

Virginia Tech Board of Visitors Meeting

November 6-7, 2011

Information Session

Minutes

- A. **Minutes:** Academic Affairs Committee
- B. **Reaffirmation:** University Policy on Acceptance of Advanced Placement, International Baccalaureate, and Cambridge Advanced Examinations
- C. **Affirmation:** University Policy on Relief, Refund, and Reinstatement Guidelines for Active Duty Military Students
- D. **Resolution:** Discontinuance of the Executive Master's Degree in Information Security Assurance
- E. **Resolution:** Establishment of the Master of Science Degree and the Master of Engineering Degree in Nuclear Engineering
- F. **Resolution:** Establishment of the Ph.D. in Nuclear Engineering
- G. **Minutes:** Buildings and Grounds Committee
- H. **Resolution:** Regarding Admission of Montgomery County to Blacksburg-Christiansburg-VPI Water Authority
- I. **Resolution:** Appointments to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority
- J. **Resolution:** Demolition of University Building
- K. **Minutes:** Finance and Audit Committee
- L. **Resolution:** Approval of General Banking and Investment
- M. **Resolution:** Approval of the Policy Governing the Investment of University Funds
- N. **Resolution:** Approval of the Year-to-date Financial Performance Report (July 1, 2010 - September 30, 2011)
- O. **Resolution:** Approval of Pratt Fund Program and Expenditures Report
- P. **Resolutions:** Approval of Select Defined Contribution Plan Amendment
- Q. **Minutes:** Research Committee
- R. **Resolutions:** Exclusion of Certain Officers/Directors
- S. **Minutes:** Student Affairs and Athletics Committee
- T. **Report:** Research and Development Disclosures
- U. **Resolutions:** On External Awards
- V. **Resolutions:** Naming University Facilities
- W. **Resolution:** Approval of Emeritus Status (1)

X. [Resolutions](#): Approval of Endowed Chairs and Professorships and Fellowships (3)

Y. [Resolution](#): Approval of Exception to the Virginia Conflict of Interest Act (1)

Z. [Resolution](#): Ratification of the Personnel Changes Report

AA. [Reports](#): Constituent Reports

Board of Visitors Tour and Information Session

November 6, 2011

12:45 – 4:30 PM

Virginia Tech Visitor and Admissions Center

Open Session

12:45 – 1:15 p.m. **Tour of Virginia Tech Visitor and Admissions Center**

1:15 – 2:00 p.m. **Athletics Compliance and Finances Presentation**

- Mr. Tim Parker, Associate Director of Athletics for Compliance
- Ms. Lisa K. Rudd, Associate Director of Athletics for Financial Matters

2:00 – 3:00 p.m. **Update to the University Strategic Plan**

- Dr. Charles W. Steger, President
- Dr. Mark G. McNamee, Senior Vice President and Provost
- Mr. Earving L. Blythe, Vice President for Information Technology and Chief Information Officer
- Dr. Elizabeth A. Flanagan, Vice President for Development and University Relations
- Dr. William T. Lewis, Sr., Vice President for Diversity and Inclusion
- Mr. M. Dwight Shelton, Jr., Vice President for Finance and Chief Financial Officer
- Dr. Ray D. Smoot, Jr., University Treasurer & CEO/Secretary Treasurer VT Foundation
- Dr. Sherwood G. Wilson, Vice President for Administrative Services

3:00 – 3:30 p.m. **Grow by Degrees Presentation**

- Mr. Heywood Fralin, Virginia Business Higher Education Council

3:30 – 4:00 p.m. **Progress on the Development of the Long-Range Plan**

- Ms. Frances Keene, Director of Student Conduct
- Dr. Paul I. Knox, University Distinguished Professor & Fellow for International Advancement

Motion to Begin Closed Meeting

Closed Session

4:00 – 4:15 p.m. **Litigation Report – (Not for Approval)**

- Ms. Kay Heidbreder, University Counsel

Motion to Return to Open Session

Virginia Tech Athletics Department Financial Overview



General

Business Office Staff

- Business Manager
- Assistant Business Manager
- Accounting Services Specialist
- Administrative Manager/Travel Coordinator

Budgets

- Total Operating Budget \$38.6M
- Other Budgets \$18.2M



Operating Budget Revenues

- ACC Allocation (\$14.0M/36%)
- Football Tickets (\$10.2M/26%)
- Student Fees (\$5.8M/15%)
- Sports Marketing Contract (\$4.1M/10%)
- Basketball Tickets (\$2.4M/6%)
- Concessions (\$625K/2%)
- Interest (\$200K/1%)
- Other Revenues (\$1.8M/4%)



Operating Budget Expenses

- Salaries and Benefits (\$19.7M/51%)
- Team and Recruiting Travel (\$3.6M/9%)
- Administrative Charge (\$3.1M/8%)
- Utilities and Property Insurance (\$2.1M/5%)
- Game Operations (\$2.0M/5%)
- Facilities Maintenance (\$1.7M/4%)
- Sports Equipment (\$928K/2%)
- Other Expenses (\$5.5M/16%)



Other Budgets

Maintenance Reserve (\$772K)

- Recent uses include Lane Stadium restrooms, Cassell HVAC, outdoor track replacement, Cassell sidewalks

Debt Service (\$529K)

- Issued in 1996 for various improvement projects including Cassell Coliseum, Lane Stadium, and Rector Field House, and softball field construction



Other Budgets (cont'd)

Lane Stadium South End Zone (\$1.7M)

Lane Stadium West Side (\$4.0M)

- Supported by suite, club seat, and ticket revenue
- Expenses include debt, utilities, and maintenance

Capital Assessment Fee (\$700K)

- Supported by \$3 per game football ticket fee
- Hahn Hurst Basketball Practice Facility debt expense



Other Budgets (cont'd)

Scholarships (\$10.4M)

- Supported by Hokie Club donations and endowments
- Supports about 380 total student-athletes
- Limited by NCAA head count/equivalency maximums
- Approximately 75% out-of-state, 25% in-state



Virginia Tech Athletics Compliance

***Presentation to the Board of
Visitors***

11.06.11

Why has Virginia Tech not experienced the types of major violations that other high-level programs have?

- 1) Our athletics CEO is a former compliance director . . . he brings that mentality and understanding to the position.**

Why has Virginia Tech not experienced the types of major violations that other high-level programs have?



Why has Virginia Tech not experienced the types of major violations that other high-level programs have?

- 2) There is a strong focus on personal integrity and commitment to rules compliance when hiring coaches and administrators.**

Why has Virginia Tech not experienced the types of major violations that other high-level programs have?

3) Geographic location.



Miami





Los Angeles





Blacksburg



Faculty Athletics Representative (FAR)

A faculty athletics representative is a member of an institution's faculty or administrative staff who is designated by the institution's president or chancellor or other appropriate entity to represent the institution and its faculty in the institution's relationships with the NCAA and its conference(s), if any.

(NCAA Bylaw 4.02.2)

Faculty Athletics Representative (FAR)

Description of duties at Virginia Tech includes:

- **Represent VT in ACC and NCAA meetings.**
- **Informed of, and involved in, all investigations regarding alleged violations.**
- **Faculty advisor to the President on issues related to athletics.**
- **Oversight of senior compliance official.**
- **Knowledgeable of processes between athletics, and the offices of admissions, the registrar, and financial aid.**
- **Informed of all reported violations.**

“Institutional Control”

“The efforts institutions make to comply with NCAA legislation and to detect and investigate violations that do occur.

NCAA member institutions are obligated to maintain appropriate levels of institutional control.”

(NCAA website)

“Lack of Institutional Control”

“A lack of institutional control is found when it is determined that major violations occurred and the institution failed to display:

- **Adequate compliance measures.**
- **Appropriate education on those compliance measures.**
- **Sufficient monitoring to ensure the compliance measures are followed.**
- **Swift action upon learning of a violation.”**

(NCAA website)

“Failure to Monitor”

“A serious violation that is similar to lack of institutional control but considered less significant.

Violations that result from a failure to monitor are usually limited in scope and do not involve widespread inadequacies in compliance systems and functions that are often found in lack of institutional control cases.”

(NCAA website)

VT Athletics Compliance Philosophy

“Ask Before You Act.”

VT Athletics Compliance Philosophy

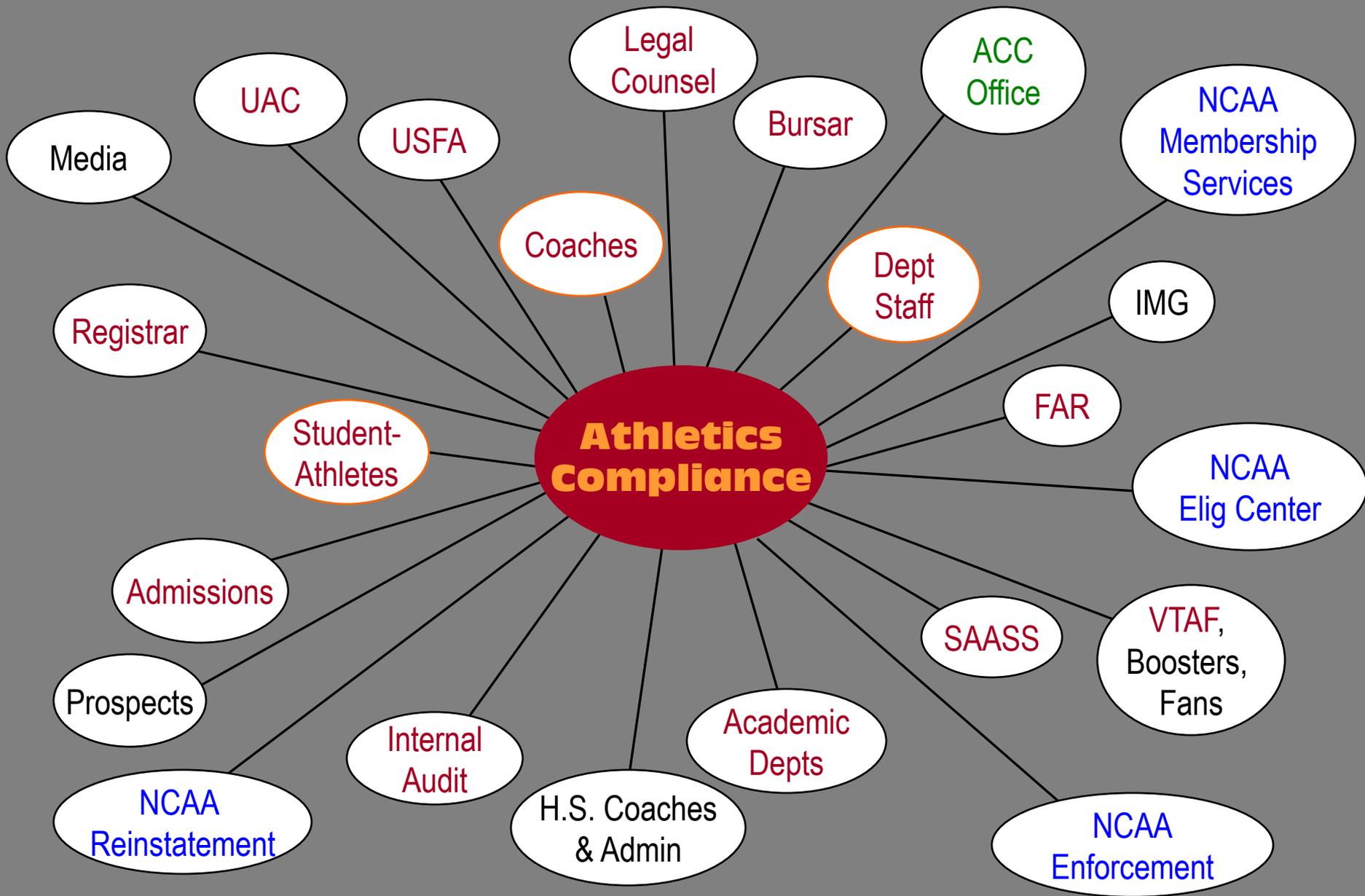
*The compliance staff
is the department's
insurance policy.*

VT Athletics Compliance Philosophy

*With regard to rules-related answers, there is no “gray”
the answer is either
black or white.*

VT Athletics Compliance Philosophy

*Work with coaching staffs
to identify permissible
avenues to meet objectives.*



THE ATHLETICS COMPLIANCE UNIVERSE

Athletics Compliance Team Roster



Bert Locklin
*Director of
Compliance*



Tim Parker
*Associate AD
for Compliance*



**Vickie
Sarfo-Kantanka**
Asst. Dir. of Compliance



**Bridget
McSorley**
Compliance Assistant



Heather LaFon
*Asst. Dir. For
Athletics Eligibility
& Financial Aid*



2011-12 NCAA®

DIVISION I **MANUAL**

EFFECTIVE
AUGUST 1, 2011

CONSTITUTION
OPERATING BYLAWS
ADMINISTRATIVE BYLAWS



2011-12 NCAA®

DIVISION I **MANUAL**

EFFECTIVE
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CONSTITUTION
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II. ORGANIZATION OF THE NCAA MANUAL

Divisions I, II and III each have a separate Manual that contains legislation specific to the applicable division and does not contain legislation pertaining only to one or both of the other divisions. However, legislation that includes references to one or both of the other divisions will appear in its entirety. In addition, since each division's Manual does not contain legislation specific to the other division(s), some bylaws may have gaps in the numbering sequence.

Constitution

Articles 1 through 6 are the constitution, which consists of information relevant to the purposes of the Association, its structure, its membership and legislative-process information, and the more important principles for the conduct of intercollegiate athletics.

- Article 1** Name, Purposes and Fundamental Policy
- Article 2** Principles for Conduct of Intercollegiate Athletics
- Article 3** NCAA Membership
- Article 4** Organization
- Article 5** Legislative Authority and Process
- Article 6** Institutional Control

Operating Bylaws

Articles 10 through 23 are the operating bylaws, which consist of legislation adopted by the membership to promote the principles enunciated in the constitution and to achieve the Association's purposes.

- Article 10** Ethical Conduct
- Article 11** Conduct and Employment of Athletics Personnel
- Article 12** Amateurism
- Article 13** Recruiting
- Article 14** Eligibility: Academic and General Requirements
- Article 15** Financial Aid
- Article 16** Awards, Benefits and Expenses for Enrolled Student-Athletes
- Article 17** Playing and Practice Seasons
- Article 18** Championships and Postseason Football
- Article 19** Enforcement
- Article 20** Division Membership
- Article 21** Committees
- Article 22** Athletics Certification
- Article 23** Academic Performance Program

Administrative Bylaws

Articles 31 through 33 are administrative bylaws, which set forth policies and procedures for the implementation of (a) the general legislative actions of the Association, (b) the NCAA championships and the business of the Association, (c) the Association's enforcement program and (d) the Association's athletics certification program. These administrative bylaws may be adopted or modified by the Division I Board of Directors or Legislative Council for the efficient administration of the activities that they govern. These same bylaws also may be amended by the membership through the regular legislative process.

- Article 31** Executive Regulations
- Article 32** Enforcement Policies and Procedures
- Article 33** Athletics Certification Policies and Procedures

Note: The authorization for adoption and amendment of each of the administrative bylaws (31, 32 and 33) is set forth in Constitution 5.2.3.1, 5.2.3.2, 5.2.3.3 and 5.2.3.4.

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Article 12 Amateurism

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Article 16 Awards, Benefits and Expenses for Enrolled Student-Athletes

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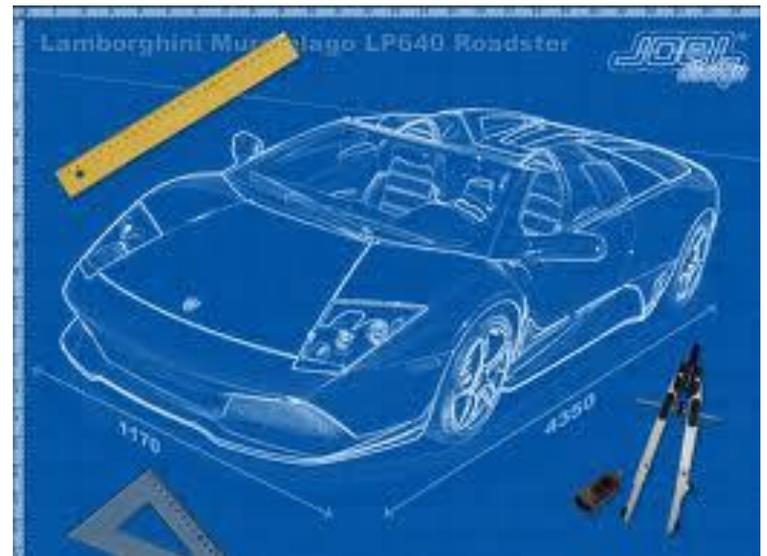
Interpretations Database

The NCAA manages an on-line searchable database, (similar to LexisNexis) containing more than 7,000 active interpretations given by NCAA staff or an empowered committee during the past 25 years.

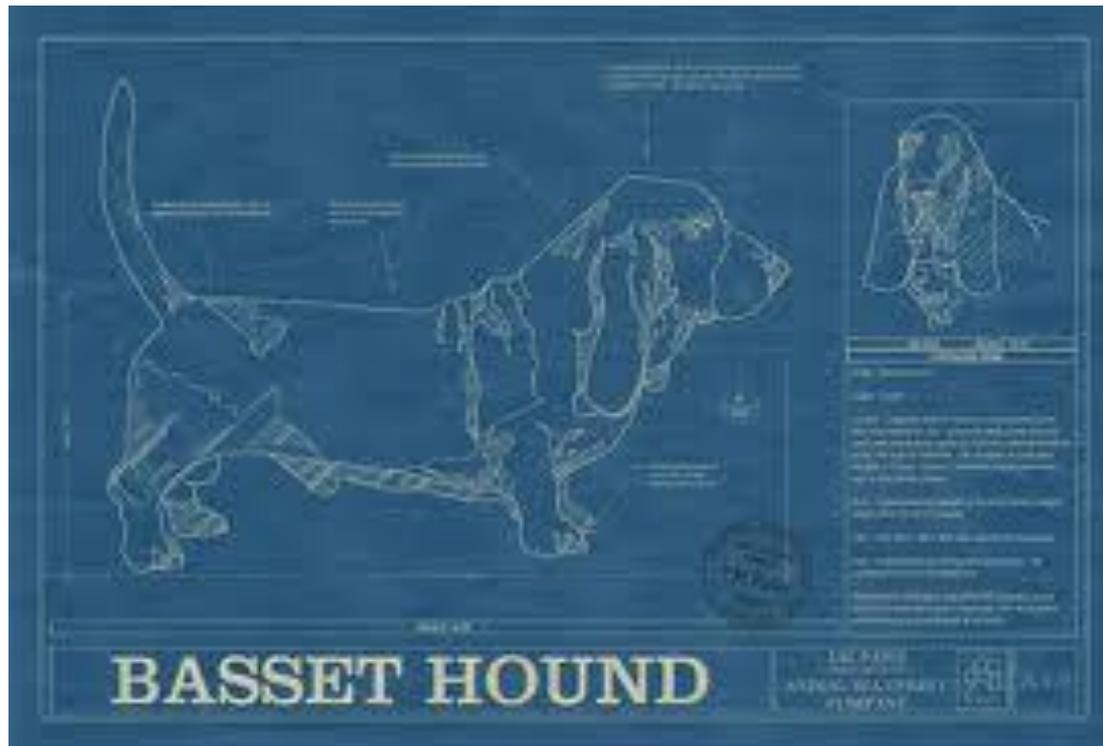
These interpretations augment the legislation, and by serving as precedent, often provide guidance when questions arise.

VT Athletics Compliance Program

In an effort to maintain full compliance with NCAA and ACC legislation, as well as meet its obligation to the principle of Institutional Control, Virginia Tech developed and implemented the following comprehensive **BLUEPRINT** for its Athletics Compliance Program:



VT Athletics Compliance Program



VT Athletics Compliance Program

BLUEPRINT:

- 1) Educate involved constituencies regarding relevant regulations.**

VT Athletics Compliance Program

BLUEPRINT:

- 2) Prioritize and allocate resources, taking into account assessed risks, reasonable standards, response to new or amended legislation, and relevant areas of emphasis identified by NCAA committees/groups.**

VT Athletics Compliance Program

BLUEPRINT:

- 3) Develop and implement operating systems designed to ensure and demonstrate that VT is meeting applicable NCAA regulations.**

VT Athletics Compliance Program

PARTNERING WITH THE OFFICES OF:

- **The Registrar**
- **University Scholarships and Financial Aid**
- **Student-Athlete Academic Support Services**
- **Undergraduate Admissions**
- **University Bursar**

VT Athletics Compliance Program

BLUEPRINT:

- 4) Clearly articulate the policies and procedures which comprise these systems, and delineate the responsibilities of the individuals impacted by these systems.**

VT Athletics Compliance Program

BLUEPRINT:

- 5) Review and evaluate the policies, procedures, and systems, to ensure that the goal of full compliance is constantly pursued.**

VT Athletics Compliance Program

EXTERNAL REVIEW:

- **Review by the University's Office of Internal Audit on a "three-on, one-off" schedule, rotating through the major components of athletics compliance on a four-year cycle. This report is forwarded to the BOV and the Office of Management Services.**
- **Annual review by the University Athletics Committee (Compliance Subcommittee). This report is forwarded to the President, Provost, and the Commission on Undergraduate Studies.**
- **Compliance reviews conducted by the ACC staff every four years.**
- **A review pursuant to the NCAA Institutional Certification Program every 10 years.**

VT Athletics Compliance Program

BLUEPRINT:

- 6) Use the results of the reviews to enhance and fine-tune for maximum effectiveness and efficiency.**

Additional Risk Mitigation

In addition to these systems and reviews, there are many other actions occurring behind the scenes to reduce the likelihood of substantive violations. Examples include:

- NCAA Coaches Certification Exam**
- “Certification of Compliance”**
- Student-Athlete Exit Interviews**
- Detailed review of student-athlete vehicle information**

Permissible Student-Athlete Benefits

- **Scholarships**
- **Academic support**
- **Meals and lodging incidental to competition**
- **Equipment/training/nutrition**
- **Medical treatment**
- **Reimbursement for clothing, shoes, and other essential items to student-athletes with high financial need**
- **Financial assistance during times of family crisis**

Questions?

Comments?

Annual Progress
Report:
*Update to the University
Plan 2006 - 2012*

Board of Visitors
November 6, 2011



VirginiaTech

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

Review of Strategic Plan Update

- Reaffirmed mission and core values
- Outlined vision for the future
- Established goals and strategies supporting four scholarship domains and three underlying foundation strategies
- Developed scorecard with quantifiable performance indicators
- Updated to reflect state budget reductions

Review of Strategic Plan

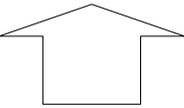
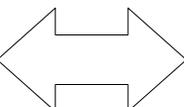
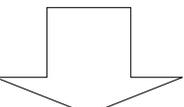
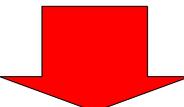
- March 2008 Planning Retreat - Review of Scholarship Domains and Foundation Strategies
- June 2008 Advance Program in Switzerland
- November - Annual Progress Report

Development of Scorecard

- Used set of measures to track more critical indicators outlined in Plan
- Utilized nationally recognized indicators (AAU, NACUBO, etc.)
- Incorporated key indicators from Restructuring Agreement

Overview of Indicators Supporting Scholarship Domains

Scorecard Indicators Key

	<p>Performance is improving annually and meeting targeted expectations.</p>
	<p>Performance not meeting the expected target but the ongoing trend shows improvement.</p>
	<p>Performance is level or mixed, but meeting targeted expectations.</p>
	<p>Performance is level or mixed, and not improving where a performance improvement is expected.</p>
	<p>Performance is below expected target and there is a moderate or periodic decrease in performance where ongoing improvement was expected.</p>
	<p>Performance is below targets and there is a significant, ongoing decline where improvement was expected.</p>

	Measure(s)	Metric Definition and Information Sources	November 2011 Report	
			Performance	Comment on 3 Year Trend
Learning	Number of graduating undergraduates who participated in research experiences.	Degrees extract, course files, and course attributes - linked to credit bearing activities.	3,166 or 56% in the 2010-11 AY	Undergraduate participation in research experiences is up 9% from 2008-09 AY. ↑
	Underrepresented student enrollment	Fall enrollment profile from IRPA Ethnrl Report (fall student census file)	2,309 Undergraduate 622 Grad/Professional 2,931 Total in Fall 2011	Undergraduate underrepresented enrollment is up by 486 students (27%) from Fall 2009. Graduate/professional underrepresented enrollment is down by 13 students (2%). ↑
	Underrepresented students entering the freshman class.	First time students in fall census files	578 in Fall 2011	Underrepresented students entering the freshman class is up by 93 students (19%) from 485 in Fall 2009. ↑
	Percent of entering students who attended First-Year Experience courses	First time freshmen and transfer students in fall and spring census files	15.4% in the 2010-11 AY	First year of reported data for this new metric. ↑
	PhD and EdDs Awarded	Degrees extract	414 in the 2010-11 AY	Three-year trend is mixed and university is above target. ↔
	Advanced degrees awarded to underrepresented students.	Degree extract	95 Masters 38 Doctoral 1 Professional 134 Total in 2010-11 AY	Masters degrees awarded up by 14 (or, 17%) from 2008-09 AY. Doctoral degrees awarded are level. Professional degrees are down by 3. ↔
	Graduate enrollment profile - masters, doctoral, and professional	Fall Enrollments in Advanced and Direct to PhD from IRPA Ethnroll Report	3,846 Masters 3,010 Doctoral 380 Professional 7,236 Total in Fall 2011	Masters enrollment is down 7% from Fall 2009. Doctoral enrollment is up 6% and professional student enrollment is up 4%. ↔
Discovery	Total research expenses reported to the National Science Foundation	Expenses reported by research division and controller to the National Science Foundation.	\$398.2M in FY 2009-10	NSF reported expenditures up 7% from \$373.3M in FY2007-08. ↑
	Count and average value of sponsored awards	As reported in Sponsored Programs datawarehouse dashboard	2,331 Awards \$117,300 Avg Value in FY 2010-11	Number of awards down 2% but average value up 20% from 2008-09. ↑
	Faculty arts and humanities awards, fellowships and memberships.	Derived from a list of prestigious awards on the AAU website and an internal list of major awards and recognitions.	45 Awards in 2010-11	Significantly higher as AAU has expanded its list of recognized awards. ↑
	Number of post-doctoral appointments reported to National Science Foundation	As reported annually to the National Science Foundation	208 Post-Doctoral Appointments in Fall 2011	Three-year trend for post-docs is down. ↓
Engagement	Annual number of new licenses and start-ups	As reported in the Annual Association of University Technology Managers (AUTM) licensing survey	24 Licenses 2 Start-Ups in FY 2010-11	Three-year trend for for licenses is mixed. Start-ups are down from 6 in 2008-09. ↓
	Number of graduating undergraduates who have participated in a study abroad experience or foreign language course	Degrees extract, course files, and course attributes - linked to credit bearing activities.	1,340 (24%) Foreign Language 1,159 (21%) Study Abroad 1,911 (34%) Either in 2010-11 AY	Foreign language study and study abroad up in both count and as a percentage of total graduates since 2008-09. ↑
	Undergraduate participation in service learning and experiential programs.	Service learning course list provided by the Service Learning Center with enrollments from course files; experiential programs comes from annual survey by IR and flags in course description data.	4,188 Service Learning 8,969 Experiential Learning in 2010-11 AY	Service learning and experiential learning counts up significantly since 2008-09. ↑

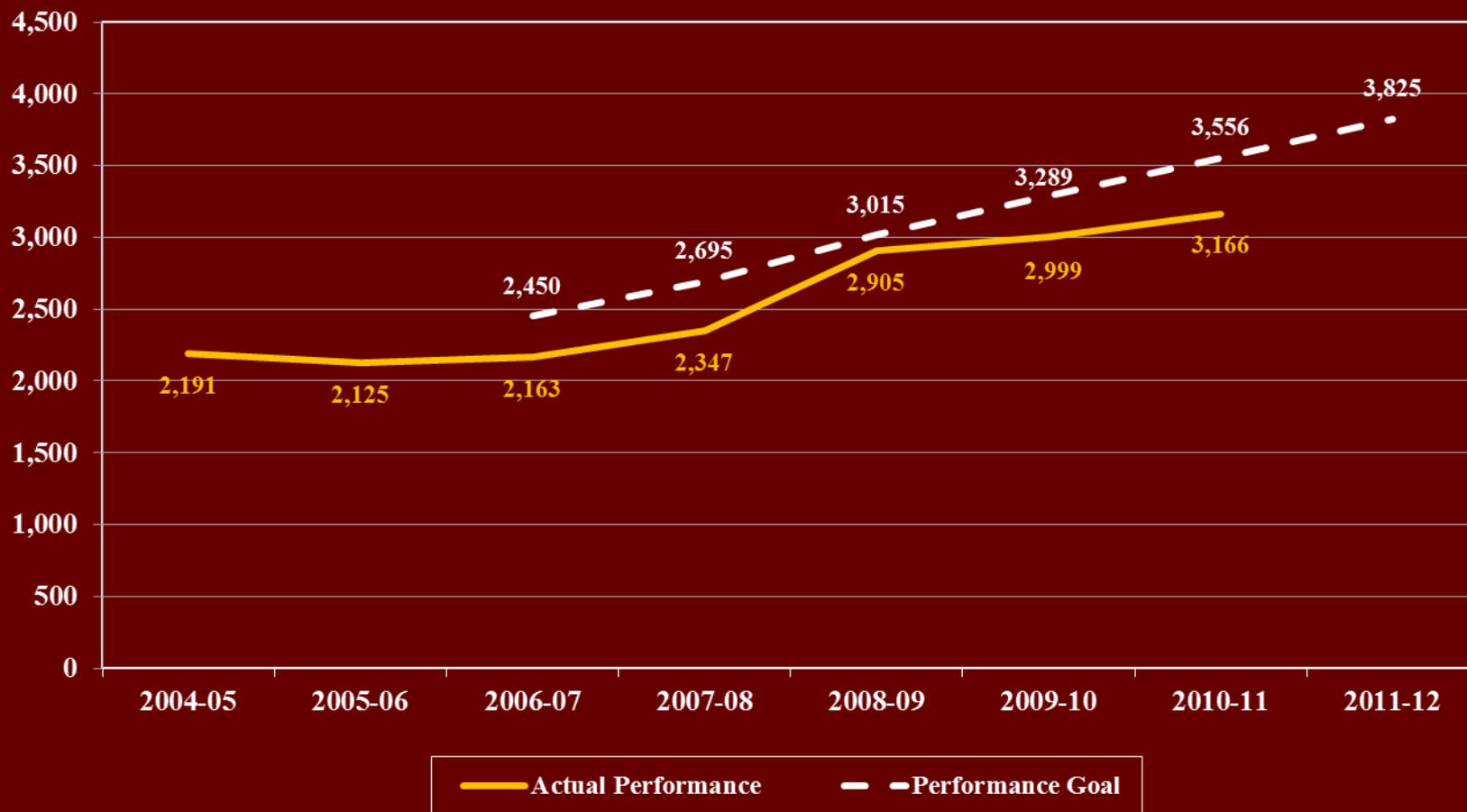
Scorecard - University Strategic Plan Goals 2006-2012

Scholarship Domains

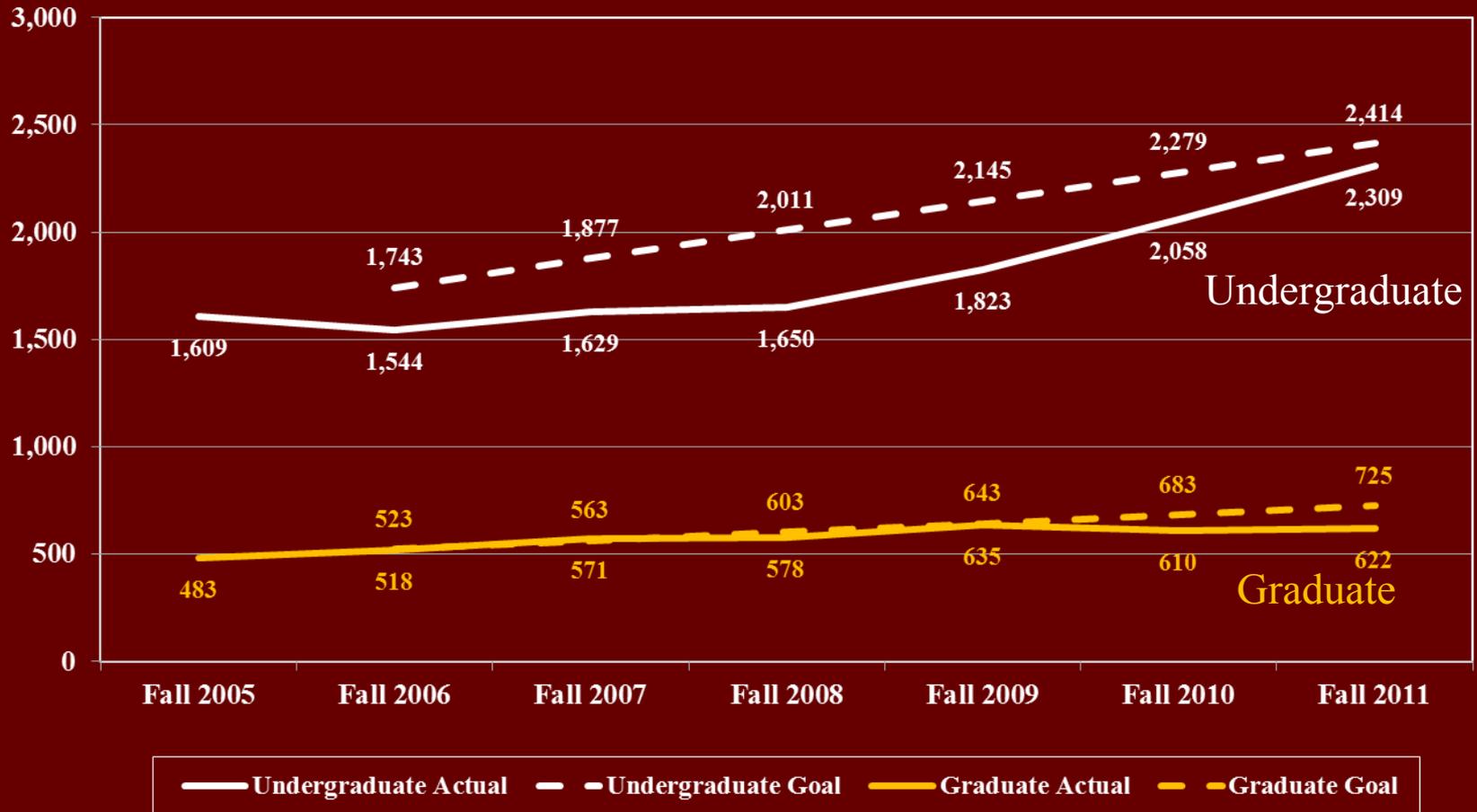
MEASURE(S)		College Three-Year Trend								University Scorecard
		1	2	3	4	5	6	7	8	
Learning	Number of graduating undergraduates who participated in research experiences	↑	↑	Not Applicable	↓	↑	↑	↑	↑	↑
	Underrepresented student enrollment	↑	↑	↑	↑	↑	↑	↑	↑	↑
	Underrepresented students entering the freshman class	↑	↑	Not Applicable	↑	↔	↑	↓	↑	↑
	Percent of entering students who attended First-Year Experience courses	Not Yet Available	Not Yet Available	Not Yet Available	Not Yet Available	Not Yet Available	Not Yet Available	Not Yet Available	Not Yet Available	↑
	PhD and EdDs Awarded	↑	↔	↑	↑	↓	↑	↓	↔	↔
	Advanced degrees awarded to underrepresented students	↓	↓	↓	↑	↓	↑	↓	↔	↔
	Graduate enrollment profile - masters, doctoral, and professional	↑	↑	↑	↑	↓	↑	↓	↑	↔
Discovery	Total research expenses reported to the National Science Foundation	↑	↓	↑	↑	↓	↑	↓	↑	↑
	Count and average value of sponsored awards	↓	↔	↑	↓	↔	↔	↑	↓	↑
	Faculty arts and humanities awards, fellowships and memberships.	↑	↔	↔	↑	↑	↑	↔	↑	↑
	Number of post-doctoral appointments reported to National Science Foundation	↓	↔	↑	↓	↔	↓	↔	↔	↓
Engagement	Annual number of new licenses and start-ups	↓	↑	↔	↑	↔	↑	↔	↓	↓
	Number of graduating undergraduates who have participated in a study abroad experience or foreign language course	↑	↑	Not Applicable	↓	↔	↑	↓	↔	↑
	Undergraduate participation in service learning and experiential programs	↑	↔	Not Applicable	↑	↑	↑	↔	↑	↑

Learning

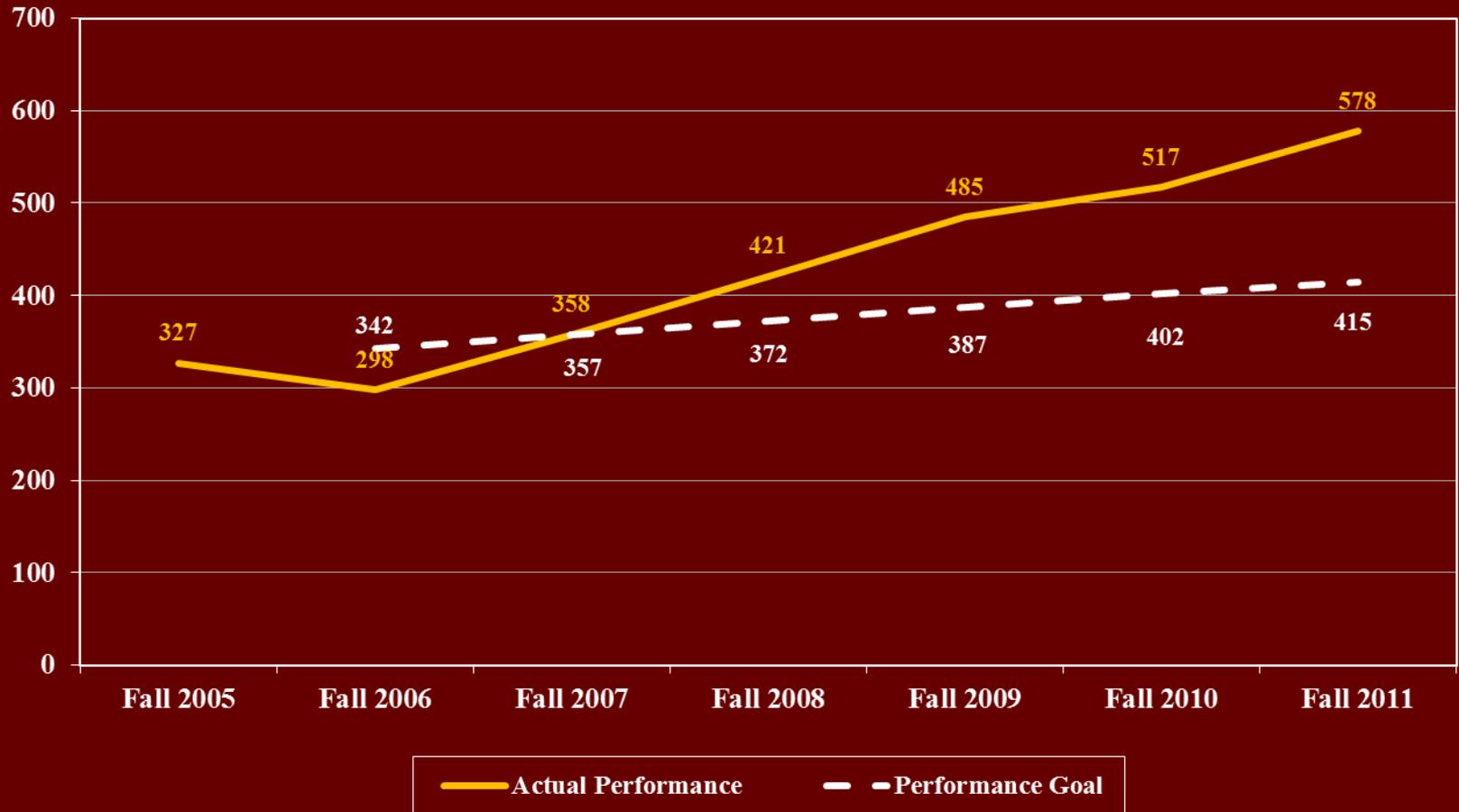
The number of graduating undergraduates who participated in research experiences.



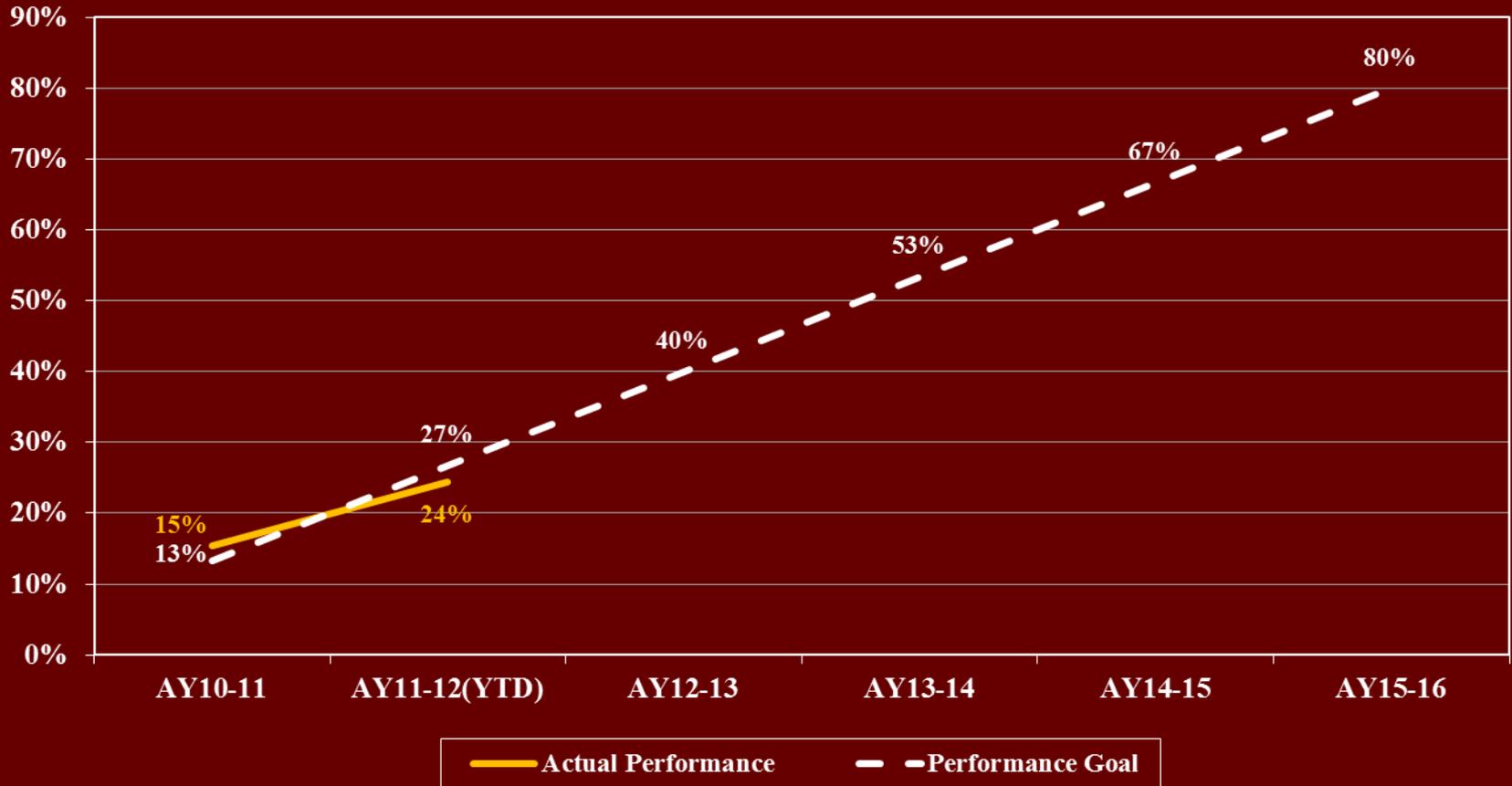
Underrepresented student enrollment.



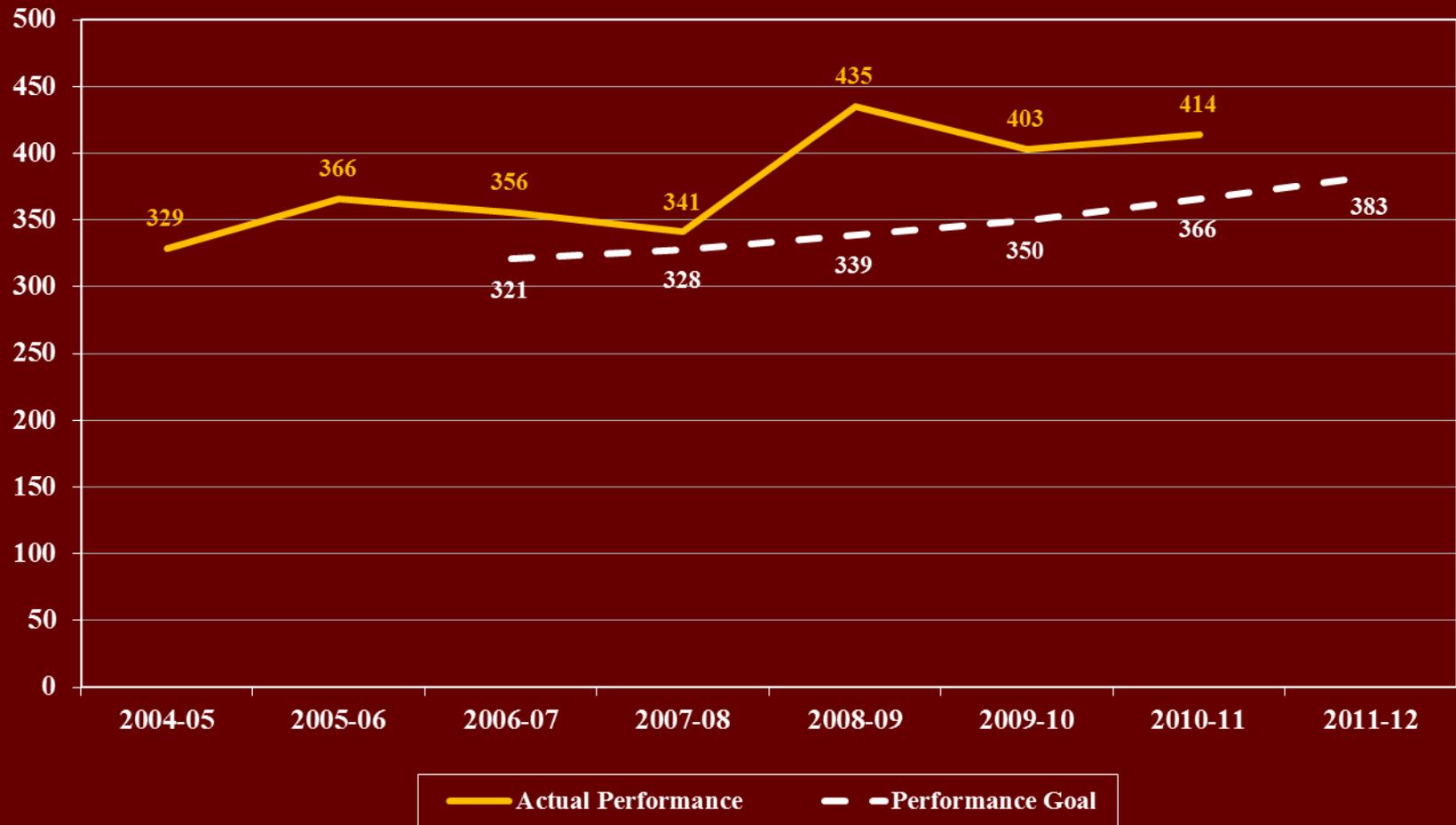
Underrepresented students entering the freshman class.



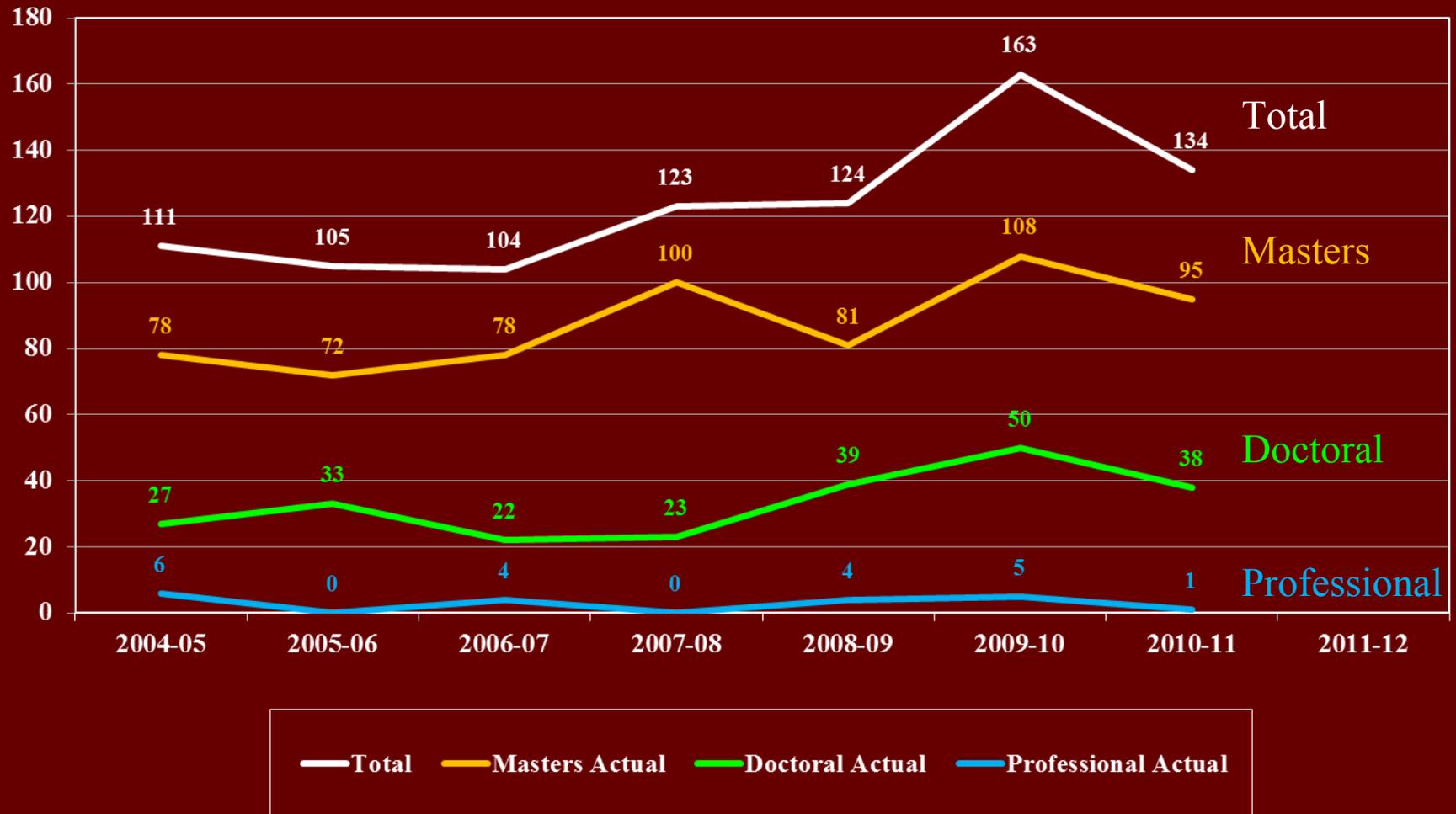
Percent of Entering Students Attending First-Year Experience Courses



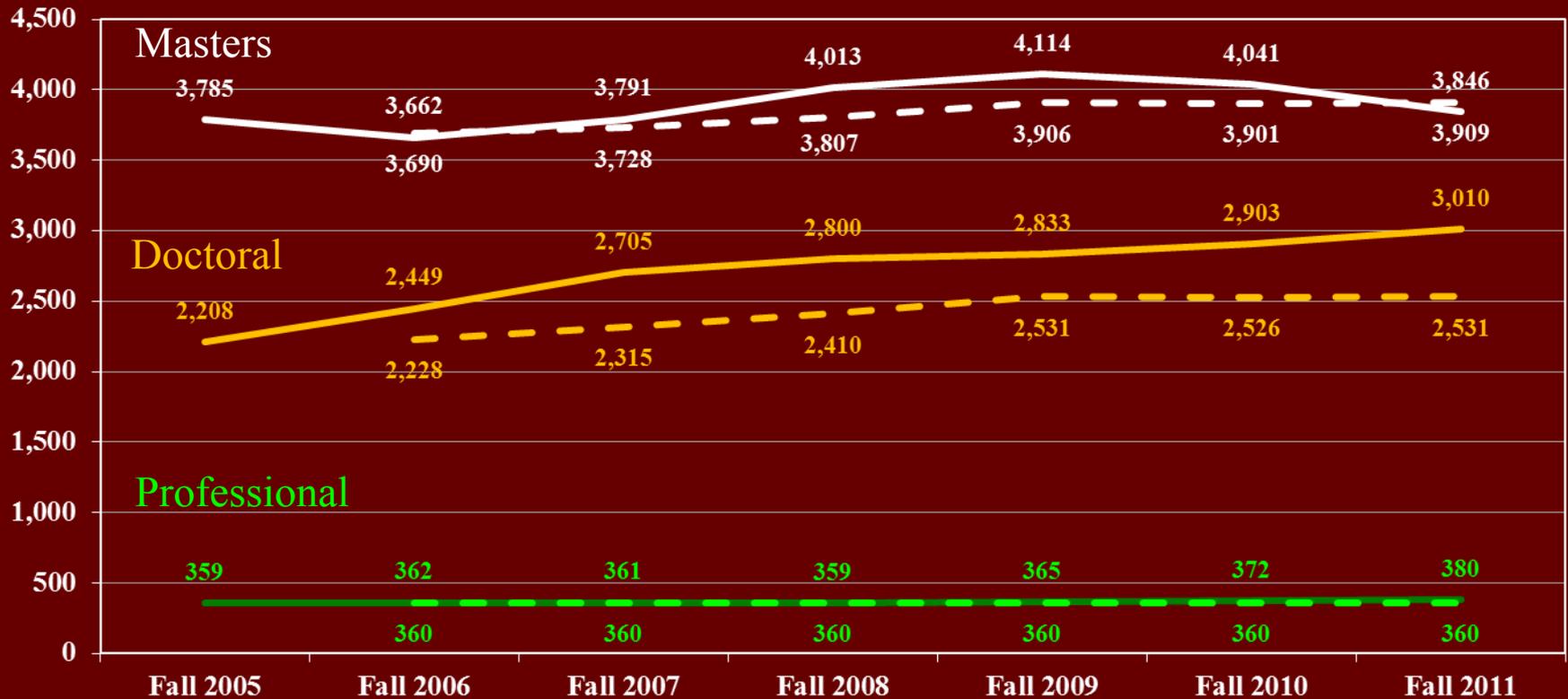
PhDs and EdDs awarded.



Advanced degrees awarded to underrepresented students.



Graduate enrollment profile.



Other Learning Domain Accomplishments

Undergraduate Education

- Prestigious national student awards included: three Fulbright awards, one Goldwater, one NSF graduate research fellowship and one Udall award.
- Initiated the Scieneering Program, a research training program for undergraduates funded by the Howard Hughes Medical Institute.
- Published the first International Journal of *e-Portfolio* (iJeP) to encourage the study of *e-Portfolio* practices and pedagogies in educational settings.
- Led the successful reaffirmation of accreditation with SACS.
- Established the Office of Undergraduate Research.

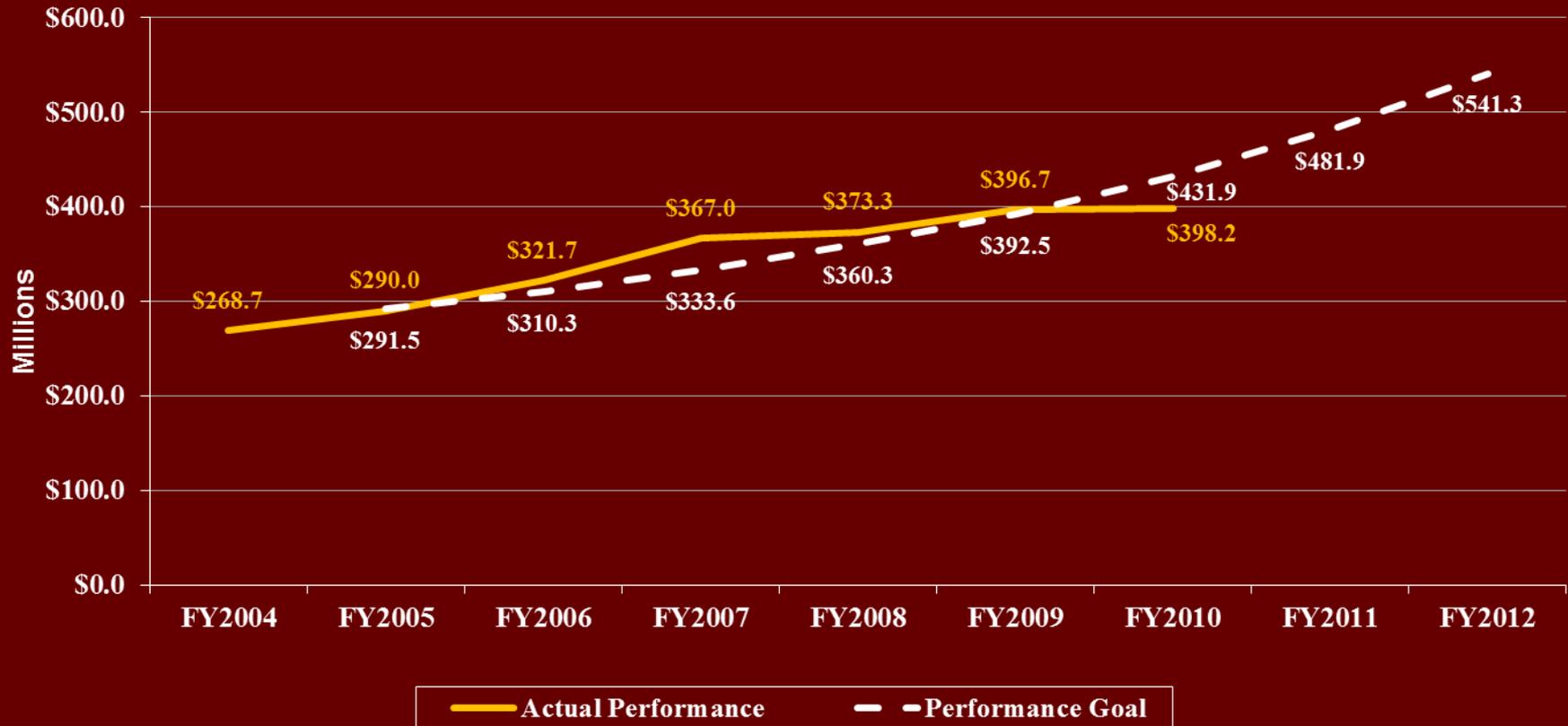
Other Learning Domain Accomplishments

Graduate Education

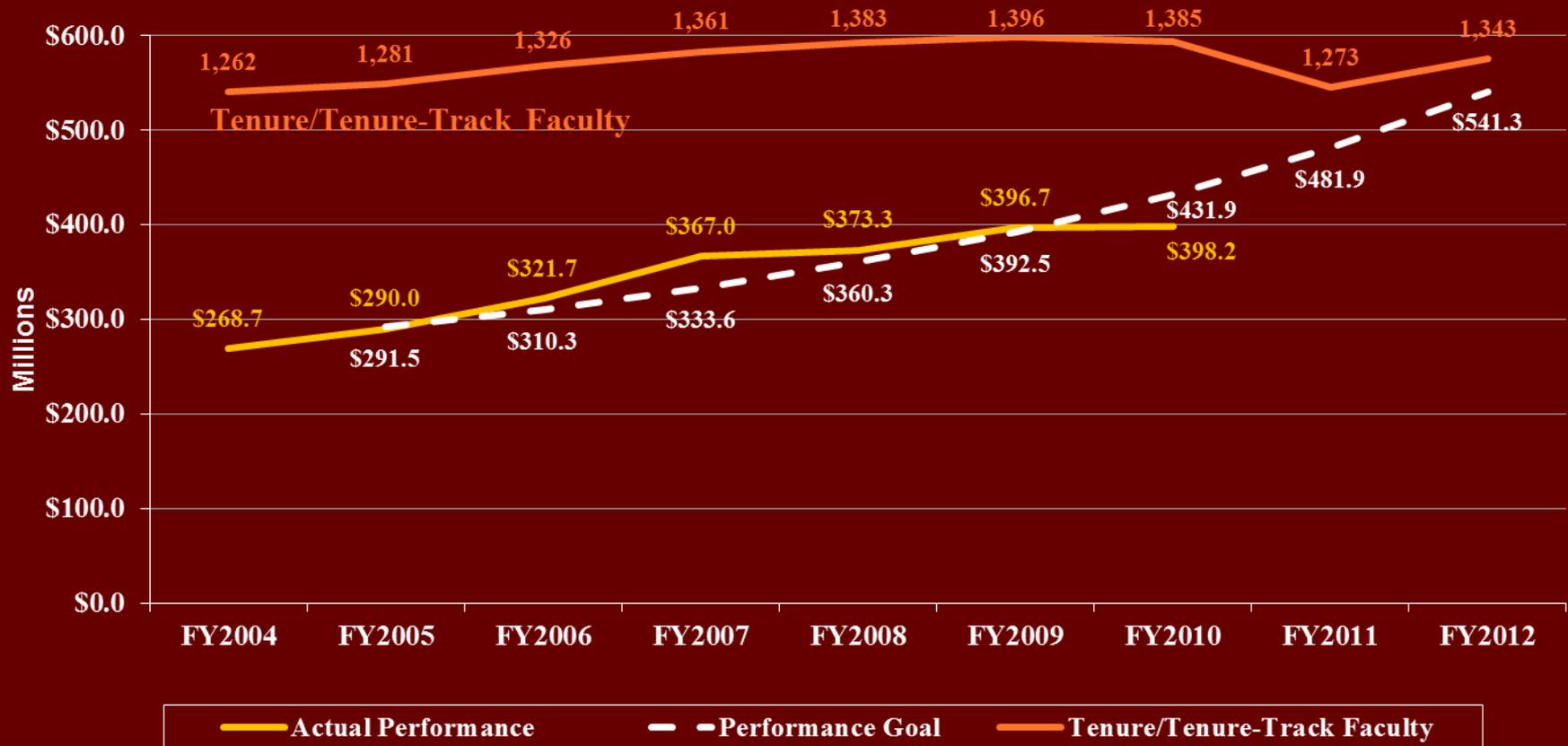
- Launched four new Interdisciplinary Graduate Education Programs.
- Launched the Virtual Graduate Life Center (vGLC) online and as an iPhone app for graduate student recruitment.
- More than 100 participants in the Future Professoriate Global Perspectives Program.
- Held the annual global graduate seminar at the Swiss Embassy in Washington D.C.

Discovery

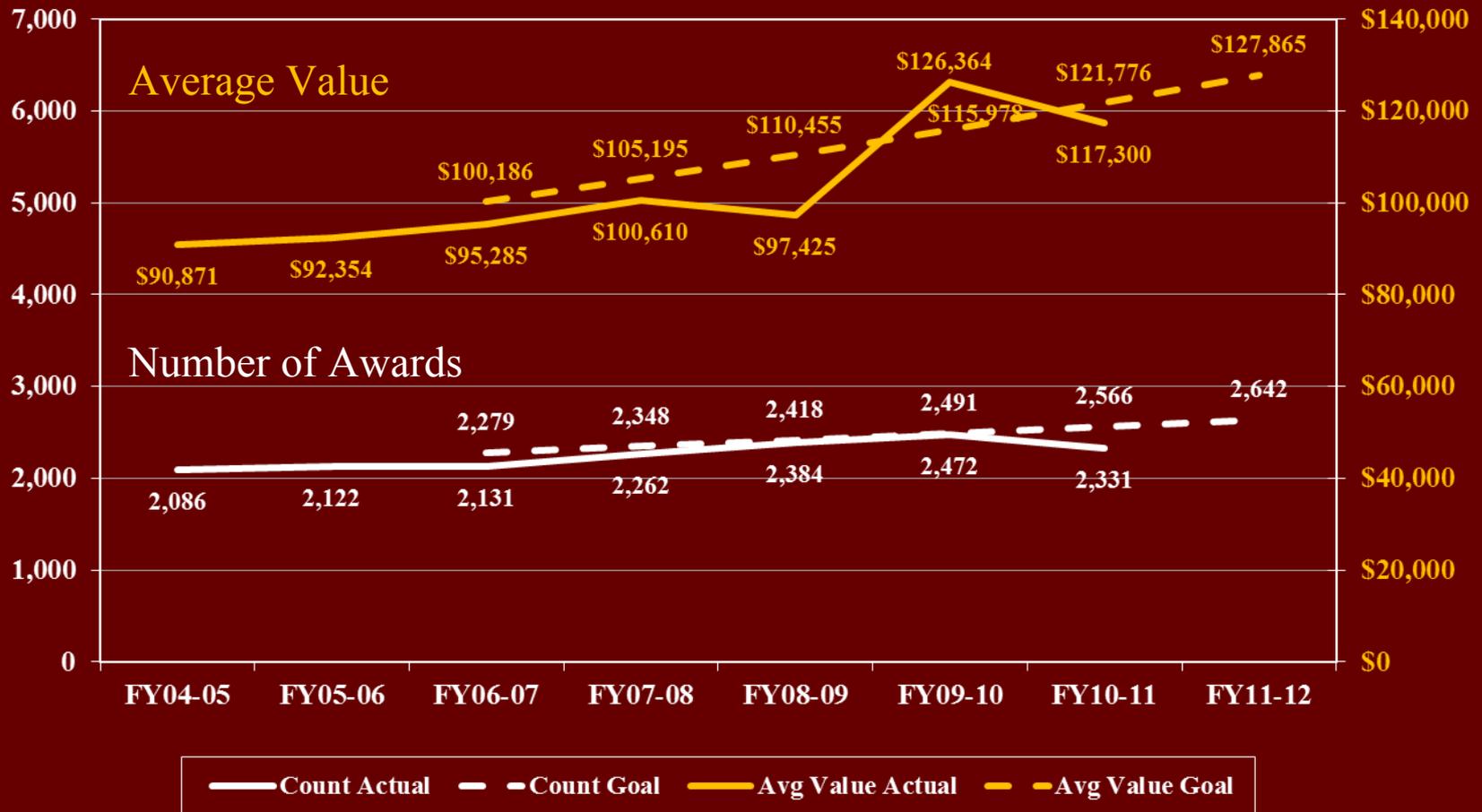
Total research expenditures reported to the National Science Foundation (NSF).



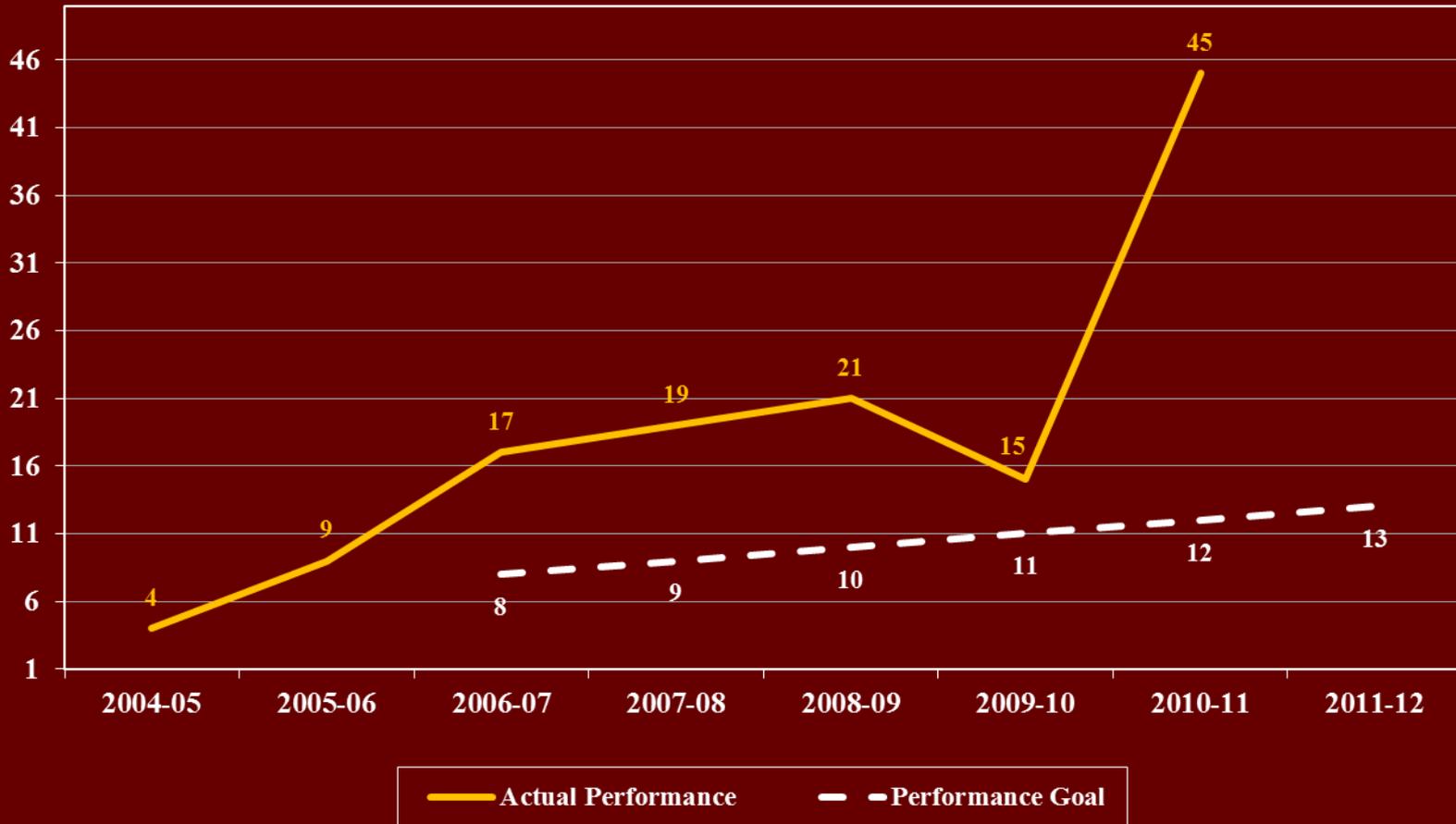
Total research expenditures reported to the National Science Foundation (NSF).



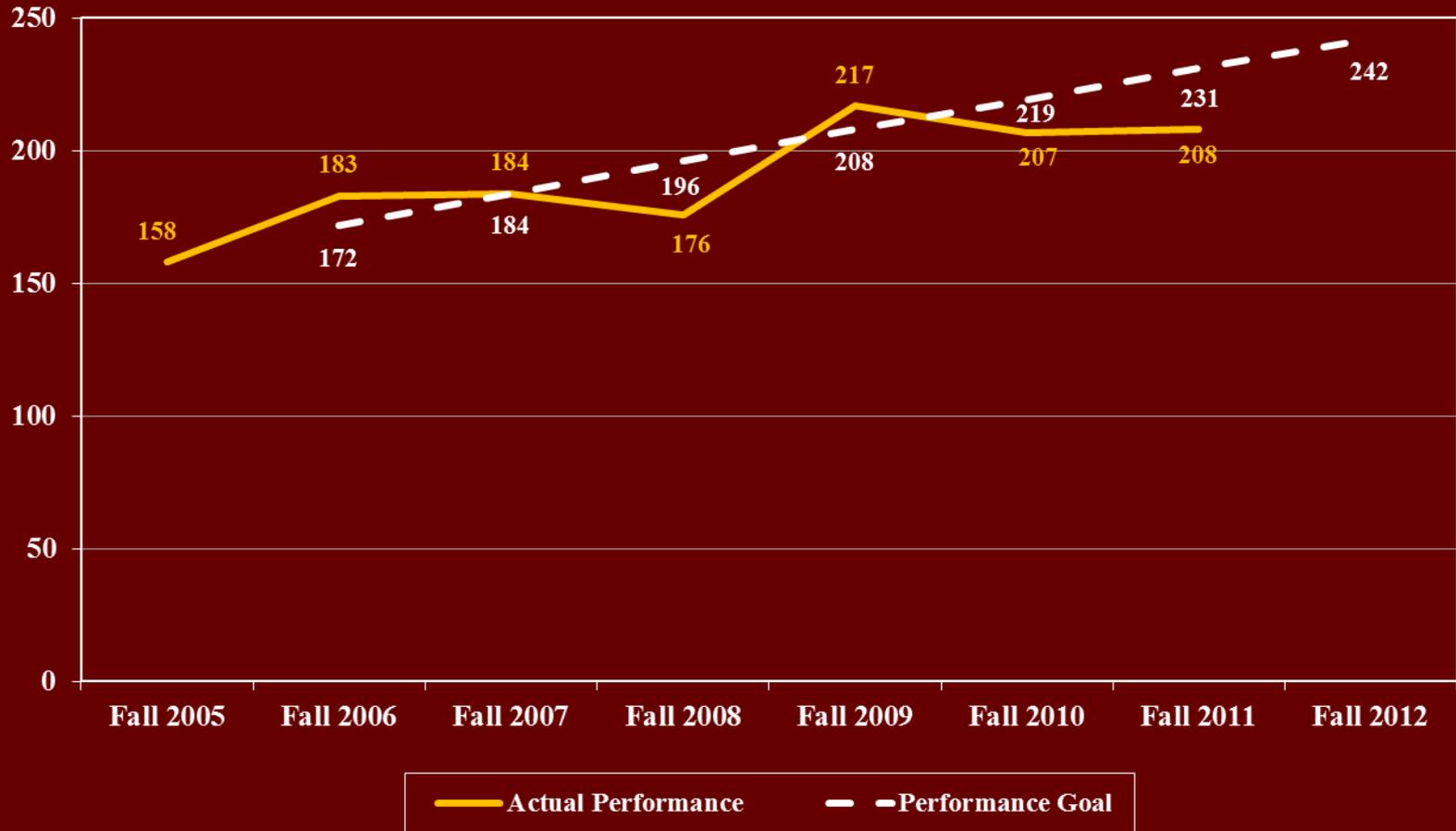
Count and average value of sponsored awards.



Faculty arts and humanities awards, fellowships and memberships.



Number of Post-Doctoral Appointments Reported to National Science Foundation

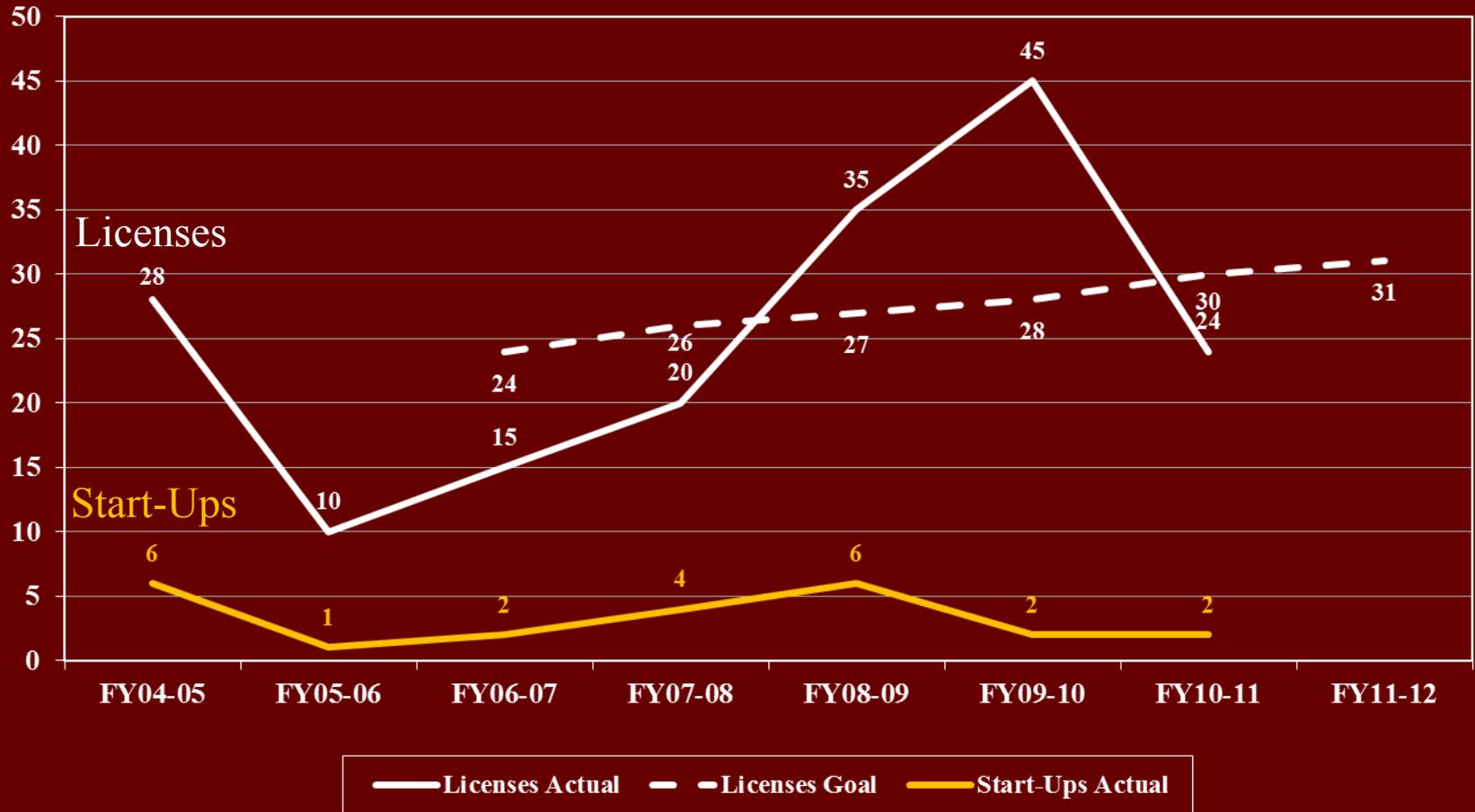


Other Discovery Domain Accomplishments

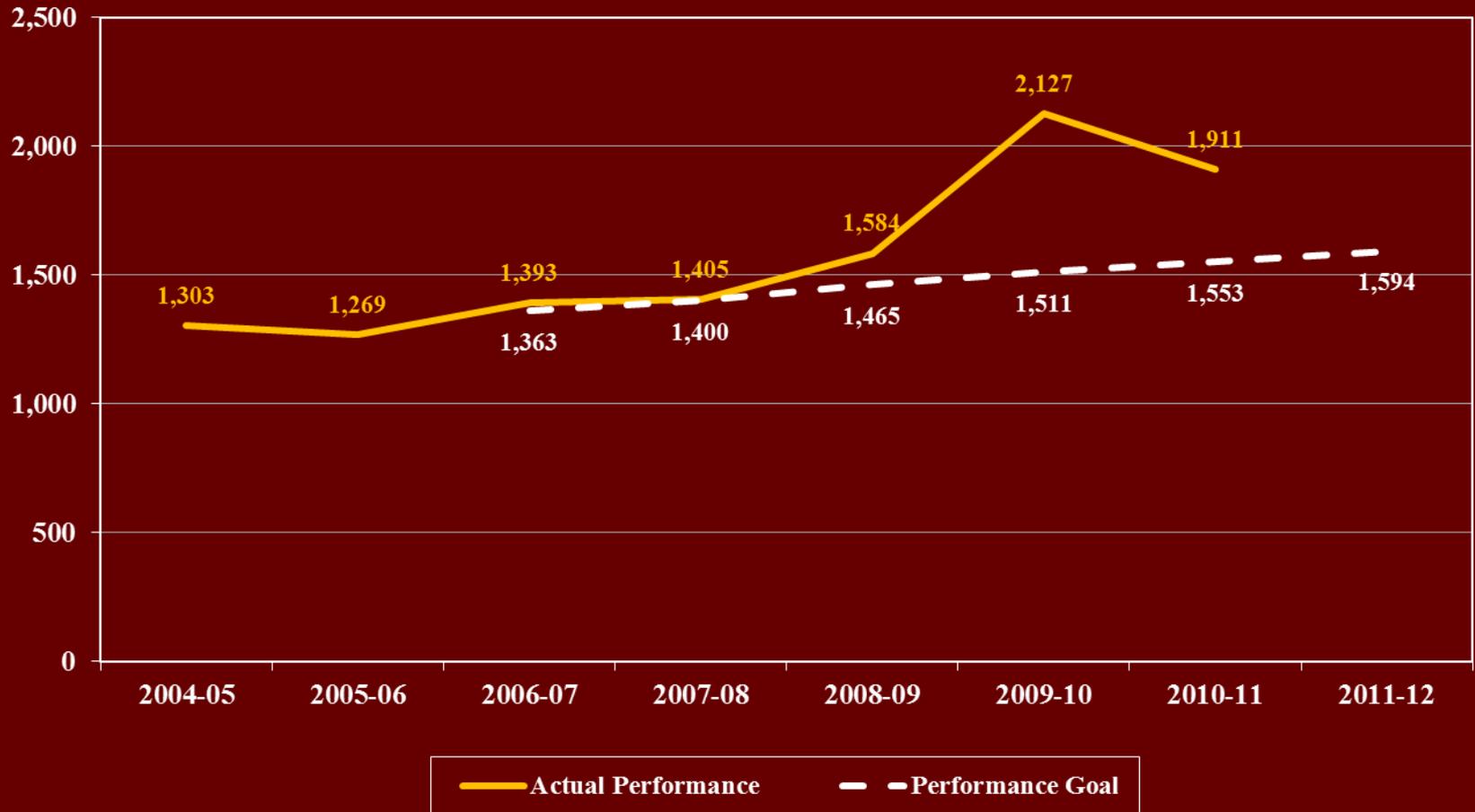
- VT faculty received five new NSF CAREER Awards.
- Completed Phase I hiring for the Virginia Tech Carilion Research Institute, including 11 lead principal investigators.
- Launched the National Tire Research Center in Southern Virginia.
- Hired initial president of the Virginia Tech Applied Research Corporation.
- Created Director of Energy Initiatives Office.
- Updated policies for VT research centers.

