit of *Ut Prosim* (That I May Serve) with the title Vice President for Administration and Treasurer Emeritus.

RECOMMENDATION:

That the above resolution recommending Raymond D. Smoot, Ph.D. for emeritus status be approved.

SUMMARY

New Appointments to Endowed Chairs, Professorships, or Fellowships (14) March 26, 2018

College of Engineering (6)

Harpreet Dhillon Steven O. Lane Faculty Fellowship in

Electrical and Computer Engineering

Azim Eskandarian Nicholas and Rebecca Des Champs

Chair of Mechanical Engineering

Chen-Ching Liu American Electric Power Professorship

Wenjing Lou W. Curtis English Professorship

Linsey Marr Charles P. Lunsford Professorship

Peter Vikesland Nick Prillaman Professorship

College of Veterinary Medicine (1)

John Rossmeisl Dr. and Mrs. Dorsey Taylor Mahin

Professorship

Pamplin College of Business (7)

Sudip Bhattacharjee Thomas M. Wells and Kathy Dargo

Professorship in Accounting and Information Systems

Ling Lisic Deloitte Foundation Faculty Fellowship in

Accounting and Information Systems

Paul Benjamin Lowry Suzanne Parker Thornhill Professorship in

Business Information Technology

Frank May Mary F. McVay and Theodore R. Rosenberg

Junior Faculty Fellowship

Steven Sheetz PwC Senior Faculty Fellowship in

Accounting and Information Systems

Sarah Stein Curling Faculty Fellowship in

Accounting and Information Systems

Michael Wolfe L. Mahlon Harrell Junior Faculty Fellowship in

Accounting and Information Systems

ENDOWED FELLOWSHIP Steven O. Lane Junior Faculty Fellowship

The late Steven O. Lane was a 1978 graduate of Virginia Tech. He was considered a worldwide leader in spacecraft antenna design, spending his entire career with Boeing Satellite Systems. Among his accomplishments were 12 patents and several professional papers. Steven loved Tech and always gave credit for his success in large part to his education.

Dr. Julia Ross, Dean of the College of Engineering has nominated Assistant Professor Harpreet S. Dhillon to the Steven O. Lane Junior Faculty Fellowship, concurring with the recommendations of Dr. Luke F. Lester, Department Head of the Bradley Department of Electrical and Computer Engineering, the Bradley Department of Electrical and Computer Engineering Honorifics Committee, and the College of Engineering Honorifics Committee. Dr. Dhillon is qualified because he meets the criteria of the recipient to conduct research in antennas, electromagnetics, or related fields as directed by the donor.

Dr. Dhillon earned his Ph.D. in Electrical Engineering from the University of Texas at Austin in 2013, where he was a Microelectronics and Computer Development (MCD) Fellow in 2010-11. He received the B.Tech. degree in Electronics and Communication Engineering from the Indian Institute of Technology (IIT) Guwahati, India in 2008, and the M.S. degree in Electrical Engineering from Virginia Tech in 2010. In academic year 2013-14, he was a Viterbi Postdoctoral Fellow at the University of Southern California, Los Angeles. He joined the Bradley Department of Electrical and Computer Engineering at Virginia Tech as a tenure-track Assistant Professor in fall of 2014 and was named the Outstanding New Assistant Professor by the Virginia Tech College of Engineering in 2017. During his doctoral studies, he held short-term visiting positions at Alcatel-Lucent Bell Labs in Crawford Hill, NJ, Samsung Research America in Richardson, TX, Qualcomm Inc. in San Diego, CA, and Cercom, Politecnico di Torino in Italy.

Dr. Dhillon has earned a reputation of being a truly gifted researcher having consistently produced seminal research results that have been extensively cited and utilized by his peers worldwide. Clarivate Analytics (formerly Thomson Reuters) included him in their annual list of Highly Cited Researchers in 2017. He was the only one from Virginia Tech to feature on this highly-selective list. Dr. Dhillon's work has received five best paper awards, including three exceptionally competitive annual awards from the Institute of Electrical and Electronics Engineers (IEEE) Communications Society: (i) the 2014 IEEE ComSoc Leonard G. Abraham Prize, (ii) the 2015 IEEE ComSoc Young Author Best Paper Award, and (iii) the 2016 IEEE ComSoc Heinrich Hertz Award. These awards are particularly impressive given the high selectivity and rigorous competitiveness (one paper is chosen from the past three calendar years for each of these awards). Dr. Dhillon is also an extremely gifted teacher who has successfully integrated several ideas from his research into his classes. Due to his engaging teaching style, he is consistently rated very highly both by his peers and the students.

Dr. Dhillon has shown remarkable research productivity during his relatively short career. In about three years since he joined Virginia Tech in Fall 2014, his research has resulted in 34 journal publications all of which were published in the top journals of his area, such as IEEE Transactions on Wireless Communications and IEEE Transactions on Communications. He has also published 35 conference papers while at Virginia Tech. He has secured or helped to secure a high level of sponsored funding to support his research. This includes five awards from the National Science Foundation and one from the National Spectrum Consortium. He is Principal Investigator in five of these awards. The total amount of these awards is \$5.4M, with VT's share being \$3.6M and Dr. Dhillon's share being \$1.9M.

RECOMMENDATION:

That Dr. Harpreet S. Dhillon be appointed the Steven O. Lane Junior Faculty Fellow of Electrical and Computer Engineering for a period of three years, effective April 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED CHAIR Nicholas and Rebecca Des Champs Chair of Mechanical Engineering

The Nicholas and Rebecca Des Champs Chair in Mechanical Engineering was established in 2017 in honor of Nicholas and Rebecca Des Champs, benefactors of the endowment. The intent of this endowment is to establish a named Chair in the Department of Mechanical Engineering. This chair will be held continuously by the Department Head of Mechanical Engineering, regardless of who serves in that role; the appointment expires when the recipient no longer serves as Department Head of Mechanical Engineering. Dean Julia Ross has nominated Dr. Azim Eskandarian, Department Head of Mechanical Engineering, as the Nicolas and Rebecca Des Champs Chair of Mechanical Engineering on the recommendation of the Department of Mechanical Engineering Honorifics Committee.

Dr. Eskandarian has been professor and head of the Department of Mechanical Engineering (ME) at Virginia Tech since August 2015. In spite of his relatively short time, Dr. Eskandarian has had a large impact on the ME department. He has proven himself to be an engaged and effective leader, with an uncanny ability for building consensus and bringing different groups together toward the betterment of the department. His energy and enthusiasm are clearly evident, especially with respect to departmental organization, faculty recruiting, and quick actions to implement a functioning strategic plan for the department.

Dr. Eskandarian developed strategic directions for the department with the consensus of the faculty and started several new initiatives to enhance the quality of scholarship, the student experiential learning, and diversity within the department and streamlined several departmental procedures with new policies. He has made significant contributions to developing new academic curricula at both graduate and undergraduate levels, laboratories, and research centers, and has conducted pioneering research in intelligent vehicles and vehicle active and passive safety, among many other areas. He expanded several international academic exchanges and partnerships leading to both student exchanges and scholarship activities among collaborating institutions.

Dr. Eskandarian has made outstanding contributions to Virginia Tech, Commonwealth of Virginia, and the nation through his effective leadership and innovative research in the field autonomous vehicles and vehicle safety.

RECOMMENDATION:

That Dr. Azim Eskandarian be appointed the Nicholas and Rebecca Des Champs Chair in Mechanical Engineering, effective April 10, 2018, with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED PROFESSORSHIP American Electric Power Professorship

Dr. Julia Ross, Dean of the College of Engineering has nominated Professor Chen-Ching Liu to the American Electric Power Professorship, concurring with the recommendation of the Bradley Department of Electrical and Computer Engineering Honorifics Committee and Department Head, Luke Lester. Dr. Liu is eminently qualified because of his pioneering contributions in research in the field of Electric Power Systems.

Dr. Chen-Ching Liu obtained his Ph.D. from the University of California, Berkeley in 1983. He joined Virginia Tech in January 2018. Before joining Virginia Tech, Dr. Liu was Boeing Distinguished Professor of Electrical Engineering at Washington State University (WSU), Pullman, WA. He has also served as professor of Electrical Engineering and associate dean of Engineering at the University of Washington, Seattle, Palmer Chair Professor at Iowa State University, and professor and acting/deputy principal of the College of Engineering, Mathematics, and Physical Sciences at University College Dublin, Ireland.

Dr. Liu is recognized around the world for his pioneering research in intelligent system methodologies for power systems. His work on power system restoration in transmission and distribution systems led to practical tools for the power industry through Electric Power Research Institute and Pacific Northwest National Lab. Dr. Liu has 142 publications in major technical journals, 28 invited book chapters, 162 conference papers, and three edited books. Dr. Liu has supervised 36 Ph.D.s and more than 50 master's students over the last 34 years as a professor.

Dr. Liu was elected a Fellow of the Institute of Electrical and Electronics Engineers (IEEE) in 1994. He received the Presidential Young Investigator's Award from the National Science Foundation (NSF) and the White House in 1986 and the IEEE Power and Energy Society Outstanding Power Engineering Educator Award in 2004. Professor Liu was also recognized with a Doctor Honoris Causa by the Polytechnic University Bucharest, Romania, in 2013. While he served on the faculty of WSU, he was elected a Member of the Washington State Academy of Sciences in 2014.

D Liu served in leadership positions in international communities of power system engineering. He served as a member of the Governing Board of the IEEE Power and Energy Society, Founding President of the International Council of Intelligent System Applications to Power Systems, as well as Chair of the IEEE Power and Energy Society Fellow Committee and Technical Committee on Power System Computing, Analysis, and Economics.

As a senior faculty member at Electrical and Computer Engineering (ECE), Virginia Tech, Dr. Liu serves as Director of the Center for Power and Energy. In this position, he will take the leadership role to further grow the power system program at ECE that has a long tradition of accomplishments and worldwide reputation.

RECOMMENDATION:

That Dr. Chen-Ching Liu be appointed the American Electric Power Professor of Electrical and Computer Engineering for a period of five years, effective April 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED PROFESSORSHIP W.C. English Professorship

The W.C. English Professorship was established in 1992 in honor of W. Curtis English, the benefactor of the endowment. The intent of this endowment was to establish a named professorship in the College of Engineering. Dean Julia Ross has nominated Dr. Wenjing Lou for the English Professorship based on the recommendations of the Department of Computer Science and the College of Engineering Honorifics Committee.

Professor Lou is one of the most distinguished and productive scholars and educators in the Department of Computer Science and the College of Engineering. Her research in information and network security is a major component of the university's growing reputation and impact in the critically important area of cybersecurity. Dr. Lou has made innovative and widely cited research contributions in a diverse set of challenging security and privacy contexts, including problems arising in wireless networks, mobile ad hoc networks, sensor networks, network management and routing, and data security and privacy in the cloud. Her work has been recognized by her technical community with numerous honors, including receiving the Technical Recognition Award from the Institute of Electrical and Electronics Engineers (IEEE) Communications Society Technical Committee on Security, and being recognized as an IEEE Fellow.

Professor Lou's contributions in mentoring students and in serving her professional community are also outstanding. Six of her ten PhD graduates hold tenured or tenure-track positions at research-oriented universities, including three who have received the National Science Foudnation (NSF) CAREER award. Dr. Lou has filled numerous leadership roles at the top international conferences in her field and has been associate editor for several premier journals. She led the establishment of the IEEE Conference on Communications and Network Security; she is currently the steering committee chair of this conference. Professor Lou recently served for three years as program director at NSF where she managed the network security portfolio in NSF's Secure and Trustworthy Cyberspace (SaTC) program, and the wireless networks portfolio in the Networking Technology and Systems program. The SaTC program is the largest computer science research program at NSF and the largest unclassified cybersecurity research program in the world. Her influential technical leadership and ground-breaking research will continue to impact the field of cybersecurity for many years to come.

RECOMMENDATION:

That Dr. Wenjing Lou be appointed to the W.C. English Professorship for a period of five years, beginning August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED PROFESSORSHIPCharles P. Lunsford Professorship

Dr. Julia Ross, Dean of the College of Engineering, nominates Professor Linsey C. Marr for appointment to hold the Charles P. Lunsford Professorship, concurring with the recommendations of the Honorifics Committee of the Via Department of Civil and Environmental Engineering (CEE) and the CEE Department Head, Dr. W. Samuel Easterling. The Charles P. Lunsford Professorship was established in 1976 by Charles P. Lunsford II of C.L. Lunsford Sons & Izard, Inc., of Roanoke, Virginia.

