

MINUTES
UNIVERSITY ADVISORY COUNCIL ON
STRATEGIC BUDGETING AND PLANNING
January 22, 2015

PRESENT: Virginia Buechner-Maxwell, Martin Daniel, Tim Hodge, Steve Kleiber, Herve Marand, Ginny Pannabaker (for Leslie O'Brien), Richard Rodrigues, Ken Smith, Jason Soileau, John Tedesco, Sue Teel

ABSENT: Carolyn Copenheaver, Kylie Gilbert, Susanna Rinehart (for Sarah Karpanty), William Knocke, Joseph Guthrie, Andrew McCoy, Mark McNamee, Quinton Nottingham Dwight Shelton

GUESTS: Steve Mouras, Director of Transportation Planning and Sustainability
Ruben Avagyan, Campus Energy Manager
Chris Kiwus, Associate Vice President and Chief Facilities Officer

1. CALL TO ORDER

Mr. Tim Hodge, Assistant Vice President for Budget and Financial Planning, called the meeting to order at 3:00 p.m.

2. APPROVAL OF THE DECEMBER 4, 2014 MINUTES

Mr. Hodge announced that the minutes of the December 4, 2014 meeting have been approved and sent to University Council for posting on the web.

3. UPDATE ON EXECUTIVE BUDGET AMENDMENTS

Mr. Hodge provided an update on the Governor's executive budget amendments. Mr. Hodge noted that the executive budget affirmed the September budget cut of \$6.1 million in General Fund would stand for Agency 208, with Agency 229 being sheltered from the reductions. Mr. Hodge then reviewed highlights from the letter Mr. Dwight Shelton sent out to campus leadership that was copied to the council (attached). The executive amendments provided state support for \$100,000 of resident undergraduate financial aid, \$1.5 million of additional Higher Education Equipment Trust Fund (ETF) funding, and \$532,000 in additional Maintenance Reserve funding. Mr. Hodge added that there are currently several pieces of legislation being discussed in the General Assembly that involve authority, including legislation to cap certain fees (i.e. athletic fee, which VT would not be greatly affected by due to having the lowest athletic fee in the commonwealth), and limits on tuition setting authority. Mr. Hodge explained that with these pieces of legislation, the autonomy of boards of visitors is being limited, and that conversations need to continue to address the unintended consequences of some of these pieces of legislation. Overall, Mr. Hodge observed that the executive budget amendments represented a little bit of good news in an otherwise challenging economic environment.

4. SUSTAINABILITY AND ENERGY CONSERVATION ON CAMPUS

In response to the council's request, Mr. Mouras and Mr. Avagyan gave a presentation (attached) and engaged in discussion on energy conservation and sustainability. They provided a background of the Office of Energy and Sustainability (OES). The OES sets

their goals based on the VT Climate Action Commitment (CAC) signed in 2009 and updated in 2013. Mr. Mouras walked the group through these goals, as well as the role of the OES, and programs and events that they run on campus. Mr. Avagyan then discussed his role as an Energy Manger at VT, and what he is responsible for in that role. Mr. Avagyan described several completed energy savings projects on campus, ongoing projects, as well as future plans.

Mr. Mouras and Mr. Avagyan then answered questions from the group, including

- A question regarding the energy management of our off-campus leased buildings: Mr. Avagyan explained that we have in some instances (in the CRC) conducted energy audits of leased buildings.
- Questions concerning the budget for energy saving projects, versus improvements to infrastructure or existing building improvements:

Mr. Hodge noted that these are two separate budget processes. When energy savings projects are identified, and if the data shows that they will provide a significant cost savings, the Budget Office will work with the appropriate groups to identify a way to finance those projects outside of the standard budget cycle, to be repaid by realizable savings to create long term savings for the institution. Improvements to existing buildings that don't create a net savings would go through the standard budget process that would establish priorities for funding. Mr. Mouras added that with their strategic plan, they plan to make continued progress.

Mr. Mouras closed by saying that although energy is affordable now, it won't always be. There is a window of time to be proactive in dealing with energy savings projects, instead of having to be reactive in the future when costs rise. He also noted that changing behavior is difficult.

Dr. Kiwus indicated that they will be working with the Budget Office on future projects.

5. OTHER BUSINESS

No further business was discussed, and the meeting adjourned at 4:05 p.m.

Attachments (2)