Engagement

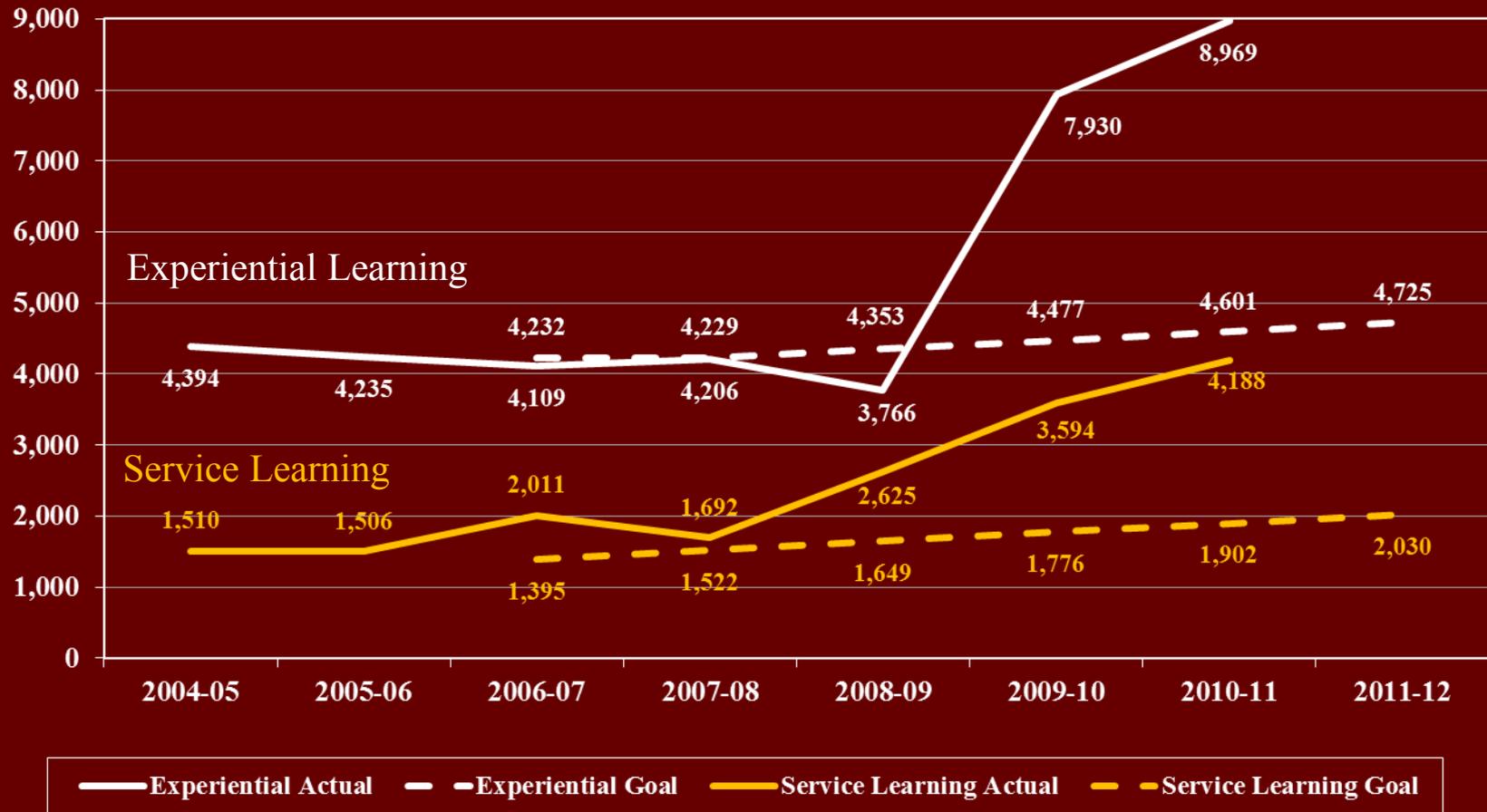
Annual number of new licenses and start-ups



Number of graduating undergraduates who have participated in a study abroad experience or foreign language course.



Undergraduate participation in service learning and experiential programs



Other Engagement Domain Accomplishments

- Continuing & Professional Education secured a three-year, \$17.2 million STEM Education grant from the U. S. Army.
- Office of International Research, Education, & Development awarded nearly \$10 million to build higher education capacity in the Southern Sudan.
- Office of Economic Development secured and began the implementation of almost \$2 million in federal grants to support advanced manufacturing in portions of Southwest Virginia.
- The VT Language & Culture Institute won a \$270,000 grant to host Indonesian students in Indonesian English Language Study Program.

Overview of Indicators Supporting Foundation Strategies

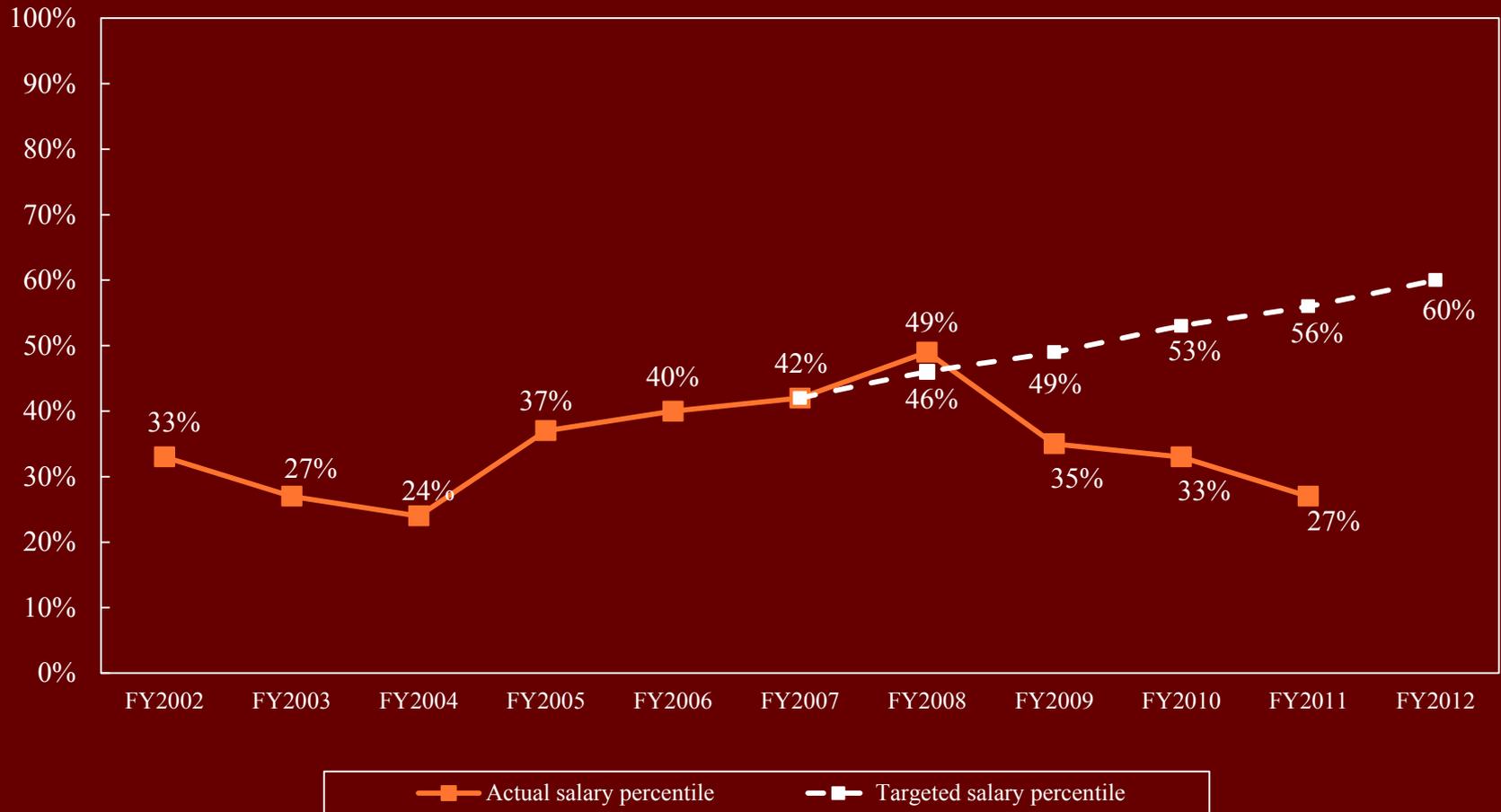
Scorecard Indicators Key

	Performance is improving annually and meeting targeted expectations.
	Performance not meeting the expected target but the on-going trend shows improvement.
	Performance is level but meeting targeted expectations.
	Performance is level and not improving where a performance improvement is expected.
	Performance is below expected target and there is a moderate or periodic decrease in performance where on-going improvement was expected.
	Performance is below targets and there is a significant, on-going decline where improvement was expected.
	No targeted expectations for metric

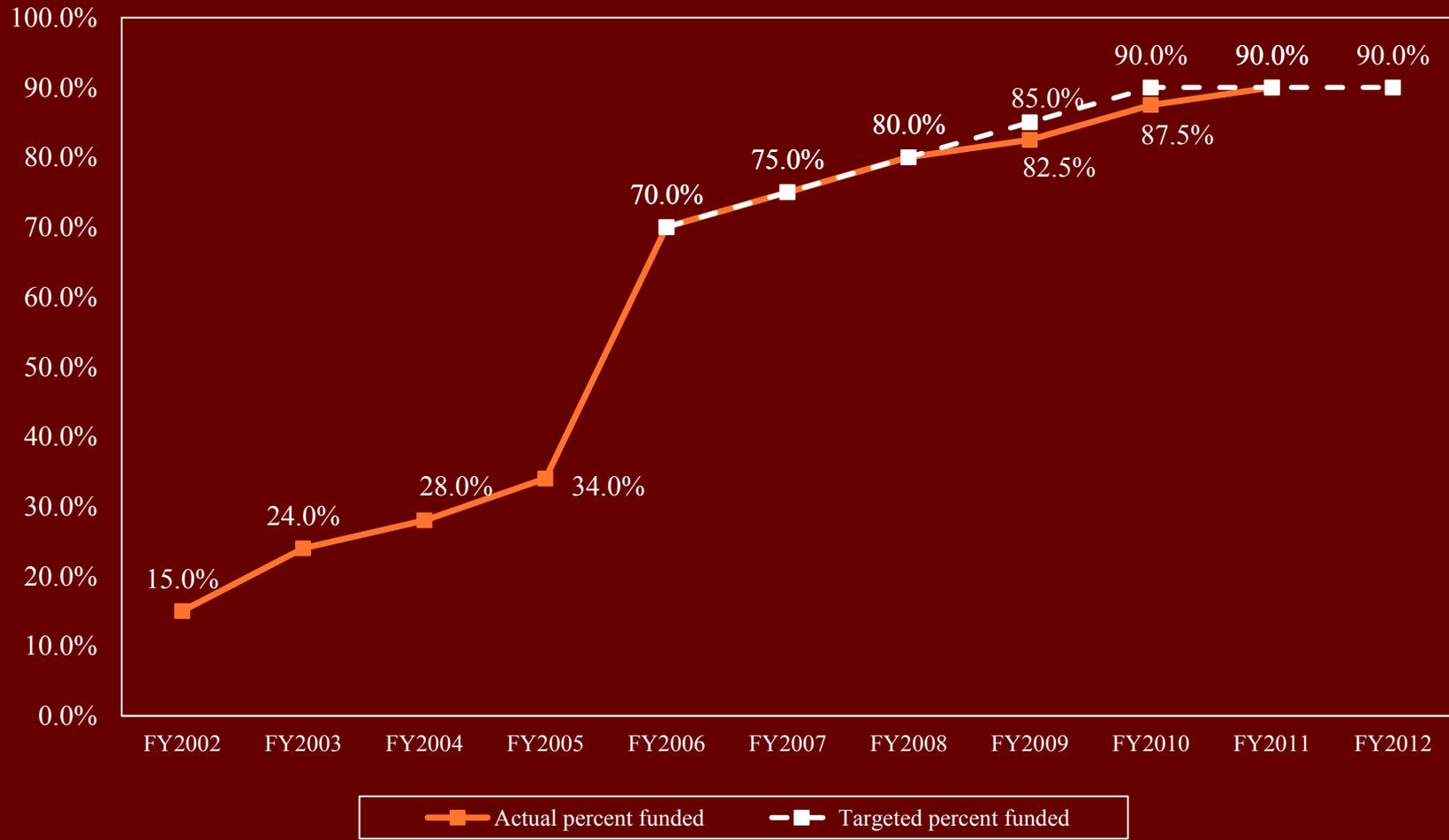
Indicators for Organizational Development

- ↓ Progress of faculty salaries towards 60th percentile
- ↑ Percentage of Graduate Health Insurance funded
- ↔ Expenditures with SWaM suppliers as measured by percentage of annual goal achieved

Progress of faculty salaries towards 60th percentile of SCHEV peers

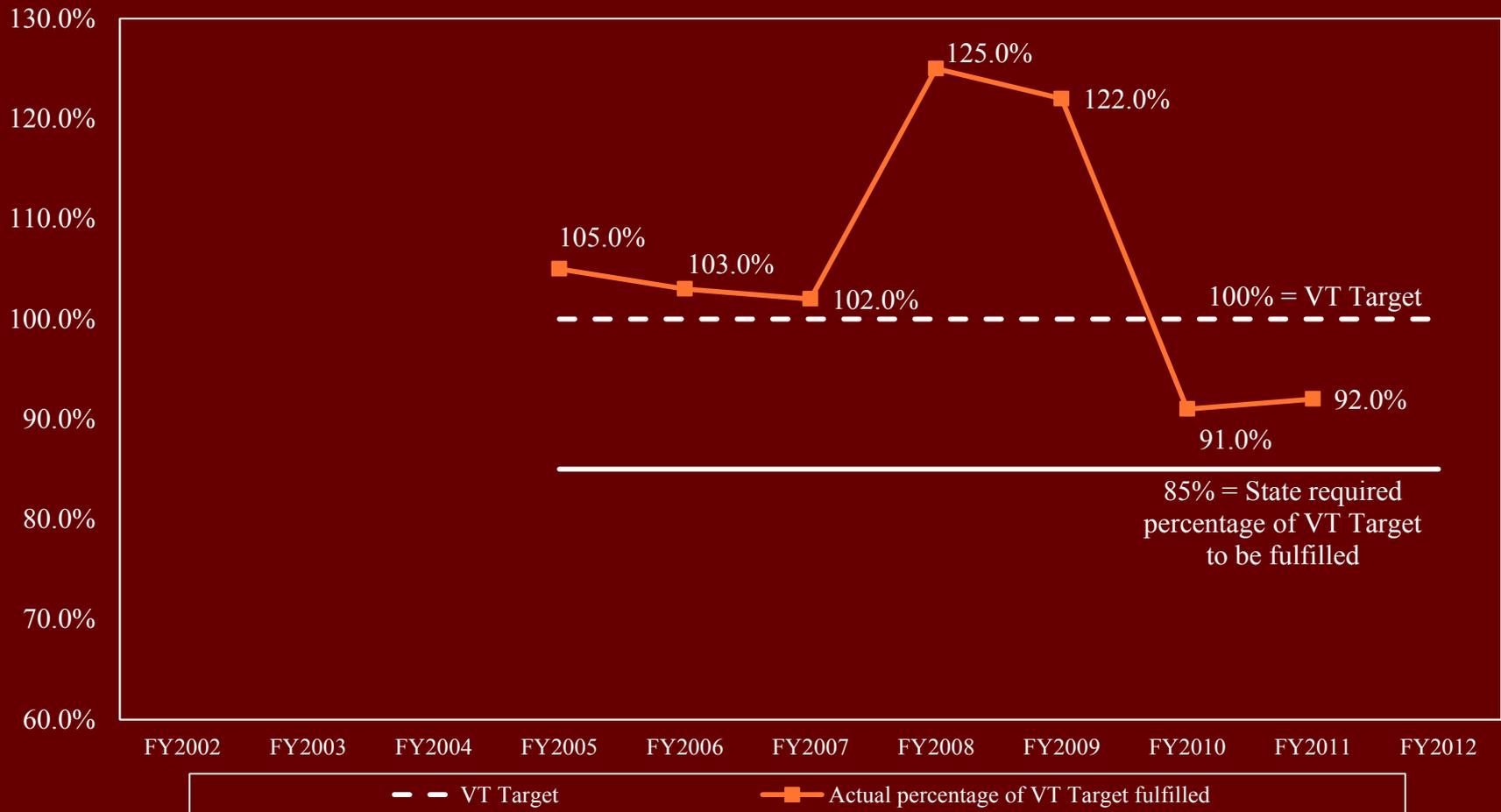


Percentage of Graduate Health Insurance Funded



Expenditures with SWAM Suppliers

as Measured by Percentage of Annual VT Target



Indicators for Organizational Development

↔ Initiate a significant new automation project annually

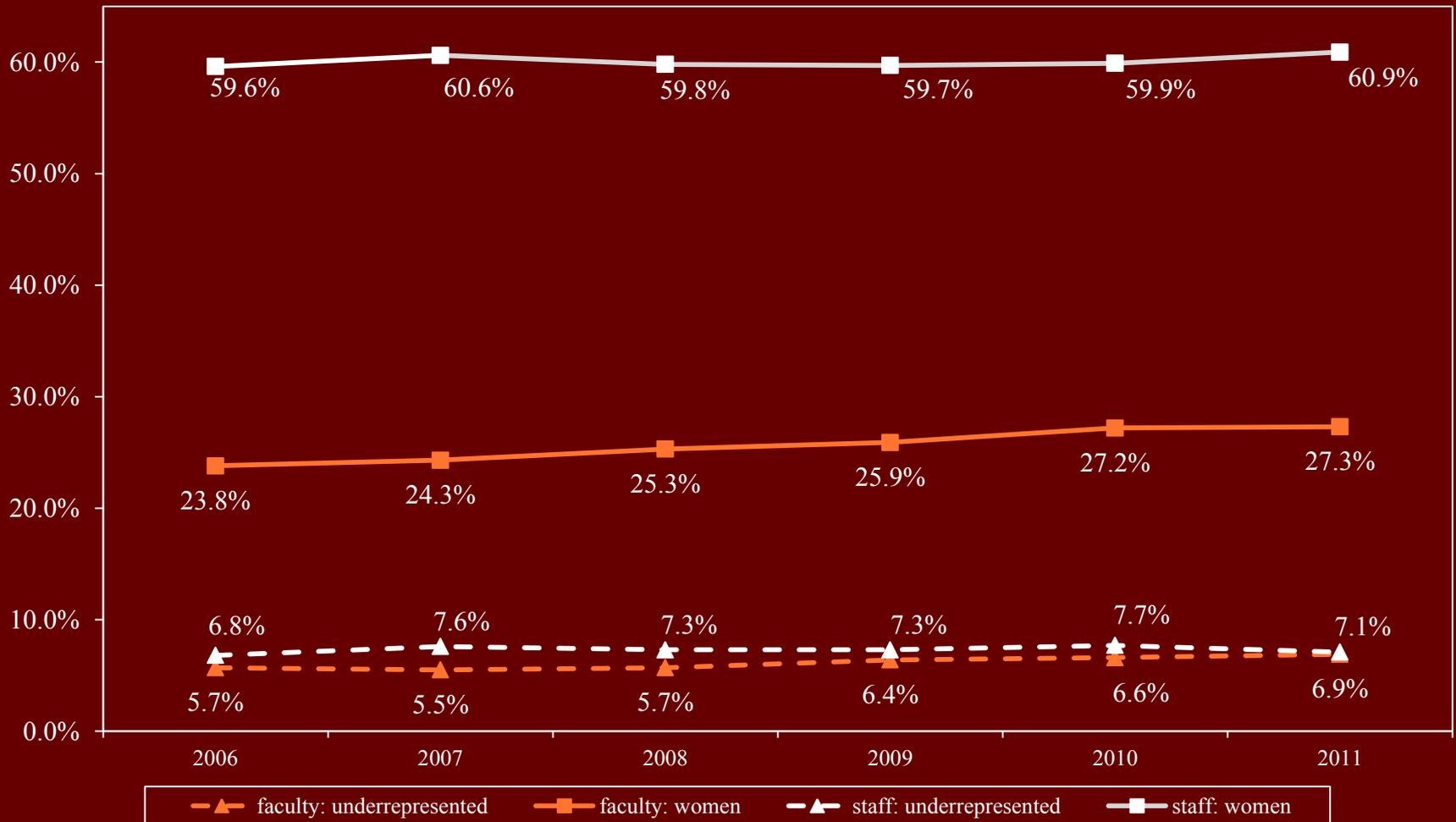
Significant Automation Projects FY2011

1. Online Course Evaluations
2. Self-Service Password Reset
3. Employee Performance Management System
4. Discovery Commons Research Repository
5. Student Conduct Tracking
6. Hokie CAPS (Curriculum Approval Systems)

Indicators for Organizational Development

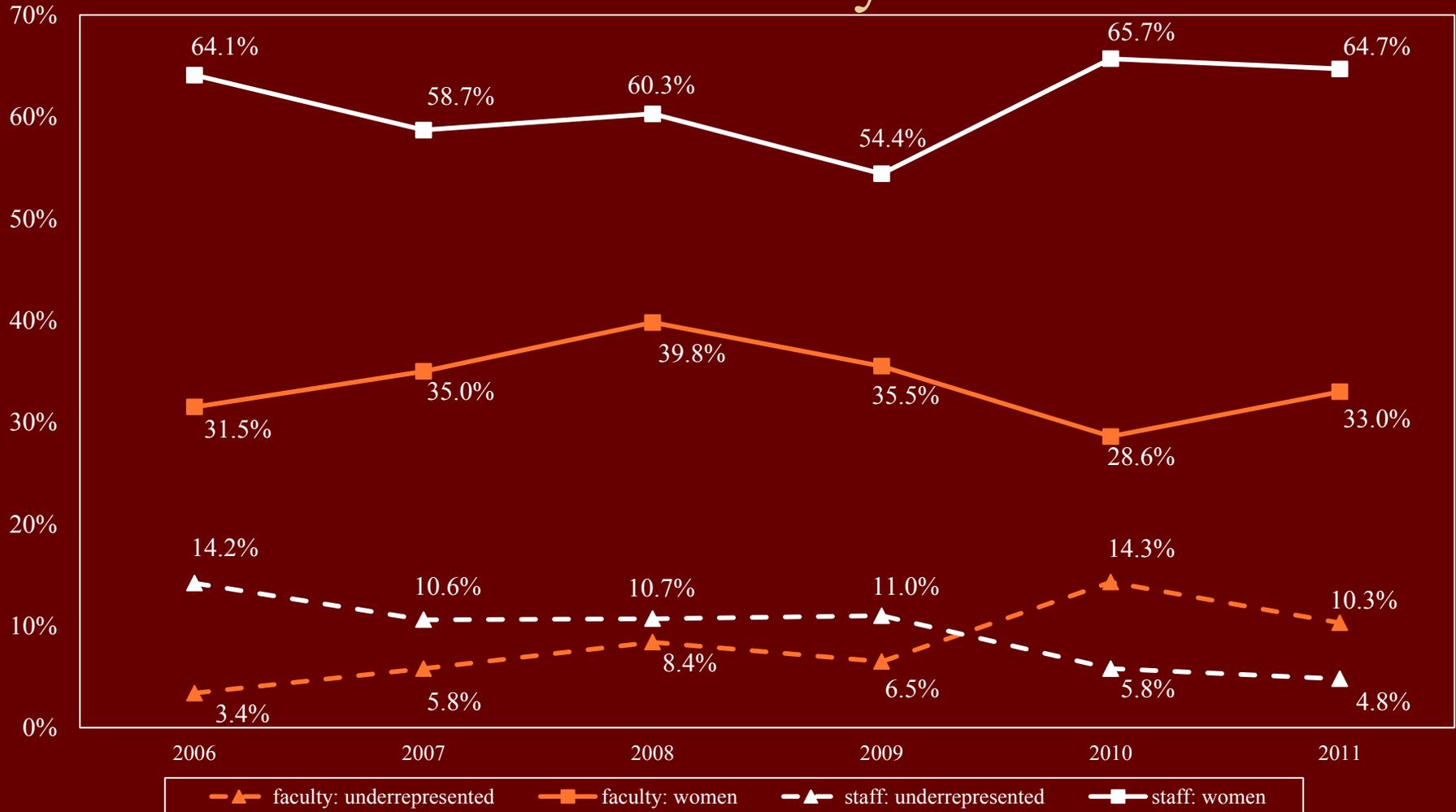
- Workforce Composition: Snapshot census data as of September 30
- New Hires: Includes new hires from October 1 through September 30
- Voluntary Departures: Comparison of census data from September 30 one year with September 30 the next year

Workforce Composition Trends Among Underrepresented and Women Faculty* & Staff



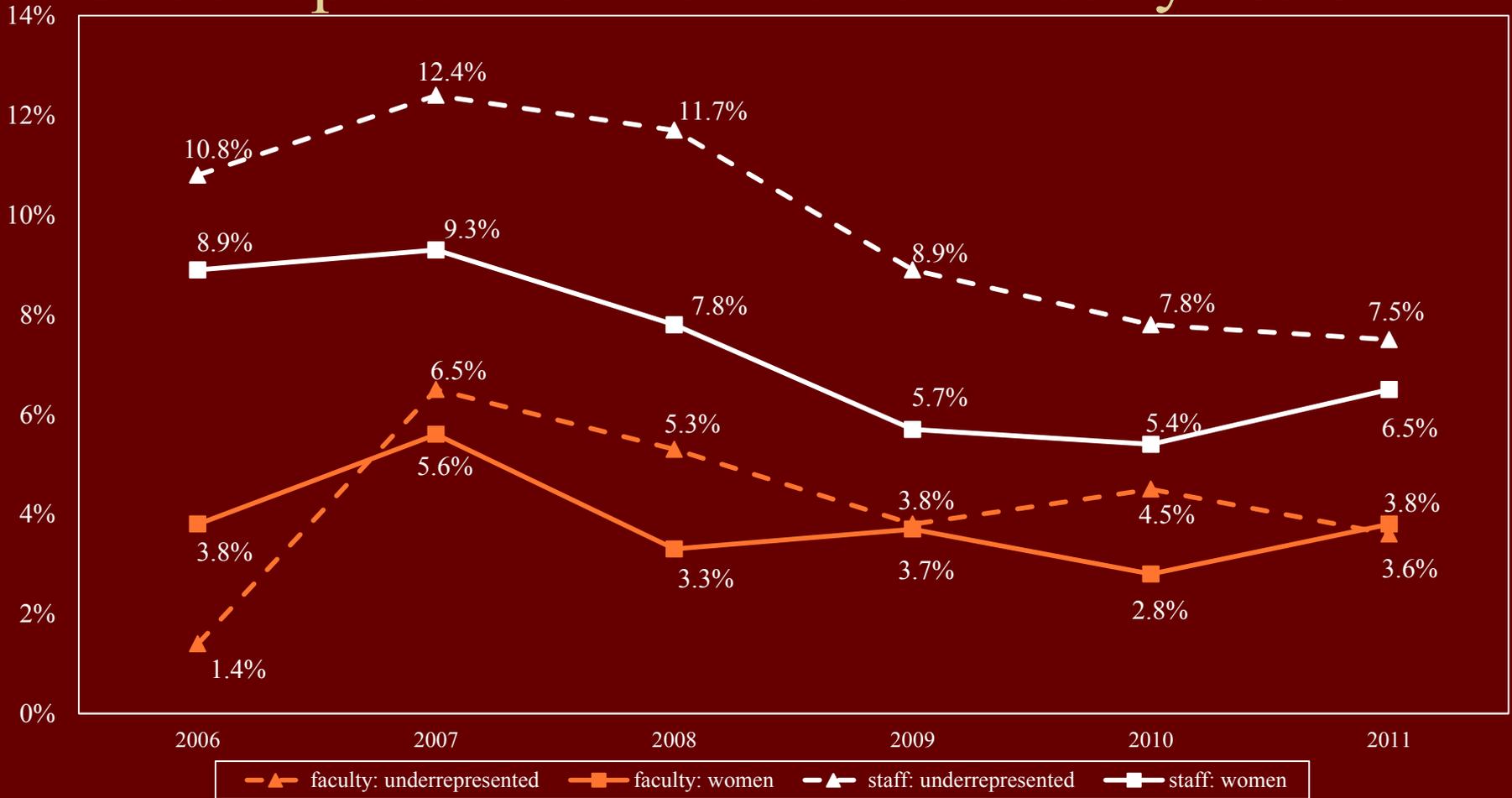
* Represents tenured and tenure-track faculty only

New Hire Trends Among Underrepresented and Women Faculty* & Staff



* Represents tenured and tenure-track faculty only

Voluntary Departure Trends Among Underrepresented and Women Faculty* & Staff

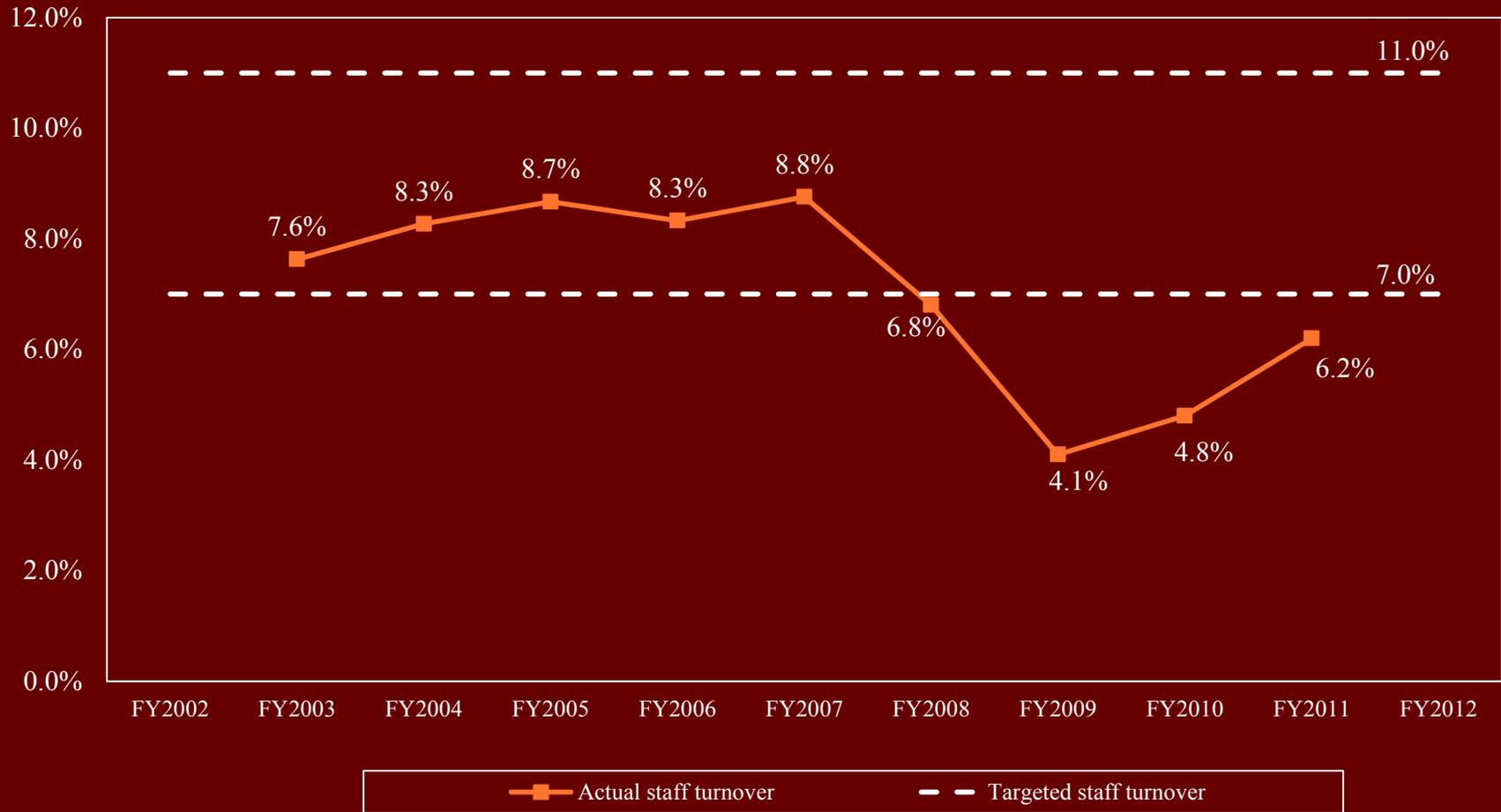


* Represents tenured and tenure-track faculty only

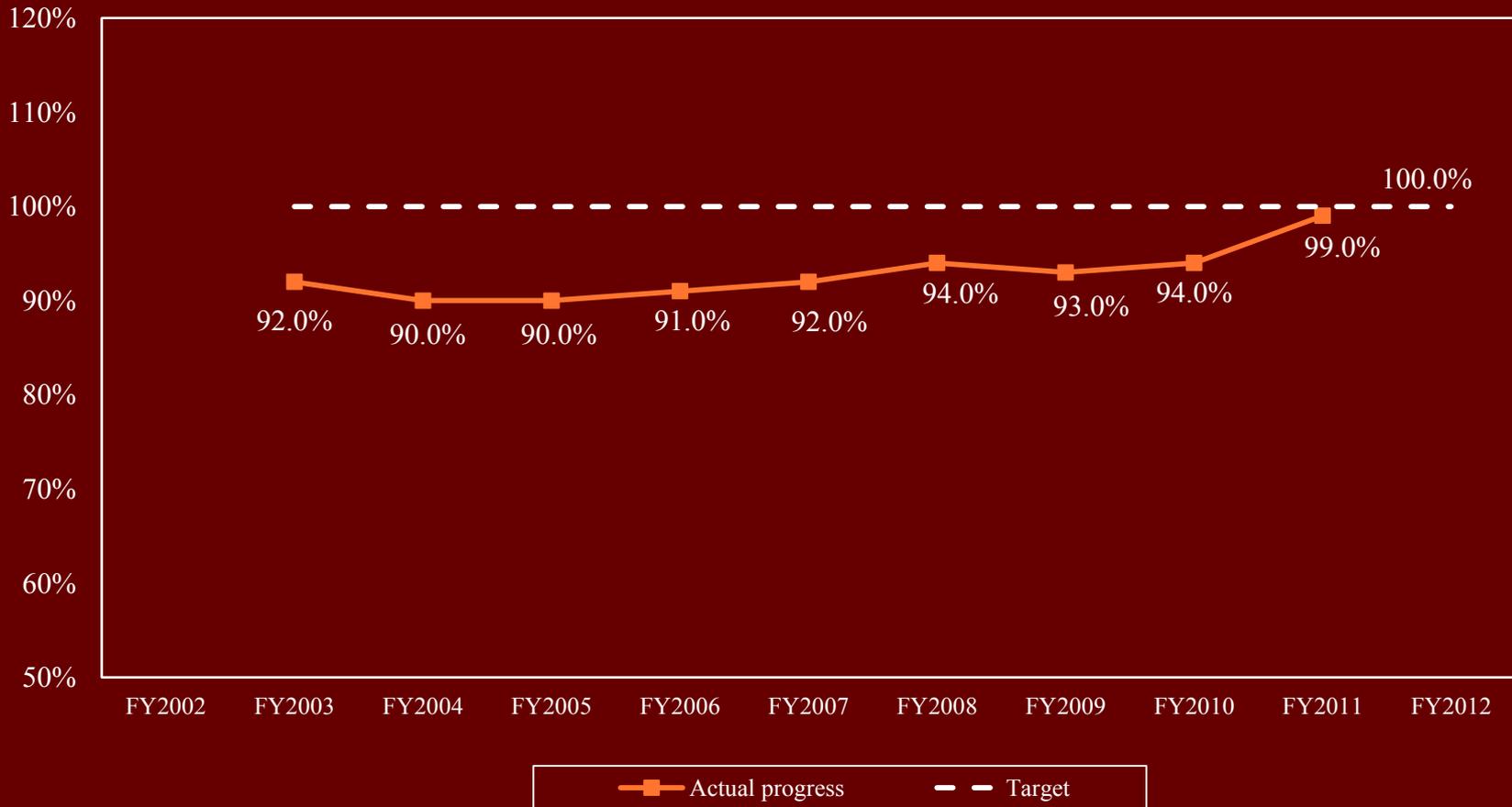
Indicators for Organizational Development

- ↑ Voluntary Turnover Rate for Staff
- ↑ Progress Towards Market Ratio of Average Staff Salary to Market

Voluntary Turnover Rate for Staff



Progress Towards 1.0 Market Ratio of Average Staff Salary to Market



Other Organizational Development Highlights

Recruitment & Retention

- AdvanceVT
- College Liaisons Program
- Future Faculty Development Program
- Visiting Scholars Program
- Women's Leadership and Mentoring Program

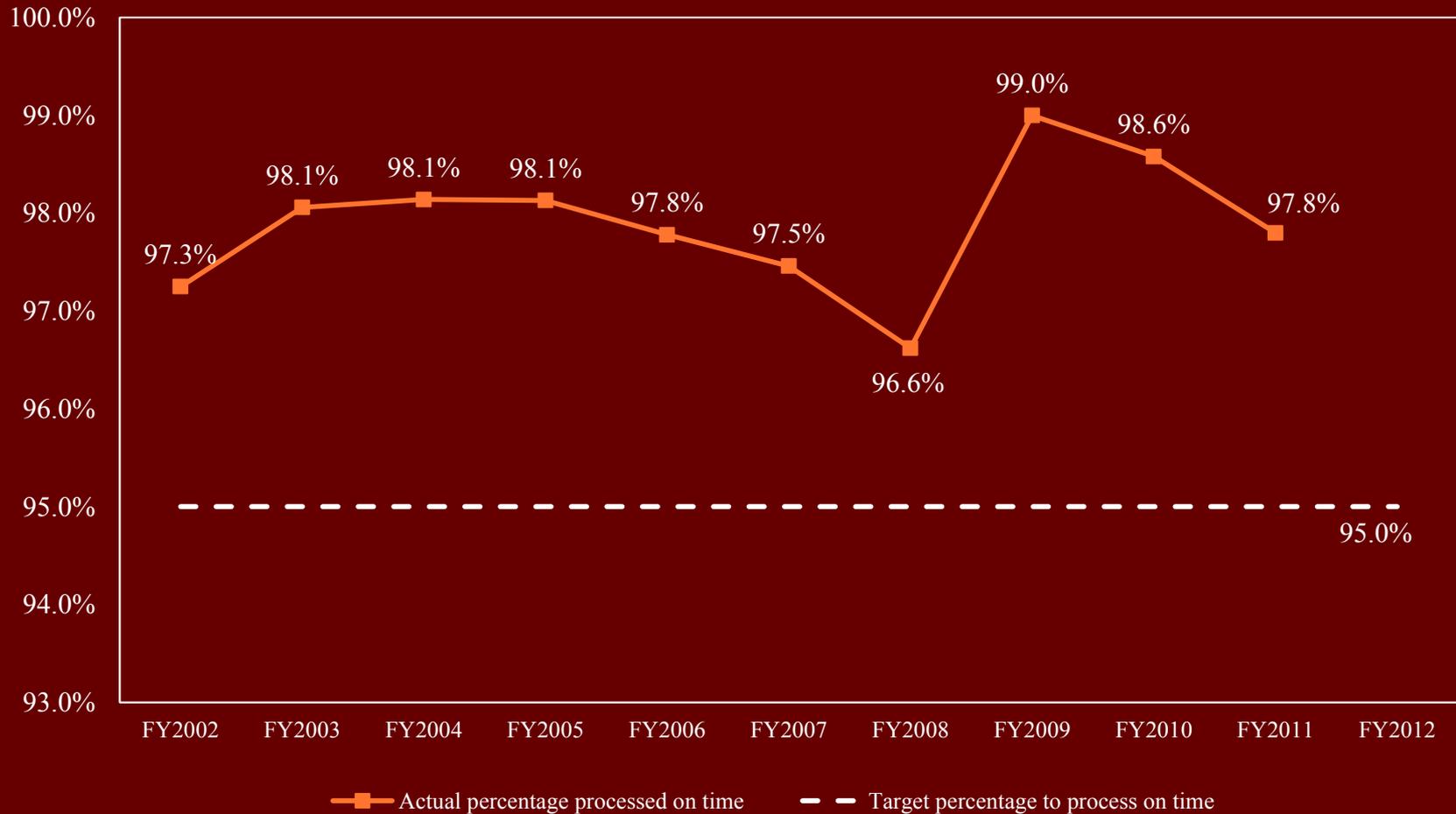
Campus Climate

- Diversity Development Institute
- Strong Together Initiative
- Women and Minority Artists and Scholars Lecture Series
- Women's Leadership Lunches

Measures for Campus Infrastructure

- ↔ Classroom utilization rate
- ↔ Classroom Laboratory utilization rate
- ↔ Police Department Average Response Time
- ↔ Compliance with Best Practices of Virginia Crime Commission
- ↔ Percentage of accounts payable processed on time

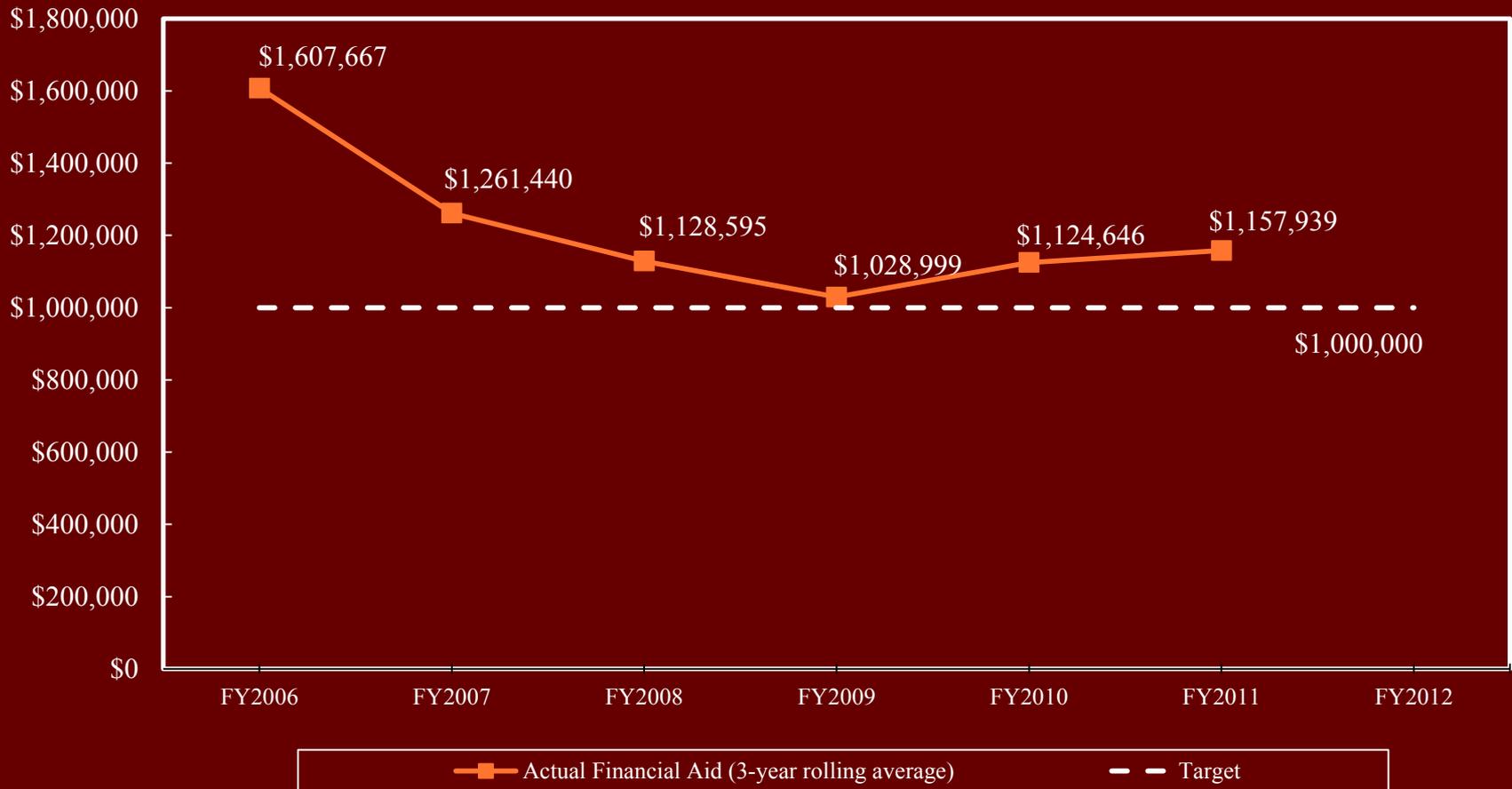
Percentage of Accounts Payable Processed On Time



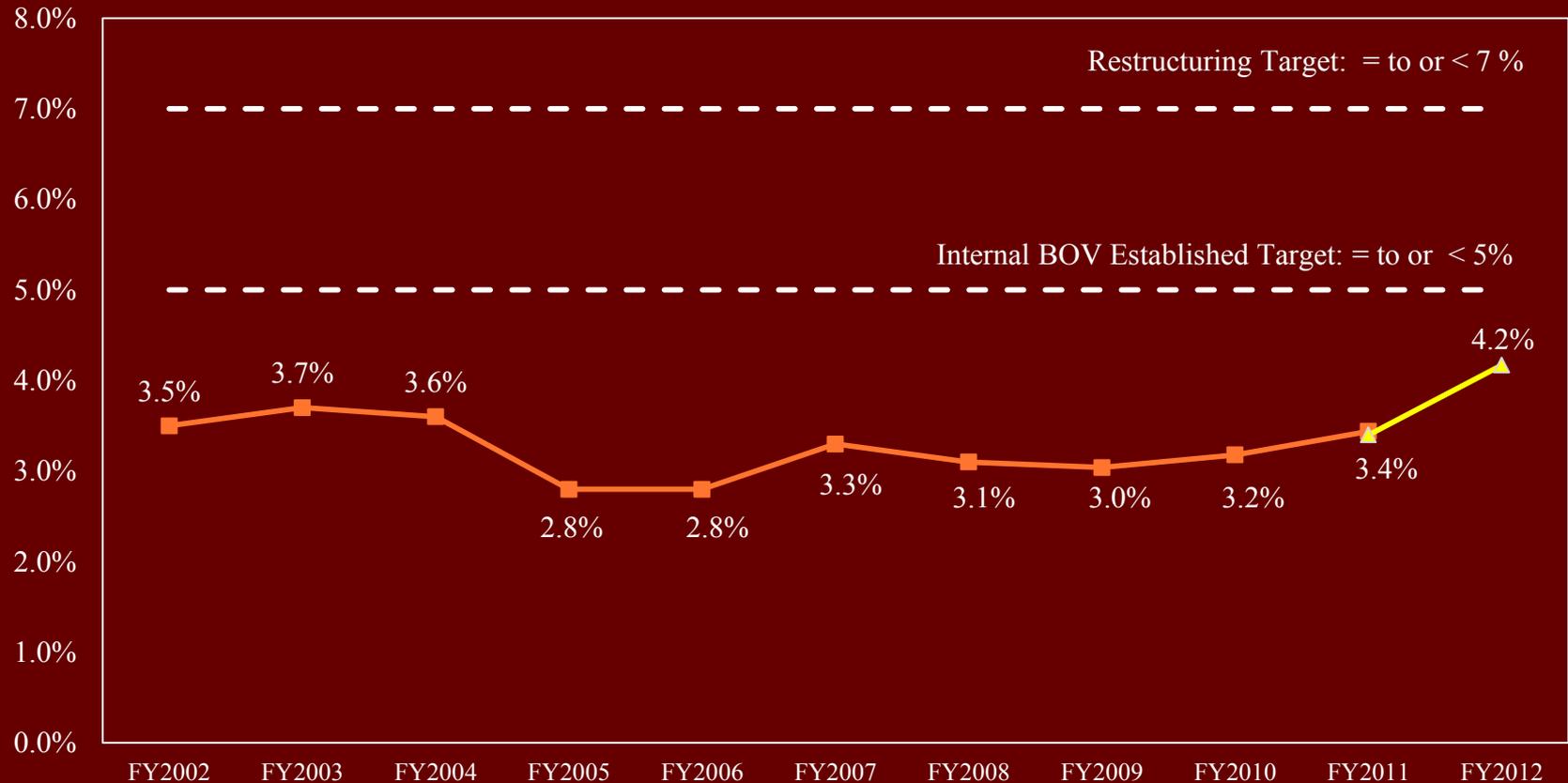
Measures for Effective Resource Development

- ↔ Incremental institutional need based financial aid of \$1M annually to offset tuition increases
- ↔ University debt ratio
- ↔ Central funding of research computing

Incremental Institutional Need Based Financial Aid



University Debt Ratio



Actual Debt Ratio

Board Approved Policy Maximum

Projected Debt Ratio

Central Funding of Research Computing

Calculated as a percentage of the annual externally funded research expenditures for the previous year

Target for FY2011

2%

or

\$4,523,000

Actual for FY 2011

3.31%

or

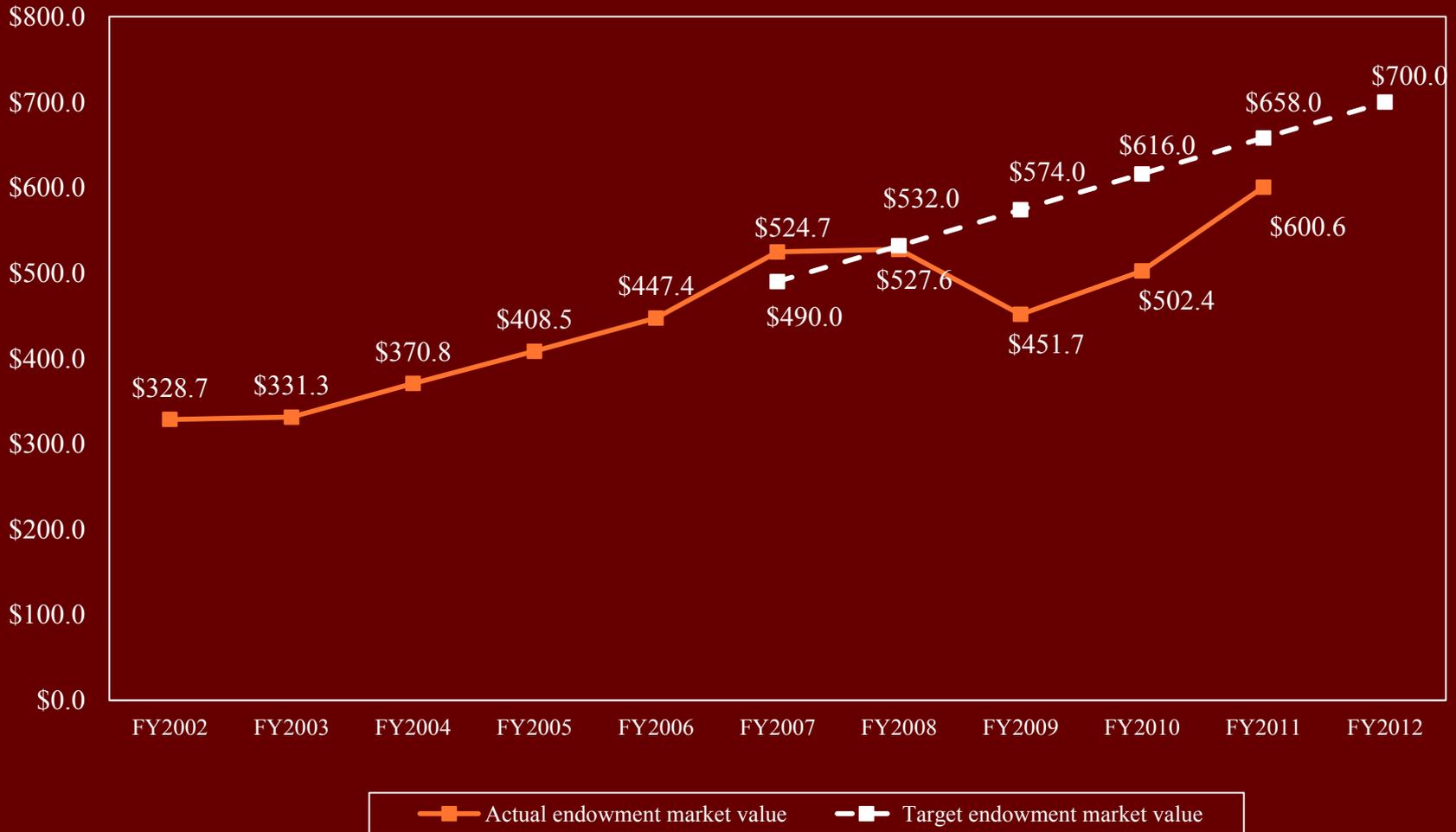
\$7,484,000

Measures for Effective Resource Development

- ↑ Endowment Market Value
- ↑ VT Foundation Assets
- ↑ Annual Fundraising total (cash flow) at face value

Endowment Market Value

(\$ Millions)

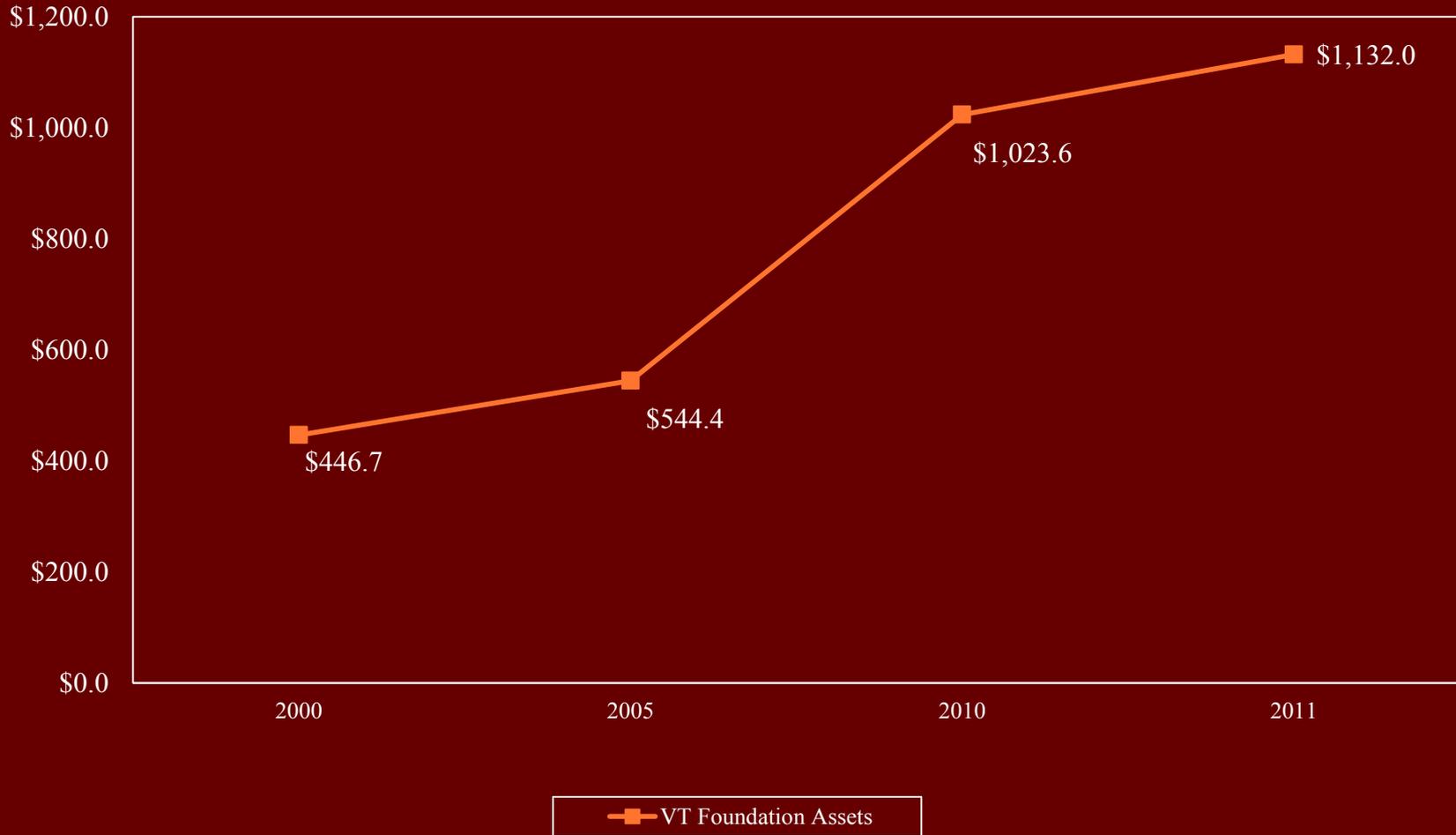


VirginiaTech

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

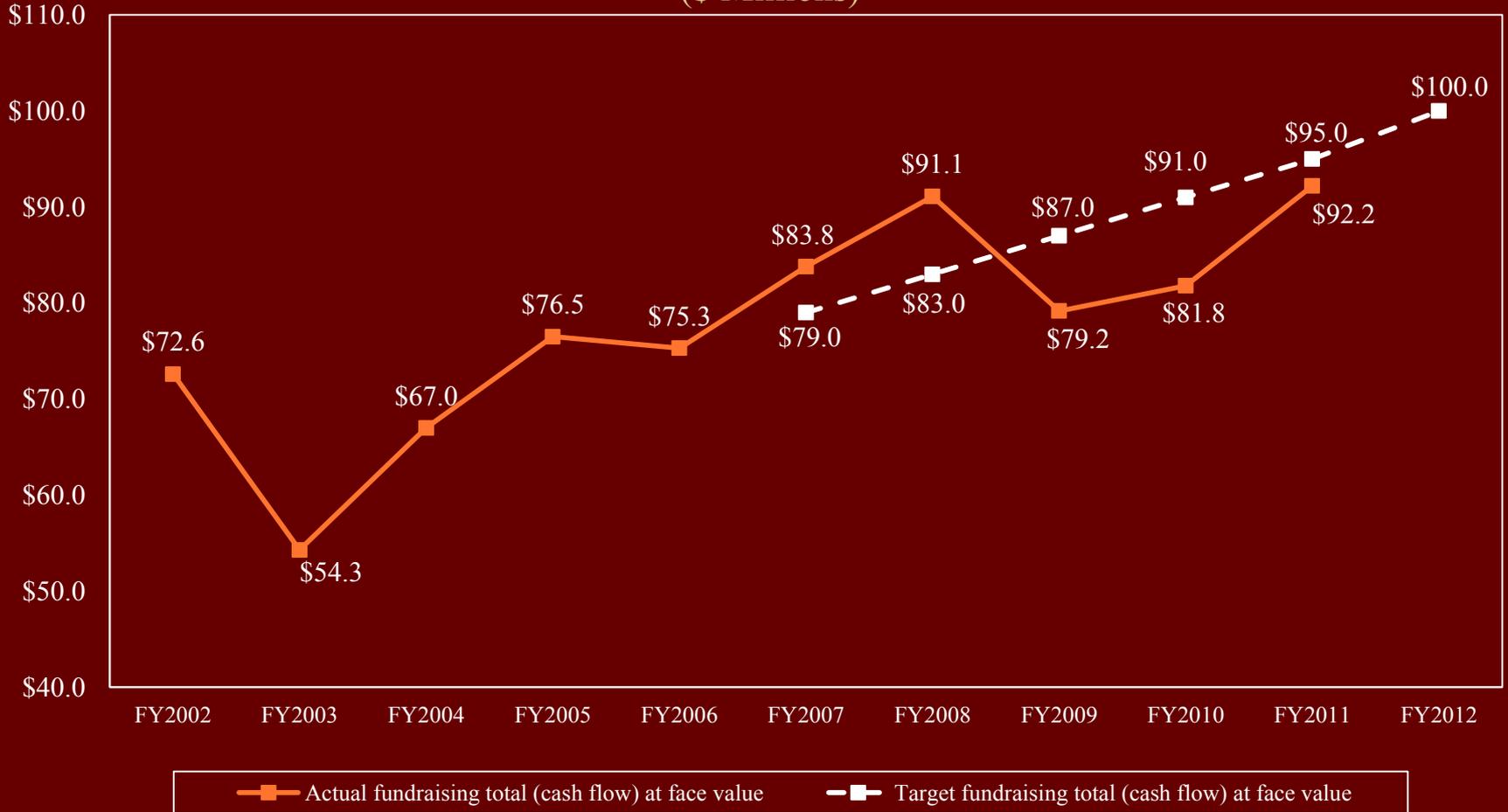
VT Foundation Assets

(\$ Millions)



Annual Fund Raising (cash flow) at Face Value

(\$ Millions)



Questions?

Update: Long Range Plan

Long Range Planning Office; Board of Visitors Meeting
November 6, 2011

Overview of Presentation

- ▶ Process: Meetings & discussion threads
- ▶ Exploration of implications of 1,000 and 5,000 more undergraduate students
- ▶ Exploration of implications of 1,000 more graduate students



Meeting Statistics

- ▶ Total number of meetings to Oct. 31 100
- ▶ Total number of people involved – 1088



Discussion threads

- ▶ Discovery: areas of emphasis?
- ▶ Governance: fast track for areas of strategic importance?
- ▶ Global engagement
- ▶ 'Faculty' structure(s)
- ▶ Articulating modern land grant mission
- ▶ Year-round calendar: trimester; revised/extended summer school?
- ▶ Leveraging technology in pedagogy, research & outreach



Admissions Considerations – Undergraduates

- ▶ Projected high school graduation rates
- ▶ Offers versus yield; capacity versus demand



Admissions Considerations- Graduate Students

- ▶ Growth by 1,000 additional students would require more offers and likely change the profile of entering students
- ▶ Need fellowships and assistantships that attract quality graduate students
- ▶ Best prospects for fellowships and assistantships: external funding in STEM-H



Instructional Space Considerations

- ▶ Current deficit in large classrooms
- ▶ More students than seats in certain subjects for fall 2011;
Students have had to defer needed prerequisite courses
- ▶ Growth will compound needs for additional laboratory spaces



Instructional Cost Considerations

- ▶ Must maintain a desired student-to-faculty ratio
- ▶ New faculty positions require competitive start-up packages (approx. \$200K for STEM-H faculty)
- ▶ Additional financial aid to ensure access and affordability
- ▶ Advising resources
Some advisors currently working with 200-1,000 students



Capital Projects Academic: New

- ▶ Classroom buildings—77,500 gross square feet (gsf) = \$50M
 - ▶ Need one for current enrollment and 1000 u/g students; an additional 5,000 u/g students will require a second classroom building of similar or larger scale
- ▶ Undergrad science laboratory building—77,000 gsf = \$65.6M
 - ▶ STEM-H focus of 1,000 u/g growth would elevate the need for this facility as a prerequisite to growth; 5,000 growth would require additional space of this scale
- ▶ Faculty and graduate student office and laboratory space
 - ▶ 1000 undergraduate student growth = 58,000 gsf = \$39M
 - ▶ 5000 undergraduate student growth = 288,000 gsf = \$196M



Capital Projects Academic: Renewal

- ▶ Derring Hall – 89,000 gross square feet (gsf) = \$46M
 - ▶ Half of the existing building may accommodate a growth of 1,000; growth of 5,000 may require a renovation of the entire 208,000 gsf building with an estimated cost of \$95M
- ▶ Renewals required for 5,000 new undergraduate students
 - ▶ Randolph Hall – 166,000 gsf = \$83M
 - ▶ Robeson Hall – 110,600 gsf = \$68M
 - ▶ Newman Library – 144,400 gsf = \$72M



Capital Projects Auxiliary: New

- ▶ Residence halls
 - ▶ 1,000 undergraduate students = 1 building = \$36.3 M
 - ▶ 5,000 undergraduate students = 5 buildings = \$181.M
- ▶ Dining facilities
 - ▶ 5,000 more undergraduate students = 1 building = \$32M
- ▶ Student Center – current facility needs = \$80-100M



Capital Projects Infrastructure: New

- ▶ Added space and renewal of existing space generates need for infrastructure investment
- ▶ Examples of growth at 5,000:
 - ▶ Chiller system expansion = \$35M
 - ▶ Steam-power plant expansion = \$50M
 - ▶ Parking structure = \$26M



Additional Items For Consideration

- ▶ Human resources needs beyond faculty
- ▶ Explore impact of growth on student fees and auxiliary services
- ▶ Debt capacity
- ▶ Parking, traffic and roadway implications



Cost Comparisons of Growth Scenarios

Cost Component	Zero Growth	1,000 ug + 1000 g	5,000 ug + 1,000 g
Existing Base Budget Adequacy Shortfall	\$46M	\$46M	\$46M
Incremental Base Budget Adequacy allocation from enrollment growth	0	\$38M	\$93M
State Support for Financial Aid for Resident Students	0	\$2M	\$5M
Annual operating needs	\$46M	\$86M	\$144M
Capital Project needs	<u>\$151M</u>	<u>\$272M</u>	<u>\$1,160M</u>
	<u>\$243M</u>	<u>\$444M</u>	<u>\$1,448M</u>





Thank you!



Long Range Planning Office
www.longrangeplan.vt.edu

MINUTES

November 7, 2011

The Board of Visitors of Virginia Polytechnic Institute and State University met on Monday, November 7, 2011, at 1:15 p.m. in Torgersen Boardroom, Virginia Tech Campus, Blacksburg, Virginia.

Present

Mr. Frederick J. Cobb
 Ms. Beverley Dalton
 Mr. Douglas R. Fahl
 Mr. Cordel Faulk
 Mr. William B. Holtzman
 Mr. John C. Lee IV
 Dr. Calvin D. Jamison, Sr.
 Mr. George Nolen (Rector)
 Ms. Suzanne Obenshain
 Ms. Deborah Leigh Martin Petrine
 Mr. Michael J. Quillen
 Mr. John G. Rocovich, Jr.
 Mr. Paul W. Rogers, Jr.

Absent

Ms. Michele Duke

Dr. Bruce Pencek, Faculty Representative
 Ms. Maxine Lyons, Staff Representative
 Ms. Michelle McLeese, Graduate Student Representative
 Mr. Matthew Banfield, Undergraduate Student Representative

Also present were the following: Dr. Charles Steger, Mr. Erv Blythe, Mr. Ralph Byers, Ms. Shelia Collins, Dr. Karen DePauw, Dr. John Dooley, Dr. Jack Finney, Dr. Elizabeth Flanagan, Chief Wendell Flinchum, Ms. Natalie Hart, Ms. Kay Heidbreder, Mr. Larry Hincker, Ms. Frances Keene, Ms. Sharon Kurek, Dr. Mary Ann Lewis, Dr. Will Lewis, Ms. Heidi McCoy, Dr. Mark McNamee, Ms. Kim O'Rourke, Mr. Mark Owczarski, Dr. Ellen Plummer, Ms. Savita Sharma, Mr. Dwight Shelton, Ms. Sandra Smith, Dr. Raymond Smoot, Dr. Ed Spencer, Dr. Tom Tillar, Dr. Robert Walters, Dr. Daniel Wubah, faculty, staff, students, guests, and reporters.

Prior to the start of the meeting, the Board viewed a short video clip of a Hyundai car commercial that features Virginia Tech.

A motion was made by Mr. Rocovich and seconded by Mr. Cobb to approve the minutes of the meeting of August 29, 2011, as distributed. The minutes were approved.

REPORT OF THE ACADEMIC AFFAIRS COMMITTEE

Rector Nolen called on Mr. Rogers (in the absence of Ms. Duke) for a report of the Academic Affairs Committee. (Copy filed with the permanent minutes and marked Attachment A.)

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

Reaffirmation of University Policy on Acceptance of Advanced Placement, International Baccalaureate, and Cambridge Advanced Examinations

That the Board of Visitors reaffirms existing university policy on acceptance of Advanced Placement, International Baccalaureate, and Cambridge Advanced examinations in accordance with the requirements of the *Code of Virginia*. (Copy filed with the permanent minutes and marked Attachment B.)

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

Affirmation of University Policy on Relief, Refund, and Reinstatement Guidelines for Students on Active Military Duty

That the Board of Visitors affirms existing university policy on the relief, refund, and reinstatement guidelines for students on active military duty. (Copy filed with the permanent minutes and marked Attachment C.)

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

**Resolution to Discontinue the Executive Master's Degree
in Information Security Assurance**

That the resolution to discontinue the executive master's degree in information security assurance be approved. (Copy filed with the permanent minutes and marked Attachment D.)

* * * * *

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

**Resolution to Establish the Master of Science Degree
and the Master of Engineering Degree
in Nuclear Engineering**

That the resolution to establish the master of science degree and the master of engineering degree in nuclear engineering, effective spring 2013, be approved. (Copy filed with the permanent minutes and marked Attachment E.)

* * * * *

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

Resolution to Establish the Ph.D. in Nuclear Engineering

That the resolution to establish the Ph.D. in nuclear engineering, effective spring 2013, be approved. (Copy filed with the permanent minutes and marked Attachment F.)

* * * * *

REPORT OF THE BUILDINGS AND GROUNDS COMMITTEE

Rector Nolen called on Mr. Rocovich for a report of the Buildings and Grounds Committee. (Copy filed with the permanent minutes and marked Attachment G.)

* * * * *

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

Resolution Regarding Admission of Montgomery County to the Blacksburg-Christiansburg-VPI Water Authority

That the resolution delegating authority to Sherwood G. Wilson, Vice President for Administrative Services, to hold a public hearing on behalf of the university and its Board of Visitors on the Blacksburg-Christiansburg-VPI Water Authority Amended and Restated Articles of Incorporation providing for a joinder with Montgomery County be approved. (Copy filed with the permanent minutes and marked Attachment H.)

Note: A resolution seeking approval for the actual joinder will be presented to the Board of Visitors at a future date.

* * * * *

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

Resolution on Appointments to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority

That the resolution recommending Raymond D. Smoot, Jr. and Ron Rordam for appointment as joint representatives and Michael J. Coleman, Associate Vice President and Chief Facilities Officer, for reappointment as the university's representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors be approved, all effective immediately for terms expiring January 1, 2016. (Copy filed with the permanent minutes and marked Attachment I.)

* * * * *

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

Resolution on Demolition of University Building

That the resolution to demolish the tenant residence located at the Virginia Tech Hampton Roads Agricultural Research and Experiment Center (building 1103) be approved. (Copy filed with the permanent minutes and marked Attachment J.)

REPORT OF THE FINANCE AND AUDIT COMMITTEE

Rector Nolen called on Mr. Quillen for the report of the Finance and Audit Committee. (Copy filed with the permanent minutes and marked Attachment K.)

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

General Banking and Investment Resolution

That the resolution identifying the officers authorized to open accounts, authorize checks, and transfer funds on behalf of the university be approved. (Copy filed with the permanent minutes and marked Attachment L.)

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

Policy Governing the Investment of University Funds

That the updated Policy Governing the Investment of University Funds be approved. (Copy filed with the permanent minutes and marked Attachment M.)

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

**Resolution to Approve Year-to-Date Financial Performance Report
(July 1, 2011 – September 30, 2011)**

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, 2011 through September 30, 2011 and the Capital Outlay report be accepted. (Copy filed with the permanent minutes and marked Attachment N.)

* * * * *

As part of the Finance and Audit Committee report by Mr. Quillen and with the endorsement of the Academic Affairs Committee, the following resolution was moved by Mr. Quillen, seconded by Mr. Cobb, and approved unanimously.

**Resolutions for Approval of Pratt Fund
Program and Expenditures Report**

That the 2010-2011 Pratt Funds Activity Statement for the College of Engineering be approved.

That the 2010-2011 Pratt Funds Activity Statement for Animal Nutrition be approved.

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

* * * * *

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

Resolution to Approve Select Defined Contribution Plan Amendment

That the Select Defined Contribution Plan amendment that would allow employee contributions be approved. (Copy filed with the permanent minutes and marked Attachment P.)

REPORT OF THE RESEARCH COMMITTEE

Rector Nolen called on Ms. Dalton for the report of the Research Committee. (Copy filed with the permanent minutes and marked Attachment Q.)

As part of the Research Committee report by Ms. Dalton, the following resolution was moved by Ms. Dalton, seconded by Mr. Cobb, and approved unanimously.

Resolution for Exclusion of Certain Officers/Directors

That the resolution appointing Key Management Personnel, specifying certain of their responsibilities, and permitting exclusion of members of the Board of Visitors from access to all classified information in the possession of the university be approved. (Copy filed with the permanent minutes and marked Attachment R.)

REPORT OF THE STUDENT AFFAIRS AND ATHLETICS COMMITTEE

Rector Nolen called on Dr. Jamison for the report of the Student Affairs and Athletics Committee. (Copy filed with the permanent minutes and marked Attachment S.)

PRESIDENT'S REPORT

Report of Research and Development Disclosures

As part of the President's report, President Steger shared with the Board the **Report of Research and Development Disclosures** – for information only, no action needed. (Copy filed with the permanent minutes and marked Attachment T.)

Motion to begin Closed Session

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

1. Appointment of faculty to Emeritus status, the consideration of individual salaries of faculty, consideration of Endowed Professors, 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), Code of Virginia, as amended, .1 .7 and .10.

The motion was seconded by Dr. Jamison and passed unanimously.

Motion to Return to Open Session

Following the Closed Session, members of the press, students, and the public were invited to return to the meeting. Rector Nolen called the meeting to order and asked Mr. Rogers to make the motion to return to open session.

Mr. Rogers 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 Code of Virginia requires a certification by the Board of Visitors that such closed meeting was conducted in conformity with Virginia law;

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

The motion was seconded by Dr. Jamison and passed unanimously.

Upon motion by Mr. Rocovich and second by Dr. Jamison, unanimous approval was given to the resolutions for approval of **External Awards (2)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment U.)

Upon motion by Mr. Quillen and second by Dr. Jamison, unanimous approval was given to the resolutions for approval of **University Facilities (2)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment V.)

Upon motion by Mr. Quillen and second by Dr. Jamison, unanimous approval was given to the resolution for approval of **Emeritus Status (1)**, as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment W.)

Upon motion by Mr. Cobb and second by Dr. Jamison, unanimous approval was given to the resolutions for approval of **Endowed Chairs, Professorships, and Fellowships (3)** as considered in Closed Session. (Copies filed with the permanent minutes and marked Attachment X.)

Upon motion by Mr. Rocovich and second by Dr. Jamison, unanimous approval was given to the resolution for approval of an **Exception to the Virginia Conflict of Interest Act (1)** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment Y.)

Upon motion by Mr. Rocovich and second by Ms. Dalton, unanimous approval was given to the resolution for **Ratification of the Personnel Changes Report** as considered in Closed Session. (Copy filed with the permanent minutes and marked Attachment Z.) This item was reviewed by the Academic Affairs Committee and the Finance and Audit Committee.

* * * * *

Audit Report**No Action Required**

* * * * *

**Litigation Report was presented in closed session on Sunday,
with a brief update provided in closed session on Monday**

Not for Approval

* * * * *

Constituent Reports (no action required)

- **Undergraduate Student Representative – Mr. Matthew Banfield**
- **Graduate Student Representative – Ms. Michelle McLeese**
- **Staff Representative – Ms. Maxine Lyons**
There was brief discussion regarding the new leave policy for classified staff proposed by the Virginia Department of Human Resource Management (DHRM). The Governor's Commission on Government Reform and Restructuring had asked DHRM to evaluate and simplify the current leave system. Ms. Lyons will report back at the March 2012 BOV meeting regarding the leave issue.
- **Faculty Representative – Dr. Bruce Pencek**
(Copies filed with the permanent minutes and marked Attachment AA.)

* * * * *

The date for the next meeting is March 25-26, 2012, in Blacksburg, Virginia.

* * * * *

The meeting adjourned at 2:55 p.m.

George Nolen, Rector

Kim O'Rourke, Secretary

Committee Minutes

ACADEMIC AFFAIRS COMMITTEE

Ambler Johnston Residential College, Room 2315 and Tour

7:15 – 9:00 a.m.

and

The Inn at Virginia Tech, Drillfield Room

10:45 – 11:30 a.m.

November 7, 2011

Board Members Present:

Chair: Paul Rogers (serving as Chair on behalf of Michelle Duke)

Committee Members Present: Cordel Faulk, Michelle McLeese (graduate student representative), Suzanne Obenshain, Bruce Pencek (faculty representative); George Nolen, Rector, also attended.

Board Members Absent:

Michelle Duke

Guests:

Kenneth Ball, Richard Benson, Cynthia Bonner, Kimberly Brown, Matthew Creasy, Karen DePauw, John Dooley, Francesca Galarraga, Natalie Hart, Larry Hincker, Lauren Howard, Frances Keene, Jack Finney, Benjamin Knapp, William Lewis, Mark McNamee, Nick Onopa, Kim O'Rourke, Robin Panneton, Mark Pierson, Dennis Priebe, Mark Pierson, Ellen Plummer, Chris Rahmes, Karen Eley Sanders, Jason Scott, Frank Shushok, Guy Sims, Ed Spencer, Susan Steeves, Robert Walters, Tod Whitehurst, Ruth Waalkes, Ashley Wood, and Daniel Wubah

OPEN SESSION

1. **Academic Affairs Orientation Breakfast Meeting.** Provost Mark McNamee provided an orientation regarding academic affairs issues that are under the purview of the Academic Affairs Committee. The committee discussed the availability of resources and background materials on a variety of topics that come before the committee. Topics covered included the faculty handbook,

Board resolutions, and materials associated with the university's promotion and tenure process, the quarterly faculty personnel changes report, and the process for establishing new academic degree programs.

2. **Tour of Ambler Johnston Residential College.** Associate Vice President for Student Affairs Frank Shushok provided a tour of the living-learning environment of the new Ambler Johnston Residential College. Board members saw the on-site academic advising, career advising, and tutoring possibilities that are available to students living in Ambler Johnston.

JOINT OPEN SESSION

1. **Welcome.** Chairs of the Academic Affairs Committee and the Student Affairs and Athletics Committee welcomed committee members and guests to the joint open session.
2. **Current Status of Undergraduate Academic Advising.** The presentation focused on the current status of undergraduate academic advising at Virginia Tech. Strategic initiatives were discussed, including on-going collaborations between academic affairs and student affairs to improve advising across campus.
3. **Adjournment.** There being no further business, the joint session of the Academic Affairs Committee and the Student Affairs and Athletics Committee adjourned at 10:30 a.m.

CLOSED SESSION

The committee approved a resolution to move into closed session to consider one emeritus resolution, two endowed professorship resolutions, one endowed fellowship resolution, one exemption to the Virginia Conflict of Interest Act, and ratification of the faculty personnel changes report.

All recommendations and resolutions were unanimously approved. The session was formally certified and the committee moved to open session.