Over the past 14 years, Dr. Marr has established a highly-regarded, dynamic program in air quality engineering at Virginia Tech. Air pollution has overtaken water quality and sanitation as the top environmental risk factor for disease worldwide, so Dr. Marr's work is particularly valuable to society and to Virginia Tech. She has secured a substantial amount of external funding, with \$17.3M in externally sponsored research and \$7.1M as her share. Linsey's funding sources include the National Science Foundation (NSF), the National Institutes of Health, the US Environmental Protection Agency, the Alfred P. Sloan Foundation, and others. Many of her research awards have come from highly competitive, peer reviewed proposal review processes.

Dr. Marr's stellar research has been recognized with an NSF CAREER Award as well as a prestigious NIH New Innovator Award (five-year, \$2.3M award). She is one of a relatively small number of engineers selected for this award, conducting research studying the transmission of influenza viruses by bioaerosols. A more recent exceptional honor was her selection to serve as a member of the National Academies of Sciences, Engineering, and Medicine's Committee on Grand Challenges and Opportunities in Environmental Engineering and Science for the 21st Century. Of the committee's 18 members, nine are National Academy members, one is a MacArthur Fellow, and others are the science directors of organizations such as the Environmental Defense Fund. To have been selected to serve with this elite and distinguished group is a true testament to the high esteem held for Linsey and her research and scholarly pursuits.

Dr. Marr likewise has an excellent record of publishing high-quality research in top-ranked research journals. She has published a total of 81 refereed journal articles with over 100 papers and presentations at conference and professional meetings. According to Google Scholar, Linsey's work has been cited over 3900 times with an H-Index of 32. Over one quarter of her papers have been published in *Environmental Science & Technology/Environmental Science & Technology Letters*, the flagship journal in the field of environmental science and engineering.

Dr. Marr's work in the classroom is likewise of high quality. Her teaching evaluations in courses are very strong and reflect instruction at every level from the required junior-level introductory course to advanced graduate-level courses. She is known as a very demanding instructor and is at the same time well respected by her students.

RECOMMENDATION:

That Dr. Linsey C. Marr be appointed to the Charles Lunsford Professorship in Engineering for a period of five years, effective April 10, 2018, with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED PROFESSORSHIP Nick Prillaman Professorship

Dr. Julia Ross, Dean of the College of Engineering, nominates Professor Peter Vikesland for appointment to hold the Nick Prillaman Professorship, concurring with the recommendations of the Honorifics Committee of the Via Department of Civil and Environmental Engineering (CEE) and the CEE Department Head, Dr. W. Samuel Easterling. The professorship was established in 1986 by Mr. Nick Prillaman, Jr.

Dr. Vikesland, in addition to his faculty appointment in the CEE Department, serves as the Director of the Sustainable Nanotechnology (VT SuN) Interdisciplinary Graduate Education Program (IGEP), one of 14 interdisciplinary programs administered through the Graduate School. This is but one example of Dr. Vikesland's commitment to going above and beyond in working across departments to foster the highest level of quality in student mentoring. Dr. Vikesland's leadership of the VT SuN IGEP was key in attracting a prestigious \$2.6M National Nanotechnology Coordinated Infrastructure award at Virginia Tech, NanoEarth, on which he is a co-Pl. Most recently, Dr. Vikesland was awarded as Pl a 5 year \$3.6M Partnership in International Research and Education (PIRE) grant from the National Science Foundation (NSF). These highly coveted PIRE grants provide support for international research and education experiences for graduate and undergraduate students. These grants are part of Dr. Vikesland's impressive record of being part of over \$13M in funded research with a personal share over \$6M.

Dr. Vikesland has creatively applied his knowledge in analytical chemistry, aquatic chemistry, and public health to a variety of topics: (1) development of nano-enabled sensors for the tracking of pathogens and their DNA, (2) determining the environmental impacts of nanoparticles as contaminants, (3) determining the triggers and kinetics of disinfection by-product formation, and (4) characterizing the chemical properties of aerosols. Dr. Vikesland's work has been critically important to developing integrated environmental engineering designs to promote public health.

Dr. Vikesland's research has been recognized with an NSF CAREER Award and he was recently elected Fellow of the Royal Society of Chemistry. Achieving Fellow status in the chemical profession denotes a high level of accomplishment as a professional chemist, having

Dr. Vikesland's publishing record is excellent, with noteworthy novelty and quality of work products. He has published 90 refereed journal articles, edited three books and written two book chapters. According to Google Scholar, Dr. Vikesland's work has been cited 3,800 times with an H-Index of 33.

Dr. Vikesland is an active and innovative teacher, typically teaching three courses per year. In addition to developing new graduate-level CEE courses in Advanced Environmental Chemistry, Nanotechnology for Sustainable Engineering, and Environmental Organic Chemistry, he also regularly taught undergraduate courses in Public Health Engineering and Introduction to Environmental Engineering. He has advised or co-advised 11 PhD students and 14 master's students to completion and has advised or co-advised nearly 70 undergraduate research projects.

RECOMMENDATION:

That Dr. Vikesland be appointed to the Nick Prillaman Professorship in Engineering for a renewable period of five years, effective April 10, 2018, with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED PROFESSORSHIP Dr. and Mrs. Dorsey Taylor Mahin Endowed Professorship

The Dr. and Mrs. Dorsey Taylor Mahin Endowed Professorship was established in 1996 through a gift to the Virginia Tech Foundation from Mrs. Helen Mahin. Mrs. Mahin was a longtime friend and supporter of the college and Veterinary Teaching Hospital, and recognized the importance of pets in our lives. She wanted to particularly memorialize her cat and her husband, and to honor her veterinarian, Dr. Gregory C. Troy. Dr. Gregory C. Troy was named as the Dr. and Mrs. Dorsey Taylor Mahin endowed professor from April 2004 until his retirement from the university in July 2015. The professorship was established to recognize and reward a senior faculty member who demonstrates exemplary professionalism, clinical excellence, and noteworthy compassion for both animals and owners at the Virginia-Maryland College of Veterinary Medicine (VMCVM) at Virginia Tech.

Dr. John H. Rossmeisl, Jr. joined the VMCVM in 1998, first as an internal medicine resident, then also completed a second residency in neurology/neurosurgery. He was hired into a faculty appointment in 2003 and since that time has been promoted to Professor with tenure. He is one of the rare faculty members who has been able to excel in all mission areas of a land-grant university: service, teaching, research and outreach.

Dr. Rossmeisel's research has been dedicated to the development of novel therapies for malignant brain tumors, which represent some of the most aggressive and treatment-refractor types of cancers of both dogs and humans. His successful research program has been recognized by two prestigious NIH grants, his discoveries are helping both veterinary and human patients, and he is considered to be within the top five researchers in the world in the area of canine neuro-oncology.

Dr. Rossmeisel has developed an extensive interdisciplinary research and graduate student program and has been recognized by numerous teaching awards from students and peers. His consultations and case management are outstanding and his behavior in the clinic and elsewhere in the college defines professionalism for the academic clinician. He evaluates science with a strong sense of ethics, and is always committed to putting his patient's best interests above all other considerations. He is very good at explaining complex procedures and scientific terminology to owners, has skill and patience in ensuring they understand and are comfortable with every aspect of their animal's care. He genuinely adores the dogs he works with, greeting their improvements with enthusiasm and enduring clinical setbacks as if they were happening to his own dog.

Dr. Rossmeisl is an exceptional neurologist and internist. His expertise has been recognized within the profession by being elected as president of a national organization, serving on professional committees, and being in high demand for national speaking engagements.

RECOMMENDATION:

That Dr. John H. Rossmeisl, Jr. be appointed the, effective be appointed to the Dr. and Mrs. Dorsey Taylor Mahin Endowed Professorship for a period of 5 years, effective April 10, 2018, with a salary supplement and operating budget as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED PROFESSORSHIP Thomas M. Wells and Kathy Dargo Professorship in Accounting and Information Systems

The Thomas M. Wells and Kathy Dargo Professorship in Accounting and Information Systems was established in 2011 to provide support for chaired professorships in the Pamplin College of Business at Virginia Tech. The Department of Accounting and Information Systems has recommended that the professorship be awarded to Professor Sudip Bhattacharjee. The departmental Personnel Committee and the College Honorifics and Awards Committee endorsed this nomination as did Dean Robert Sumichrast.

Professor Bhattacharjee received his Ph.D. in Business Administration in 1997 from the University of Massachusetts at Amherst. In 2001, following five years of service on the faculty of the Sawyer School of Management at Suffolk University, he joined the Accounting and Information Systems Department in the Pamplin College of Business as an assistant professor. He received tenure in 2007 and was promoted to full professor in 2017.

Professor Bhattacharjee is an internationally recognized and impactful scholar in behavioral accounting, examining judgment and decision making in auditing and accounting. He has published 19 journal articles, six of which appear in the field's top journals. External reviewers note the impact of his research contributions to advancing scholarship and auditing practice.

Professor Bhattacharjee is also a recognized student mentor having participated on 12 doctoral dissertation committees, chairing five. He has taught a range of courses in the areas of behavioral and financial accounting, data analysis and management control systems. In short, Professor Bhattacharjee is a highly accomplished scholar and mentor fully deserving of this professorship.

RECOMMENDATION:

That Professor Sudip Bhattacharjee be appointed to the Thomas M. Wells and Kathy Dargo Professorship in Accounting and Information Systems effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED FACULTY FELLOWSHIP Deloitte Foundation Faculty Fellowship in ACIS

The Deloitte Foundation Faculty Fellowship in ACIS was established in 2011 to provide faculty fellowship support to an outstanding faculty member in the Department of Accounting and Information Systems at Virginia Tech. The Department of Accounting and Information Systems has recommended that the fellowship be awarded to Dr. Ling Lei Lisic. The departmental Honorifics Committee and the College Honorifics and Awards Committee endorsed this nomination as did Dean Robert Sumichrast.

Dr. Lisic received her Ph.D. in Accounting from the University of Connecticut in 2008. She joined the faculty of the School of Business at George Washington University that fall, receiving tenure there in 2015. She joined the faculty of the Accounting and Information Systems Department in the Pamplin College of Business at Virginia Tech faculty as an associate professor in 2017.

Dr. Lisic is a highly published and impactful scholar in the areas of audit and organizational control. She has published 14 articles in refereed journals, with her three most recent articles all being published in top journals in the accounting field. She also serves on the editorial board of three journals in her field. Her research trajectory is very strong and she is emerging as a highly impactful scholar.

Dr. Lisic is also an effective classroom instructor. She has taught a range of courses in the areas of financial statement analysis, auditing and financial and managerial accounting Dr. Lisic is an accomplished scholar and fully deserving of this fellowship.

RECOMMENDATION:

That Dr. Ling Lei Lisic be appointed to the Deloitte Foundation Faculty Fellowship in ACIS effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED PROFESSORSHIP Suzanne Parker Thornhill Professorship in Business Information Technology

The Suzanne Parker Thornhill Professorship in Business Information Technology was established in 1998 to provide support for the Pamplin College of Business at Virginia Tech. The Department of Business Information Technology has recommended that the professorship be awarded to Professor Paul Benjamin Lowry. The departmental Honorifics Committee and the College Honorifics and Awards Committee endorsed this nomination as did Dean Robert Sumichrast. Professor Lowry received his Ph.D. in Management Information Systems in 2002 from the University of Arizona. Since 2014 he has served as a tenured full professor on the faculty of the City University of Hong Kong. He will join the Virginia Tech faculty as professor of Business Information Technology in the fall of 2018.

Professor Lowry is an internationally recognized, highly published and impactful scholar. He is currently recognized as the 2nd most productive Information Systems scholar in the world based on publications in the top six information systems journals. He has published 96 journal articles, many of which are in the field's top journals. As of this past July, his work has received more than 4,600 citations generating an H-index of 37. External reviewers note his very high level of research productivity noting Dr. Lowry's impressive and consistent record of research excellence.

Professor Lowry is also a recognized student mentor having published 77 papers with 75 different undergraduate and graduate students in addition to placing 35 masters students in top Ph.D. programs in the US and Canada and serving on 20 doctoral dissertation committees. He has taught a range of courses in the areas of data analytics and data mining, information systems and operations management and doctoral seminars in theory building and theory-inspired design in information systems research. In short, Professor Lowry is a highly accomplished scholar and mentor fully deserving of this professorship.

