

**MINUTES
BUDGETING AND PLANNING COMMITTEE
September 15, 2022**

Present: Carol Cash, Kristen Cox, Cyril Clarke, Jeff Earley, Nancy Gruber, Jim, Hillman, Tim Hodge, Mintai Kim, Stephen Kleiber, Erin McCann, Nancy McGehee, Joe Merola, Sean O’Keefe, Rebecca Pauly, Corina Sandu, Michael Sorice.

Absent with Notice: Joell Eifert, Liza Morris

Absent: Nikolaos Dervisis, Aimane Najmeddine

Guests: Ed Lener (substitute for Amr Hilal), Debbie Greer (substitute for Chris Kiwus)

1. Announcement of approval and posting of minutes of April 21, 2022

The April 21, 2022 minutes have been approved and forwarded to the University Council for posting on the web.

2. Presentation

Tim Hodge, Associate Vice President of Budget and Financial Planning, provided a brief overview of the Council. Mr. Hodge presented an overview of fund accounting, the University’s financial structure, operating trends, and state budget timeline. He reviewed the university’s program structure, explaining how the university is split into two agencies (Agency 208 and Agency 229), how each of those agencies are funded, and which programs fall under each. Mr. Hodge also reviewed resources the university receives from the State, tuition & fees, self-generated and private funds, and showed the trend of those resources over the past 10 years. Mr. Hodge also provided an overview of the state budget process and timeline, and explained that the committee would be updated at future meetings as the state budget process unfolded. A PDF of the presentation is attached to these minutes.

3. Other Items

Dr. Cyril Clarke, Executive Vice President and Provost, inquired from Committee members recommendations of topics they would like to discuss over the coming months. There was discussion and several topics were shared.

4. Adjournment

There being no further business, the meeting adjourned at 5:05 p.m.

OPERATING BUDGET

BUDGETING AND PLANNING COMMITTEE

SEPTEMBER 15, 2022

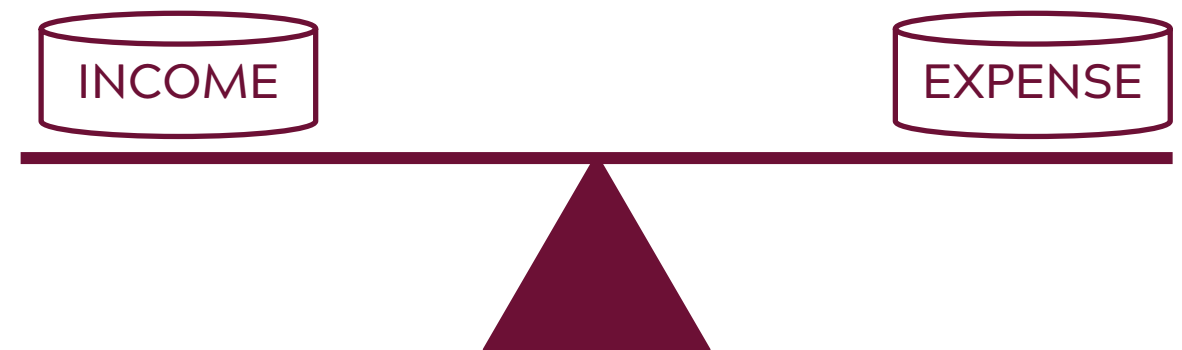
VIRGINIA TECH ACCOUNTING AND BUDGETING CONTEXT

Fund accounting is an accounting system for recording resources whose use has been limited by the donor, grant authority, governing agency, or other individuals or organizations or by law. It emphasizes [accountability](#) rather than [profitability](#), and is used by [Nonprofit organizations](#) and by governments. In this method, a fund consists of a self-balancing set of [accounts](#) and each are reported as either unrestricted, temporarily restricted or permanently restricted based on the provider-imposed restrictions. (Wikipedia)

Governmental, Non-Profit

Fund Accounting - Money given to the institution for a certain purpose must be spent for that purpose

Self-Balancing Funds



Self-Balancing Funds

The university began the current fiscal year with a balanced budget that is the starting point for next fiscal year.