OPEN SESSION

1. **Welcome.** Paul Rogers welcomed committee members and guests. Mr. Rogers thanked Dr. McNamee for an informative orientation session earlier in the morning.

2. **Approval of Minutes.**

A motion was made and unanimously approved to accept the August 29, 2011 minutes of the committee.

3. **Report of Closed Session Action Items.** Actions taken in the committee's closed session were reported. The committee approved one emeritus resolution, two endowed professorship resolutions, one endowed fellowship resolution, one exemption to the Virginia Conflict of Interest Act, and ratification of the faculty personnel changes report.
4. **Provost's Update.** Dr. Mark McNamee, senior vice president and provost, provided an update on various topics to the committee.

Professor R. Benjamin Knapp. Provost McNamee introduced Professor Ben Knapp, founding director of the Institute for Creativity, Arts, and Technology (ICAT). In addition to directing the institute, Dr. Knapp is a full professor in the computer science department. Professor Knapp began his tenure at the university October of 2011 and comes to Virginia Tech from the Sonic Arts Research Centre at Queen's University. For more than 20 years, he has been working to create meaningful links between human-computer interaction, university design, and various forms of creativity. Professor Knapp's experience—across engineering and music, in both academia and industry—makes him uniquely qualified to serve as the founding director of ICAT.

Student Enrollments. Provost McNamee informed the committee that 23,700 undergraduate students are enrolled at the university; 5,221 are first time freshmen. The graduate student census remain steady with 6,856 students enrolled in master's and Ph.D. programs; 380 students are enrolled in professional study.

Vice President Searches. The university will launch two executive level searches. The Vice President for Outreach and International Affairs search will be launched due to Dr. John Dooley's appointment to the University Foundation. In addition, a search is underway for Vice President for Student Affairs due to the retirement of Dr. Edward Spencer scheduled for June of 2011.

5. **Academic Initiatives.**

- * a) **Reaffirmation of University Policy on Acceptance of Advanced Placement, International Baccalaureate, and Cambridge Advanced Examinations.** An amendment to the Code of Virginia 23-9.2:3:8 requires inclusion of the Cambridge Advanced examination as a metric in the awarding of college credit. This resolution reaffirms the university's

existing policy regarding Advanced Placement and International Baccalaureate diploma programs, and includes Cambridge Advanced examinations, in accordance with the Code of Virginia amendment.

A motion was made and unanimously approved to reaffirm university policy on the acceptance of Advanced Placement, International Baccalaureate, and Cambridge Advanced Examinations.

- * b) **Affirmation of University Policy on Relief, Refund, and Reinstatement Guidelines for Active Duty Military Students.** The resolution affirms the university's existing policy on relief, refund, and reinstatement guidelines for active duty military students. These students are given options for a flexible withdrawal and return to Virginia Tech. In accordance with a requirement of the State Council of Higher Education for Virginia (SCHEV), the Board of Visitors affirms the university's existing policy pertaining to active duty military students.

A motion was made and unanimously approved to affirm the university policy on relief, refund, and reinstatement guidelines for active duty military students.

- * c) **Discontinuance of Executive Master of Information Security Assurance (eMISA).** In March 2009, Virginia Tech received approval from SCHEV to offer a new executive master's degree in information security assurance (eMISA) to be located in the National Capital Region. The unexpected departure of one of the key architects of this degree program compromised the program's ability to deliver core content to the degree students. At the same time, the national economy began a protracted downturn that made it unusually difficult to recruit faculty with expertise in cyber security intelligence. Virginia Tech now seeks to discontinue eMISA since SCHEV has given its approval for another commonwealth institution located in the Northern Virginia area (George Mason University) to initiate an information security assurance graduate program. The decision to discontinue eMISA comes at the end of careful and extended deliberations among affiliated faculty and administrators, and represents the university's honest interest in offering effective degree programs to the best of its ability. Given the unfortunate series of events compromising the initiation of the eMISA degree, Virginia Tech feels that it is best to table these interests until it has a more developed and sustained faculty support system.

A motion was made and unanimously approved to discontinue the executive master of information security assurance (eMISA).

- * d) **Approval of Master of Science Degree and Master of Engineering Degree in Nuclear Engineering.** The proposed master's degree program in nuclear engineering will address the significant need for nuclear engineers who can contribute to the design and optimization of nondestructive detection systems, monitoring systems for nuclear security and safeguards, and nuclear medicine and radiation therapy and diagnosis. It will be the first such master's degree available in the Commonwealth of Virginia.

A motion was made and unanimously approved to establish the master of science degree and master of engineering degree in nuclear engineering.

- * e) **Approval of Ph.D. in Nuclear Engineering.** The proposed Ph.D. in nuclear engineering will address the significant need for nuclear engineers who can contribute to the design and optimization of nondestructive detection systems, monitoring systems for nuclear security and safeguards, and nuclear medicine and radiation therapy and diagnosis. It will be the first such Ph.D. available in the Commonwealth of Virginia.

A motion was made and unanimously approved to establish the Ph.D. in nuclear engineering.

- * f) **Review and Acceptance of Pratt Fund Program and Expenditures Report.** The committee received a report on the Pratt Fund program and expenditures. In 1975, the university received a significant bequest from the estate of Mr. John Lee Pratt. The bequest was divided equally into two distinct parts—one to support animal nutrition programs and one to support the College of Engineering. In fiscal year 2010-11, Pratt Funds supported the following engineering programs: undergraduate scholarships, undergraduate and graduate study abroad scholarships, graduate research assistantships, graduate fellowships, graduate tuition scholarships, and graduate recruitment for the college's research programs. In fiscal year 2010-11, Pratt Funds were used to enhance animal nutrition programs, attract highly qualified graduate scholars, establish new interdisciplinary and externally funded research, augment currently funded research, and bridge gaps in projects between periods of extramural funding. Graduate student support was a major component of these projects. Primary expenditures included the direct support of stipends, operations, and

enhancement of graduate programs through equipment purchases and visiting scientists.

A motion was made and unanimously approved to accept the Pratt Fund program and expenditures report.

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

*** Requires Full Board Approval**



Undergraduate Advising @ Virginia Tech

Daniel A. Wubah
Vice President and Dean for Undergraduate Education
Frank X. Shushok
Associate Vice President, Student Affairs

October 19, 2011



Advising Vision Statement

The foundation of student success will be anchored in a collaborative relationship between the student and advisor which is based on mutual trust and support.



Definition

Advising is a **collaborative** process between student and advisor leading to the exchange of information that **encourages** the individual **student** to make **responsible academic and career decisions.**



Advising Models

- Centralized
 - Professional and faculty advisors are located in one academic or administrative unit.
- Decentralized
 - Professional or faculty advisors are in their respective academic departments.
- Shared
 - Some advisors meet with students in a central administrative unit, while others advise students in their major discipline.



Major Responsibilities in Advising

University

- Review advising process to assess the impact of recommendations implemented
- Provide information for students, advisors, parents, and other constituents that clearly explain responsibilities and expectations related to advising

Student

- Communicate goals, needs, wants, and concerns to advisor in a respectful and sincere manner
- Keep abreast of their own academic progress and requirements related to their academic program

Advisor

- Communicate with students and deliver individualized and accurate information in professional and sincere manner
- Be informed of and provide accurate information about current academic policies and procedures

VT Academic Advising Task Force, 1998



Task Force on Advising

- Multiple advising models and advisor development activities.
- No common expectations or learning outcomes.
- Advisors receive insufficient support, training and recognition.



Ratio of Professional and Staff Advisors to 1st and 2nd Year Students VT Fall 2011 Census

College	Students	Professional & (Staff Advisors)	Ratio
Agriculture & Life Sciences	1017	7	145
Architecture and Urban Studies	640	2	320
Business	1652	3	551
Engineering	2982	14	213
Liberal Arts & Human Sciences	1565	3	522
Natural Resources & Environment	267	1.5	178
Science	1696	6	283
University Studies	1962	12	164
Total	11781	49 (9)	240 (204)



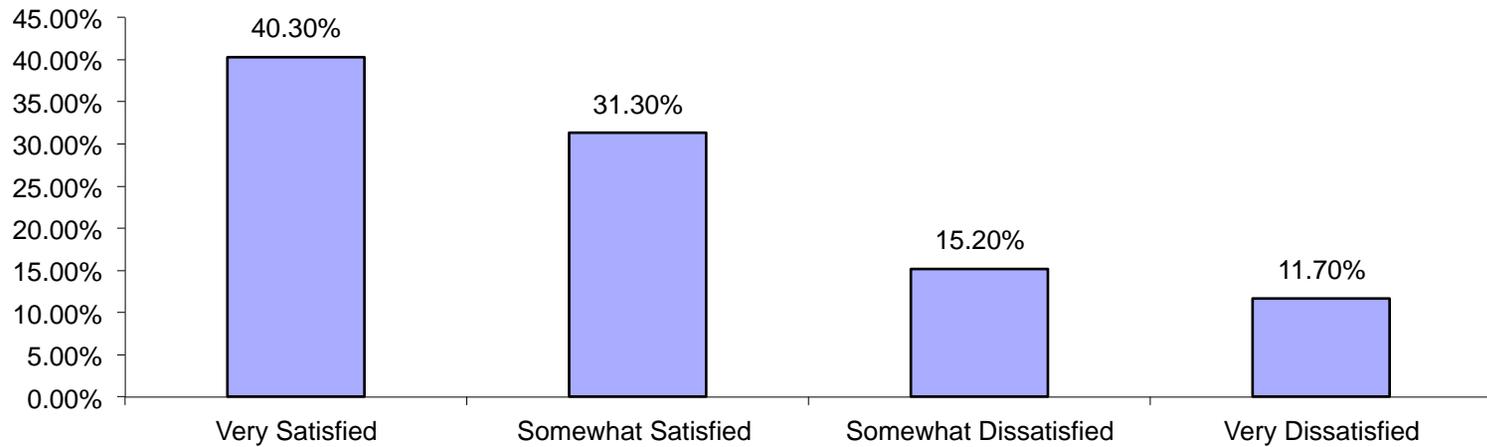
Advising Surveys to Date

- 2006 - present: National Survey of Student Engagement
- 2008: Center for Survey Research
- 2009: Student Government Association survey
- 2009 to present: VT Senior Exit survey



Overall Satisfaction with Advising

To what extent are you satisfied with the advising you have received at Virginia Tech?

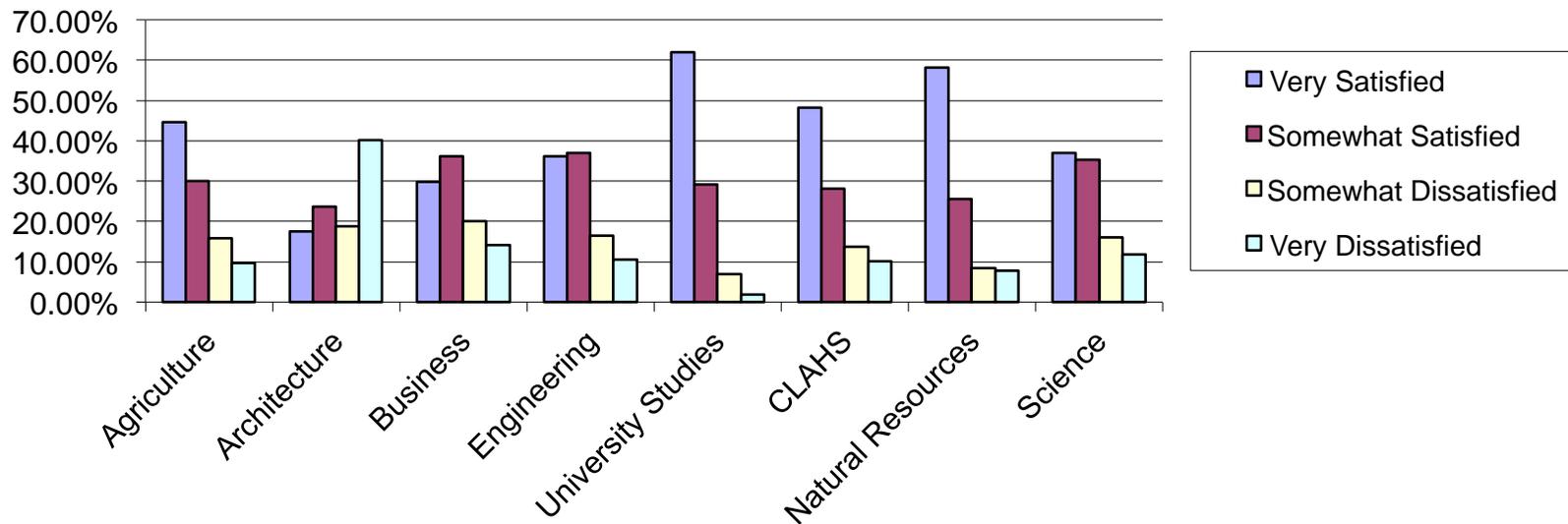


VT Center for Survey Research; Fall 2008; N=5467



Overall Satisfaction by College

To what extent are you satisfied with the advising you have received at Virginia Tech?



VT Center for Survey Research; Fall 2008; N=5467



Student Government Association Advising Survey

- 98% indicated that they knew their advisor and 82% had met with their advisor
- 48% did not meet with their advisor for course request
- 87% regularly seek advising assistance from resources other than advisor
- 61% are satisfied with their advising experience

N=673

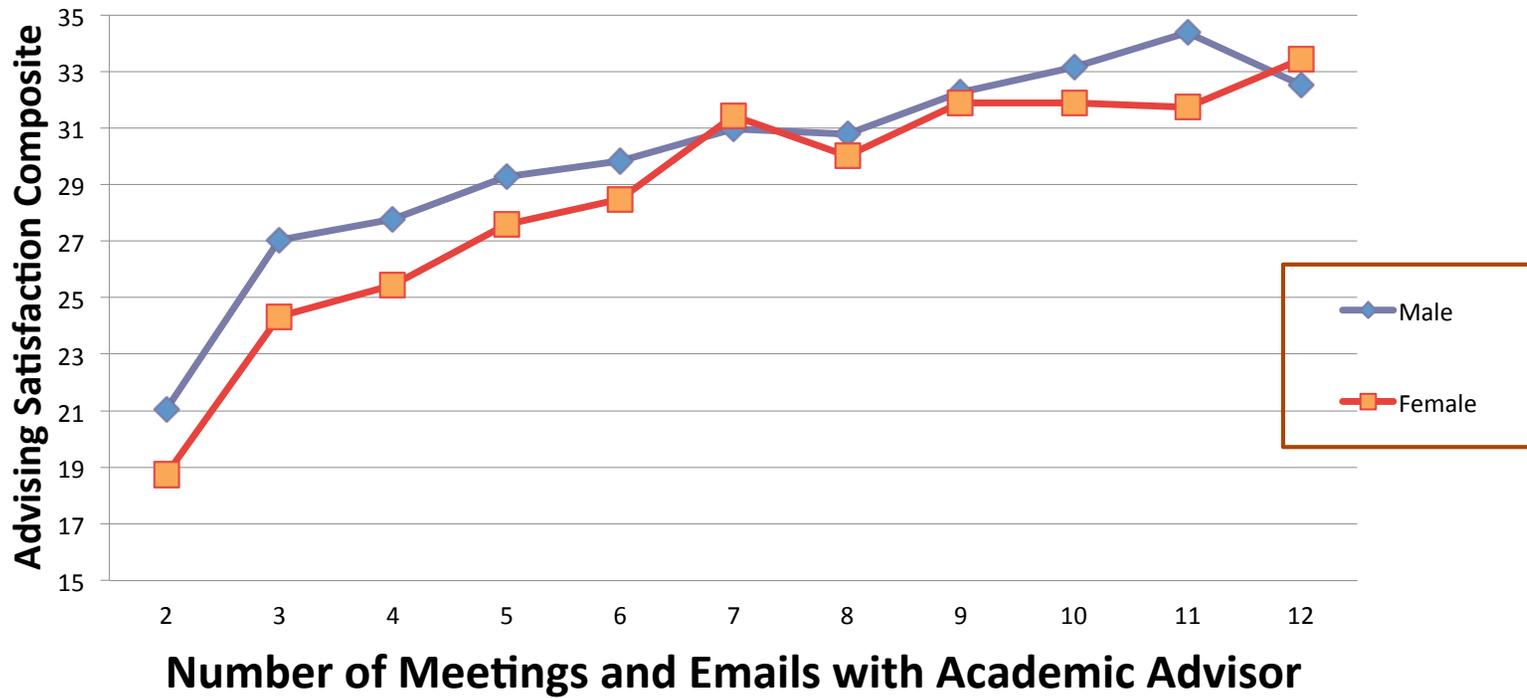


Academic Assessment Surveys

- VT Senior Exit Survey (VTSES): access, knowledge and assistance.
- National Survey of Student Engagement (NSSE): A wide array of questions to determine engagement.



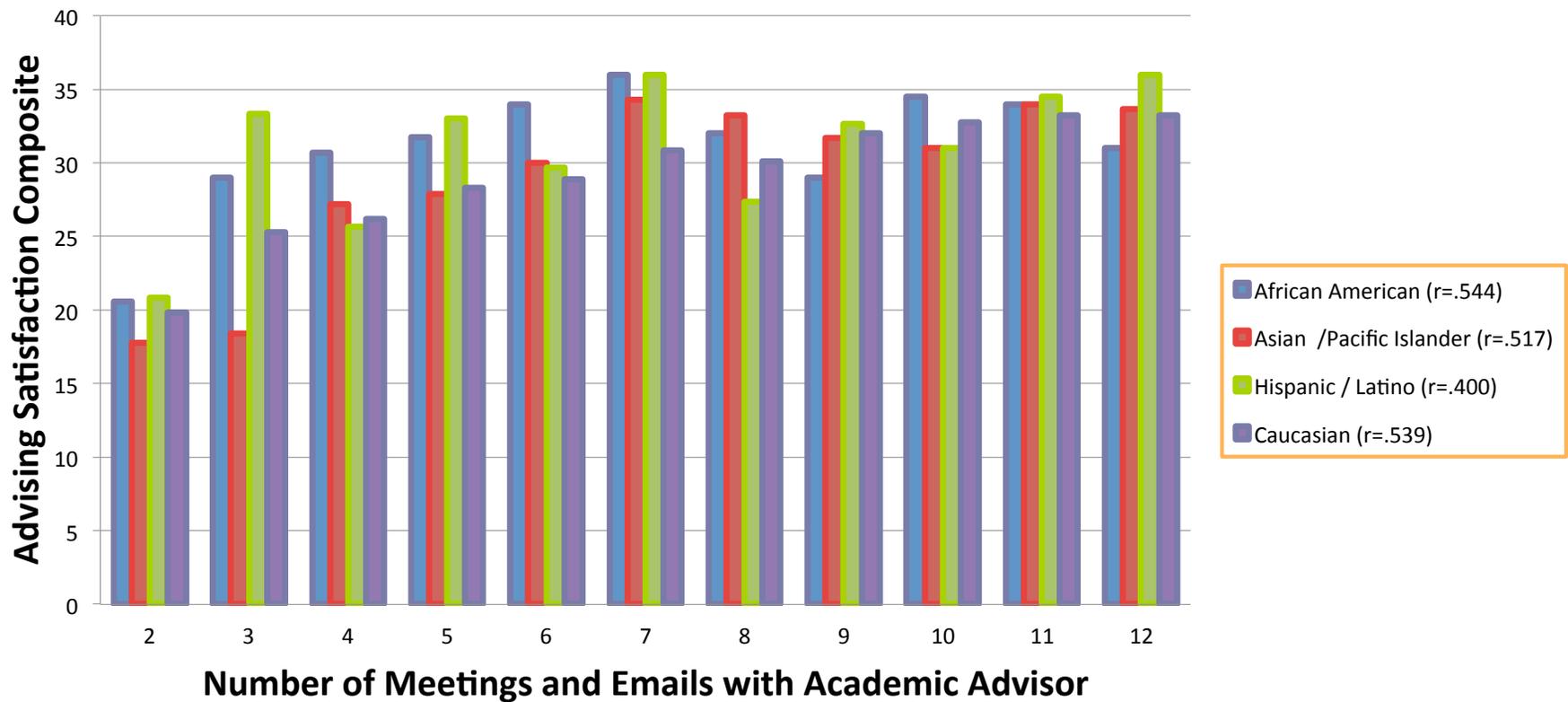
Advising Satisfaction and Number of Advisor Contacts



2011 VT Senior Exit Survey; N= 1969



Advising Satisfaction and Number of Advisor Contacts



2011 VT Senior Exit Survey; N= 1969



Which of the following best describes your academic advisor?

College	2009-2010	2010-2011
Departmental professional advisor	33%	36%
Faculty advisor	54%	52%
Faculty advisor outside major	1%	1%
Staff member	2%	2%
I don't know	10%	9%

2011 VT Senior Exit Survey; N= 1969

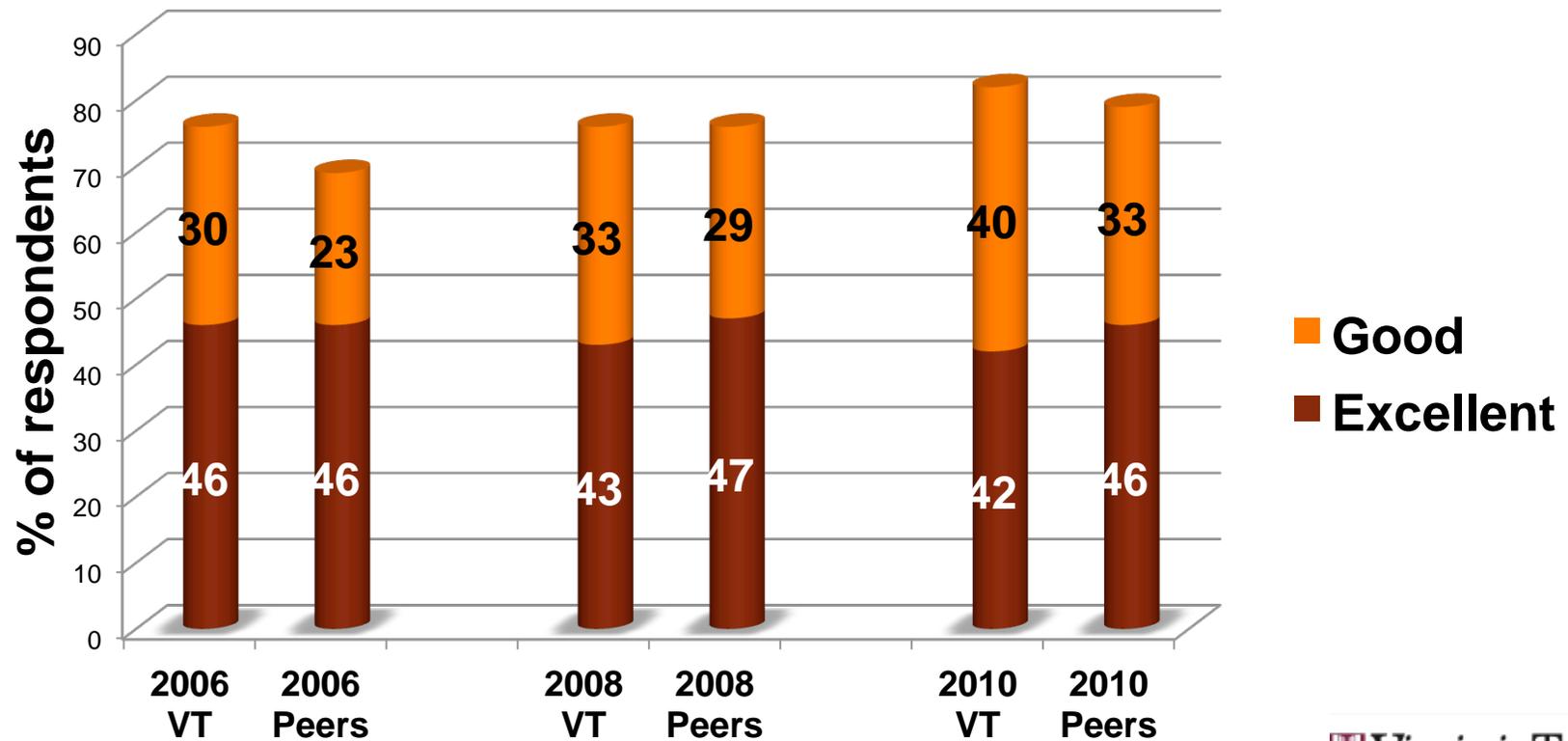


Carnegie Classification Peers

- Iowa State University
- North Carolina State University
- Penn State University
- Stony Brook University
- Texas A & M University
- University of Maryland, College Park
- University of Minnesota-Twin Cities
- University of Washington, Seattle
- University of Wisconsin, Madison

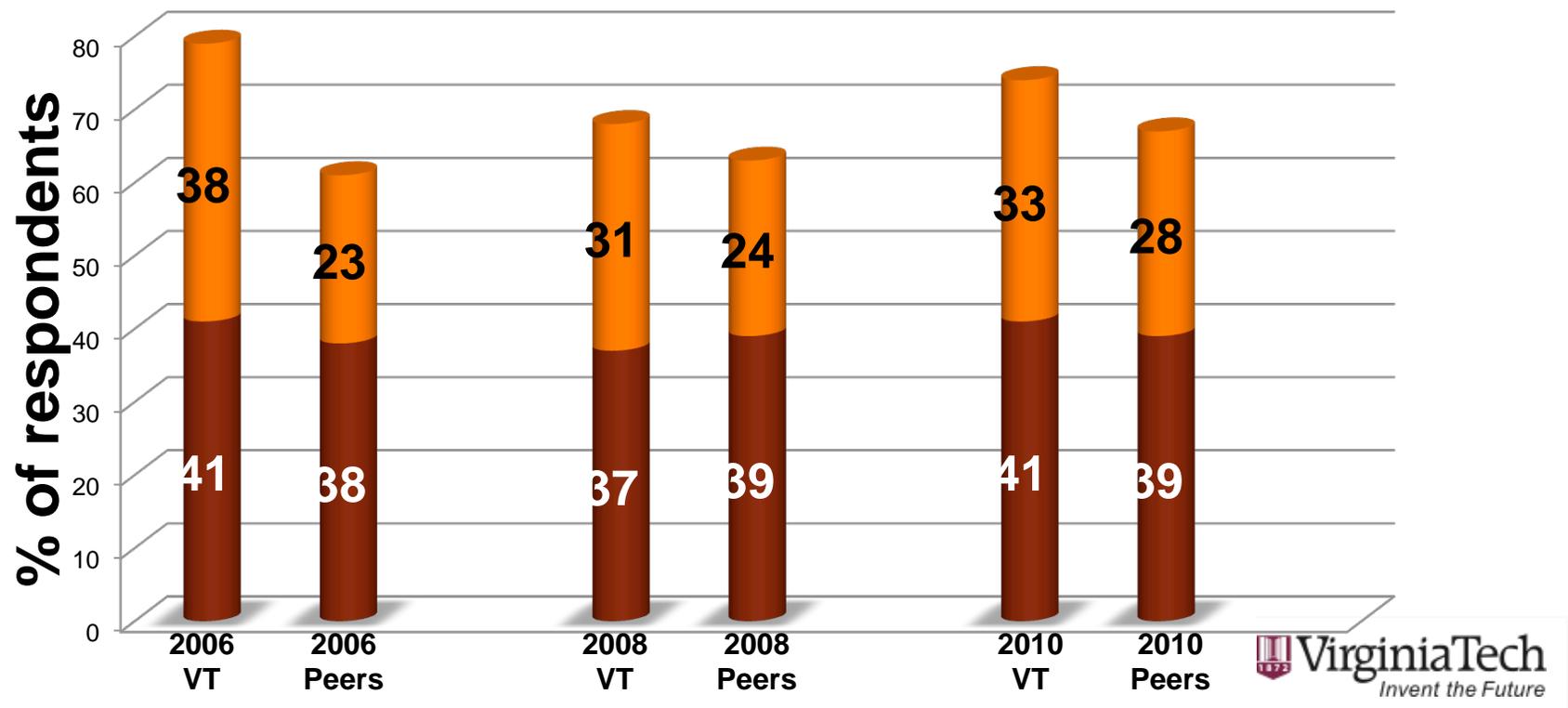


2011 National Survey of Student Engagement First Year Students





2011 National Survey of Student Engagement Seniors





Initiatives to Improve Advising

- Expanded the role of University Advising Center
- Appointed Director for Academic Advising
Dr. Kimberly Brown
- Developed enhanced partnership with the Division of Student Affairs
- Leveraging technology to facilitate advising



Expanded Role of University Academic Advising Center

- Advising Liaisons to colleges
- Developed professional and faculty training opportunities:
 - Monthly professional meetings
 - Travel grants to regional and national advising conferences
 - Annual conference on best practices



Expanded Role of University Academic Advising Center

- Published academic advising handbook
- Developed VT Early Academic Referral System (EARS)
- Updating university information system to ensure that primary and secondary advisor assignments are current



Partnerships with Student Affairs

- Career Advising Liaisons
- Office of Health Professions Advising
- Academic Resource Center (Pritchard Hall)
- Learning Communities (Hypatia, Galileo, Biology Learning Community)
- Honors Residential College





Honors Residential College

“To Know and Be Known” and Holistic Learning

320 students form the Junior Fellows of the College

30 Senior Fellows representing faculty and staff

Weekly community events:

Principal’s Tea

Tuesday Dinner

Weekly Film Discussion Series





Electronic Infrastructure

- **Pathway Planner:** Allows students to develop a four-year academic plan
- **E-portfolio:** Students assemble their materials to enable proper advising for graduate or professional schools
- **E-blast system:** New system that will help students determine majors and sequence of classes to take



Future Plans

- Promote central coordination of academic advising
- Work with colleges to provide adequate resources to support academic advising
- Identify shared learning outcomes common to all academic advising units
- Develop an assessment protocol for advising.
- Continue partnership with Division of Student Affairs



Discussion



**REAFFIRMATION OF UNIVERSITY POLICY
ON ACCEPTANCE OF ADVANCED PLACEMENT, INTERNATIONAL
BACCALAUREATE, AND CAMBRIDGE ADVANCED EXAMINATIONS**

WHEREAS, Virginia Polytechnic Institute and State University has a longstanding policy of awarding college credit for specific subject area examinations offered by Advanced Placement and International Baccalaureate diploma programs; and,

WHEREAS, the criteria for such examinations are established and reviewed by the faculty of the subject area; and,

WHEREAS, the University Registrar, as designated by the university, facilitates annual review of standards and criteria; and

WHEREAS, the metric for Advanced Placement, International Baccalaureate, and Cambridge Advanced examinations are comparable per the requirements of the Code of Virginia; and,

WHEREAS, with amendment and reenactment of Code of Virginia 23-9.2:3:8 in July 2011, the university added Cambridge Advanced examinations as a metric in the awarding of college credit;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors of Virginia Polytechnic Institute and State University reaffirms existing university policy on acceptance of Advanced Placement, International Baccalaureate, and Cambridge Advanced examinations in accordance with the requirements of the Code of Virginia.

RECOMMENDATION:

That the Board of Visitors reaffirms existing university policy on acceptance of Advanced Placement, International Baccalaureate, and Cambridge Advanced examinations.

November 7, 2011

**AFFIRMATION OF UNIVERSITY POLICY
ON RELIEF, REFUND, AND REINSTATEMENT GUIDELINES
FOR ACTIVE DUTY MILITARY STUDENTS**

WHEREAS, following Desert Storm I in 1991, Virginia Tech initiated a relief, refund, and reinstatement policy for active duty military students; and

WHEREAS, the policy continues in effect today and a copy of that policy is attached hereto; and,

WHEREAS, the policy provides active duty military students with a flexible withdrawal and return to Virginia Tech; and,

WHEREAS, the policy allows students the options of selecting a full refund of all tuition and fees, or receiving “incomplete” grades, or completing the courses on-line; and

WHEREAS, the policy allows students the freedom to choose their date of return with the understanding that absences of five years or more may result in the need to re-take specific major courses; and,

WHEREAS, the policy allows students to defer their initial enrollment after a cumulative absence of not more than five years; and

WHEREAS, pursuant to the requirement of the State Council of Higher Education for Virginia, such policies are to be affirmed by the Board of Visitors;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors of Virginia Polytechnic Institute and State University affirms existing university policy on the relief, refund, and reinstatement guidelines for active duty military students.

RECOMMENDATION:

That the Board of Visitors affirms existing university policy on the relief, refund, and reinstatement guidelines for active duty military students.

November 7, 2011

POLICY ON RELIEF, REFUND, AND REINSTATEMENT GUIDELINES FOR ACTIVE DUTY MILITARY STUDENTS

A student who is called to active military duty should bring a copy of activation orders to his or her academic dean. Students are encouraged to communicate with their advisors, instructors, and dean to discuss options, such as taking “incomplete” grades, completing the course on-line, or withdrawing from the term.

Military Resignations/Withdrawals: If students request a withdrawal from the university, permission is granted without punitive action as well as granting full refund of tuition and fees. This full refund is requested regardless of the date of the action of withdrawal. The activation orders should be attached to the withdrawal form. If orders are unobtainable (as may be the case during emergency call-ups), the University Registrar will contact the company commander for verbal confirmation. Further, the University Registrar will serve as facilitator of this process for any advisor, instructor, or dean seeking verification of the student’s military status.

Students with federal financial aid are reminded that a full refund of tuition will result in an immediate requirement to commence repayment of aid. Students with federal financial aid should discuss options with their academic dean and financial aid counselor prior to withdrawing.

In addition, residence hall students must obtain a signature from Residential and Dining Programs before the resignation/withdrawal may be processed.

Cadets must also obtain the commandant’s signature before the resignation/withdrawal may be processed.

Reinstatement: All students leaving under the military withdrawal policy are entitled to reinstatement into the same program of study. Students are directed to seek advising from their advisors or academic deans. If absent five years or more, certain majors may be required to re-take specific major courses.

Defer Initial Enrollment: Students called up for active duty may defer initial enrollment (in the same major) if the student returns to Virginia Tech after a cumulative absence of not more than five years, and the student provides notice of intent to return to Virginia Tech not later than three years after completion of the period of service.

**RESOLUTION TO DISCONTINUE THE
EXECUTIVE MASTER’S DEGREE IN INFORMATION SECURITY ASSURANCE**

WHEREAS, in March 2009, Virginia Tech received approval from the State Council of Higher Education for Virginia (SCHEV) to offer a new executive master’s degree in information security assurance (eMISA) to be located in the National Capital Region, and administered by the College of Engineering; and,

WHEREAS, the original intent was to deliver the eMISA program through a cooperative arrangement between Virginia Tech faculty and an exceptional pool of experienced information security experts in the region; and,

WHEREAS, in early 2010, the key faculty member involved in the development and preparation of the eMISA curriculum and instruction unexpectedly ended his employment at Virginia Tech; and,

WHEREAS, at the same time, the national economy began a protracted downturn that made it unusually difficult to recruit faculty with expertise in cyber security intelligence; and,

WHEREAS, Virginia Tech found that it was not in a position to launch the eMISA degree program by fall 2012 in a way that ensured enrollment viability, as proposed in the original plan approved by SCHEV; and

WHEREAS, these circumstances resulted in zero enrollments in the eMISA degree program; and,

WHEREAS, SCHEV recently granted approval for George Mason University—a university situated in the northeast region of the commonwealth—to offer a graduate degree in information security assurance;

NOW, THEREFORE, BE IT RESOLVED, that the executive master’s degree in information security assurance in the College of Engineering be discontinued, with notice of the discontinuance forwarded to the State Council of Higher Education for Virginia.

RECOMMENDATION:

That the above resolution to discontinue the executive master’s degree in information security assurance be approved.

November 7, 2011

**RESOLUTION TO ESTABLISH THE MASTER OF SCIENCE DEGREE
AND THE MASTER OF ENGINEERING DEGREE
IN NUCLEAR ENGINEERING**

WHEREAS, the master's degree program in nuclear engineering will prepare students to advance the practice of nuclear engineering; and,

WHEREAS, the master's degree program in nuclear engineering will expand and apply the body of knowledge in nuclear engineering to the benefit of students, academia, research, technical and industrial communities, and, ultimately, to the benefit of our society; and,

WHEREAS, there is a significant need for nuclear engineers who can contribute to the design and optimization of nondestructive detection systems, monitoring systems for nuclear security and safeguards, and nuclear medicine and radiation therapy and diagnosis; and,

WHEREAS, there is increased interest in nuclear power due to the nation's growing energy needs and the desire to minimize impact on climate change; and,

WHEREAS, many companies located in the Commonwealth of Virginia are involved in the design, manufacture, service, and use of nuclear reactors; and

WHEREAS, the commonwealth's proximity to federal government operations and its funding, policy, and nuclear energy regulatory agencies is advantageous; and,

WHEREAS, the proposed master's degree in nuclear engineering will be the first such master's degree available in the Commonwealth of Virginia;

NOW, THEREFORE, BE IT RESOLVED, that the master of science degree and the master of engineering degree in nuclear engineering be approved, effective spring 2013, with the proposal forwarded to the State Council of Higher Education for Virginia (SCHEV) for approval, and to the Southern Association of Colleges and Schools (SACS) for notification.

RECOMMENDATION:

That the above resolution to establish the master of science degree and the master of engineering degree in nuclear engineering, effective spring 2013, be approved.

November 7, 2011

RESOLUTION TO ESTABLISH THE PH.D. IN NUCLEAR ENGINEERING

WHEREAS, the Ph.D. program in nuclear engineering will prepare students to advance the practice of nuclear engineering; and,

WHEREAS, the Ph.D. program in nuclear engineering will expand and apply the body of knowledge in nuclear engineering to the benefit of students, academia, research, technical and industrial communities, and, ultimately, to the benefit of our society; and,

WHEREAS, there is a significant need for nuclear engineers who can contribute to the design and optimization of nondestructive detection systems, monitoring systems for nuclear security and safeguards, and nuclear medicine and radiation therapy and diagnosis; and,

WHEREAS, there is increased interest in nuclear power due to the nation's growing energy needs and the desire to minimize impact on climate change; and,

WHEREAS, many companies located in the Commonwealth of Virginia are involved in the design, manufacture, service, and use of nuclear reactors; and

WHEREAS, the commonwealth's proximity to federal government operations and its funding, policy, and nuclear energy regulatory agencies is advantageous; and,

WHEREAS, the proposed Ph.D. in nuclear engineering will be the first such degree available in the Commonwealth of Virginia;

NOW, THEREFORE, BE IT RESOLVED, that the Ph.D. in nuclear engineering be approved, effective spring 2013, with the proposal forwarded to the State Council of Higher Education for Virginia (SCHEV) for approval, and to the Southern Association of Colleges and Schools (SACS) for notification.

RECOMMENDATION:

That the above resolution to establish the Ph.D. in nuclear engineering, effective spring 2013, be approved.

November 7, 2011

Committee Minutes

BUILDINGS AND GROUNDS COMMITTEE

Tour from the Inn at 8:30 am
Solitude Room, Skelton Conference Center
10:00 am

November 7, 2011

Board Members Present: Mr. John Rocovich, Ms. Beverley Dalton, Mr. William Holtzman

VPI&SU Staff: Mr. Kevin Bishop, Mr. Bob Broyden, Ms. Vickie Chiocca, Mr. Michael Coleman, Mr. Brian Daniels, Mr. David Dent, Dr. Elizabeth Flanagan, Chief Wendell Flinchum, Deputy Chief Kevin Foust, Mr. Mark Gess, Ms. Kimberly Haines, Mr. Larry Hincker, Mr. William Hinson, Mr. Shane Larkin, Ms. Heidi McCoy, Mr. Michael Mulhare, Ms. Kayla Smith, Mr. Ed Watson, Dr. Sherwood Wilson

1. **Tour of Capital Projects under Construction:** The Committee went on a driving tour of capital projects under construction which included: the Sigma Phi Epsilon House at Oak Lane, the Veterinary Medicine Instructional Addition, improvements to English Field, renovations to Ambler Johnson Hall, the Center for the Arts, the Turner Street project, the Academic and Student Affairs building, and the Signature Engineering building.
2. **Opening Remarks and Approval of Minutes of August 28, 2011:** The minutes of the August 28, 2011 meeting were unanimously approved.
- * 3. **Resolution Regarding Admission of Montgomery County to the Blacksburg-Christiansburg-Virginia Polytechnic Institute Water Authority:** The Blacksburg-Christiansburg-VPI Water Authority was created to acquire, construct, operate and maintain a water supply system to furnish a dependable supply of water to the Towns of Blacksburg and Christiansburg and Virginia Tech. At this time, Montgomery County is formally seeking admission to the Authority. The Code of Virginia requires that the governing bodies for member entities of the Authority advertise a resolution on the proposed Joinder and hold a public hearing on the request. The Committee recommended full board approval of the resolution that will delegate authority to Sherwood G. Wilson, Vice President for Administrative Services, to hold a public hearing on behalf of the university and its Board of Visitors. Feedback from the public hearing will be presented to the Board of Visitors at a later meeting. A resolution seeking approval for the Joinder will also be presented to the Board of Visitors at a future meeting.
- * 4. **Resolution on Appointments to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority:** The Committee recommended full board approval of the resolution appointing Ron Rordam as a joint representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, as well as, reappointing Michael Coleman, Associate Vice President and Chief Facilities Officer, as the university's representative and Raymond D. Smoot, Jr. as a joint representative, for four-year terms expiring January 1, 2016.
- * 5. **Resolution on Demolition of University Buildings:** The university requested approval to demolish a building on university property: a tenant residence located at the Virginia Tech Hampton Roads Agricultural Research Experimental Center that was extensively

damaged by a fire in May 2011 and suffered wide spread water and smoke damage. The Committee recommended full board approval of the resolution to demolish the tenant residence building.

6. **Design Preview/Review – Replacement of Fire Damaged Employee Residence Building at Hampton Roads Agricultural Research and Extension Center – *Non-Capital Project*:** The Committee approved the design of a replacement building for the tenant residence at the Virginia Tech Hampton Roads Agricultural Research Experimental Center that was extensively damaged by fire in May 2011. The facility will be a two-story structure containing approximately 2,000 square feet with three bedrooms and 2 ½ baths.
7. **Update on Efflorescence Cleaning:** The Committee received an update on the efflorescence cleaning of several buildings on campus. The efflorescence can be effectively removed with a garnet abrasive blasting material used on the Hokie Stone and the precast concrete of the buildings involved. Mr. Coleman distributed samples of the garnet blasting material to the Committee. While this method is not a permanent solution to the problem, a maintenance plan is in development to determine the cycle of needs so that a cost effective, interim remediation plan can be instituted.
8. **Capital Project Status Report:** Mr. Coleman reviewed the capital project status report with the Committee. The Committee briefly discussed several upcoming construction projects: the Route 460 Interchange and the Research Center Drive (formerly Ramble Road) projects, the multi-modal transit facility project, and the runway extension (which is not a Virginia Tech capital project). The Committee was also briefed on the status of five capital projects that are in design phase: the Propulsion Lab, the Agricultural Program relocation, the Chiller Plant, the Human and Agricultural Biosciences Building I (HABBI), and the Davidson Hall renovation.
9. **Virginia Tech-Montgomery Executive Airport Economic Contributions:** The Committee received an update on the economic contributions of the Virginia Tech-Montgomery Executive Airport. According to a statewide economic impact study the Virginia Tech-Montgomery Executive Airport contributed over \$9.4 million in economic activity to the state economy and was responsible for a total of 70 jobs. Dr. Wilson noted that there were 45 aircraft based at the airport and 1,000 plus aircraft per month landed and took off last year.

Adjournment

There being no further business, the meeting adjourned at 10:42 a.m.

***Requires full Board approval.**

**Non-Capital Project Information Summary
Hampton Roads Agricultural Research and Extension Center (AREC)
Employee Housing**

BUILDING AND GROUNDS COMMITTEE

November 7, 2011

Title of Project:

Replacement of Fire Damaged Employee Housing

Location:

The building will be situated adjacent to the existing classroom building and director's residence at the Hampton Roads Agricultural Research and Extension Center in Virginia Beach, Virginia.

Current Project Status and Schedule:

The design of the facility is in progress. Construction is scheduled to commence in the spring of 2012, and completion is scheduled for late January 2013.

Project Description:

The facility will be a two story structure of approximately 2,000 square feet with three bedrooms and 2 ½ bathrooms.

Brief Program Description:

This structure is intended to replace the existing employee housing, Building Number 1103, which was damaged by fire in May of 2011.

Contextual Issues and Design Intent:

This house will be located adjacent to an existing early twentieth century house. The building will be square in plan with a hip roof, horizontal lap siding, and double hung windows to coordinate with the existing residential structures at the site.

Architect/Engineer:

Colley Architects, P.C.

Contractor:

TBD



NEW AREC HOUSE
DIRECTOR'S RESIDENCE
OFFICE & LABORATORY

NORTH



1

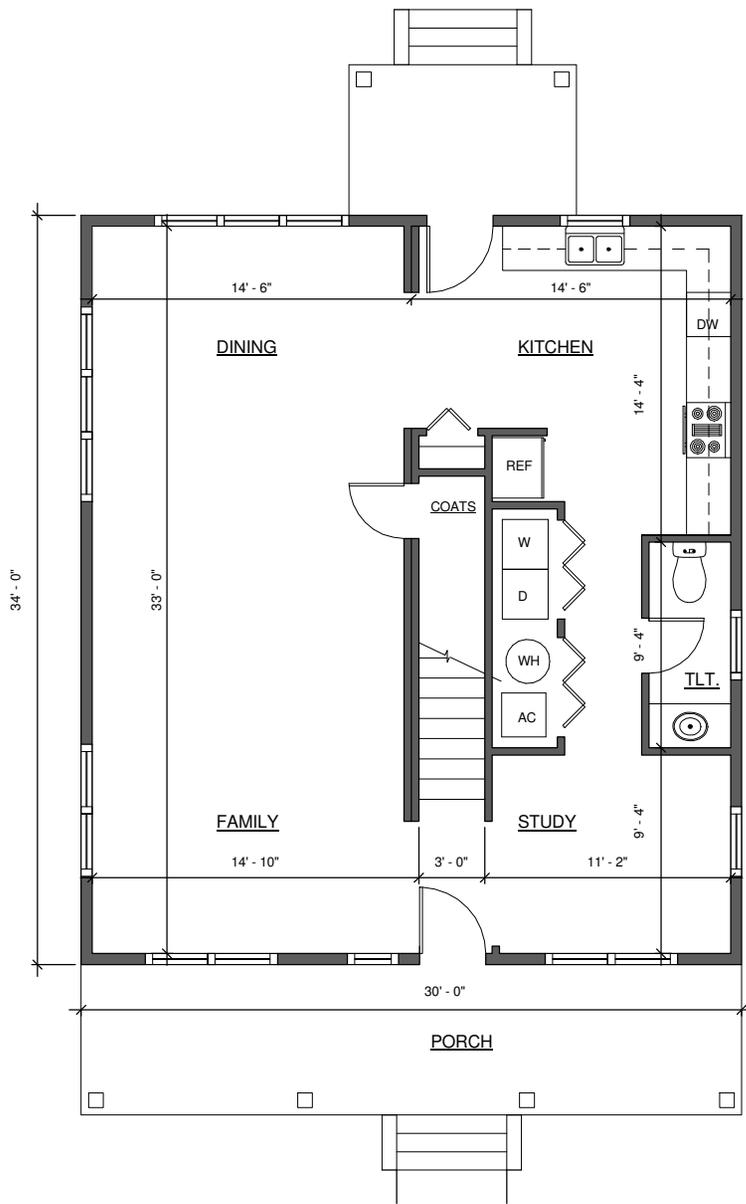
November 7, 2011



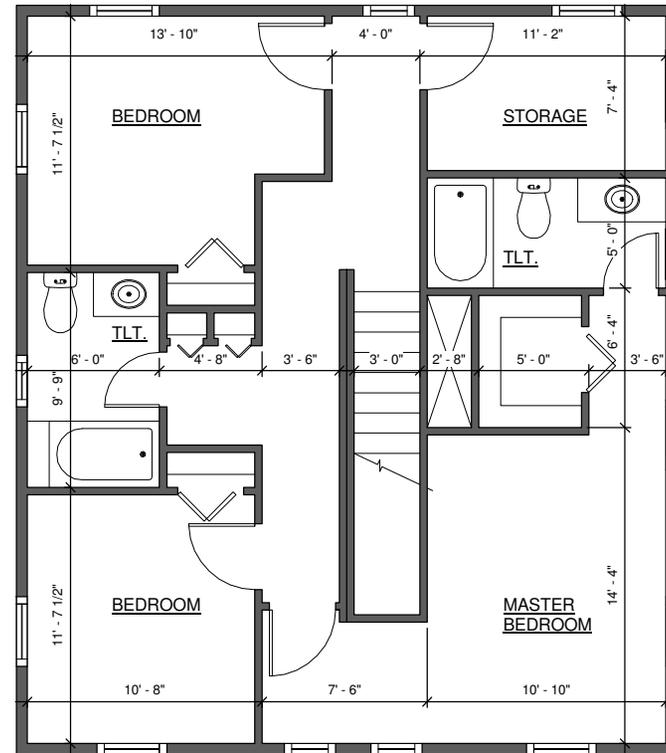
Hampton Roads Agricultural Research and Extension Center (AREC)
Virginia Beach, VA

SITE PLAN





MAIN LEVEL



UPPER LEVEL

Update on Efflorescence Cleaning



November 7, 2011

Board of Visitors

Campus Efflorescence

Background

- During the construction period of 1996 -2007 flashing and design specifications lacked detail.
- The use of “dry” setting mortar to fill wall cavities fueled an abundance of calcium hydroxide producing efflorescence.

Buildings Involved

- Durham Hall – 1997
- McComas - 1998
- New Res Hall East -1998
- Cochran Hall Add - 1998
- Harper Hall - 1999
- Torgersen – 2000
- Student Services - 2003
- Cheatham Addition – 2003
- VBI I & II– 2003/04
- Hahn North - 2004
- Inn/Conference Center – 2005
- West Side Lane - 2005
- Latham Hall - 2006
- Career Services – 2007

Typical Efflorescence Staining

Precast & Windows



Stone Masonry & Mortar

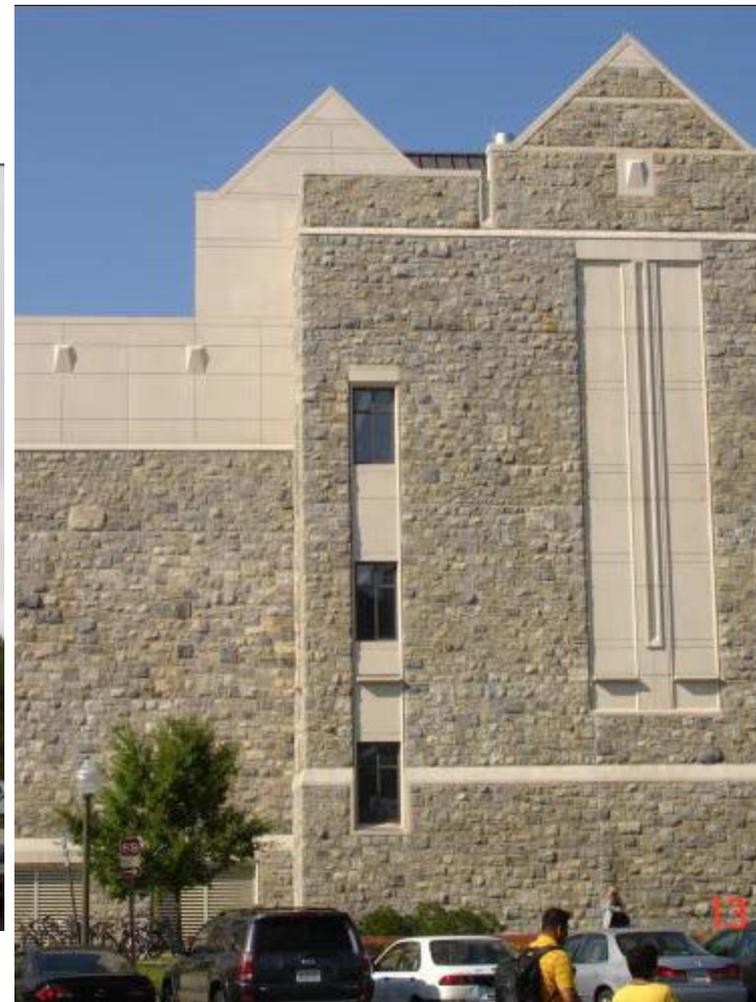


Cleaning Methods Reviewed

- Methods Reviewed:
 - Mechanical Scraping
 - Acid Based Detergent
 - Low Pressure Blasting
- Garnet abrasive blasting solution works best
 - It's a mineral based product that is produced from almandite garnet
 - Garnet particles are dense, hard, sharp, and free of heavy metals or toxic materials
 - It appears to be cost effective, environmentally and operator friendly
 - This maintenance plan is not a permanent fix to the problem



Virginia Bioinformatics Institute (VBI) – Before and After



Torgersen Hall – Before and After



Maintenance Plan – Long Term

Plan Criteria

- Develop a multi-year annual budget to address the initial needs
- Over the first two years determine the expected cycle of needs and develop a long term maintenance plan
- Continue to evaluate long term permanent solutions where possible to remediate this issue
- Work with the appropriate auxiliary units involved

BUILDING AND GROUNDS COMMITTEE

Monday, November 07, 2011

Capital Project Status Report

Project Name	Project Description	Project Budget	Project Funding		Project Delivery Type	Project Team					Project Status	
			% Gen Funds	% NG Funds		A/E	CMAR	Design-Build	PPEA	GC		
IN-DESIGN												
Agriculture Program Relocation, Phases I and II	This project provides for a feasibility study to relocate the current lactating, non-lactating, and bovine palpation herds to Kentland Farm. At the March 23, 2009 Board of Visitor's meeting, the university was authorized to move forward with planning and design work of the necessary facilities to relocate the non-lactating herd operations at a cost not to exceed \$500,000 and subsequent blanket authorization that super-ceded the March 23, 2009 resolution for planning and design work to relocate the non-lactating, bovine palpation, and lactating herd operations at a cost not to exceed \$1 million.	\$1,000,000	0%	100%	TBD	Hanbury Evans Wright Vlattas + Company – Norfolk, VA	N/A	N/A	N/A	N/A	N/A	Pre-planning/programming has been completed. Design and construction activities are pending approvals of the project schedule and funding allocations.
Chiller Plant I	This project provides for additions and improvements to the campus chilled water infrastructure, including an 18,600 GSF chiller plant in the SW section of campus.	\$ 20,097,729	60%	40%	CMAR	Burns and Roe Service Corporation – Virginia Beach, VA	The Whiting-Turner Contracting Co. – Charlotte, NC	N/A	N/A	N/A	N/A	Construction funding from the state has been allocated. Working drawings are underway, which are scheduled for completion in October 2011 and Guaranteed Maximum Price scheduled for December 2011. Construction is scheduled to begin December 2011/January 2012 with substantial completion occurring in June 2013.
Human and Agricultural Biosciences Building I	This project provides for a new 92,500 GSF advanced agricultural research laboratory facility.	\$ 53,759,344	100%	0%	CMAR	Lord, Aeck & Sargent, Inc. – Atlanta, GA	Skanska USA Building, Inc. – Durham, NC	N/A	N/A	N/A	N/A	Construction funding from the state has been allocated. Working drawings are complete and Guaranteed Maximum Price scheduled for November 2011. Construction is scheduled to begin December 2011 with substantial completion occurring in January 2014.
Renovate Davidson Hall	This project provides for the demolition of the deteriorated center and rear sections of Davidson Hall and builds back approximately 45,000 GSF.	\$ 31,118,739	100%	0%	CMAR	Einhorn Yafee Prescott – Washington, DC	Barton Malow Company – Charlottesville, VA	N/A	N/A	N/A	N/A	Construction funding from the state has been allocated. Working drawings are complete and Guaranteed Maximum Price scheduled for November 2011. Construction is scheduled to begin December 2011 with substantial completion occurring in December 2013.
Propulsion Lab	The initial 8,000 SF of the Propulsion Lab Project consists of four primary components: Engine Testing, Aero-Thermal, Heat Transfer, and Modular Combustion Labs which are currently dispersed at various locations at VT.	\$ 400,000	0%	100%	Design-Build	Perkins + Will – Charlotte, NC (Criteria Consultant)	N/A	TBD	N/A	N/A	N/A	Criteria Document development is underway, which is scheduled for completion April 2012.
UNDER CONSTRUCTION												
Signature Engineering Building	This project provides a new 154,935 GSF state-of-the-art, technology enhanced flagship building for the College of Engineering.	\$ 95,218,249	50%	50%	CMAR	Zimmer Gunsul Frasca Architects LLP – Washington, DC	Gilbane Building Company – Durham, NC	N/A	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for February 2014.
Virginia Tech–Carilion Research Institute (VTCRI) Third Floor Upfit	This project constructs an up-fit of the shelled 26,000 assignable square foot third floor, which will include accommodations for wet and dry laboratories, conference space, office space, and a 5,000 cage vivarium with the necessary support spaces and equipment to maintain the cages and animals. At the March 28, 2011 Board of Visitor's meeting, the university was authorized to move forward with the VTCRI Third Floor Upfit project using the most efficient and effective delivery strategies at a cost not to exceed \$15 million and to fund the project with internal financing.	\$ 15,000,000	0%	100%	Design-Build	Kling Stubbins – Philadelphia, PA (Criteria Consultant)	N/A	DPR, Inc. – Glen Allen, VA	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for August 2012.

Project Name	Project Description	Project Budget	Project Funding		Project Delivery Type	Project Team					Project Status
			% Gen Funds	% NG Funds		A/E	CMAR	Design-Build	PPEA	GC	
UNDER CONSTRUCTION											
Academic and Student Affairs Building	This 77,500 GSF project will include a new dining facility, academic instruction areas, and other student space in a three-story building. At the March 22, 2010 Board of Visitor's meeting, the university was authorized to move forward with the construction of an approximately 75,000 gross square foot Academic and Student Affairs Building project with a \$45,153 million total costs 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 \$45,153 million, plus related issuance costs and financing expenses.	\$ 45,153,000	0%	100%	CMAR	Burt Hill Kosar Rittleman Associates – Washington, D.C.	Skanska USA Building, Inc. – Durham, NC	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for May 2012.
Ambler Johnston Hall - Improve Residence and Dining Halls	This project will provide complete renovations to Ambler Johnston Hall (272,000 GSF) including replacement of building systems and addition of air conditioning. The project is envisioned to improve the sense of community by adding corridor day-lighting and an attractive entrance area. The project will be completed in multiple phases. At the November 3, 2008 Board of Visitor's meeting, the university was authorized to supplement the existing \$65 million nongeneral fund debt Ambler Johnston renovation project with \$10 million nongeneral fund debt 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 \$10 million for a portion of the costs of the project, plus related issuance costs and financing expenses.	\$ 75,000,000	0%	100%	CMAR	Clark Nexsen – Charlotte, NC	Barton Malow Company – Charlottesville, VA	N/A	N/A	N/A	Construction of Phase I has been completed and Certificate to Reoccupy has been granted. Phase II is underway and substantial completion scheduled for July 2012. Project budget currently at \$72,113,670.
Campus Heat Plant	This project provides planning authorization for the design of new heating and cooling infrastructure to serve the various areas of campus.	\$ 31,500,000	60%	40%	Design-Build	Affiliated Engineers, Inc. – Chapel Hill, NC (Criteria Consultant)	N/A	Mid Atlantic Infrastructure Systems, Inc – Winston-Salem, NC	N/A	N/A	Construction is underway for the North Campus Steam Expansion with substantial completion of the base bid scheduled for March 2012.
Campus Fiber Optic Improvements Project	The project will install a new fiber-optic backbone and building connections that increase capacity and diversity to ensure adequate and reliable service to the university. At the November 8, 2010 Board of Visitor's meeting, the university was authorized to move forward with the Campus Fiber-Optic Backbone Installation project at a total project cost not to exceed \$2 million.	\$ 2,000,000	0%	100%	Design, Bid, Build	N/A	N/A	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for May 2012.
Center for the Arts	This project includes construction of a new 92,000 GSF Performance Hall with a 1,300-seat auditorium, as well as a Visual Arts Gallery. It also includes the renovation of Shultz Hall for Creative Technologies and support spaces.	\$ 93,993,000	30%	70%	CMAR	Snohetta AS – New York, NY with STV Group, Inc. – Douglasville, PA	Holder Construction Company – Charlotte, NC	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for September 2013 due to a three month delay in general fund allocation from the Department of General Services.
McComas Exterior Wall Structure, Phase III	The project builds on the existing efforts of the McComas Exterior Wall Structure, Phases I and II, which corrects multiple wide spread failures in masonry flashings, sealants, mortar joints, and material connections that have resulted in progressive and extreme moisture penetrations, masonry veneer failures, and damage to interior building components.	\$ 3,100,000	0%	100%	CMAR	Whitlock Dalrymple Poston & Associates – Manassas, VA	Carolina Waterproofing – Charlotte, NC	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for September 2012.
Technology Research and Innovation Center	The project constructs a 60,000 GSF facility in Hampton, VA for the National Institute of Aerospace. The facility includes designated labs, flex space labs, offices, and unfinished shell space with a building foot print of approximately 20,000 SF.	\$ 11,896,644	100%	0%	PPEA	Alpha Corporation – Hampton Roads, VA (Construction Manager)	N/A	N/A	Concord Eastridge – Arlington, VA	N/A	Construction is underway with substantial completion scheduled for January 2012.

Project Name	Project Description	Project Budget	Project Funding		Project Delivery Type	Project Team					Project Status
			% Gen Funds	% NG Funds		A/E	CMAR	Design-Build	PPEA	GC	
UNDER CONSTRUCTION											
Veterinary Medicine Instruction Addition	This project provides for the planning of additional instructional space to provide adequate classrooms to relieve overcrowding of the existing facility. The proposed project will address space accommodation needs with new classrooms and teaching labs, and faculty spaces. At the March 22, 2010 Board of Visitor's meeting, the university was authorized to move forward with a \$1.4 million design project for a Veterinary Medicine Instruction Addition project not to exceed a budget of \$14 million total costs 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 \$1.4 million planning authorization, plus related issuance costs and financing expenses.	\$ 14,000,000	0%	100%	CMAR	HKS, Inc. – Richmond, VA	W.M. Jordan Company – Newport News, VA	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for July 2012.
Photovoltaic Array (Parking Structure)	This project provides design, installation, and commissioning of a nominal 100 kW(peak) dc utility grid connected solar photovoltaic system, which includes 480 solar panels, on the existing Parking Garage located along Perry Street.	\$ 1,300,000	0%	100%	PPEA	N/A	N/A	N/A	Siemens Industry, Inc. - Richmond, VA	N/A	Construction is underway with substantial completion scheduled for March 2012.
Phase IV of Oak Lane Community	This project constructs five new houses and infrastructure improvements east of Oak Lane adjacent to the golf course. At the March 22, 2010 Board of Visitor's meeting, the university was authorized to move forward with Phase IV of the Oak Lane Community project at a total project cost not to exceed \$23.5 million 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 \$23.5 million total authorization, plus related issuance costs and financing expenses.	\$ 23,500,000	0%	100%	PPEA	Thompson + Litton – Radford, VA (Infrastructure Improvements)	N/A	N/A	Va. Kappa Alumni Corporation of Sigma Phi Epsilon	TBD (Infrastructure Improvements)	Construction is underway with substantial completion scheduled for July 2012. An evaluation of the existing site/utilities infrastructure and Environmental Impact Report has been completed and infrastructure design has begun, which is scheduled for completion in November 2011.
English Field Improvements	This project removes natural turf, re-grading, installation of synthetic turf, and expansion of both dugouts.	\$ 1,600,000	0%	100%	Design, Bid, Build	Draper Aden - Blacksburg, VA	N/A	N/A	N/A	Carolina Green Corp. - Indian Trail, NC	Construction is underway with substantial completion scheduled for December 2011.
West End Market Expansion & Renovation	The project consists of approximately 7,400 GSF of additional seating, expansion of the kitchen and food preparation areas, and increasing the number of restrooms and staff locker rooms. The project also includes approximately 6,000 GSF of renovation work for program enhancements and roof repairs. At the November 8, 2010 Board of Visitor's meeting, the university was authorized to move forward with the West End Market Expansion and Renovation project at a total project cost not to exceed \$7.31 million.	\$ 7,310,000	0%	100%	CMAR	Clark Nexsen – Charlotte, NC	Branch & Associates, Inc. – Roanoke, VA	N/A	N/A	N/A	Construction is underway with substantial completion scheduled for December 2011.
COMPLETED PROJECTS											
Infectious Disease Research Facility	This project constructed a 15,700 GSF facility to accommodate infectious disease research laboratory space (60%), lab office space and support areas (40%).	\$ 10,163,000	40%	60%	CMAR	CUH2A Architecture, Engineering, Planning – Bethesda, MD	Branch & Associates, Inc. – Roanoke, VA	N/A	N/A	N/A	Construction is substantially complete.
Visitors and Undergraduate Admissions Center	This project constructed an 18,155 GSF facility to accommodate the growing needs of visitors to the campus and university admissions office. At the June 20, 2008 Board of Visitor's meeting, the university was authorized to move forward with design and construction of a \$10.5 million Visitors and Undergraduate Admissions Center funded with nongeneral fund revenues 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 \$10.5 million for all or a portion of the costs of the project, plus related issuance costs and financing expenses.	\$ 10,500,000	0%	100%	CMAR	Glavè & Holmes Associates – Richmond, VA	BE&K Building Group – Charlotte, NC	N/A	N/A	N/A	Construction is complete.
Football Locker Room Addition	This project constructed a 38,500 GSF locker room facility addition to house a new football locker room, a player's lounge, and an administrative area to serve the Athletics Department. At the March 23, 2009 Board of Visitor's meeting, the university was authorized to move forward with the design and construction of an addition to the Jamerson Center funded entirely with nongeneral fund revenues at a total project cost not to exceed \$18 million.	\$ 18,000,000	0%	100%	Design-Build	Sportsplan Studio – Kansas City, MO (Criteria Consultant)	N/A	Barton Malow Company – Charlottesville, VA	N/A	N/A	Construction is complete. Project budget was \$16,118,658.

Project Name	Project Description	Project Budget	Project Funding		Project Delivery Type	Project Team					Project Status
			% Gen Funds	% NG Funds		A/E	CMAR	Design-Build	PPEA	GC	
COMPLETED PROJECTS											
ICTAS – II	This project provided a 42,190 GSF facility which includes state-of-the-art research facilities with highly specialized research laboratories, which will support multi-disciplinary research areas including bio-nanotechnology, bio-materials, communications technology, and sensor technology.	\$ 35,000,000	50%	50%	CMAR	SmithGroup – Washington, D.C.	Skanska USA Building, Inc – Durham, NC	N/A	N/A	N/A	Construction is complete.
Materials Management Facility	This project constructed a 7,500 GSF facility to manage, store, and process hazardous waste for disposal.	\$ 3,500,000	100%	0%	Design, Bid, Build	Wiley & Wilson - Lynchburg, VA	N/A	N/A	N/A	G&H Contracting, Inc. – Salem, VA	Construction is complete.
Parking Structure	This project provided a 1,400 space parking structure in the Perry Street lot. At the June 20, 2008 Board of Visitor's meeting, the university was authorized to move forward with design and construction of a \$30 million parking structure funded with parking auxiliary revenues 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 \$30 million for all or a portion of the costs of the project, plus related issuance costs and financing expenses.	\$ 30,000,000	0%	100%	Design-Build	DESMAN Associates – Vienna, VA (Criteria Consultant)	N/A	Rentenbach Constructors – Greensboro, NC	N/A	N/A	Construction is complete. Project Budget was \$26,000,000.
Virginia Tech – Carilion Medical School and Research Institute	This project constructed a new medical school and research institute adjacent to the Carilion complex in Roanoke.	\$ 62,500,000	94%	6%	PPEA	N/A	N/A	N/A	Carilion Clinic, – Roanoke, VA Hayes, Seay, Mattern & Mattern, Inc., - Roanoke, VA Skanska USA Building, Inc. – Durham, NC	N/A	Construction is complete.
PROJECTS ON HOLD											
Sciences Building Laboratory I	This project will include a combination of offices, class laboratories, research offices and laboratories, and graduate student space that will be used to house a number of departments and programs for the College of Science. A significant portion of the building is envisioned to house the Department of Geosciences. The other focus of the building program envisions an expansion of the nano-science research field.	\$ -	0%	0%	TBD	CUH2A Architecture, Engineering, Planning – Bethesda, MD (Programming Consultant) Payette/E. Verner Johnson – Boston, MA	N/A	N/A	N/A	N/A	A program and site confirmation study has been completed. This project is on hold.
Administrative Services Building	This project will construct a 48,000 GSF facility along the campus perimeter to house various administrative and academic support functions within a central location.	\$ 12,000,000	0%	100%	TBD	TBD	N/A	N/A	N/A	N/A	This project is on hold.
New Residence Hall II	This project will construct a new 250 bed residence hall.	\$ 27,000,000	0%	100%	TBD	TBD	N/A	N/A	N/A	N/A	This project is on hold.
Indoor Athletic Training Facility	This project will construct a 120,000 GSF field house to increase the availability of indoor training time for the football program.	\$ 25,000,000	0%	100%	Design-Build	TBD	N/A	TBD	N/A	N/A	Criteria Document services procurement currently underway.

Virginia Tech-Montgomery Executive Airport Economic Contributions

BUILDINGS AND GROUNDS COMMITTEE

November 7, 2011

The Virginia Tech Airport officially opened in 1931 and was a valuable training facility for University Cadets prior to World War II. Its mission has evolved to mainly serving the community as one of the Commonwealth of Virginia's 17 General Aviation Community airports that serve the needs of business and recreational users. In 2010, these 17 airports together created 600 jobs and \$56 million in economic activity for the Commonwealth, according to the Virginia Airport System Economic Impact Study. The Virginia Tech-Montgomery Executive Airport contributed over \$9.4 million in economic activity to the state economy and was responsible for a total of 70 jobs. (The study is available online: http://www.doav.virginia.gov/economic_impact_study_2011.htm).

The airport's mission is threefold: to develop a regional airport based on servicing corporate executive markets and other general aviation markets; to obtain grants, loans and other funding for airport improvements and other activities; and, to promote and assist regional economic development.

Located in Blacksburg, the Virginia Tech-Montgomery Executive Airport (VTMEA) has been operated by the Virginia Tech-Montgomery Regional Airport Authority since 2001. The Authority is made up of members of four entities, which include Virginia Tech, Montgomery County, and the towns of Christiansburg and Blacksburg. There is an executive director who manages the airport.

Last year, there were 45 aircraft based at the VTMEA; 14,000 aircraft landed and took off with an average of 94 operations per day. There are two runways that are each 4,550 feet. Airport capacity is 80 aircraft which is often reached during major events such as football games. The airport is a destination for tourism and a transportation hub for research and development, education, and goods & services.

Virginia Tech-Montgomery Executive Airport Economic Contributions



November 7, 2011

Board of Visitors

Virginia Tech-Montgomery Executive Airport

2010 Economic Contributions of On-Airport Activities and Visitor Spending

	Local Region			State		
	Jobs	Payroll	Economic Activity	Jobs	Payroll	Economic Activity
Direct Impacts						
On-Airport Activities	27	\$915,000	\$5,050,000	27	\$915,000	\$5,050,000
Visitor Spending	<u>15</u>	<u>\$277,000</u>	<u>\$828,000</u>	<u>15</u>	<u>\$277,000</u>	<u>\$828,000</u>
Total Direct	42	\$1,192,000	\$5,878,000	42	\$1,192,000	\$5,878,000
Indirect Impacts & Induced Impacts						
Due to On-Airport Aviation	22	\$569,000	\$2,749,000	23	\$604,000	\$2,901,000
Due to Visitor Spending	<u>5</u>	<u>\$162,000</u>	<u>\$530,000</u>	<u>5</u>	<u>\$185,000</u>	<u>\$625,000</u>
Total Spin-off	27	\$731,000	\$3,279,000	28	\$789,000	\$3,526,000
Total	68	\$1,923,000	\$9,157,000	70	\$1,981,000	\$9,404,000

2010 Activity Data	
Airline Departures	0
Airline Enplanements	0
Commercial Airline Visitors	0
General Aviation Operations	14,106
General Aviation Visitors	8,182
Based Aircraft	42

Total Regional Impacts of On-Airport Tenants and Visitors

Airport	Jobs	Payroll (millions)	Economic Activity (millions)
Winchester Regional	164	\$5.74	\$21.93
Warrenton-Fauquier	129	\$4.23	\$14.00
Virginia Tech-Montgomery Executive	69	\$1.92	\$9.16
Virginia Highlands	68	\$2.10	\$7.24
Williamsburg-Jamestown	61	\$1.26	\$4.03
William M. Tuck	20	\$0.42	\$1.40
Wakefield Municipal	15	\$0.33	\$1.27
Twin County	12	\$0.35	\$1.18
Waynesboro/Eagle's Nest	13	\$0.31	\$1.03
Tazewell County	12	\$0.25	\$1.00

**RESOLUTION REGARDING ADMISSION OF MONTGOMERY COUNTY TO
BLACKSBURG-CHRISTIANSBURG-VPI WATER AUTHORITY**

The Blacksburg-Christiansburg-VPI Water Authority was created to acquire, construct, operate and maintain a water supply system to furnish a dependable supply of water to the Towns of Blacksburg and Christiansburg and Virginia Tech. At this time, Montgomery County is formally seeking admission to the Authority. The Code of Virginia requires that the governing bodies for member entities of the Authority advertise a resolution on the proposed Joinder and hold a public hearing on the request. The following resolution, if approved, will delegate authority to Sherwood G. Wilson, Vice President for Administrative Services, to hold a public hearing on behalf of the university and its Board of Visitors. Feedback from the public hearing will be presented to the Board of Visitors at a later meeting. A resolution seeking approval for the Joinder will also be presented to the Board of Visitors at a future meeting.

**RESOLUTION REGARDING ADMISSION OF MONTGOMERY COUNTY TO
BLACKSBURG-CHRISTIANSBURG-VPI WATER AUTHORITY**

WHEREAS, the Blacksburg-Christiansburg-VPI Water Authority (the Authority) is a public body politic and corporate duly created pursuant to the Virginia Water and Sewer Authorities Act (the Act) and chartered in 1954 to acquire, construct, operate and maintain a water supply system to furnish a dependable supply of water to the Towns of Blacksburg and Christiansburg and Virginia Polytechnic Institute and State University; and,

WHEREAS, Montgomery County is formally seeking admission to the Authority (Joinder); and,

WHEREAS, pursuant to the Code of Virginia, Section 15.2-5112(D), Virginia Polytechnic Institute and State University, as a member of the Authority, must express its consent by resolution to the Joinder of Montgomery County; and,

WHEREAS, the governing body of Montgomery County and the governing bodies of the member political subdivisions must advertise the resolution on the Amended and Restated Articles of Incorporation and hold a public hearing in accordance with the Code of Virginia, Section 15.2-5104.

NOW, THEREFORE, BE IT RESOLVED, that Sherwood G. Wilson, Vice President for Administrative Services, is delegated authority to hold a public hearing on behalf of the university and its Board of Visitors on the Blacksburg-Christiansburg-VPI Water Authority Amended and Restated Articles of Incorporation providing for the Joinder of Montgomery County to the Authority.

RECOMMENDATION:

That the resolution delegating authority to Sherwood G. Wilson, Vice President for Administrative Services, to hold a public hearing on behalf of the university and its Board of Visitors on the Blacksburg-Christiansburg-VPI Water Authority Amended and Restated Articles of Incorporation providing for a joinder with Montgomery County be approved.

November 7, 2011

**RESOLUTION ON APPOINTMENTS 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. 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, Raymond D. Smoot, Jr. currently serves as a joint representative with a term expiring on January 1, 2012; and the town council and the university desire to reappoint Raymond D. Smoot, Jr. as a joint representative for a term expiring January 1, 2016; and,

WHEREAS, William R. Cook, Jr., currently serves as a joint appointee to the Board of Directors, with a term expiring on January 1, 2012; and the town council and the university desire to appoint Ron Rordam for a term expiring January 1, 2016; and,

WHEREAS, Michael J. Coleman, Associate Vice President and Chief Facilities Officer, currently serves as the university's representative to the Authority for a term expiring January 1, 2012; and the university desires to reappoint Michael J. Coleman as the university's representative for a term expiring January 1, 2016;

NOW, THEREFORE, BE IT RESOLVED, that Raymond D. Smoot, Jr. be named as a joint representative and member on the Blacksburg-Virginia Polytechnic Institute Sanitation Authority effective immediately, for a term expiring January 1, 2016; and,

BE IT FURTHER RESOLVED, that Ron Rordam be named as a joint representative and member on the Blacksburg-Virginia Polytechnic Institute Sanitation Authority effective immediately, for a term expiring January 1, 2016; and,

BE IT FURTHER RESOLVED, that Michael J. Coleman, Associate Vice President and Chief Facilities Officer, be named as the university's representative and member on the Blacksburg-Virginia Polytechnic Institute Sanitation Authority, effective immediately, for a term expiring January 1, 2016.

RECOMMENDATION:

That the resolution recommending that Raymond D. Smoot, Jr. and Ron Rordam, be appointed as joint representatives and Michael J. Coleman, Associate Vice President and Chief Facilities Officer, be reappointed as the university's representative to the Blacksburg-Virginia Polytechnic Institute Sanitation Authority Board of Directors be approved.

November 7, 2011

RESOLUTION ON DEMOLITION OF UNIVERSITY BUILDING

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the disposition of any building; and

WHEREAS, a tenant residence, building number 1103, located at the Virginia Tech Hampton Roads Agricultural Research Experimental Center at 1444 Diamond Springs Road, Virginia Beach, Virginia, was extensively damaged in a fire and suffered wide spread water and smoke damage in May 2011; and

WHEREAS, the university will obtain the approvals of the Art and Architectural Review Board and the Department of Historic Resources for the demolition of this building prior to demolition;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approve the demolition of the tenant residence located at the Virginia Tech Hampton Roads Agricultural Research Experimental Center (building 1103) in accordance with the applicable statues of the Code of Virginia (1950), as amended.

RECOMMENDATION:

That the above resolution authorizing the demolition of the tenant residence located at the Virginia Tech Hampton Roads Agricultural Research Experimental Center (building 1103) be approved.

November 7, 2011

Hampton Roads AREC Farmhouse – Building No. 1103



View of rear 1917 addition from NW



View of rear 1917 addition from SE

Hampton Roads AREC Farmhouse – Building No. 1103



View of farmhouse from North



View of rear 1917 addition and farmhouse from South

Committee Minutes

FINANCE AND AUDIT COMMITTEE

Duck Pond Room, The Inn at Virginia Tech

November 7, 2011

Audit Closed Session

Board Members Present: Mr. John Lee, Mr. George Nolen, Ms. Deborah Petrine, Mr. Michael Quillen

VPI & SU Staff: Ms. Kay Heidbreder, Ms. Sharon Kurek, Mr. M. Dwight Shelton, Jr., Dr. Charles W. Steger, Dr. Lisa Wilkes

1. Update on Fraud, Waste, and Abuse Cases: The Committee met in Closed Session to receive an update on the outstanding fraud, waste, and abuse cases.
2. Discussion with the Director of Internal Audit: The Committee met in Closed Session with the Director of Internal Audit to discuss audits of specific departments and units where individual employees were identified.

Audit Open Session

Board Members Present: Ms. Maxine Lyons – Staff Representative, Mr. John Lee, Ms. Deborah Petrine, Mr. Michael Quillen

VPI & SU Staff: Mr. Erv Blythe, Mr. Ralph Byers, Mr. Allen Campbell, Mr. Al Cooper, Mr. John Cusimano, Mr. Brian Daniels, Mr. Corey Earles, Mr. Jeff Earley, Ms. Debbie Fulton, Mr. Mark Gess, Dr. Alan Grant, Ms. Natalie Hart, Mr. Tim Hodge, Ms. So-Young Hong, Ms. Elizabeth Hooper, Dr. Ed Jones, Ms. Sharon Kurek, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Akiko Nakamura, Ms. Kim O'Rourke, Ms. Savita Sharma, Mr. M. Dwight Shelton, Jr., Mr. Jeb Stewart, Dr. Lisa Wilkes

Guests: Auditor of Public Accounts: Ms. Hope Broughman, Mr. Paul Costanza, Ms. Karen Helderman, Mr. Mike Reinholtz, Ms. Elise Ryan

1. Motion to Reconvene in Open Session
2. Approval of Items Discussed in Closed Session: The Committee reviewed and took action on items discussed in closed session.