RECOMMENDATION:

That Dr. Paul Benjamin Lowry be appointed to the Suzanne Parker Thornhill Professorship in Business Information Technology effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED JUNIOR FACULY FELLOWSHIP Mary F. McVay and Theodore R. Rosenberg Junior Faculty Fellowship

The Mary F. McVay and Theodore R. Rosenberg Junior Faculty Fellowship was established in 2004 to provide faculty support for the Pamplin College of Business. A college search committee has recommended that the professorship be awarded to Dr. Frank May, assistant professor in the Department of Marketing. The college honorifics and awards committee endorsed this nomination as did Dean Robert Sumichrast.

Dr. Frank May received his Ph.D. in Business Administration with a concentration in Marketing from the Darla Moore School of Business at the University of South Carolina. He joined the faculty in the Department of Marketing as an assistant professor in 2014.

Dr. May is a highly active and successful researcher. His work addresses the role of time and self-control in consumer choice. He has already published five articles in the *Journal of Consumer Research*, one of the field's top journals; a record that places him among the elite young scholars in his field.

Dr. May is developing a strong record as an undergraduate instructor in consumer behavior. In addition, he works with and actively mentors several marketing doctoral students. In short, Dr. May is a highly accomplished young scholar fully deserving of this junior faculty fellowship.

RECOMMENDATION:

That Dr. Frank May be appointed to the Mary F. McVay and Theodore R. Rosenberg Junior Faculty Fellowship effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED FACULTY FELLOWSHIP PwC Senior Faculty Fellowship in Accounting and Information Systems

The PwC Senior Faculty Fellowship in Accounting and Information Systems was established in 2004 and amended in 2016 to provide support for the Pamplin College of Business at Virginia Tech. The Department of Accounting and Information Systems has recommended that the fellowship be awarded to Professor Steven D. Sheetz. The departmental Honorifics Committee and the College Honorifics and Awards Committee endorsed this nomination as did Dean Robert Sumichrast.

Professor Sheetz received his Ph.D. in Business Administration with a major in Information Systems and minor in Linguistics in 1996 from the University of Colorado at Boulder. He joined the faculty of the Department of Accounting and Information Systems in the Pamplin College of Business in 1996 as an assistant professor. He received tenure in 2002 and was promoted to full professor in 2015.

Professor Sheetz is a recognized and impactful scholar in the impact of social and online systems and communities on participants and societal outcomes. He has published 23 referred journal articles and 26 published proceedings addressing contexts ranging from the impact of social media in Tunisia to patient centered care in electronically supported health care.

Professor Sheetz is a skilled instructor and student mentor. He has taught a range of courses in the areas of database management, information systems design, structured systems development and programming at the undergraduate and graduate levels. He has been a significant contributor to the highly ranked Masters of Information Technology program. Professor Sheetz is an accomplished scholar and fully deserving of this fellowship.

RECOMMENDATION:

That Professor Steven D. Sheetz be appointed to the PwC Senior Faculty Fellowship in Accounting and Information Systems effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED FACULTY FELLOWSHIP Curling Faculty Fellowship in ACIS

The Curling Faculty Fellowship in ACIS was established in 2013 to provide the Pamplin College of Business at Virginia Tech the expanded opportunity to attract and retain outstanding scholars in the field of accounting. The Department of Accounting and Information Systems has recommended that the fellowship be awarded to Dr. Sarah E. Stein. The departmental Personnel Committee and the College Honorifics and Awards Committee endorsed this nomination as did Dean Robert Sumichrast.

Dr. Stein received her Ph.D. in Accounting from the University of Missouri at Columbia in 2013. She joined the faculty of the Accounting and Information Systems Department in the Pamplin College of Business at Virginia Tech faculty as an assistant professor in the fall of 2013.

Dr. Stein's research examines factors influencing audit quality and efficiency. She is a productive young scholar having published three articles in refereed journals, two of which are published in one of the top journals in the accounting field. She is well recognized in the field and is a frequent presenter at top academic conferences. She serves on one editorial board and is an active reviewer for several prominent journals in the field of accounting. Her research pipeline is very strong and she is emerging as an impactful scholar.

Dr. Stein is also a very effective classroom instructor. She has taught a range of courses in the areas of financial statement auditing and governance and ethics and has served on four doctoral dissertation committees. Dr. Stein is an accomplished young scholar with a very bright future and fully deserving of this fellowship.

RECOMMENDATION:

That Dr. Sarah E. Stein be appointed to the Curling Faculty Fellowship in ACIS effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

ENDOWED FACULTY FELLOWSHIP L. Mahlon Harrell Junior Faculty Fellowship in Accounting and Information Systems

The L. Mahlon Harrell Junior Faculty Fellowship in Accounting and Information Systems was established in 1998 to provide support for the Department of Accounting and Information Systems in the Pamplin College of Business at Virginia Tech. The Department of Accounting and Information Systems has recommended that the professorship be awarded to Dr. Michael C. Wolfe. The departmental Personnel Committee and the College Honorifics and Awards Committee endorsed this nomination as did Dean Robert Sumichrast.

Dr. Wolfe received his Ph.D. in Accounting from the Oklahoma State University in 2013. He joined the faculty of the Accounting and Information Systems Department in the Pamplin College of Business at Virginia Tech faculty as an assistant professor in the fall of 2013.

Dr. Wolfe's research examines the impact of regulatory change, ethics and emerging influences like crowdsourcing on decision making in accounting and finance. He is a productive young scholar having published four articles in refereed journals, one of which is published in one of the top journals in the field of accounting. He is frequent presenter at top academic conferences in his field and he is an active reviewer for several prominent journals in the field of accounting. He has an active research pipeline and his impact on the field is growing.

Dr. Wolfe is also a very effective classroom instructor. He has taught a range of courses in the areas of financial statement analysis and financial accounting. Dr. Wolfe is young scholar with a bright future and deserving of this fellowship.

RECOMMENDATION:

That Dr. Michael C. Wolfe be appointed to the L. Mahlon Harrell Junior Faculty Fellowship in Accounting and Information Systems effective August 10, 2018, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholars match program.

SUMMARY Faculty Research Leaves (75) 2018-19

Study Research Leave (19) (one-half salary for up to one year)

College of Agriculture and Life Sciences	0
College of Architecture and Urban Studies	1
College of Engineering	5
College of Liberal Arts and Human Sciences	7
College of Natural Resources and Environment	2
College of Science	3
Pamplin College of Business	1
University Libraries	0
Virginia-Maryland Regional College of Veterinary Medicine	0

Research Assignment (56) (full salary for one semester)

College of Agriculture and Life Sciences	1
College of Agriculture and Life Sciences	4
College of Architecture and Urban Studies	3
College of Engineering	13
College of Liberal Arts and Human Sciences	21
College of Natural Resources and Environment	5
College of Science	9
Pamplin College of Business	1
University Libraries	0
Virginia-Maryland Regional College of Veterinary Medicine	0

RECOMMENDATION:

That the above study-research and research assignment leaves be approved as requested.

FACULTY RESEARCH LEAVES

2018-19

Virginia Tech provides tenured faculty, and faculty on continued appointment, with opportunities that include paid leave for intensive study or research that advances the individual's profession and contributions to the university.

The following faculty members are requesting <u>study-research leave</u> (one-half salary for up to one year) for the purpose and period of time specified:

College of Architecture and Urban Studies (1)

<u>Ermann, Michael,</u> professor, School of Architecture + Design, academic year 2018-19; to create an animated video book teaching math to high school students the way architects would teach math: graphically, spatially, and, where possible, immersively. (Blacksburg, VA)

College of Engineering (4)

Kochersberger, Kevin, associate professor, Department of Mechanical Engineering, academic year 2018-19; to develop research prospects and opportunities for the Unmanned Systems Lab related to unmanned aircraft standards and unmanned aerial vehicle development for public safety. (Blacksburg, VA)

<u>Little, John</u>, professor, Department of Civil and Environmental Engineering, academic year 2018-19; to collaborate with several scholars on research related to controlling emissions from building materials and consumer products, managing water quality in lakes and reservoirs, and solving complex societal problems using a system-of-systems approach. (Australia; China; France; United Kingdom)

<u>Martin, Stephen</u>, associate professor, Department of Chemical Engineering, academic year 2018-19; to serve as an American Association for the Advancement of Science (AAAS) Science & Technology Policy Fellow, a yearlong assignment in the Federal Government to develop research-related expertise and contacts in several technical policy areas. (Washington, D.C.)

Ramakrishnan, Naren, professor, Department of Computer Science, academic year 2018-19; to collaborate on research related to urban data science and to develop content for a graduate textbook on this area that would be relevant to both practitioners and researchers. (Arlington, VA)

College of Liberal Arts & Human Sciences (7)

<u>Abbate, Janet,</u> associate professor, Department of Science and Technology in Society, spring 2019; to conduct further research and to continue writing a book manuscript on the cultural and policy history of computational thinking. (Blacksburg, VA)

<u>Bauer, Esther</u>, associate professor, Department of Modern and Classical Languages and Literatures, academic year 2018-19; to conduct further research and draft several chapters of current book manuscript titled *Men of a Certain Age: Quarter and Midlife Crises in German Prose Literature since 1900.* (Blacksburg, VA)

Bixler, Jacqueline, Alumni Distinguished Professor, Department of Modern and Classical Languages and Literatures, academic year 2018-19; to make significant progress on a book devoted to contemporary Mexican theatre and the intersections with history, politics, and social issues. (Blacksburg, VA)

<u>Hirsh, Richard</u>, professor, Department of History, spring and fall 2019; to conduct research and begin writing a monograph that reinterprets the history of rural electrification efforts in the 1920s and 1930s. (Blacksburg, VA)

<u>Kim, Kee Jeong</u>, associate professor, Department of Human Development and Family Science, academic year 2018-19; to analyze data collected from past interviews, and begin writing a book manuscript on risk and resilience of Syrian refugees. (Blacksburg, VA)

<u>Mann, Jeffrey,</u> associate professor, Department of English, academic year 2018-19; to complete a volume of poems that focus on balancing intersectional identities, and to conduct research on the Viking Age in order to begin writing a trilogy of novels set during that period. (Blacksburg, VA)

Ni, Zhange (Nicole), associate professor, Department of Religion & Culture, academic year 2018-19; to write the initial draft of a book manuscript titled *The Child and the Sovereign: Religion and Young Adult Literature in the 21st Century* and conduct research for a book manuscript that studies the Chinese model of religion and secularism. (Blacksburg, VA)

College of Natural Resources and Environment (2)

<u>Radtke, Philip</u>, associate professor, Department of Forest Resources and Environmental Conservation, 2018-19; to work with multiple collaborators/co-authors to complete an academic book tentatively titled *Forest Inventory and Analysis: Applications for Research and Planning*. (Oregon; Utah; Virginia)

Wynne, Randolph, professor, Department of Forest Resources and Environmental Conservation, spring 2019; to conduct collaborative research with colleagues in forest remote sensing at NASA Goddard Space Flight Center, ensuring continued connectivity and collaboration at the highest levels of remote sensing science. (Greenbelt, MD)

College of Science (3)

Bell, Martha Ann, professor, Department of Psychology, academic year 2018-19; to further advance existing research by visiting colleagues at several institutions to collaborate on research and grant proposals related to infant and child cognitive and socioemotional development. (Pennsylvania; Tennessee; Virginia; Washington)

<u>Dunsmore, Julie,</u> associate professor, Department of Psychology, academic year 2018-19; to advance research and collaborative relationships in the area of socio-emotional development as it is influenced by emotional communication from parents and other caregivers, as well as friends and other peers, and how these processes are embedded within socio-cultural contexts. (Luneberg, Germany; Melbourne, Australia)

<u>Vogelaar, Robert,</u> professor, Department of Physics, academic year 2018-19; to develop a funded research program to advance the basic design for an accelerator-driven moltensalt reactor to produce tritium, and to advance a research program in weak-interaction physics to enable measurement of certain neutrinos from the Sun, sterile neutrinos, and dark matter. (Princeton, NJ; Honolulu, HI)

Pamplin College of Business (1)

<u>Singal, Vijay,</u> professor, Department of Finance, Insurance, and Business Law, 2018-19; to advance research program on market efficiency, and pursue publication of five journal articles in process individually and in collaboration with colleagues at other universities. (Blacksburg, VA; New York, NY)

The following faculty members are requesting <u>research assignments</u> (full salary for one semester) for the purpose and period of time specified:

College of Agriculture and Life Sciences (4)

<u>Davy, Kevin</u>, professor, Department of Human Nutrition, Foods, and Exercise, spring 2019; to work with colleagues to pursue funding and a program of research focused on understanding the role of endothelial dysfunction as a mechanistic link between trimethylamine *N*-oxide and increased cardiovascular disease risk. (Boulder, CO).