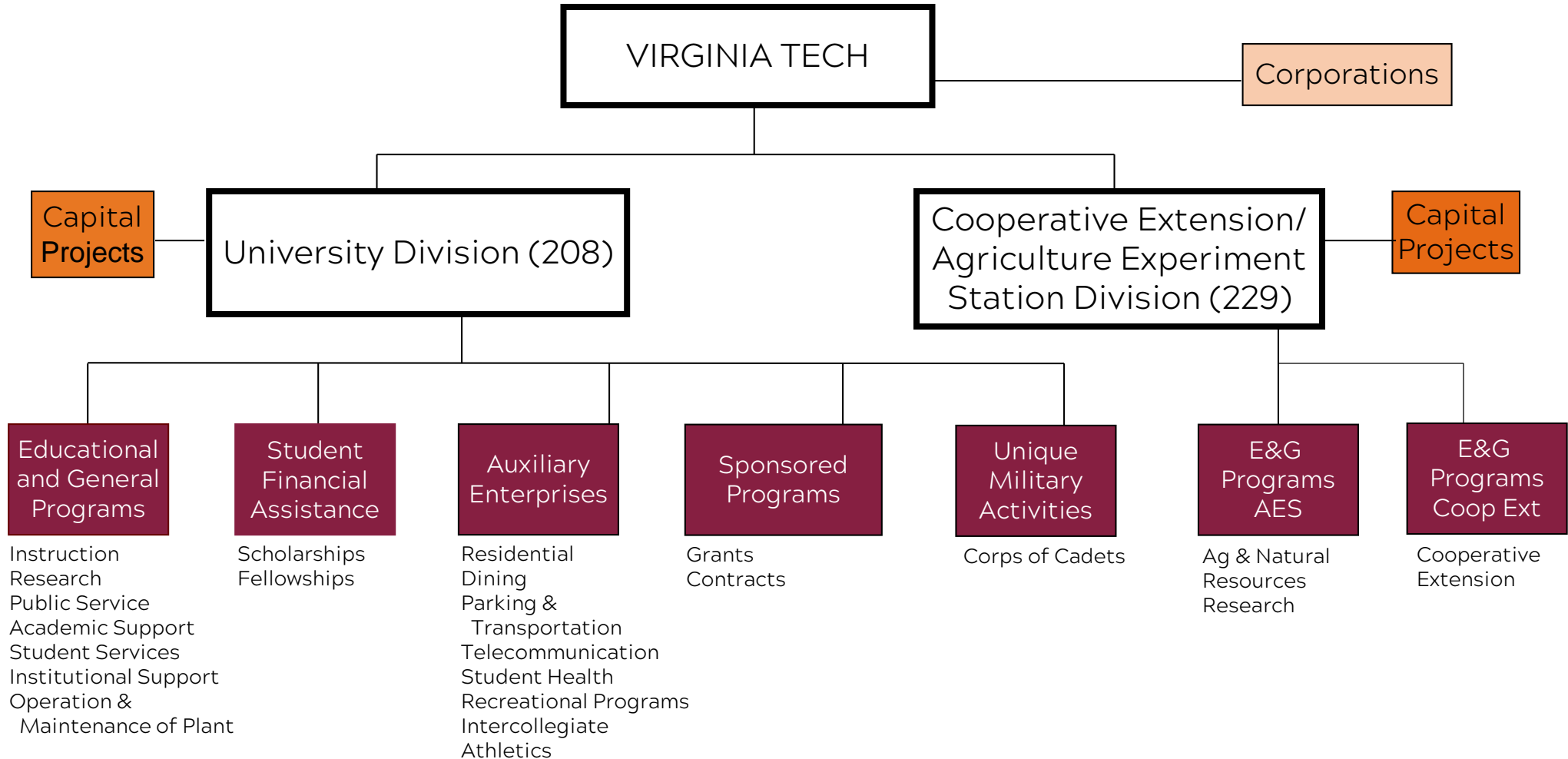
Income

The institution is comprised of multiple self-balancing funds, such as:

- Agency 208 University Division E&G
- Agency 229 Cooperative Extension
- Each Auxiliary Enterprise
- An individual sponsored grant
- Each capital project