3. Opening Remarks and Approval of Minutes of the August 28, 2011 Meeting: The Committee reviewed and approved the minutes of the August 28, 2011 meeting.
4. Update on the Status of the Auditor of Public Accounts Financial Audit and Management Letter for June 30, 2011 Audit: The Committee received a report from Ms. Helderman, Director of Information Systems Development, Auditor of Public Accounts, on the status of the university's financial statement audit and management letter for the fiscal year ended June 30, 2011. Although the university has prepared draft financial statements in accordance with generally accepted accounting principles, the audit is still in progress as of the date of this meeting.
5. Review and Approval of Audit Charters: The Committee reviewed for approval the Audit Charter and the University Policy 3350: Internal Audit Charter. Revisions to the charters are required due to a change in reporting relationship, to clarify Internal Audit's role, and to clarify the process for senior management areas submitting corrective action plans. The Committee requested a clarification to the policy statement related to the Audit Department's reporting relationship. The language has been revised to the following: "The Finance and Audit Committee has the responsibility to oversee and evaluate the internal audit function of the university. Accordingly, the Director of Internal Audit reports functionally to the committee and also serves in a staff role to the committee. For day-to-day operations, the Director reports administratively to the President."

The Committee approved the audit charter and university policy.

6. Review and Acceptance of University's Update of Responses to all Previously Issued Internal Audit Reports: The Committee reviewed the university's update of responses to all previously issued internal audit reports. At the August meeting, the university reported that as of June 30, 2011, the university had seventeen open recommendations. Fifteen audit comments have been issued since then. As of September 30, 2011, the university has addressed seventeen comments, leaving fifteen open recommendations in progress. The Committee received a briefing that reviewed the status of the outstanding comments, including the comments that have been addressed since September 30, 2011.

The Committee accepted the report.

7. Review of Internal Audit Department's Status Report as of September 30, 2011: The Committee reviewed the Internal Audit Department's Status Report as of September 30, 2011. In addition to conducting scheduled audits and compliance reviews, the audit department participated in annual audit activities, fraud audits, and professional development activities.

The Committee accepted the report.

8. Review of Auditor of Public Accounts Statewide Reviews and Special Reports: In addition to the annual audits of the university's financial statements and its

Intercollegiate Athletics program, the Auditor of Public Accounts (APA) has included Virginia Tech along with other agencies in recent program reviews designed to assess controls on a statewide basis. The Committee reviewed a report which provided an analysis of the APA's statewide audit activities to date and the university's planned approach to manage and report on these audit activities.

Finance Closed Session

Board Members Present: Mr. John Lee, Mr. George Nolen, Ms. Deborah Petrine, Mr. Michael Quillen

VPI & SU Staff: Ms. Kay Heidbreder, Ms. Sharon Kurek, Mr. M. Dwight Shelton, Jr., Dr. Charles W. Steger, Dr. Lisa Wilkes

1. Motion for Closed Session
- * 2. Ratification of Personnel Changes Report: The Committee met in Closed Session to review and take action on the quarterly personnel changes report.

Finance Open Session

Board Members Present: Ms. Maxine Lyons – Staff Representative, Mr. John Lee, Ms. Deborah Petrine, Mr. Michael Quillen

VPI & SU Staff: Mr. Erv Blythe, Mr. Bob Broyden, Mr. Ralph Byers, Mr. Allen Campbell, Mr. Al Cooper, Mr. John Cusimano, Mr. Brian Daniels, Mr. Corey Earles, Mr. Jeff Earley, Ms. Debbie Fulton, Mr. Mark Gess, Dr. Alan Grant, Ms. Natalie Hart, Mr. Tim Hodge, Ms. So-Young Hong, Ms. Elizabeth Hooper, Dr. Ed Jones, Ms. Sharon Kurek, Mr. Ken Miller, Ms. Terri Mitchell, Ms. Kim O'Rourke, Ms. Savita Sharma, Mr. M. Dwight Shelton, Jr., Dr. Raymond Smoot, Dr. Charles Steger, Mr. Jeb Stewart, Dr. Lisa Wilkes

Guest: Ms. Akiko Nakamura - GSA

1. Opening Remarks and Approval of Minutes of the August 28, 2011 Meeting: The Committee reviewed and approved the minutes of the August 28, 2011 meeting.
2. Discussion on the Status of Cooperative Extension Finances and Reports to the State: The Committee participated in a discussion on the status of Cooperative Extension finances and reports to the state. In March 2011 the Committee received an initial report on an evaluation of the Virginia Cooperative Extension programs required by the Appropriation Act. Since the March meeting, the university has been assisting the Secretary of Education in the development of

analyses and a report on various aspects of the financial and managerial activities related to land grant colleges and missions. The report is designed to address the concerns of the Cooperative Extension programs' stakeholders with regard to the management and finances of the agency and is scheduled to be released during November. An update will be provided to the Committee at the March 2012 meeting.

3. Discussion of the State Budget Process: The Committee participated in a discussion of the budget processes the state has implemented. Currently, an evaluation of the prospects for the current fiscal year as well as the two years in the upcoming 2012-14 biennium is being completed in order to address potential additional budget reductions and reallocations of funds. At this time the university has received no signal that there will be budget reduction targets for higher education. The Governor will present his Executive Budget proposal to the General Assembly on December 19, 2011. It is anticipated that this budget will reflect the Governor's proposals regarding funding for higher education as well as any proposals for agency savings or reallocations for higher education.
4. Annual Report on University Debt Ratio and Debt Capacity: The Committee received a report on the university's debt ratio and debt capacity. As of June 30, 2011, the outstanding long-term debt of the university totaled \$449.7 million with a debt ratio of 3.44 percent. It is projected that the university's debt ratio will reach 4.99 percent in 2015-16. Both the Restructured Higher Education Financial and Administrative Operations Act (Restructuring Act) and the university's debt policy require the university to maintain a debt service to operations ratio of not greater than seven percent. Further, university management internally targets a five percent benchmark for planning purposes and subsequent recommendations to the Board. The university is in full compliance with the Restructuring Act benchmark, as well as the university's internal benchmark.
5. Annual Report on Write-off of Delinquent Accounts: The Committee received a report on delinquent accounts of the university that were written off as of June 30, 2011. The amount of write-offs totaled \$465,160 which represents less than one tenth of one percent of the fiscal year 2010 annual operating revenues, excluding federal appropriations. The university is in full compliance with the accounts receivable management standards established by the state.
6. Report on University Administrative Costs: In response to a request from the Finance and Audit Committee, the Committee received a report on the administrative costs at Virginia Tech. The review indicates that administrative costs at Virginia Tech are well within industry averages for comparable institutions.
7. Annual Report on University Support for Student Financial Aid: The Committee received a comprehensive report on the university's scholarship and financial aid program. Financial aid programs are critical to support access and affordability of higher education and to ensure the effective recruitment, retention, and graduation of students. Fifty-two percent of Virginia Tech graduates in 2009-10

had an average debt of \$23,100 at graduation. In its Management Agreement with the Commonwealth, the university affirmed its commitment to increase the support for student financial aid and proactively works to ensure access and affordability. The amount of aid awarded grew from \$324.2 million in 2008-09 to \$390.7 million in 2010-11.

8. Annual Report on Implementation of Increased Administrative Efficiencies through Expansion of Automated Systems and Enhanced Security: The Committee received an annual progress report highlighting some of the efficiencies and process improvements that have been achieved since the November 2010 report. The report provides a synopsis of the top achievements from the previous year and highlights the key initiatives planned in the current year.
- * 9. Approval of University General Banking and Investments Resolution: The Committee reviewed for approval the University General Banking and Investments Resolution that authorizes certain officers or designees to transact the day-to-day banking duties on behalf of the university. Due to the retirement of the Executive Vice President and Chief Operating Officer in 2008, the General Banking and Investment Resolution needs to be updated to remove the Executive Vice President and Chief Operating Officer as an authorized officer and add the Vice President for Finance and Chief Financial Officer.

The Committee recommended the University General Banking and Investments Resolution to the full Board for approval.

- * 10. Approval of Policy Governing the Investment of University Funds: The university maintains a Policy Governing the Investment of University Funds that outlines the allowable investments in compliance with Virginia's Investment of Public Funds Act for the university's non-endowed, short and intermediate-term operating cash balances. The Committee reviewed for approval a revision to the policy that is necessary due to the recent S&P downgrade of the U.S. Treasury sovereign credit rating from AAA to AA+.

The Committee recommended the Policy Governing the Investment of University Funds to the full Board for approval.

- * 11. Approval of Year-to-Date Financial Performance Report (July 1, 2011 – September 30, 2011): The Committee reviewed the Year-to-Date Financial Performance Report for July 1, 2011 – September 30, 2011. For the first quarter, budget adjustments were made to reflect revisions to projected revenues and expenditures. Revenues in Residence and Dining Halls are higher than projected due to higher than anticipated dorm occupancy and dining meal plan sales, summer conferences, and catering activity. Projected revenues for the Intercollegiate Athletics System are slightly lower than projected due to slightly lower than prior year sales of student season tickets and student guest season tickets.

For the quarter ending September 30, 2011, \$21.2 million had been expended for Educational and General capital projects, and \$12.9 million had been expended for Auxiliary Enterprises capital projects. Capital outlay expenditures for the quarter ending September 30, 2011 totaled \$34.1 million.

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

- * 12. Review and Acceptance of Pratt Fund Program and Expenditures Report: The Committee received a report on the Pratt Fund program and expenditures. Pratt bequest expenditures of \$804,823 for Engineering and \$871,791 for Animal Nutrition were made during 2010-11.

The Pratt Funds for Engineering provided funding for scholarships and fellowships, graduate studies, and international programs. Additionally, the College of Engineering invested Pratt Funds in several research initiatives including: biomedical engineering, microelectronics, and energy and advanced vehicles.

The Pratt Funds for Animal Nutrition provided scholarships, assistantships, and research funding for students. The Funds also supported state-of-the-art scientific equipment purchases and enhancement of research programs.

The Committee recommended the Pratt Fund Program and Expenditures Report to the full Board for approval.

- * 13. Approval of Resolution on the Select Defined Contribution Plan Amendment: The Committee reviewed for approval a resolution on the Select Defined Contribution Plan Amendment. Legislation enacted in 2010 provides for employee contribution for faculty selecting to participate in the Optional Retirement Plan. The university's current Select Defined Contribution Plan only provides for an employer contribution; therefore, the university is requesting the Board of Visitors approve the amendment which would allow employee contributions.

The Committee recommended the Select Defined Contribution Plan Amendment to the full Board for approval.

***Requires full Board approval.**

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

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

AUDIT CHARTER

I. PURPOSE

The primary purpose of the Finance and Audit Committee is to assist the Board of Visitors in fulfilling its fiduciary responsibilities related to oversight of:

- The integrity of the university's financial accounting and reporting practices,
- The university's compliance with legal and regulatory requirements,
- Fiscal planning and the execution of fiscal plans,
- The maintenance of an effective system of internal controls, and
- The performance of the university's internal and independent audit functions.

The function of the Committee is oversight. University Management is responsible for the preparation, presentation, and integrity of the university's financial statements, fiscal plans, and other financial reporting. University Management is also responsible for maintaining appropriate financial accounting and reporting policies, procedures, and controls designed to assure compliance with generally accepted accounting principles and applicable laws and regulations. The Department of Internal Audit examines and evaluates the adequacy and effectiveness of the university's system of internal controls. The university's external auditor, the state Auditor of Public Accounts, is responsible for planning and conducting the financial statement examination in accordance with generally accepted government auditing standards.

The Committee is charged in the Bylaws of the Board of Visitors with separating its responsibilities for Finance and Audit, respectively, and with maintenance of a separate audit agenda and finance agenda for each meeting. This document and the related meeting planner are intended to identify and document the Committee's audit-specific oversight responsibilities in order that such sound practices will continue despite the turnover of Committee members. It also outlines the regularly scheduled review activities that will insure that the university continues to have an independent and objective internal audit function and obtains the greatest possible benefit from its external audits.

II. COMPOSITION AND INDEPENDENCE

The Finance and Audit Committee will be comprised of three or more Visitors. Each committee member will be financially literate and shall fully comply with the State and Local Governments Conflict of Interests Act, Section 2.2-3100 of the Code of Virginia as amended.

III. MEETINGS

By statute the Board of Visitors, including the Finance and Audit Committee, must meet once a year, but traditionally holds four meetings a year. Additional meetings may occur more frequently as circumstances warrant. The Committee chairman should discuss the Audit agenda with the Director of Internal Audit and the chief financial officer prior to each Committee meeting to finalize the meeting agenda and review the issues to be discussed.

IV. RESPONSIBILITIES

In performing its audit oversight responsibilities, the Finance and Audit Committee shall:

A. General

1. Adopt a formal written charter that specifies the Committee's responsibilities and practices. The charter should be reviewed annually and updated as necessary.
2. Maintain minutes of meetings.
3. Authorize audits within the Committee's scope of responsibilities.
4. Report Committee actions to the Board of Visitors with such recommendations as the Committee may deem appropriate.
5. Meet in closed session, consistent with state law, (without members of senior management present, when appropriate) with the external auditors and/or the Director of Internal Audit to discuss matters that the Committee or the auditors believe should be discussed privately. The Director of Internal Audit shall have a regularly scheduled opportunity to meet privately with the Committee at each of its four annual meetings.

B. Internal Controls, Risk Assessment, and Financial Reporting

1. Consider the effectiveness of the university's internal control systems, including those over information technology and financial reporting.
2. Review the university's processes for assessing significant business risk exposures and the steps management has taken to monitor and control such exposures, including the university's risk assessment and risk management policies.
3. Understand the scope of internal and external audit reviews of internal control, and obtain reports on significant potential issues and recommendations, together with management's responses.
4. Review the annual financial statements with management and the external auditors to determine whether the external auditors are satisfied with the disclosure and content of the financial statements, including the nature and extent of any significant changes in accounting principles.
5. Review management's written responses to significant potential issues and recommendations of the auditors, including the timetable to correct the identified weaknesses in the internal control system.

6. Advise management that they are expected to provide a timely analysis of significant financial reporting issues and practices.

C. External Auditors

1. Make inquiries of management and the independent auditors regarding the scope of the external audit for the current year.
2. As necessary, discuss with the external auditors their processes for identifying and responding to key audit and internal control risks.
3. Review the coordination of internal and external audit procedures to promote an effective use of resources and ensure complete and efficient coverage of the university's risks.
4. Meet with the external auditors at the completion of the audit to receive and discuss the audit report(s).

D. Internal Auditors

1. Approve the Internal Audit departmental charter. The charter should be reviewed annually and updated as necessary.
2. Review and approve the annual audit plan and any significant changes to the plan.
3. Review the effectiveness of the internal audit function, including staffing resources, financial budget, training, objectivity and reporting relationships.
4. Review completed audit reports and progress reports on executing the approved annual audit plan.
5. Inquire of the Director of Internal Audit regarding any difficulties encountered in the course of the audits, including any restrictions on the scope of work or access to required information.
6. Review and concur in the appointment, replacement, reassignment, or dismissal of the Director of Internal Audit.
7. Evaluate the Director of Internal Audit's annual performance and make decisions regarding compensation.

E. Compliance, Ethics and Business Conduct

1. Require management to periodically report on procedures that provide assurance that the university's mission, values, and codes of conduct are properly communicated to all employees.
2. Periodically review the programs and policies of the university designed by management to assure compliance with applicable laws and regulations and monitor the results of the compliance efforts.
3. Monitor the university's conflict of interest policies and related procedures.

The attached "Audit Agenda Meeting Planner" is an integral part of this document. If the Board of Visitors meets less frequently than anticipated, the Planner will be adjusted accordingly.

**Virginia Polytechnic Institute and State University
Finance and Audit Committee of the Board of Visitors
Audit Agenda Meeting Planner**

A=Annually; Q=Quarterly; AN=As Necessary Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	Frequency			Planned Timing			
	A	Q	AN	Q1	Q2	Q3	Q4
				Aug	Nov	Mar	Jun
A. General							
1. Review and update F&A Committee Audit Charter	X				X		
2. Approve and maintain minutes of previous meeting		X		X	X	X	X
3. Authorize audits within the Committee's scope of responsibilities			X				
4. Report Committee actions to the Board of Visitors with recommendations deemed appropriate		X		X	X	X	X
5. Meet in closed session with Director of Internal Audit, and with external auditors, as needed.		X		X	X	X	X
B. Internal Control/Risk Assessment/Fin Reporting							
1. Consider the effectiveness of the university's internal control systems			X				
2. Review the university's processes for assessing significant business risk exposures and the steps taken to monitor and control such exposures			X				
3. Understand the scope of internal and external audit reviews of internal control, and obtain reports on significant potential issues and recommendations, together with management's responses		X		X	X	X	X
4. Review the annual financial statements with management and external auditors to determine whether the external auditors are satisfied with the disclosure and content of the financial statements, including the nature and extent of any significant changes in accounting principles	X				X		
5. Review management's written responses to significant potential issues and recommendations of the auditors, including the timetable to correct identified weaknesses in the internal control system		X		X	X	X	X
6. Advise management that they are expected to provide a timely analysis of significant current financial reporting issues and practices	X				X		

A=Annually; Q=Quarterly; AN=As Necessary	Frequency			Planned Timing			
Q1, Q2, Q3, Q4 based on Fiscal Year (July – June)	A	Q	AN	Q1	Q2	Q3	Q4
				Aug	Nov	Mar	Jun
C. External Auditors							
1. Make inquiries of management and the independent auditors regarding the scope of the external audit for the current year	X					X	
2. Discuss with the external auditors their processes for identifying and responding to key audit and internal control risks			X		X	X	
3. Review the coordination of internal and external audit procedures to promote an effective use of resources and ensure complete and efficient coverage of the university's risks			X	X		X	
4. Meet with the external auditors at the completion of the audit to receive and discuss the audit report(s)	X				X		
D. Internal Auditors							
1. Review and approve Internal Audit charter, if changes are needed	X					X	
2. Review the draft annual Internal Audit plan	X						X
3. Approve the annual Internal Audit plan	X			X			
4. Review the effectiveness of the internal audit function, including staffing resources, financial budget, training, objectivity, and reporting relationships	X			X			
5. Review completed audit reports and progress reports on executing the approved audit plan		X		X	X	X	X
6. Inquire of the Director of Internal Audit regarding any difficulties encountered in the course of the audits, including any restrictions on the scope of work or access to required information		X		X	X	X	X
7. Review and concur in the appointment, replacement, reassignment or dismissal of the Director of Internal Audit			X				
8. Evaluate the Director of Internal Audit's annual performance and make decisions regarding compensation	X				X		
E. Compliance, Ethics and Business Conduct							
1. Require management to periodically report on procedures that provide assurance that the university's mission, values, and codes of conduct are properly communicated to all employees			X				
2. Review the programs and policies of the university designed to assure and monitor compliance			X				
3. Monitor the university's conflict of interest policies and related procedures		X		X	X	X	X

Subject: Internal Audit Charter

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1. Purpose

This policy outlines the policies and procedures covering the Department of Internal Audit at Virginia Polytechnic Institute and State University and serves as a charter for the department.

2. Policy

It is the policy of the Finance and Audit Committee of the Board of Visitors and the management of Virginia Polytechnic Institute and State University to support the maintenance of an internal audit function to assist in the effective discharge of their responsibilities for the control of institutional resources.

The Finance and Audit Committee of the Board of Visitors and university management adopt the following definition of internal auditing (from the Institute of Internal Auditors' *International Professional Practices Framework*) as the purpose of Internal Audit: Internal auditing is an independent, objective assurance and advisory activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

2.1 Scope of Internal Audit Activities

Internal Audit provides independent, objective assurance and advisory services designed to add value and improve the university's operations. Additionally, Internal Audit helps university departments accomplish their objectives by bringing a systematic, disciplined approach to the identification of opportunities for improvement in the areas of risk management, internal control, efficiency, policy, and procedure.

Internal audit coverage will encompass reviews of all university operations and activities to appraise:

- the accuracy, reliability, and timeliness of significant financial, managerial, and operating information and the adequacy of the internal controls employed over the compilation and reporting of such information

- compliance with policies, procedures, standards, laws, and regulations
- whether risks are appropriately identified and managed
- measures taken to safeguard assets, including tests of existence and ownership
- the adequacy, propriety, and cost-effectiveness of accounting, financial, and other controls throughout the university, as well as compliance therewith
- measures taken to foster continuous improvement in control processes
- whether university resources are being acquired, managed, and protected in an economical, efficient, and effective manner
- the achievement of programs, plans, and objectives

2.2 Organizational Structure

The Finance and Audit Committee has the responsibility to oversee and evaluate the internal audit function of the university. Accordingly, the Director of Internal Audit reports functionally to the committee and also serves in a staff role to the committee. For day-to-day operations, the Director reports administratively to the President.

2.3 Independence

Independence is essential to enable the internal audit function to accomplish its purpose. Accordingly, the Director of Internal Audit has direct and unrestricted access to the President and the Finance and Audit Committee. Internal Audit shall be functionally independent of all university operations.

The Director of Internal Audit or members of the department shall not be assigned to operating duties except for temporary assignments as requested by the President and the university's Chief Financial Officer and approved by the Finance and Audit Committee. In addition, members of Internal Audit will not develop and install procedures, prepare records, make management decisions, or engage in any other activity which could be reasonably construed to compromise their independence. The Director of Internal Audit or members of the department shall not be assigned any additional supervisory or oversight responsibilities which could be reasonably construed to compromise their independence. Therefore, internal audit review and appraisal procedures do not in any way substitute for the responsibilities assigned to other persons in the organization.

2.4 Authority

Internal Audit has unrestricted access to all university departments, records, reports, activities, property, and personnel that they deem necessary to discharge their audit responsibilities. Internal Audit will exercise discretion in the review of records to assure the necessary confidentiality of matters that come to its attention.

2.5 Auditing Standards

Internal Audit will conduct its activities in accordance with the Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing* and *Code of Ethics*. Generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants and government auditing standards issued by the United States General Accounting Office will be referenced as appropriate.

Members of Internal Audit have the responsibility to maintain high standards of conduct, professionalism, independence, and character to carry on proper and meaningful internal auditing within the university. In addition, Internal Audit's activities and conduct shall be consistent with the policies of the university.

2.6 Systems Planning and Development

Internal Audit will be consulted by management during the planning, development, and modification of major financial or operating systems and procedures (manual and computer) to ensure that:

- Reasonable and adequate internal controls exist.
- Systems or procedural documentation is complete and appropriate.
- An adequate audit trail exists.

Internal Audit's participation will be designed to: a) help assure that information assets are safeguarded and appropriate procedures are complied with, and b) aid management efficiency by avoiding costly systems or procedural changes at later dates.

2.7 Responsibilities of the Director of Internal Audit

The Director of Internal Audit has primary responsibility for the proper maintenance and management of the internal audit function to ensure that the audit work fulfills the purposes and responsibilities established in this policy statement.

The Director is specifically charged with the following responsibilities:

- Coordinating all auditing activities to provide a central source of information for management and the Finance and Audit Committee regarding all audit activities and to provide comprehensive, cost-effective audit coverage for the university.
- Going beyond accounting and financial records when necessary during audit activities to obtain a thorough understanding of the activities under audit.
- Establishing written policies and procedures for Internal Audit and directing its technical and administrative functions.
- Developing, submitting for approval, and executing comprehensive risk-based annual and long-range audit plans to carry out departmental responsibilities.
- Maintaining a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter, and provide information on the sufficiency of department resources.
- Documenting appropriately the results of all audits, reviews, and evaluations performed.
- Recommending improvements in managerial and internal accounting controls designed to safeguard university resources and ensure compliance with government laws and regulations.
- Issuing an annual summary report of audit activities to the Finance and Audit Committee of the Board of Visitors.
- Appraising the adequacy of the action taken by management to correct significant reported internal control weaknesses and deficient conditions and reporting this information at least quarterly to the responsible Vice Presidents and the university's Chief Financial Officer, or their designees.
- Establishing and maintaining a quality assurance review program to evaluate the operations of the department, including periodic internal self-assessments and external peer reviews at least once every five years by qualified persons who are independent of the university.
- Communicating directly with the Finance and Audit Committee any matters considered to warrant its attention.
- Performing sufficient tests and examinations to determine and report to management, the Finance and Audit Committee, and the appropriate authorities the extent of any fraud, waste, and abuse detected by audit or otherwise and to identify the weaknesses in control procedures that may have allowed the fraudulent activity to occur. The investigation of the specific event with the objective or recovery and/or prosecution is the responsibility of the appropriate police departments and Commonwealth's Attorney based on jurisdiction.

2.8 Audit Reports

Internal Audit will issue audit reports and/or memos in all audit activities performed. The format and style of the report will be determined by the Director, depending upon the nature and conditions surrounding the audit. All audit reports on audits scheduled in the annual audit plan will be issued to the members of the Finance and Audit Committee, the President, the appropriate Vice Presidents of the university or their designee, and other appropriate management personnel as deemed necessary by the Director. In addition, reports approved at open meetings of the committee shall be made available to the public in accordance with State statutes. In certain circumstances, the Director may decide, with the approval of the Chairman of the Finance and Audit Committee, to restrict the issuance of an audit report to certain members of management and/or the committee.

2.9 Responsibility for Corrective Action

Senior management to whom the audited department, activity, or agency reports organizationally is responsible for the issuance of a written response to recommendations made or deficient conditions reported by Internal Audit. The responses should be submitted to the Director of Internal Audit for inclusion in the issued audit report. The committee will receive quarterly status updates of all recommendations in the process of being implemented.

2.10 Coordination with External Auditing Agencies

The Director of Internal Audit will coordinate the department's audit efforts with those of the Auditor of Public Accounts or other external auditing agencies by participating in the planning and definition of the scope of proposed audits so the work of all auditing groups is complementary, and their combined efforts provide comprehensive, cost-effective audit coverage for the university. Duplication of work will be avoided as much as possible.

2.11 Special Projects

The Director of Internal Audit is empowered to conduct special audit projects, reviews, advisory services, or investigations at the request of the President, Vice Presidents or their designee, and the Finance and Audit Committee to assist management in meeting its objectives, promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in its programs and operations, examples of which may include facilitation, training, and advisory services.

3. Procedures

4. Definitions

5. References

Section 2.1-155.3 of the *Code of Virginia*, enacted in 1984.

6. Approval and Revisions

- Revision 0
Approved February 9, 1989, by the Director of Internal Audit, David C. Goodyear.
- Revision 1
Annual review. Section 2.8 - changed so that reports "approved" by the Finance and Audit Committee shall be available to the public.

Approved March 29, 1990, by the Director of Internal Audit, David C. Goodyear.

- Revision 2

Changes were made to eliminate minor discrepancies between the audit manual and the policy statement as presented to the Board of Visitors.

Approved November 3, 1995, by the Director of Internal Audit, David C. Goodyear.

Annual review, November 5, 1998, by Office of the Executive Vice President. No revisions.

- Revision 3

Policy updated to reflect review by the Finance and Audit Committee of the Board of Visitors. Policy serves as a charter for the Internal Audit Department.

Approved March 29, 2004 by the Executive Vice President and Chief Operating Officer, Minnis E. Ridenour.

Approved March 29, 2004 by the Finance and Audit Committee of the Board of Visitors.

- Revision 4

Policy updated to reflect review by the Finance and Audit Committee of the Board of Visitors, in conjunction with the Internal Audit Department's quality assurance review.

Approved March 14, 2005 by the Executive Vice President and Chief Operating Officer, James A. Hyatt.

Approved March 14, 2005 by the Finance and Audit Committee of the Board of Visitors.

- Revision 5

April 1, 2008: Updates to position titles and/or responsibilities due to university reorganization.

- Revision 6

Policy title changed from "Internal Audit Department" to "Internal Audit Charter."

Section 2.2 revised to reflect change in Internal Audit Director reporting relationship.

Sections 2.5 and 2.7 revised to clarify the role of Internal Audit and the standards under which it conducts its activities.

Section 2.9 revised to clarify the process for senior management areas submitting corrective action plans.

Approved November 7, 2011 by the university President, Charles W. Steger.

Approved November 7, 2011 by the Finance and Audit Committee of the Board of Visitors.

Update to Responses to Open Internal Audit Comments

FINANCE AND AUDIT COMMITTEE

September 30, 2011

As part of the internal audit process, university management participates in the opening and closing conferences and receives copies of all Internal Audit final 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, Internal Audit performs a follow-up visit within two weeks after the target implementation date. Internal Audit 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 Finance and Audit 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 August 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 high or medium priority recommendations for each audit in order of the original target completion date, and with an explanation for those having revised target dates or revised priority levels. Attachment C reflects performance in implementing recommendations on schedule over the last seven years. The 100 percent on schedule rate for FY2012 reflects closing 17 of 17 recommendations by the original due date.

The report presented at the August 28, 2011 meeting covered internal audit reports reviewed and accepted through June 30, 2011 and included seventeen open high or medium priority recommendations. Activity for the quarter ended September 30, 2011 resulted in the following:

Open recommendations as of June 30, 2011	17
Add: Medium & High priority recommendations accepted August 28, 2011	15
Subtract: recommendations addressed since June 30, 2011	17
Remaining open recommendations as of September 30, 2011	<u>15</u>

While this report is prepared as of the end of the quarter, management continues to receive updates from Internal Audit regarding auditee progress on action plans. Through October 11, 2011, Internal Audit has closed one of the fifteen outstanding high priority recommendations and extended the due date and revised the priority level of another open high priority recommendation. The other thirteen open recommendations are progressing as expected and are on track to meet their respective target due dates. Management is working jointly with the units and providing assistance as needed to ensure the action plans are completed timely.

ATTACHMENT A

Open Recommendations by Priority Level

FINANCE AND AUDIT COMMITTEE

September 30, 2011

Report Date	Audit Name	Audit Number	Total Recommendations						
			ISSUED	COMPLETED	OPEN				
					Extended		On-schedule		Total
					High	Medium	High	Medium	Open
25-Feb-11	OSP - Post Award	965	1				1		1
10-Mar-11	Veterinary Medicine Teaching Hospital	959	4	2			1	1	2
16-May-11	VP for Outreach and International Affairs	977	2	1				1	1
17-May-11	Tidewater & Hampton Roads Agriculture Research & Extension Centers	971	4	3			1		1
01-Aug-11	Forest Resources and Environmental Conservation	970	2	1				1	1
02-Aug-11	Recreational Sports	963	3				1	2	3
04-Aug-11	Athletics - NCAA Compliance	957	3	1				2	2
09-Aug-11	Electronic Timekeeping Systems	986	5	1			3	1	4
Totals:			24	9	0	0	6	9	15

ATTACHMENT B

Internal Audit Open Recommendations

FINANCE AND AUDIT COMMITTEE

September 30, 2011

Report Date	Item	Audit Number	Audit Name	Recommendation Name	Priority		Target Date		Follow Up Status	Status of Recommendations with Revised Priority / Target Dates
					Original	Revised	Original	Revised		
29-Aug-11	1	986	Electronic Timekeeping Systems	Dining Services - Verification of Wage Employee Time Entry	High		01-Oct-11		1	
29-Aug-11	2	986	Electronic Timekeeping Systems	Dining Services - Review of User Access Permissions	High		01-Oct-11		1	
29-Aug-11	3	963	Recreational Sports	Golf Greens Fees Deposits	Medium		15-Oct-11		1	
29-Aug-11	4	963	Recreational Sports	Processing Facilities Rental Receivables	Medium		15-Oct-11		1	
16-May-11	5	977	VP for Outreach and International Affairs	Overtime Compensation	Medium		30-Oct-11		1	
29-Aug-11	6	957	Athletics - NCAA Compliance	Summer Camp Leave Reporting	Medium		31-Oct-11		1	
04-Mar-11	7	959	Veterinary Medicine Teaching Hospital	Central Sterile Supply & Hospital Stores Inventory Controls	Medium		31-Oct-11		1	
29-Aug-11	8	986	Electronic Timekeeping Systems	University Libraries - System Edit Log	High		01-Nov-11		1	
04-Mar-11	9	959	Veterinary Medicine Teaching Hospital	IT Project Management	High		15-Dec-11		1	
29-Aug-11	10	963	Recreational Sports	TimeClock Plus System	High		15-Dec-11		1	
17-May-11	11	971	Tidewater & Hampton Roads Agriculture Research & Extension Centers	Funds Handling	High		31-Dec-11		1	
29-Aug-11	12	986	Electronic Timekeeping Systems	Dining Services - Time Card Banner Entry	Medium		31-Dec-11		1	
29-Aug-11	13	970	Forest Resources and Environmental Conservation	Funds Handling	Medium		15-Jan-12		2	
25-Feb-11	14	965	OSP - Post Award	Closing Projects in a Timely Manner	Medium		15-Jan-12		2	
29-Aug-11	15	957	Athletics - NCAA Compliance	Squad Lists Completion	Medium		01-Feb-12		2	

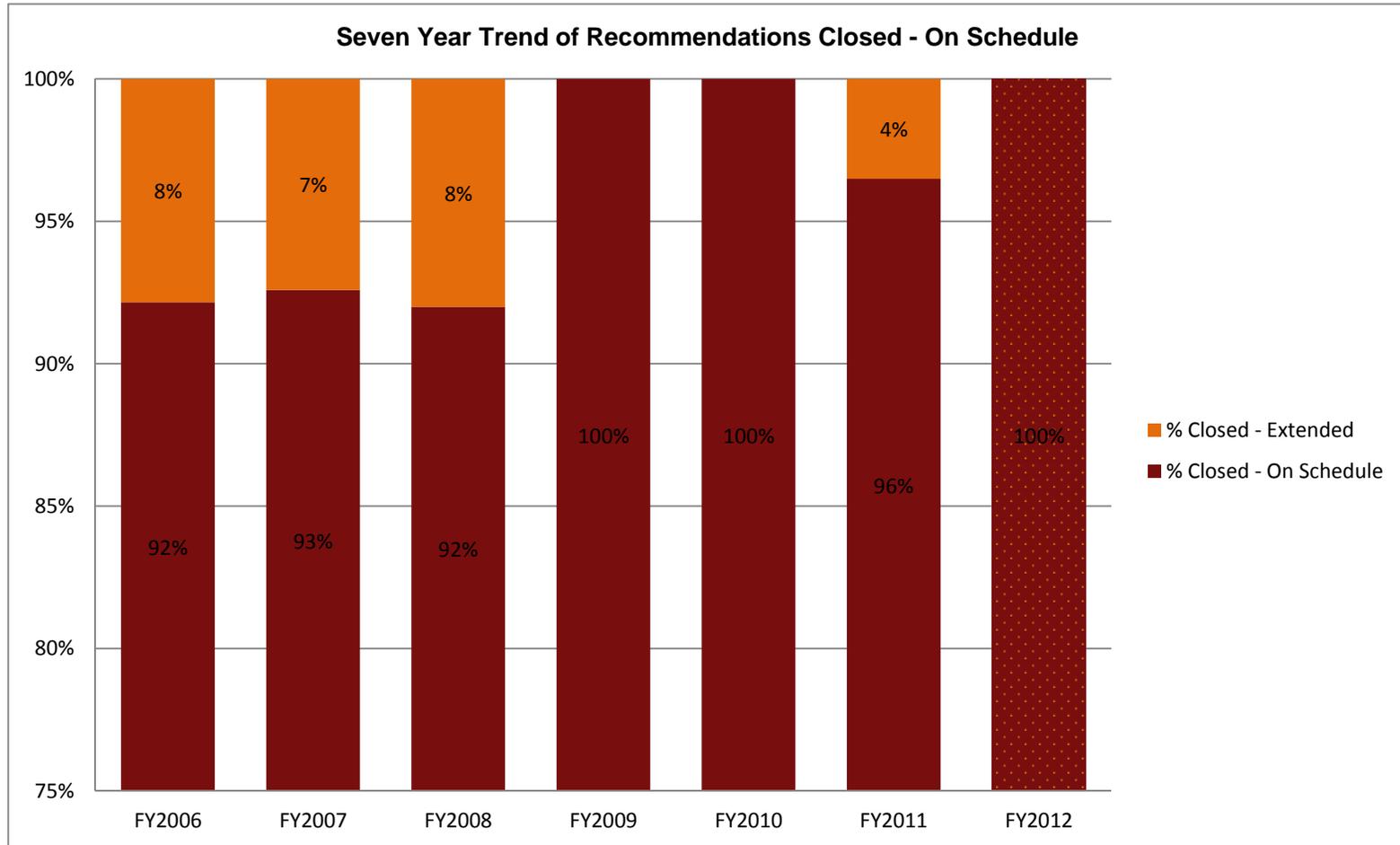
- (1) As of September 30, 2011, management confirmed during follow-up discussions with audit that actions are occurring and the target date will be met. The Audit department will conduct testing after the due date to confirm that the Management Action Plan is implemented in accordance with the recommendations.
- (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 Internal Audit Recommendations

FINANCE AND AUDIT COMMITTEE

September 30, 2011



Internal Audit Status Report
FINANCE AND AUDIT COMMITTEE

September 30, 2011

Audit Plan Update

Audits were performed according to the fiscal year 2011-12 annual audit plan approved by the Finance and Audit Committee of the Board of Visitors on August 28, 2011 and conducted in an objective manner at a level consistent with the resources of the Department of Internal Audit. Since the August board meeting, three advisory service projects in Engineering Education, Virginia Bioinformatics Institute, and Software Technologies Lab were added to the audit plan and are underway, along with a confidential project conducted as an attorney client work product for University Legal Counsel. Additionally, audits for English, Student Affairs Auxiliaries, UNIX Servers, and Vice President for Finance compliance review are underway.

During the first quarter of fiscal year 2011-12, Internal Audit added four projects to the audit plan as depicted in Exhibit 1, and work is underway on eight projects.

Exhibit 1
FY 2011-12 Completion of Audit Plan

Audits	
Total # of Audits Planned	31
Total # of Supplemental Audits	4
Total # of Carry Forwards	0
Total # of Planned Audits Canceled and/or Deferred	0
Total Audits in Plan as Amended	35
Total Audits Completed	0
Audits - Percentage Complete	0%
Note: Includes Compliance Reviews and Advisory Services	

Continuous Monitoring

Internal Audit identified two areas to initially begin Internal Audit's continuous monitoring program: fixed assets and procurement cards. Queries have been created for both areas and data has been extracted in order to isolate potential issues or exceptions. Items of interest for fixed assets include multiple home use assets and the completeness of asset custodians, while split transactions, duplicate payments, and weekend purchases are being reviewed for procurement card transactions.

Auditor of Public Accounts Statewide Reviews and Special Reports

FINANCE AND AUDIT COMMITTEE

October 3, 2011

Background

In addition to the annual audits of the university's financial statements and its Intercollegiate Athletics program, the Auditor of Public Accounts (APA) has included Virginia Tech along with other agencies in program reviews designed to assess controls on a statewide basis. These special reviews are included as a part of the APA's annual audit 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 the reviews.

The following report provides an analysis of the APA's statewide audit activities consistent with the university's planned approach to manage and report on these audit activities.

Recent Audit Activity

Since our last report, the APA has issued three statewide audit reports that reference or impact Virginia Tech; these APA reports are summarized below. The prior report to the Finance and Audit Committee on the APA's statewide reviews and special reports was reviewed with the Committee in March 2011.

Agencies of the Secretary of Finance Report on Audit, June 2010 (issued February 2011)

This report reviewed the Commonwealth's central administrative agencies, their functions, internal controls, accounting systems and process, and the accuracy of the financial transactions processed by these agencies. The report had no findings related to internal controls. It also mentioned the potential impact of various new federal regulations on the Commonwealth's central and other agencies and the need for the central agencies to ensure they adapt to these changes. The report made several recommendations. The first one was a repeat of the previous year's finding related to the need to modernize financial systems and processes. The report discusses the status of the Commonwealth's progress on the new Cardinal system, which will replace the CARS (Commonwealth Accounting and Reporting System) system in use since the 1970's. The first phase of the Cardinal implementation was on schedule for July 2011, and Phase II is scheduled to be implemented by July 2012, which will consist of general ledger and accounts payable modules. It also references the vendor data standard and chart of accounts standards, both of which could create additional work for the university if university systems have to conform to these state standards. The second recommendation was to update and streamline the financial reporting processes for state agencies and recommended the use of databases and software to assist in this process. Currently Virginia Tech spends about 475 person hours per year completing a large complex spreadsheet which is submitted to the state Comptroller to enable the

inclusion of university's financial data into the Commonwealth's Comprehensive Annual Financial Report (CAFR). (*The APA included no recommendations specific to Virginia Tech in this review.*)

Review of the Budget and Appropriation Processing Control System, June 2010 (issued April 2011)

The audit review of the Statewide Budget and Appropriation Processing Controls for the year ended June 30, 2010 found that the Department of Planning and Budget's (DPB) policies and procedures were adequate. It also mentioned the Department of Planning and Budget's progress towards implementing a new Performance Budgeting System. The project has three phases, has a total cost of \$15 million, and is scheduled to be completed by Spring 2012. The APA report mentioned the project was funded by an advance from the Treasury Department and that DPB is authorized to recover the cost from other state agencies through the collection of user fees.

One issue that remained unaddressed from prior reports dealt with budget transparency issues arising from budget transfers and adjustments, specifically transfers of General Fund appropriations to various non-general funds for programs like Property Relief as well as higher education programs and inadequate reporting processes for administrative changes. This issue has been cited since 2006 and, although some steps have been taken by DPB, the APA stated that significant transparency issues still remain. The APA is again bringing this issue to the attention of the Governor and legislature since the Commonwealth's administration is taking action to replace current accounting and budgeting systems. If full transparency were required for higher education (including Virginia Tech), additional effort and expense would be incurred to record Education & General operating revenues and expenses since they would have to be segregated between General Funds and Nongeneral Funds, as opposed to the long standing practice of accounting for those funds on a combined basis. (*The APA included no recommendations specific to Virginia Tech in this review.*)

State of Information Security in the Commonwealth of Virginia, Spring 2011 (issued April 30, 2011)

The purpose of the review was to provide a statewide perspective of information security program compliance across the Commonwealth's 115 agencies and institutions. The objectives of the audit were to provide a statewide summary of information security program compliance, provide a statewide analysis of common security program compliance issues, and to determine whether the Commonwealth's Security Standard is updated and compliant with Industry best practices.

This report summarizes the results of statewide reviews that evaluated the information security programs implemented by the Commonwealth's agencies and institutions of higher education as part of their regularly scheduled audits. This report is issued semi-annually. The reviews consisted of comparing agencies information security programs against the Commonwealth's Standard and Industry best practices as well as evaluating whether or not agencies were following their documented security programs. The last

report was issued in October 2010 and was included in the report for the March 2011 Board Meeting.

Although there were some improvements noted, the report concluded that 3 percent of the agencies (4 of 115) do not have an adequate information security program. The most predominant information security issue facing the Commonwealth remains employee computer access controls, followed closely by risk management and contingency plans.

It was also noted that the Virginia Information Technologies Agency (VITA) has been tasked with the assignment of making sure that the current Security Standard (SEC 501) is aligned with the National Institute of Science and Technology (NIST) standards to better position agencies to implement the same security controls used by the federal government. The effective date for the new standard is July 1, 2012. Since the Restructured Higher Education Financial and Administrative Operations Act exempts the university from having to follow the state security standards, there are no specific actions mentioned that the university will be mandated to follow. However, it does point out the ever-changing nature of information technology standards.

Virginia Tech was rated as being compliant in the report; however, it was noted that there was an audit finding on the university's fiscal year 2010 audit report related to information security. The university believes it has fully addressed these issues. (*The APA included no recommendations specific to Virginia Tech in this review.*)

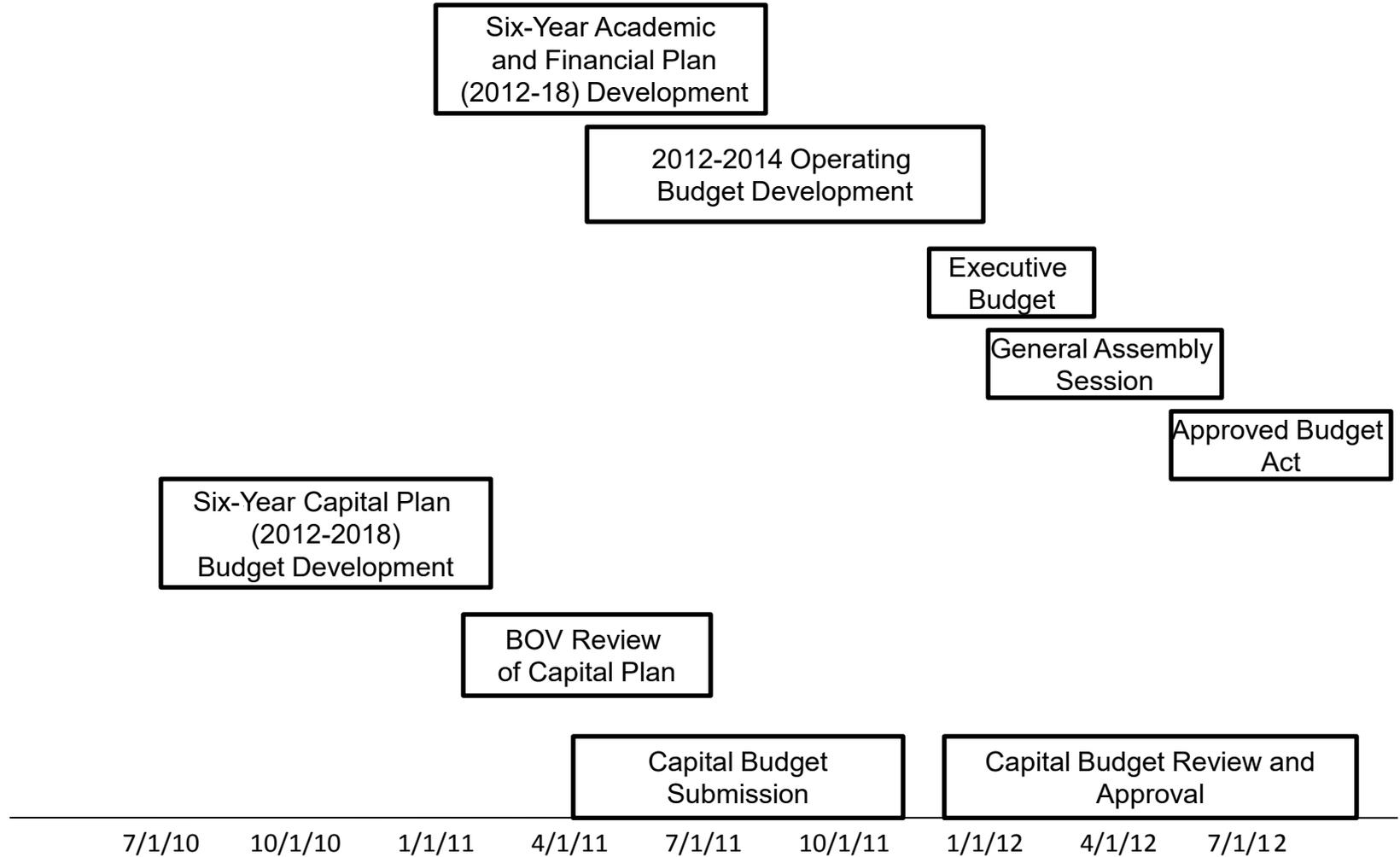


**University Budget Process
Board of Visitors - Finance and Audit Committee
November 7, 2011**

M. Dwight Shelton, VP for Finance and Chief Financial Officer

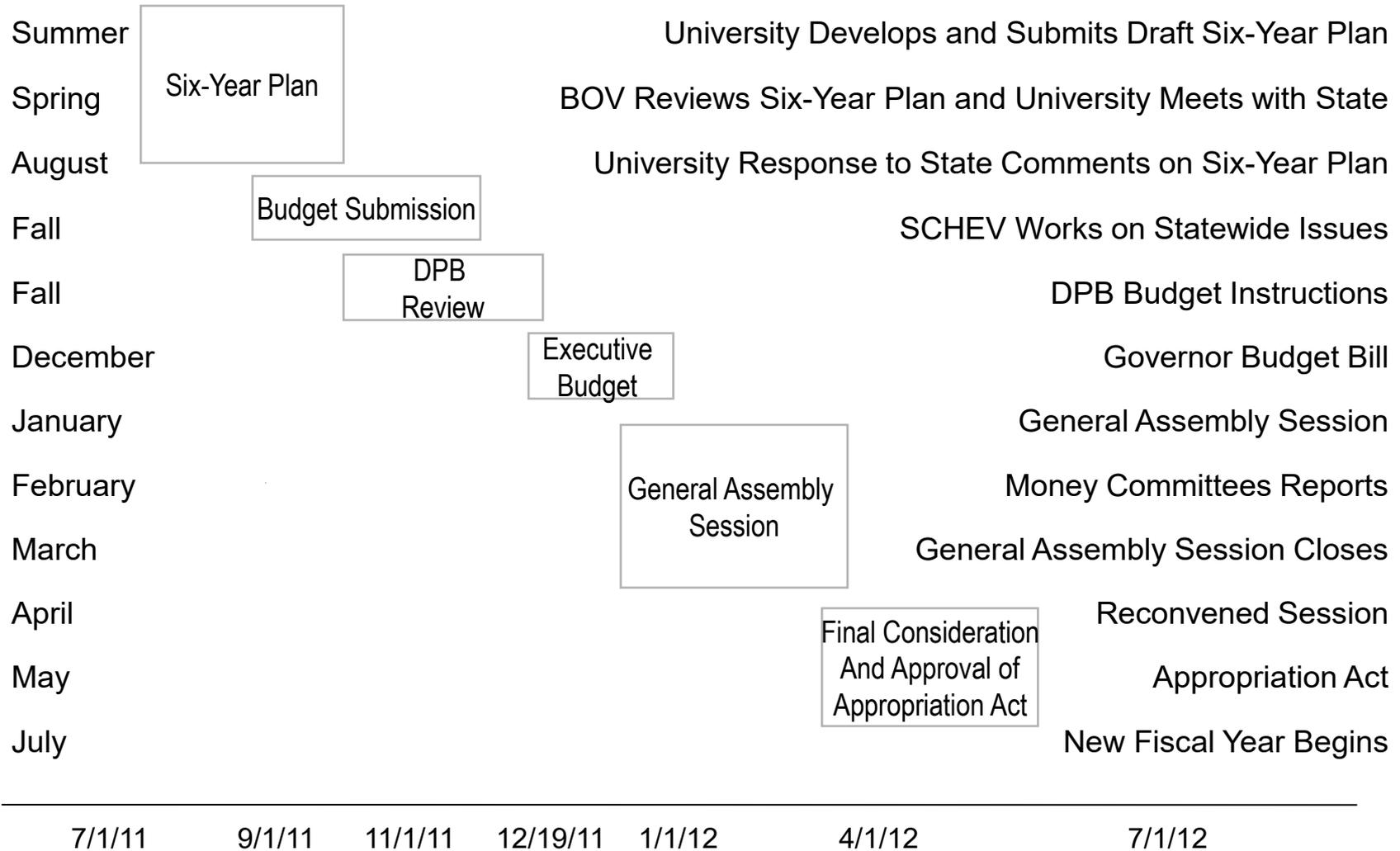
External Budget Timeline

Biennial Budget Process for 2012-2014



External Operating Budget Timeline

2012-2014 Biennium



Operating Budget Reductions External Perspective

- Governor calls for reduction scenarios
 - For example: 5,10,15% or 2,4,6%
 - Short turn around – often 2-3 weeks
 - Plans are brief and high level
- Discussions with state officials
- If mid-year reduction, Governor announces the reduction
- Future year reductions traditionally come through state budget process

Operating Budget Reductions Internal Perspective

- University communicates state budget outlook to BOV and Campus community
- University facilitates planning for reductions
 - Multi-year plans
 - Efficiencies
 - Technology (e.g. e-commerce, e-payment)
 - Investments (e.g. energy reduction)
 - Change
 - Restructuring
 - Resource replacement
 - Campus engagement
 - Leverage entire asset base

(continued)

Operating Budget Reductions Internal Perspective (continued)

- University facilitates planning for reductions (*continued*)
 - Reduction
 - Protect academic quality
 - Ensure delivery of core services
 - Opportunities
- Review reductions plans with units
- Communicate plans to BOV
 - Process varies based on severity and timing of reductions, budget cycle, and meeting schedule
- Incorporate plans into budget for BOV approval

Operating Budget Reduction History

Timeframe	Economic Period	Reduction of Virginia Tech State Support
1990-1994	Recession	(46,700,000)
2001-2004	“Dot Com” Recession	(72,371,167)
2007-2010	“Real Estate/Liquidity” Recession	(74,755,465)
Total		(193,826,632)

Current Environment

- SCHEV currently assesses the university to have a \$46M annual operating shortfall in 208 E&G
 - Funding for each Virginia public institution is examined (not all have deficits and not all are this large)
 - \$46M is the size of a large college
- Virginia Tech cannot continue its current level of excellence and grow as planned without additional resources

Current Environment (continued)

- Challenges include:
 - All areas of campus are stretched
 - Number of faculty
 - Capacity to deliver needed course sections
 - Class sizes
 - Competitive faculty compensation levels
 - Increasing fixed costs, fringe benefit rates, and state assessments

Additional Efficiencies are possible through further Restructuring of Higher Education in Virginia

- Maintain existing institutional authorities
- Shelter from increasing state mandates and assessments
 - eVA, Cardinal, VITA, Corrections...
- Streamline state processes, requirements and reporting

Status

- Envisioned in Higher Education Opportunity Act of 2011
- Higher Education Advisory Committee Agenda
- University is working with other institutions and state officials

University Debt Ratio and Debt Capacity

FINANCE AND AUDIT COMMITTEE

October 7, 2011

The university's debt policy approved by the Board of Visitors requires periodic review of its debt ratio and debt capacity. As a part of that process, the university's debt ratio and debt capacity are reported annually to the Finance and Audit Committee. The management of debt at the university is critical to the success of its capital program. An established committee including representatives from Investments and Debt Management, the Controller's Office, Capital Assets and Financial Management, and the Budget Office meets regularly to review debt activities and the timing of debt issuances to ensure compliance with the debt policy. The Vice President for Finance and Chief Financial Officer and the University Treasurer provide oversight of these activities.

Both the university's debt policy and the Restructured Higher Education Financial and Administrative Operations Act require that the university maintain a debt service to operations ratio of not greater than seven percent. In addition to those seven percent limitations, and based on guidelines provided by the Board of Visitors, management internally targets a five percent benchmark for planning purposes and subsequent recommendations to the Board. At the conclusion of fiscal year 2010-11, outstanding long-term debt of the university totaled \$449.7 million with a debt ratio of 3.44 percent.

Attachment A provides an estimate of future capacity and debt ratios each year through fiscal year 2016-17. The analysis includes authorized projects currently underway, authorized planning projects with a high probability of debt issuance, and capital leases and equivalents. During this period, it is anticipated that the university's debt ratio will not exceed 5.00 percent.

Attachment B shows a list of specific projects, amounts, and timing for debt issuances for each year of the analysis through fiscal year 2016-17. These projected debt issuances are included as part of the Attachment A analysis. This issuance schedule reflects the forward looking implementation plan of the university's capital outlay program currently underway and capacity to advance high priority items on the university's six-year capital outlay plan.

Attachment C shows a trend of the university's debt ratio from fiscal year 2002 to 2011 with projections through fiscal year 2017. This trend line reflects the commitments to advancing high priority capital projects.

As part of the university's capital outlay planning and debt management program, the university will continue to develop capital outlay plans that advance projects within the debt policy and restructuring initiatives, and will carefully review each project in accordance with our debt capacity before submitting project authorizations for debt to the Board.

University Debt Ratio and Debt Capacity Based on Expected Debt Issuance
FINANCE AND AUDIT COMMITTEE
October 7, 2011
(Dollars in Thousands)

Fiscal Year	Actual	Estimated					
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total Long-Term Debt Outstanding, Beginning of Fiscal Year	\$ 395,741	\$ 449,724	\$ 510,252	\$ 591,361	\$ 595,752	\$ 592,588	\$ 586,008
Principal Repayment, Current Bond Issues	(15,781)	(20,706)	(22,570)	(22,768)	(23,818)	(24,862)	(21,566)
Principal Issued, Planned New Bond Issues	64,490	68,265	66,000	35,000	30,000	29,000	152,000
Principal Repayment, Planned New Bonds OIP, New Bonds	-	-	(2,244)	(4,556)	(5,886)	(7,087)	(8,286)
Principal Repayment, Current MELP and Cap Lease	(1,598)	(1,430)	(1,358)	(1,398)	(1,479)	(1,552)	(1,634)
Principal Issued, Planned New MELP & Cap Lease	4,500	5,000	41,939	-	-	-	-
Principal Repayment, Planned New MELP & Cap Lease	-	(633)	(658)	(1,887)	(1,981)	(2,079)	(2,183)
Net New Long-Term Debt Issuance	68,990	73,265	107,939	35,000	30,000	29,000	152,000
Bond Premium	2,372	10,032					
Net Long-Term Debt Repayment	(17,378)	(22,769)	(26,830)	(30,609)	(33,164)	(35,580)	(33,669)
Total Long-Term Debt Outstanding, End of Fiscal Year	\$ 449,724	\$ 510,252	\$ 591,361	\$ 595,752	\$ 592,588	\$ 586,008	\$ 704,339
Total Debt Service	\$ 35,258	\$ 43,967	\$ 51,974	\$ 56,233	\$ 59,953	\$ 62,425	\$ 63,649
Total Operating Expenditures	1,025,173 (1)	1,053,365	1,106,034	1,155,805	1,202,037	1,250,119	1,300,123
Debt Ratio	3.44%	4.17%	4.70%	4.87%	4.99%	4.99%	4.90%
5% of Operating Expenditures	\$ 51,259	\$ 52,668	\$ 55,302	\$ 57,790	\$ 60,102	\$ 62,506	\$ 65,006
Additional Allowable Debt Service	16,001	8,702	3,328	1,557	149	81	1,357
Additional Debt Capacity (at 5%)	\$229,479	\$115,177	\$44,830	\$20,431	\$1,913	\$1,014	\$16,699
7% of Operating Expenditures	\$ 71,762	\$ 73,736	\$ 77,422	\$ 80,906	\$ 84,143	\$ 87,508	\$ 91,009
Additional Allowable Debt Service	36,504	29,769	25,449	24,673	24,190	25,083	27,360
Additional Debt Capacity (at 7%)	\$523,537	\$394,030	\$342,812	\$323,746	\$310,608	\$315,258	\$336,665

Assumptions:

* Total Operating Expenditures for FY12 through FY17 are estimated based on the following growth rate: 2.75% for FY12, 5.0% for FY13, 4.5% for FY14, and 4.0% thereafter.

* Cost of Capital includes State and VCBA actual preliminary debt service estimates for FY12 with a 20-25 year fixed rate level amortization; 4.1% for FY13; 4.4% for FY14; 4.65% for FY15; 4.9% for FY16; and 5.15 for FY17.

* Cost of Capital assumed for all planned new MELP issuances is 4%, with 5-10 year fixed rate level amortization.

Notes:

(1) Preliminary, unaudited.

Projection Of Issuances For Debt Supported Capital Projects

FINANCE AND AUDIT COMMITTEE

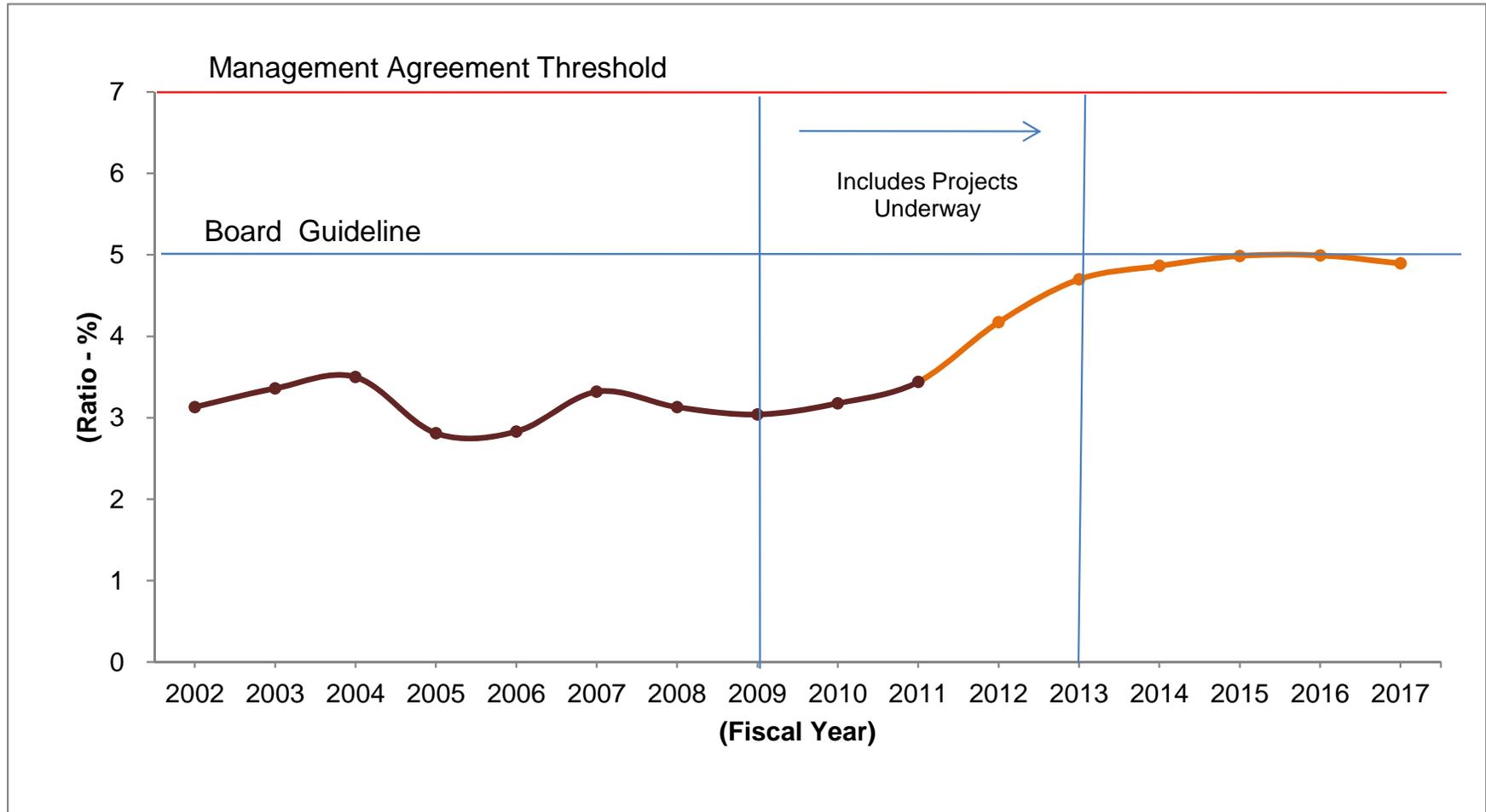
As of October 7, 2011

(Dollars in Thousands)

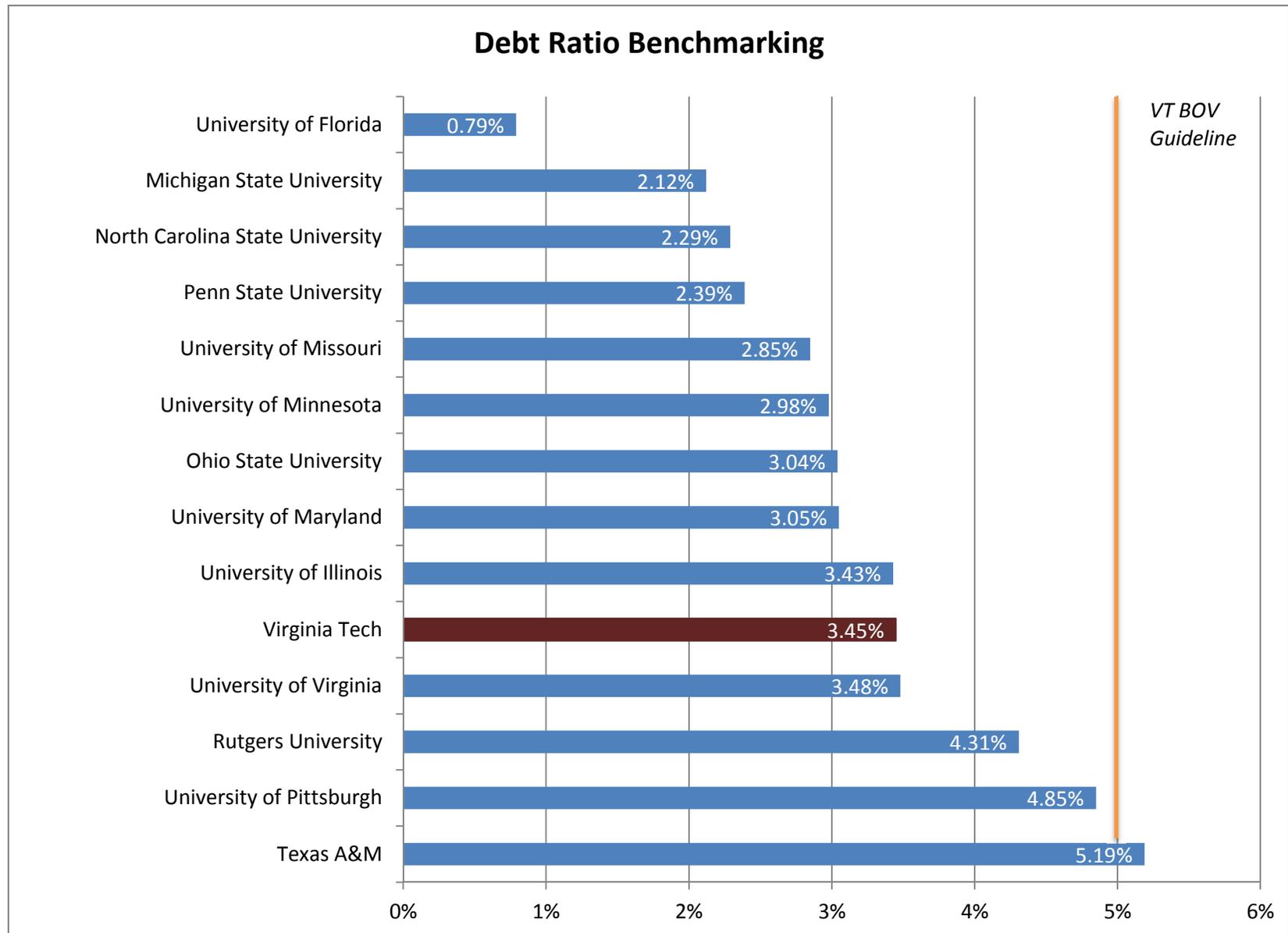
	Actual	Projections					Total Projected	
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16		2016-17
<u>Projects Authorized and Underway</u>								
Renovate East and West Ambler Johnston Hall		\$ 17,810						\$ 17,810
Performing Arts Center	\$ 19,445	18,045						37,490
Parking Improvements, Tech Center	745							745
Academic and Student Affairs Building	44,300							44,300
<u>Planning Authorized with High Probability of Issuance</u>								
Engineering Signature Building		25,260						25,260
Chiller Plant, Phase I		7,150						7,150
Veterinary Medicine Addition			\$ 11,000					11,000
Capacity to Advance Capital Outlay Plan Priorities			55,000	\$ 35,000	\$ 30,000	\$ 29,000	\$ 152,000	301,000
<u>Capital Leases and Equivalents</u>								
Turner Street			41,939					41,939
Master Equipment Lease Program	4,500	5,000						9,500
Total New Planned Debt	\$ 68,990	\$73,265	\$ 107,939	\$ 35,000	\$ 30,000	\$ 29,000	\$ 152,000	\$ 496,194
<u>Capacity to Advance Upcoming Capital Plan Items (5%)</u>	\$ 229,479	\$ 115,177	\$ 44,830	\$ 20,431	\$ 1,913	\$ 1,014	\$ 16,699	
<u>Capacity to Advance Upcoming Capital Plan Items (7%)</u>	\$ 523,537	\$ 394,030	\$ 342,812	\$ 323,746	\$ 310,608	\$ 315,258	\$ 336,665	

FINANCE AND AUDIT COMMITTEE

October 7, 2011



Maroon = Actual Debt Burden Ratio
Orange = Projected Debt Burden Ratio



Source: Moody's Investors Service, October 19, 2011, 2010 Data.

**Accounts Receivable and the Write-off of Delinquent Accounts
For the Fiscal Year Ended June 30, 2011**

FINANCE AND AUDIT COMMITTEE

September 23, 2011

Overview

Accounts receivable are generated by several components within the university. Student accounts receivable and the receivables generated through the sponsored research program represent the largest components of the total receivables. To properly account for and control these assets, the university uses a combination of centralized and decentralized systems. The Bursar's Office is responsible for monitoring the activities of the decentralized operations through reviews of reports and discussions with personnel who have been delegated the responsibility for billing and collecting accounts. The Bursar's Office is also responsible for managing the collection process for all delinquent accounts. Information from the receivable systems is consolidated quarterly by the Controller's Office and reported to senior management and the State Comptroller. The quarterly report uses a combination of narratives, tables, and graphs to report receivables, analyze trends, and identify areas where emphasis or action is needed. The Controller's Office is responsible for the implementation of corrective action to ensure that the receivables are properly managed.

Composition and Aging of the Receivables

Attachment A provides the composition of the gross receivables at June 30, 2011, with comparative data for the previous year. Attachment B provides a graph for the aging analysis of the gross receivables at June 30, 2011, with comparative data for the previous three years. The total write-offs for these four years are also overlaid on this graph as another way to put them in perspective.

Collection Efforts and Write-offs

Because of the nature of the receivables and the university's aggressive policy for collecting delinquent accounts, the annual write-off of uncollectible accounts is relatively small. The average annual write-off for the past three years is \$524,949. The fiscal year 2011 write-off total of \$465,160 represents only 0.066 percent (slightly less than one tenth of one percent) of the annual operating revenues¹ per the audited financial statements for fiscal year 2010, excluding federal appropriations.

Various techniques are used for collecting delinquent receivables depending on the customer and type of account. For example, students must pay past due amounts before they are allowed to enroll for the next school term. Other delinquent accounts

¹ Operating revenue for FY10 of \$700,673,000 was used for this calculation.

are placed with commercial collection agencies and the State Attorney General's Office for collection. The State Comptroller provides guidance on collection policies and procedures, and the university generally complies with the State Comptroller's recommendations, except where improved practices have been implemented under Restructuring.

Accounts Written Off at June 30, 2011

As authorized by a resolution passed by the Board of Visitors on August 13, 1976, the Vice President for Finance and Chief Financial Officer and the University Controller periodically review the university's accounts receivable. The review is performed to determine those delinquent accounts that are deemed to be uncollectible. Subsequently, the accounts are written off the university's records in accordance with generally accepted accounting practices. However, such accounts are not discharged or forgiven, and the university continues to track these accounts and sometimes collects portions of these accounts after being written off.

Normally, accounts are written off at the close of the fiscal year. For the fiscal year ended June 30, 2011, the total of accounts written off was \$465,160, which is consistent with prior years. See Attachment C for a summary of the accounts written off at June 30, 2011, with comparative data for the two previous fiscal years.

For each account written off, appropriate collection procedures were utilized. Further collection efforts were not justified for various reasons such as bankruptcies, the inability to locate the debtor, and the cost versus the benefit for small receivable amounts. As shown in Attachment D, the \$465,160 write-off total consists of 1,025 customers with an average account value of \$454. In fact, as shown on Attachment E, of the total number of accounts written off, 62.2 percent (637) were valued at less than \$100, and these low dollar accounts represent only 5.2 percent of the total dollar value of the write-offs.

State Management Standards

The university monitors the financial and administrative performance standards which were developed as part of the Management Agreement under the Restructured Higher Education Financial and Administrative Operations Act. There are two management standards related to accounts receivable, and both are calculated annually. These two standards are:

- a. A four quarter average past due rate of 10 percent or less on receivables 121 days or more past due as a percentage of all receivables.
- b. An average past due rate of 10 percent or less on Federal student loans.

As of June 30, 2011, the average past due rate on receivables 121 days or more past due is 2.45 percent for the four quarters ended and the Federal Perkins Student Loan default rate is 1.35 percent.

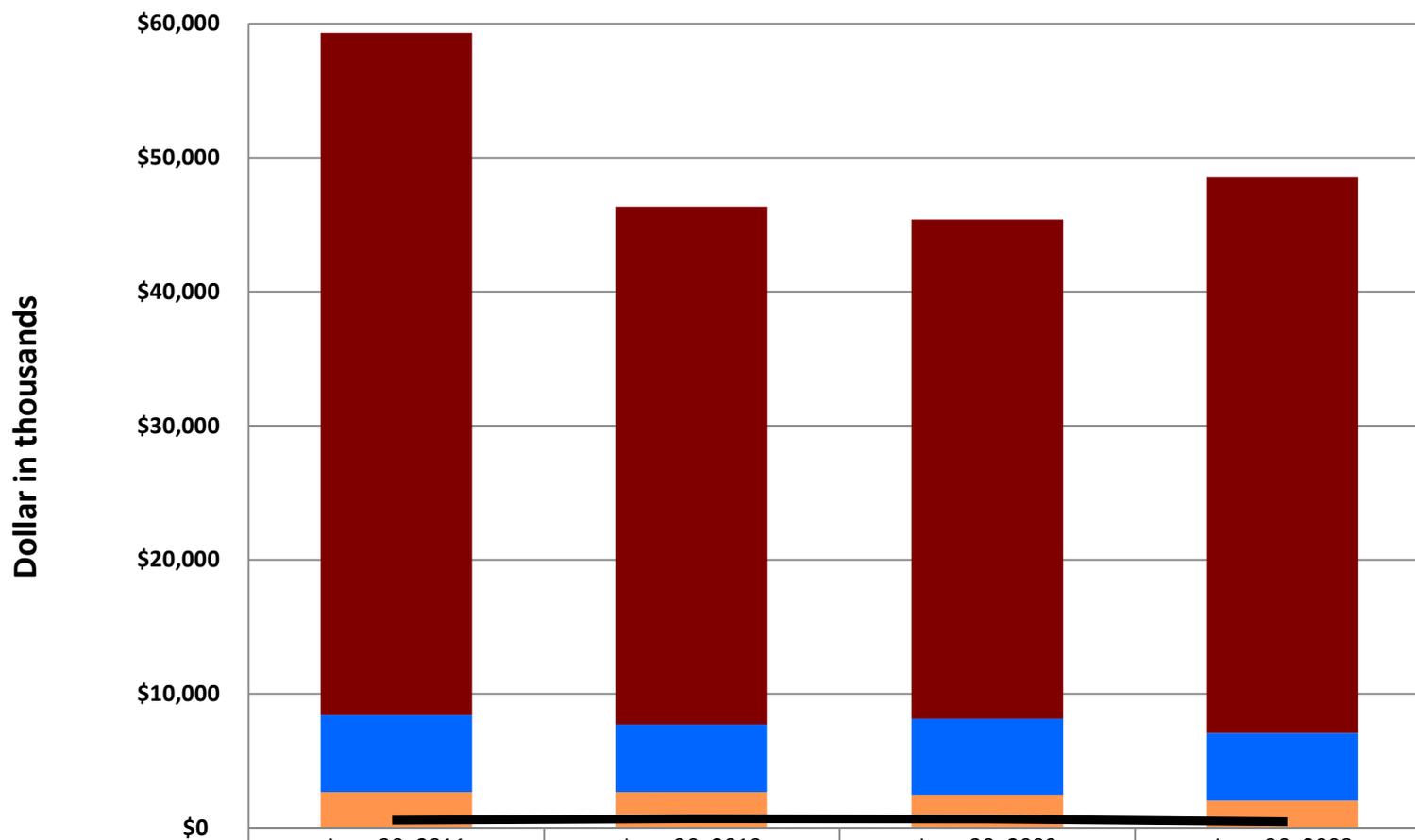
**Composition of Gross Receivables
Compared to Same Quarter Previous Year
(Dollars in Thousands)**

	<u>June 30, 2011</u>		<u>June 30, 2010</u>	
	Receivable Balance	Percent	Receivable Balance	Percent
Student Accounts	\$ 2,458	4.1%	\$ 3,494	7.5%
Sponsored Programs	47,705	80.4%	35,938	77.5%
Electric Service	1,085	1.8%	752	1.6%
Parking Service	109	0.2%	92	0.2%
Telecommunications	85	0.1%	94	0.2%
Continuing Professional Education	462	0.8%	488	1.1%
Veterinary Medicine	410	0.7%	488	1.1%
Equine Medical Center	226	0.4%	316	0.7%
Loans/Notes Receivable	41	0.1%	54	0.1%
Other Receivables	6,721	11.4%	4,629	10.0%
Total Gross Receivables	\$ 59,302	100.0%	\$ 46,345	100.0%

Aging of Receivables

From June 30, 2008 to June 30, 2011

(dollars in thousands)



	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008
Receivables Not Past Due	\$50,907	\$38,649	\$37,250	\$41,464
1 - 120 Days Past Due	\$5,726	\$5,045	\$5,682	\$5,055
121 to Over 1 Year Past Due	\$2,669	\$2,651	\$2,458	\$2,010
Total Gross Receivables	\$59,302	\$46,345	\$45,390	\$48,529
Write-Offs	465	559	550	368

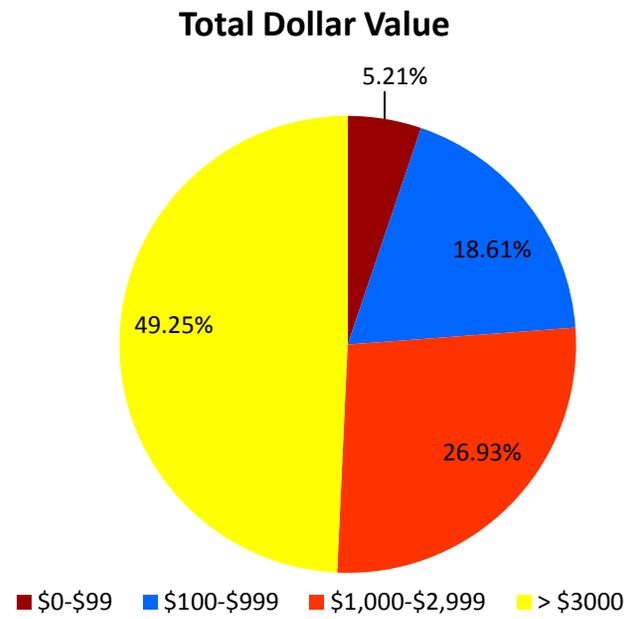
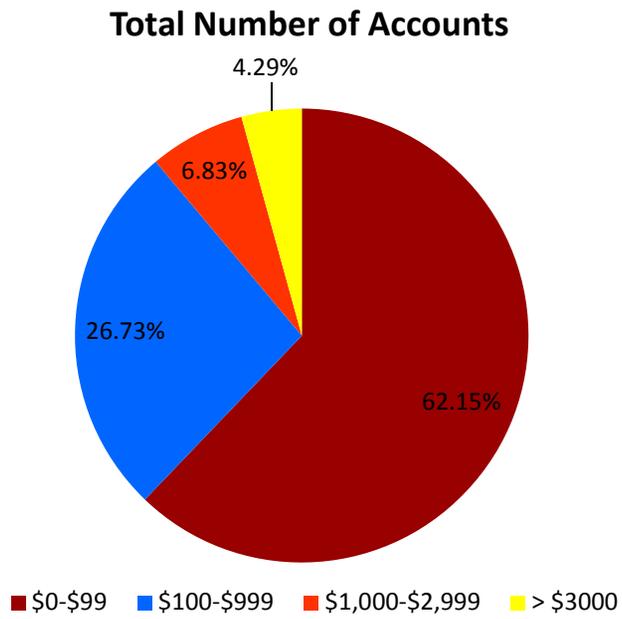
Write-Offs for June 30, 2011 with Comparison to 2010 and 2009

<u>Accounts Receivable</u>	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>Three Year Average</u>
Student Accounts	\$ 208,113	\$ 219,956	\$ 237,215	\$ 221,761
Sponsored Programs	-	85,500	74,136	53,212
Electric Service	17,803	21,337	12,838	17,326
Parking Services	17,095	20,329	21,582	19,668
Telecommunications	1,427	3,247	1,326	2,000
Continuing Professional Education	2,143	3,860	1,168	2,390
Veterinary Medicine	83,095	111,307	71,144	88,515
Equine Medical Center	83,230	45,033	42,378	56,880
Loans/Notes Receivable	2,420	4,427	3,000	3,282
Other Receivables	49,834	44,474	48,061	47,456
Executive MBA Program	-	-	37,370	12,457
Total Write-Offs	<u>\$ 465,160</u>	<u>\$ 559,470</u>	<u>\$ 550,216</u>	<u>\$ 524,949</u>

Write-Off Summary for June 30, 2011

TYPE	Total Number of Accounts	Total Dollars	Average Write Off Amount (\$)	Percent of Total Dollar Value	Percent of Total Number of Accounts
Student Accounts	99	\$ 208,113	\$ 2,102	44.74%	9.66%
Sponsored Programs	-	0	0	0.00%	0.00%
Electric Service	83	17,803	214	3.83%	8.10%
Parking Services	333	17,095	51	3.68%	32.49%
Telecommunications	3	1,427	476	0.31%	0.29%
Continuing Professional Education	3	2,143	714	0.46%	0.29%
Veterinary Medicine	129	83,095	644	17.86%	12.59%
Equine Medical Center	24	83,230	3,468	17.89%	2.34%
Loans/Notes Receivable	5	2,420	484	0.52%	0.49%
Other Receivables	346	49,834	144	10.71%	33.76%
	1,025	\$ 465,160	\$ 454	100.00%	100.00%

Stratification of Write-Offs for Fiscal Year 2011



University Administrative Costs
FINANCE AND AUDIT COMMITTEE

October 1, 2011

Virginia Tech has, over many years, emphasized the need to manage and, to the extent possible, contain administrative and other support costs for the entire university. Various measurements and benchmarking activities have occurred, and many of those continue today. Those activities and reports have traditionally reflected that the university's efforts have been successful in managing non-program costs.