<u>Pilot, Guillaume</u>, associate professor, Department of Plant Pathology Physiology & Weed Science, fall 2018; to master new techniques related to the study of amino acid transporters in plants, and to foster collaboration with two laboratories in South America. (Talca, Chile; Quito, Ecuador)

<u>Williams, Mark,</u> associate professor, Department of Horticulture, fall 2018; to develop collaborative research projects with researchers at Nanjing Agricultural University related to plant-microbe interactions, soil restoration, and microbial water stress physiology. (Nanjing, China)

<u>Xia, Kang.</u> professor, Department of Crop and Soil Environmental Sciences, fall 2018; to collaborate with colleagues at Nanjing Agricultural University on joint projects/proposals on the occurrence, fate, environmental impact, and remediation of organic contaminants in soil and water. (Nanjing, China)

College of Architecture and Urban Studies (3)

<u>Head, Travis</u>, associate professor, School of Visual Arts, spring 2019; to expand skill set in digital fabrication (e.g. digital embroidery, 3D printing and long arm automated sewing) and related traditional craft methods with a goal of translating drawings into hybrid objects that bridge digital and analog processes. (Blacksburg, VA)

Knoblauch, Ann-Marie, associate professor, School of Visual Arts, fall 2018; to serve as a senior visiting research fellow at Bryn Mawr College, conducting preliminary archival research on Luigi Palma di Cesnola, a 19th century explorer of Cyprus who became the first director of the Metropolitan Museum of Art. (Bryn Mawr, PA)

Tew, Gregory, associate professor, School of Architecture + Design, spring 2019; to complete a manuscript on design appreciation that is both general interest, and suitable as a textbook for introductory courses on design and sustainability in the built environment. (Blacksburg, VA)

College of Engineering (12)

<u>Eatherton, Matthew</u>, associate professor, Department of Civil and Environmental Engineering, spring 2019; to collaborate on research at Polytechnique Montreal in the field of structural systems that resist earthquake loading. (Montreal, Quebec)

<u>Ha, Dong</u>, professor, Department of Electrical and Computer Engineering, fall 2018; to collaborate with researchers in energy harvesting for Internet of Things devices at the Center for Integrated Smart Sensors at the Korea Advanced Institute of Science and Technology. (Daejeon, South Korea)

<u>Irish, Jennifer</u>, professor, Department of Civil and Environmental Engineering, spring 2019; to conduct research using techniques developed for probabilistic storm surge hazard assessment to probabilistic tsunami hazard assessment, while developing collaborations to better engage the global natural hazards community.(Caesarea, Israel)

Lou, Wenjing, professor, Department of Computer Science, fall 2018; to conduct intensive research and focus on medium and large proposal development for National Science Foundation grants, and to serve as Technical Program Committee chair for the Institute of Electrical and Electronics Engineers, Inc. (IEEE) International Conference on Computer Communications. (Falls Church, VA)

<u>Lu, Guo-Quan</u>, professor, Department of Materials Science and Engineering, fall 2018; to advance research on magnetic materials and additive manufacturing of magnetic components for applications in power electronics systems, and to strengthen research

collaboration in power electronics integration between Virginia Tech and Tianjin University. (Tianjin, China)

<u>Murayama, Mitsuhiro</u>, professor, Department of Mechanical Engineering, fall 2018; to collaborate on research with one of the top research groups in the field of sever plastic deformation and fabrication of bulk ultra-fine grained structural materials. (Kyoto, Japan)

<u>Pitchumani, Ranga,</u> professor, Department of Mechanical Engineering, spring 2019; to explore collaborations with external organizations in multiple research areas to help pursue large-scale programs in the future related to water and its nexus with energy, and to establish relationships with the medical centers in the National Capital Region in the area of cancer and Alzheimer's research. (Berkeley, CA; Arlington, VA)

Roy, Christopher, professor, Department of Aerospace and Ocean Engineering, spring 2019; to complete work on book titled "Verification and Validation In Scientific Computing" addressing methods for assessing the reliability of computer simulations. (Blacksburg, VA)

<u>Scales, Wayne</u>, professor, Department of Electrical and Computer Engineering, spring 2019; to conduct research in the area of geospace science and engineering, further developing theory and computational models for both active and passive space experiments in collaboration with the three universities and the South African Space Agency. (Alaska; China; New York; South Africa; Virginia)

Seidel, Gary, associate professor, Department of Aerospace and Ocean Engineering, spring 2019; to develop multiscale multiphysics modeling techniques for magnetoelastodynamics in composite materials that will contribute to the design of smart components in intelligent structures. (Freiberg, Germany)

<u>Sinha, Sunil</u>, professor, Department of Civil and Environmental Engineering, fall 2018; to collaborate with several government agencies for Community Resilience National Panel activities that will focus on research and education in the areas of resilient and sustainable water infrastructure systems. (Colorado; Maryland; Washington D.C.)

<u>Wang, Yue (Joseph)</u>, professor, Department of Electrical and Computer Engineering, fall 2018; to conduct cross-institutional collaborative research and exchange on developing novel machine learning methods for biomedical data integration. (Sydney, Australia; Shanghai and Hangzhou, China)

<u>Williams, Christopher</u> associate professor, Department of Mechanical Engineering, fall 2018; to complete a textbook titled *Design for Additive Manufacturing*, as well as to develop domestic and international research collaborations on behalf of the Macromolecules Innovation Institute at Virginia Tech. (Maryland; England)

Zhang, Liqing, associate professor, Department of Computer Science, fall 2018; to collaborate and develop proposals with scholars on research related to formalizing the system for generating in silico genes with very high or low expressions in human tissues,

and to develop the computational system for predicting a powerful way to control certain bacteria populations. (Illinois; Pennsylvania; Washington, D.C.)

College of Liberal Arts and Human Sciences (21)

Andrango-Walker, Catalina, associate professor, Department of Modern and Classical Languages and Literatures, spring 2019; to begin drafting a book manuscript, provisionally titled *The Influence of Religious Writings on Proto Nationalist Discourse*. (Blacksburg, VA)

<u>Apodaca, Clair</u>, associate professor, Department of Political Science, fall 2018; to advance current research and prepare a book manuscript on the topic of U.S. human rights policy. (Blacksburg, VA)

<u>Billingsley, Bonnie</u>, professor, School of Education, spring 2019; to pursue research questions related to teacher policy in special education using an extant database and develop technical skills using Structural Equation Modeling to answer these questions. (Blacksburg, VA)

Bodenhorn, Nancy, associate professor, School of Education, spring 2019; to dedicate time to a publication project on the Council for the Accreditation of Educator Preparation (CAEP) process. (Blacksburg, VA)

<u>Britt, Brian</u>, professor, Department of Religion and Culture, fall 2018; to continue research and begin writing a book manuscript tentatively titled *Religion Around Walter Benjamin*. (Berlin, Germany)

<u>Cowden, Tracy</u>, associate professor, School of Performing Arts|Music|Theatre|Cinema, fall 2018; to teach contemporary American art song and chamber music to Croatian singers and pianists at the University of Zagreb Academy of Music through the Fulbright U.S. Scholar Program, and conduct research on the Croatian art song and lyric diction. (Zagreb, Croatia)

<u>Crist (Patzig), Eileen</u>, associate professor, Department of Science and Technology in Society, fall 2018; to prepare future research program goals and conduct exploratory research following the publication of the manuscript *Abundant Earth: Toward an Ecological Civilization*, scheduled to be published in the fall of 2018. (Blacksburg, VA)

<u>Dixit, Priya</u>, associate professor, Department of Political Science, fall 2018; to conduct research to collect and analyze data on a new research project on far-right violent extremism in the United States, as part of an overall research program on the study of violent non-state actors in global security. (Blacksburg, VA)

Efird, Robert, associate professor, Department of Modern and Classical Languages and Literatures, fall 2018; to complete current book manuscript *Ivan's Childhood*, and to continue work on another manuscript, *Sergei Parajanov: The Major Films*, a culmination of extensive research conducted over the past several years. (Blacksburg, VA)

Ewing, Tom, professor and associate dean, Department of History, fall 2018; to conduct research on the history of the Russian flu epidemic from 1889-1890, resulting in three article manuscripts for peer reviewed journals, substantial progress on a book manuscript, and improved positioning to be competitive for future funding. (Blacksburg, VA)

<u>Folkart, Jessica</u>, professor, Department of Modern and Classical Languages and Literatures, fall 2018; to research the legal and social changes in immigration in Spain and their representation in fiction since the turn of the millennium, in addition to researching and writing a journal manuscript titled "The Incestuous Embodiment of Immigration and Identity in La filla estrangera by Najat El Hachmi." (Blacksburg, VA)

<u>Halfon, Saul</u>, associate professor, Department of Science and Technology in Society, fall 2018; to conduct preliminary research and gather data towards the production of a monograph on technical policy practices for food governance at the U.S. Department of Agriculture. (Blacksburg, VA; Washington, D.C.)

<u>King, Neal</u>, professor, Department of Sociology, fall 2018; to collect data on filmmaker activity in Los Angeles, and conduct research for the development of a monograph on the development of film history by film scholars, and the production of culture in sociology as applied to film and television. (Los Angeles, CA)

<u>Luciak, Ilja</u>, professor, Department of Political Science, fall 2018; to conduct research and writing for the book manuscript titled *Security, Gender, and Democracy: The Transformation of the Revolutionary Left in El Salvador and Colombia*, and to develop a grant proposal to be presented to the European Research Council. (Stockholm, Sweden; Vienna, Austria)

<u>Moehler, Michael</u>, associate professor, Department of Philosophy, fall 2018; to prepare several journal articles within current research program, as well as to complete foundational research on a book manuscript related to a theory of minimal morality and how it lends itself to a corresponding political theory. (Blacksburg, VA)

<u>Radcliffe, David</u>, professor, Department of English, spring 2019; to reformat the prosopography data in the archival database "Lord Byron and his Times," published by Virginia Tech, so that the reconfigured open-access demographic information contained in the prosopography will make its linked data easier to share and to be repurposed in other projects. (Blacksburg, VA)

<u>Shadle, Brett</u>, professor, Department of History, spring 2019; to prepare a draft manuscript of a book titled *Ethiopians in Exile: Refugees from the Italo-Ethiopian War*. (Blacksburg, VA)

Skaggs, Gary, associate professor, School of Education, spring 2019; to work intensively on a book manuscript tentatively titled *Developing and Validating Instruments*, intended as a textbook for a graduate level test development course, but with a wider appeal to the educational and testing community. (Blacksburg, VA)

<u>Weisband</u>, <u>Edward</u>, professor, Department of Political Science, spring 2019; to participate in a residential seminar program focused on theme of theology and religious studies, and peace and conflict studies, in perspectives framed by the humanities and social sciences. (Princeton, NJ)

<u>Welfare, Laura</u>, associate professor, School of Education, spring 2019; to analyze and disseminate findings from a 10-year longitudinal study of clinical supervisor cognitive development and disseminate findings from collaborative National Institutes of Justice grants in top tier journals. (Blacksburg, VA)

<u>Williams, Thomas</u>, associate professor, School of Education, fall 2018; to update and refine research employing the National Principal and Teacher Survey (NTPS), a contractually licensed restricted-use data set from the Institute of Education Sciences that allows the researcher to perform statistical analyses on large scale data that are representative of the population of all teachers and principals in the United States. (Blacksburg, VA)

College of Natural Resources and Environment (5)

<u>Alexander, Kathleen</u>, professor, Department of Fish and Wildlife Conservation, fall 2018; to develop and expand research program and collaborations including the production of co-authored manuscripts and proposals for funding, and to advance program development with agencies in the area of One Health. (Paris, France)

<u>Oliver, Robert</u>, associate professor, Department of Geography, spring 2019; to pursue research into the 'geographies of policy failure', specifically by examining contemporary forms of urban governance as they relate to sport mega-events. (Lausanne, Switzerland; London, Ontario)

<u>Shao, Yang</u>, associate professor, Department of Geography, spring 2019; to establish and expand collaboration with leading geospatial researchers in top universities in China, focusing on spatio-temporal, big data analytics, and geospatial data mining. (Beijing, China)

Sorice, **Michael**, associate professor, Department of Forest Resources and Environmental Conservation, spring 2019; to collaborate with a scholar at the Commonwealth Scientific and Industrial Research Organisation to enhance a framework of study on social vulnerability: the capacity for rangeland producers to adapt to landscape changes driven by climate change and other factors. (Townesville, Australia)