At the June 2011 meeting of the Finance and Audit Committee, a discussion occurred concerning the need for the university to continue to focus on actively managing administrative costs, and management agreed to provide additional information to the Committee during fiscal year 2011-12 regarding its relative performance in managing administrative-related cost categories. In response to the request from the Finance and Audit Committee, this report provides an overall view of two key administrative cost areas of the university, using data from national benchmarking studies.

While administration is necessary for the effective operation of the institution, it is critical to ensure that the level of administrative costs is appropriate so that resources can be maximized in the academic programs of the institution while appropriately containing total cost. This is especially important for Virginia Tech given its base budget adequacy shortfall and the increasing sensitivity to the level of tuition and fees even though state General Fund support remains highly constrained. To ensure the continued responsible stewardship of the institution's limited resources, the university periodically reviews its spending on administrative costs and follows industry standard studies on the topic.

During the current fiscal year, the university conducted a new study of administrative costs. This report contains the results of that review and provides three industry standard perspectives, as described below, on examining administrative costs at institutions of higher education. For each of these perspectives, the university's performance is compared with other institutions and itself over time.

1. Administrative costs as a percentage of core expenditures. This comparison, which arrays costs according to their primary purpose, comes from a traditional methodology long employed by Virginia Tech and across institutions of higher education.
2. Administrative costs per student FTE. This methodology of examining higher education costs in a student centric manner was developed by the Delta Project on Postsecondary Education Costs, Productivity and Accountability. The Delta Project, a non-profit organization supported by the Lumina Foundation, is recognized across the industry as a national best practice for

- studying and normalizing higher education spending, efficiency and ultimately productivity.
3. Administrative staffing levels per student FTE. In an effort to help state policymakers understand how staffing levels at institutions of higher education have evolved over time, the State Higher Education Executive Officers (SHEEO) published a report, *Staffing Trends in Public Colleges and Universities*, in 2011. Virginia Tech's review of administrative costs duplicates the most relevant portion of this study's methodology.

The data for the elements of this report come from the Integrated Postsecondary Education Data System (IPEDS) database, which contains publicly available data reported to the federal government. Given that this data is derived from each institution's audited financial statement, this data source provides the most consistent and reliable data available for this review. At the time of this report, the most recent data available from this source is for fiscal year 2010.

Background

Virginia Tech has long maintained a cost conscious culture of being sensitive to administrative costs. To accomplish this, Virginia Tech maintains a rigorous budget process that carefully contemplates new administrative spending, seeks to focus resources into academic programs and strategic initiatives, and seeks to shelter academic units in budget reductions to the extent possible. In addition, the university consciously considers the need for additional organizational structures before they are created, continually seeks ways to maintain and improve streamlined business processes, and invests in technology to ensure the effective and scalable delivery of service to the campus community. These efforts help contribute to the lean administrative cost structure.

Institutions of higher education classify and report expenses programmatically according to their primary function or purpose. Standards are recommended by the National Association of College and University Business Officers (NACUBO) and promulgated through national accounting standards as well as through the Commonwealth of Virginia's accounting requirements. These accounting standards separate academic activities from support activities and allow for comparison between institutions. Administrative costs are primarily reported within two categories: academic support and institutional support.

Academic support includes activities that support instruction, research, and public service, including academic computing and academic administration (including deans' offices). It is important to note that this category also includes the cost of operating the library and veterinary hospital. Ideally, these library and ancillary costs would be excluded from such a study; however, sufficient data granularity is not readily available to do so for other institutions.

Institutional support costs reflect an institution's central administration. This expense category includes general administrative services, executive management, legal and fiscal operations, public relations, and other centralized services. While many of these costs are under the control of the institution, some costs come as unfunded mandates or are required for basic operations of the university's various academic and support programs.

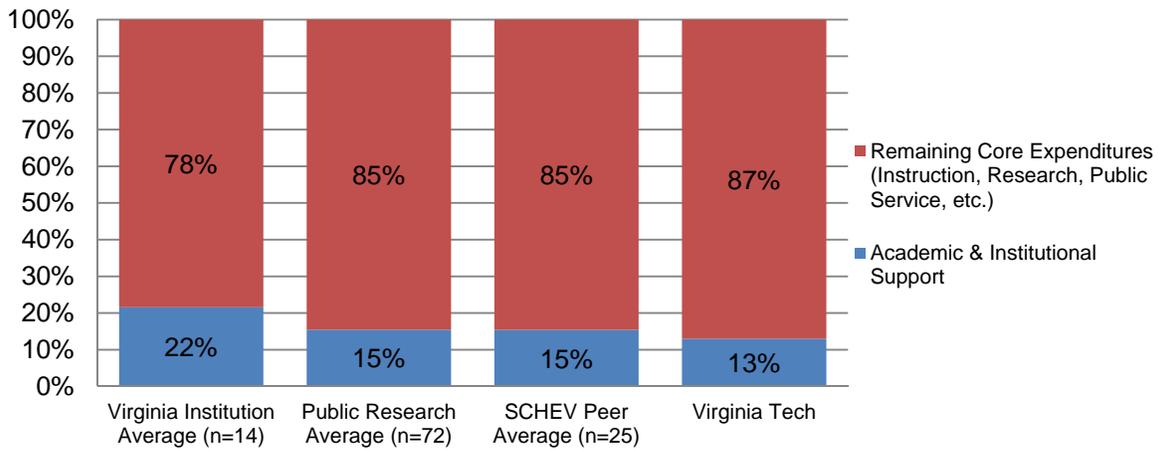
Since there can be subtle differences in classifications between institutions, aggregating academic support and institutional support costs allows for relatively consistent comparison between institutions.

Perspective 1 - Administrative Costs as a Percentage of Core Expenditures

A long-standing method of reviewing administrative costs in higher education has been to examine the proportion of core expenditures that are dedicated to administrative activities. Core expenditures are classified by IPEDS as those expenses essential to the educational activities of the institution, including instruction, research and public service, academic support, student services, institutional support, operation and maintenance of plant, depreciation, and student financial aid. This excludes expenses for the university's auxiliary enterprises (e.g. dormitories, dining halls).

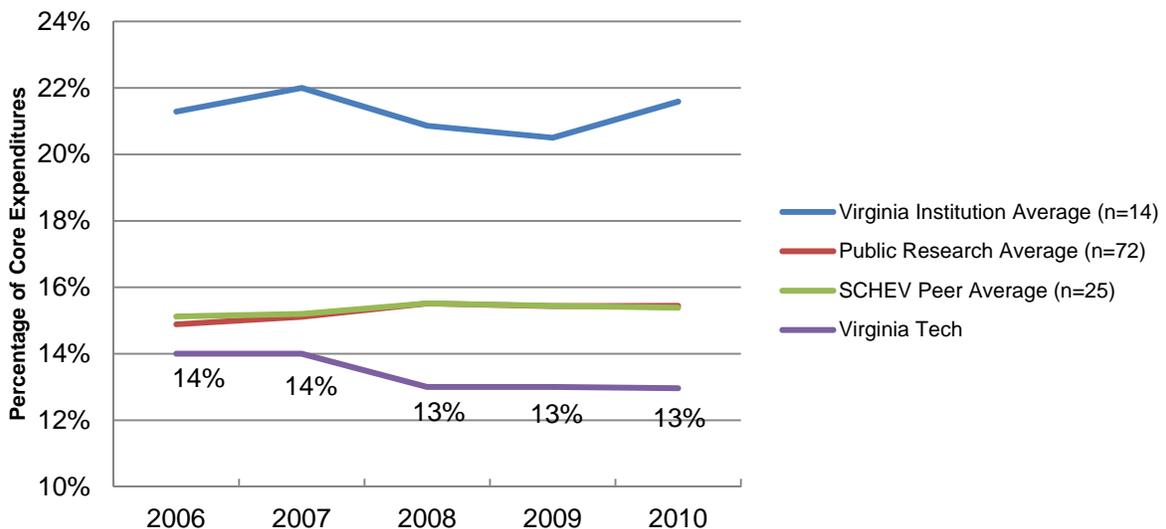
In fiscal year 2010, thirteen percent of Virginia Tech's core expenditures were attributable to administrative activities (i.e. academic and institutional support costs). As seen in Chart 1a, this percentage compares favorably with the average Virginia institution (twenty-two percent), SCHEV peer (fifteen percent), and public research institution classified by the Carnegie Foundation as having "very high research activity" (fifteen percent). Given differences in institutional mission, public research institutions and peer institutions are more comparable than Virginia institutions.

**Chart 1a: Administrative Costs as a Percentage of Core Expenditures
FY2010**



A longitudinal review of this metric at Virginia Tech indicates that this metric has declined slightly since 2006, dropping from 14 percent to 13 percent. The trend for this perspective is displayed on Chart 1b. Virginia Tech has consistently expended a smaller portion of its resources on administrative costs than has the average peer institution.

**Chart 1b: Administrative Costs as a Percentage of Core Expenditures
FY2006 - FY2010**



Perspective 2 - Administrative Costs per Student FTE

The Delta Project on Postsecondary Education Costs, Productivity, and Accountability has established a national best practice methodology for examining higher education costs through a student centric lens. This methodology normalizes administrative expenses by the number of full-time equivalent students (student FTE) at the institution, to provide a cost per student. This metric does not consider the level of research activities at an institution.

In fiscal year 2010, Virginia Tech spent \$3,343 per student FTE on administrative costs. In comparison to the university's peer group, Virginia Tech spends approximately one-half of the average SCHEV peer institution in administrative costs per student FTE. (Chart 2a below)

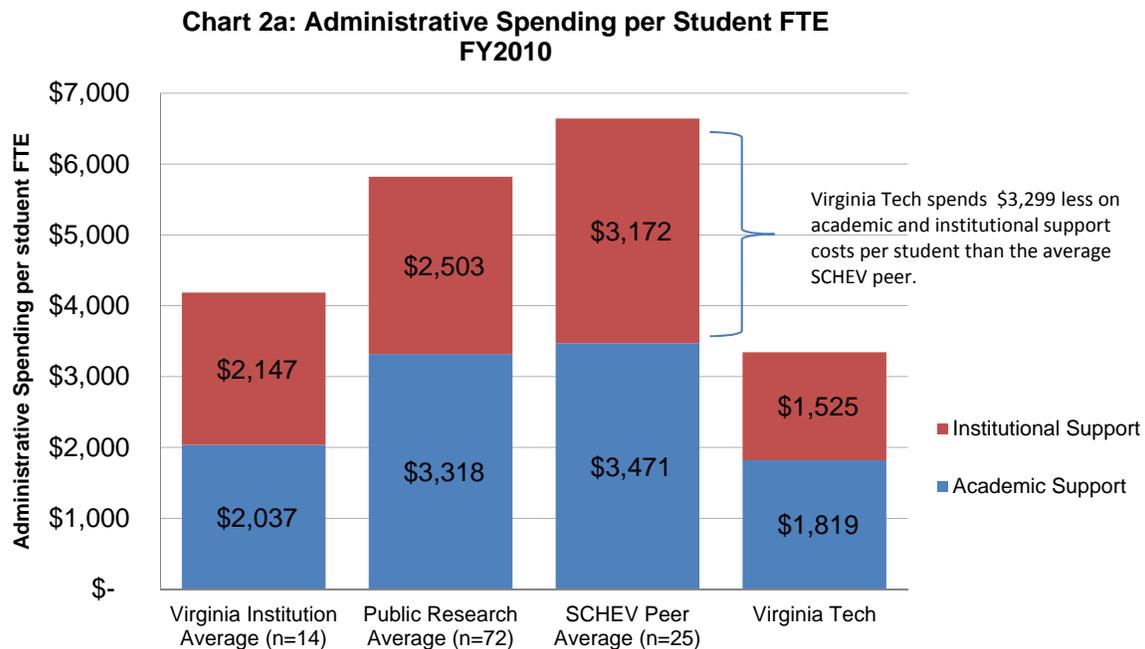
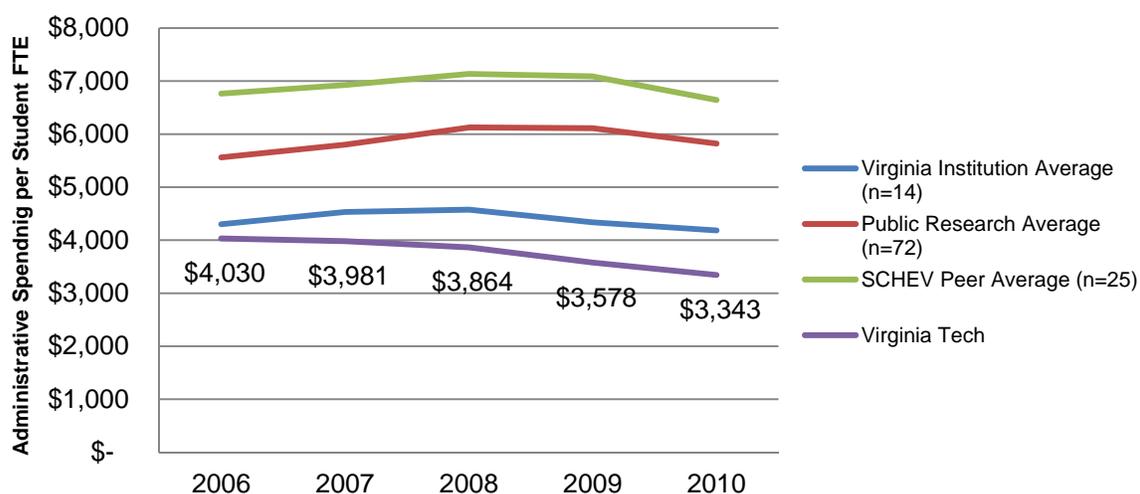


Chart 2b provides an inflation adjusted trend of administrative spending per student FTE over the past five years. Since 2006, Virginia Tech has become increasingly more efficient with the use of its administrative resources, decreasing spending on administrative activities per student FTE by seventeen percent. Over the same time period, the average SCHEV peer institution has reduced expenditures per FTE by only two percent.

**Chart 2b: Administrative Spending per Student FTE
FY2006 - FY2010**
in 2010 dollars



Perspective 3 - Administrative staffing levels per student FTE

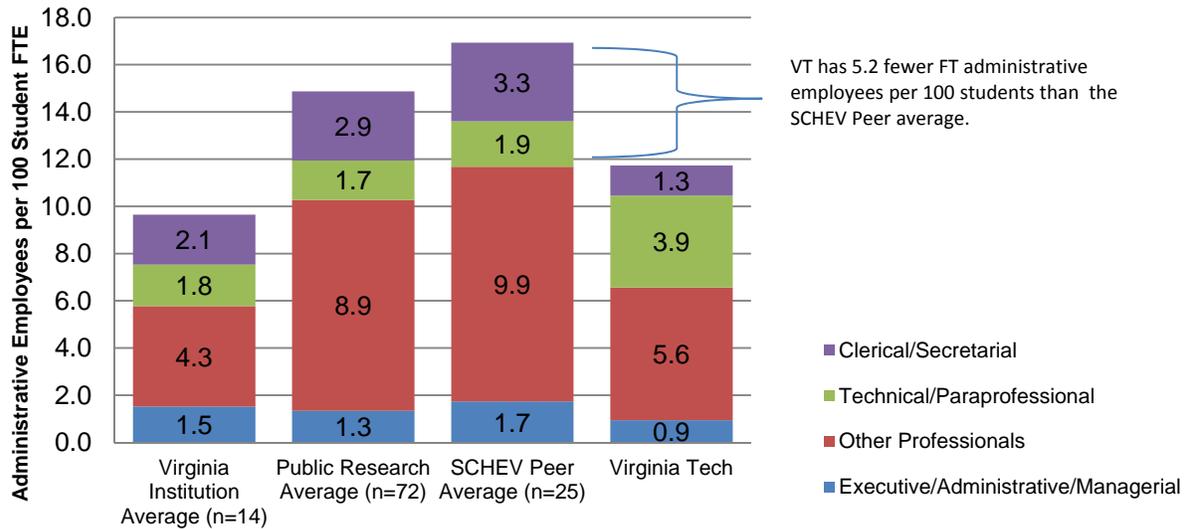
A final perspective, or metric, commonly used to study administration is to analyze the level of administrative staffing at an institution relative to instructional delivery. The 2011 report published by the State Higher Education Executive Officers (SHEEO), *Staffing Trends in Public Colleges and Universities* (Zaback 2011), examines administrative staffing levels relative to student FTE. This analysis does not consider research activity level.

Administrative employees are based on the IPEDS categories of: Executive/Administrative/Managerial, Other Professionals, Technical/Paraprofessional, and Clerical/Secretarial. This excludes employees who are dedicated to the direct delivery of instruction, research, public service, or to the physical upkeep of the university (skilled crafts and maintenance).

In 2010, Virginia Tech employed over 3,600 full-time employees within the administrative classification listed above. Normalizing this staffing level for the number of student enrollment indicates that Virginia Tech employed less than twelve full-time administrative staff for every one hundred student FTEs. Comparatively, the average SCHEV peer institution employed nearly seventeen full-time employees per one hundred student FTE; forty-four percent higher than Virginia Tech. The average Virginia institution, on the other hand, employed approximately ten full-time employees per one hundred student FTE, twenty percent lower than Virginia Tech. The lower level at Virginia institutions is likely reflective of the differences in institutional missions and the higher staffing requirements of supporting the operating of a major research

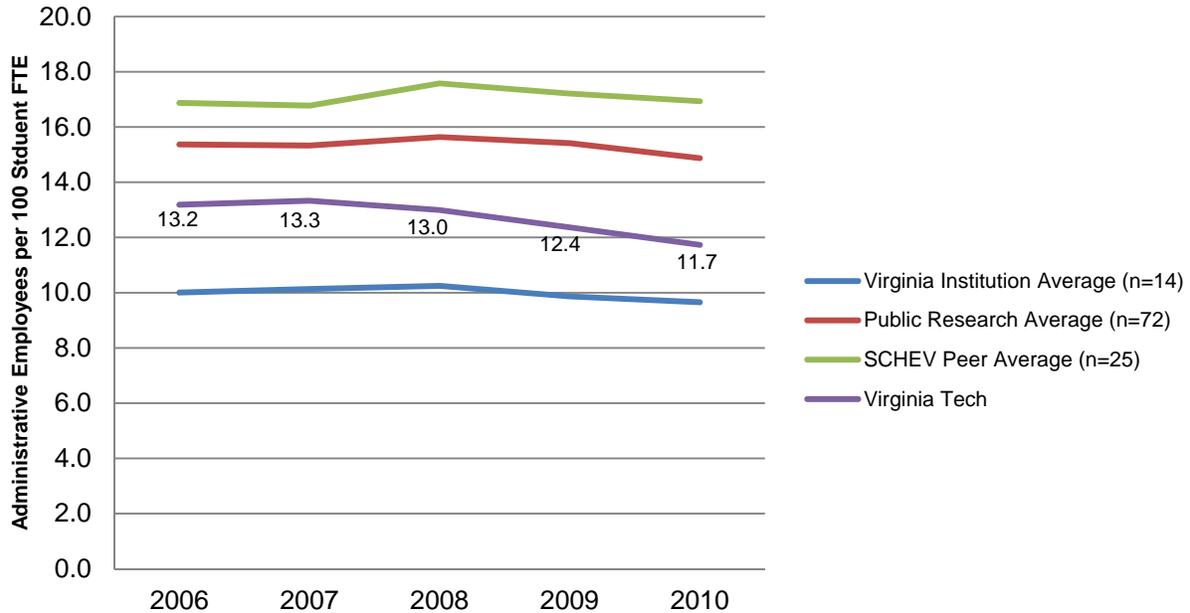
program which would not be consistently found across the Virginia system of higher education.

**Chart 3a: Administrative Employees per 100 Student FTE
Fall 2010**



The trend of this analysis over time is displayed on Chart 3b. This chart reflects improvement in administrative efficiency for all institutions. Consistent with this trend, Virginia Tech employs nearly 1.5 fewer full time administrative employees per one hundred student FTEs in 2010 than in 2006.

**Chart 3b: Administrative Employment per 100 Student FTE
FY2006 - FY2010**



Summary

While each individual metric has its limitations, the three perspectives provided in this report all indicate that administrative costs at Virginia Tech are well within industry averages for comparable institutions. A lean administrative structure means that a greater share of institutional resources is focused in the primary activities of the institution (instruction, research, and public service) than at comparable institutions.

Moving forward the university expects to continue its focus to contain administrative costs while providing the appropriate level of service to the campus and effectively supporting the operation of the institution.

University Support for Student Financial Aid

FINANCE AND AUDIT COMMITTEE

September 20, 2011

Beginning with the Fall of 2010, the university began providing the Finance and Audit Committee of the Board of Visitors an update on the university's Student Financial Aid program. This annual report provides an overview of the types of student financial assistance programs available at the university, sources of funding for programs, and a review of the institutional undergraduate aid programs that can be controlled or influenced by the university.

Funding Environment

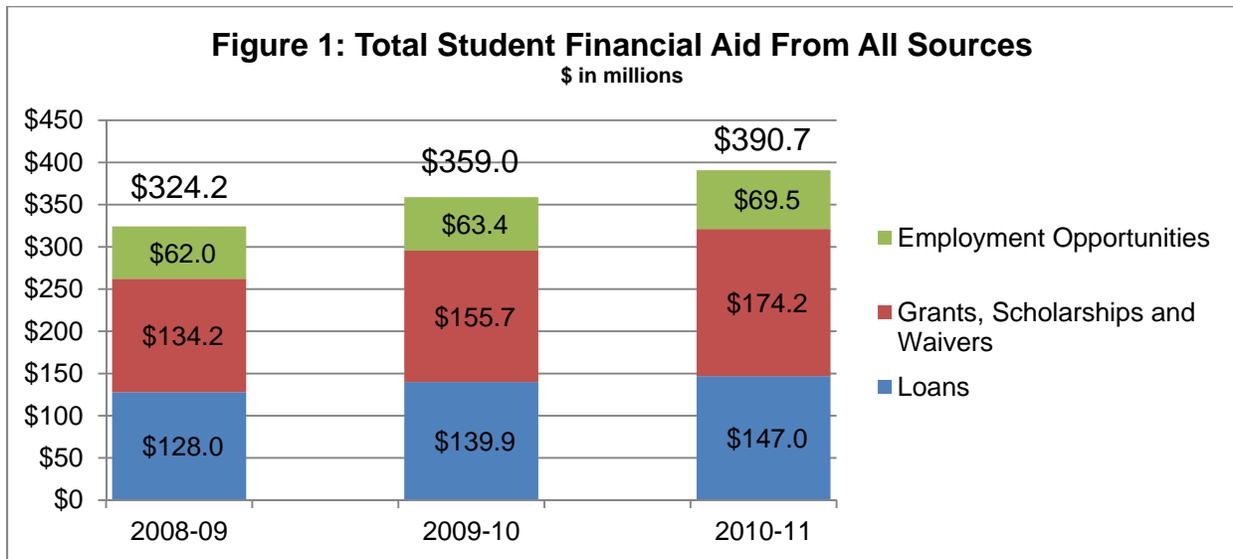
Virginia Tech is experiencing an ongoing shift in the types of resources available to support its instructional programs. These changes include periodic increases in tuition and required fees as driven by a combination of increasing costs, the requirement to maintain the quality and integrity of the instructional programs, enrollment growth to support additional Virginia students, and the inability of the state to maintain its level of financial support.

As the state reduces its level of financial support and increases in tuition and fees are required to support the university, the role of student financial assistance of all types becomes a more critical element of financial planning in the university's efforts to ensure access and affordability. Financial aid programs are critical to support access and affordability of higher education and to ensure the effective recruitment, retention, and graduation of students. The university's financial aid efforts seek to ensure that qualified students can access a Virginia Tech education and help to promote a diverse and inclusive community. The financial aid program is critical to the attainment of the university's goals and objectives.

Historically, the university has worked to hold tuition and fees low to ensure access and affordability -- this was predicated on a certain level of state support. Yet as the funding mix of higher education is evolving, the trend has been shifting. As state support decreases, the state share of the cost of education is decreasing, and the student share is increasing. Understanding this shift, the university has proactively focused its efforts to increase the support for student financial aid. These efforts are specifically designed to ensure access and affordability and meet the goals of the university. The university affirmed this commitment in its Management Agreement with the Commonwealth and continues to proactively work to ensure access and affordability.

Types of Student Financial Aid

The university facilitates a multifaceted scholarship and financial aid program that provides assistance to graduate and undergraduate students through grants and scholarships, employment opportunities, loans, and payment strategies. Fund sources for this assistance are varied as are their accompanying eligibility protocols. For the fiscal year ended 2010-11, total aid reached \$390.7 million, as seen in Figure 1 below.



Financial assistance to students is provided in the four main categories of scholarships and grants, employment, loan, and payment options:

Grants and Scholarships provide aid based on academic or extracurricular achievement, or financial need, and require no exchange of service. Some of these are need-based, while others are merit-based. No repayment is expected.

Need-based awards - are offered to students who demonstrate financial need as determined by federal and institutional standards. This can take into account the Expected Family Contribution (standardized through the Free Application for Federal Student Aid, the FAFSA), Cost of Attendance, and any outside aid the student has obtained from sources other than the university. In discussions of student financial aid, the term “cost of attendance” includes tuition and required fees plus allowances as determined by the university for various other educational and living costs such as room and board, travel, computers, books and supplies.

Merit-based awards - are offered to students who demonstrate exceptional aptitude and achievement, both academic and/or extracurricular.

Employment includes the student work-study opportunities at the undergraduate level and graduate assistantships at the graduate level.

Federal work-study opportunities - provide a one-time award (currently \$1,200) and a wage employment position. This program is subsidized by the federal government and is supported in part by the university. Work-study participants are employed throughout the university, as well as off-campus through a community service component or through the Literacy Corps, gaining valuable work experience along with financial assistance.

Assistantships - offer tuition remission and a stipend in return for the student's (typically graduate-level) effort through research, service, or teaching. This funding supports both the graduate student and the university's programs.

Loans are offered through institutional, federal, and private lenders and provide financial assistance with the expectation of repayment. Loans may be subsidized or unsubsidized. Subsidized loans are generally from the federal government, carry a lower interest rate, and do not accrue interest during qualifying enrollment and deferment periods. Unsubsidized loans generally accrue higher, market-based interest rates from the date the loan is disbursed. The university continues to monitor students' borrowing behavior. Indebtedness of university graduates who borrowed to finance their undergraduate education averages \$22,070, below the national average of \$24,000. Though the use of student loans remains a personal decision, the university provides students and parents with information and counseling to understand the benefits and responsibilities of student loan resources.

Payment Options include prepaid tuition plans offered by the Commonwealth of Virginia (such as tax sheltered savings plans) and the Budget Tuition plan operated by the university. The Budget Tuition plan is in essence an installment payment plan which provides students and families the opportunity to spread the cost of tuition and fees over the course of the semester.

The university is involved in the administration and distribution of each of these types of financial aid. Many programs are administered outside of the university, and students arrive with financial aid arrangements (which are in general termed "outside aid" in this report) that the university facilitates on their behalf. Other programs are developed within the institution. Of these financial aid programs, grants and scholarships have been an area of focus for the institution.

Sources of Funding for Grants and Scholarships

A diverse array of resources supports grants and scholarships, including federal, state, institutional, and outside aid, as seen below in Table 1.

Table 1: Grants, Scholarships, & Waivers

	2008-09	2009-10	2010-11
<u>Undergraduate</u>			
Federal	\$10,994,265	\$19,340,344	\$ 22,412,067
State	13,135,568	13,701,905	13,634,295
Institutional			
Unfunded Scholarships (1)	9,541,986	10,555,600	11,740,903
Internal Resources	961,392	961,551	976,628
Other Undergraduate (2)	2,423,753	2,248,846	3,351,922
Private (Foundation)	15,559,646	16,921,196	17,122,483
	<i>Subtotal Institutional</i>	30,687,193	33,191,936
Outside	32,429,677	37,364,847	45,225,828
	<i>Subtotal Undergraduate</i>	101,094,289	114,464,126
<u>Graduate</u>			
Federal	-	-	132,500
State	4,222,580	4,222,580	4,222,580
Institutional			
Graduate Tuition Remission	37,305,084	41,071,145	46,249,358
Other Graduate (3)	2,110,958	2,341,278	2,246,024
Private (Foundation)	2,231,972	2,749,173	2,149,572
	<i>Subtotal Institutional</i>	46,161,596	50,644,954
Outside	3,256,757	4,190,219	4,777,706
	<i>Subtotal Graduate</i>	54,574,395	59,777,740
	Total	\$155,668,684	\$174,241,866

- (1) Undergraduate unfunded scholarships are currently measured in the University Scorecard performance metric for Student Financial Aid.
- (2) Other Undergraduate includes external grants and contracts, waivers codified in the Code of Virginia, and educational benefits for employees.
- (3) Other Graduate includes waivers codified in the Code of Virginia and educational benefits for employees.

Federal Support comes from the federal government and is provided through Pell Grants and Federal Supplemental Equal Opportunity (FSEOG) support. These programs, while administered by the university, flow to the student through the university. The appropriations for these programs are often congressionally approved and, in the case of Pell Grants, follow the student to the university.

State Support is provided by the Commonwealth from the state General Fund in several ways as well. The bulk of the Commonwealth's appropriation is directed to the university in support of undergraduate need-based scholarships. Funding is also appropriated to support graduate student assistantships. Additionally, the Commonwealth directs funding to the university to fund students in the Soil Sciences and students participating

in the Multicultural Affairs and Opportunities Program. Other state funding may flow directly to students, or through students to the university, such as the College Scholarship Assistance Program, and are not part of the university's budget.

Institutional Support is the area of financial aid that the university can impact directly, providing financial assistance in the form of scholarships and grants at the undergraduate level and assistantships at the graduate level. Institutional support comes through five main categories: unfunded scholarships, internal resources, codified waivers, graduate tuition remission, and private funding. In 2010-11, institutional support provided \$33.2 million to 9,176 undergraduate students, an average of \$3,617 per student.

Unfunded Scholarships: The Code of Virginia authorizes institutions of higher education to create need-based scholarships through the remission of tuition and fees up to certain limits. These limits are at both the student and institutional level. These programs are supported by the tuition budget and are reflected in the net tuition revenue collected by the university. This program has seen considerable growth over the decade. In 2011-12, the unfunded scholarships at the university will provide \$13.3 million in undergraduate financial aid and \$13.3 million in graduate assistantship support.

Internal Resources: Some institutional support is available from a specific resource. Such resources are normally from an externally sponsored grant or contract – this is a key source of graduate tuition remission. Given the public nature of much of the university's resources, the university is limited in its ability to generate resources for flexible scholarship support. Examples of this type of support are revenue from Virginia Tech license plate sales and net revenues from licensing and trademark activities.

Codified Waivers: While the university is generally unable to waive student charges, codified waivers are specific programs that are enacted in the Code of Virginia that authorize the waiver of charges to support specific groups targeted by the Commonwealth. These groups include survivors of military dependents and law enforcement officers as well as senior citizens. Since the costs of these programs are managed by the institution, these programs are considered institutional support. The university also supports graduate students on assistantship through the waiver of the nonresident differential (the difference in the tuition rate between resident and nonresident graduate students) as authorized by the Appropriation Act for significantly employed graduate students.

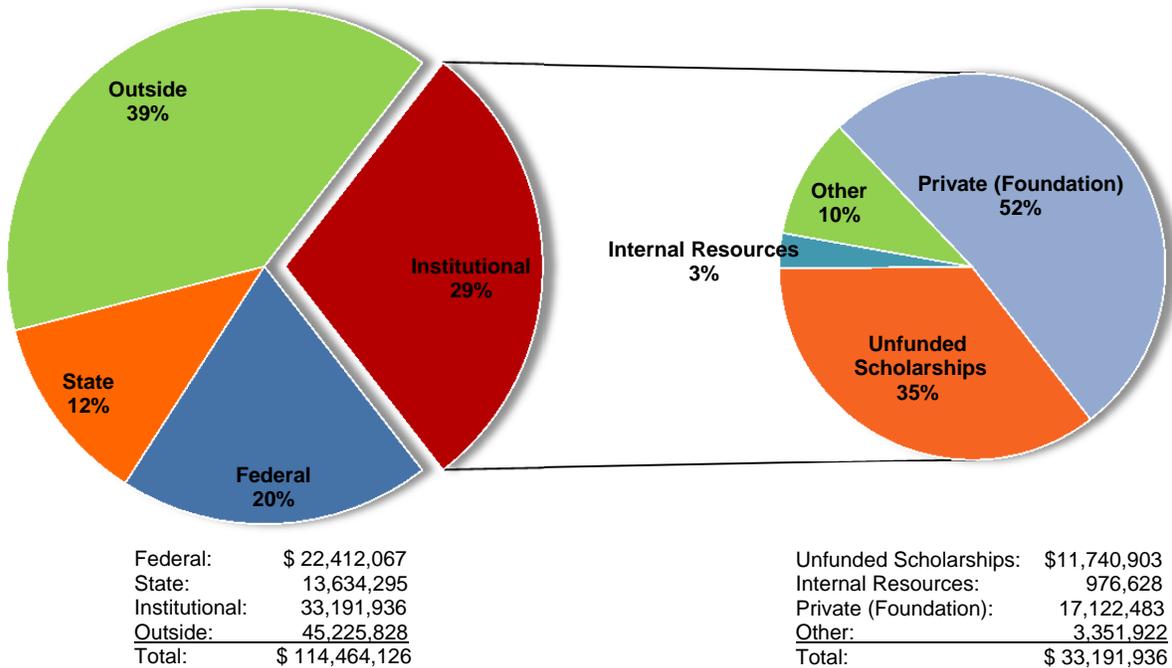
Graduate Tuition Remission: The most common source of support for graduate students is the graduate assistantship. An assistantship is comprised of a stipend, health insurance, and graduate tuition remission. Assistantships support teaching, research, or other service within the university. The university funds a large portion of the graduate tuition remission program, as do grants and contracts tied to specific externally sponsored activities, primarily research.

Private Funding: Additional support is available through the Virginia Tech Foundation. Private funds come through philanthropy in annual fund or endowment. Annual support is available to be utilized on a one-time basis. Endowments are held to create ongoing stream of earning for a perpetual benefit.

Outside Aid is aid which normally comes with a student from private external parties. This could include private organizations, nonprofit organizations, businesses, governmental entities, international organizations, and other special-interest groups. The university does not control this fund source but works to facilitate the delivery of such support. Often these awards are tied to academic progress eligibility which the university may monitor on behalf of the donor.

Of these resources, about the majority are directed to support undergraduate Grants and Scholarships, as seen in Figure 2 below.

Figure 2: Sources of Undergraduate Grants and Scholarships 2010-11



Uses of Funds

The university has leveraged these sources of funds to advance access and affordability and has also created several innovative, very successful programs. Several major undergraduate Grant and Scholarship programs are:

Funds for the Future –This is the university’s largest undergraduate financial aid program, designed to assist returning students with financial need by mitigating all or a portion of increases in tuition and required fees based on level of family income. Depending upon the Adjusted Gross Income of the student’s family, the student can be fully protected from tuition and required fee increases in each year the student returns to the university. Table 2 displays the income categories and resulting percentage of tuition and required fee increases that the student will be protected against. The program is available to both in-state and out-of-state undergraduate students.

Table 2: Funds for the Future Protection Levels

Family Income (AGI)	Tuition & Fee Increase Protection
\$0 - \$29,999	100%
\$30,000 - \$49,999	75%
\$50,000 - \$74,999	30%
\$75,000 - \$99,999	20%

VT Grant – In addition to protecting students with financial need from tuition and required fee increases, the university has also been methodically working to expand its total aid program, with the goal of reducing unmet need. Additional funds have been allocated to this program annually with the goal of reducing unmet need at a measured pace over time.

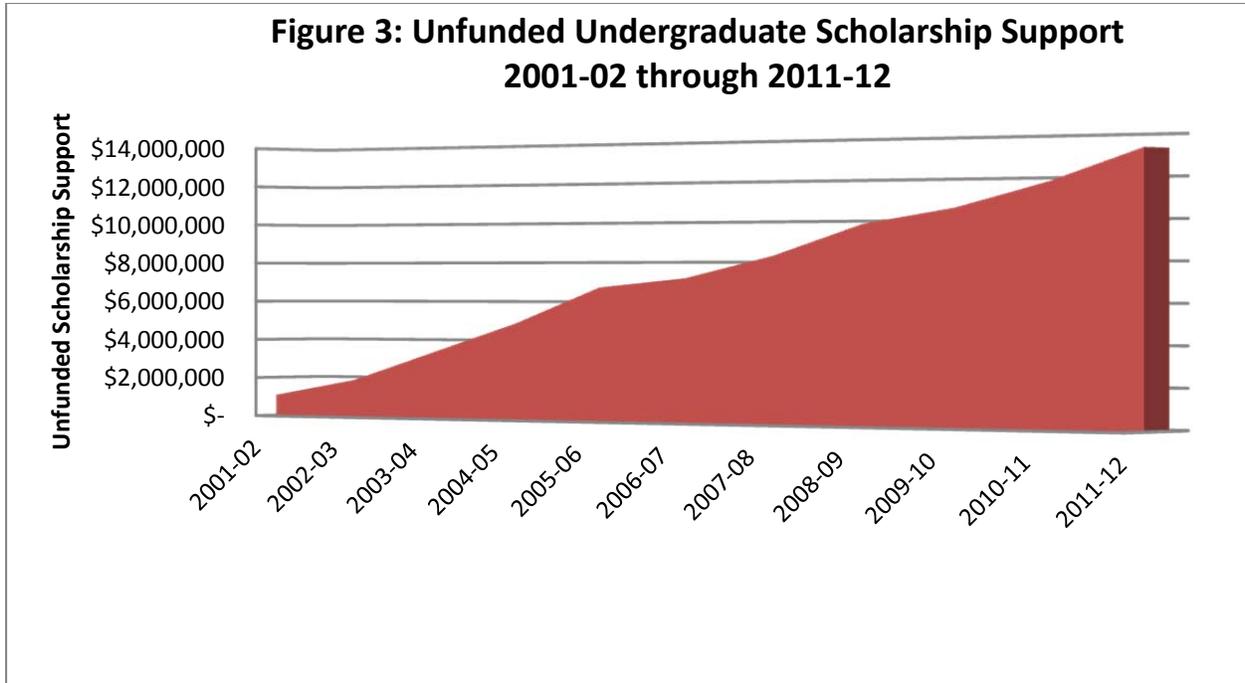
Other programs that have been designed to offset the costs of college, achieve enrollment goals, and recognize academically talented students include the Presidential Scholarship Initiative to assist low-income and first-generation Virginia students with significant financial need, the VT Scholars award to recruit academically talented students and advance university enrollment goals, the Emerging Leaders Scholarship for participants in the Corps of Cadets, the Presidential Campus Enrichment Grants and Alumni Presidential Scholar Program that serve both students with need and students who demonstrate merit to achieve university enrollment goals, the university match of the federal Yellow Ribbon program for military veterans and dependents, scholarships to defray a portion of a student’s costs to study at the Center for European Studies, and support to help offset the higher costs of study abroad programs.

These programs help address the commitment to access and affordability that the university undertook as part of the Restructured Higher Education Financial and Administrative Operations Act initiative. Further, these programs have been successful in meeting the university’s commitment and have been well received by students, families, and the Commonwealth.

Moving Forward

For 2011-12, the university has continued to increase support to these institutional aid programs. As displayed on the graph below, the university has made consistent and

significant progress in institutional aid programs. The university has increased institutional aid available for undergraduate students from \$1.1 million in 2001-02 to \$13.3 million in 2011-12.



As part of the university Strategic Plan Scorecard metrics, the university has committed to a goal of increasing support for undergraduate need based aid by \$1 million annually (on a three year rolling average) to help offset increases in the cost of education. For 2011-12, the university has budgeted an additional \$1.5 million for unfunded scholarship support for undergraduates. This plan ties into the university's commitment in its Management Agreement to increase support for need-based student financial aid to help ensure access and affordability.

While the university has been leveraging the unfunded scholarship authority to expand need-based aid, the use of unfunded scholarships has legal and practical limits. As a result, it will be important for the university to work to expand funding from other sources, primarily by increasing private fund raising.

Over the past decade, the university has significantly increased support for student financial aid and will continue to work to assist students and families with managing the cost of education in the future.

Increasing Administrative Efficiencies through Expansion of Automated Systems and Enhanced Security

FINANCE AND AUDIT COMMITTEE

October 10, 2011

Background

A resolution was passed at the June 2008 meeting that charges the university's Vice President for Finance and Chief Financial Officer and the Vice President for Information Technology and Chief Information Officer to develop a plan to continue to automate the university's administrative systems utilizing modern information technology processes and security tools to gain process efficiencies. In addition, the plan should be implemented in a way that addresses business processes and the manner in which they are being conducted. Lastly, a timetable should be established for the ongoing automation of administrative processes in accordance with the plan to identify available resources such that the strategic systems improvements are implemented as soon as is practical to achieve administrative cost savings.

Report

This is the most recent progress report highlighting some of the efficiencies and process improvements that have been achieved since the November 2010 report. Following submission of the November 2009 report, the chair of the Finance and Audit Committee of the Board of Visitors and the Vice President for Finance and Chief Financial Officer agreed that this should become an annual report submitted for the November Board of Visitors meeting. In addition, it was agreed that the format of the report should change to only include a synopsis of the top four or five achievements from the previous year and to highlight the top four or five initiatives planned for next year.

Significant Achievements in Previous Year

Academic Assessment – Evaluation of Teaching

Information Technology has collaborated with the Office of Academic Assessment to develop an online process for collecting Student Perceptions of Teaching (SPOT). This effort was a result of recommendations coming from a university task force which studied the evaluation of teaching between March 2007 and January 2009. The goal of this system is to provide a centrally supported, university-wide method for collecting student feedback regarding courses and instruction. The online process is intended to replace the paper based teacher evaluation form which has been used since the 1970s. The revised form includes items that provide meaningful feedback for contemporary classrooms and offers each college the opportunity to choose optional items specific to their curricula. In the fall semester of 2010, this automated process was piloted in the College of Natural Resources and Environment. In the spring semester 2011, the pilot was extended to

include the College of Engineering. The systemwide response rate to the pilot has exceeded 70 percent in both academic terms. More than 80 percent of the 2,400 students surveyed agree that compared to the evaluation form used in the past, the items on the new form allow the student to provide a better evaluation of the instructor. More than 83 percent of the 2,400 students surveyed preferred filling out the evaluation form online rather than the paper based form. Course evaluation data is stored in the data warehouse which will enable it to be studied for historical analysis. Faculty receive their online reports with the results of the surveys three days after grades are due. The pilot will be expanded by three more colleges in the fall semester of 2011 with the goal being to make the system available to all colleges by the fall semester of 2012.

Information Technology – Account Recovery Service

Information Technology has created and deployed an application that provides a secure, effective, and easy method for a user to recover the use of a Personal Identifier (PID), if one has forgotten the password. The application is available from the “Manage Your Profile” section of MyVT. Having users safely and securely recover their PID account reduces call volume to the Virginia Tech Operations Center (VTOC) and provides a more efficient method for managing a password reset. The service uses leading-edge technologies to provide users with several convenient and secure methods for resetting their own passwords. A user may choose to have a single-use, limited-time code sent to their cell phone via a text message. The user may also choose to receive the code via a voice message on a cell or landline phone. Another option would be for the user to preregister an existing Google or Yahoo account for use in authenticating to the service. To date, more than 40,000 users have enabled their self-service PID-password account recovery options.

Provost – Student Conduct Tracking

Information Technology Enterprise Systems developed and implemented a new student conduct tracking system to process information about conduct infractions. The new system, which went into production in June 2011, replaces two existing systems. One of the systems replaced was a VT developed system that resident advisors used to record student conduct information. The other system that was replaced was the PAVE vendor system, a stand-alone system used to track conduct referrals. In addition to saving the annual maintenance fees, the new system improves security by reducing the need to circulate sensitive paper documents about student conduct throughout campus. Users appreciate the efficiencies gained from consolidating this information into one system and its integration with the other elements of the electronic student profile within the enterprise systems environment.

Human Resources – Automated Personnel Files

The Human Resources (HR) area completed a project leveraging document management to electronically store all centrally maintained personnel documents received in HR after January 10, 2011. All new employees hired after January 10 only have an electronic

record. The electronic records are more easily accessed and shared than the previous paper records. Storing all personnel records electronically eliminates physical storage space requirements for paper files. In addition, it provides better access and recovery to critical information to enable HR to continue functioning in the midst of a disruptive event. HR expects that implementation of this system will reduce the number of inquiries from departments to HR for information and will improve the response time for HR to address inquiries when required, thus improving productivity for HR staff as well as university departments.

Research – Discovery Commons

Discovery Commons is a new repository that was deployed in 2011 to support research and to provide an archival repository for Virginia Tech intellectual materials. As the initial deployment of repositories at Virginia Tech, the Discovery Commons enables Virginia Tech to comply with National Science Foundation (NSF) policies for Dissemination and Sharing of Research Results including the NSF Data Sharing Policy and Data Management Plan Requirements for all proposals submitted after January 2011. Discovery Commons provides public electronic access to research collections and coordinated support for digitizing, organizing, and developing web access to materials. Significantly more than a storage location, the repository provides an online environment with easy navigation through the content, allowing researchers to find information readily and organize connections through the information. In addition, the digital repository offers archival protection for the research material by reducing the need for researchers to handle original material thereby extending the life of the originals. The first project developed for the repository is sponsored by the Center for Civil War Studies at Virginia Tech and establishes a collection of Civil War era newspapers in the commons. Currently, the digital repository team is working collaboratively with University Libraries and the Graduate School to provide enhanced access to electronic theses and dissertations.

Finance – Electronic Commerce

Efficiencies continue to be gained by building on the electronic invoicing automation that was mentioned in the November 2010 report. In the past year, a collaborative effort between Information Technology, the Purchasing Department, the Controller's Office, and the SciQuest vendor resulted in software that enables a vendor to create an electronic invoice from a purchase order. This "PO Flip" software targets high volume vendors who could not take advantage of the previous electronic invoicing capabilities because they are not punchout vendors in HokieMart. Two high volume local office supply vendors began using this functionality near the end of the fall semester in 2010 and another high volume local hardware vendor was added in the summer 2011. The number of electronic invoices grew by 29,103 in FY2011 which represents a 39 percent increase over the previous year. Despite increasing invoice volume over time, the number of manually keyed invoices has decreased by 20.8 percent or 46,500 invoices since FY2008.

Last year's report mentioned the start of the payment card process where the university pays vendors through an electronic one-time credit card process, with rebates accruing to

the university if certain volumes of business are achieved. The number of vendors registered for this system increased from 65 in June 2010 to 339 in June 2011. For calendar year 2010, the university had expenditures of \$5.5 million on the card which exceeded the first year targeted spending and qualified for the base rebate amount. Expenditures are at \$18.1 million for calendar year 2011 as of the end of September 2011, so the university is on track to achieve the next tier of rebates for this calendar year.

Initiatives in Process or Planned for the Future

Finance – Travel and Expense System

The goal of the Travel and Expense (TAE) system is to gain efficiencies in electronic routing of documents, electronic approvals, and electronic images of supporting documentation. Implementation of this solution should reduce the cost of processing expense reimbursements and improve the speed and accuracy of authorizing and paying business travel. The university currently processes about 25,000 travel reimbursements a year.

To begin the implementation, the TAE project team conducted a comprehensive business process analysis for travel processing, administration, and compliance at Virginia Tech. The team is now developing and configuring the TAE system to meet these functional requirements including designing extensive custom workflows. In addition, Virginia Tech has been collaborating with the vendor to add functionality for per diem enhancements to the Travel and Expense system. The vendor has targeted October 2011 for release of this functionality. The Travel and Expense project team is preparing for a pilot deployment of the TAE system late in the fall academic term.

The Travel and Expense system also requires the implementation of Banner Enterprise Identity Services (BEIS). BEIS enables TAE to use existing Virginia Tech authentication services for single sign on. BEIS also provides integration of users, roles, and services among Banner products including Banner Document Management, Banner Workflow, and Travel and Expense. Implementing BEIS provides benefits beyond the Travel and Expense system through standardization of authentication and improved integration services for all Banner products. The BEIS project team expects to deploy authentication services by the end of the fall term with additional integration services deployed in the spring.

Research – Research Administrative System

Last year, we reported on the Request for Proposal (RFP) to fulfill university requirements for an electronic research administration system. After extensive review of two vendor solutions, it was determined that a comprehensive research administration system that adequately addresses Virginia Tech's needs for the full research life cycle does not currently exist on the external market as a vendor solution. The committee did recommend and receive approval to purchase a vendor solution, the Cayuse 424 system, to enhance the proposal submission process for federal grants. This solution enables

direct system-to-system integration with grants.gov, which will facilitate improved accuracy of submissions and thus promote more effective consideration of Virginia Tech proposals. It is anticipated that this software will be implemented during the spring academic term. A group has been formed to develop a strategy for how to integrate a variety of technology solutions to provide the comprehensive research administrative services needed by the university.

Student Financial Aid – Scholarship Administration

Scholarships assist many Virginia Tech students in financing their education. Virginia Tech is planning to incorporate software that automates the scholarship processing cycle into our environment in the coming year. The software was originally developed by the University of Idaho which is another Banner client. The software incorporates application processing, committee nominations, verification of donor criteria, coordination with federal funds, and award notification with donor information. It is envisioned that adopting this functionality will facilitate improved sharing of scholarship information between units, improve quality control, and provide quicker notifications to students during peak scholarship times. By providing more information electronically, it is expected that this will reduce the number of calls to the financial aid office checking on the status of nominees.

Finance – Document Management in Purchasing

Information Technology plans to implement a project with the Purchasing Department to scan paper documents and link them to electronic records within Banner. The electronic records are more easily accessed and shared than the previous paper records. In addition, moving to electronic documents reduces the physical storage space requirements for paper files. The initiative will begin with vendor records, but plans are to expand deployment to include contract records, purchase order files and purchasing card documents. Purchasing expects that implementation of these enhancements will improve their response time in addressing inquiries, thereby improving productivity for Purchasing Department staff as well as university departments.

Summary

These represent a few of the notable accomplishments that have been recently implemented for improving process efficiencies and enhancing compliance and security. Virginia Tech continues to focus on increasing the pace of automation efforts through effective management of various factors including:

- resource allocation and usage for automation projects,
- prioritization of projects,
- vendor system functionality and availability, and
- regulatory or compliance requirements.

General Banking and Investment Resolution

FINANCE AND AUDIT COMMITTEE

September 27, 2011

The university maintains a General Banking and Investment Resolution that authorizes certain officers or designees to transact the day-to-day banking duties on behalf of the university. Due to the retirement of the Executive Vice President and Chief Operating Officer in 2008, the General Banking and Investment Resolution needs to be updated to remove the Executive Vice President and Chief Operating Officer as an authorized officer and add the Vice President for Finance and Chief Financial Officer.

The proposed resolution authorizes the following officers or their designees to perform the following banking functions:

- 1). To open accounts in the name of the university:
 - President
 - Vice President for Finance and Chief Financial Officer
 - University Treasurer

- 2). To issue checks drawn against said accounts:
 - President
 - Vice President for Finance and Chief Financial Officer
 - University Treasurer

- 3). To transfer funds against said accounts:
 - President
 - Vice President for Finance and Chief Financial Officer
 - University Treasurer

GENERAL BANKING AND INVESTMENT RESOLUTION

BE IT RESOLVED, that the President, the Vice President for Finance and Chief Financial Officer, or the University Treasurer of Virginia Polytechnic Institute and State University, or their designees, be, and are hereby, authorized to open in the name of the university checking and investment accounts in banks, brokerage houses, and other financial institutions. Funds deposited in such accounts may be withdrawn upon by a check, draft, note, funds transfer, or other order of the university, or upon verbal authorization pursuant to the financial institution's accepted practices; and,

BE IT FURTHER RESOLVED, that all checks, drafts, or notes against said accounts be signed or verbally authorized by one of the following officers: President, Vice President for Finance and Chief Financial Officer, or University Treasurer, or their designees, whose signatures shall duly be certified to said financial institutions, and that no checks, drafts, or notes against said financial institutions shall be valid unless so signed or verbally authorized; and,

BE IT FURTHER RESOLVED, that all funds transfers drawn against said accounts be signed or authorized verbally or electronically by one of the following officers, employees, or agents: President, Vice President for Finance and Chief Financial Officer, University Treasurer, or their designees, and that no funds transfers drawn against said financial institutions shall be valid unless so authorized; and,

BE IT FURTHER RESOLVED, that financial institutions holding accounts of the university are hereby authorized and directed to honor and pay any checks, drafts, notes, or orders so written or verbally authorized, whether such checks, drafts, notes, or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes, or other orders or any of such persons in the individual capacities or not, and whether such checks, drafts, notes, or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes, or orders or to the individual credit of any of the other officers or not; and,

BE IT FURTHER RESOLVED, that the resolution shall continue in force and said financial institutions may consider the facts concerning the holders of said offices, respectively, and their signed, verbal, or electronic authorization to be and continue as set forth in the certificate of the Secretary accompanying a copy of this resolution when delivered to said financial institutions or any similar subsequent certificate, or written notice to the contrary is duly served on said financial institutions.

RECOMMENDATION:

That the above resolution identifying the authorized officers to open accounts, authorize checks and transfer funds on behalf of the university be approved.

November 7, 2011

Policy Governing the Investment of University Funds

FINANCE AND AUDIT COMMITTEE

September 27, 2011

The university maintains a Policy Governing the Investment of University Funds that outlines the allowable investments in compliance with Virginia's *Investment of Public Funds Act* for the university's non-endowed, short and intermediate-term operating cash balances. This policy now needs to be revised due to the recent S&P downgrade of the U.S. Treasury sovereign credit rating from AAA to AA+.

The current Policy allows unlimited investments in obligations issued or guaranteed by the U.S. Government, an agency thereof, or U.S. Government sponsored enterprises. The Policy does not, however, differentiate between agency and non-agency mortgage-backed securities, and requires that all mortgage-backed securities be... *rated no less than "AAA" by at least two nationally recognized rating agencies, one of which must be Standard & Poor's or Moody's Investors Service.*

Although we can still invest in agency mortgage-backed securities because both Moody's and Fitch maintain a Aaa/AAA rating on the U.S. Treasury, the mortgage-backed security section of the Policy needs to be changed to reflect that the "AAA" rating requirement be only for non-agency securities. Accordingly, the proposed Policy has been revised to remove the "AAA" requirement for agency mortgage-backed securities. The proposed changes are highlighted for ease of reference. The change is also consistent with the Department of the Treasury's investment policy with regard to agency mortgage-backed securities.

RECOMMENDATION:

That the attached Policy Governing the Investment of University Funds be approved.

November 7, 2011

Policy Governing the Investment of University Funds

General Guidelines

The University Treasurer of Virginia Polytechnic Institute and State University, or designee(s), shall be authorized to invest all endowment and quasi-endowment funds and operating funds of the university. The University Treasurer may also engage the support services of outside professionals with regard to the university's investment program. Any firm hired to provide advice or assistance with the investment program shall be a registered investment advisor under the Investment Advisers Act of 1940, or exempt from registration. Investments shall be made with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

The primary objective for the management of the university's endowment and quasi-endowment funds is to achieve investment results over time that will support the purposes for which the endowment or quasi-endowment was established, while preserving the purchasing power of the funds. All gifts, local funds and nongeneral fund reserves and balances that the university determines appropriate and permitted by law may be invested in the Virginia Tech Foundation's Consolidated Endowment Program through an agency agreement. These endowment funds will be governed by the Foundation's investment and spending policies then in effect as adopted by the Foundation's Investment Committee, and shall be managed in accordance with the provisions of the Virginia *Uniform Prudent Management of Institutional Funds Act*.

The primary objective for the management of the university's operating funds is to provide the highest investment return at defined levels of risk, while providing both safety of principal and sufficient liquidity to meet the daily cash flow needs of the university. The operating funds shall be invested in instruments set forth in the *Investment of Public Funds Act* of the Commonwealth, as summarized below.

The University Treasurer will review this policy at least annually and report any changes to the Board of Visitors. Also, any findings of non-compliance will be reported to the Board of Visitors, as well.

Account Structure for the Management of University Operating Funds

In order to meet the objectives of the university, investments will be divided into two major allocations: a Primary Liquidity allocation and an Extended Duration allocation. The Primary Liquidity allocation is to be the major source for the disbursement requirements and operational needs of the university. Liquidity and safety of principal at

the expense of return on investment are the foremost objectives of the Primary Liquidity allocation.

The objective of the Extended Duration allocation is to generate an investment return, over the long-term, higher than the Primary Liquidity allocation. To generate higher investment returns, it is recognized that additional interest rate risk and credit risk, within prudent constraints, must be assumed in the management of the Extended Duration allocation. To help control these risks and to provide for sufficient management flexibility, the Extended Duration allocation may be structured into three sub-portfolios: a Short Duration Portfolio, an Intermediate Duration Portfolio, and a Long Duration Portfolio. However, in seeking higher investment returns, the portfolio managers will be cognizant of the university's objectives of liquidity and safety of principal. Securities lending is prohibited.

Asset Allocation Mix

The Primary Liquidity and Extended Duration target allocations are as follows:

	<u>Target Allocation</u>	<u>Minimum Allocation</u>	<u>Maximum Allocation</u>
Primary Liquidity	75%	70%	85%
Extended Duration	25%	15%	30%

The guidelines for the sub-portfolios of the Extended Duration allocation are as follows:

	<u>Target Allocation</u>	<u>Minimum Allocation</u>	<u>Maximum Allocation</u>
Short Duration Portfolio	20%	20%	100%
Intermediate Duration Portfolio	60%	0%	80%
Long Duration Portfolio	20%	0%	30%

The intent of the Asset Allocation Mix is to increase the overall average maturity and duration of the university's investment portfolios to enhance the returns over the long-term. Deviations from the Asset Allocation Mix may be made by the University Treasurer when economic conditions or liquidity needs warrant, or when it is determined that the aggregate deviation does not constitute a material departure from the spirit of the target allocation and the intent of the university. The target allocations and guidelines shall be reviewed at least annually.

Authorized Investments and Credit Quality

Authorized investments for qualified public entities are set forth in the "Investment of Public Funds Act" of the *Code of Virginia* in Sections 2.2-4500 through 2.2-4516. A qualified public entity is defined as any state agency or institution having an internal or external public funds manager with professional investment management capabilities.

As a qualified public entity, the following securities are authorized for the investment of university funds:

1. Obligations issued or guaranteed by the U.S. Government, an agency thereof, or U.S. Government sponsored enterprises. **This includes Agency Mortgage-Backed Securities.** These securities can be held directly, in the form of repurchase agreements collateralized by such debt securities, or in the form of registered money market or mutual funds provided that the portfolio is limited to such evidences of indebtedness.
2. Dollar denominated bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, the Asian Development Bank or the African Development Bank having a maturity of no longer than five years and a credit rating of at least "AAA" by Standard & Poor's and "Aaa" by Moody's Investors Service.
3. Non-negotiable certificates of deposit and time deposits of Virginia banks and savings institutions federally insured to the maximum extent possible and collateralized under the Virginia Security for Public Deposits Act, Sections 2.2-4400 through 2.2-4411 of the *Code of Virginia* and having a maturity of no longer than five years.
4. Negotiable certificates of deposit, negotiable bank deposit notes, and bankers acceptances of domestic banks and domestic offices of foreign banks with a rating of at least "A-1" by Standard & Poor's and "P-1" by Moody's Investors Service for maturities of one year or less. For maturities over one year and not exceeding five years, a rating of at least "AA" by Standard & Poor's and "Aa" by Moody's Investors Service is required.
5. Repurchase agreements collateralized by securities that are approved for direct investment as stated herein. The collateral on overnight or open repurchase agreements is required to be at least 100 percent of the value of the repurchase agreement. Longer-term repurchase agreements are required to have collateralization in excess of 100 percent and be marked-to-market on a daily basis.
6. Prime quality commercial paper issued by domestic corporations. "Prime quality" shall be as rated by at least two of the following: Standard & Poor's within its rating of "A-1", Moody's Investors Service within its rating of "P-1", Fitch Investor's Services within its rating of "F-1", Duff and Phelps within its rating of "D-1", or by their respective corporate successors, provided that at the time of any such investment the corporation meets the criteria specified in Section 2.2-4502 of the *Code of Virginia*.
7. Corporate notes and bonds having a credit rating of at least "A" or better by two nationally recognized rating agencies, one of which must be either Standard & Poor's or Moody's Investors Service. This includes all levels of the "A" rating.

8. Money market and other open-end investment funds provided that they are registered under the Securities Act of the Commonwealth of Virginia or by the Federal Investment Company Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by qualified public entities within the Commonwealth of Virginia.
9. Taxable and tax-exempt municipal securities of the following provided that at the time of any such investment the municipal security meets the criteria specified in Section 2.2-4501 of the *Code of Virginia*, including: (i) of any state of the United States (ii) of any county, city, town, district, authority or other public body of the Commonwealth of Virginia, and (iii) of any city, county, town or district situated in any one of the states of the United States provided that they are the direct legal obligations of the city, county, town or district, and the city, county, town or district has power to levy taxes on the taxable real property therein for the payment of such obligations without limitation of rate or amount. The municipal securities should be rated "A" or better by two nationally recognized rating agencies, one of which must be Standard & Poor's or Moody's Investors Service. This includes all levels of the "A" rating.
10. Asset-backed and **non-agency** mortgage-backed securities with a duration of no more than five years and rated no less than "AAA" by at least two nationally recognized rating agencies, one of which must be Standard & Poor's or Moody's Investors Service. Authorized mortgage-backed investments include Commercial Mortgage-Backed Securities (CMBS), Agency and Private Label Mortgage-Backed Securities (MBS & RMBS) including pass-throughs, Collateralized Mortgage Obligations (CMOs) and Planned Amortization Classes (PACs).

Prohibited Investments

1. Inverse floaters, Credit Default Swaps (CDSs), Collateralized Debt Obligations (CDOs), Collateralized Loan Obligations (CLOs), and Interest Only (IO), Principal Only (PO) and Z-tranche securities.
2. Futures, options, options on futures, margin buying, leveraging and commodities. Forward trades are permitted as long as they are procured during normal "when issued" periods for individual markets and as long as cash is reserved or a security will mature to cover the purchase at the time of settlement.
3. Securities with the ability to defer interest, securities with the ability to convert to perpetual maturities, and 144A securities.

In the event a security is downgraded to a level that ceases to meet Policy credit quality guidelines, the external manager will notify the university's investment staff within one business day of the downgrade. The security must then be sold within 30 days unless the manager's reasoning to continue to hold the security is approved in writing by the University Treasurer.

Diversification

Each individual portfolio within the primarily liquidity or extended duration allocations will be diversified so that no more than three percent of the value of the respective portfolios will be invested in the securities or individual trusts of any single issuer. The limitation shall not apply to securities of the U.S. Government, an agency thereof, U.S. Government sponsored enterprises, securities fully insured or fully guaranteed by the U.S. Government, or money market funds.

At the time of purchase, the maximum percentage in each eligible security type for the university's overall Primary Liquidity allocation shall be maintained as follows:

Primary Liquidity

U.S. Treasury and Agency Securities	100%
Non-Negotiable Certificates of Deposit (CDs)	5%
Overnight/Open Treasury/Agency Repurchase Agreements	100%
Overnight/Open non-Treasury/Agency Repurchase Agreements	50%
Term Repurchase Agreements	20%
Bankers Acceptances	40%
Negotiable CDs and/or Negotiable Bank Deposit Notes	20%
Commercial Paper	35%
Corporate Notes	25%
Money Market Funds	35%
Municipal Securities	10%

At the time of purchase, the maximum percentage in each eligible security type for the university's overall Extended Duration allocation shall be maintained as follows:

Extended Duration

U.S. Treasury and Agency Securities	100%
Non-Negotiable Certificates of Deposit	0%
Repurchase Agreements	0%
Bankers Acceptances	0%
Negotiable CDs and/or Negotiable Bank Deposit Notes	20%
Commercial Paper	0%
Corporate Bonds/Notes	40%
International Development Bank Obligations	5%
Municipal Securities	10%
Asset-Backed Securities	40%
Combined Agency MBS, Agency/Private CMOs, CMBS, RMBS, PACs	50%
Agency Mortgage-Backed Securities (MBS)	50%
Agency CMOs (including PACs)	10%
Commercial Mortgage-Backed Securities (CMBS)	10%
Private Label Residential Mortgages (including CMOs & PACs)	5%
Money Market Funds	10%

Duration and Maturity Limitations

The maximum maturity on any negotiable certificate of deposit or negotiable bank deposit note may not exceed five years. For any single asset-backed or mortgage-backed security, the maximum duration may not exceed five years at the time of purchase. In the event the duration subsequently exceeds this limit, the external manager shall notify the university's investment staff who shall determine whether the security should be sold.

The target duration (in years) for the Primary Liquidity allocation and the sub-portfolios of the Extended Duration allocation are as follows:

	<u>Target</u>	<u>Minimum</u>	<u>Maximum</u>
Primary Liquidity:	.15	.05	.25
Extended Duration:			
Short Duration Portfolio	Per Applicable Benchmark		
Intermediate Duration Portfolio	Per Applicable Benchmark		
Long Duration Portfolio	Per Applicable Benchmark		

Account Benchmarks

Primary Liquidity	ML 91 Day Treasury Bills Index, One Month LIBOR Index or other benchmark(s) that more appropriately reflects the manager(s) style within this particular allocation.
Short Duration Portfolio	ML 1-3 Year Treasury Index, LB 1-3 Year Government Bond Index, ML 1-3 year Gov/Corp Index or other benchmark(s) that more appropriately reflects the manager(s) style within this particular portfolio.
Intermediate Duration Portfolio	Barclays U.S. Treasury Intermediate Index, Barclays U.S. Intermediate Government Index, Barclays U.S. Intermediate Gov/Credit Bond Index or other benchmark(s) that more appropriately reflects the manager(s) style within this particular portfolio.
Long Duration Portfolio	Barclays U.S. Aggregate Treasury Index, Barclays U.S. Aggregate Government Index, Barclays U.S. Aggregate Bond Index, or other benchmark(s) that more appropriately reflects the manager(s) style within this particular portfolio.

Financial Performance Report - Operating and Capital

FINANCE AND AUDIT COMMITTEE

July 1, 2011 to September 30, 2011

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 the expenditures when obligated rather than 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 Audit Committee and the Board of Visitors through this report. Where adjustments impact appropriations at the state level, the university budget coordinates with the Department of Planning and Budget to ensure appropriations are reflected accurately.

The July to September 2011-12 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

1. Tuition and Fee revenue is ahead of historical projections due to the timing of collections.
2. Academic Program expenditures are ahead of projections due to operating expenditures occurring earlier than historical trends.
3. The budget for Federal Revenue is established to match projected allotments from the federal government. All expenses in federal programs are covered by drawdowns of federal revenue up to allotted amounts. Federal revenue in the Cooperative Extension/Agricultural Experiment Station Division was less than the projected budget due to the delays in the receipt of federal drawdowns.
4. Federal stimulus revenue collections exceed budget due to the timing of a draw that was requested in 2010-11, but received in 2011-12.
5. Academic Program expenditures are behind historical projections due to slower than anticipated recruitment for vacant positions.
6. Quarterly and projected annual variances are explained in the Auxiliary Enterprises section of this report.
7. Historical patterns have been used to develop a measure of the revenue and expenditure activity for Sponsored Programs. Actual revenues and expenses may vary from the budget estimates because projects are initiated and concluded on an individual basis without regard to fiscal year. Total sponsored expenses are less than projected, but are slightly ahead of 2010-11 activity levels. Overhead spending is low relative to the annual budget.
8. The General Fund revenue budget has been increased by \$33,290 for VIVA libraries distribution costs. The corresponding expenditure budget has been adjusted accordingly.
9. The annual budget for Tuition and Fees has been increased by \$25,800 for the Virginia/Maryland Regional College of Veterinary Medicine regional capitation agreement, and decreased by \$274,319 for the finalization of tuition, fees and unfunded scholarships. The corresponding expenditure budgets have been adjusted accordingly.
10. Unexpended federal stimulus funds from June 30, 2011 were re-appropriated in 2011-12.
11. The All Other Income revenue budget for the University Division has been increased by \$2,000,000 for projected growth in Continuing Education programs, by \$162,210 for the electric demand response program, and \$22,500 for miscellaneous earmarked revenues. The corresponding expenditure budgets have been adjusted accordingly.
12. Unexpended federal stimulus funds from June 30, 2011 were re-appropriated in 2011-12.
13. The projected year-end revenue and expense budgets for Student Financial Assistance were increased by \$16,000 for the VA Military Survivors & Dependents Program, by \$267,668 for the Commonwealth Scholarship Assistance Program, and by \$1,903 for the carryover of unexpended balances as of June 30, 2011.
14. The projected annual budgets were adjusted by \$7,000 to finalize the All Other Programs budget.

**OPERATING BUDGET
2011-12**

Attachment N

Dollars in Thousands

				Annual Budget for 2011-12		
	Actual	Budget	Change	Original	Adjusted	Change
Educational and General Programs						
<u>University Division</u>						
<u>Revenues</u>						
General Fund	\$40,458	\$40,458	\$0	\$135,365	\$135,398	\$33 (8)
Tuition and Fees	171,672	168,748	2,924 (1)	347,723	347,475	-248 (9)
Federal Funds (ARRA)	0	0	0	0	4	4 (10)
All Other Income	7,038	6,809	229	29,175	31,360	2,185 (11)
Total Revenues	\$219,168	\$216,015	\$3,153	\$512,263	\$514,237	\$1,974
<u>Expenses</u>						
Academic Programs	\$-78,420	\$-76,743	\$-1,677 (2)	\$-318,243	\$-320,011	\$-1,768 (8,9,10,11)
Support Programs	-47,032	-46,612	-420	-194,020	-194,226	-206 (8,9,11)
Total Expenses	\$-125,452	\$-123,355	\$-2,097	\$-512,263	\$-514,237	\$-1,974
NET	\$93,716	\$92,660	\$1,056	\$0	\$0	\$0
<u>CE/AES Division</u>						
<u>Revenues</u>						
General Fund	\$17,365	\$17,365	\$0	\$59,942	\$59,942	\$0
Federal Appropriation	3,051	5,158	-2,107 (3)	14,325	14,325	0
Federal Funds (ARRA)	2,706	1,853	853 (4)	0	1,853	1,853 (12)
All Other Income	256	173	83	809	809	0
Total Revenues	\$23,378	\$24,549	\$-1,171	\$75,076	\$76,929	\$1,853
<u>Expenses</u>						
Academic Programs	\$-18,796	\$-19,333	\$537 (5)	\$-68,989	\$-70,698	\$-1,709 (12)
Support Programs	-1,289	-1,313	24	-6,087	-6,231	-144 (12)
Total Expenses	\$-20,085	\$-20,646	\$561	\$-75,076	\$-76,929	\$-1,853
NET	\$3,293	\$3,903	\$-610	\$0	\$0	\$0
Auxiliary Enterprises						
Revenues	\$101,430	\$99,081	\$2,349 (6)	\$246,265	\$249,686	\$3,421 (6)
Expenses	-67,081	-69,245	2,164 (6)	-238,797	-251,045	-12,248 (6)
Reserve Drawdown (Deposit)	-34,349	-29,836	-4,513 (6)	-7,468	1,359	8,827 (6)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs						
Revenues	\$75,557	\$74,227	\$1,330 (7)	\$283,188	\$283,188	\$0
Expenses	-77,356	-92,948	15,592 (7)	-283,188	-283,188	0
Reserve Drawdown (Deposit)	1,799	18,721	-16,922 (7)	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance						
General Fund	\$9,221	\$9,221	\$0	\$18,174	\$18,457	\$283 (13)
Federal Funds (ARRA)	0	5	-5	0	5	5 (12)
Expenses	-6,669	-7,044	375	-18,174	-18,464	-290 (12,13)
Reserve Drawdown	0	\$0	\$0	0	\$2	2 (13)
NET	\$2,552	\$2,182	\$370	\$0	\$0	\$0
All Other Programs *						
Revenue	\$1,094	\$1,243	\$-149	\$5,664	\$5,657	\$-7 (14)
Expenses	-1,193	-1,308	115	-5,664	-5,657	7 (14)
Reserve Drawdown (Deposit)	99	65	34	0	0	0 (14)
NET	\$0	\$0	\$0	\$0	\$0	\$0
Total University						
Revenues	\$429,848	\$424,341	\$5,507	\$1,140,630	\$1,148,159	\$7,529
Expenses	-297,836	-314,546	16,710	-1,133,162	-1,149,520	-16,358
Reserve Drawdown (Deposit)	-32,451	-11,050	-21,401	-7,468	1,361	8,829
NET	\$99,561	\$98,745	\$816	\$0	\$0	\$0

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

AUXILIARY ENTERPRISE BUDGET

1. Revenues in Residence and Dining Halls are higher than projected due to higher than anticipated dorm occupancy and Dining meal plan sales, summer conferences, and catering activity. Expenses in Dining Halls are higher than projected due to the timing of bulk food purchases.
2. Revenue and expenses in Parking and Transportation Services are higher than projected due to higher than anticipated rental activity within Fleet Services.
3. Revenue in Telecommunications Services is higher than expected due to earlier than projected self-generated revenue from departmental cell phones, on-campus projects, and Mid-Atlantic Terascale Partnership membership. Expenses in Telecommunications Services are lower than projected due to timing of equipment purchases related to campus telecommunications infrastructure projects.
4. Expenditures for the University Services System are lower than projected due to timing of general operating expenses.
5. Revenues in the Intercollegiate Athletics System are lower than projected due to slightly lower than prior year sales of student season tickets and student guest season tickets.
6. Expenses for the Inn at Virginia Tech and Skelton Conference Center are lower than projected due to timing of operating expenses.
7. Revenues for Other Enterprise Functions are higher than projected due to higher than anticipated sale of software in the Software Sales Auxiliary and higher than projected Orientation fees due to higher than projected participation. Expenditures for Other Enterprise Functions are lower than projected due to timing of operating expenses.
8. The expense and reserve budgets for Residence and Dining Halls were adjusted for site planning and infrastructure expenses for Phase IV of the Oak Lane Community, one-time residential facility projects, and \$437 thousand for maintenance repairs at the Center for European Studies and Architecture. Also, there were New Residence Hall West capital project savings and, in order to close out the project, these savings will be used to pay debt service which will result in an expenditure reduction and larger contribution to the reserve.
9. The projected annual expense budget for Auxiliary Enterprises was adjusted for \$10.3 million in outstanding 2010-11 commitments and projects that were initiated but not completed before June 30, 2011. This amount includes \$2.0 million to fund project costs for the Telecom Fiber Optic project, \$1.2 million Center for the Arts project, \$2.1 million in residential projects, and \$3.0 million in athletic projects. The remainder is spread across the other auxiliary programs.
10. The projected annual revenue and expense budgets for Parking and Transportation were adjusted for parking spaces displaced by capital projects which will provide resources to restore parking spaces in other areas of campus.
11. The projected annual expense and reserve budgets for University Services System were adjusted for Recreational Sports McComas Hall expansion project savings; in order to close out the project these savings will be used to pay debt service which will result in an expenditure reduction and a larger contribution to the reserve.
12. The projected annual revenue, expense, and reserve budgets for Electric Services were adjusted \$1.8 million to accommodate the increased cost of wholesale electricity, higher customer rates, and planned reserve restoration.
13. The projected annual revenue, expense, and reserve budgets for Other Enterprise Functions were adjusted for a technical accounting change in Printing Services, increased revenue in the Library Photocopy Auxiliary, and one-time equipment purchases in the Library Photocopy operation.

**UNIVERSITY DIVISION
AUXILIARY ENTERPRISES**

Attachment N

Dollars in Thousands

	July 1, 2011 to September 30, 2011			Annual Budget for 2011-12		
	Actual	Budget	Change	Original	Adjusted	Change
Residence and Dining Halls						
Revenues	\$35,226	\$33,615	\$1,611 (1)	\$83,469	\$83,469	\$0
Expenses	-22,530	-22,246	-284 (1)	-80,702	-82,987	-2,285 (8,9)
Reserve Drawdown (Deposit)	-12,696	-11,369	-1,327 (1)	-2,767	-482	2,285 (8,9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Parking and Transportation						
Revenues	\$4,784	\$4,675	\$109 (2)	\$10,318	\$12,140	\$1,822 (10)
Expenses	-2,347	-2,216	-131 (2)	-9,893	-11,846	-1,953 (9,10)
Reserve Drawdown (Deposit)	-2,437	-2,459	22	-425	-294	131 (9,10)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications Services						
Revenues	\$5,146	\$4,768	\$378 (3)	\$15,965	\$15,965	\$0
Expenses	-5,073	-5,394	321 (3)	-15,883	-18,674	-2,791 (9)
Reserve Drawdown (Deposit)	-73	626	-699 (3)	-82	2,709	2,791 (9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
University Services System						
Revenues	\$16,660	\$16,487	\$173	\$33,578	\$33,578	\$0
Expenses	-10,286	-11,674	1,388 (4)	-32,768	-33,406	-638 (9,11)
Reserve Drawdown (Deposit)	-6,374	-4,813	-1,561 (4)	-810	-172	638 (9,11)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics						
Revenues	\$25,423	\$25,651	\$-228 (5)	\$49,248	\$49,248	\$0
Expenses	-13,103	-13,271	168	-47,135	-50,181	-3,046 (9)
Reserve Drawdown (Deposit)	-12,320	-12,380	60	-2,113	933	3,046 (9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Electric Service						
Revenues	\$8,058	\$7,908	\$150	\$33,711	\$35,530	\$1,819 (12)
Expenses	-9,285	-9,360	75	-33,099	-34,618	-1,519 (9,12)
Reserve Drawdown (Deposit)	1,227	1,452	-225	-612	-912	-300 (9,12)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Inn at Virginia Tech/Skelton Conf. Center						
Revenues	\$2,254	\$2,312	\$-58	\$9,810	\$9,810	\$0
Expenses	-3,412	-3,789	377 (6)	-9,797	-9,860	-63 (9)
Reserve Drawdown (Deposit)	1,158	1,477	-319 (6)	-13	50	63 (9)
Net	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions						
Revenues	\$3,879	\$3,665	\$214 (7)	\$10,166	\$9,946	\$-220 (13)
Expenses	-1,045	-1,295	250 (7)	-9,520	-9,473	47 (9,13)
Reserve Drawdown (Deposit)	-2,834	-2,370	-464 (7)	-646	-473	173 (9,13)
Net	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL AUXILIARIES						
Revenues	\$101,430	\$99,081	\$2,349	\$246,265	\$249,686	\$3,421
Expenses	-67,081	-69,245	2,164	-238,797	-251,045	-12,248
Reserve Drawdown (Deposit)	-34,349	-29,836	-4,513	-7,468	1,359	8,827
Net	\$0	\$0	\$0	\$0	\$0	\$0

CAPITAL OUTLAY BUDGET

Educational and General Projects

1. The current year and total project budget amounts have been revised to reflect the available balance of maintenance reserve appropriation carried over from fiscal year 2011 and the state's July 2011 allocation of \$5.649 million of maintenance reserve funds for fiscal year 2012.
2. This is a subproject of an E&G Blanket Authorization, which allows unforeseen small projects to be authorized administratively with nongeneral funds for expediency. This subproject includes a \$1 million authorization to initiate planning for the Relocation of Agriculture programs.
3. This project is for a central chiller plant facility in the southwest section of campus. Working drawings are nearly complete and the project is expected to be under construction by December 2011.
4. This project will plan an envisioned 8,000 gross square foot laboratory facility adjacent to the Virginia Tech Montgomery County Executive Airport. The project is entering the schematics phase of the design process.
5. This project encompasses a 77,500 gross square foot facility on the north side of campus to house dining and instructional space. Construction is underway with substantial completion expected in summer 2012.
6. This project includes an approximately 60,000 gross square foot facility located in Hampton Roads. Construction is underway with occupancy expected January 2012.
7. This project is for a 92,500 gross square foot laboratory building to provide modern laboratory space to meet the needs of animal and plant science research. The project will be under construction by December 2011 with a completion date of September 2013.
8. This project will construct a 15,700 gross square foot high containment research laboratory facility for the study of infectious diseases. Construction is underway with occupancy expected by December 2011.
9. This project includes construction of a state-of-the-art performance theatre, creative technologies laboratory, and creative performance laboratory. The project is under construction with a completion date of fall 2013.
10. This project is for the first phase of the renovation of Davidson Hall, which is envisioned to raze and fully replace the unrecoverable center and north section of the building. The project has completed the working drawings phase and is scheduled to begin construction in December 2011.
11. This project is for a 154,900 gross square foot classroom and laboratory facility for undergraduate and research programs in the College of Engineering. Construction is underway with a completion date of October 2013.
12. This project addresses the improvement of campus heating infrastructure needed to accommodate current and future campus buildings. The project will be accomplished in multiple phases with a total cost of \$28.75 million. Phases for the steam distribution upgrades, boiler upgrades, plant upgrades, and life sciences steam line are complete. The final phases include the Prices Fork steam line which is under construction and potentially an improved solution for local coal storage.
13. This project will construct a facility to provide updated classroom, laboratory, and faculty office space to meet the needs of the College of Veterinary Medicine. Construction is underway with occupancy expected in Summer 2012.
14. This project will upfit 26,000 assignable square feet in the third floor of the Virginia Tech Carilion Research Institute to provide research laboratory, conference space, office space, and a 5,000 cage vivarium with support spaces. Construction is underway with a completion date of August 2012.
15. The project is complete and will be closed when final expenses are processed, with an expected total cost of \$34,450,000, which reflects a savings of \$550,000.
16. The project is complete and will be closed when final payments are processed.
17. This project includes a new 18,100 gross square foot Visitors and Undergraduate Admissions Center at the Prices Fork entrance to the university near the Alumni Center. Construction is complete and the project will be closed when final payments are processed.
18. The building construction is complete and the Medical School and Research Institute are occupied. The project will be closed after some minor laboratory upfits are complete and final expenses are processed.
19. This project was established to purchase the 24.674 acre parcel of land adjacent to the Tidewater Agricultural Research and Extension Center in Suffolk, Virginia and approved by the Board of Visitors at the August 2011 meeting. The total costs include the \$123,370 purchase price and \$4,000 of due diligence costs. The transaction is underway.
20. The purpose of this project is to construct a 48,000 gross square foot building along the campus perimeter to house various administrative and academic support functions in a central location. The project is on hold.
21. This is a subproject of a Blanket Authorization, which allows unforeseen small projects to be authorized administratively with nongeneral funds for expediency. This project includes a \$3.5 million authorization to initiate planning for a Sciences Laboratory Building that is on hold.
22. This project is included in a state bond program and is envisioned to provide a 92,300 gross square foot scientific laboratory facility to support interdisciplinary instruction and research. The project is on hold pending the outcome of external funding sources, and the state support was shifted to advance another project on the state capital plan, the renovation of Shultz Hall for the Performing Arts Center. The university may request state funding be restored to this project as external funding becomes available. In the interim, planning activities for this project are being conducted under a Blanket Authorization with \$546,780 in expenditures as of September 30, 2011.

**CAPITAL OUTLAY PROJECTS
AUTHORIZED AS OF SEPTEMBER 30, 2011**

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Educational and General Projects									
<u>Educational and General Maintenance Reserve</u>									
Maintenance Reserve	7,334	9,625	1,275	11,595	0	0	0	11,595	3,246 (1)
<u>Design Phase</u>									
Blanket: Planning Agriculture Programs Relocation	418	418	0	0	0	1,000	0	1,000	478 (2)
Chiller Plant, Phase I	480	480	156	12,059	0	0	8,039	20,098	2,010 (3)
Planning: Propulsion Laboratory	0	400	0	0	0	400	0	400	0 (4)
<u>Construction Phase</u>									
Academic and Student Affairs Building	17,300	17,300	5,256	0	0	0	45,153	45,153	21,547 (5)
Hampton Technology Research & Innovation Center	8,000	8,000	3,517	11,897	0	0	0	11,897	7,066 (6)
Human & Agricultural Biosciences Building I	520	520	2	53,759	0	0	0	53,759	3,626 (7)
Infectious Disease Research Facility	6,163	5,477	1,891	4,000	0	6,163	0	10,163	6,577 (8)
Performing Arts Center	25,000	25,000	4,611	27,387	0	26,471	40,135	93,993	23,628 (9)
Renovate Davidson Hall, Phase I	0	0	7	31,119	0	0	0	31,119	2,233 (10)
Signature Engineering Building	1,133	1,133	479	47,609	0	18,650	28,959	95,218	5,499 (11)
Upgrade Campus Heating Plant	8,500	8,500	1,460	17,250	0	2,750	11,500	31,500	23,710 (12)
Veterinary Medicine Instruction Addition	10,500	10,500	547	0	0	14,000	0	14,000	915 (13)
VT-Carilion Research Inst. Third Floor Upfits	7,000	7,000	247	0	0	15,000	0	15,000	247 (14)
<u>Close-Out</u>									
Institute for Critical Technology and Applied Science II	1,950	1,900	284	17,500	0	0	17,500	35,000	33,384 (15)
Materials Management Facility	100	100	33	3,500	0	0	0	3,500	3,398 (16)
Visitors and Undergraduate Admissions Center	2,400	2,075	683	0	0	3,400	7,100	10,500	9,108 (17)
VT-Carilion School of Medicine and Research Institute	1,500	1,500	811	59,000	0	3,500	0	62,500	61,555 (18)
Tidewater AREC Property Acquisition	0	127	0	0	0	127	0	127	0 (19)
<u>On Hold</u>									
Administrative Services Building	0	0	0	0	0	0	12,000	12,000	0 (20)
Blanket: Planning Science Building Laboratory I	0	0	0	0	0	3,500	0	3,500	547 (21)
Sciences Building Laboratory I	0	0	0	0	0	0	0	0	0 (22)
TOTAL	98,298	100,056	21,257	296,674	-	94,962	170,386	562,022	208,773

CAPITAL OUTLAY BUDGET (Continued)

Auxiliary Enterprises Projects

1. Projects are scheduled and funded by the auxiliary enterprises during the annual Auxiliary Enterprise Budgeting Process. The annual budget reflects the spending plans of the auxiliary units on scheduled maintenance reserve work for fiscal year 2012. The outstanding balance of the Total Project Budget is for maintenance reserve work scheduled for fiscal year 2013.
2. This project includes installation of a new fiber-optic core on campus to update the communication system. The new core consists of five segments connecting to the five campus switch centers and connections from the core to several buildings. The total expected costs are \$2 million and this project is anticipated to be complete in summer 2012.
3. This project includes removal of natural turf, laser grading, installation of synthetic turf, and expansion of the dugouts. The annual budget was adjusted in the first quarter to reflect revised expected cash outflows for fiscal year 2012. The total expected costs are \$1.6 million and this project is anticipated to be complete late winter 2011.
4. This project will establish the necessary site improvements and construction of the first house at Oak Lane Community, Phase IV. The remainder of the expansion, houses two through five, and the additional site improvements may be constructed as other organizations come forward. The total expected costs of this first house and its associated infrastructure are \$4.663 million. The project is anticipated to be complete fall 2012.
5. The project includes installation of a photovoltaic array on top of the parking structure. The installation will not impact parking capacity and is expected to start October 2011 and to be complete early spring 2012. The total expected costs are \$1.3 million. The annual budget was adjusted in the first quarter to reflect revised expected cash outflows for fiscal year 2012.
6. This project includes renovation of East and West Ambler Johnston Hall, and is being implemented in phases. The East side is complete with occupancy of the West side expected by summer 2012. The total expected costs are \$72.1 million.
7. This repair project addresses moisture penetration and structural problems in the exterior walls of McComas Hall. The intensity of the repairs have been more extensive than originally expected, and completing repairs to the entire building requires a phase three project. The annual budget was adjusted in the first quarter to reflect revised cash outflows for fiscal year 2012. The total project costs are \$6 million and this project is anticipated to be complete winter 2011.
8. This project includes the third and final phase of addressing moisture penetration and structural problems in the exterior walls of McComas Hall. The total project costs are \$3.1 million and this project is anticipated to be complete fall 2012.
9. This project includes additional seating, expansion of the kitchen and food preparation area, and increasing the number of restrooms and staff locker rooms. In addition, the project will renovate space for program enhancements and roof repairs. Construction began March 2011 and is anticipated to be complete late winter 2011. The annual budget was adjusted in the first quarter to reflect revised expected cash outflows for fiscal year 2012.
10. The project is complete and will be closed when final payments have been processed. The annual budget was adjusted in the first quarter to reflect revised expected cash outflows for fiscal year 2012. The anticipated final project costs are \$14.2 million.
11. Construction is complete and the project will be closed when final payments have been processed. The annual budget was adjusted in the first quarter to reflect revised expected cash outflows for fiscal year 2012. The anticipated final project costs are \$24.1 million.
12. The purpose of this project is to build a new, 120,000 gross square foot field house to increase the availability of indoor training time for the football program. The project has been on hold to advance the Addition to the Jamerson Center.
13. This project envisioned a new residence hall of approximately 250 beds. Cost estimates exceed the project budget and the project is on hold while the university explores alternatives.
14. The purpose of this unfunded parking blanket authorization balance is to complete future improvements and repair projects for the parking system as specific needs are identified and as funding becomes available.
15. This is the remaining authorization of the \$23.5 million Oak Lane Community, Phase IV project. The remaining Oak Lane Community expansion, houses two through five and their necessary site improvements, may be constructed as organizations come forward.

Capital Outlay Projects Authorized as of September 30, 2011 (Continued)

Dollars in Thousands

	CURRENT YEAR			TOTAL PROJECT BUDGET					
	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	YTD EXPENSES	STATE SUPPORT	GENERAL OBLIGATION BOND	NONGENERAL FUND	REVENUE BOND	TOTAL BUDGET	CUMULATIVE EXPENSES
Auxiliary Enterprises Projects									
<u>Auxiliary Maintenance Reserve</u>									
Maintenance Reserve	6,600	6,600	2,098	0	0	11,398	0	11,398	2,098 (1)
<u>Design Phase</u>									
<u>Construction Phase</u>									
Campus Fiber Optic Improvement	1,600	1,600	68	0	0	2,000	0	2,000	174 (2)
English Field Improvements	0	800	2	0	0	1,600	0	1,600	2 (3)
Phase IV of Oak Lane Community (House 1)	3,500	3,500	1	0	0	4,663	0	4,663	67 (4)
Photovoltaic Array for Parking Structure	1,174	1,300	0	0	0	1,300	0	1,300	0 (5)
Renovate Ambler Johnston Hall	18,257	18,257	6,420	0	0	0	75,000	75,000	46,102 (6)
Repair McComas Hall Exterior Wall Structure, Ph I & II	799	762	387	0	0	0	6,000	6,000	5,626 (7)
Repair McComas Hall Exterior Wall Structure, Ph III	2,000	2,000	0	0	0	3,100	0	3,100	0 (8)
West End Market Renovation & Expansion	5,399	5,228	3,397	0	0	7,310	0	7,310	5,479 (9)
<u>Close-Out</u>									
Addition to Jamerson Center	0	250	0	0	0	18,000	0	18,000	13,981 (10)
Parking Structure	1,000	850	507	0	0	0	30,000	30,000	23,279 (11)
<u>On Hold</u>									
Indoor Athletic Training Facility	0	0	0	0	0	0	25,000	25,000	0 (12)
New Residence Hall II	0	0	0	0	0	0	27,000	27,000	182 (13)
Parking Blanket Authorizations Balance	0	0	0	0	0	0	16,547	16,547	0 (14)
Phase IV of Oak Lane Community (Houses 2 - 5)	0	0	0	0	0	0	18,837	18,837	0 (15)
TOTAL	40,329	41,147	12,880	0	0	49,371	198,384	247,755	96,989
GRAND TOTAL	<u>\$ 138,627</u>	<u>\$ 141,203</u>	<u>\$ 34,137</u>	<u>\$ 296,674</u>	<u>\$ -</u>	<u>\$ 144,333</u>	<u>\$ 368,770</u>	<u>\$ 809,778</u>	<u>\$ 305,762</u>

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, 2011 through September 30, 2011 and the Capital Outlay report be accepted.

November 7, 2011

Pratt Funds Overview

ACADEMIC AFFAIRS COMMITTEE AND FINANCE AND AUDIT COMMITTEE

November 7, 2011

In 1975, the university received a significant bequest from the estate of Mr. John Lee Pratt of Stafford County, following his death on December 20, 1975. The bequest was divided equally into two distinct parts, one to support Animal Nutrition and one to support the College of Engineering. According to the will, the bequest for Animal Nutrition was to be used to promote the study of animal nutrition by supplementing salaries, providing equipment and materials to be used for experiments in feeding and in the preparation of feeds for livestock and poultry, and publishing and disseminating the research results of the studies. The will provided that the bequest for the College of Engineering should be used to support research and scholarships.

Distributions of the Pratt Estate were received in several installments: \$9,561,819 in 1975, \$1,330,000 in 1977, \$47,000 in 1979, and \$30,164 in 1981, for a total of \$10,968,983. Over the years, the Pratt endowment has grown to \$40 million, as of June 30, 2011. The following paragraphs summarize some of the major accomplishments of the College of Engineering and the Animal Nutrition Programs that are directly tied to the funding provided by the Pratt Estate.

When the Pratt Endowment was originally established, the College of Engineering was in the early stages of becoming established as a nationally recognized leader in engineering education. The Pratt Endowment has played a significant role over the years in allowing the College to enrich its pool of students and to offer additional international study opportunities to students and faculty. Additionally, the Pratt Funds currently allow the College to invest resources in three research areas: biomedical engineering, microelectronics, and energy and advanced vehicles.

The expenditure of income funds from the Pratt Endowment provides an unusual opportunity to support an animal nutrition program of high quality. Use of these endowment earnings has concentrated on enhancing research and educational opportunities beyond what departments could do with state and federal funding. The main funding strategy remains with strong support for Ph.D. training, direct research support, scientific equipment, and visiting professors that stimulate and inspire the faculty and students engaged in nutrition research.

PRATT FUNDS: College of Engineering

The Pratt Endowment enriches the College of Engineering in many ways, adding to Virginia Tech's reputation. In fiscal year 2010-2011, Pratt Funds supported the following engineering programs: undergraduate scholarships, undergraduate and graduate study abroad scholarships, graduate research assistantships, graduate fellowships and graduate tuition scholarships, and graduate recruitment for the College's research programs.

Undergraduate Scholarships

Budgeted: \$325,000

Spent: \$332,450

Pratt Funds allow the College to offer Dean's Scholar Scholarships to entering freshmen. These scholarships provide a four-year, \$5,000 per academic year continuing commitment to each recipient provided at least a 3.5 grade point average is maintained. In fiscal year 2010-2011, Pratt Funds supported 59 students on Dean's Scholar Scholarships. An additional 16 students received support ranging from \$1,000 to \$2,500. Pratt endowment funding provided \$4,083 for the Dean's Scholar Awards dinner and \$7,870 for a guidance counselor meeting.

Undergraduate Study Abroad Scholarships

Budgeted: \$25,000

Spent: \$33,525

Pratt Funds were used to fund a number of international initiatives for undergraduate students. Pratt Funds continued to support the development of a global engineering certification program in Brazil, providing travel scholarships for two students to travel to Brazil for language and engineering courses. Travel scholarships were also provided to four students for a collaborative senior design program in France and to seven students to attend a summer abroad program in Punta Cana, Dominican Republic. Travel scholarships also supported the development of two new undergraduate student exchange and collaborative research programs in Ghana and Brazil, as well as an undergraduate exchange program in the United Kingdom. In addition, Pratt Funds also supported the college's signature Rising Sophomore Abroad Program which brought 22 students to Germany, Switzerland, and France to explore global teaming and leadership in engineering.

Graduate Study Abroad Scholarships

Budgeted: \$50,000

Spent: \$38,268

Pratt Funds supported a variety of international opportunities for graduate students. Travel scholarships were provided to students to participate in collaborative research around the world, including Australia (1 student), Czech Republic (2 students), France and Germany (2 students), Ireland (1 student), The Netherlands (1 student), Japan (1 student), and Uganda (1 student). Pratt Funds also supported the development of collaborative partnerships to pursue the creation of a dual degree program with Universidad Católica in Chile. Pratt Funds were also used to support the development of new student exchange programs and research collaborations in China, Ireland, and India.

Graduate Fellowships and Graduate Tuition Scholarships

Budgeted: \$318,000

Total Spent: \$249,938

Graduate Fellowships

Each engineering department receives a portion of Pratt Funds to use for graduate fellowships. In fiscal year 2010-2011, 88 students received Pratt Fellowships ranging from \$100 per month to \$874 per month. These fellowships supplement existing assistantships, allowing the College to offer competitive packages to graduate students that are being aggressively recruited by other top engineering colleges. Pratt Funds also were used to support the College's Dean's Teaching Fellow program. In this three-year program, a graduate teaching assistantship is coupled with a Pratt Fellowship to give graduate students the opportunity to gain valuable teaching experience.

(Spent: \$227,112)

Graduate Tuition Scholarships

Engineering departments also receive Pratt Funds to use as tuition scholarships for graduate students. In fiscal year 2010-2011, six students received tuition/fees scholarships ranging from \$1,681 to \$5,060 each. Combined with assistantships and the supplemental Pratt Fellowships, the support package offered to prospective graduate students allows the College to better compete with other top graduate engineering programs.

(Spent \$22,826)

Graduate Research Scholarships

Budgeted: \$57,000

Total Spent: \$30,362

The College used Pratt funding to support graduate teaching research assistants in the Institute for Critical Technology and Applied Science (ICTAS) Doctoral Scholars Program. This program is a multi-disciplinary research effort coordinated by ICTAS,

with significant contributions from participating departments, colleges, and the Graduate School. Students in this program receive a graduate research scholarship of \$25,000 per year for a maximum of four years. Pratt funding allowed the College to co-sponsor 12 students in 2010-2011.

Graduate Recruitment

Budgeted: \$118,850

Spent: \$120,280

The College's departments readily acknowledge that the use of Pratt Funds to support visiting prospective graduate students substantially increases enrollment of top-quality graduate students and is critical to the College's research programs. In fiscal year 2010-2011, this funding supported the travel expenditures for over 84 prospective graduate students. The number of prospective students funded by Pratt funding decreased from last fiscal year due to a decrease in the endowment's payout. However, the College provided additional funding outside of the Pratt endowment to ensure adequate funding was available for graduate recruiting activities. The actual number of students supported may have increased due to the College adding a Fall semester recruiting event to supplement the Spring semester recruiting weekend.

PRATT FUNDS ACTIVITY STATEMENT
For the Year Ended June 30, 2011
ENGINEERING

Income

Balance, July 1, 2010	\$ 16,554	
Endowment Income for 2010-11	\$1,006,156	
Repayment of Loan	<u>(194,042)</u>	
Total Available		\$828,668

Expenditures

Undergraduate Scholarships	\$332,450	
Undergraduate Study Abroad Scholarships	33,525	
Graduate Study Abroad Scholarships	38,268	
Graduate Fellowships	227,112	
Graduate Tuition Scholarships	22,826	
Graduate Research Scholarships	30,362	
Graduate Recruitment for Research Programs	<u>120,280</u>	
Total Expenditures		<u>\$804,823</u>
Balance at June 30, 2011 to be carried to 2011-12		<u>\$ 23,845</u>

RECOMMENDATION:

That the 2010-11 Pratt Funds Activity Statement for the College of Engineering be approved.

PRATT FUNDS: Animal Nutrition

The John Lee Pratt Endowment has been instrumental in enhancing the quality of the university's animal nutrition programs at Virginia Tech. The Pratt Endowment objective as specified in John Lee Pratt's bequest is to *"promote the study of animal nutrition, provide equipment and materials for feeding experiments and the preparation of livestock and poultry fees, and to publish and disseminate the practical results from this research."* In an effort to better meet the original goals of the Endowment in enhancing Animal Nutrition programs and attract high quality graduate scholars, the College of Agriculture and Life Sciences Pratt Endowment Executive Council modified the process of awarding the Pratt funds in 2011. The new process seeks proposals that enhance faculty programs in Animal Nutrition by aiding in the establishment of new interdisciplinary and externally-funded research, augmenting established funded research, or bridging gaps in projects between periods of extramural funding. Graduate student support is a major component of these projects. In 2011 a total of 13 proposals were selected for funding by a review panel. The programs of 26 faculty members located in 8 different departments and 3 colleges are supported through these 13 projects. A total of 17 graduate students will also be supported by these projects, which brings the total current Pratt scholars to 25.

Direct support of stipends and operations and enhancement of graduate programs through equipment purchases and visiting scientists are the primary expenditures. The total net expenditure for FY11 was \$871,791 for the continuing program. The main categories of expenditures were as follows:

Fellowship Program (PhD & MS)	57.13%
Undergraduate Program Scholarships & Research	15.83%
Visiting Scholars and Seminars	2.21%
Equipment Purchases and Maintenance	10.72%
Nutrition Technicians	14.09%
Publications	.01%

Fellowship Program

Budgeted: \$750,000

Spent: \$498,072

The Pratt Fellowship program has now matured and currently 25 scholars are enrolled in the program. These students are from several states and countries and are selected based on academic and research accomplishments. They receive a Ph.D. or M.S. stipend plus payment of all required tuition and fees. Additionally, each M.S. or Ph.D. candidate receives \$2,000 or \$4,000 respectively to be used for operational expenses of their research programs.

Undergraduate Program Scholarships & Research

Budgeted: \$150,000

Spent: \$138,037

Fifty outstanding freshmen students were awarded \$1,000 merit scholarships upon entering departments which offer programs in Animal Nutrition. Ten Pratt Senior Animal Nutrition Research Scholars received scholarships (\$1,500) and research support (\$1,000). This exciting program allows outstanding seniors to participate in undergraduate research programs working directly with a faculty researcher. They report their research at a symposium each spring. Many of these students pursue graduate programs in Animal Nutrition.

Visiting Scholars & Seminars

Budgeted: \$24,000

Spent: \$19,273

An important stimulus for graduate programs is the presence of visiting scientists in seminars, in the classroom, and in the laboratory. A nutrition seminar is regularly supported by Pratt to bring in outstanding speakers from other institutions and industry. Other scientists visit for periods of time ranging from a few days to several months. Visitors supported by Pratt present seminars for the university community and interact with nutrition faculty and students in formal and informal instructional settings including laboratories.

Equipment Purchases and Maintenance

Budgeted: \$120,551

Spent: \$93,485

Expenditures for equipment and research space renovations continued to emphasize the needs of programs focusing on animal nutrition from various units at the university. The equipment needs were proposed as part of the proposal by the faculty based on the need to achieve the goals of the proposed projects. Over 10 percent of the expenditure was devoted to the purchasing of new equipment to enhance Animal Nutrition programs. Most of the equipment purchased will be used as shared equipment among the interdisciplinary faculty groups working on these research projects.

Nutrition Technicians

Budgeted: \$150,000

Spent: \$122,859

Research technicians in the field of animal nutrition are a key component of Pratt funding. The Pratt funds provide partial support of three technicians in animal and dairy sciences. These technicians are essential in assisting with the necessary sample

preparation and data summaries for research performed by the scientists engaged in animal nutrition projects in proteomics, ruminant nutrition, and nutrient management.

Research Publications

Budgeted: \$6,000

Spent: \$65

The program still allows for paying the costs of research journal articles resulting from student dissertations. Very few faculty members, however, request the payment of their publication costs from Pratt funds, mainly because they include the publication costs in their external grants. The Pratt funded faculty are, however, very productive and have published over 120 publications on animal nutrition over the past five years.

Summary

The Pratt funds have significant impacts on the Virginia Tech programs in Animal Nutrition. The new process of awarding the Pratt Funds to faculty, including the peer review process established for selection of proposals based on their scientific merits and potential to enhance Animal Nutrition programs, will greatly enhance the quality of the programs and enable the faculty to become more competitive for external funding at the national level. Approximately \$443,197 is to be carried over to FY12. Almost all of these funds are already allocated to multi-year projects that were recently funded using the new proposal review process.

PRATT FUNDS ACTIVITY STATEMENT
For the Year Ended June 30, 2011
ANIMAL NUTRITION

Income

Balance, July 1, 2010	\$ 304,575	
2010-11 Endowment Income	<u>1,010,413</u>	
Total Available		\$1,314,988

Expenditures

General Program Expenditures		
Fellowship Program (PhD & MS)	\$ 498,072	
Undergraduate Program Scholarships & Research	138,037	
Visiting Scholars & Seminars	19,273	
Equipment Purchases & Maintenance	93,485	
Nutrition Technicians	122,859	
Publications	<u>65</u>	
Total Expenditures	\$ 871,791	
Cattle Projects Expenses	-0-	
Total Expenditures		<u>\$ 871,791</u>
Balance at June 30, 2011 to be carried to 2011-12		<u>\$ 443,197</u>

RECOMMENDATION:

That the 2010-11 Pratt Funds Activity Statement for Animal Nutrition be approved.

Select Defined Contribution Plan Amendment

FINANCE AND AUDIT COMMITTEE

November 7, 2011

Virginia Tech faculty have had access to a state retirement program administered by the Virginia Retirement System since 1952. However, until 1985, the only retirement option was the Virginia Retirement System (VRS), a defined benefit retirement program that provided retirement benefits based on length of service and final average salary. The program rewarded long service but was not designed to address the mobility or portability features attractive to faculty.

In 1985, the Commonwealth of Virginia established the defined contribution Optional Retirement Plan (ORP) to address the mobility and portability issues. The Virginia institutions of higher education, with the authorization of their Boards of Visitors, added this plan. At that time all faculty, whether administrative and professional or teaching and research, were given the option to remain in the VRS or to enroll in the ORP.

The ORP provides immediate vesting with the ultimate retirement payout based on accumulated retirement assets. Investment designations, portfolio design, and the management of the retirement contributions in a defined contribution plan rest with individual employees, working in concert with their selected vendors. The employer has the responsibility to ensure that prudent retirement investment options are available from the vendors and that individuals and vendors adhere to IRS guidelines.

The Internal Revenue Code, §401(a) (17), imposes a cap on an employer's contribution to a basic retirement plan, be it a defined benefit or a defined contribution plan. The cap does not relate to the percent contribution or even total dollars contributed by the employer. Rather, it relates to the annual salary of the employee. Once an employee's salary hits the cap, the employer is precluded from contributing anything further to the retirement account. For employees hired prior to April 9, 1996, the salary cap currently is \$360,000 and for those hired on or after that date, the cap currently is \$245,000. In 2001, the Board of Visitors authorized the university to establish a plan (*Select Defined Contribution Plan*) for ORP participants in which residual funds that exceed the cap are placed. The plan was designed to accept only employer contributions.

In 2010, legislation was enacted that provided for employees hired after July 1, 2010 to contribute a portion of their retirement. Specifically, employees hired before July 1, 2010 who elected to participate in an ORP would continue to receive a 10.4 percent (based on base salary) employer retirement contribution. Employees hired on or after July 1, 2010 who elected to participate in an ORP would receive an 8.5 percent (based on base salary) employer contribution and would also make an employee contribution of 5 percent (based on base salary).

As designed, the *Select Defined Contribution Plan* accepts employer contributions of 10.4 percent or 8.5 percent for individuals whose base salary exceeds the IRS limits. However, a plan amendment is required to accept the employee contribution that is required to comply with current legislation.

**RESOLUTION ON THE SELECT DEFINED
CONTRIBUTION PLAN AMENDMENT**

WHEREAS, the Board of Visitors authorized the university to enter into a deferred compensation program that would enable the university to recruit and retain highly qualified employees within the current federal and state statutes; and,

WHEREAS, at the direction of the Board of Visitors, the university worked to ensure that plans were developed to address the deferred compensation limitations currently imposed under federal and state statutory limits; and,

WHEREAS, the Select Defined Benefit Plan was established to allow for retirement contributions for employees whose salaries exceeded the IRS limits; and,

WHEREAS, new legislation enacted July 1, 2010, grandfathered retirement benefits for faculty hired before July 1, 2010 and changed the retirement benefit for faculty hired on or after July 1, 2010; and,

WHEREAS, the new legislation decreased the employer contribution (from 10.4 percent to 8.5 percent) for faculty selecting to participate in the Optional Retirement Plan (ORP), and provided for an employee contribution of 5 percent into the ORP; and,

WHEREAS, the current Select Defined Contribution Plan only provides for an employer contribution; and,

WHEREAS, to meet the intent of the legislation, the Select Defined Contribution Plan must be amended to provide for employee contributions; and,

WHEREAS, the university has received confirmation from external benefit counsel that the proposed change is compliant with current federal and state statute;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors approves of the Select Defined Contribution Plan amendment which would allow employee contributions, effective as soon as plan documents can be executed.

RECOMMENDATION:

That the resolution of the Select Defined Contribution Plan amendment which would allow employee contributions, effective as soon as plan documents can be executed, be approved.

November 7, 2011

Committee Minutes

Committee on Research

**Solitude Room
The Inn at Virginia Tech and Skelton Conference Center
4:45-6:00 p.m.**

November 6, 2011

Committee Members Present:

Ms. Beverley E. Dalton, Chair
Mr. John C. Lee, IV
Mr. George Nolen
Mr. Michael J. Quillen
Mr. John G. Rocovich, Jr.

Guests:

Dr. Charles Steger, Dr. Mark McNamee, Dr. Robert Walters, Mr. Dwight Shelton, Mr. Paul Rogers, Mr. Frederick Cobb, Jr., Dr. John Dooley, Dr. Daniel Wubah, Mr. Sherwood Wilson, Mr. Bruce Pencek, Mr. William Holtzman, Calvin D. Jamison, Jr., Mr. Matthew Banfield, Ms. Natalie Hart, Mr. Douglas Fahl, Ms. Deborah Petrine, Mr. Cordel Faulk, Ms. Maxine Lyons, Dr. Satish Kulkarni, Dr. John Burns, Ms. Elizabeth Hooper, Dr. Terry Herdman, Dr. Roderick Hall, Mr. Stan Hefta, Mr. Neil Sedlak and Ms. Beth Tranter.

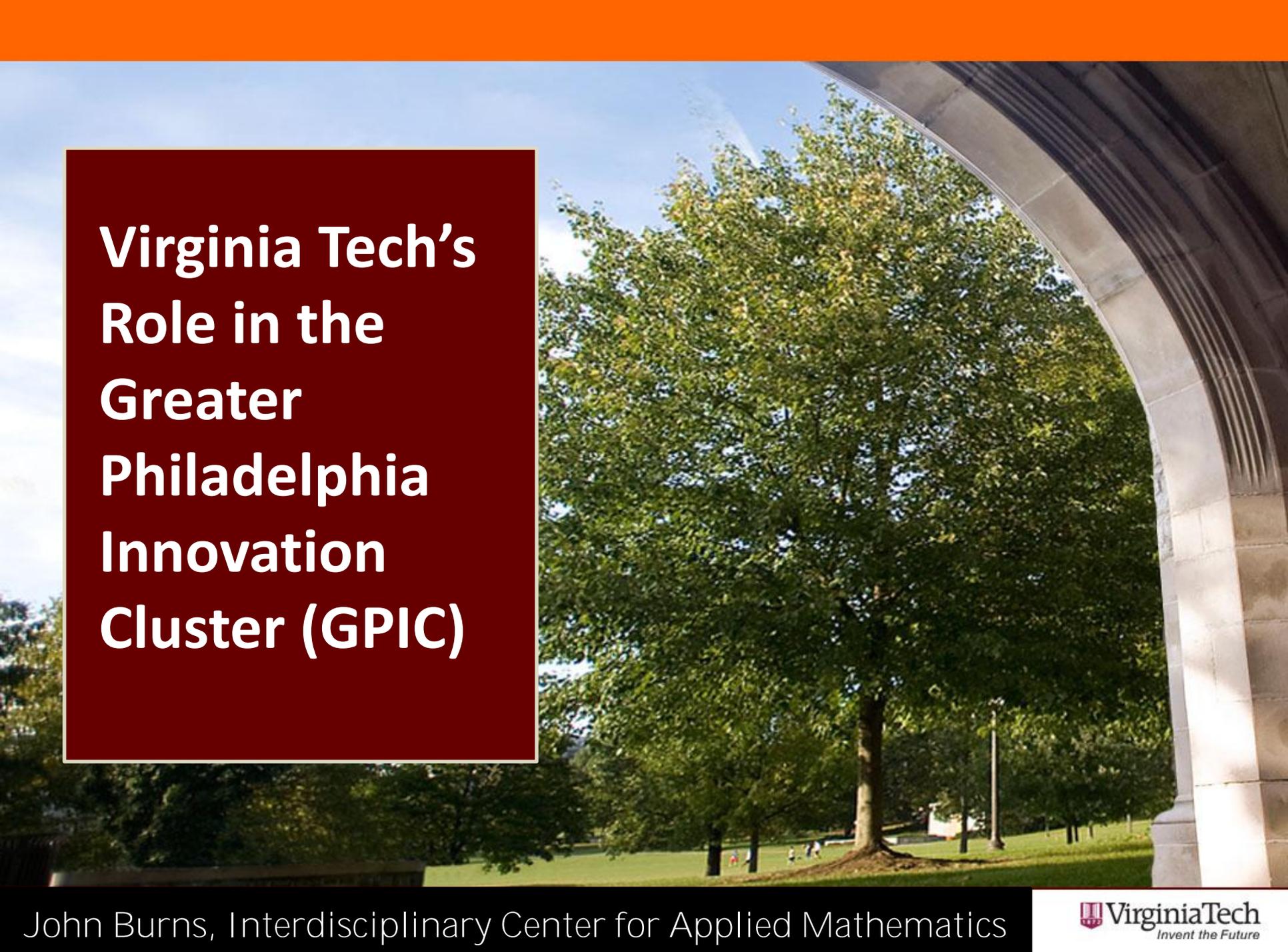
1. **Opening Remarks and Approval of August 28, 2011 Minutes.** Ms. Dalton welcomed those in attendance. The minutes were unanimously approved.
2. **Remarks from the President.** Dr. Steger welcomed those in attendance.
3. **Resolution for the Approval of Exclusion of Certain Officers/Directors.** Dr. Walters reviewed the resolution, through which the Board of Visitors will formally appoint a managerial group with the authority and responsibility for the negotiation, execution, and administration of classified contracts. This resolution is submitted for review and approval in compliance with Department of Defense requirements. The resolution was unanimously approved.
4. **Virginia Tech Research Update (Research Administration).** Dr. Walters provided an update on research administration and initiatives during the 2011 fiscal year, including the growth of research expenditures, and research compliance. Dr. Walters also provided an overview of institute-based initiatives that support college and university goals in the integration of research and education, faculty development, laboratory infrastructure support, and outreach.

5. **Energy Initiatives at Virginia Tech – A Progress Report (Research Initiatives).** Dr. Satish Kulkani's presentation was postponed to a later date due to time constraints.

6. **VT-ICAM and Its Role in HPC & The \$125M Energy-Efficient Building Systems Design HUB (Strategic Partnerships and Off-campus Research).** Dr. Burns, Hatcher Professor of Mathematics in the College of Science and Technical Director of the Interdisciplinary Center for Applied Mathematics (ICAM), provided an overview of high-performance computing (HPC) research related to Virginia Tech participation in the Greater Philadelphia Innovation Cluster. Dr. Burns provided an overview of the national importance of energy efficiency, as well as the large potential impact of improving energy efficiency in buildings.

Adjournment.

There being no further business, the meeting adjourned at 6:10 p.m.

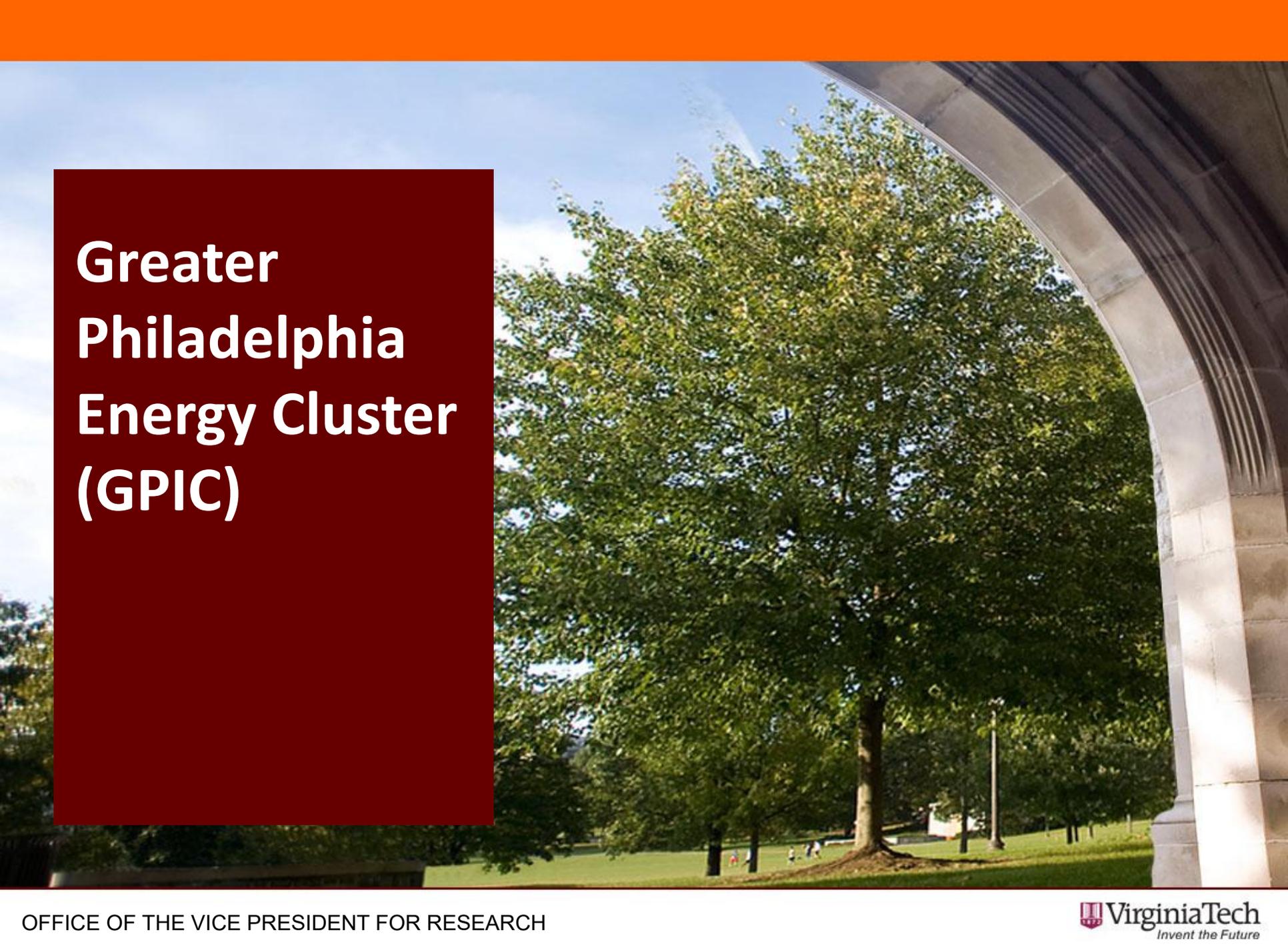


**Virginia Tech's
Role in the
Greater
Philadelphia
Innovation
Cluster (GPIC)**

John Burns, Interdisciplinary Center for Applied Mathematics

Overview

- Greater Philadelphia Energy Cluster (GPIC) for Energy-Efficient Buildings
- National Focus on Energy Efficiency
- Interdisciplinary Center for Applied Mathematics (ICAM)
- Why Energy-Efficient Buildings?
- Why ICAM?



Greater Philadelphia Energy Cluster (GPIC)

GPIC – A U.S. DOE Energy Innovation Hub



Greater Philadelphia Innovation Cluster
for Energy-Efficient Buildings
A U.S. DOE Energy Innovation Hub

- In August 2010, awarded \$129 million from the Federal Government's Energy Regional Innovation Cluster (E-RIC) Initiative.
- Award included \$122 million from the U.S. DOE to create an Energy Innovation Hub to develop innovative energy efficient building technologies, designs and systems.



The GPIC Mission

To develop new energy efficient components for integration into whole building systems, new mathematical models and computer design tools that can be used for design and control of new buildings and to retrofit existing buildings. It also will analyze the role of policy, markets and behavior in the adoption and use of energy technology in buildings.

ICAM has established an international reputation as a leader in these research areas (among others)

GPIC Members and Partners

UNIVERSITIES

1. Penn State University (Lead)
2. Carnegie Mellon University
3. Drexel University
4. Morgan State University
5. Princeton University
6. **Purdue University**
7. Rutgers University
8. University of Pennsylvania
9. University of Pittsburgh
10. **Virginia Tech**

INDUSTRY & LABS

1. Bayer Material Science
2. **IBM Corp.**
3. **Lawrence Livermore National Laboratory**
4. PPG Industries
5. Turner Construction
6. **United Technologies Corp.**

OTHER PARTNERS

1. Ben Franklin Technology Partners of Southeastern PA
2. Collegiate Consortium
3. Delaware Valley Industrial Resource Center
4. NJI's Philadelphia Industrial Development Corp.
5. Wharton Small Business Development Center

Virginia Tech's Role

Modeling and computational tools specifically for design, optimization and control of high-performance buildings . . .

ICAM

Interdisciplinary **C**enter for **A**ppplied **M**athematics



**United Technologies
Research Center**



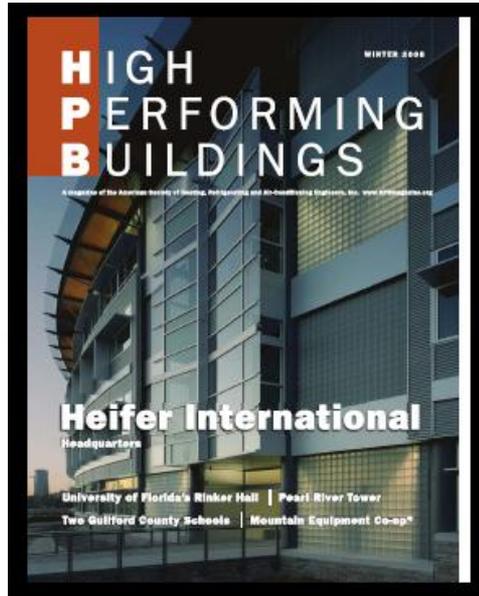
**Lawrence Livermore
National Laboratory**



National Focus on Energy Efficiency



Energy and Buildings



WHY BUILDINGS?



AND NOT THIS?



Energy Demand

Buildings **consume**

- 39% of total U.S. energy
- 71% of U.S. electricity
- 54% of U.S. natural gas

Buildings **produce** 48% of U.S. Carbon emissions

Commercial building annual energy bill: \$120 billion

The *only* energy end-use sector showing **growth** in energy intensity

- 17% growth 1985 - 2000
- 1.7% growth projected through 2025

The Impact of Improving Energy Efficiency in Buildings **IS HUGE**

- A 50 percent reduction in buildings' energy usage would be equivalent to **taking every passenger vehicle and small truck in the United States off the road.**
- A 70 percent reduction in buildings' energy usage is equivalent to **eliminating the entire energy consumption of the U.S. transportation sector.**

A National Need

*"We need to do more transformational research at DOE ... including **computer design tools** for commercial and residential buildings that enable reductions in energy consumption of up to 80 percent with investments that will pay for themselves in less than 10 years."*

Dr. Steven Chu, Secretary of Energy
House Science Committee Testimony, March 17, 2009

A Science and Technology Priority

*“In summary there should be two types of R&D investments to attack the sources of energy efficiency loss. One is investments in **computational infrastructure**. The other is large, targeted programs to attack specific issues and market verticals and to couple the science & technology with demonstrations.”*

Dr. J. Michael McQuade, Senior Vice President, United Technologies Corporation
U.S. House Science and Technology Committee, April 29, 2009



Building 101 Temporary GPIC



Building 661 retrofit

GPIC R&D Needed to Address ...

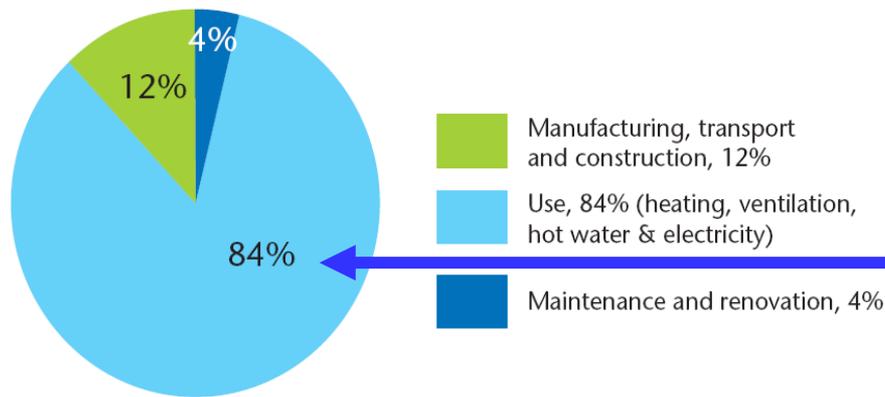
“Two basic flaws in current design and operation of buildings contribute to poor energy performance. First, the design and construction of commercial buildings do not utilize methodology or tools to identify and quantify interactions, or “coupling,” between subsystems.

*Computational tools are not used initially in the design phase nor are these couplings tracked during the changing construction process. Second, the coupling between subsystems are neither monitored nor **controlled** to avoid the erosion of performance in operation of the building.”*

Dr. J. Michael McQuade, Senior Vice President, United Technologies Corporation
U.S. Senate Committee on Energy and Natural Resources, February 26, 2009

Building Systems

INTEGRATED DESIGN, CONTROL AND OPTIMIZATION OF WHOLE BUILDING SYSTEMS IS THE ONLY WAY TO GET THERE



84% of energy consumed in buildings occurs during the use of the building

Figure 3.7: Life cycle energy use

REQUIRES COMBINING – MATHEMATICAL MODELING, COMPLEX MULTISCALE DYNAMICS, OPTIMIZATION, CONTROL, SENSITIVITY ANALYSIS and HIGH PERFORMANCE COMPUTING

Building the Consortium

History of
UTRC/**ICAM**
Collaboration

Concept gains
political support
Teams prepare
for release
of solicitation

**DOE releases
Energy Hub
RFP**

**ICAM, UTRC,
PSU, CM, IBM
begin proposal
development**

Only One DOE Building Design Energy Hub Awarded

**ICAM, UTRC,
UCSB present
to Dr. Steven
Chu (Director
of LBNL)**

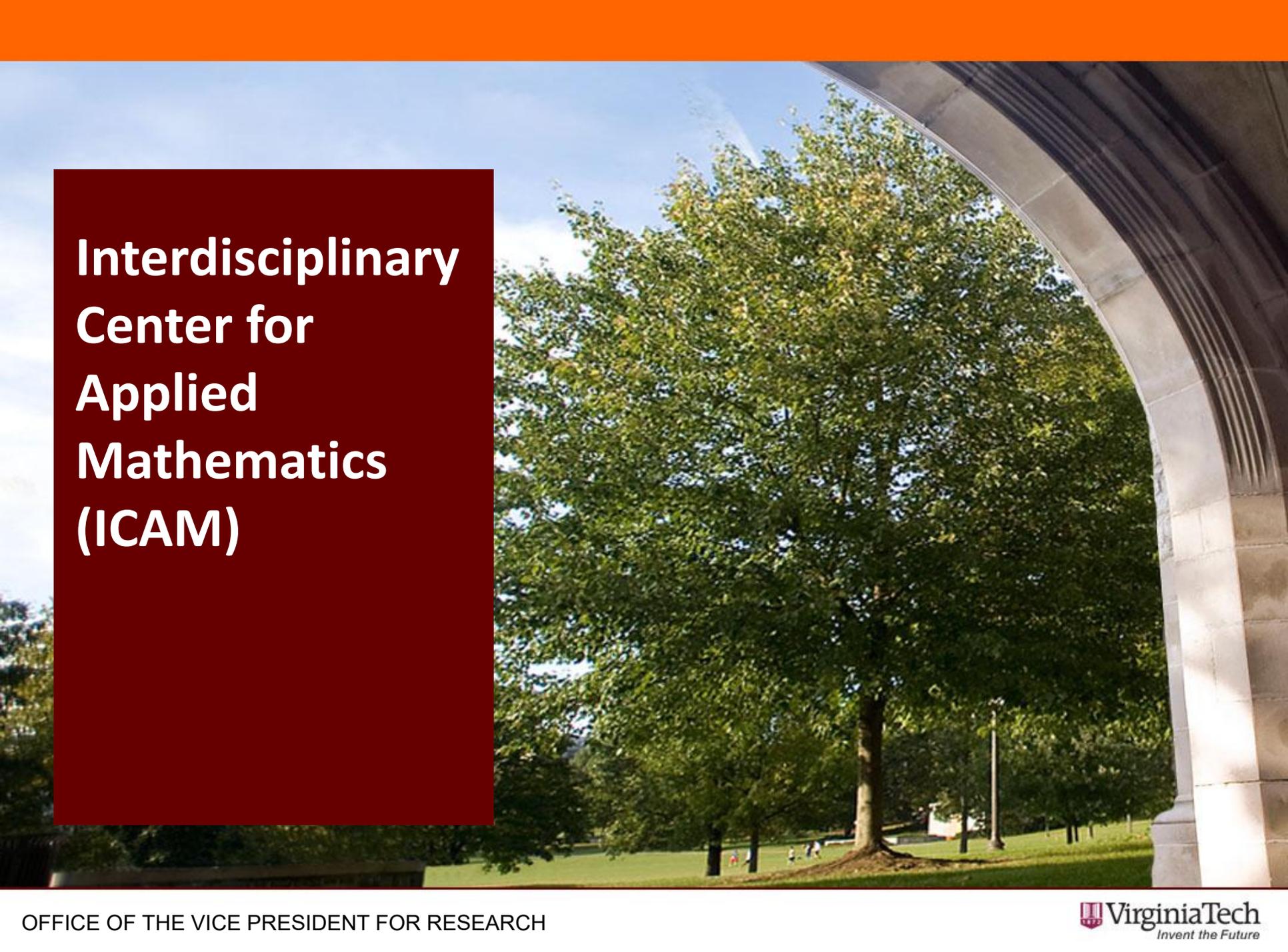
**ICAM, UTRC, LBNL, UCB,
UCSB develop concept of
HiPerBric**

ICAM and UTRC
team, initial
discussions with
Penn State, IBM,
Carnegie
Mellon, etc.

**Award
Announced,
PSU team Wins!**

2007

2010



Interdisciplinary Center for Applied Mathematics (ICAM)

ICAM History

Founded in 1987 to promote and facilitate interdisciplinary research and education in applied and computational mathematics at Virginia Tech. Currently, **ICAM** has **45** members from **10 departments**, **2 colleges**, **VBI** and **ARC - IT**.

- Named SCHEV **Commonwealth Center of Excellence** in 1990.
- Named DOD **Center of Research Excellence & Transition** in 1996.
- Received more than **\$25 Million in external funding** from federal sources and numerous industrial partners.
- Received **several MURI** and other large center grants.

**WE HAVE DEVELOPED A “STANDARD ICAM APPROACH”
TO TAKE ADVANTAGE OF RESEARCH OPPORTUNITIES**

VT - ICAM “Advantage”

- WE ARE TECHNICALLY BROAD / DIVERSE
- WE ARE AGILE
- WE TEAM WITH INDUSTRY & LABS
- WE HAVE AN EXCELLENT REPUTATION

AGILITY - INGENUITY - INTEGRITY

ALWAYS DELIVER ON A “PROMISE”

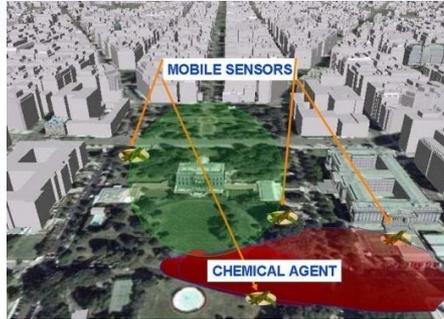
- DON'T OVER PROMISE (“CURE CANCER”, ETC.)
- KEEP SCIENTIFIC CREDIBILITY & REPUTATION
- HAVE TURNED BACK 2ND AND 3RD YEAR FUNDING*
- GIVE CREDIT WHERE CREDIT IS DUE

WE DELIVER

ICAM Interdisciplinary Projects



Advanced Control



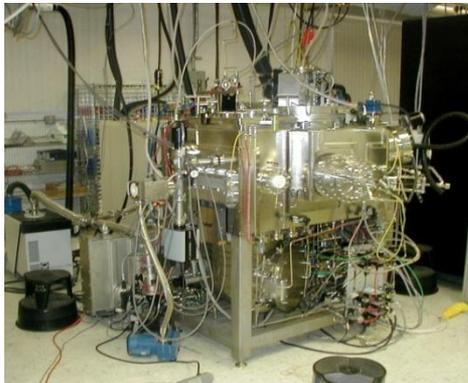
Homeland Security



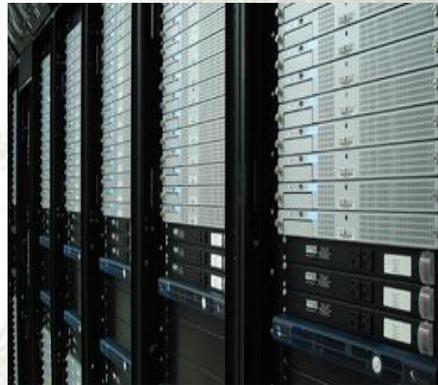
Space Platforms



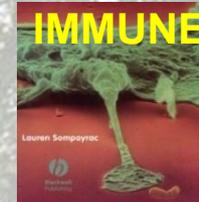
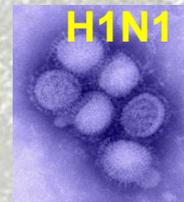
Design of Jets



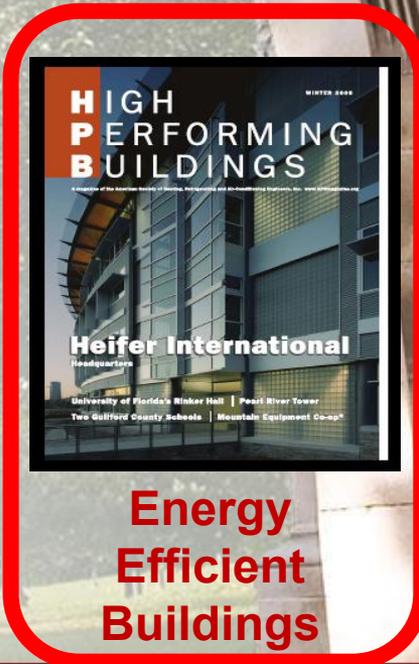
Nano Technology



HPC - CS & E

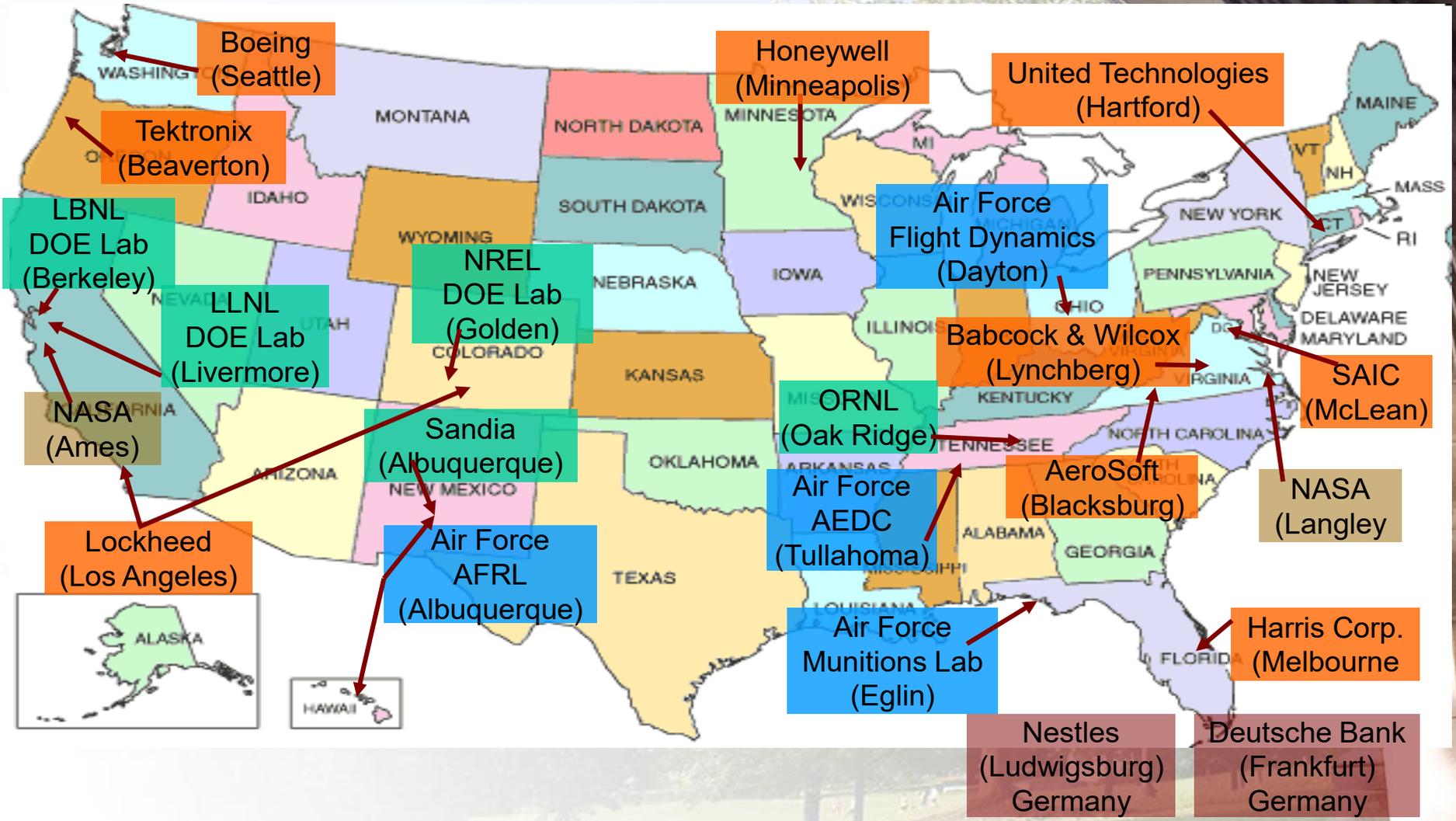


Life Sciences



Energy Efficient Buildings

Industry-National Lab Partners



International Collaborations



GPIC R&D at ICAM: HP²C Enabled Model Reduction & Control



High Performance, High Productivity Computing (Mathematical Algorithms)

High Fidelity Physics-Based Simulation Tools

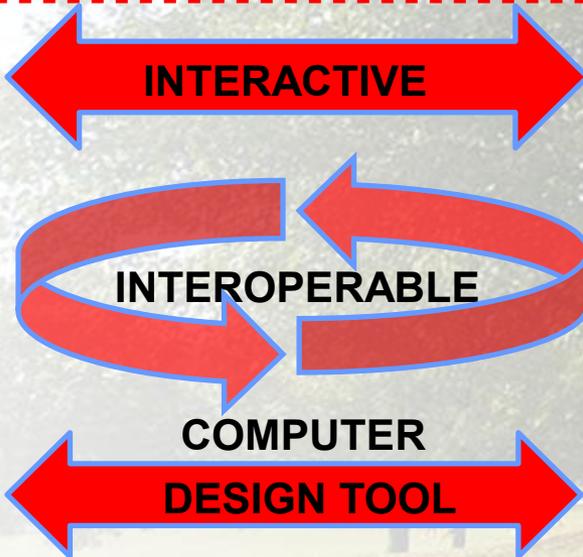
$$\begin{cases} \partial_t \theta + u \cdot \nabla \theta = \kappa \Delta \theta \\ \partial_t u + u \cdot \nabla u + \nabla p = \nu \Delta u + \beta \theta e_3 \\ \nabla \cdot u = 0 \\ u|_{t=0} = u_0, \theta|_{t=0} = \theta_0. \end{cases}$$

ADVANCED MODEL REDUCTION METHODS

HP²C ENABLED MODELING & COMPUTER DESIGN TOOLS

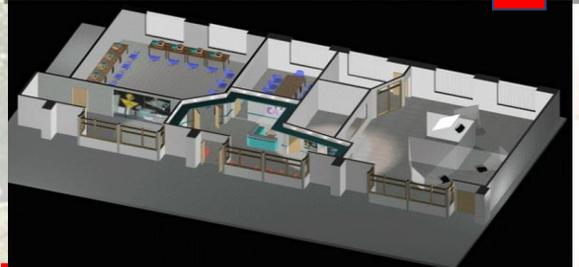
BUILDING PHYSICS DESIGN PARAMETERS

Hierarchal Reduced – Order Design & Control

$$\dot{x}_n = f_n(x_n, u, q) + v$$


Building Description

- Architecture, Materials
- HVAC, Loads, Lights ...
- Occupancy
- Sensors, Actuators ...



Other ICAM Projects

- Numerous new efforts in homeland security, life sciences and “usual” NSF, DOD, DOE funded projects ...
- Continue to expand our courses, short courses (FDI) and programs on:
 - **Modeling in the Bio-Sciences**
 - **Financial Mathematics and Computational Tools**
 - **Parallel and High Performance Computing**
 - **Energy Modeling and Control Tools**
 - **Sensitivity Analysis for Complex Systems**
 - **Modeling & Design of Energy Efficient Buildings**
- ICAM and UTC ran workshop on HP²C for design of energy efficient systems in July in Arlington – prepared report for DOE Science
- Developing research seeds on “HP²C for Energy Efficient Design” to expand current DOD ESTCP work

The ICAM Team

- 10 Academic Departments
- 2 Colleges
- VBI
- ARC - IT

2010 - 2011 CORE MEMBERS *

FACULTY	DEPARTMENT	COLLEGE/INSTITUTE
J. T. Borggaard	Mathematics	Science
J. A. Burns	Mathematics	Science
E. M. Cliff	Aerospace & Ocean Engr.	Engineering
T. L. Herdman	Mathematics	Science
S. Gugercin	Mathematics	Science
T. Iliescu	Mathematics	Science
D. J. Inman	Mechanical Engineering	Engineering
Reinhard Laubenbacher	Discrete Modeling	VBI
Madhav Marathe	Simulation	VBI
Henning Mortveit	Simulation	VBI
Nicholas Polys	Visualization	ARC- IT
Kevin Shinpaugh	HPC	ARC - IT
L. Zietsman	Mathematics	Science

FACULTY	DEPARTMENT	COLLEGE
Ball, Joseph A.	Mathematics	Science
Baumann, William T.	Electrical Engineering	Engineering
Beattie, Christopher	Mathematics	Science
Borggaard, Jeff	Mathematics	Science
Broadwater, Robert	Electrical Engineering	Engineering
Burns, John A.	Mathematics	Science
Ball, Ken	Mechanical Engineering	Engineering
Cliff, Eugene M.	Aerospace Engineering	Engineering
Day, Martin V.	Mathematics	Science
Raffaella De Vita	Engr. Science & Mechanic	Engineering
Diplas, Panayiotis	Civil Engineering	Engineering
S. Gugercin	Mathematics	Science
Hagedorn, George A.	Mathematics	Science
Herdman, Terry L.	Mathematics	Science
Iliescu, Traian	Mathematics	Science
Inman, Daniel J.	Mechanical Engineering	Engineering
Kapania, Rakesh K.	Aerospace Engineering	Engineering
Kim, Jong U.	Mathematics	Science
Kohler, Werner E.	Mathematics	Science
Laubenbacher, Reinhard	Bioinformatics Institute	VBI
Lin, Tao	Mathematics	Science
Lindner, Douglas K.	Electrical Engineering	Engineering
Marathe, Madhav	Bioinformatics Institute	VBI
Neu, Wayne L.	Aerospace Engineering	Engineering
Pierson, Mark	Mechanical Engineering	Engineering
Polys, Nicholas	Research Computing	Information Technology
Prather, Carl L.	Mathematics	Science
Puri, Ishwar	Engr. Science and Mechanics	Engineering
Renardy, Michael	Mathematics	Science
Renardy, Yuriko	Mathematics	Science
Ribbens, Calvin	Computer Science	Engineering
Rogers, Robert C.	Mathematics	Science
Russell, David	Mathematics	Science
Sachs, Ekkehard	Mathematics	Science
Santos, Eunice	Computer Science	Engineering
Shinpaugh, Kevin	Research Computing	Information Technology
Spanos, Aris	Economics	Science
Sun, Shu-Ming	Mathematics	Science
Tyson, John J.	Biology	Science
Vick, Brian	Mechanical Engineering	Engineering
Watson, Layne T.	Computer Science	Engineering
Wheeler, Robert L.	Mathematics	Science
Williams, Michael	Mathematics	Science
L. Zietsman	Mathematics	Science

* DEPENDS ON CURRENT PROJECTS & FUNDING

Thank you



RESOLUTION FOR EXCLUSION OF CERTAIN OFFICERS/DIRECTORS

WHEREAS, Virginia Polytechnic Institute and State University (“Virginia Tech”) was determined by the Department of Defense (DoD) to be a facility authorized to be eligible for access to classified information or award of classified contracts in 1960 and years following, with the most recent authorization in 2011, and

WHEREAS, in accordance with the National Industry Security Program Operating Manual (NISPOM), Cognizant Security Agencies (CSAs) require certain principal officers, directors, partners, regents, or trustees, and those occupying similar positions at institutions of higher education meet the personnel security clearance requirements established for the level of the institution’s facility security clearance or be formally excluded; and

WHEREAS, the NISPOM permits the exclusion from the personnel clearance requirements of said principal officers et al. on the basis that these cited individuals shall not require, shall not have, and can be effectively excluded from access to all classified information disclosed to Virginia Tech, and do not occupy positions that would enable them to affect adversely corporate policies or practices in the performance of classified contracts, as determined by a CSA.

NOW THEREFORE BE IT RESOLVED, that the Board of Visitors hereby formally appoints a managerial group with the authority and responsibility for the negotiation, execution, and administration of classified contracts (“Key Management Personnel”), consisting of the following principal officers within Virginia Tech: President, University Legal Counsel, Senior Research Compliance Officer, Senior Contracts Officer, and Facility Security Officer (specified by name in Attachment A).

BE IT FURTHER RESOLVED, that the President and the said managerial group at the present time do possess, the required security clearance; and

BE IT FURTHER RESOLVED, that in the future, when a CSA determines that additional Virginia Tech officials must be added to said managerial group and be granted personnel clearances or excluded from classified access pursuant to the NISPOM, such requirements shall be made and approved by the Key Management Personnel, and not the Board of Visitors, unless approval by the Board of Visitors is formally required by the CSA, and

BE IT FURTHER RESOLVED, that the appended list of all members of the Board of Visitors (specified by name in Attachment B) shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of Virginia Tech, and do not occupy a position that would enable them to affect adversely Virginia Tech policies or practices in the performance of classified contracts. A copy of this resolution shall be provided to CSAs as required by the NISPOM.

RECOMMENDATION:

That this resolution be adopted
November 7, 2011

ATTACHMENT A: List of Board of Key Management Personnel by name who must be granted personnel clearances or excluded from classified access pursuant to the NISPOM per Board of Visitors Resolution 7 November 2011

President
University Legal Counsel
Senior Research Compliance Officer
Senior Contracts Officer
Facility Security Officer

Dr. Charles W. Steger
Kay K. Heidbreder, Esq.
Dr. David M. Moore
John C. Rudd Jr.
David A. Brady

**ATTACHMENT B: List of Board of Visitors Members to be excluded per Board of
Visitors Resolution 7 November 2011**

Mr. Frederick J. Cobb
Ms. Beverley E. Dalton
Ms. Michele Duke
Mr. Douglas R. Fahl
Mr. Cordel L. Faulk
Mr. William B. Holtzman
Dr. Calvin D. Jamison, Sr.
Mr. John C. Lee, IV
Mr. George C. Nolen
Ms. Suzanne S. Obenshain
Ms. Deborah Petrine
Mr. Michael Quillen
Mr. John G. Rocovich, Jr.
Mr. Paul W. Rogers, Jr.

Committee Minutes

STUDENT AFFAIRS AND ATHLETICS COMMITTEE and ACADEMIC AFFAIRS COMMITTEE November 7, 2011

Drillfield Room
The Inn at Virginia Tech and Skelton Conference Center
9:30 a.m. – 10:30 a.m.

Present: Chair: Paul Rogers (serving as Chair on behalf of Michelle Duke)
Committee Members Present: Matt Banfield (undergraduate representative), Cordel Faulk, Michelle McLeese (graduate student representative), Suzanne Obenshain, Bruce Pencek (faculty representative)
George Nolen, Rector

Absent: Michelle Duke

Guests: Richard Benson, Cynthia Bonner, Kimberly Brown, Matthew Creasy, Chris Dahm, Karen DePauw, John Dooley, Francesca Galarraga, Natalie Hart, Lauren Howard, Frances Keene, Jack Finney, Benjamin Knapp, William Lewis, Mark McNamee, Nick Onopa, Kim O'Rourke, Robin Panneton, Dennis Priebe, Mark Pierson, Ellen Plummer, Karen Eley Sanders, Jason Scott, Frank Shushok, Guy Sims, Ed Spencer, Susan Steeves, Robert Walters, Tod Whitehurst, Ruth Waalkes, Ashley Wood, and Daniel Wubah

1. **Welcome.** Chairs of the Academic Affairs Committee and the Student Affairs and Athletics Committee welcomed committee members and guests to the joint open session.
2. **Current Status of Undergraduate Academic Advising.** The presentation focused on the current status of undergraduate academic advising at Virginia Tech. Strategic initiatives were discussed, including on-going collaborations between academic affairs and student affairs to improve advising across campus.
3. **Adjournment.** There being no further business, the joint session of the Academic Affairs Committee and the Student Affairs and Athletics Committee adjourned at 10:30 a.m.

**STUDENT AFFAIRS AND ATHLETICS COMMITTEE
OF THE BOARD OF VISITORS
November 7, 2011**

**Smithfield Room
The Inn at Virginia Tech and Skeleton Conference Center
10:45 a.m.**

PRESENT: Dr. Calvin Jamison, Chair
Mr. Freddie Cobb
Mr. Douglas R. Fahl
Mr. Matthew Banfield

GUESTS: Ms. Kimberle Badinelli, Dr. Cynthia Bonner, Dr. Rick Ferraro, Maj. Gen. Randal Fullhart, Mr. Hikmet Gursoy, Ms. Frances Keene, Mr. Nick Onopa, Ms. Rhonda Rogers, Dr. Frank Shushok, Dr. Guy Sims, Dr. Edward Spencer, Mr. Billy Wesley

Open Session

- 1. Opening remarks and approval of August 28, 2011 minutes:** Dr. Calvin Jamison, Chair, provided opening remarks and submitted the minutes of the August 28, 2011, Student Affairs and Athletics Committee meeting to the committee for review and approval. The minutes were approved.
- 2. Overview and Vision of the Corps of Cadets:** Major General Randal Fullhart, Commandant of Cadets, provided a presentation of the Vision for the Corps. The presentation highlighted the continuing growth of the Corps and the highly successful rate of commission currently enjoyed by Virginia Tech. He then provided an overview of initiatives in multiple areas to include enhancements and additions to the Corps curriculum, building on the successful Minor in Leadership.

Next he covered the accelerating efforts to replace residence halls on the Upper Quad as well as the planned replacement of Lane Hall. A design-build competition is currently planned to begin next Spring. The General also provided insights into the Corps efforts to expand their internship programs, especially for the growing number of cadets who are participating in the Civilian-Leader Track of the Corps.

He further highlighted the initiatives being considered for the future of the Rice Center for Leader Development and engagement with alumni throughout their professional lives following graduation. Finally, the General provided insights into the budget submission by the University to restore parity between Virginia Tech Corps funding and VMI which has not kept pace with the growth of the Corps. These funds are critical to ensure the proper degree of oversight and instructional staffing for the growing Corps.

Together, these initiatives will help ensure a Corps of Cadets that meets the mission of growing ethical, capable leaders for the 21st Century.

Dr. Steger raised the question about whether or not to preserve the facade of Lane Hall, which would be very costly, or demolish and replicate, and the committee seemed to lean towards the latter idea that the smart and economical thing to do would be to replicate rather than preserve, capturing the essence of what Lane Hall stood for. The Committee recommended that this matter be referred to the Buildings and Grounds Committee for resolution.

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



Undergraduate Advising @ Virginia Tech

Daniel A. Wubah

Vice President and Dean for Undergraduate Education

October 4, 2011



Advising Vision Statement

The foundation of student success will be anchored in a collaborative relationship between the student and advisor which is based on mutual trust and support.



Definition

Advising is a **collaborative** process between student and advisor leading to the exchange of information that **encourages** the individual **student** to make **responsible academic and career decisions**.



Advising Models

- Centralized
 - Professional and faculty advisors are located in one academic or administrative unit
- Decentralized
 - Professional or faculty advisors are in their respective academic departments
- Shared
 - Some advisors meet with students in a central administrative unit, while others advise students in their major discipline



Responsibilities in Advising

University

- Review advising process to assess the impact of recommendations implemented
- Provide information for students, advisors, parents, and other constituents that clearly explain responsibilities and expectations related to advising

Student

- Communicate goals, needs, wants, and concerns to advisor in a respectful and sincere manner
- Keep abreast of their own academic progress and requirements related to their academic program

Advisor

- Communicate with students and deliver individualized and accurate information in professional and sincere manner
- Be informed of and provide accurate information about current academic policies and procedures



COLLEGE	Students	Pro. Advisors	Staff	Total
CALS	2259	7	0	7
CAUS	1421	1	6	7
PCOB	3672	3	0	3
COE	6626	14	0	14
CLAHS	3477	3	0	3
CNRE	593	3	3	6
COS	3768	6	0	6
University Studies	1962	12	0	12
TOTAL	23778			58



Task Force on Advising

- Multiple advising models and advisor development activities
- No common expectations or learning outcomes
- Advisors receive insufficient support, training and recognition



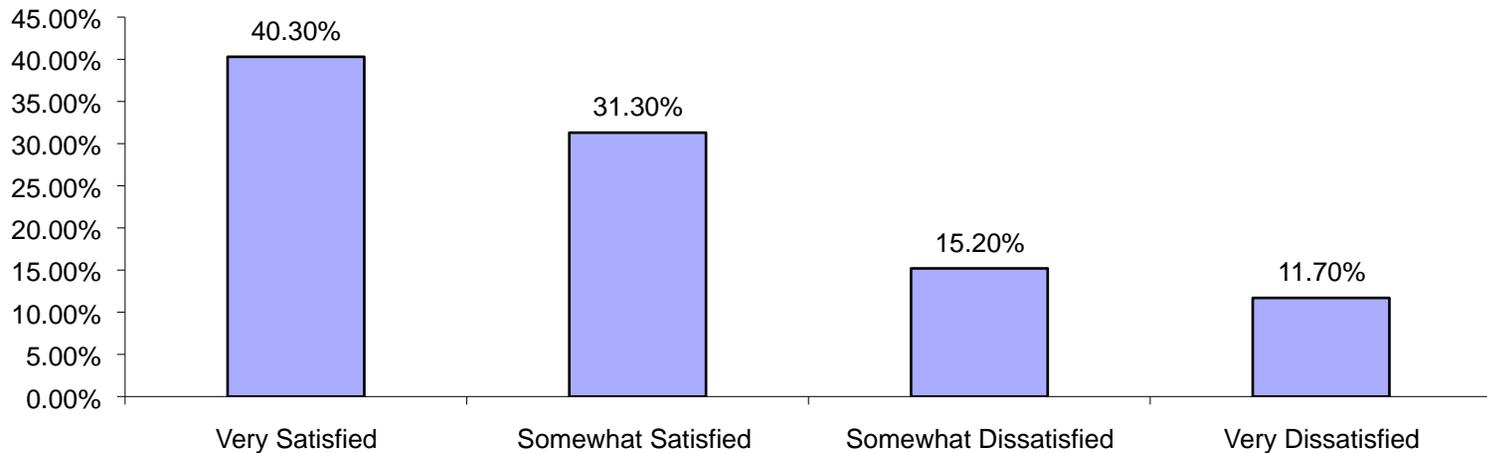
Surveys to date

- 2006 to present: National Survey of Student Engagement
- 2008 Center for Academic Enhancement and Enrichment survey
- 2009 Student Government Association survey
- 2009 to present: VT Senior Exit survey



Overall Satisfaction with Advising*

To what extent are you satisfied with the advising you have received at Virginia Tech?