<u>Thomas, Valerie</u>, associate professor, Department of Forest Resources and Environmental Conservation, spring 2019; to research the expansion of multitemporal algorithms to additional applications, and to strengthen technical skills in the area of big data computation and algorithms for remote sensing. (Blacksburg, VA; Kingston, Ontario)

College of Science (9)

Brown, Bryan, associate professor, Department of Biological Sciences, fall 2018; to synthesize empirical and theoretical components of a recently funded National Science Foundation grant in collaboration with other universities, and to conduct a natural history survey of focal organisms down the length of the New River. (California; Colorado; Maryland; Virginia)

<u>Deng, Xinwei</u>, associate professor, Department of Statistics, fall 2018; to develop new statistical methodology on an interface among "data—modeling--decision", to enable an integrative platform of dealing with data for efficient and effective modeling, prediction, optimization, and decision-making. (Madison, WI; Atlanta, GA)

<u>Dominiak</u>, <u>Adam</u>, associate professor, Department of Economics, spring 2019; to intensify collaborative research with colleague related to two research projects related to rationalizability and ambiguity, as well as pursuing individual research on decision-making under unawareness and ambiguity. (Davis, CA)

<u>Lazar, Marie Iuliana</u>, associate professor, Department of Biological Sciences, fall 2018; to pursue professional development in complementary areas to current research, focus primarily in computational fields that deal with the processing and interpretation of data generated by high-throughput technologies. (Boston, MA)

<u>Robinson, Hans</u>, associate professor, Department of Physics, fall 2018; to rejuvenate existing research program and to develop additional research directions in the areas of light-driven nanoassembly, microscope development, stress-tunable metasurfaces after a term of university service as faculty senate president,. (Blacksburg, VA)

<u>Walker, Richard</u>, associate professor, Department of Biological Sciences, fall 2018; to analyze data collected from 2013 to 2017 on active learning approach implemented for two courses, and to develop expertise in environmental DNA methods. (California; Colorado; Indiana; North Carolina)

<u>Wawro, Megan</u>, associate professor, Department of Mathematics, spring 2019; to edit and write to edit two manuscripts for a special issue in a top research journal, the focus of which is based on current NSF-funded research, and to analyze data and conduct further research related to linear algebra and quantum mechanics. (Orono, ME)

<u>Weiss, Robert</u>, associate professor, Department of Geosciences, spring 2019; to conduct research incorporating archaeological findings into tsunami and storm inundation models to extend existing data bases, which will help to improve hazard assessments for storms and tsunamis. (Caesarea, Israel)

Zhou, Ying, associate professor, Department of Geosciences, fall 2018; to advance research in seismic imaging of the Earth's lowermost mantle through intensive collaborations with observational seismologists. (Oxford, England; Beijing, China)

Pamplin College of Business (1)

Bhattacharjee, Sudip, professor, Department of Accounting and Information Systems, spring 2018; to pursue research focusing on improving how professional auditors use advice from specialists when auditing the financial statements of companies and to prepare these research findings for submission to a journal for publication. (Blacksburg, VA)

RESOLUTION CONFERRING UPON MINNIS E. RIDENOUR AN HONORARY DOCTOR OF LETTERS DEGREE

WHEREAS, with a bachelor's degree in marketing and retailing and a master's degree in higher education administration with a focus in finance from the University of Tennessee, Minnis Ridenour joined Virginia Tech in 1974 as Budget Director and Chief Business Officer. He rose through the ranks to the position of Executive Vice President and Chief Operating Officer, which he held until he retired formally in 2004, and he since has continued to serve the university as Senior Fellow for Resource Development; and

WHEREAS, Minnis Ridenour's devotion to Virginia Tech and selfless service are unsurpassed. He lives the university's motto, *Ut Prosim*, that I may serve, and early in his tenure at Virginia Tech made a conscious decision that few others would have made: he abandoned his plans to pursue a doctorate—although he surely could have earned one—because he chose to devote his life to the university; and

WHEREAS, Mr. Ridenour has been an advisor to five presidents of the university on all major university initiatives during their tenure, and his expertise in the field of finance enabled him to devise brilliant funding strategies to achieve many initiatives that have benefited Virginia Tech and its students and advanced the reputation of the university. The list of initiatives for which he has provided leadership is exhaustive, and his impact on the university is both profound and enduring; and

WHEREAS, for four decades, Minnis has been the architect or a key player in the development of statewide higher education funding policies that have benefited all universities including Virginia Tech, such as the State's maintenance reserve fund, the Higher Education Equipment Trust Fund, the authorization for universities to issue variable rate debt, and the Restructured Higher Education Financial and Administrative Operations Act of 2005; and

WHEREAS, Mr. Ridenour is widely known and held in high regard by all the Governors of Virginia with whom he has worked as well as members of the General Assembly and the staffs of the Senate Finance and House Appropriations Committees. In the words of the chair of the State Council of Higher Education for Virginia, "Without question, there is no member in the higher education field more knowledgeable than Minnis Ridenour, including presidents of universities"; and

WHEREAS, there is perhaps no role more important or meaningful to Minnis Ridenour or one that he takes more seriously than that of teacher and mentor. His guidance is sought by faculty and community members as well as students. He has taught graduate level finance classes during much of his career and invests heavily in talented individuals, setting high expectations for their personal and professional success; and,

WHEREAS, Minnis holds an affiliated appointment with the School of Public and International Affairs (SPIA), where he teaches courses on financial management, mentors doctoral students, and has been the driving force in developing a certificate in public and nonprofit financial management. For his impact on building Virginia Tech and SPIA as resilient and sustainable institutions, the Strickler Family honored him with the creation of the Minnis E. Ridenour Faculty Fellowship; and

WHEREAS, though Minnis has never sought recognition for his achievements, the National Association of College and University Business Officers (NACUBO) honored him in 2001 with their National Distinguished Business Officer Award; and

WHEREAS, at Minnis Ridenour's retirement celebration in 2004, then-President Steger remarked that, "He is one of the most visionary people of our time . . . He has spent three decades in successively more influential roles practicing his craft, making us a better university, and painting his vision on the fabric of American education"; and

WHEREAS, Virginia Tech would be proud to claim Minnis Ridenour among its honorary alumni;

NOW, THEREFORE, BE IT RESOLVED, that in tribute to Minnis Ridenour for living the spirit of *Ut Prosim* through his selfless work over more than four decades—mentoring the students, faculty, and staff of Virginia Tech, and advancing the missions of the university and higher education in general across the state and nation while sacrificing his personal dream of pursuing a doctoral degree—the Board of Visitors of Virginia Polytechnic Institute and State University hereby confers upon Minnis E. Ridenour the Honorary Degree (GRADUM HONORS CAUSA) of Doctor of Letters, which is only the tenth honorary degree awarded in the history of the university.

RECOMMENDATION:

That the above resolution conferring upon Minnis E. Ridenour the rare distinction of an Honorary Doctor of Letters Degree be approved.

Faculty Personnel Changes Report

ACADEMIC, RESEARCH, AND STUDENT AFFAIRS COMMITTEE AND FINANCE AND RESOURCE MANAGEMENT COMMITTEE

Quarter ending December 31, 2017

The Faculty Personnel Changes Report includes new appointments and adjustments in salaries for the general faculty, including teaching and research faculty in the colleges, and for administrative and professional faculty that support the university including the library, extension, academic support, athletics, and administration. The report is organized by senior management area (college or vice presidential area).

Since the last Board meeting, the university has made the following faculty personnel appointments and salary adjustments:

Teaching and Research Faculty New Appointments with Tenure or Continued Appointment New Appointments to Tenure-Track or Continued Appointment-Track New Appointments to Non-Tenure Track	8 11 0
Adjustments in Salary One-time payments	7 0
Administrative and Professional Faculty New Appointments	0
Adjustments in Salary One-time payments One-time payments for Post-Season Sports Events	31 1 0
Research Faculty Adjustments	1

RECOMMENDATION:

That the Board ratify the Faculty Personnel Changes Report

March 25, 2018

FACULTY PERSONNEL CHANGES March 25, 2018

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

					CURRENT ACTION			
			REG or		EFF DATE	% APPT	ANNUAL	RATE
NAME	TITLE	DEPARTMENT	RSTR	MONTHS			BASE	ONE-TIME
Agriculture & Life Sciences								
Evans, Michael	Professor - Tenured	School of Plant and Environmental Sciences	Reg	12	16-Apr-18	100	\$ 190,000	
Feuerbacher, Erica	Assistant Professor	Animal & Poultry Sciences	Reg	9	25-Dec-17	100	\$ 82,500	
Jarome, Timothy	Assistant Professor	Animal & Poultry Sciences	Reg	9	25-Dec-17	100	\$ 87,500	
Vinauger, Clement	Assistant Professor	Biochemistry	Reg	9	10-Oct-17	100	\$ 80,000	
Architecture & Urban Studies								
Stamm, Marcelo	Professor - Tenured	School of Architecture + Design	Reg	9	10-Apr-18	100	\$ 118,000	
<u>Business</u>								
Adjerid, Idris	Associate Professor - Tenured	Business Information Technology	Reg	9	10-Aug-18	100	\$ 250,000	
Edelen, Roger	Associate Professor - Tenured	Finance, Insurance and Business Law	Reg	9	10-Aug-18	100	\$ 275,000	
Lowry, Paul	Professor - Tenured	Business Information Technology	Reg	9	1-Sep-18	100	\$ 400,000	
Engineering								
Acar, Pinar	Assistant Professor	Mechanical Engineering	Reg	9	25-Dec-17	100	\$ 96,000	
Hildebrand, Robert	Assistant Professor	Industrial & Systems Engineering	Reg	9	25-Dec-17	100	\$ 98,000	
Liu, Chen-Ching	Professor - Tenured	Electrical & Computer Engineering	Reg	9	10-Jan-18	80	\$ 240,000	
Spinei Lind, Elena	Assistant Professor	Electrical & Computer Engineering	Reg	9	10-Nov-17	100	\$ 95,000	
Natural Resources								
Escobar, Luis	Assistant Professor	Fish and Wildlife Conservation	Reg	9	1-Oct-17	100	\$ 82,000	
Schons, Stella	Assistant Professor	Forest Resources and Environmental Conservation	Reg	9	25-Sep-17	100	\$ 75,000	
Shuai, Li	Assistant Professor	Sustainable Biomaterials	Reg	9	1-Nov-17	100	\$ 77,000	
<u>Science</u>								
Ashkar, Rana	Assistant Professor	Physics	Reg	9	25-Dec-17	100	\$ 85,000	

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continued

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

						CURRENT ACTION				
			REG or		EFF DATE	% APPT	ANNUA	L RATE		
NAME	TITLE	DEPARTMENT	RSTR	MONTHS			BASE	ONE-TIME		
<u>Veterinary Medicine</u>										
Duggal, Nisha	Assistant Professor	Biomedical Sciences & Pathobiology	Reg	12	25-Dec-17	100	\$ 118,667			
Lee, Margie	Professor - Tenured	Biomedical Sciences & Pathobiology	Reg	12	10-Apr-18	100	\$ 220,000			
Pithua, Patrick	Associate Professor - Tenured	Population Health Sciences	Reg	9	10-Aug-18	100	\$ 126,666			

TEACHING AND RESEARCH FACULTY

						CURRENT		
			REG or		EFF DATE	% APPT	ANNUAL	
NAME	TITLE	DEPARTMENT	RSTR	MONTHS			BASE	ONE-TIME
Agriculture & Life Sciences								
Daniels, Walter	Professor	Crop and Soil Environmental Sciences	Reg	9	25-Nov-17	100	\$ 167,838	
Architecture & Urban Studies								
Edisis, Adrienne	Assistant Professor	School of Public & International Affairs	Reg	9	25-Dec-17	100	\$ 92,500	
<u>Business</u>								
Khansa, Lara	Associate Professor	Dean of Business	Reg	12	1-Nov-17	100	\$ 275,000	
Engineering								
Black, Jonathan	Professor	Aerospace & Ocean Engineering	Reg	12	10-Aug-17	100	\$ 199,184	
<u>Science</u>								
Kimbrough, Ian	Collegiate Assistant Professor	Neuroscience	Reg	9	25-Dec-17	100	\$ 80,000	
Veterinary Medicine			_					
Daniel, Gregory	Professor	Dean, Veterinary Medicine	Reg	12	1-Nov-17	100	\$ 250,000	
Henaeo Guerrero, Piedad	Associate Professor	Small Animal Clinical Science	Reg	12	1-Nov-17	100	\$ 151,800	

ADMINISTRATIVE AND PROFESSIONAL FACULTY

					CURRENT ACTIO			
			REG or		EFF DATE	% APPT	ANNUA	
NAME	TITLE	DEPARTMENT	RSTR	MONTHS			BASE	ONE-TIME
Agriculture & Life Sciences								
Hale, Shalin	Business Operations Manager	CALS Admin	Reg	12	10-Oct-17	100	\$ 58,000	
Executive Vice President & P	rovost							
Clarke, Cyril	Interim Executive Vice President & Provost	Provost Administration	Reg	12	1-Nov-17	100	\$ 400,000	
Daku, Lefter	Assistant Dean of Finance	Honors College	Reg	12	10-Dec-17	100	\$ 125,000	
Espinoza, Juan	Assistant Vice Provost for Enrollment Management	Enrollment Management	Reg	12	25-Nov-17	100	\$ 140,000	
Garrett, Alphonso	Director of Undergraduate Diversity Recruitment Initiatives	Undergraduate Admissions	Reg	12	10-Sep-17	100	\$ 61,079	
Holloway, Rachel	Vice Provost, Undergraduate Academic Affairs	Undergraduate Academic Affairs	Reg	12	25-Nov-17	100	\$ 224,000	
Miller, Mallory	Project Director	Senior Fellow for Resources	Reg	12	10-Dec-17	100	\$ 55,000	
Smith, Kenneth	Vice Provost, Resource Management & Planning	Academic Resources Management	Reg	12	25-Nov-17	100	\$ 218,900	
Spangler, Cynthia	Academic Budget Manager	Academic Resources Management	Reg	12	25-Nov-17	100	\$ 100,000	
Graduate School								
Lawrence, Kacy	Director of Assessment and Strategic Data Initiatives	Dean - Graduate School	Reg	12	10-Oct-17	100	\$ 85,000	
Walton, William	Director, Finance and Administration	Dean - Graduate School	Reg	12	10-Dec-17	100	\$ 125,750	
Liberal Arts& Human Science	<u>s</u>							
Blieszner, Rosemary	Dean	Dean - Liberal Arts & Human Sciences	Reg	12	25-Aug-17	100	\$ 267,500	

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ADMINISTRATIVE AND PROFESSIONAL FACULTY

						CURRENT	ACTION	
			REG or		EFF DATE	% APPT	ANNUA	1
NAME	TITLE	DEPARTMENT	RSTR	MONTHS			BASE	ONE-TIME
<u>President</u>								
Bennington, Kelly	Senior Auditor	University Internal Audit	Reg	12	20-Nov-17	100	\$ 85,000	ı
Sabantino, Daniel	Assistant Director, HokieVision	Athletics	Reg	12	25-Sep-17	100	\$ 51,000	J
Walls, Brian	Senior Director, Broadcast Operations	Athletics	Reg	12	10-Oct-17	100	\$ 67,513	1
Vice President for Advancem	<u>ient</u>							
Bauschelt, Andrew	Annual Fund Giving Officer	Virginia Tech Athletic Fund	Reg	12	10-Dec-17	100	\$ 48,000	i
Massengill, Evan	Annual Fund Giving Officer	Virginia Tech Athletic Fund	Reg	12	10-Dec-17	100	\$ 48,000	ı
Schramm, Melanie	Director of Marketing, University Relations	University Relations	Reg	12	25-Nov-17	100	\$ 95,000	I
Vice President for Finance ar	nd CFO							
Broyden, Robert	Associate Vice President for Capital Assets and Financial Management	Capital Assets and Financial Management	Reg	12	10-Sep-17	100	\$ 216,200	ı
Hodge, Timothy	Associate Vice President for Budget and Financial Planning	Budget and Financial Planning	Reg	12	10-Sep-17	100	\$ 226,050	ı
Miller, Kenneth	Assistant Vice President of Finance and Controller	Controller's Office	Reg	12	10-Sep-17	100	\$ 231,263	i
Vice President for Human Re	sources							
Luketic, Christine	Director, HR Analytics and Reporting	Human Resources	Reg	12	25-Oct-17	100	\$ 105,000	ı
Vice President for Informatio	n Technology							
Feng, Rui	Lead Applications Analyst	Human Resources Applications	Reg	12	10-Nov-17	100	\$ 77,000	l
Kampanya, Nithiwat	Lead Cloud Application Developer	Cyber-Range	Reg	12	25-Sep-17	100	\$ 95,000	J

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ADMINISTRATIVE AND PROFESSIONAL FACULTY

						CURRENT	ACTION		
			REG or		EFF DATE	% APPT	ANNUAL	RATE	
NAME	TITLE	DEPARTMENT	RSTR	MONTHS			BASE	ONE-TIME	
Vice President for Operations									
Franklin, Lance	Assistant Vice President for Environmental Health and Safety	Environmental Health and Safety	Reg	12	30-Sep-17	100	\$ 186,022		
McCoy, Heidi	Assistant Vice President for Operations Shared Services	Vice President for Operations	Reg	12	25-Dec-17	100	\$ 190,000		
Porterfield, Curt	Health and Safety Trainer Coordinator	Environmental Health and Safety	Reg	12	30-Sep-17	100	\$ 69,946		
Soileau, Jason	Assistant Vice President, Office of University Planning	University Planning	Reg	12	31-Dec-17	100		\$ 10,000	
Trent, Jewel Andrew	Compliance Safety Officer	Environmental Health and Safety	Reg	12	10-Dec-17	100	\$ 60,000		
Watson, Kern	Health and Safety Trainer Coordinator	Environmental Health and Safety	Reg	12	30-Sep-17	100	\$ 68,488		
Vice President for Policy and G	<u>Sovernance</u>								
Harris, Deanna	Director of University Policy Development and Coordination	Vice President for Policy and Governance	Reg	12	10-Nov-17	100	\$ 100,000		
Vice President for Research									
Byrd, Kimberly Lynn	Human Resources Project Manager	Vice President for Research	Reg	12	1-Oct-17	100	\$ 89,778		

RESEARCH FACULTY

ADJUSTMENTS

						CURRENT	ACTION	
			REG or		EFF DATE	% APPT	ANNUAL	RATE
NAME	TITLE	DEPARTMENT	RSTR	MONTHS			BASE	ONE-TIME

Engineering

Cvetkovic, Igor Research Scientist Center for Power Electronics Systems Reg 12 16-Oct-17 100 \$ 125,000

Personnel Changes Report - Addendum A Annual Base Compensation: Athletic Employment Contracts Calendar Year 2018

		(CY 2018
Justin Fuente			
Head Coach	Base Salary (contract ends 12/31/24)	\$ •	550,000
Football	Courtesy Cars (2)	\$ •	18,500
	Blacksburg Country Club (est.)	\$ •	3,285
	Supplemental Compensation	\$ •	2,850,000
	Retention bonus (if employed as HC on 4/1/18)	\$ •	300,000
	Retention Bonus (due 8/1/18)	\$ •	300,000
	Total Compensation	\$;	4,021,785

RESOLUTION ON NAMING THE THOMAS M. WELLS AND KATHY DARGO CENTER FOR EMERGING ISSUES IN ACCOUNTING IN THE PAMPLIN COLLEGE OF BUSINESS

WHEREAS, the late Thomas M. Wells '73 who graduated from Virginia Tech with a Bachelor of Science degree in Accounting from the Pamplin College of Business and attained the position of senior vice president and chief financial officer of GEICO Corporation, and his widow, Kathy Dargo, were loyal friends and supporters of Virginia Tech; and

WHEREAS, the late Mr. Wells and Ms. Dargo were always active proponents of further enhancing the reputation of Virginia Tech, the Pamplin College of Business, and the Department of Accounting and Information Systems, and enabling the college and department to recruit and retain the brightest and most elite faculty scholars in the nation, while also seeking to strengthen the teaching and learning experience; and

WHEREAS, Thomas and Kathy were extremely generous by establishing The Thomas M. Wells Endowed Scholarship in Accounting and the Wilbur Francis Wells Memorial Scholarship, which provide outstanding support to the Pamplin College of Business and the College of Science; and

WHEREAS, Kathy made a very generous provision in her estate plans to provide outstanding future support to the Pamplin College of Business and the Department of Accounting documented in 2010; and

WHEREAS, Kathy had a passion and love for horses and passed away from a riding accident in 2016, doing what she loved; and

WHEREAS, Thomas and Kathy have been valued members of the university community and have been recognized as members of the Ut Prosim Society, the university's most prestigious donor recognition society; and

WHEREAS, the Board of Visitors agreed to the naming of the Thomas M. Wells Center for Emerging Issues in Accounting on August 30, 2010, upon receipt of funding from Ms. Dargo's estate at a future date; and

WHEREAS, Ms. Dargo made a request of the Development Office in 2012 to have her name also added to the Center, and it is the desire of the Pamplin College of Business to honor this request due to Ms. Dargo's untimely passing and the receipt of funding in 2017;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Thomas Wells and Kathy Dargo, and in recognition of their collective philanthropy to the university, the Department of Accounting and Information Systems in the Pamplin College of Business will establish The Thomas M. Wells and Kathy Dargo Center for Emerging Issues in Accounting; and

BE IT FURTHER RESOLVED that this resolution supersedes the resolution passed by the Board of Visitors on August 30, 2010, naming the Thomas M. Wells Center for Emerging Issues in Accounting.

RECOMMENDATION:

That the above resolution naming of the Thomas M. Wells and Kathy Dargo Center for Emerging Issues in Accounting be approved.

RESOLUTION ON NAMING THE THOMAS M. WELLS CENTER FOR EMERGING ISSUES IN ACCOUNTING IN THE PAMPLIN COLLEGE OF BUSINESS

WHEREAS, the late Thomas M. Wells '73 who graduated from Virginia Tech with a bachelor of science degree in Accounting from the Pamplin College of Business and attained the position of senior vice president and chief financial officer of GEICO Corporation, and his widow, Kathy Dargo, is a loyal friend and supporter of Virginia Tech; and

WHEREAS, the late Mr. Wells and Ms. Dargo have always been active proponents of further enhancing the reputation of Virginia Tech, the Pamplin College of Business and the Department of Accounting and Information Systems, and enabling the college and department to recruit and retain the brightest and most elite faculty scholars in the nation, while also seeking to strengthen the teaching and learning experience; and

WHEREAS, Thomas and Kathy have been extremely generous by establishing The Thomas M. Wells Endowed Scholarship in Accounting and the Wilbur Francis Wells Memorial Scholarship, which provide outstanding support to the Pamplin College of Business and the College of Science; and

WHEREAS, Kathy has made a very generous provision in her estate plans to provide outstanding future support to the Pamplin College of Business and the Department of Accounting; and

WHEREAS, Thomas and Kathy have been valued members of the university community and have been recognized as members of the Ut Prosim Society, the university's most prestigious donor recognition society, at the benefactor level;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Thomas Wells and Kathy Dargo, and in recognition of past and future benefits to the university, the Department of Accounting and Information Systems in the Pamplin College of Business will establish upon receipt of funding The Thomas M. Wells Center for Emerging Issues in Accounting.

RECOMMENDATION:

That the above resolution naming of the Thomas M. Wells Center for Emerging Issues in Accounting be approved.

August 30, 2010

<u>NOTE</u>: Above is the original resolution submitted and approved in August 2010. The request is to amend the name of the center to also include Ms. Dargo's name, making the new name the **Thomas M. Wells and Kathy Dargo Center for Emerging Issues in Accounting.** It also modifies the provisional status, since the funds have been received due to Ms. Dargo's untimely passing.

RESOLUTION ON NAMING AN INDOOR TENNIS COURT FOR THE CORBIN BAILEY '58 FAMILY

WHEREAS, Corbin Bailey, a class of 1958 graduate of the College of Business, has been a loyal supporter of the Virginia Tech Athletic Fund; and

WHEREAS, Corbin Bailey has provided major support to the Virginia Tech Athletic Department; and

WHEREAS, Corbin Bailey is a Hokie Benefactor with the Virginia Tech Athletic Fund, having contributed over \$100,000 in lifetime giving;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Corbin Bailey for his generosity towards Virginia Tech and the Department of Athletics, that an indoor tennis court be named the Corbin Bailey Family: Bradford, Ginger, Brian, Erika, Maggy, Anne Corbin, Nicholas and Carson Tennis Court.

RECOMMENDATION:

That the above resolution naming the Corbin Bailey Family: Bradford, Ginger, Brian, Erika, Maggy, Anne Corbin, Nicholas and Carson Tennis Court be approved.