*Fall 2008; N=5467



SGA Advising survey*

- 98% indicated that they knew their advisor and 82% had met with their advisor
- 48% did not meet with their advisor for course request
- 87% regularly seek advising assistance from resources other than advisor
- 61% are satisfied with their advising experience

*N=673

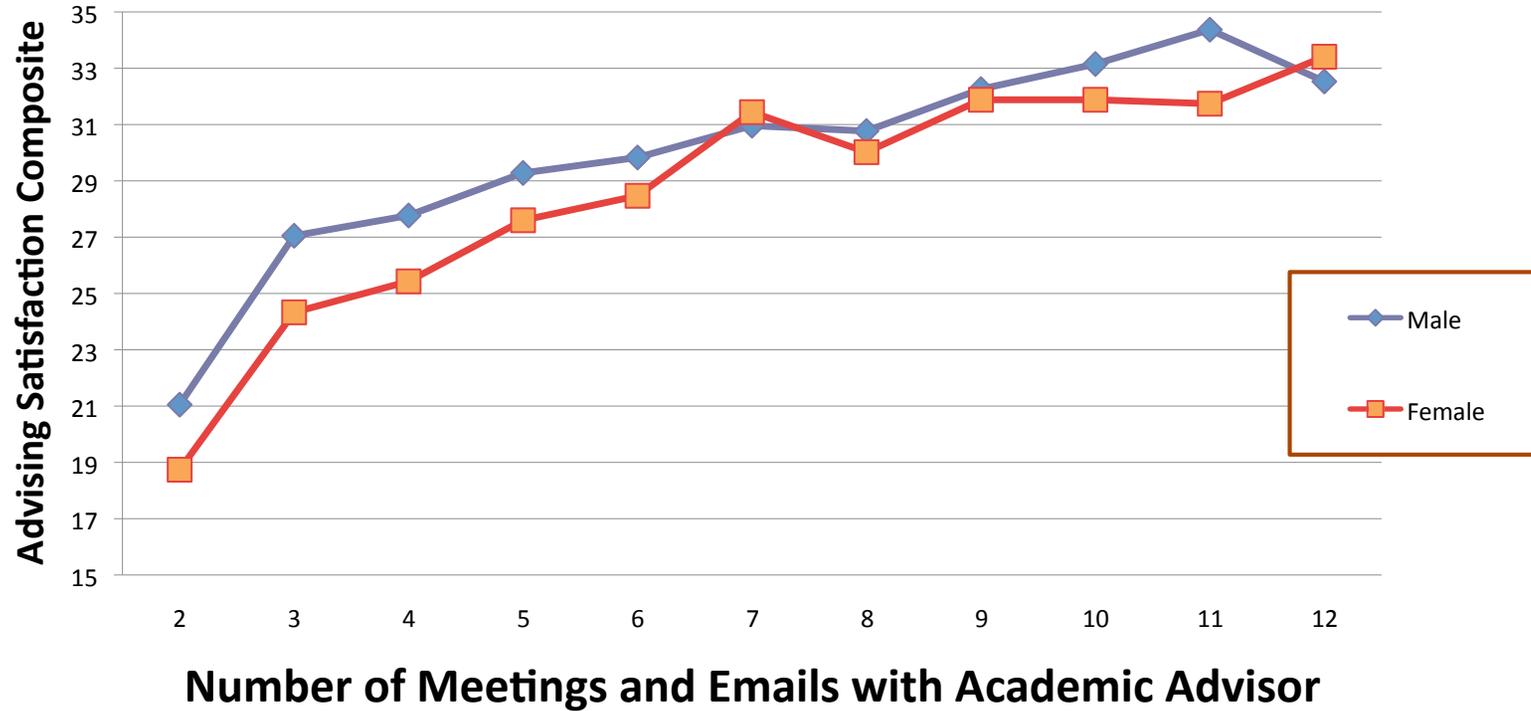


Academic Assessment survey

- Student satisfaction provides one measure of the effectiveness of advising
- VT Senior exit survey (VTSES): access, knowledge and assistance
- National Survey of Student Engagement (NSSE): A wide array of questions to determine engagement



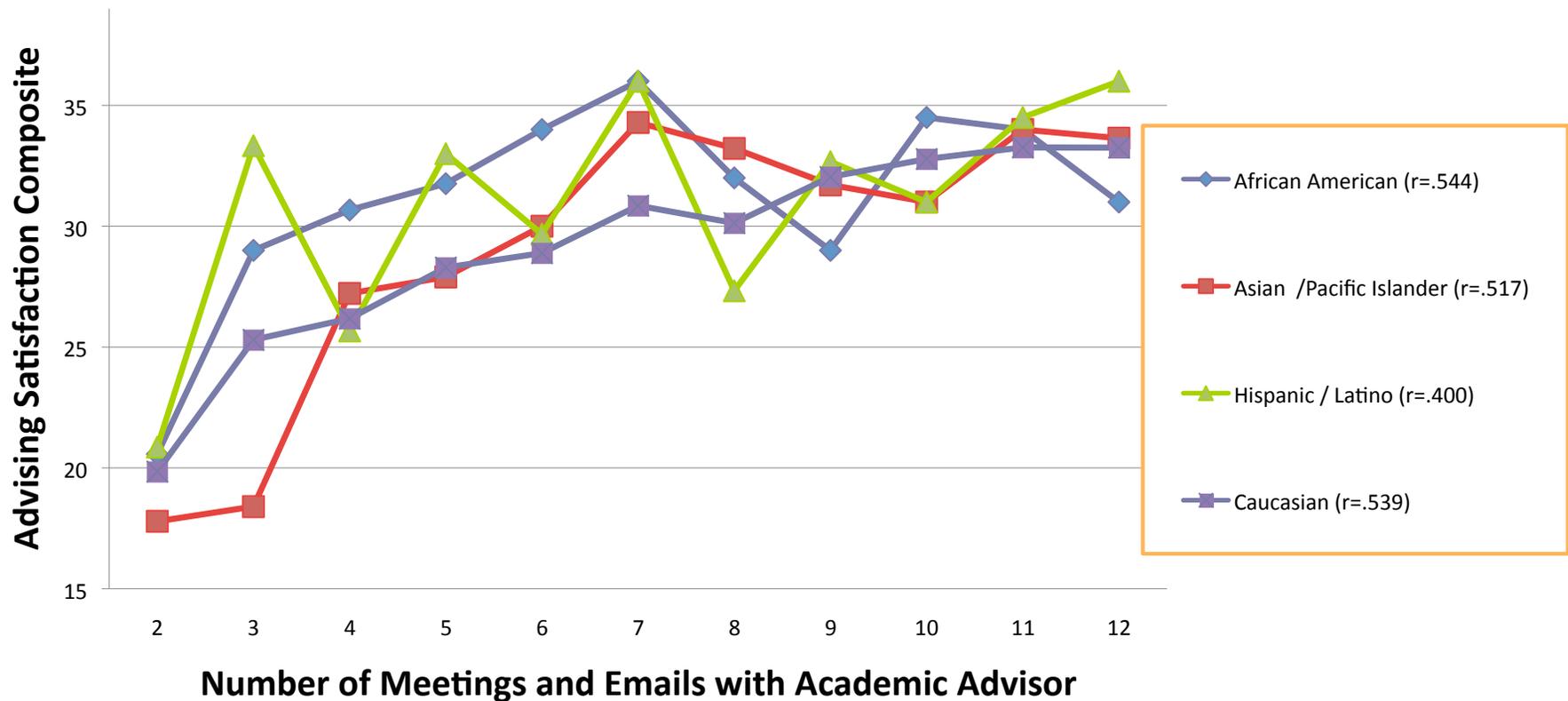
Advising Satisfaction and Number of Advisor Contacts



N=1969



Advising Satisfaction and Number of Advisor Contacts





Which of the following best describes your academic advisor?

	2009- 2010	2010-2011
Departmental professional advisor	33%	36%
Faculty advisor	54%	52%
Faculty advisor outside major	1%	1%
Staff member	2%	2%
I don't know	10%	9%

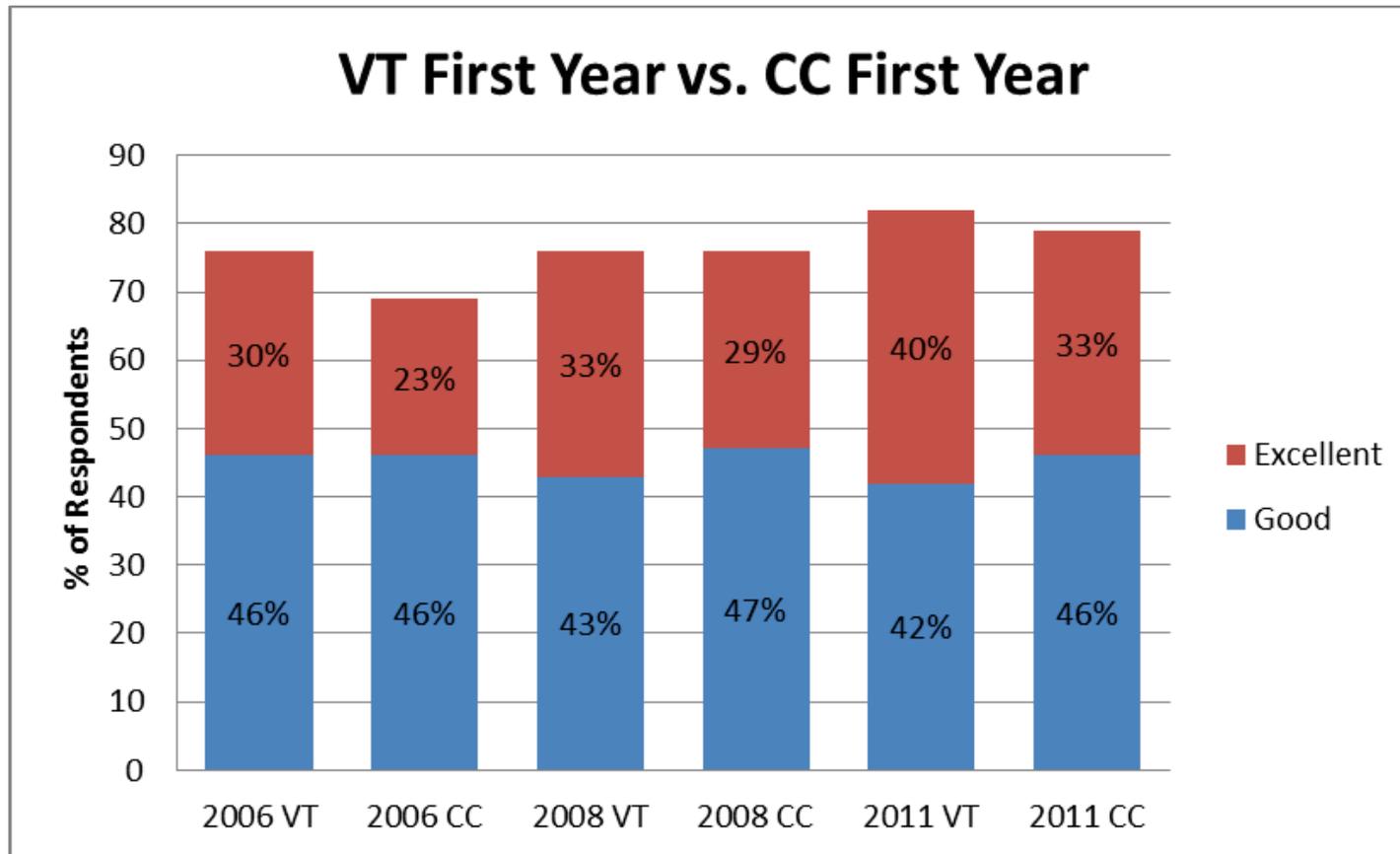


Carnegie Classification Peers

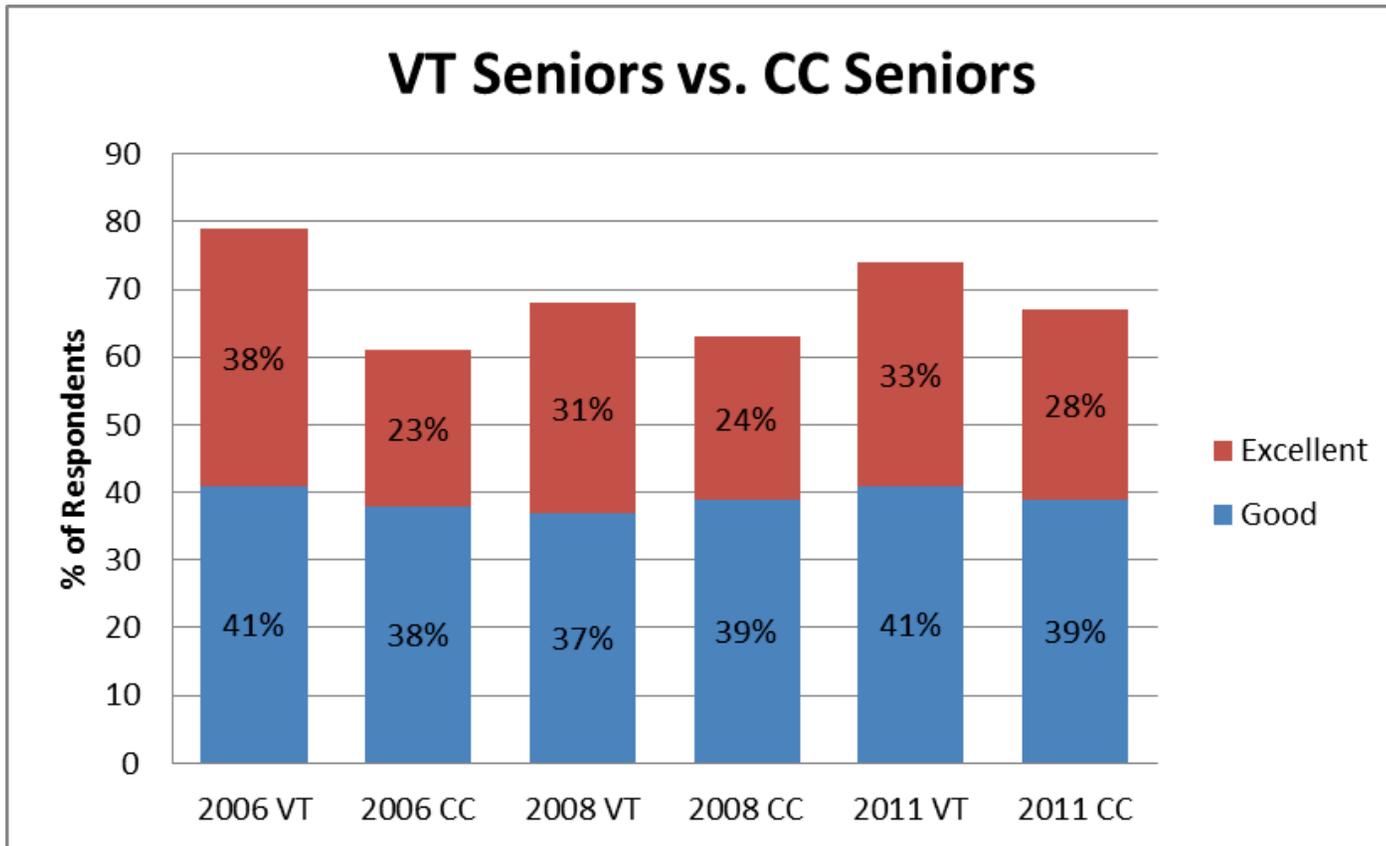
- Iowa State University
- North Carolina State University
- Penn State University
- Stony Brook University
- Texas A & M University
- University of Maryland, College Park
- University of Minnesota-Twin Cities
- University of Washington, Seattle
- University of Wisconsin, Madison



VT First Year vs. CC First Year



N=766



N=844



Conclusions

- Student satisfaction increased based on the number of contacts with advisor
- Our students were slightly more positive than our Carnegie classification peers
- A number of students indicated dissatisfaction about certain aspects of the advising process; however, they reported more satisfaction with the advising process when compared to students at other institutions in our Carnegie class



Initiatives to improve advising

- Created an Office of Academic Advising and appointed a Director for Academic Advising (Dr. Kimberly Brown)
- Developed enhanced partnership with the Division of Student Affairs
- Leveraging technology to facilitate advising



Office of Academic Advising

- Developed professional and faculty training opportunities
 - Monthly afternoon chats
 - Advising conference
 - Travel grants
- Identified shared learning outcomes common to all academic advising units



Office of Academic Advising

- Academic advising handbook
- VT Early Academic Referral (EAR) system developed
- Updating procedures to ensure that advisor assignments are updated in Banner



Division of Student Affairs

- Career Center
- Office of Health Professions Advising
- Academic Resource Center (Pritchard Hall)
- Learning Communities (Hypatia, Galileo, Biology Learning Community)
- Honors Residential College





Honors Residential College

“To Know and Be Known” and Holistic Learning

320 students form the Junior Fellows of the College

30 Senior Fellows representing faculty and staff

Weekly community events:

Principal’s Tea

Tuesday Dinner

Weekly Film Discussion Series





Electronic infrastructure

- **Pathway Planner:** Allows students to develop a four-year plan
- **E-portfolio:** Students assemble their materials to enable proper advising for graduate or professional schools
- **E-blast system:** New system that will help students determine majors and sequence of classes to take



Future plans

- Establish a central location for coordination of academic advising
- Provide adequate resources to support academic advising
- Develop an assessment protocol for advising



Discussion



The Virginia Tech Corps of Cadets

*Developing today's
leaders for tomorrow*

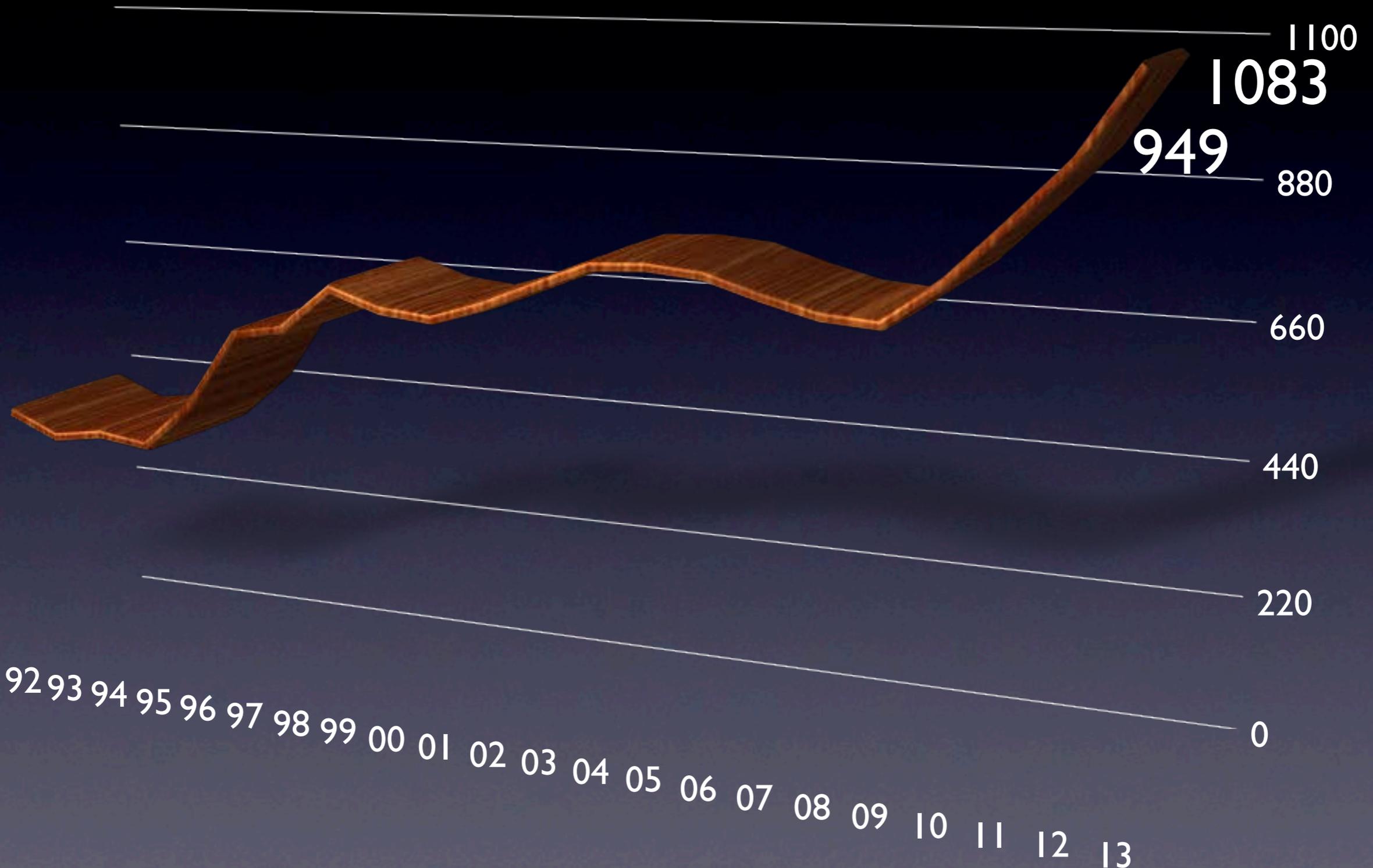
A Vision for the 21st Century



**Maj Gen Randal Fullhart
Commandant**

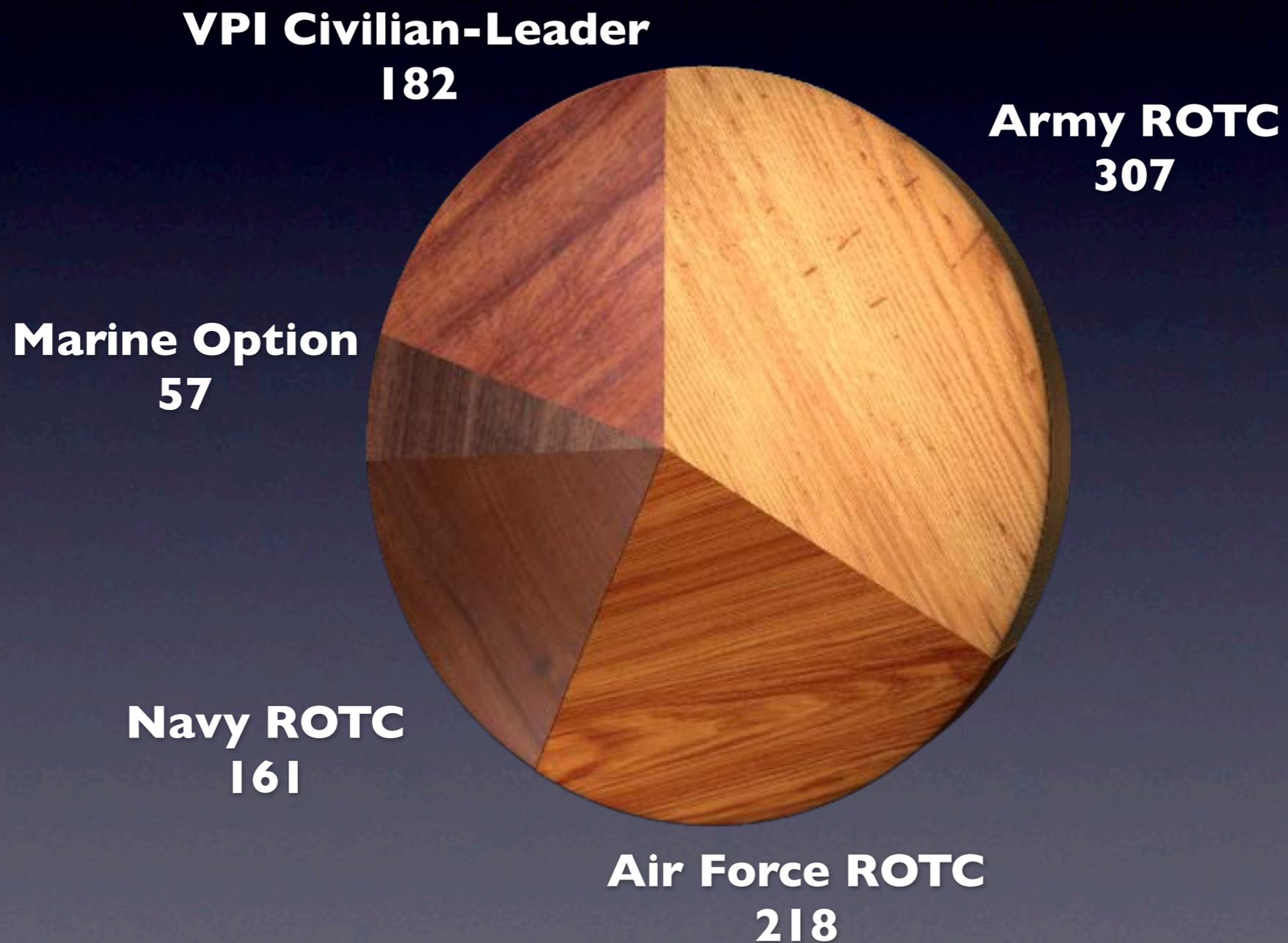


Growth of the Corps



Class of 2015 - 383 New Cadets

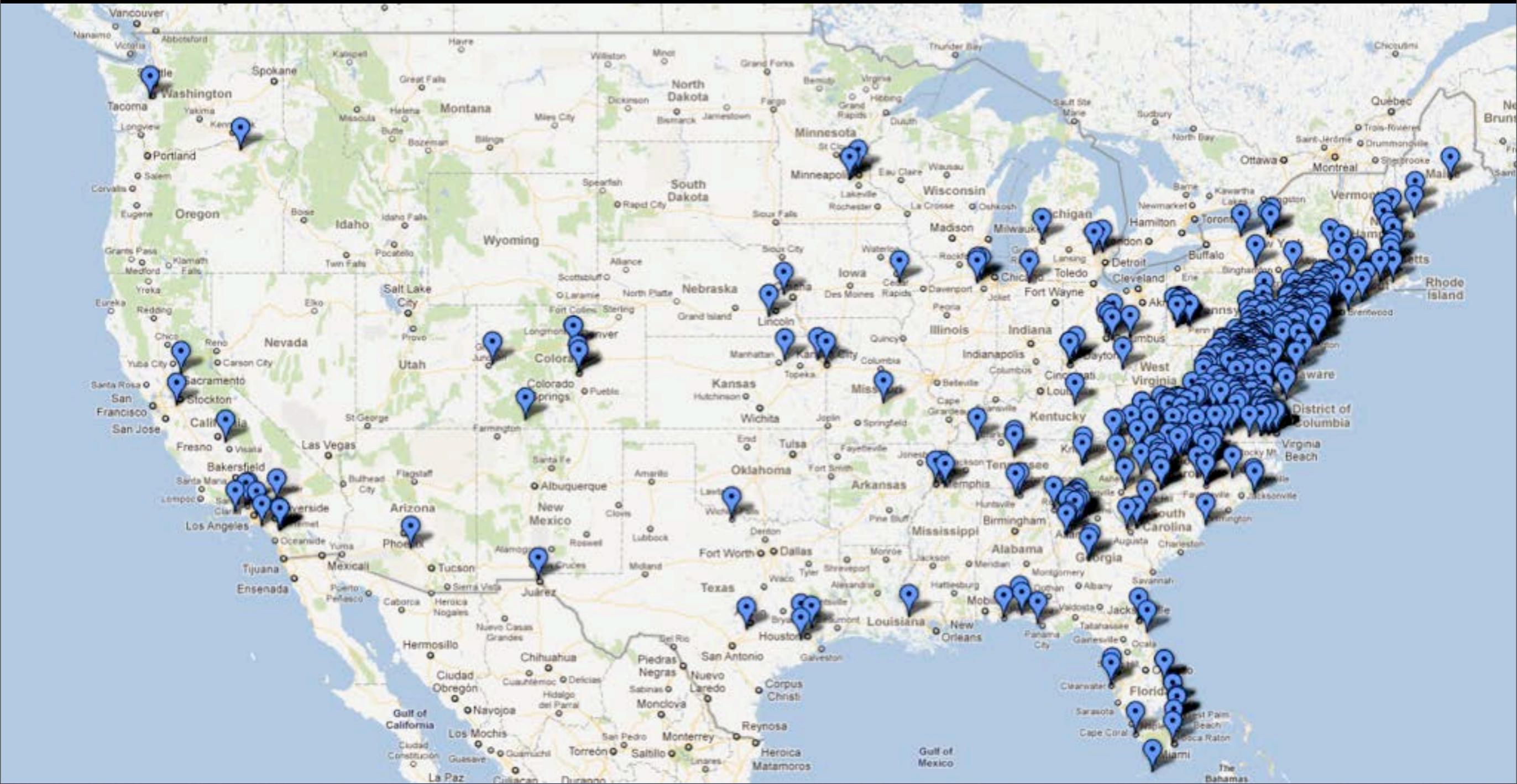
Corps Breakout



Global Interest



Broad Appeal







Maj Gen Randal Fullhart
Commandant

Regimental Staff

1st Battalion Staff

- A Company
- B Company
- C Company
- D Company

2nd Battalion Staff

- E Company
- F Company
- G Company
- H Company

3rd Battalion Staff

- I Company
- K Company
- Band Company



Maj George McNeill
Band Director



Col Dave Miller
Deputy Commandant
Rice Center for Leadership

ROTC Detachments



Maj Carrie Cox
Executive Officer
Civilian-Leader Track Advisor
Virginia Tech Corps of Cadets



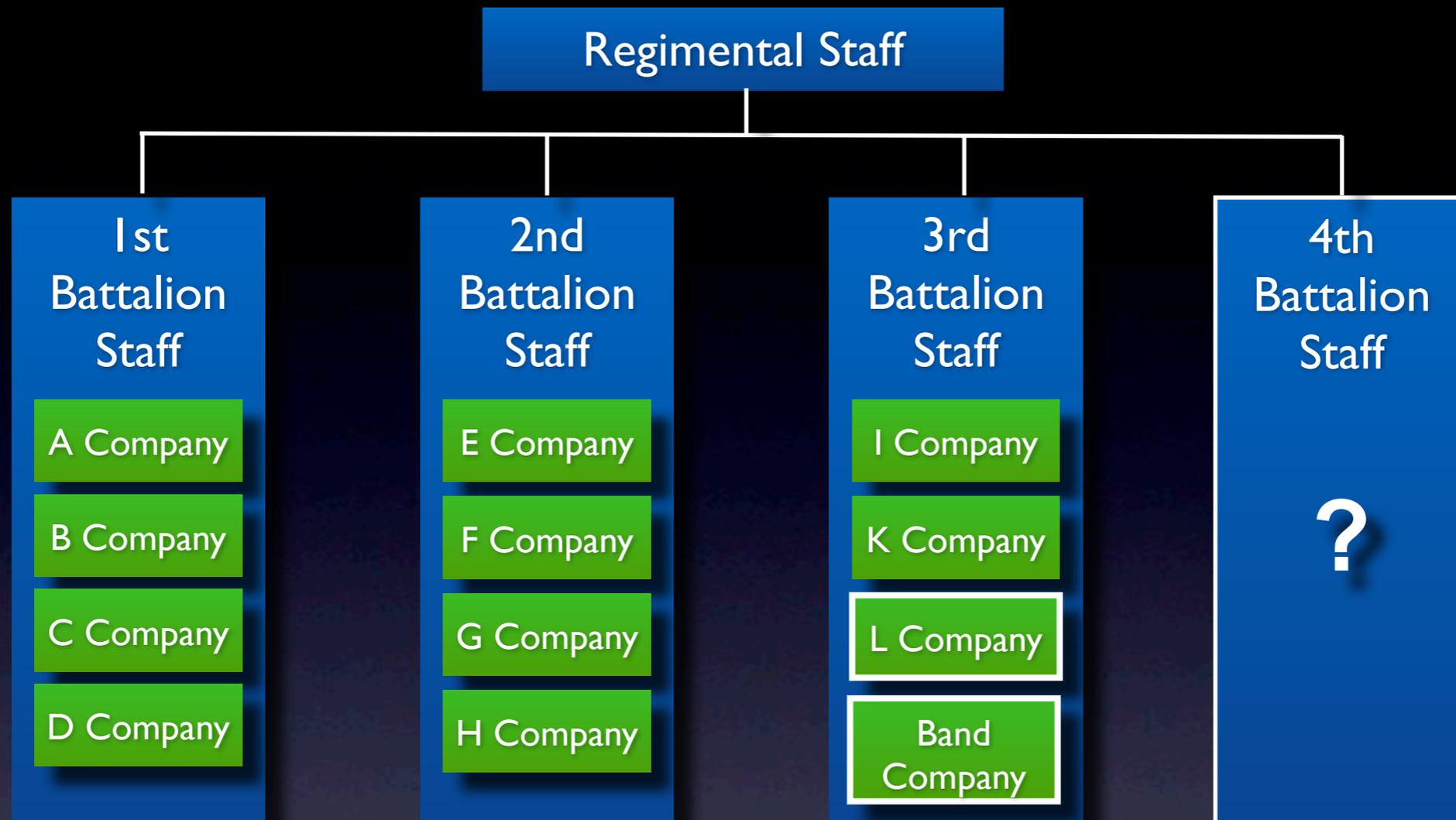
CDR Michael Weaver
Deputy Commandant
1st Battalion



CAPT James Snyder
Deputy Commandant
2nd Battalion



LTC Charles Payne
Deputy Commandant
3rd Battalion



Average of 70-80 Cadets per Company



Bigger does not
guarantee better...



But better is how you
get bigger.



Vision

Beta



- Maximize number of ROTC cadets receiving commissions



Commissioning Rates

SUNY Maritime	12%
Maine Maritime	18%
Virginia Women's Institute	32%
The Citadel	37%
Virginia Military Institute	46%
Texas A&M	48%
Norwich	59%
North Georgia	70%

Virginia Tech
82%!

Vision

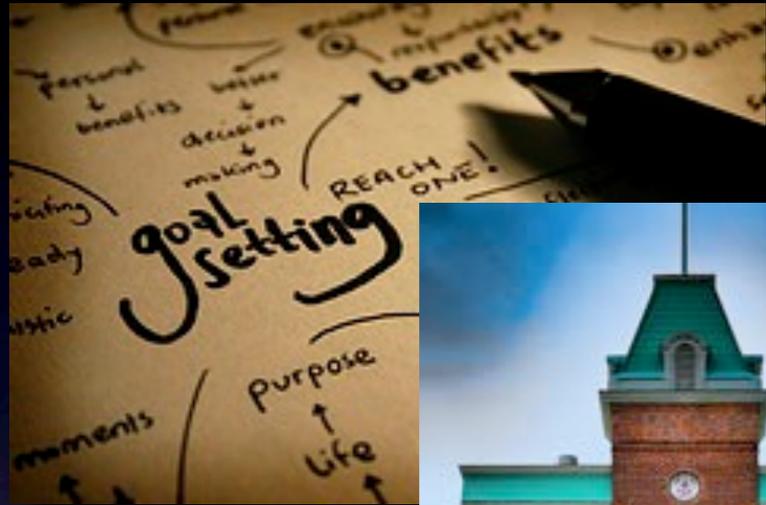
Beta



- Maximize number of ROTC cadets receiving commissions
- Maximize number of Civilian-Leader cadets graduating to meaningful lives and jobs
- Facilities that match the quality of our aspirations
- Graduates with critical skill sets
 - Instructor-Leaders
 - Insightful critical thinkers
 - Healthy, sustainable lifestyles
 - Path to financial well-being
- Expand relationship beyond graduation
- Men and women of character - Ut Prosim



Elements to Achieve Vision



- Robust Rice Center for Leader Development
- Focus on facility expansion / replacement
- Increased State support to ensure staffing and programs that match the growth in the Corps
- Continue to increase endowments to support Emerging Leader Scholarships and Corps operations

Framework for Growth

Servant
Leadership

Thinking

Life-Skills

Seniors

Strategic Leaders

Leading Change

Career Planning

Summer Internships

Juniors

Operational Leaders

Critical Thinking

Communications

Summer Internships

Sophomores

Frontline Leaders

Effective Executives

Financial Planning

Freshmen

Active Followership

Personal Productivity

Fitness / Nutrition

Rice Center for Leadership

Focal Point for World-Class Leader Development Programs

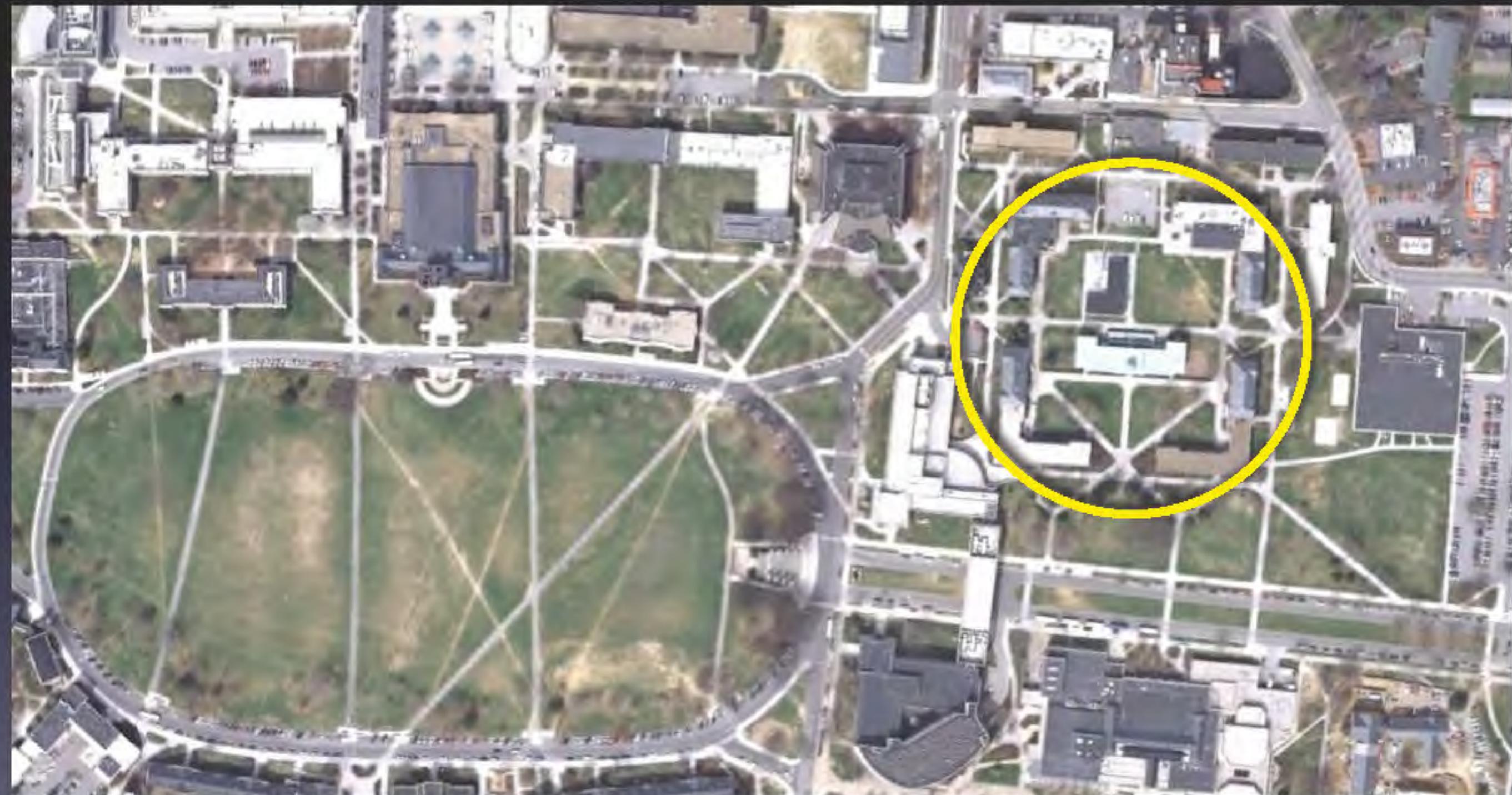
- Build on Minor in Leadership
- Offer Major in Leadership as part of a double-major
- Encourage Honors-level students to join the Corps for premier experience
- Significant growth in alliance with organizations / alumni for Internships
- Goal: 100% internships for Civilian-Leaders
- Relationship after graduation
- Reach-Back: Leadership resource in new jobs
- Masters in Leadership, Business Administration
- PhD in Leadership - Research
- Foster early and strong alumni membership / participation

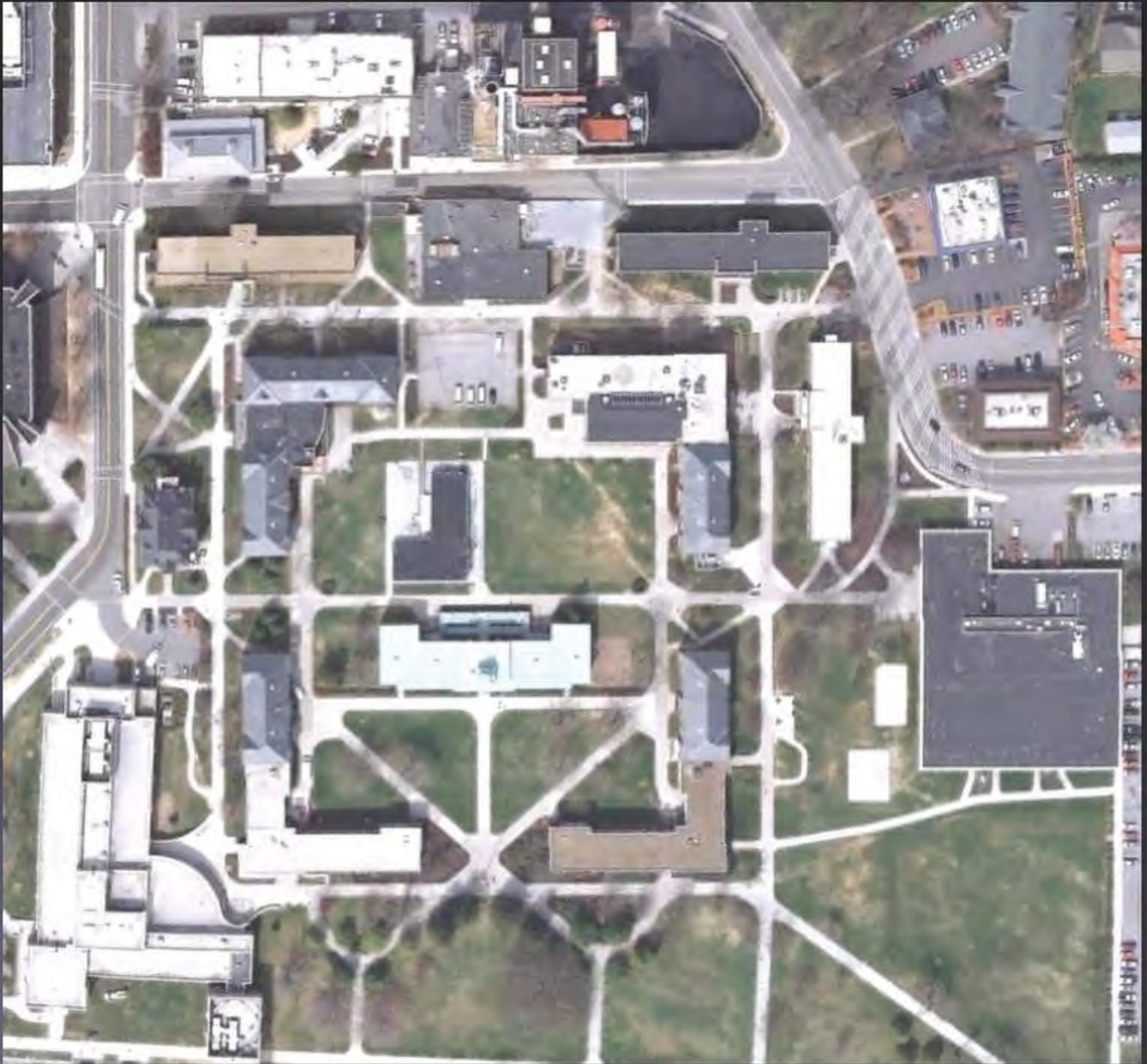




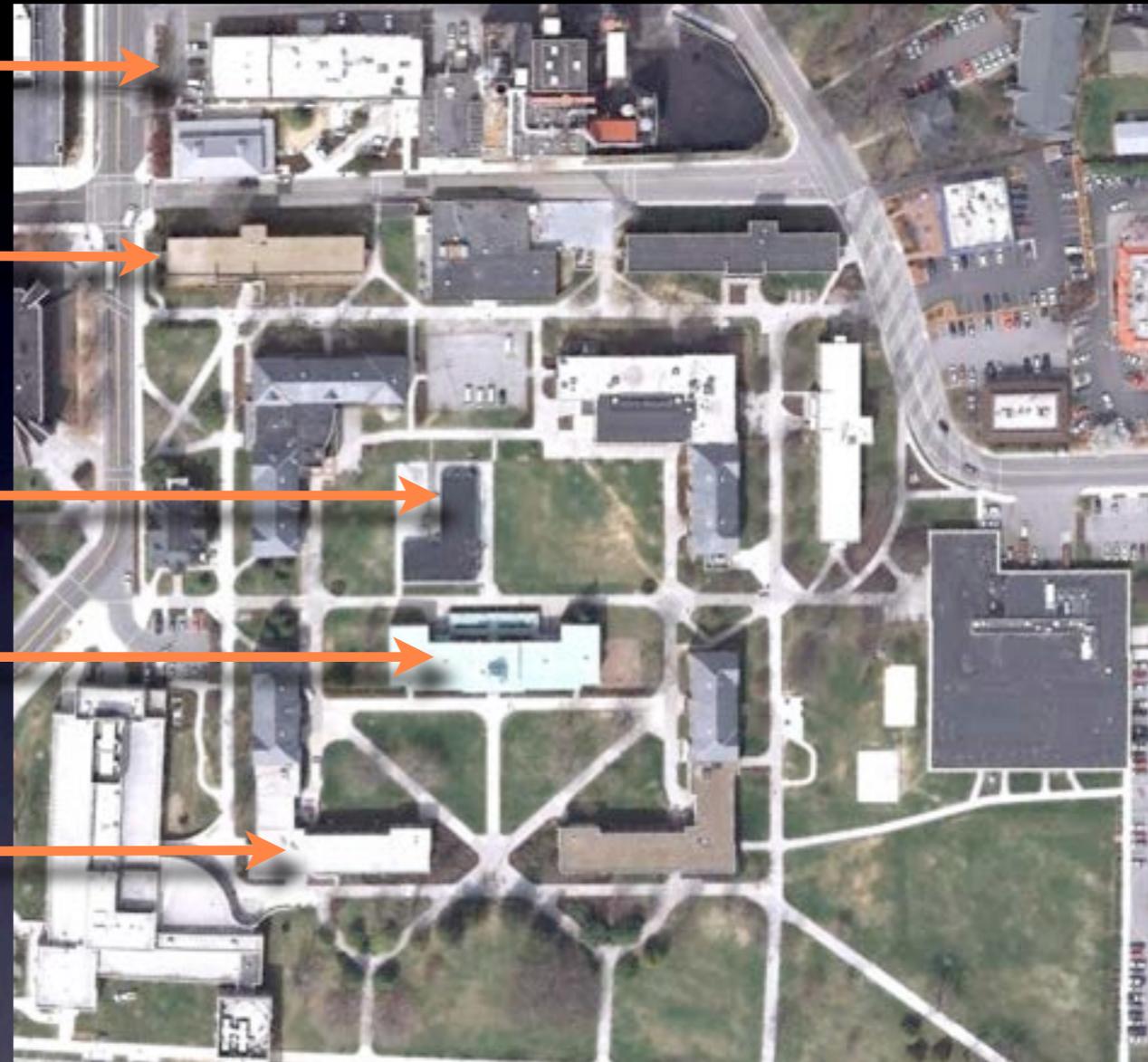
Imagining the per Quad

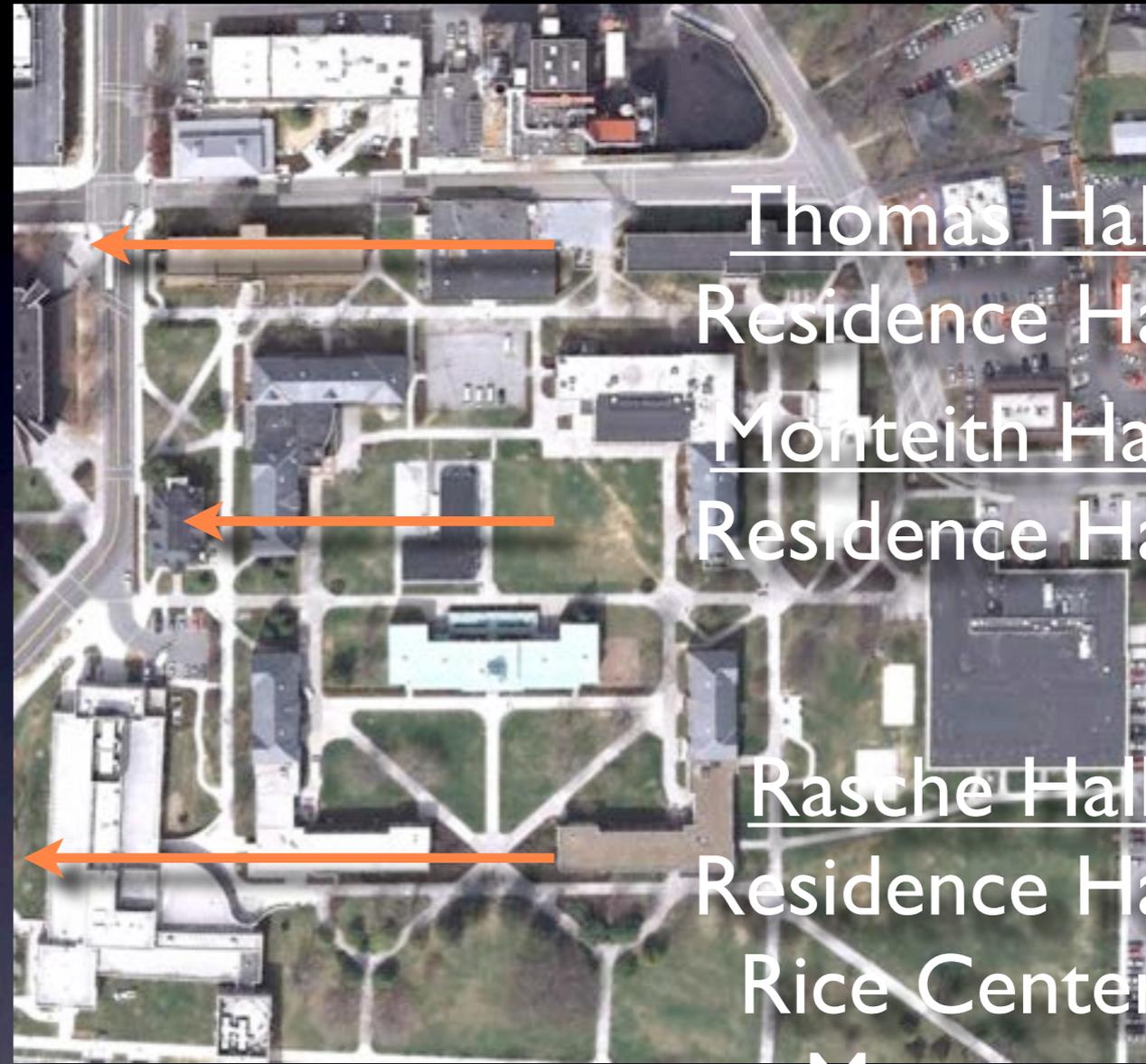






Military Building
Tailor Shop
AF / Army ROTC
Femoyer Hall
Navy ROTC
Coll. of Science
Admin Bldg (temp)
Lane Hall
Brodie Hall
Commandant's Staff
Regimental Staff
Residence Hall





Thomas Hall
Residence Hall
Monteith Hall
Residence Hall
Rasche Hall
Residence Hall
Rice Center
Museum

Residence Hall Inventory

(Beginning of the Year)

Max!

Max!

Max!

Hall	Capacity*	Occupancy
Brodie	302	316
Rasche	286	293
Monteith	201	201
Thomas	224	136
Total	1,013	946

* based on 2-person rooms, 1-person RA rooms
3 cadets live off-campus

Residence Hall Inventory

(Next Year Projection)

Hall	Capacity	Occupancy
Brodie	302	302
Rasche	286	286
Monteith	201	201
Thomas	224	224
Total	1,013	1,013

Max!

Max!

Max!

Max!

Projected **1,083** cadets could require 25 rooms in Eggleston Hall

New Residence Halls

Replace Existing Structures

Brodie Hall

Rasche Hall

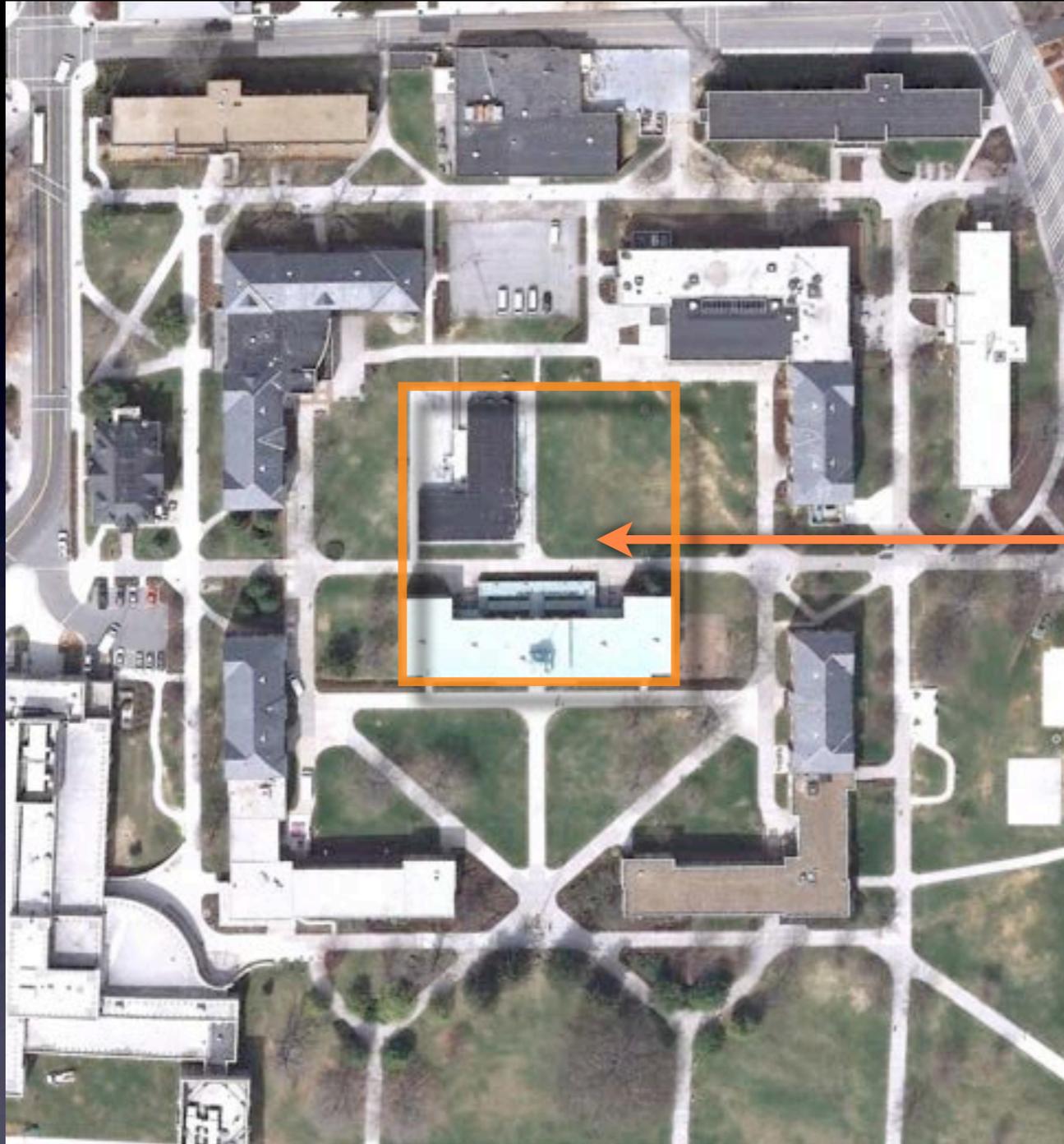


Residence Hall Inventory

(Projected)

Hall	Current Capacity	Future Capacity
New Brodie	302	
New Rasche	286	
Monteith	201	N/A
Thomas	224	N/A
Total	1,013	1000 - 1500





Lane Hall Complex



The Rice Center for Leader Development in Lane Hall



Concept



cade / cupoloa as
construction behind

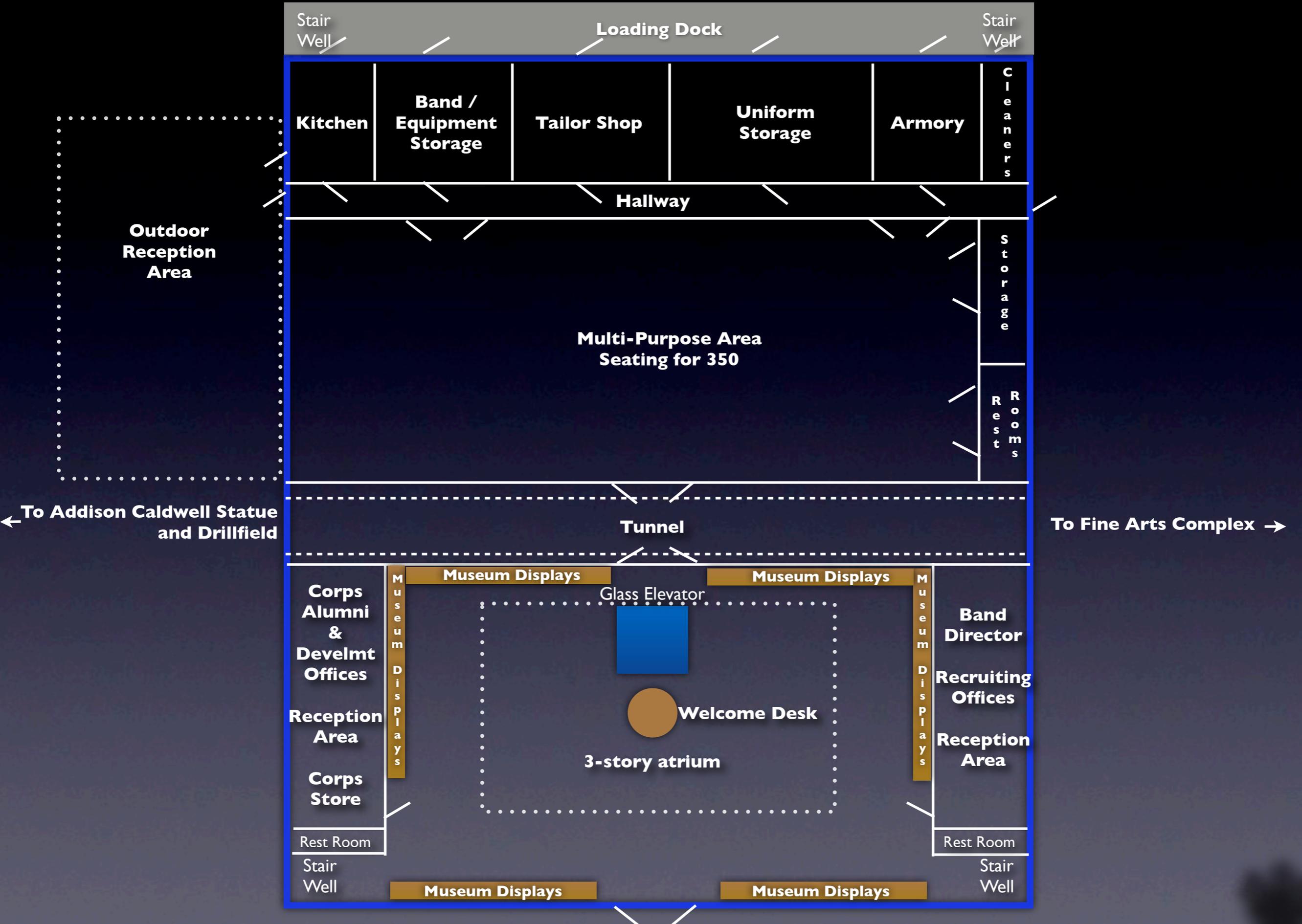
or walkway from
main campus

ss)

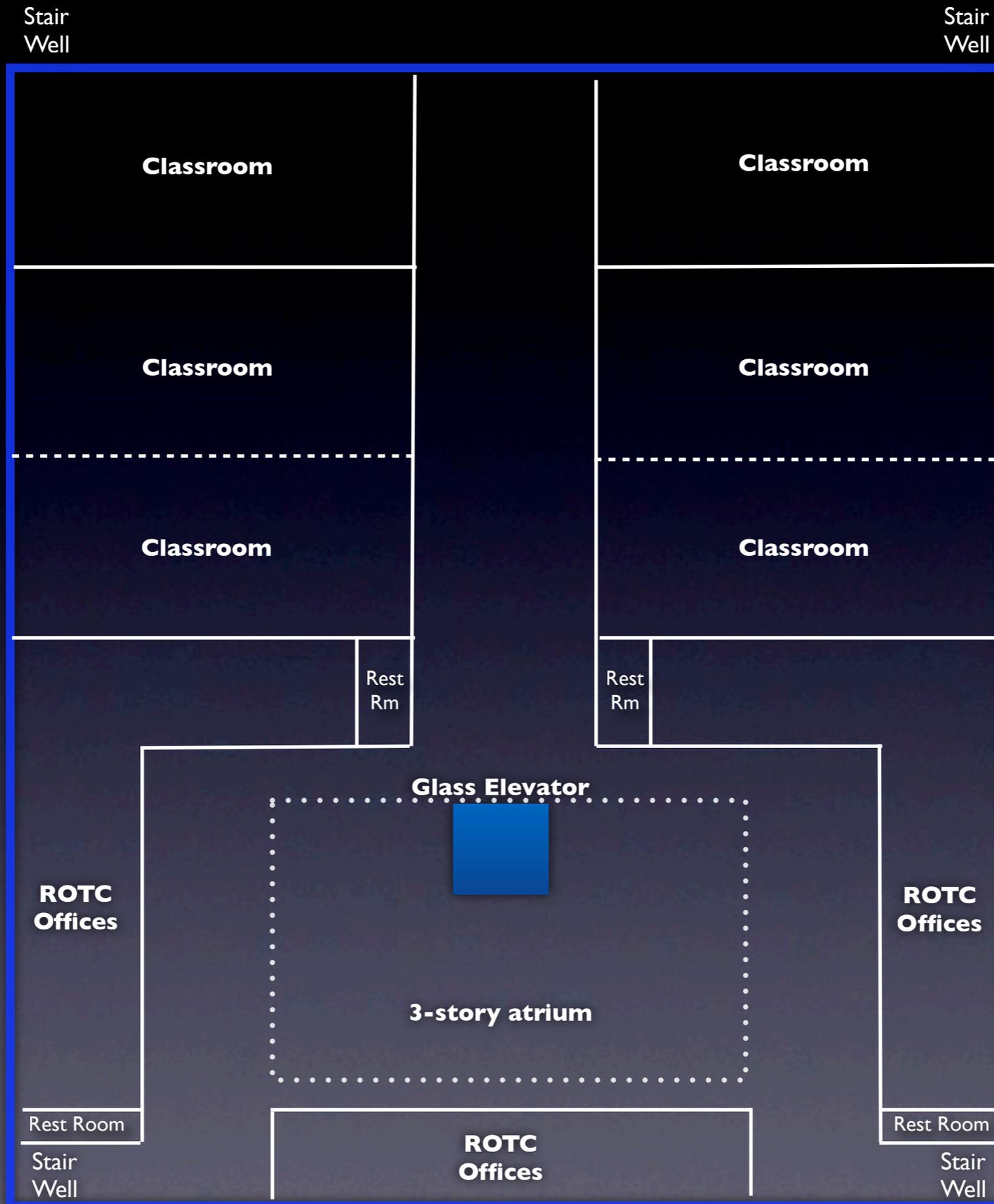
ie Stone exterior
characteristics as design
and Rasche residence

sts inscribed along

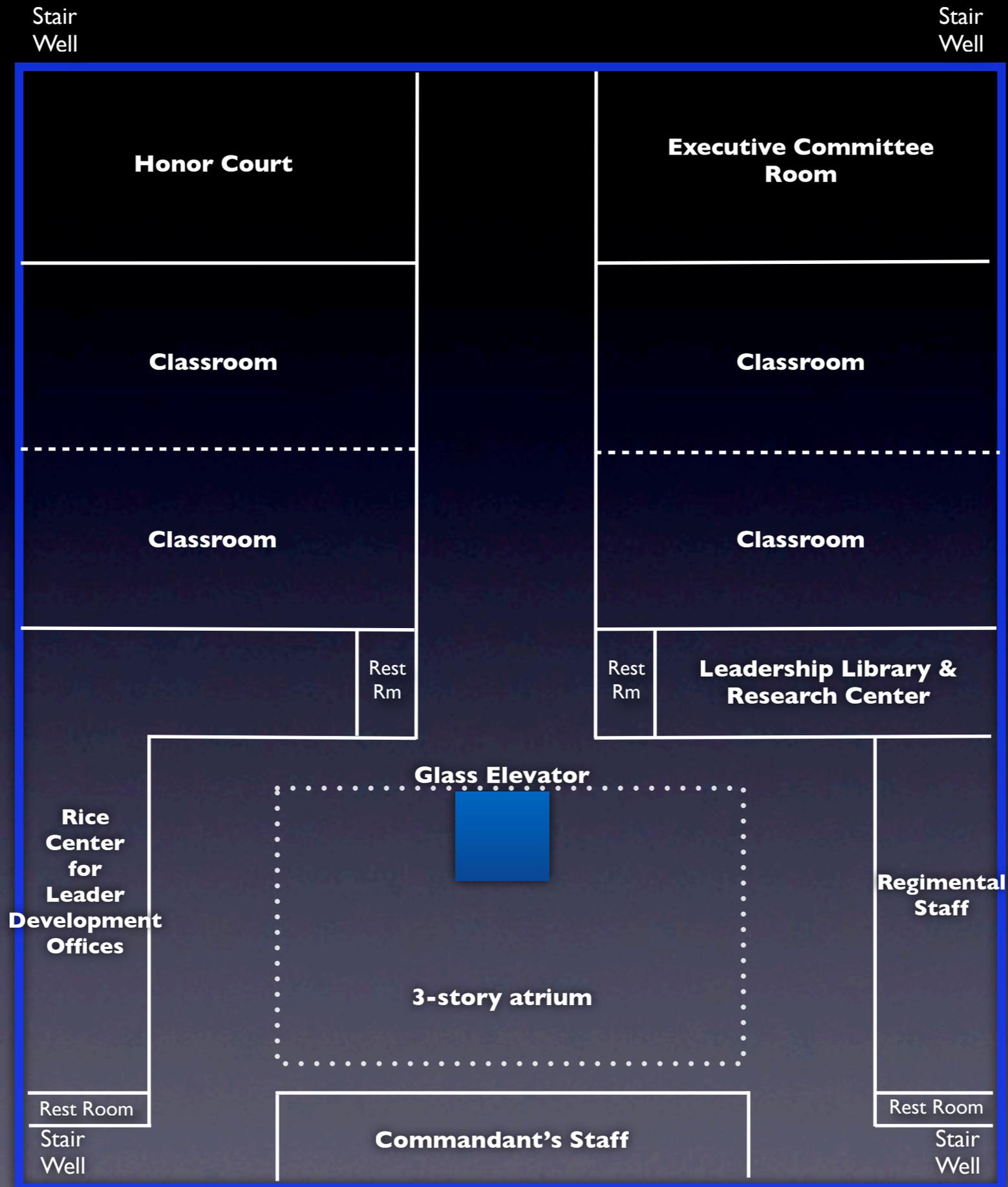
hields above tunnel



2nd Floor



3rd Floor



Preserve the heritage... ...build for the future



Lane Hall



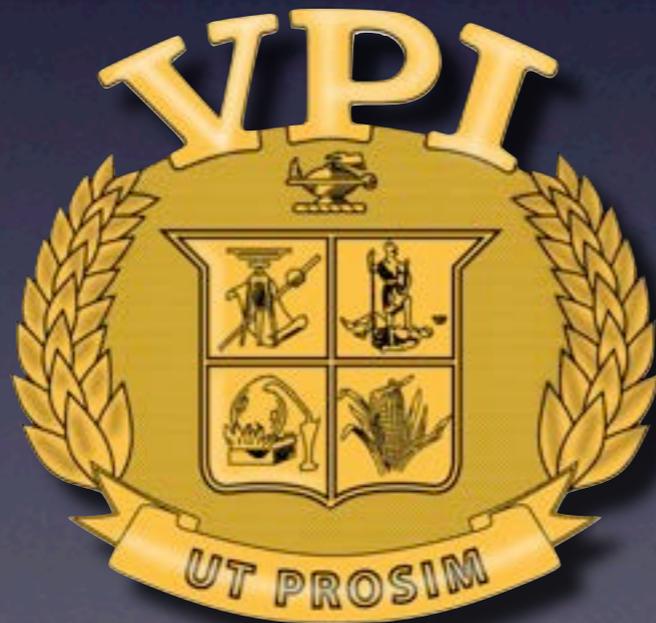
Brodie Hall



Rasche Hall

Design-Build Competition forecast 2012-2013

Garnering Support



- Achieve appropriate level of support from the State
- Sustain and expand Emerging Leader Scholarship and Commandant's Funds through the Annual Campaign
- Prepare for private-fund component for Lane Hall

Vision

Beta



- Maximize number of ROTC cadets receiving commissions
- Maximize number of Civilian-Leader cadets graduating to meaningful lives and jobs
- Facilities that match the quality of our aspirations
- Graduates with critical skill sets
 - Instructor-Leaders
 - Insightful critical thinkers
 - Healthy, sustainable lifestyles
 - Path to financial well-being
- Expand relationship beyond graduation
- Men and women of character - Ut Prosim



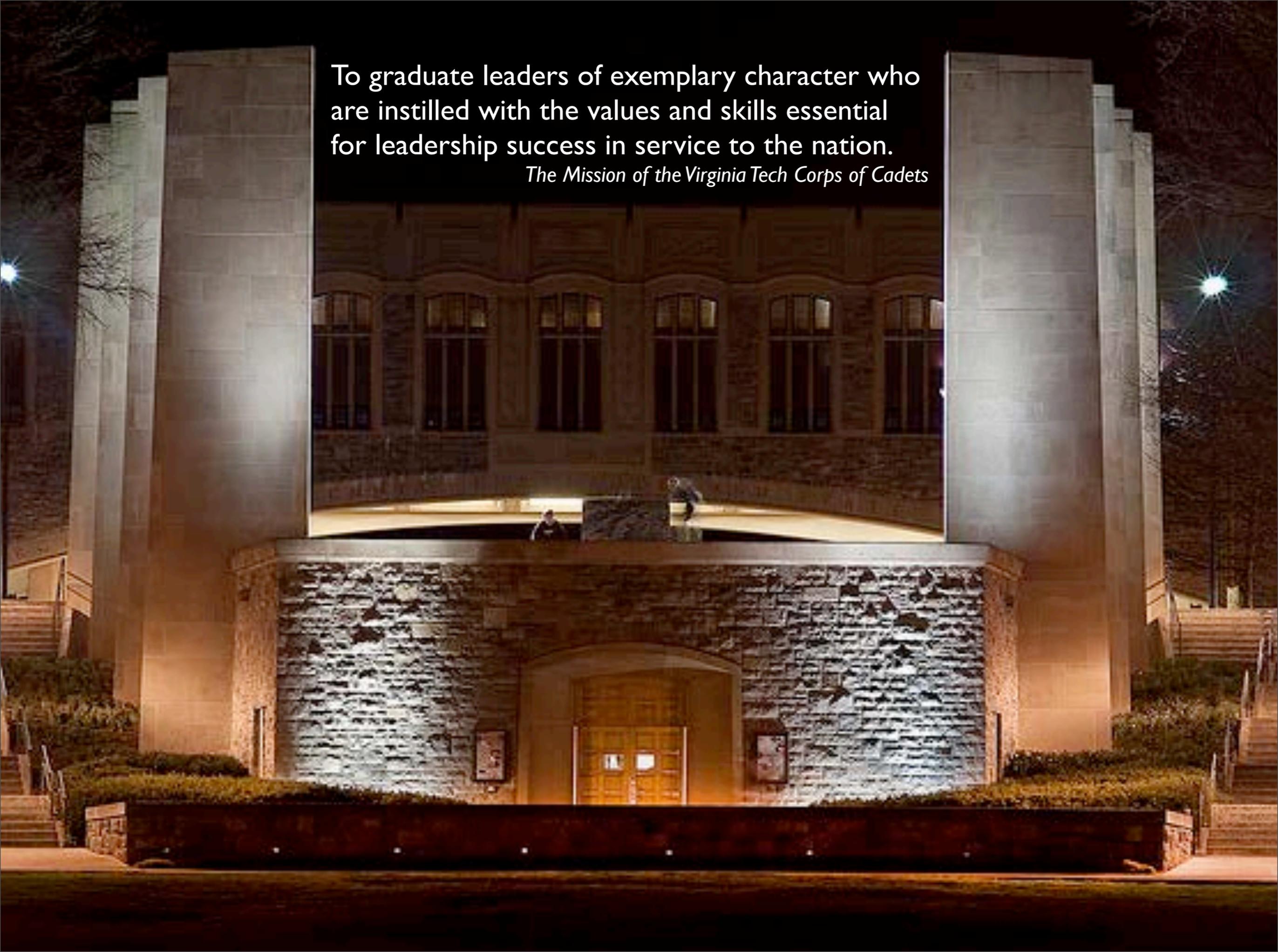
Why We Are Here...

Developing Today's Leaders for Tomorrow



To graduate leaders of exemplary character who
are instilled with the values and skills essential
for leadership success in service to the nation.

The Mission of the Virginia Tech Corps of Cadets



RESEARCH AND DEVELOPMENT DISCLOSURE REPORT

August 1, 2011 thru October 14, 2011

Reason for Conflict	External Entity	Owner	Principal Investigator	Co - P.I.'s	College	Period of Performance	Award Amount	Project Description
Faculty Owned Business	Heliotext	Harold Garner	Harold Garner	Laurie Coble	VBI	TBD	\$ 6,000.00	Funding graduate student to work on a project to develop a grant classification system to be used by NIH.
Faculty Owned Business	Prime Photonics LLC	Anbo Wang	Walter O'Brien		Mechanical Engineering	TBD	\$ 2,800.00	Evaluation of the sponsor's optical sensor to determine non-intrusive clearance measurements during aircraft engine operation conditions.
Faculty Owned Business	Electrical Distribution Design (EDD)	Robert Broadwater	Robert Broadwater		Electrical & Computer Engineering	Thru 6-30-12	Master Agreement	All tasks under this agreement will relate to developing electrical distribution technology for use on naval vessels and army bases.
Faculty Owned Business	Prime Photonics LLC	Anbo Wang	Walter O'Brien		Mechanical Engineering	TBD	\$ 60,000.00	Work includes testing, evaluation and design improvements of sponsor's FOCIS sensor for fan and turbine applications as it relates to clearance probe performance.

**RESOLUTION ON HONORING 2012 WILLIAM H. RUFFNER MEDAL RECIPIENT
SAMUEL L. LIONBERGER, JR.**

WHEREAS, Virginia Tech is very proud to recognize among its most esteemed alumni, Mr. Samuel L. Lionberger, Jr., who received his bachelor of science degree in Building Construction from Virginia Tech in 1962 and has been a loyal and enthusiastic volunteer and supporter of the university; and

WHEREAS, Samuel L. Lionberger, Jr. had an extensive tenure of service as a student leader and scholar during his undergraduate experience at Virginia Tech, including participation in the Virginia Tech Corps of Cadets and the Commandant's staff, the Alpha Phi Omega Service Fraternity, the Scabbard and Blade Society, associate judge in the Cadet Honor Court, and serving as class president possessing a consistent appreciation for the influence of Virginia Tech in his life with its emphasis on the ideals of brotherhood, duty, honor, leadership, loyalty, sacrifice, service and Ut Prosim – *That I Might Serve*; and

WHEREAS, Sam Lionberger applied his education, joining the family business and having an accomplished and stellar career, culminating with being named Chief Executive Officer of Lionberger Construction Company, in addition to garnering professional prestige in his industry, serving as President of the Associated General Contractors of Virginia, and being acknowledged among his peers in 1997 as an AGC honorary award recipient, among other special honors and memberships throughout his career; and

WHEREAS, Mr. Lionberger's many years of active participation in the university community include service to the Virginia Tech Foundation Board of Directors and its Audit Committee, Hokies for Higher Education, the National, Roanoke Valley Regional, and Skelton 4-H Center Campaign Steering Committees, his 50th Class Reunion Committee, the W. E. Skelton 4-H Educational Conference Center Board of Directors as member and Vice President for Facilities, founding member of the Building Construction Advisory Board, member of the College of Architecture and Urban Studies Advisory Board, the Myers-Lawson School of Construction Industry Board, the Alumni Association Board, the Corps of Cadets Alumni Board and 1962 Class Chair for the Corps of Cadets; and

WHEREAS, Sam Lionberger and his wife, Lorinda (Rindy), are inspirational examples of how a meaningful life is achieved not only through personal success, but in service to others, through their belief in creating educational opportunities for Virginia Tech students through continuously providing philanthropic support across the breadth of the university including the College of Architecture and Urban Studies, the Corps of Cadets, the W. E. Skelton 4-H Educational Conference Center, and other university program areas; and

WHEREAS, the extraordinary generosity of Mr. Lionberger has allowed him and his wife, Rindy, to be recognized as President's Circle members of the Ut Prosim Society, the university's most prestigious donor recognition society;

NOW, THEREFORE, BE IT RESOLVED, that in recognition of Mr. Lionberger's many years of leadership and notable service to the university and to his community, the Board of Visitors of Virginia Polytechnic Institute and State University confers upon Samuel L. Lionberger, Jr. its highest award, the 2012 William H. Ruffner Medal.

RECOMMENDATION:

That the resolution conferring the 2012 William H. Ruffner Medal to Samuel L. Lionberger, Jr. be approved.

November 7, 2011

**RESOLUTION ON HONORING 2012 UNIVERSITY DISTINGUISHED ACHIEVEMENT AWARD
RECIPIENT JOSEPH R. LORING**

WHEREAS, Joseph R. Loring is a 1948 graduate of Virginia Tech with a B.S. in Electrical Engineering, attending Virginia Tech for 12 months beginning in 1944, leaving to work on a top-secret project at the Pentagon for the U.S. Army through the end of World War II, rising to the rank of staff sergeant and then returning to Virginia Tech to complete his degree; and

WHEREAS, Mr. Loring recognized the need for essential engineering services for many of the great public and private building projects of our time, pursuing his passion and being labeled a pioneer in introducing efficient, reliable, environment-friendly building systems; and

WHEREAS, Mr. Loring has demonstrated the value of his Virginia Tech education, starting his private practice in 1956, Joseph R. Loring & Associates, Inc., applying his skills as a respected engineering expert, expanding his firm globally and often being described as a visionary leader who demonstrates outstanding foresight and resolve; and

WHEREAS, Mr. Loring has a long, distinguished, and exemplary career that is a testament to his personal drive and skills as a leader, with a remarkable ability to convey his unique understanding of complex issues related to building, real estate, and development; and

WHEREAS, Mr. Loring has made significant contributions to the world at-large, lending his expertise and talent to the World Trade Center in New York, the U.S. Supreme Court building in Washington, D.C., and the Federal Parliament house atop Capitol Hill in Canberra, Australia, once called "The Architectural Commission of the Century", in addition to his contributions to world famous universities, hospitals, airport terminals, corporate headquarters, courthouses, and other phenomenal structures that continue to motivate, encourage, and inspire our graduates; and

WHEREAS, Mr. Loring personifies the university motto, *Ut Prosim*, selflessly serving his country, his community, and his alma mater as a member of Engineering Committee of 100, the Electrical and Computer Engineering Advisory Board, Hokies for Higher Education, and being recognized as a member of the Academy of Engineering Excellence and the Ut Prosim Society, the university's most prestigious donor recognition society;

NOW, THEREFORE, BE IT RESOLVED that, with great pride and in recognition of his accomplishments as an engineering professional and community leader, and his commitment to making the world a better place in ways that bring honor to his profession and to his alma mater, the Board of Visitors of Virginia Polytechnic Institute and State University confers the University Distinguished Achievement Award for 2012 to Mr. Joseph R. Loring.

RECOMMENDATION:

That the resolution conferring the 2012 University Distinguished Achievement Award to Mr. Joseph R. Loring be approved.

November 7, 2011

RESOLUTION ON NAMING THE SEAT PLAZA IN FRONT OF BURRUSS HALL FOR PROFESSOR WILLIAM BRADFORD ALWOOD

WHEREAS, Professor William Bradford Alwood was one of the greatest scientists to educate students, share his expertise, and make an enduring and significant impact during his 16-year tenure at Virginia Polytechnic Institute from 1888-1904;

WHEREAS, Professor William Alwood authored over 100 publications while at the university in addition to serving as the vice-director of the agricultural experiment station under presidents Lomax and McBryde; and

WHEREAS, Professor Alwood was appointed professor and head of the combined department of horticulture, mycology (plant pathology) and entomology, earning him the distinction of father of these disciplines at Virginia Tech; and

WHEREAS, Professor Alwood gained local, national, and international prestige for his work, being awarded the cross of Officer of the Ordre National du Mérite Agricole for his contributions to viticulture in 1907 by the French government and the VPI Certificate of Merit in 1923; and

WHEREAS, Professor William Bradford Alwood founded the Virginia State Horticultural Society in 1897 and was proclaimed “the father of Virginia horticulture” and “savior of the Virginia fruit industry” by the organization’s leaders; and

WHEREAS, in addition to his teaching career, Professor Alwood established the university’s first arboretum and beautification project, and planted the Alwood Bur Oak, which remains an icon at the center of campus; and

WHEREAS, in 1927, President Julian Burruss expressed his wish, “that the splendid service which Professor Alwood rendered this institution will ever be remembered and that some day his name will be honored in some permanent manner, which will remain here for all time to let those who come after us know of his part in the making of this institution;” and

WHEREAS, the family of Professor Alwood have contributed generously to preserve and continue the tremendous legacy of Professor Alwood on this campus in perpetuity by placing a commemorative seat wall facing the Alwood bur oak in front of Burruss Hall;

NOW, THEREFORE, BE IT RESOLVED, that in honor of Professor William Bradford Alwood for his invaluable and historic contributions to Virginia Tech and in appreciation to the Alwood family for their generosity, the seat wall in front of Burruss Hall and the area facing the Alwood bur oak be henceforth named the Alwood Plaza.

RECOMMENDATION:

That the above resolution naming the Alwood Plaza be approved.

November 7, 2011

**RESOLUTION ON NAMING THE NINA AND DOUG TROTT LOUNGE
IN THE WOMEN'S SOCCER TEAM LOCKER ROOM**

WHEREAS, Nina and Doug Trott have been generous supporters to Virginia Tech and to the Athletics program in particular; and

WHEREAS, Nina and Doug Trott have been season ticket holders in football and men's basketball and travel extensively to support the Hokies in away game and bowl contests; and

WHEREAS, Nina and Doug Trott made a significant gift (\$99,400) to support the renovation of the Women's Soccer Locker Room;

NOW, THEREFORE, BE IT RESOLVED, that in appreciation to Nina and Doug Trott for their generosity toward Virginia Tech and the Department of Athletics and their desire to support Women's Olympic Sports at Virginia Tech, that the Lounge in the newly renovated Women's Soccer Locker Room be named The Nina and Doug Trott Lounge.

RECOMMENDATION:

That the above resolution naming the Nina and Doug Trott Lounge be approved.