March 26, 2018

RESOLUTION ON NAMING A GROUP STUDY ROOM ON THE FOURTH FLOOR OF NEWMAN LIBRARY FOR ERIN CLARK HENRY '02, PHD, AND TRAVIS HENRY '02, MD

WHEREAS, Thomas R. and Ann M. Clark are the parents of Erin Clark Henry, who graduated from Virginia Tech in 2002 with a Bachelor of Science degree from the College of Agriculture and Life Sciences; and

WHEREAS, Tom Clark has retired following a successful and respected career with the Federal Agricultural Mortgage Corporation; and

WHEREAS, Tom and Ann Clark have been recognized as Benefactor members of the Ut Prosim Society and also members of the Legacy Society for their philanthropy to the university which has included support for the University Libraries and the Honors College with considerable support provided to support renovations to the Newman Library; and

WHEREAS, Tom and Ann Clark wish to pay tribute to their daughter, Erin Clark Henry, and their son in-law, Travis Henry; and

WHEREAS, Tom and Ann Clark, and Erin Clark Henry and Travis Henry have been, and continue to be, valued members of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Tom and Ann Clark, and in recognition of past and future benefits to the university, one small group study space on the fourth floor of Newman Library will be known as the Erin Clark Henry '02, PhD, and Travis Henry '02, MD, Group Study Room.

RECOMMENDATION:

That the above resolution naming the Erin Clark Henry '02, PhD, and Travis Henry '02, MD, Group Study Room be approved.

March 26, 2018

RESOLUTION ON NAMING A GROUP STUDY ROOM ON THE FOURTH FLOOR OF NEWMAN LIBRARY FOR LISA CLARK LECOCQ '04

WHEREAS, Thomas R. and Ann M. Clark are the parents of Lisa Clark LeCocq, who graduated from Virginia Tech in 2004 with a Bachelor of Arts degree from the College of Liberal Arts and Human Sciences; and

WHEREAS, Tom Clark has retired following a successful and respected career with the Federal Agricultural Mortgage Corporation; and

WHEREAS, Tom and Ann Clark have been recognized as Benefactor members of the Ut Prosim Society and also members of the Legacy Society for their philanthropy to the university which has included support for the University Libraries and the Honors College with considerable support provided to support renovations to the Newman Library; and

WHEREAS, Tom and Ann Clark wish to pay tribute to their daughter, Lisa Clark LeCocq; and

WHEREAS, Tom and Ann Clark and Lisa Clark LeCocq have been, and continue to be, valued members of the university community;

NOW, THEREFORE, BE IT RESOLVED, that in acknowledgement of the service and generosity of Tom and Ann Clark and in recognition of past and future benefits to the university, one small group study space on the fourth floor of Newman Library will be known as the Lisa Clark LeCocq '04 Group Study Room.

RECOMMENDATION:

That the above resolution naming the Lisa Clark LeCocq '04 Group Study Room be approved.

March 26, 2018

Virginia Tech Board of Visitors Meeting

Information Session

Sunday, March 25, 2018 1:30 - 3:00 p.m.

The Inn-- Solitude Room Virginia Tech Campus

Sexual Assault Presentation

• Dr. Kelly Oaks, Assistant Vice President for Equity and Accessibility

InclusiveVT Presentation

 Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs & Vice Provost for Inclusion and Diversity

Strategic Plan Briefing

 Dr. Menah Pratt-Clarke, Vice President of Strategic Affairs & Vice Provost for Inclusion and Diversity

Legislative Update

- Mr. M. Dwight Shelton, Jr., Vice President for Finance and Chief Financial Officer
- Mr. Chris Yianilos, Executive Director of Government Relations
- Ms. Elizabeth Hooper, Director of State Government Relations



Addressing and Responding to Sexual Misconduct

Kelly Oaks, PhD

Assistant Vice President for Equity & Accessibility

Title IX Coordinator

Presentation to the Board of Visitors, March 25, 2018

Equity & Accessibility

- Civil Rights Compliance University Policy 1025, Title IX and the Violence Against Women Act (VAWA)
- Affirmative Action (EO 11246)
- University ADA, Section 504, and Accessibility Services
- Training, Education and Outreach
- Conflict Resolution
- Website: www.oea.vt.edu



Framework for Responding to Sexual Misconduct

- University Policy 1025
- Student Code of Conduct
- **Title IX** Applies to <u>entire campus</u>, covers sex/gender
 - OCR creates Guidelines & provides oversight
 - DOJ/DOE Compliance Requirements
- **Title VII** Limited to employment only (covers sex, race, religion and national origin)
- Violence Against Women (VAWA) Act & SaVE Act (March, 2013)
- Case law

sources: NCHERM, EEOC



Title IX

"No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance."

Title IX of the Education Amendments of 1972



Notice & Liability

- Notice standard used by OCR includes actual notice and constructive notice
- Constructive notice includes all complaints about which the university knew or should have known
- EEOC Vicarious Liability

Source: NCHERM, EEOC



The IX Commandments

Thorough	Reliable	Impartial
Prompt	Effective	Equitable
End the Discrimination	Prevent its Recurrence	Remedy the effects upon the victim & community

Investigation

Process

Remedies



Trends – Employee Misconduct

- CY 2017 OEA received 171 contacts in the form of consultations, referrals, complaints, or disclosures from responsible employees of possible policy 1025 violations
- Formal investigations (policy 1025)
 - 12 sex/gender, sexual orientation, gender identity, gender expression
 - 6 race and/or national origin
 - 4 disability status
 - 3 age
 - 3 retaliation
 - 2 two or more protected categories



Trends – Student Sexual Misconduct

- 187 reports were received during AY 2016-17
 - 88 sexual assault
 - 47 harassment
 - 35 intimate partner violence
 - 14 stalking
 - 3 sexual exploitation
 - 63 incidents occurred on campus



Trends - External Complaints

- EEOC Complaints (CY 2017)
 - 3 race
 - 1 disability
 - 1 sex
 - 1 age
 - 1 retaliation
- OCR Complaints (CY 2017)
 - 5 disability
 - 2 retaliation



Best Practices & University Process

- Independence of Title IX Coordinator
- Mandatory & ongoing training requirements
- Identification of responsible employees & confidential resources
- Annual training for all individuals involved in complaint process
- Title IX Advisory Council
- Ongoing outreach & prevention education



Summary

- VT has processes and procedures in place to address sexual misconduct
- The institution has notice of sexual misconduct when a responsible employee receives a report
- The effectiveness of our processes is dependent on the users



Questions?

Video: The Ut Prosim Imperative

CTRL + CLICK to follow link:

https://www.youtube.com/watch?v=ZpH-sxarD7k

Summary of the Ut Prosim Imperative Advancing Diversity Lecture Presented by Menah Pratt-Clarke January 9, 2018

The Ut Prosim Imperative lecture at the 2018 Advancing Diversity Conference is a series of reflections about Virginia Tech, informed by the Advancing the Human Condition conference, the work of the Council on Virginia Tech's History, Beyond Boundaries, Inclusive VT, the new branding efforts, our motto, the changing demographics in the state of Virginia, and the strategic planning process. The goal of the talk was to offer the concept of the Ut Prosim Imperative as a cohesive and unifying theme for our identity as an institution that closely connects these seemingly disparate concepts. The central assertion is that our motto creates an obligation to prepare our students to be leaders in an increasingly diverse world impacted by religion, language, race, culture, politics, technology, and economics. The land-grant imperative (creating opportunities for citizens who have often been outliers and outsiders), the demographic imperative (responding to the changing demographics in Virginia), and the business imperative (meeting the workforce needs of the state) challenge Virginia Tech to be a destination for talent that reflects the diversity of society. Equally importantly, the Ut Prosim Imperative argues that Virginia Tech must create and sustain an environment and community that provides students with a tool kit that allows them to be leaders in a diverse society with a commitment to advancing the human condition through a comprehensive appreciation, understanding, and respect for different identities, backgrounds, and experiences.

Strategic Planning Process Update

Menah Pratt-Clarke
Vice President for Strategic Affairs

Strategic Planning Process Update March 16, 2018



<u>Overview</u>

- Beyond Boundaries Summary
- Strategic Planning Committee Structure
- Leadership Team
- Spring Planning Process
- Timeline





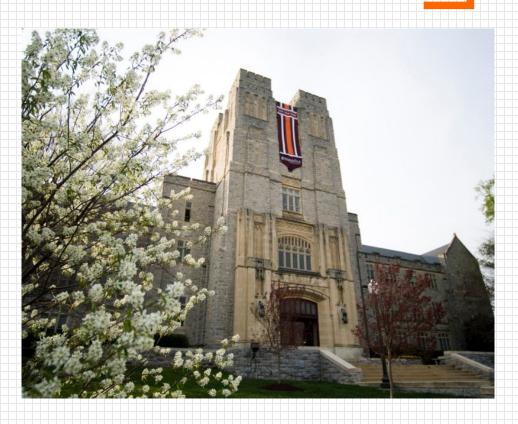
Beyond Boundaries: A 2047 Vision

- Purpose:
 - Foundation for a vision for VT a generation into the future
- Guiding Frameworks:
 - Thematic Areas
 - Discovery Concepts
 - Current Initiatives

- Goals:
 - Advance VT as a internationally recognized global land-grant
 - Respond to challenges and opportunities in the changing higher education landscape



Strategic Planning Committee Structure



Steering Committee Advisory Committee Metrics Research (Rankings) Subcommittee Subcommittee **SWOT** Data Analysis Analysis Workgroup Workgroup





Leadership Team

Office for Strategic Affairs

Menah Pratt-Clarke, Vice President for Strategic Affairs

Erin McCann, Director of Strategic Planning

Patty Becksted, Assistant Director of Strategic Planning

Agnes Porter, Program Manager for Strategic Affairs

Steering Committee

Ronald Fricker, Professor and Head, Statistics, College of Science

Matthew Holt, Professor and Department Head, Ag & Applied Economics, College of Agriculture and Life Sciences

Sylvester Johnson, Assistant Vice Provost for the Humanities, College of Liberal Arts and Human Sciences

Anne Khademian, Professor and Director, School of Public & International Affairs, College of Architecture and Urban Studies

Lara Khansa, Associate Dean for Undergraduate Programs, Pamplin College of Business

Benjamin Knapp, Professor and Director, Institute for Creativity, Arts, and Technology

Theresa Mayer, Vice President for Research and Innovation

Mallory Miller, Project Manager, Academic Resource Management, Office of the Executive Vice President and Provost



Spring Planning: Retreat 1, January 10, 2018

- Pathways/ VT Shaped/Experiential Learning/DAs/SGAs Rachel Holloway
- Graduate Education, IGEPs Karen Depauw
- Student Affairs Patty Perillo
- Research Enterprise/Institutes/DA/SGA Theresa Mayer
- Master Plan Jason Soileau
- External Affairs & Outreach NCR Steve McKnight, Nick Stone
- International and Outreach Guru Ghosh
- Roanoke and HS&T Center Mike Friedlander
- Financial Affairs Tim Hodge, Ken Smith
- InclusiveVT Menah Pratt-Clarke





Spring Planning Retreat 2, January 26, 2018

- Corp of Cadets Randy Fullhart
- Human Resources Lisa Wilkes
- Information Technology Scott Midkiff
- Learning Systems and Destination Areas - Don Taylor
- Library Services Tyler Walters
- University Relations Tracy Vosburgh
- Faculty Affairs Jack Finney
- Advancement Charles Phlegar
- Government Relations Chris Yianilos

10/17/17

VZZZ VIRGINIA TECH

Strategic Planning Retreat 3 - February 9, 2018

- Dean of Science Sally Morton
- Dean of Engineering Julie Ross
- Associate Dean of Business Kevin Carlson
- Athletics Whit Babcock
- Enrollment Management Luisa Havens
- Virginia Cooperative Extension Cathy Sutphin
- Dean of CLAHS Rosemary Blieszner
- Dean of CNRE Paul Winistorfer
- Dean of CAUS Richard Blythe
- Dean of Veterinary Medicine Gregory Daniel
- Dean of CALS Alan Grant
- VT Carilion School of Medicine Dan Harrington

Jinia Tech • A



Working Timeline: January 2018 to May 2019



- Information gathering.
 - > January 2018 May 2018
- Develop draft mission, vision, core values and objectives.
 - March 2018 May 2018
- Campus engagement and communication.
 - April 2018 May 2018
- Data analysis to formulate goals and metrics.
 - June 2018 thru August 2018
- Re-engage campus with Strategic Framework.
 - > September 2018 thru December 2018
- ☐ Finalize Strategic Framework.
 - January 2019- May 2019
- Continuous Evaluation and Implementation



Questions



Review of 2018 Legislative Session

March 25, 2018

CHRIS YIANILOS

EXECUTIVE DIRECTOR OF GOVERNMENT RELATIONS

ELIZABETH HOOPER

DIRECTOR OF STATE GOVERNMENT RELATIONS

DWIGHT SHELTON

INTERIM SENIOR VICE PRESIDENT FOR OPERATIONS AND ADMINISTRATION, VICE PRESIDENT FOR FINANCE AND CFO



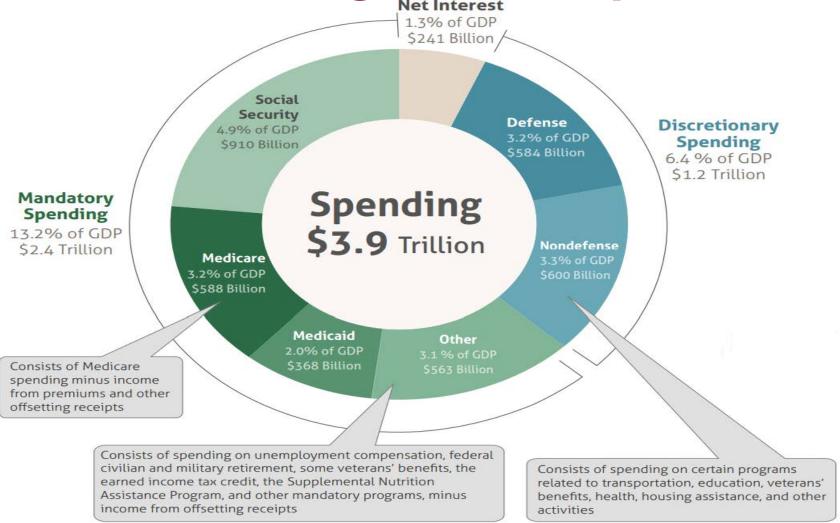
Attachment DD

Overview

- Federal Legislative Update
- General Assembly Legislative Update
- 2018-20 State Budget Update
 - Background and Current Events
 - Budget Actions
 - Timeline



Federal Legislative Update

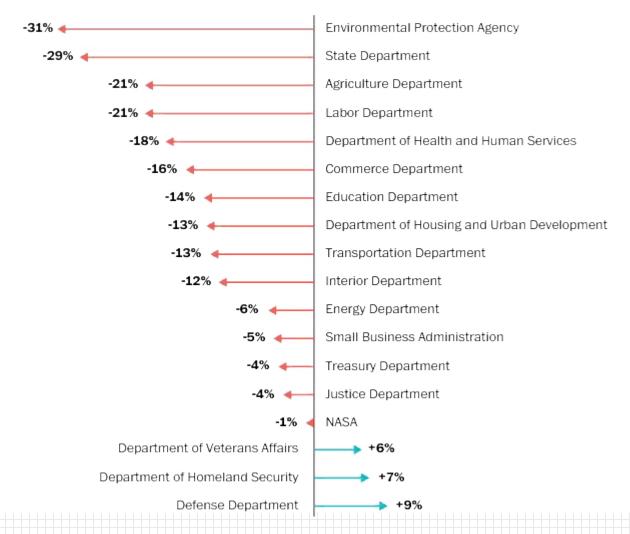






Federal Legislative Update

Federal Agencies Affected by the Administration's Proposed Budget







General Assembly Legislative Update

Legislation that FAILED TO PASS included:

- Student Housing (HB658) prohibited requiring students, outside of ROTC, to live on-campus
- Higher Education Funding (HB982) re-based state funding around a new (yet undefined) set of performance metrics.
- Restructuring Review (HJ80) called for a JLARC review of Level III management agreements
- Public Comment (HB1473/SB824) required opportunity for public comment prior to any governing board vote on tuition and fee increases.
- <u>Tuition Cap Legislation</u> several bills would have limited institutional authority to set tuition rates:
 - Four-year 'class cap' on tuition increases for each incoming cohort
 - Capping increases at various indices like the CPI or National Average Wage Index.
 - Required discounts for first responders, in-state tuition for National Guard
 - Legislation impacting pricing will be studied by the Joint Subcommittee on the Future Competitiveness of Higher Education prior to the 2019 session.



General Assembly Legislative Update

Legislation that PASSED included:

- Student Directory Information (HB1/SB512) Places requirements around the release of student directory information.
- <u>Dual Enrollment (HB3)</u> requires SCHEV and each public institution to establish:
 - Quality standards for dual enrollment courses.
 - Process to certify these courses as universal transfer courses that satisfy requirements at any public institution.
- <u>Campus Free Speech (HB344)</u> Requires the institution to develop policies and materials related to campus free speech, annually report on such policies, and make the Commonwealth aware of free speech complaints filed in court.
- Open Educational Resources (HB454) Directs the Board of Visitors to develop guidelines for the adoption and use of low-cost and no-cost Open Educational Resources.
- Substance Abuse Advisory Committee (HB852/SB120) Creates statewide Advisory Committee to develop strategic plan for substance use education, prevention, and intervention at Virginia's institutions of higher education.
- 911 Regional Authority (HB1500/SB821) Virginia Tech and three participating localities may develop funding formula based on usage data.
- <u>Cat and Dog Category E Research (SB28)</u> Prevents the Commonwealth from funding any medically unnecessary category E research using cats or dogs.
- Student Loan Information (SB568) Requires institutions to provide estimated loan repayment amounts to students each year





September 2017

- Governor provided opportunity for limited agency operating budget requests
- University submitted the 2018-24 Six-year Capital Plan
- University submitted nine requests for consideration in Governor's Executive Budget

December 2017	<u>2018-19</u>	<u>2019-20</u>
 Executive Budget Results: dollars in millions Restoration of Restructuring-related Financial Benefits (E&G Interest Earnings and Credit Card Purchase Rebate) 	\$ 0.7	\$ 0.7
 Undergraduate Student Financial Aid Increase 	0.5	1.6
 Maintenance Reserve funding Increase 	3.9	3.9





Environment:

- The economic climate in the state has steadily improved. There was cautious optimism that the state would outperform revenue estimates.
- Continued uncertainty due to federal budget and impact of federal tax reform on state revenue.
- S&P gave Virginia a "negative outlook" due to lack of reserve and structural imbalance
- University Budget Amendments to House and Senate:
 - Enrollment Growth
 - Research Health/Life Sciences, Cybersecurity, Decision Sciences and Data Analytics, Autonomous Systems
 - Unique Military Activities Support
 - Agriculture & Natural Resources Industry Initiative (Agency 229)
 - VTCRI Biosciences Addition Equipment and Furnishings
 - Planning for the Data Analytics and Decision Sciences Building
 - Planning for the Randolph Hall Renovation/Replacement





2018-20 State Budget Update Executive and Money Committees' Budgets

Incremental General Fund - dollars in millions

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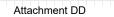
		Executive		
University Division E&G (Agency 208)	2018-19	2019	9-20	
Enrollment Growth	\$ -	-	\$ -	
Restoration of Interest Earnings/CC Rebate	0.7		0.7	
Subtotal University Division E&G	0.7	7	0.7	
Undergraduate Student Financial Aid	0.5	;	1.6	
Unique Military Activities		-	-	
Maintenance Reserve Support	3.9)	3.9	
Total University Division	\$ 5.1	\$	6.2	

House			
2018	8-19	201	9-20
\$	2.6	\$	5.2
	0.7		0.7
	3.3		5.9
	0.5		1.6
0.3			0.3
	3.9		3.9
\$	8.0	\$	11.7

Senate			
2018-19		2019-20	
\$	-	9	5 -
0	.7		0.7
0	.7		0.7
0	.2		8.0
-			-
3	.9		3.9
\$ 4	.8	\$	5.4

Totals exclude technical adjustments for current year costs totaling \$6.7 million, which are required to bring the university budget into alignment with the state as of July 1, 2018, and are not new resources. Totals also exclude state funding for proposed compensation and benefit adjustments in the new biennium.





2018-20 State Budget Update Executive and Money Committees' Budgets

Incremental General Fund – dollars in millions

VCE/VAES Division E&G (Agency 229)

Operation & Maintenance of New Facilities Soil Scientist Assistance Program

Total VCE/VAES Division

	Executive					
	2018-19	2019-20				
	\$ -	\$ -				
	-	-				
n	\$ -	\$ -				

	House			
4	201	8-19	201	9-20
	\$	0.5	\$	0.5
	0.2			0.2
	\$	0.7	\$	0.7

Senate				
2018-19 2019-20				
\$	-	\$ -		
	-	-		
\$	_	\$ -		

Totals exclude technical adjustments for current year costs totaling \$2.1 million, which are required to bring the university budget into alignment with the state as of July 1, 2018, and are not new resources. Totals also exclude state funding for proposed compensation and benefit adjustments in the new biennium.





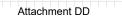
Compensation & Benefits Summary

	Executive	House	Senate
Faculty Salaries	2% increase, December 1, 2019	2% increase, June 10, 2019	2% increase, June 10, 2019 Contingent upon FY19 state revenues
Staff Salaries	2% increase, December 1, 2019	3% increase, June 10, 2019 Up to 2% bonus, December 1, 2018, Contingent upon FY18 state revenues	2% increase, June 10, 2019 Contingent upon FY19 state revenues
Health Insurance	Employee share of increase funded by state/university	No change to traditional employee/employer share of increase.	Employee share of increase funded by state/university

NGF Resource Requirement:

- University Division (Agency 208) is expected to share approximately 60% of the cost in E&G programs, and 100% of the cost in Auxiliary and Sponsored Programs.
- CE/AES (Agency 229) is expected to share approximately 5% of the cost in E&G programs.





Capital Projects Funding Summary

Proposed General Fund Support – dollars in millions

Replace Hampton Roads AREC

VTCRI Biosciences Addition – Equipment and Furnishings

Executive

_

-

House

Funded*

\$ 6.1

Senate

_

\$ 6.1

*Project included in construction pool in House Budget. Funding amount is not yet known.





Commonwealth Cyber Initiative (CyberX)

- House Budget provides \$50 million to develop an engine for research, innovation, and commercialization of cybersecurity technologies.
 - Virginia Tech would serve as the anchoring institution, or "Hub", in Northern Virginia.
 - Institutions throughout the Commonwealth would participate as "Spokes".
 - Goal to attract investment and grow talent pipeline in cyber workforce.
 - Proximity is crucial for developing knowledge clusters and innovation ecosystems
 - Facilitates collaboration between students, researchers, and firms to translate ideas into new products and services.



Attachment DD

New Partnership Proposal and VBHEC* Outcomes Agreement Proposal

- House Budget would direct the Joint Subcommittee on the Future Competitiveness of Higher Education in Virginia to identify policies and processes to align institutional programs and activities with strategic economic goals of the Commonwealth.
 - Focus on retaining human capital through internships, work-study, and other experiential learning opportunities
 - Language also directs the Joint Subcommittee to evaluate policies and practices related to affordability
- <u>Senate Budget</u> would direct the Joint Subcommittee to develop individual <u>outcome</u> agreements with Level III institutions on goals, initiatives, and mutual expectations to advance strategic objectives of the Commonwealth.
 - Provides authority to Op-Six group to expedite development of pilot outcome agreements in 2018
 - Implementation of pilot agreement would need majority approval from members of the Joint Subcommittee
 - Could include enhanced enrollment autonomy in exchange for state goal achievement

*Virginia Business Higher Education Council





Statewide Internship Pilot Program

- House Budget allows use of existing General Fund scholarship allocation for internships.
 - Prioritizes use for students in Data Science & Technology, Science & Engineering, Health Care, and Education
 - Grant must be matched equally with non-state funding (private partner) and/or by institution with private funds
- Senate Budget provides \$400,000 General Fund over biennium for pilot program.
 - Grants awarded on a competitive basis with criteria determined by SCHEV
 - Grant must involve a private sector partner and be matched equally by non-state funding
 - Designed to meet strategic workforce needs of the Commonwealth, support regional economic growth and diversification plans (GO Virginia), stimulate research and commercialization, and enhance job readiness





Timeline

General Assembly Calendar

- Adjourned on March 10th
 - No final budget was passed
- Governor Northam has called for an April 11th Special Session for General Assembly to complete work on the state budget
- Reconvened (Veto) Session scheduled to begin on April 18th
 - Review Governor vetoes and amendments to legislation





Discussion