November 7, 2011

RESOLUTION FOR EMERITUS STATUS

WHEREAS, beginning in 1986 and continuing for 25 years, Mr. Z. Scott Hurst faithfully served Virginia Tech as an architect in the division of Facilities Services; and

WHEREAS, with extraordinary leadership, he directed the Office of the University Architect for 14 years; and

WHEREAS, during his tenure, he mentored many planning professionals at Virginia Tech; and

WHEREAS, he guided the creation of the university's *2006-2016 Campus Master Plan*, which outlines the development of physical resources in a manner that preserves core qualities of the campus while planning for the long range highest and best use of university land assets; and

WHEREAS, as a companion to the *Campus Master Plan*, he developed the *Campus Design Principles*, which protects the character of the campus by defining its planning framework, palette of exterior materials, and major architectural and landscape design themes; and

WHEREAS, his leadership in creating the *Campus Master Plan* and the *Campus Design Principles* demonstrated his commitment to preserving the unique "sense of place" that is Virginia Tech; and

WHEREAS, he provided effective leadership and guidance for the renovation of the university's European campus site—the Center for European Studies and Architecture; and

WHEREAS, he embodied the university's motto of *Ut Prosim* (That I May Serve);

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors recognizes Mr. Z. Scott Hurst for his distinguished service to the university with the title of University Architect Emeritus.

RECOMMENDATION:

That the above resolution recommending Mr. Z. Scott Hurst for emeritus status be approved.

November 7, 2011

ENDOWED PROFESSORSHIP
Horace E. and Elizabeth F. Alphin Professor

The Horace E. and Elizabeth F. Alphin Professorship was established in 1995 with a generous gift to the Virginia Tech Foundation from Colonel and Mrs. Alphin. Colonel Alphin was a 1934 graduate of the Department of Dairy Science at Virginia Tech whose life and career were positively impacted by departmental faculty, particularly Professor Paul M. Reaves. After a distinguished career in the military, Colonel Alphin enjoyed a successful second career in hospital administration.

In concurrence with the recommendation of the College of Agriculture and Life Sciences honorifics committee, Dean Alan Grant nominates Dr. R. Michael Akers for reappointment to the Horace E. and Elizabeth F. Alphin Professorship.

Dr. Akers received his Ph.D. in lactation physiology from Michigan State University in 1980. He served as a research physiologist at the United States Department of Agriculture before joining the dairy science faculty at Virginia Tech in 1981. Dr. Akers was promoted to full professor in 1992 and became head of the Department of Dairy Science in 2004. Under his able leadership the department has reorganized and expanded in both faculty and resources.

Dr. Akers is an internationally renowned research scientist. He has received many national awards for research excellence, including the Agway Young Scientist Award, the American Dairy Science Association's Borden Award, the American Association of Animal Science's Animal Growth and Development Award, and naming as a Fellow of the American Dairy Science Association. He also received the Virginia Tech Alumni Research Award for Excellence.

Dr. Akers continues to make outstanding contributions to the field through his distinguished scholarship, including two books, 81 articles in refereed scientific journals or conference proceedings, and six manuscripts in press or submitted for publication. He has provided valuable service to the profession as section editor for the *Journal of Dairy Science*, member of the editorial board of three journals, ad hoc reviewer for more than 15 scientific journals, and as a member of the American Dairy Science Association board of directors.

RECOMMENDATION:

That Dr. R. Michael Akers be reappointed to the Horace E. and Elizabeth F. Alphin Professorship, for a five-year period effective July 1, 2011, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholar match program.

November 7, 2011

ENDOWED PROFESSORSHIP
W. G. Wysor Professor of Agriculture

The W. G. Wysor Professorship was established by the Southern States Cooperative, Inc., in honor of Mr. W. G. Wysor—the founder of Southern States and its chief executive officer from 1923 to 1948. The principal criteria for selecting the Wysor Professor is the candidate's record of service and his or her future potential for significantly impacting the college and positively influencing Virginia agriculture.

In concurrence with recommendations of the college honorifics committee, the Department of Crop and Soil Environmental Sciences honorifics committee, and department head Dr. Thomas Thompson, Dean Alan Grant nominates Dr. Carl Griffey for appointment to the W. G. Wysor Professorship.

Dr. Griffey is a professor in the Department of Crop and Soil Environmental Sciences. He joined the department as an assistant professor in 1989; was promoted to associate professor in 1995; and to full professor in 2002. Dr. Griffey has earned the distinction of being the premier small grains breeder in the eastern United States. He directs one of a handful of superior breeding programs in the nation. In the past 22 years, Dr. Griffey has developed and released seven hulled barley varieties, three hull-less barley varieties, and 60 wheat varieties. His wheat varieties are now grown in 16 states and his barley varieties in eight states. Dr. Griffey has brought more than \$3.3 million in sponsored research funding and nearly \$8 million in royalties to Virginia Tech.

Dr. Griffey has been honored by the United States Department of Agriculture's Agricultural Research Service, the Governor of Virginia, the Virginia Agribusiness Council, and the Virginia Small Grains Association. In 2009, he was named a Fellow of the American Society of Agronomy—the highest award bestowed by that organization.

Dr. Griffey has served as major professor for 18 graduate students, including ten Ph.D. students. He enthusiastically serves on numerous other student committees. Dr. Griffey teaches the graduate-level *Advanced Plant Breeding* course and consistently receives outstanding student evaluation scores.

RECOMMENDATION:

That Dr. Carl Griffey be appointed to the W. G. Wysor Professorship, for a five-year period effective November 10, 2011, with a salary supplement as provided by the endowment and, if available, with funds from the eminent scholar match program.

November 7, 2011

ENDOWED FELLOWSHIP
John R. Jones III Faculty Fellow in Mechanical Engineering

In 2006, the John R. Jones III Faculty Fellow in Mechanical Engineering endowment was established to acknowledge and reward mid-career faculty who have shown exceptional merit in research, teaching, and/or service. Mr. Jones earned his Bachelor of Science degree in mechanical engineering from Virginia Tech in 1967. He is a retired executive of American Electric Power and remains an active consultant to the power industry. Mr. Jones has been a member of the Department of Mechanical Engineering Advisory Board since 1998.

In concurrence with recommendations of the mechanical engineering honorifics committee and department head Kenneth Ball, Dean Richard Benson nominates Dr. Pavlos Vlachos to hold the John R. Jones III Faculty Fellowship in Mechanical Engineering.

Dr. Vlachos received his Ph.D. in engineering mechanics from Virginia Tech in 1992. He joined the mechanical engineering department as an assistant professor in 2003; received promotion to associate professor with tenure in 2007; and promotion to professor in 2011. During his eight years as a Virginia Tech faculty member, Dr. Vlachos has established an impressive record of productivity and scholarly accomplishments. He holds key leadership roles in the department, college, and university community, and is currently a member of the Virginia Tech Faculty Senate.

Dr. Vlachos leads an extremely strong research program in the area of experimental fluid mechanics, with a variety of applications including biomedical fluid devices. He has obtained over \$14M in external funding and is a creative and innovative researcher who holds four patents and 10 intellectual property disclosures.

Dr. Vlachos is a superior teacher and student advisor. While Dr. Vlachos has served as graduate advisor to 19 doctoral students and 23 master's degree students, he is also committed to mentoring undergraduate students. He has worked very closely with a large number of undergraduate students in a variety of senior design projects. Many of his students have earned awards such as Best Senior Design Project, National Science Foundation graduate fellowships, and the Paul E. Torgersen Graduate Student Research Excellence Award.

Dr. Vlachos has more than 40 refereed journal publications, 161 refereed conference papers, and 23 invited or keynote presentations. His work is published in leading journals and is widely cited. Dr. Vlachos currently serves as an associate editor for two archival journals, the American Society of Mechanical Engineers (ASME) *Journal of*

Fluids Engineering and *Frontiers in Computational Physiology and Medicine*. He has served on several technical committees of the ASME, and is currently chair of the Fluid Measurement and Instrumentation Technical Committee of the Fluids Engineering Division.

Dr. Vlachos has won a number of awards, all reflecting his passion for scholarship and academic pursuits. Among the more notable and recent Virginia Tech awards are the Dean's Award for Excellence in Research, Scholar of the Week, College of Engineering Faculty Fellow Award, and the Dean's List for Teaching Excellence. External awards include the National Science Foundation's Faculty Early Career Development (CAREER) Award, the ASME Fluids Engineering Division Moody Award for Most Outstanding Technical Paper, and the Outstanding Paper Award in Fluid Mechanics from the *Journal of Measurement Science and Technology* (Institute of Physics).

RECOMMENDATION:

That Dr. Pavlos Vlachos be appointed to the John R. Jones III Faculty Fellowship in Mechanical Engineering, effective December 25, 2011 for a period of five years, with an annual operating budget of \$5,000.

November 7, 2011

EXCEPTION TO THE VIRGINIA CONFLICT OF INTEREST ACT

WHEREAS, the Code of Virginia section 2.1-639.6 prohibits the control over the employment of an immediate family member; and,

WHEREAS, exceptions are provided under the following conditions:

The personal interest of an officer or employee of a state institution of higher education in additional contracts of employment with his own governmental agency which accrue to him because of a member of his immediate family, provided (i) the officer or employee and the immediate family member are engaged in teaching, research, or administrative support positions at the educational institution, (ii) the governing board of the educational institution finds that it is in the best interests of the institution and the commonwealth for such dual employment to exist, and (iii) after such finding, the board ensures that the officer or employee, or the immediate family member, does not supervise, evaluate, or otherwise participate in personnel decisions regarding the other; and,

WHEREAS, Professor William Crone serves as chair of the Department of Music and his spouse, Professor Elizabeth Crone, serves as senior instructor of flute in the same department, effective August 2011; and,

WHEREAS, Professor Elizabeth Crone's skills as a professional instrumentalist, applied flute instructor, and experience in engagement with community arts groups make her a valuable addition to the music department; and,

WHEREAS, the dean of the College of Liberal Arts and Human Sciences has recommended alternative evaluation and supervision procedures so that Professor William Crone will not participate in, nor have influence over, decisions related to his spouse's annual evaluation, recommendation for merit increase, assignment of responsibilities, reimbursements for travel, or other personnel related decisions; and

WHEREAS, under the oversight of Professor John Husser (former department head and current applied woodwind professor), Professor Elizabeth Crone will be evaluated following the department's usual process; however, her final evaluation will be reviewed and approved by the dean of the College of Liberal Arts and Human Sciences rather than the department chair;

NOW, THEREFORE, BE IT RESOLVED, that an exception to the Conflict of Interest Act be granted by the Board of Visitors as provided by the Code of Virginia with appropriate safeguards for the fair evaluation and supervision of Professor Elizabeth Crone by persons other than her spouse, under oversight of the dean of the College of Liberal Arts and Human Sciences.

RECOMMENDATION:

That an exception to the Conflict of Interest Act be granted by the Board of Visitors as provided by the Code of Virginia with appropriate safeguards for the fair evaluation and supervision of Professor Elizabeth Crone during the time in which her spouse serves as department chair be approved.

November 7, 2011

Faculty Personnel Changes Report

ACADEMIC AFFAIRS COMMITTEE AND FINANCE AND AUDIT COMMITTEE

Quarter ending September 30, 2011

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	0
New Appointments to Tenure-Track or Continued Appointment-Track	8
Adjustments in Salary	133
Administrative and Professional Faculty	
New Appointments	4
Adjustments in Salary	212
One-time payments	1
Special Research Faculty	
Adjustments in Salary	1

RECOMMENDATION:

That the Board ratify the Faculty Personnel Changes Report.

November 7, 2011

FACULTY PERSONNEL CHANGES
November 7, 2011

TEACHING AND RESEARCH FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Architecture & Urban Studies</u>								
Ishida, Aki	Assistant Professor	School of Architecture + Design	Reg	9	10-Jan-12	100	\$	68,000
Zellner-Bassett, Paola	Assistant Professor	School of Architecture + Design	Reg	9	10-Aug-11	100	\$	68,000
<u>Engineering</u>								
Tarazaga, Pablo	Assistant Professor	Mechanical Engineering	Reg	9	10-Aug-11	100	\$	83,000
Winfrey, A. Leigh	Assistant Professor	Mechanical Engineering	Reg	9	10-Aug-11	100	\$	83,000
<u>Liberal Arts & Human Sciences</u>								
Heflin, Ashley	Assistant Professor	Science & Technology in Society	Reg	9	10-Aug-11	50	\$	27,000
<u>Science</u>								
Tao, Chenggang	Assistant Professor	Physics	Reg	9	10-Aug-11	100	\$	68,000
<u>Veterinary Medicine</u>								
Abbas, Kaja	Assistant Professor	Population Health Sciences	Reg	12	15-Aug-11	100	\$	88,000
Miller, Emily	Assistant Professor	Small Animal Clinical Sciences	Reg	12	1-Sep-11	100	\$	94,500

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Agriculture & Life Sciences</u>								
Akers, Robert	Professor & Department Head	Dairy Sciences	Reg	12	10-Jul-11	100	\$	156,229
Boyle, Kevin	Professor & Department Head	Agricultural & Applied Economics	Reg	12	10-Jul-11	100	\$	187,425
Davy, Kevin	Professor & Assistant Vice President for Research Programs	Human Nutrition, Foods & Exercise	Reg	12	10-Jul-11	100	\$	143,048
Dean, Dennis	University Distinguished Professor & Director, Fralin Life Sciences Institute	Biochemistry	Reg	12	10-Jul-11	100	\$	230,265
Gerrard, David	Professor & Department Head	Animal & Poultry Science	Reg	12	10-Jul-11	100	\$	178,500
Grabau, Elizabeth	Professor & Department Head	Plant Pathology, Physiology & Weed Science	Reg	12	10-Jul-11	100	\$	147,812
Harper, Allen	Professor & Associate Director	Tidewater, AREC	Reg	12	10-Jul-11	100	\$	118,061
Harris, James	Professor & Interim Department Head	Horticulture	Reg	12	10-Jul-11	100	\$	115,019
Hulver, Matthew	Associate Professor	Human Nutrition, Foods & Exercise	Reg	12	1-Jul-11	100	\$	139,000
Hutson, Susan	Professor & Department Head	Human Nutrition, Foods & Exercise	Reg	12	10-Jul-11	100	\$	178,500
Janhcke, Michael	Professor & Director	Virginia Seafood AREC	Reg	12	10-Jul-11	100	\$	119,143
Kennelly, Peter	Professor & Department Head	Biochemistry	Reg	12	10-Jul-11	100	\$	153,000
Kok, Loke	Professor & Department Head	Entomology	Reg	12	10-Jul-11	100	\$	187,425
Kraft, Barbara	Advanced Instructor	Horticulture	Reg	9	10-Aug-11	100	\$	50,000
Krometis, Leigh Anne	Assistant Professor	Biological Systems Engineering	Reg	9	10-Aug-11	100	\$	79,000
Marcy, Joseph	Professor & Department Head	Food Science & Technology	Reg	12	10-Jul-11	100	\$	153,000
McDowell, John	Associate Professor	Plant Pathology, Physiology & Weed Science	Reg	9	10-Aug-11	100	\$	95,733
Rankin, Janet	Professor & Associate Dean, Graduate School	Human Nutrition, Foods & Exercise	Reg	9	10-Aug-11	100	\$	104,778
Rudd, Rickie	Professor & Associate Dean & Director, Cooperative Extension	Agricultural & Extension	Reg	12	10-Jul-11	100	\$	163,495
Schultz, Peter	Professor & Director	Hampton Roads AREC	Reg	12	10-Jul-11	100	\$	123,468
Thompson, Tommy	Professor & Department Head	Crop & Soil Environment Science	Reg	12	10-Jul-11	100	\$	173,400
Wilkinson, Carol	Associate Professor & Director	Southern Piedmont AREC	Reg	12	10-Jul-11	100	\$	102,000
Wolf, Anthony	Professor & Director	Alison H. Smith, Jr. AREC	Reg	12	10-Jul-11	100	\$	111,489
Wolfe, Mary Leigh	Professor & Department Head	Biological Systems Engineering	Reg	12	10-Jul-11	100	\$	180,540
Zhao, Bingyu	Assistant Professor	Horticulture	Reg	9	10-Aug-11	100	\$	80,000

continued

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Architecture & Urban Studies</u>								
Abel, Troy	Assistant Professor	School of Visual Arts	Reg	9	10-Aug-11	100	\$	66,500
Breitschmid, Markus	Associate Professor	College of Architecture & Urban Studies	Reg	9	10-Aug-11	100	\$	83,463
Galloway, William	Associate Professor & Director	School of Architecture & Design	Reg	12	10-Jul-11	100	\$	106,185
Khademian, Anne	Professor	College of Architecture & Urban Studies	Reg	12	10-Aug-11	100	\$	134,557
					10-Aug-11	100	\$	137,248
Kleiner, Brian	Professor & Director	Myers-Lawson School of Construction	Reg	12	10-Jul-11	100	\$	183,600
Knoblauch, Ann-Marie	Associate Professor	School of Visual Arts	Reg	9	10-Aug-11	100	\$	77,699
Knox, Paul	University Distinguished Professor & Senior Fellow for International Advancement	School of Public & International Affairs	Reg	12	10-Jul-11	100	\$	263,568
Miller, Patrick	Associate Dean for Graduate Studies & Outreach	Dean, College of Architecture & Urban Studies	Reg	12	10-Jul-11	100	\$	128,361
Thabet, Walid	Department Head	Building Construction	Reg	9	10-Aug-11	100	\$	96,120
Van Hook, Leila	Professor	School of Visual Arts	Reg	9	10-Aug-11	100	\$	84,677
Webster, Dane	Assistant Professor	School of Visual Arts	Reg	9	10-Aug-11	100	\$	74,082
<u>Business</u>								
Barkhi, Reza	Associate Professor & Department Head	Accounting & Information Systems	Reg	12	10-Jul-11	100	\$	162,180
Ghandforoush, Parviz	Professor & Director of NCR MBA Program & Managing Director of MIT Program	Business Information Technology	Reg	12	10-Jul-11	100	\$	187,806
Kender, Michael	Professor of Practice	Finance, Insurance & Business Law	Reg	9	10-Aug-11	100	\$	95,000
Keown, Arthur	Professor & Department Head	Finance, Insurance & Business Law	Reg	12	10-Jul-11	100	\$	247,211
Nakamoto, Kent	Professor & Associate Dean for Research & Department Head	Marketing	Reg	12	10-Jul-11	100	\$	229,545
Perdue, Richard	Professor & Department Head	Hospitality & Tourism	Reg	12	10-Jul-11	100	\$	196,518
Seth, Anju	Professor & Department Head	Management	Reg	12	10-Jul-11	100	\$	229,500
Taylor, Bernard	Professor & Department Head	Business Information Technology	Reg	12	10-Jul-11	100	\$	259,425

continued

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
Engineering								
Adel, Gregory	Professor & Department Head	Mining & Minerals Engineering	Reg	12	10-Jul-11	100	\$	193,316
Ball, Kenneth	Professor & Department Head	Mechanical Engineering	Reg	12	10-Jul-11	100	\$	232,073
Bish, Douglas	Assistant Professor	Grado Department of ISE	Reg	9	10-Aug-11	100	\$	80,000
Canfield, Robert	Professor & Interim Department Head	Aerospace and Ocean Engineering	Reg	12	10-Aug-11	100	\$	175,000
Clark, David	Professor & Department Head	Materials Science & Engineering	Reg	12	10-Jul-11	100	\$	210,466
Clancy, Thomas	Associate Professor	Electrical & Computer Engineering	Reg	12	10-Aug-11	100	\$	143,133
Duma, Stefan	Professor & Director	School of Biomedical Engineering	Reg	12	10-Jul-11	100	\$	214,880
Easterling, William	Professor & Department Head	Civil & Environmental Engineering	Reg	12	10-Jul-11	100	\$	204,425
Lee, Fred	University Distinguished Professor	Electrical & Computer Engineering	Reg	12	10-Jul-11	100	\$	337,296
McNair, Elizabeth	Associate Professor	Engineering Education	Reg	9	10-Sep-11	100	\$	86,536
Midkiff, Scott	Professor & Department Head	Electrical & Computer Engineering	Reg	12	10-Jul-11	100	\$	204,425
Neu, Wayne	Associate Professor	Aerospace and Ocean Engineering	Reg	12	10-Aug-11	100	\$	147,336
Puri, Ishwar	Professor & Department Head	Engineering Science & Mechanics	Reg	12	10-Jul-11	100	\$	236,839
Perez-Quinonez, Manuel	Associate Professor & Associate Dean for Diversity Initiatives, Graduate School	Computer Science	Reg	12	10-Aug-11	100	\$	100,186
Ryder, Barbara	Professor & Department Head	Computer Science	Reg	12	10-Jul-11	100	\$	204,680
Rylander, Marissa	Associate Professor	Mechanical Engineering	Reg	9	25-Sep-11	100	\$	105,000
Sherali, Hanif	University Distinguished Professor	Industrial & Systems Engineering	Reg	12	10-Jul-11	100	\$	277,511
Taylor, Don	Professor & Department Head	Industrial & Systems Engineering	Reg	12	10-Jul-11	100	\$	229,420
Tafti, Danesh	Professor	Mechanical Engineering	Reg	12	10-Aug-11	100	\$	203,467
Waltz, John	Professor & Department Head	Chemical Engineering	Reg	12	10-Jul-11	100	\$	232,511
Yoon, Roe-Hoan	University Distinguished Professor	Mining & Minerals Engineering	Reg	12	10-Jul-11	100	\$	252,292

continued

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Liberal Arts & Human Sciences</u>								
Aguilar Booth, Derley	Instructor	Communication	Reg	9	10-Aug-11	100	\$	44,320
Bigler, Dwight	Assistant Professor	Music	Reg	9	10-Aug-11	100	\$	55,000
Blieszner, Rosemary	Professor & Associate Dean, Graduate School	Human Development	Reg	9	10-Aug-11	100	\$	128,782
Barrow, Mark	Professor & Department Head	History	Reg	12	10-Jul-11	100	\$	97,568
Beamish, Julia	Professor & Department Head	Apparel, Housing & Resource Management	Reg	12	10-Jul-11	100	\$	129,465
Crone, William	Professor & Department Head	Music	Reg	12	10-Jul-11	100	\$	93,154
Denton, Robert	Professor & Department Head	Communication	Reg	12	10-Jul-11	100	\$	163,601
Doolittle, Peter	Associate Professor & Director of Center for Instructional Development and Educational Research	School of Education	Reg	12	10-Jul-11	100	\$	106,080
Downey, Gary	Professor	Science & Technology in Society	Reg	9	10-Aug-11	100	\$	115,000
Eska, Charlene	Assistant Professor	English	Reg	9	10-Aug-11	100	\$	52,000
Eska, Joseph	Professor & Department Head	English	Reg	12	10-Jul-11	100	\$	119,068
Ewing, Edward	Professor	Dean - College of Liberal Arts & Human Sciences	Reg	12	10-Jul-11	100	\$	104,504
Fuhrman, Ellsworth	Professor & Department Head	Science & Technology in Society	Reg	12	10-Jul-11	100	\$	106,594
Giovanni, Nikki	University Distinguished Professor	English	Reg	9	10-Aug-11	100	\$	153,618
Graham, Peter	Professor	English	Reg	9	10-Aug-11	100	\$	120,000
Luke, Timothy	University Distinguished Professor & Department Head	Political Science	Reg	12	10-Jul-11	100	\$	241,645

continued

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
Magliaro, Susan	Associate Dean for Professional Education & Director, School of Education	School of Education	Reg	12	10-Jul-11	100	\$	137,253
Minkova, Yuliya	Assistant Professor	Foreign Languages & Literatures	Reg	9	10-Aug-11	100	\$	52,000
Powell, Katrina	Associate Professor	English	Reg	9	10-Aug-11	100	\$	80,000
Raun, Patricia	Professor & Department Head	Theater & Cinema	Reg	12	10-Jul-11	100	\$	126,134
Roberto, Karen	Professor & Director, Institute for Society, Culture & Environment	Center for Gerontology	Reg	12	10-Jul-11	100	\$	163,200
Ryan, John	Professor & Department Head	Sociology	Reg	12	10-Jul-11	100	\$	164,648
Schmittthener, Peter	Associate Professor & Department Head	Religion & Culture	Reg	12	10-Jul-11	100	\$	90,016
Shryock, Richard	Associate Professor & Department Head	Foreign Languages & Literatures	Reg	12	10-Jul-11	100	\$	94,436
Stephens, Robert	Associate Professor	History	Reg	9	10-Aug-11	100	\$	75,116
<u>Natural Resources</u>								
Alavalapati, Janaki	Professor & Department Head	Forest Resources & Environmental Conservation	Reg	12	10-Jul-11	100	\$	146,370
Alexander, Kathleen	Associate Professor	Fish and Wildlife Conservation	Reg	9	10-Aug-11	100	\$	100,000
Burkhart, Harold	University Distinguished Professor	Forest Resources & Environmental Conservation	Reg	12	10-Jul-11	100	\$	213,882
Carstensen, Laurence	Professor & Department Head	Geography	Reg	12	10-Jul-11	100	\$	130,565
Frimpong, Emmanuel	Assistant Professor	Fish and Wildlife Conservation	Reg	9	25-Aug-11	100	\$	75,320
Hallerman, Eric	Professor & Department Head	Fish and Wildlife Conservation	Reg	12	10-Jul-11	100	\$	128,613
Schoenholtz, Stephen	Director	Virginia Water Resources Research Center	Reg	9	10-Aug-11	100	\$	117,213
Zink-Sharp, Audrey	Director	Sustainable Engineered Materials Institute	Reg	12	10-Jul-11	100	\$	112,250

continued

TEACHING AND RESEARCH FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Science</u>								
Bodnar, Robert	University Distinguished Professor	Geosciences	Reg	11	10-Aug-11	100	\$	239,744
Eriksson, Kenneth	Professor & Department Head	Geosciences	Reg	12	10-Jul-11	100	\$	130,306
Haskell, Peter	Professor & Department Head	Mathematics	Reg	12	10-Jul-11	100	\$	119,453
Hochella, Michael	University Distinguished Professor	Geosciences	Reg	9	10-Aug-11	100	\$	159,120
Kingston, David	University Distinguished Professor	Chemistry	Reg	9	10-Aug-11	100	\$	208,372
McGrath, James	University Distinguished Professor	Chemistry	Reg	9	10-Aug-11	100	\$	309,679
Mun, Seong	Professor & Director	Physics	Reg	9	10-Aug-11	100	\$	214,200
Ollendick, Thomas	University Distinguished Professor	Psychology	Reg	9	10-Aug-11	100	\$	278,517
Popham, David	Professor	Biological Sciences	Reg	9	10-Aug-11	100	\$	101,500
Santos, Webster	Assistant Professor	Chemistry	Reg	9	10-Aug-11	100	\$	78,666
Schmittmann, Beate	Professor & Department Head	Physics	Reg	12	10-Jul-11	100	\$	148,410
Smith, Eric	Professor & Department Head	Statistics	Reg	12	10-Jul-11	100	\$	160,140
Stephens, Robert	Professor & Department Head	Psychology	Reg	12	10-Jul-11	100	\$	163,200
Tanko, James	Professor & Department Head	Chemistry	Reg	12	10-Jul-11	100	\$	132,600
Troya, Diego	Associate Professor	Chemistry	Reg	9	10-Aug-11	100	\$	87,966
Tyson, John	University Distinguished Professor	Biological Sciences	Reg	9	10-Jul-11	100	\$	252,292
Valeyev, Eduard	Assistant Professor	Chemistry	Reg	9	10-Aug-11	100	\$	96,666
Winkel, Brenda	Professor & Department Head	Biological Sciences	Reg	12	10-Aug-11	100	\$	139,770
<u>Veterinary Medicine</u>								
Ahmed, Ansar	Professor & Department Head	Biomedical Sciences & Pathobiology	Reg	12	10-Jul-11	100	\$	168,300
Cissell, James	Clinical Assistant Professor	Large Animal Clinical Sciences	Reg	12	10-Jul-11	100	\$	85,000
Daniel, Greg	Professor & Department Head	Small Animal Clinical Sciences	Reg	12	10-Jul-11	100	\$	171,788
Elvinger, Francious	Professor & Department Head	Public Health Program	Reg	12	10-Jul-11	100	\$	130,403
Eng, Ludeman	Associate Professor	Biomedical Sciences	Reg	12	10-Jul-11	100	\$	170,110
Hodgson, David	Professor & Department Head	Large Animal Clinical Sciences	Reg	12	10-Jul-11	100	\$	173,512
Pierson, Frank	Professor & Medical Director, Veterinary Teaching Hospital	Veterinary Medicine Clinical Services	Reg	12	10-Jul-11	100	\$	158,100
Inzana, Thomas	Professor & Research Integrity Officer	Biomedical Sciences	Reg	12	10-Jul-11	100	\$	145,860
								185,534

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TEACHING AND RESEARCH FACULTY

ADJUSTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME

Vice President for National Capital Region

Stone, Nicholas	Professor & Deputy Director	National Capital Region	Reg	12	10-Jul-11	100	\$ 128,132
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Vice President for Research

Dingus, Thomas	Professor and Director, Virginia Tech Transportation Institute	Virginia Tech Transportation Institute	Reg	12	10-Jul-11	100	\$ 331,500
Montague, P. Read	Professor	Virginia Tech Carilion Research Institute	Reg	12	1-Jul-11	100	\$ 380,000
Mortveit, Henning	Associate Professor	Virginia Bioinformatics Institute	Reg	12	10-Jul-11	100	\$ 135,000

ADMINISTRATIVE AND PROFESSIONAL FACULTY

NEW APPOINTMENTS

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME

Dean of Libraries

Hall, Nathan	Assistant Professor	University Libraries	Reg	12	25-Aug-11	100	\$	62,000
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President

Bell, Aaron	Assistant Swim Coach	Athletics	Reg	12	5-Aug-11	100	\$	45,500
Jonson, Sarah	Assistant Lacrosse Coach	Athletics	Reg	12	29-Aug-11	100	\$	28,000
Vinson, Terrance	Coordinator of Strength/Conditioning for Basketball Programs	Athletics	Reg	12	25-Aug-11	100	\$	38,000

ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Agriculture & Life Sciences</u>								
Barts, Stephen	Extension Agent, ANR	Pittsylvania County Cooperative Extension	Reg	12	10-Aug-11	100	\$	40,000
Daniel, Martin	Director of Operations	College of Agriculture & Life Sciences Administration	Reg	12	10-Jul-11	100	\$	128,520
Grant, Alan	Dean, College of Agriculture & Life Sciences	College of Agriculture & Life Sciences Administration	Reg	12	10-Jul-11	100	\$	229,500
Glidden, Dorothy	Director, Communications & Marketing	College of Agriculture & Life Sciences Administration	Reg	12	10-Jul-11	100	\$	76,500
Jones, Edwin	Associate Dean & Director, Virginia Cooperative Extension	College of Agriculture & Life Sciences Research	Reg	12	10-Jul-11	100	\$	188,700
Meacham, Vernon	Director of Development	University Development	Reg	12	10-Jul-11	100	\$	91,800
Mostaghimi, Saied	Associate Dean & Director - Agricultural Experiment Station	College of Agriculture & Life Sciences Research	Reg	12	10-Jul-11	100	\$	218,436
Parker, Molly	Associate Extension Agent, 4-H Youth Development	Bath County Cooperative Extension	Reg	12	25-Aug-11	100	\$	33,000
Sumner, Susan	Associate Dean & Director - Academic Programs Agricultural Technology	College of Agriculture & Life Sciences Resident Instruction	Reg	12	10-Jul-11	100	\$	178,500
Woods, Roy	Director, Information Technology	AHNR Information Technology	Reg	12	10-Jul-11	100	\$	108,259
<u>Architecture & Urban Studies</u>								
Browder, John	Associate Dean for Academic Affairs	Dean, College of Architecture & Urban Studies	Reg	12	10-Jul-11	100	\$	122,816
Davis, Albert	Dean, College of Architecture & Urban Studies	Dean, College of Architecture & Urban Studies	Reg	12	10-Jul-11	100	\$	233,907
Schubert, Robert	Associate Dean for Research	Dean, College of Architecture & Urban Studies	Reg	12	10-Jul-11	100	\$	131,233
Simpson, Marty	Director of Finance & Administration	Dean, College of Architecture & Urban Studies	Reg	12	10-Jul-11	100	\$	81,396
<u>Business</u>								
Clemenz, Candice	Associate Dean for Undergraduate Programs	Dean of Business	Reg	12	10-Jul-11	100	\$	153,012
Daugherty, Richard	Director of Business Technology Center	Dean of Business	Reg	12	10-Jul-11	100	\$	111,472
Hunnings, Kay	Associate Dean for Administration	Dean of Business	Reg	12	10-Jul-11	100	\$	96,390
Kennedy, Reed	Director of International Programs	Management	Reg	12	10-Jul-11	100	\$	85,680
Skirpak, Stephen	Associate Dean for Graduate Programs	Dean of Business	Reg	12	10-Jul-11	100	\$	118,620
Smith, Francis	Director, MGMT & Professional Development	Dean of Business	Reg	12	10-Jul-11	100	\$	116,673
Sorensen, Richard	Dean of Business	Dean of Business	Reg	12	10-Jul-11	100	\$	320,000

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ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Dean of Libraries</u>								
Carr, Curtis	Director, Library System	Library	Reg	12	10-Jul-11	100	\$	92,568
Lancaster, Charla	Director, Library Assessment & Access Services	Library	Reg	12	10-Jul-11	100	\$	69,360
McMillian, Gail	Director, Digital Library & Archives	Library	Reg	12	10-Jul-11	100	\$	94,940
Metz, Paul	Assistant to Dean, Special Projects	Library	Reg	12	10-Jul-11	100	\$	88,788
Mayo, Lesley	Director, Research & Instructional Services	Library	Reg	12	10-Jul-11	100	\$	109,701
O'Brien, Leslie	Director, Collection Management & Technical Services	Library	Reg	12	10-Jul-11	100	\$	101,745
Purcell, Aaron	Director, Special Collections & University Archives	Library	Reg	12	10-Jul-11	100	\$	84,660
Walters, Tyler	Dean of Libraries	Library	Reg	12	10-Jul-11	100	\$	183,600
<u>Engineering</u>								
Benson, Richard	Dean, Engineering	Dean, Engineering	Reg	12	10-Jul-11	100	\$	322,328
Lesko, John	Associate Dean, Research & Graduate Studies	Dean - Engineering	Reg	12	10-Jul-11	100	\$	163,200
Nelson, Edward	Chief of Staff & Associate Dean for Administration	Dean, Engineering	Reg	12	10-Jul-11	100	\$	142,800
Scales, Glenda	Associate Dean, International Programs & IT; Director, Off Campus Graduate Engineering Programs	Dean - Engineering	Reg	12	10-Jul-11	100	\$	133,875
Waitford, Bevlee	Professor & Interim Department Head, Engineering Education & Director, Center for Enhancement of Engineering Diversity	Dean-Engineering	Reg	12	10-Jul-11	100	\$	187,425
<u>Liberal Arts & Human Sciences</u>								
Gallagher, Karen	Director	Child Development Center	Reg	12	1-Jul-11	100	\$	42,973
Holloway, Rachel	Associate Dean, Undergraduate Academic Affairs	College of Liberal Arts & Human Sciences Operations	Reg	12	10-Jul-11	100	\$	122,083
Ott Rowlands, Sue	Dean, College of Liberal Arts & Human Sciences	Dean, College of Liberal Arts & Human Sciences	Reg	12	10-Jul-11	100	\$	235,620
Shabanowitz, Brian	Associate Dean, Administration & Finance	College of Liberal Arts & Human Sciences Operations	Reg	12	10-Jul-11	100	\$	131,175
Stoudt, Debra	Associate Dean, Academic Policies & Procedures	College of Liberal Arts & Human Sciences Operations	Reg	12	10-Jul-11	100	\$	130,662

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ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Natural Resources</u>								
Mortimer, Michael	Director, Natural Resources Programs	College of Natural Resources	Reg	12	10-Jul-11	100	\$	124,950
Olson, Thomas	Assistant Dean, Administration	College of Natural Resources	Reg	12	10-Jul-11	100	\$	102,000
Smith, Robert	Associate Dean, Engagement	College of Natural Resources	Reg	12	10-Jul-11	100	\$	130,830
Stauffer, Dean	Associate Dean, Academic Programs	College of Natural Resources	Reg	12	10-Jul-11	100	\$	124,950
Weber, Lon	Director, Information Technology	College of Natural Resources	Reg	12	10-Jul-11	100	\$	85,680
Winistorfer, Paul	Dean, College of Natural Resources & Environment	College of Natural Resources	Reg	12	10-Jul-11	100	\$	214,200
<u>President</u>								
Baer, Katherine A	Athletic Trainer	Athletics	Reg	12	10-Jul-11	100	\$	36,006
Ballein, John A	Associate Director of Athletics for Football Operations	Athletics	Reg	12	10-Jul-11	100	\$	123,775
Byers, Ralph	Executive Director, Government Relations	President	Reg	12	10-Jul-11	100	\$	163,200
Cianelli, David D	Director of Track & Field & Cross Country Programs	Athletics	Reg	12	10-Jul-11	100	\$	109,922
Collins, Sean P	Athletic Trainer	Athletics	Reg	12	10-Jul-11	100	\$	41,330
Dietter, David Lawrence	Athletic Trainer	Athletics	Reg	12	10-Jul-11	100	\$	37,740
Doolan, Keith P.	Athletic Trainer	Athletics	Reg	12	10-Jul-11	100	\$	45,482
East, Timothy M	Associate Director of Athletics, External Affairs	Athletics	Reg	12	10-Jul-11	100	\$	97,017
Evans, Megan Elizabeth	Coordinator of Strength/Conditioning for Olympic	Athletics	Reg	12	10-Jul-11	100	\$	38,760
Ferguson, Jarrett T	Director of Strength and Conditioning for Football	Athletics	Reg	12	10-Jul-11	100	\$	66,300
Foster, Charles Wayne	Assistant Coach, Track and Field	Athletics	Reg	12	10-Jul-11	100	\$	53,040
Gabbard, Thomas L	Associate Director of Athletics for Internal Affairs	Athletics	Reg	12	10-Jul-11	100	\$	123,046
Garnes, Bruce	Deputy Director, Football Operations	Athletics	Reg	12	10-Jul-11	100	\$	37,128
Helms, Christopher L	Associate Director of Athletics, Olympic Sports	Athletics	Reg	12	10-Jul-11	100	\$	91,800
Hicks, Kevin L	Director, Broadcast & Visual Communications for Athletics	Athletics	Reg	12	10-Jul-11	100	\$	69,615
Hill, Rickey	Head Spirit Coach	Athletics	Reg	12	10-Jul-11	100	\$	30,018
Jackson, David Lawrence	Director of Strength and Conditioning for Basketball	Athletics	Reg	12	10-Jul-11	100	\$	69,615
Jaudon, Jon W	Associate Director of Athletics for Administration	Athletics	Reg	12	10-Jul-11	100	\$	107,337
Karlin, Lester	Director, Equipment Services	Athletics	Reg	12	10-Jul-11	100	\$	61,129
Kunigonis, Amy Kathleen	Athletic Trainer	Athletics	Reg	12	10-Jul-11	100	\$	42,840

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ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION				
					EFF DATE	% APPT	ANNUAL RATE		
							BASE	ONE-TIME	
LaFon, Heather Anne Robertson	Assistant Director, Athletics Eligibility	Athletics	Reg	12	10-Jul-11	100	\$	44,125	
Lawrence, Jimmy L	Athletic Trainer	Athletics	Reg	12	10-Jul-11	100	\$	49,719	
Locklin, Bert E	Director of Compliance	Athletics	Reg	12	10-Jul-11	100	\$	50,713	
McCloskey, Sharon L	Senior Associate Director of Athletics/Senior Woman	Athletics	Reg	12	10-Jul-11	100	\$	138,772	
Mitchell, Terry W.	Assistant Director of Strength and Conditioning	Athletics	Reg	12	10-Jul-11	100	\$	56,100	
O'Rourke, Kim	Chief of Staff	President	Reg	12	10-Jul-11	100	\$	143,188	
Panella, Martha A	Publications Director	Athletics	Reg	12	10-Jul-11	100	\$	58,577	
Piemonte, Ronald Gerard	Head Diving Coach	Athletics	Reg	12	10-Jul-11	100	\$	44,880	
Robelot, Reed Anderson	Assistant Coach, Men's and Women's Swimming	Athletics	Reg	12	10-Jul-11	100	\$	33,660	
Sherwood, Barbara L	Assistant Coach, Softball	Athletics	Reg	12	10-Jul-11	100	\$	38,250	
Short, Keith D	Strength and Conditioning Coordinator	Athletics	Reg	12	10-Jul-11	100	\$	46,675	
Skinner, Ned T	Director of Men's and Women's Swimming and Diving	Athletics	Reg	12	10-Jul-11	100	\$	76,038	
Smith, Clarence Adrian	Assistant Director of Athletics, Ticketing Services	Athletics	Reg	12	10-Jul-11	100	\$	82,045	
Smith, David O	Assistant Director of Athletics, Athletics Communications	Athletics	Reg	12	10-Jul-11	100	\$	71,454	
Steger, Charles	President	President	Reg	12	10-Nov-11	100	\$	496,688	
			Reg	12	1-Dec-11	100			\$ 253,575.00
Thomas, Benjamin D	Cross Country & Distance Coach	Athletics	Reg	12	10-Jul-11	100	\$	59,160	
Thomas, Nelson S	Head Coach, Softball	Athletics	Reg	12	10-Jul-11	100	\$	79,071	
White, Daniel	Director of Student-Athlete Affairs	Athletics	Reg	12	10-Jul-11	100	\$	42,000	
Whitenack, Russell J	Director of the Monogram Club	Athletics	Reg	12	10-Jul-11	100	\$	69,759	
Zawacki-Woods, Terry Ann	Head Coach, Women's Tennis	Athletics	Reg	12	10-Jul-11	100	\$	62,205	
<u>Science</u>									
Chang, Lay Nam	Dean of Science	Dean of Science	Reg	12	10-Jul-11	100	\$	272,891	
			Reg	12	25-Aug-11	100	\$	280,000	
Long, Timothy	Associate Dean, Strategic Initiatives	Dean of Science	Reg	12	10-Jul-11	100	\$	188,700	
Ross, Nancy	Associate Dean, Research, Graduate Studies & Outreach	Dean of Science	Reg	12	10-Jul-11	100	\$	147,900	
Sanders, Janet	Assistant Dean, Finance & Administration	Dean of Science	Reg	12	10-Jul-11	100	\$	107,100	
Sible, Jill	Associate Dean, Curriculum, Instruction & Advising	Dean of Science	Reg	12	10-Jul-11	100	\$	137,700	

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ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Sr. Vice President and Provost</u>								
Bush, Kristen	Assistant Provost, Institutional Research & Effectiveness	Institutional Research & Effectiveness	Reg	12	10-Jul-11	100	\$	103,280
Finney, Jack	Associate Provost for Faculty Affairs	Provost - Administration	Reg	12	10-Jul-11	100	\$	196,860
McNamee, Mark	Senior Vice President and Provost	Provost - Administration	Reg	12	10-Jul-11	100	\$	334,496
Smith, Kenneth	Associate Provost for Resource Management and Planning	Provost - Administration	Reg	12	10-Jul-11	100	\$	133,875
Waalkes, Ruth	Executive Director, Center for the Arts	Center for the Arts	Reg	12	10-Jul-11	100	\$	163,200
<u>Veterinary Medicine</u>								
Avery, Roger	Senior Associate Dean for Research & Graduate Studies	Dean - Veterinary Medicine	Reg	12	10-Jul-11	100	\$	188,700
Harness, J. Michael	Associate Dean for Finance & Administration	Dean - Veterinary Medicine	Reg	12	10-Jul-11	100	\$	128,520
Hodgson, Jennifer	Associate Dean for Academic Affairs	Dean - Veterinary Medicine	Reg	12	10-Jul-11	100	\$	159,426
Schurig, Gerhardt	Dean of Veterinary Medicine	Dean - Veterinary Medicine	Reg	12	10-Jul-11	100	\$	245,602
White, Nathaniel	Director	Equine Medical Center	Reg	12	25-Aug-11	100	\$	255,000
			Reg	12	10-Jul-11	100	\$	189,136
<u>Vice President for Administrative Services</u>								
Coleman, Michael	Associate Vice President for Facilities	Facilities Administration and Supervision	Reg	12	10-Jul-11	100	\$	208,845
Flinchum, Wendell	Chief of Police	Police	Reg	12	10-Jul-11	100	\$	130,404
Franklin, Lance	Director, Environmental Health and Safety Services	Environmental Health & Safety	Reg	12	10-Jul-11	100	\$	146,084
Irvin, Hal	Associate Vice President for Human Resources	Human Resources	Reg	12	10-Jul-11	100	\$	178,500
McCoy, Heidi	Chief of Staff	Vice President for Administrative Services	Reg	12	10-Jul-11	100	\$	96,390
Mulhare, Michael	Director, Emergency Management	Emergency Management	Reg	12	10-Jul-11	100	\$	123,165
Wilson, Sherwood	Vice President for Administrative Services	Vice President for Administrative Services	Reg	12	10-Jul-11	100	\$	251,685
<u>Vice President for Alumni Relations</u>								
Bain, Carolyn	Assistant Director of Alumni Relations for Engineering	Alumni Association	Reg	12	10-Jul-11	100	\$	50,123
Brogdon, Laurie	Director of Alumni Relations and Diversity and Inclusion	Alumni Association	Reg	12	25-Jul-11	100	\$	50,000

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ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
Cowell-Lucero, Jamie	Director of Alumni Relations for the College of Agriculture & Life Sciences	Alumni Association	Reg	12	10-Jul-11	100	\$	48,195
Day, Deborah	Associate Vice President for Alumni Relations	Alumni Association	Reg	12	10-Jul-11	100	\$	107,100
Fansler, Gregory	Associate Director of Alumni Relations	Alumni Association	Reg	12	10-Jul-11	100	\$	61,200
Gilbert, Bonnie	Director of Alumni and Pamplin Relations	Alumni Association	Reg	12	1-Jul-11	100	\$	62,500
Guilliams, Stephanie	Assistant Director of Alumni Relations	Alumni Association	Reg	12	10-Jul-11	50	\$	24,098
Jackson, Robert	Associate Director of Alumni Relations, College of Science	Alumni Association	Reg	12	10-Jul-11	100	\$	53,550
Tillar, Thomas	Vice President for Alumni Relations	Alumni Association	Reg	12	25-Jun-11	100	\$	176,597
Wells, Kellie	Assistant Director of Alumni Relations, College of Liberal Arts	Alumni Association	Reg	12	10-Jul-11	100	\$	180,129
Wilson, Jan	Director of Alumni Relations, College of Architecture & Urban	Alumni Association	Reg	12	10-Jul-11	100	\$	47,481
Young, Anne	Director of Alumni Relations, VMRCVM	Alumni Association	Reg	12	10-Jul-11	100	\$	58,028
<u>Vice President for Development and University Relations</u>								
Arsenault, Rhonda	Associate Vice President for Advancement Services	University Development	Reg	12	10-Jul-11	100	\$	140,022
Corvin, Timothy	Associate Vice President for Development	University Development	Reg	12	10-Jul-11	100	\$	234,600
Flanagan, Elizabeth	Vice President for Development and University Relations	Vice President - Development	Reg	12	10-Jul-11	100	\$	300,135
Fritz, Alex	Director of Development, Pamplin College of Business	University Development	Reg	12	9-Sep-11	100	\$	95,370
Hayes, Angela	Chief of Staff	Vice President - Development	Reg	12	10-Jul-11	100	\$	82,280
Hincker, Lawrence	Associate Vice President for University Relations	University Relations	Reg	12	10-Jul-11	100	\$	181,841
King, John	Director of Development, College of Liberal Arts and Human Sciences	University Development	Reg	12	7-Aug-11	100	\$	87,049
<u>Vice President for Diversity and Inclusion</u>								
Galarraga, Francesca	Director of Diversity Education and Training	Diversity and Inclusion	Reg	12	10-Jul-11	100	\$	96,900
Lewis, William	Vice President for Diversity and Inclusion	Diversity and Inclusion	Reg	12	10-Jul-11	100	\$	163,200
Martin, Perry	Special Assistant to the Vice President	Diversity and Inclusion	Reg	12	10-Jul-11	100	\$	53,700

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ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Vice President for Finance and Chief Financial Officer</u>								
Broyden, Robert	Director, Capital Assets and Financial Management	Capital Assets and Financial Management	Reg	12	10-Jul-11	100	\$	133,875
Campbell, Allen	Coordinator of University Budget & Financial Systems	Budget & Financial Planning	Reg	12	10-Jul-11	100	\$	104,851
Hodge, Timothy	University Budget Director	Budget & Financial Planning	Reg	12	10-Jul-11	100	\$	157,080
Kaloupek, William	Director, Purchasing	Purchasing	Reg	12	10-Jul-11	100	\$	112,200
Kurek, Sharon	Director, Internal Audit	University Internal Audit	Reg	12	10-Jul-11	100	\$	147,798
Miller, Kenneth	University Controller	University Controllers Officer	Reg	12	10-Jul-11	100	\$	176,715
Sharma, Savita	Assistant to the Vice President for Finance	Vice President for Finance	Reg	12	10-Jul-11	100	\$	81,600
Shelton, M. Dwight	Vice President for Finance and Chief Financial Officer	Vice President for Finance	Reg	12	10-Jul-11	100	\$	263,466
Wilkes, Lisa	Assistant Vice President for Finance	Assistant Vice President for Finance	Reg	12	10-Jul-11	100	\$	144,452
<u>Vice President for Information Technology</u>								
Blythe, Earving	Vice President for Information Technology	Vice President - Information Technology	Reg	12	10-Jul-11	100	\$	251,440
Croasdale, Hudnall	Director of Strategic Partnerships	Vice President - Information Technology	Reg	12	10-Jul-11	100	\$	146,045
Crowder, Jeff	Executive Director, Strategic Initiatives	Telecommunications Auxiliary	Reg	12	10-Jul-11	100	\$	145,656
Dougherty, William	Executive Director, Network Infrastructure & Services	Communications Network Services	Reg	12	10-Jul-11	100	\$	123,165
Dunker, Mary	Director of Secure Enterprise Technology Initiatives	Secure Enterprise Technology Initiatives	Reg	12	10-Jul-11	100	\$	113,495
Fulton, Debbie	Associate Vice President for Enterprise Systems	Information Technology Management	Reg	12	10-Jul-11	100	\$	148,441
Harris, Carl	Director, Chief Technology Architect	Telecommunications Auxiliary	Reg	12	10-Jul-11	100	\$	153,153
Herdman, Terry	Associate Vice President for Research Computing	Information Technology Management	Reg	12	10-Jul-11	100	\$	192,440
Marchany, Randolph	Information Technology Security Officer	Information Technology Management	Reg	12	10-Jul-11	100	\$	111,384
Moore, Anne	Associate Vice President for Learning Technology	Vice President - Information Technology	Reg	12	10-Jul-11	100	\$	161,053
Stewart, Jeb	Chief of Staff and Deputy CIO	Vice President - Information Technology	Reg	12	10-Jul-11	100	\$	132,600
Van Gelder, Brenda	Executive Director, Converged Technologies for Security, Safety and Resilience	Information Technology Management	Reg	12	10-Jul-11	100	\$	96,390
<u>Vice President for National Capital Region</u>								
Bohland, James	Vice President & Executive Director, National Capital Region	National Capital Region	Reg	12	10-Jul-11	100	\$	258,132
Orden, Denise	Associate Director of Operations	National Capital Region	Reg	12	10-Jul-11	100	\$	65,222

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Vice President for Outreach & International Affairs</u>								
Dooley, John	Vice President for Outreach & International Affairs	Vice President for Outreach & International Affairs	Reg	12	10-Jul-11	100	\$	204,668
Farmer, Scott	Director of Outreach & International Affairs Technology	Vice President for Outreach & International Affairs	Reg	12	10-Jul-11	100	\$	75,555
Leightley, Liam	Executive Director, Institute for Advanced Learning & Research	Institute for Advanced Learning & Research	Reg	12	10-Jul-11	100	\$	214,200
Short, Susan	Director, Program Development	Continuing Education Administration	Reg	12	10-Jul-11	100	\$	121,023
Swan, Jane	Director of Finance and Administration	Vice President for Outreach & International Affairs	Reg	12	10-Jul-11	100	\$	92,106
<u>Vice President for Research</u>								
Bucy, Linda	Assistant Vice President for Finance and Controls	Sponsored Programs	Reg	12	10-Jul-11	100	\$	139,230
Friedlander, Michael	Executive Director, Virginia Tech Carilion Research Institute	Virginia Tech Carilion Research Institute	Reg	12	1-Jul-11	100	\$	385,000
Garner, Harold	Director	Virginia Bioinformatics Institute	Reg	12	10-Jul-11	100	\$	392,700
Hall, Roderick	Associate Vice President for Research	Research/Interdisciplinary Programs	Reg	12	10-Jul-11	100	\$	166,546
Knocke, William	Associate Vice President for Research Programs	Research/Interdisciplinary Programs	Reg	12	10-Jul-11	100	\$	232,427
Mahajan, Roop	ICTAS Director	ICTAS	Reg	12	10-Jul-11	100	\$	347,857
Moore, David	Associate Vice President Research Compliance	Research Compliance	Reg	12	10-Jul-11	100	\$	144,799
Murch, Randall	Associate Director for Research Program Development	Research/Interdisciplinary Programs	Reg	12	10-Jul-11	100	\$	206,226
Ratcliffe, Victoria	Manager, Research Education and Development	Research/Interdisciplinary Programs	Reg	12	10-Jul-11	100	\$	58,852
Rudd, John	Assistant Vice President for Sponsored Programs Administration	Sponsored Programs	Reg	12	10-Jul-11	100	\$	144,585
Tranter, Elizabeth	Chief of Staff	Research/Interdisciplinary Programs	Reg	12	10-Jul-11	100	\$	96,390
Walters, Robert	Vice President for Research	Research/Interdisciplinary Programs	Reg	12	10-Jul-11	100	\$	250,614
			Reg	12	25-Aug-11	100	\$	275,000
			Reg	12	25-Aug-11	100	\$	18,660.00

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME
<u>Vice President for Student Affairs</u>								
Bonner, Cynthia	Chief of Staff and Director of Administration	Vice President for Student Affairs	Reg	12	10-Jul-11	100	\$	123,165
Brown, James	Dean of Students	Dean of Students	Reg	12	10-Jul-11	100	\$	96,941
Ferraro, Richard	Assistant Vice President for Student Affairs	Schiffert Health Center	Reg	12	10-Jul-11	100	\$	129,744
Gelbert, Craig	Associate Director of Planning & Business Services	Planning & Business Services	Reg	12	10-Jul-11	100	\$	69,300
Hunter, Monica	Associate Director for Student Centers and Activities	Student Centers and Activities	Reg	12	10-Jul-11	100	\$	61,500
Joslin, Jaime	Assistant Director of Leadership Development Programs	Student Centers and Activities	Reg	12	10-Jul-11	100	\$	46,200
Shushok, Frank	Associate Vice President for Student Affairs	Student Programs Administration	Reg	12	10-Jul-11	100	\$	147,900
Sims, Guy	Assistant Vice President for Student Affairs	Student Centers and Activities	Reg	12	10-Jul-11	100	\$	107,100
Smith, Patricia	Associate Director of Residence Life	Housing and Residence Life	Reg	12	10-Sep-11	100	\$	58,000
Spencer, Edward	Vice President for Student Affairs	Vice President for Student Affairs	Reg	12	10-Jul-11	100	\$	193,800
<u>Vice President and Dean for Graduate Education</u>								
Aigster, Annelisse	Director of Interdisciplinary	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	61,200
Beane, Dannette	Director of Graduate Recruiting & Diversity Initiatives	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	58,905
DePauw, Karen	Vice President and Dean of Graduate Education	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	201,231
Fontaine, Sherry	Associate Dean for the National Capital Region and Director of Northern Virginia Center	Northern Virginia Center	Reg	12	25-Aug-11	100	\$	220,000
Gibson, Monika	Director of Student Services	Graduate School Student Services	Reg	12	10-Jul-11	100	\$	68,850
Mayorga, Roberto	Assistant to the Dean	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	66,082
McCrery, Ennis	Graduate Student Ombudsperson	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	55,534
Nottingham, Jacqueline	Director of Graduate Admissions & Academic Progress	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	71,971

continued

ADMINISTRATIVE AND PROFESSIONAL FACULTY**ADJUSTMENTS**

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION				
					EFF DATE	% APPT	ANNUAL RATE		
							BASE	ONE-TIME	
Sippel, Jeremy	Director of Information Technology	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	58,735	
Telbis-Forster, Marija	Director of the Graduate Student Services Office, NCR	Dean - Graduate School	Reg	12	10-Jul-11	100	\$	62,785	
<u>Vice President and Dean for Undergraduate Education</u>									
Daku, Feride	Director of Finance and Administration	Vice President and Dean for Undergraduate Education	Reg	12	10-Jul-11	100	\$	80,325	
Dean, Wanda	University Registrar and Chief Transfer Officer	Office of the University Registrar	Reg	12	25-Jul-11	100	\$	88,277	
			Reg	12	10-Jul-11	100	\$	125,561	
	Assistant Vice President for Enrollment and Degree Management and University Registrar		Reg	12	25-Jul-11	100	\$	136,000	
Lewis, Mary Ann	Director of First Year Experience	First Year Experience	Reg	12	10-Jul-11	100	\$	133,875	
Macedo, Peter	Director of Distance Learning and Summer Sessions	Institute for Distance & Distributed Learning	Reg	12	10-Jul-11	100	\$	85,680	
Panneton, Robin	Coordinator of SACS	The Office of Degree Management	Reg	12	10-Jul-11	100	\$	98,849	
Papillon, Terry	Director of University Honors	University Honors Program	Reg	12	10-Jul-11	100	\$	100,980	
Sanders, Karen	Associate Vice President for Academic Support Services	Academic Enrichment & Excellence	Reg	12	10-Jul-11	100	\$	112,200	
Simmons, Barry	Director of University Scholarships and Financial Aid	University Scholarships and Financial Aid	Reg	12	10-Jul-11	100	\$	106,527	
Todd, Jane	Assistant Director	Undergraduate Admissions	Reg	12	1-Aug-11	100	\$	34,000	
Van Dyke, Ray	Director of Academic Assessment	Office of Academic Assessment	Reg	12	10-Jul-11	100	\$	106,029	
Wubah, Daniel	VP & Dean for Undergraduate Education	VP & Dean for Undergraduate Education	Reg	12	10-Jul-11	100	\$	198,900	

SPECIAL RESEARCH FACULTY***ADJUSTMENTS***

NAME	TITLE	DEPARTMENT	REG or RSTR	Months	CURRENT ACTION			
					EFF DATE	% APPT	ANNUAL RATE	
							BASE	ONE-TIME

Engineering

Pipattanasomporn, Manisa	Research Assistant Professor	Advanced Research Institute	Reg	9	10-Aug-11	100	\$	85,000
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Personnel Changes Report - Addendum A
Annual Base Compensation: Athletic Employment Contracts
Calendar Year 2012

Attachment Z

	CY2012
<u>Jim Weaver</u>	
Base Salary	\$447,170
Hokie Club	\$25,000
Courtesy Cars (2)	\$13,440
Blacksburg Country Club	\$3,484
Retention Incentive	\$107,000
Total Compensation	\$596,094
<u>Frank Beamer</u>	
Base Salary	\$272,328
Retention	\$1,820,672
Courtesy Car	\$6,720
Blacksburg Country Club	\$3,484
ISP and Nike	\$185,000
Total Compensation	\$2,288,204
<u>Bud Foster</u>	
Base Salary	\$458,658
Blacksburg Country Club	\$3,484
Courtesy Car	\$6,720
Total Compensation	\$468,862
<u>Bryan Stinespring</u>	
Base Salary	\$340,259
Blacksburg Country Club	\$3,484
Courtesy Car	\$6,720
Total Compensation	\$350,463
<u>Billy Hite</u>	
Base Salary	\$294,046
Blacksburg Country Club	\$3,484
Courtesy Car	\$6,720
Total Compensation	\$304,250
<u>Mike Gentry</u>	
Base Salary	\$172,128
Blacksburg Country Club or River Course	\$3,484
Courtesy Car	\$6,720
Total Compensation	\$182,332
<u>Seth Greenberg</u>	
Base Salary	\$245,136
Car Allowance	\$6,720
Courtesy Car	\$6,720
Retention	\$971,431
Blacksburg Country Club or River Course	\$3,484
Total Compensation	\$1,233,491
<u>Dennis Wolff</u>	
Base Salary	\$245,136
Bbg Country Club, River Course or Fitness Center	\$3,484
Car Allowance	\$6,720
Courtesy Car	\$6,720
Retention	\$132,000
Total Compensation	\$394,060
<u>Pete Hughes</u>	
Base Salary	\$157,437
Retention	\$45,000
Blacksburg Country Club	\$3,484
Courtesy Car	\$6,720
Total Compensation	\$212,641

Matthew Banfield
Undergraduate Representative to the Virginia Tech
Board of Visitors

November 7, 2011

Thank you Rector Nolen, President Steger, and members of The Board.

Since we last met at the beginning of the semester, there has been a great deal of engagement at the undergraduate level. In early October, the junior class revealed their class ring. Later in the month students celebrated Diwali, the festival of lights, with a culture show and fireworks. This past month we also celebrated homecoming, which included football, the crowning of our homecoming King and Queen, and a visit from Bill Cosby.

Student inclusion and engagement, however, has extended beyond that. On October 25, the Office for Diversity and Inclusion hosted a kick off event for their “Strong Together” initiative. At the event, students, faculty, and staff gathered together to collectively reaffirm their support of Virginia Tech’s Principles of Community. There was a great turnout on behalf of the undergraduates, which goes to show that the ideals of engagement and inclusion are an increasingly important aspect of student life on this campus.

Continuing the theme of student engagement, in early September I assembled a team of undergraduate students to serve in the capacity of an advisory committee and assist me with reaching out to students. We have made a number of visits to various student organizations on campus and have gotten feedback on a few crucial issues. The results have shown me that many students desire more opportunities for learning a foreign language in order to make them competitive in a global workforce. In addition, when asked to name one thing that Virginia Tech does very well and one area that Virginia Tech could improve, the most popular answers for areas of improvement were parking services and academic advising, while a majority of students agreed that Tech excels in dining services and school spirit. Through various partnerships, I will be working with my committee to host a few events in the spring, including a town hall style meeting with students, faculty and administrators.

One hope of mine to increase engagement, specifically in the classroom, is that Virginia Tech will pilot a peer-to-peer learning program in the near future. In a program like this, upper level students would have the opportunity to work with a faculty advisor to propose, develop, and then facilitate a class. More than likely, they would be small, discussion based classes, and both the student facilitator and the students enrolled would receive academic credit. This concept was recently implemented at James Madison University, and is based off of a peer-to-peer

learning program at the University of California at Berkley. Similar programs are also run at Carnegie-Mellon, Tufts, Stanford, and many of the University of California schools. Through this program, which would serve as a symbiosis of leadership and education, Virginia Tech would develop a more actively engaged student body and would produce undergraduate students with a more innovative approach to life. I truly believe that a program like this would benefit us in the long run by helping to enhance the "Virginia Tech Experience."

Just recently, the Student Government Association ran their annual "Extreme Makeover" campaign, which seeks to garner student thought on various student life topics. One question asked which University policy students would like to see changed, and out of about 3,200 responses, roughly 30% responded with the class attendance policy. I wholeheartedly agree and believe it is time that we reevaluate the policy that was adopted in 2001. According to the Hokie Handbook, the policy currently states that "grades are based on the performance of assigned work, including classroom work." What is happening, however, is that students are being academically penalized for class absence. I am not referring to missing a quiz or not being in class to turn in homework, but merely not being present in the classroom. For example, if I miss three classes due to illness, a death in the family, and a job interview, I can no longer earn an A in the class, regardless of how well I know the material or perform on exams. Additionally, the current policy leaves the professor with sole discretion on how to handle a student's situation. Even if the Dean of Students Office, the campus health system, or an academic dean verifies an absence, it is still the single faculty member's decision whether or not to accept the absence and allow make up work. This outdated policy seems to play against students rather than to support them. I think it is time to reevaluate what our grades really mean. Are they the most accurate representation of a student's knowledge of the material or are they just a record of when a student had to miss a class.

I recently saw designs for a new Mercedes-Benz concept car that had no steering wheel and no pedals, but rather a joystick that operators would use to drive the car. There is no doubt that technology is a very dynamic discipline, and it is important that Virginia Tech remain competitive in related fields. It is equally important, however, to understand the significant role that humanistic focused individuals play in the advancement of our society. While the inner workings of this new concept car would be designed and built by people with an engineering or similar background, we cannot forget about the types of people it took to figure out how to best design the interior to be the most aesthetically pleasing, the communication specialists that know where and to whom to market the product, or the people that worked with various government agencies to get approval at every step along the way. It is time that we take a new interdisciplinary approach to learning. When considering the next eight years of the University, putting pressure on our liberal arts and humanities programs, will only be doing a great disservice to our students. It is time to envision a new type of student educated with a techno-humanistic approach, where he/she will graduate with a strong understanding of both humanistic and technology driven areas. These are the students of the future. They are the true

innovators. Additionally, when considering the long-range plan, I would encourage you to think from the perspective of a student when faced with the question of growth. Right now our dining halls are overcrowded, there are students living in study lounges because there is not enough room space, we have academic advisors who are assigned hundreds of students, and many students cannot get into required prerequisite classes because there are not enough seats. It is important to address the population-focused issues already at hand before we can even think about expansion.

I would like to challenge you all to go up to one random student next time you are walking around campus and ask them what is their favorite part about being a Hokie. I would easily venture to guess that the answer almost all of you would hear is the sense of community shared on campus. Some days I will just be walking and remember how proud I am to call myself a Hokie. Everyone here can feel like they belong and have a family to fall back on. In March when you all will be reviewing the University's strategic plan, I ask that you please consider the incredible solidarity that is shared among the campus community, and choose a path for our future that will be engaging for all students.

GRADUATE STUDENT REPRESENTATIVE CONSTITUENCY REPORT TO THE VIRGINIA TECH BOARD OF VISITORS

NOVEMBER 7, 2011

Thank you, Rector Nolan. Good afternoon President Steger, distinguished board members and guests.

Since our last board meeting I have been extremely productive and yet, I find it hard to believe November is already upon us! Nevertheless, rest assured that I have enjoyed every moment.

As I prepared for this constituency report I must admit that I struggled with all I wanted to say. While it remains true that graduate students are grateful for all we have received from the university, we continue to struggle with complex issues and challenges. And today I wish to ask and attempt to answer the question why? Why do graduate students face so many challenges? Why does it always seem like graduate students continue to ask for, and need, more? Perhaps part of the problem is that the life of a graduate student remains somewhat mysterious or unknown, or, perhaps the problem is that too often, false assumptions are made about graduate students. In an attempt to help shed light to these questions, I want to spend a few minutes sharing with you what exactly it is that graduate students do and common examples of a day in the life of two real graduate students.

WHAT IS A GRADUATE STUDENT?

Graduate students are often mistakenly assumed to be “older undergraduates.” This is problematic because it assumes that both graduate and undergraduate students are the same, hold the same roles, and experience the same situations. While at times graduate and undergraduate lives are similar, there are many different and unique challenges graduate students face that typical, traditional undergraduates do not. Like undergraduate students we also attend classes and do homework, take exams, and desire lives outside of our academic environments. However, graduate students also conduct research, teach academic (and non-academic classes), are typically employed full-time, and *increasingly* are involved in community outreach/service, serve in leadership roles and positions, have mortgages, pay for health insurance, are married or partnered long term, have children and other family, commute, are older in age, have usually spent some time working in another career or job, and are very diverse. Consider the following examples of a day in the life of two different graduate students.

The first is a female in her mid twenties, married, commutes two hours to attend her graduate program in the college of science, is an active student leader, and volunteers. She lives in the town of Blacksburg during the week (renting an apartment) and commutes to her home to be with her husband on the weekends. On a typical Monday she leaves her home at 7am and arrives in the lab by 9am. She spends five hours in lab and then leaves at 245pm to attend a 30-45 minute meeting (related to one of her leadership roles). She returns back to the lab by 4pm, works on some samples and then leaves by 5pm to set up for an event her leadership organization is hosting that evening. The event lasts for 2 hours and after clean up she is back in the lab by 8pm. At 11pm she has

finished in the lab for the day and heads to her apartment. Tuesday morning she will repeat her lab responsibilities and in place of her leadership roles will be studying and preparing for her graduate class.

The second graduate student is also a female, in her early thirties, is in the college of liberal arts and human sciences and is also an active student leader. She is not married, does not commute, and does not have a mortgage to pay. However, she is also doing research but not in a laboratory. On a typical Thursday she is in the gym working out at 7am, in the office by 830am, spends 1.5 hours coding data for her research project, and then holds office hours from 10am-12noon for the undergraduate class she teaches the following afternoon. From 12-2pm she prepares for Friday's undergraduate class as well as the undergraduate research group she mentors once a week. Every other Thursday from 330-5pm she attends a meeting as part of her current leadership role. At 5pm she is back in her office grading papers from earlier that week. At 630pm she turns back to research and will leave the office by 8pm. She arrives home and begins reading (academic papers) until 11pm in preparation for the next day.

These examples help to illustrate how different graduate students are from undergraduates. This does not make them better, rather, equally important. Since graduate students are so often conducting cutting edge research and assisting to teach undergraduate students, Virginia Tech must continue to adapt appropriately to not only retain its current talented graduate students but to also continue to recruit the best and the brightest graduate students. I hope this has helped demystify, even a little, some of what graduate students do and why they might face unique challenges and concerns. I would also like to take this opportunity to personally invite each of you to consider visiting the Graduate Life Center (GLC) at Virginia Tech to see our graduate community in action. We are very fortunate to have the Graduate Life Center—truly, nothing of its kind exists anywhere in the U.S. and this encourages me about the future of graduate life at Virginia Tech.

Two very recent examples greatly benefiting graduate students that encourage me about the future of graduate life at Virginia Tech include: 1) the recent change to the graduate student medical insurance plan and 2) the recent assistance with comprehensive graduate student fees. Again, graduate students are very thankful and hope to continue to see additional solutions to graduate student concerns.

GRADUATE HEALTH INSURANCE

As you may be aware, Virginia Tech graduate students (as well as undergraduates) now have access to a new and improved student medical insurance plan through Aetna Student Health. The plan was officially up and running on July 29th and as of October 18, 2011 total student enrollment includes 2357 students including a total of 44 dependents. Of the 2357, approximately 91% (2156) are graduate students and approximately 12.5% (188) are undergraduates. Of the graduate students enrollees, approximately 86% (1860) are covered by the assistantship subsidy while approximately 13% (296) are not. Benefit enhancements now include: no pre-existing condition clause, coverage for mandatory immunizations, coverage of preventive services at 100% with no cost sharing, a vision care coverage benefit, removal of physical therapy and chiropractic maximums, and the

addition of a \$500,000 plan. Additional improvements include an overall 5% reduction in premium costs for all plans, including dependent coverage, 100% online enrollment, an online waiver process for mandatory students (e.g., international and vet med), and an enhanced online referral system at Schiffert Health Center.

Graduate students I have spoken with are much happier on this plan. Many were involved in this bid becoming a reality—simply said this would not have been possible without the hard work and dedication of some graduate students over the years, Graduate VP and Dean of Graduate Education Dr. DePauw, and members in the Budget Office including VP of Finance Dwight Shelton and University Budget Director Tim Hodge (especially for being committed to finding the funding and developing a multi-year plan to get to 90 percent coverage). In addition, the tireless efforts of those serving on the RFP evaluation committee including: Ken Miller, University Controller, Ellen Douglas, Associate Director of Risk Management, Rick Ferraro, *Assistant Vice President for Student Affairs*, Kanitta Charoensiri, Director Schiffert Health Center, Rebecca French - graduate student representative (former BOV grad rep from 2009-10) and Akiko Nakamura-international student representative and graduate health care committee representative. Last but certainly not least, special thanks go to former and current members of the Finance and Audit Committee (who also were strong advocates throughout the entire process).

COMPREHENSIVE FEES

Another important gain for graduate students came with the hard work and efforts of the finance office including Mr. Shelton, Vice President of Finance, and Mr. Tim Hodge, University Budget Director. Beginning this fall semester graduate students on assistantship received a one percent increase in stipends, an extra \$200 earmarked to help cover comprehensive fees, the technology fee is now universally covered by all departments and, as mentioned previously, the health insurance subsidy increased from 87.5 to 90 percent.

In closing, graduate students are thankful for these recent examples of attention to their needs and concerns over the years but still need attention to complex issues and challenges. In March I will be presenting data on the long efforts of several graduate students regarding the needs and concerns of graduate students with children.

I have had the great pleasure of meeting with and chatting with many of you and hope to continue...and please, seriously consider taking me up on my offer to visit the GLC.

Thank you for your time and attention.

~Michelle F. McLeese. November 7, 2011

Staff Senate Constituency Report
Virginia Tech Board of Visitors
November 2011
Maxine Lyons, Staff Senate President

Rector Nolen, members of the Board of Visitors, President Steger, administrators, and guests: I appreciate this time to update you regarding the VT staff.

Since I last spoke with you, the Staff Senate has met two times. In September, Jack Finney, Associate Provost for Faculty Affairs, talked to the Staff about the University's strategic plan that is being created at this time. At the other meeting, held on Oct. 20th, Dr. Mark McNamee, Senior Vice President and Provost, gave a presentation entitled, "The Staff and the Future of the University," which also connected with the strategic plan. It is good to involve the staff in the strategic planning process.

A very important issue that has arisen and is the major topic of discussion and concern among staff at this time is the proposed changes to the state leave system. Many classified staff stand to lose many days of their accrued leave if this proposal is enacted. I have invited Hal Irvin, Associate Vice President for Human Resources, to address this issue at the November Senate meeting. Another speaker at that meeting will be John Beech from the Facilities Department. John will be talking about the CVC campaign.

The staff who are working in Northern VA continue to receive information and Senate meeting notices electronically and through a representative to the Senate. Some interested staff in Alexandria held an informal meeting at the Northern Virginia Center in late September to work on the structuring of the new Staff Association there, and one person has been designated to set up a Google doc. site for them to start sharing communication on the local constitutions and other documents. They plan to connect with the other locations in Alexandria, Arlington, Manassas, Leesburg, and Middleburg via polycom so that all staff there will have opportunity to participate.

Thank you for your continued interest in the VT Staff. I'll be glad to take questions or comments at this time.

Respectfully,

Maxine Lyons
President, Staff Senate

Constituency report of the Virginia Tech faculty to the Board of Visitors

November 7, 2011

Bruce Pencek
President, Faculty Senate

Rector Nolen, ladies and gentlemen of the board, and fellow members of the university:

It has been a custom of my predecessors to devote a portion of their reports to a scorecard of the activities of the faculty senate. I will begin that way today and then give a more impressionistic view of concerns of the Virginia Tech faculty. I will not reiterate concerns I raised in the August meeting

Thus far, the academic year has not brought a lot of governance business to the senate: informational sessions, but no substantial resolutions. As the rest of governance proceeds -- for example, in the evolution of the conflict of interest policy -- we expect to be involved.

The informational sessions began with an early consideration of the policy for performing criminal background checks on prospective new faculty hires (surprisingly non-controversial), followed in October by the long-range planning task force. Tomorrow night we will hear from the VT police about their responsibilities and capabilities and from the new dean of libraries about the dramatic new vision for the libraries' spaces and services.

Within the senate, we have revived some practices that had slipped into disuse: meeting of the officers with past senate presidents, repopulating standing faculty dispute-resolution committees, and convening the senate cabinet. Not sexy, not easy, but necessary to improve our own organizational capacity to deal with future issues.

Personally, in my role as senate president, I have met bodies of middle- and upper-level administrators that I'd never heard of before. The substance of those meetings and opportunities was less impressive than the fact that there is no shortage of opportunities and good faith efforts across the university for communication, both inputs and outputs, among people who knew where to look.

Lots of smart and conscientious people here are trying to act transparently in the common interest, yet paradoxically many other smart, conscientious – and busy – people perceive opacity in decision-making. And then they make inferences that recapitulate existing morale problems.

Two recent examples reveal the kinds of perceptions and interpretations at work.

First is a perception that policy is made almost inadvertently: “things happen.” Tech’s decentralization encourages entrepreneurial behavior by middle-level administrators – which is often a good thing – but there are concerns that these policy or project entrepreneurs perform inadequate inventories of potential stakeholders, wear blinkers in regard to externalities of their decisions, and communicate more effectively vertically, to Burruss and the BOV, than they do horizontally or, so to speak, diagonally downward.

A recent controversy is the proposed multi modal transportation facility – the new bus terminal that everyone thinks will have a great benefit. Just a few weeks ago it came to the attention of faculty that planners, driven by mandates and deadlines external to campus, had apparently committed Tech to a location adjacent to Derring Hall – notwithstanding the conclusion of science faculty that prevailing winds would probably send bus exhaust directly into their lab buildings’ air intakes, where pollutants would likely contaminate student research and gum up expensive lab instruments. A rejoinder that “such-and-such was in the plan we announced five years ago and posted on WYZ website” is not exactly useful to resolve a problem at the present, and it makes the planning professional look like a condescending bureaucrat rather than a partner in the university mission.

It took vigilance by stakeholders working outside of governance -- and some good fortune -- to discover this problem, analyze it, and bring it to the attention of the senate and several commissions, in time (we hope) for these adverse impacts on the educational mission to factor into revisions of the terminal location, design, and operations. In this case, governance ultimately worked. But it was a close thing.

Procedures are in place whereby members of faculty and other constituencies are intentionally included to avoid the sort of policy by inadvertence I just described. Here the perceived representativeness of the representatives is the rub. As a source of faculty skepticism, concern with representation in a body could well outweigh disagreement with the output of that body.

Faculty senators across disciplines have remarked that the number of academic faculty on the long-range planning task force seems disproportionately small, and mystery surrounds the issue of to what end those faculty in particular were tapped and others not. Combine that perception with the many years of mutual suspicions by faculty along the sci-tech vs non-sci-tech divide – most recently manifested in an op-ed in the *Roanoke Times* that complained that the planning task force's reports nowhere mention humanities (nor social sciences) -- and it should surprise no one that some faculty have read invidious motives into the makeup of the task force.

Similarly, other senators are disheartened by what they perceive are gaps between the university's official policy and its undocumented practices in the appointment of faculty to committees that advise the provost on the periodic review of academic deans. Misgivings have centered on the difficulty of learning the actual customary practices that, presumably, supplement and implement the formal policy; on the uneven access to the rationales for appointments; and -- in one case that is on tomorrow's senate agenda -- on the divergence between actual appointments and the slate of representatives the college's faculty vote for. Sadly, with the dean reviews I hear speculations of hidden administrative agendas, of the pointlessness of bothering to participate in processes whose outcomes appear predetermined, and (in three different reviews in the past several years) even of faculty fearing retribution in their colleges for speaking their minds or completing surveys on dean reviews.

I must emphasize that in their conversations with senate officers Drs. Steger and McNamee have been very explicit inviting faculty to come directly to them with questions and concerns about their decisions. Trying to be a neutral broker, I have conveyed these invitations as clearly as I can to the concerned senators and bring the discussion into the open at this month's senate

meeting. If nothing else, I hope to learn if the misgivings are really directed at top administration, at defects in posted policies, or (as I suspect) at problems in lower levels.

In principle, multiple routes of communication among insiders, such as we in this meeting, and a complex system of interconnected governance bodies comprising people motivated to “do” the supererogatory work of governance, should build in opportunities for stakeholders to stay ahead of events and to communicate information and judgment in all directions, and to preserve the perceived legitimacy of shared governance. In practice, however, that same framework may filter out more useful information than it actually conveys to the majority of faculty (and I daresay, staff) who choose to stick to their knitting.

Moreover, constituencies work on different calendars and bring different time- and attention-economies to fulfilling their tasks. Left unattended to, these different objective and subjective schedules may be only occasionally synchronize.

In short, we who are engaged in governance talk frequently and well to one another but very imperfectly communicate the right kind of information to the larger community in ways and at times that are useful and meaningful to them.

For faculty, the opportunity cost of information about the making of policy and decisions is high: vigilance is a time- and attention-intensive distraction from core research, instruction, and engagement work even for committed, experienced faculty citizens. Especially for newer, junior faculty, university incentive structures reward them to get along with their own work, and to trust the administrative apparatus to facilitate it.

The burden is on policy managers to be clear about their goals and purposes of their plans and processes and then to be more forthcoming about the bases and rationales of their decisions.

The burden then shifts to the now-informed stakeholders to register their concerns in a direct, timely, and appropriate way.