Expense

Program Structure

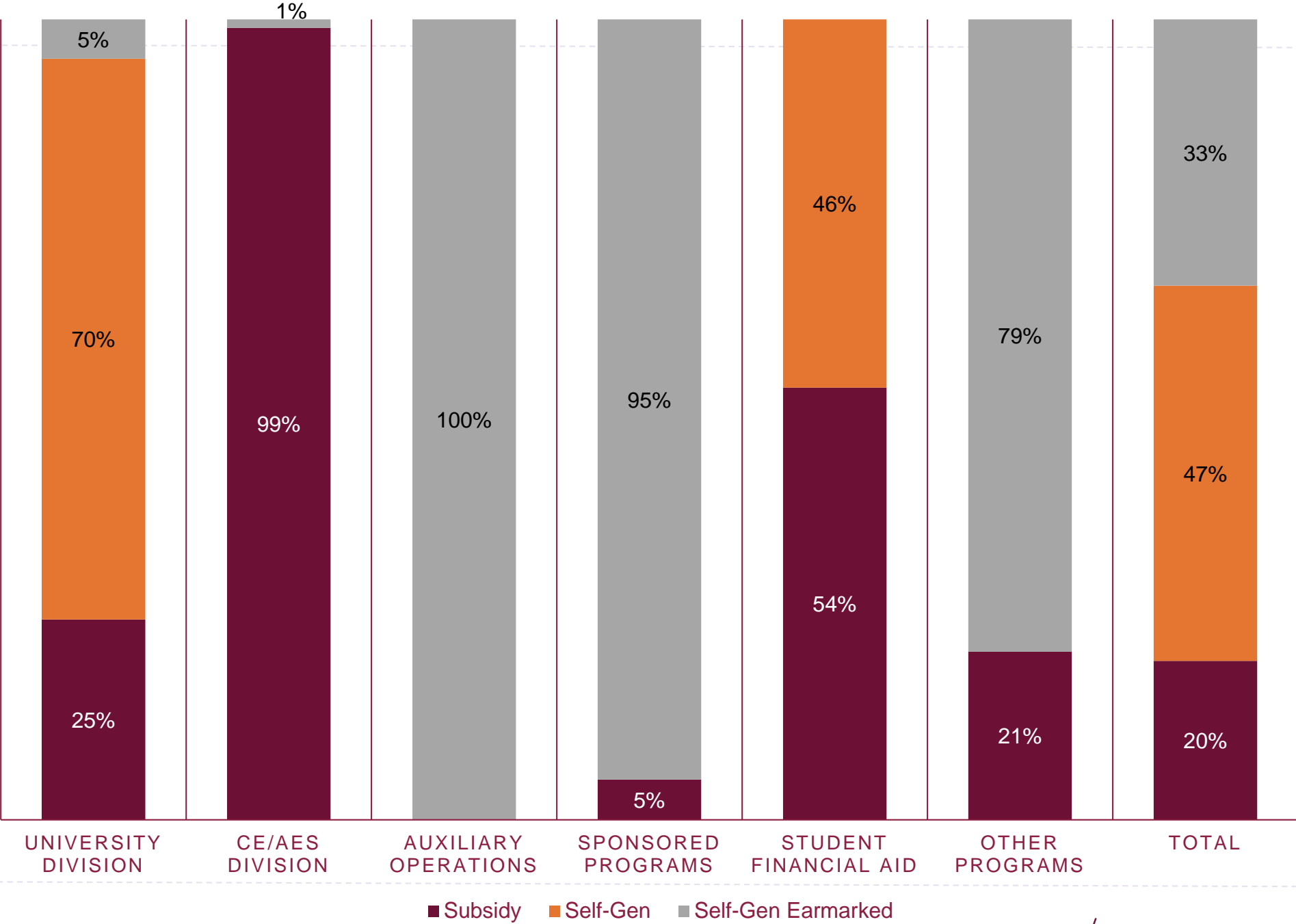


VIRGINIA
TECH'S
MAJOR
FUNDS AND
PROGRAMS
COMPRISE A
\$1.6B PUBLIC
ENTITY

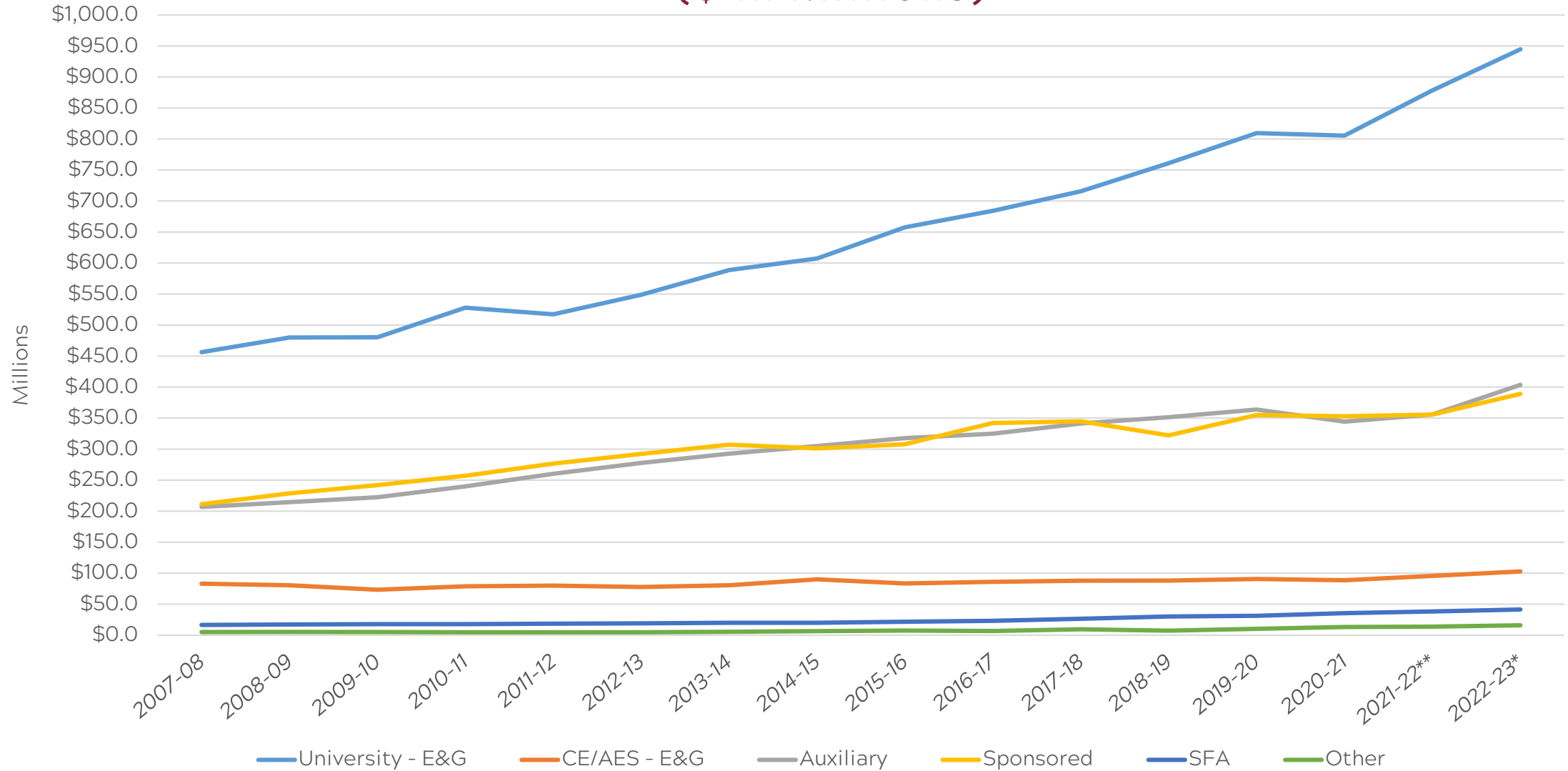
| | | PROGRAMS | | | | | | | |
|-------|------------------|---------------------|-----------------|-------------|--------------------|-----------------------|----------------|-----------|--------------------|
| | | University Division | CE/AES Division | Auxiliaries | Sponsored Programs | Student Financial Aid | Other Programs | Total | |
| FUNDS | General Fund | \$238.8 | \$86.3 | | \$19.4 | \$27.0 | \$3.3 | \$374.8 | Subsidy |
| | Tuition & Fees | 651.6 | | 208.8 | | 23.1 | | 883.5 | Self-Gen |
| | Federal Funds | | 15.6 | | | | | 15.6 | Subsidy |
| | Sales & Services | 2.5 | | 198.2 | | | | 200.7 | Self-Gen Earmarked |
| | Sponsored | | | | 369.7 | | | 369.7 | Self-Gen Earmarked |
| | All Other Income | 43.9 | 0.9 | | | | 12.5 | 57.3 | Self-Gen Earmarked |
| Total | | \$936.8 | \$102.8 | \$407.0 | \$389.1 | \$50.1 | \$15.8 | \$1,901.6 | |

Source: 2022-23 University Authorized Budget Document available at obfp.vt.edu

PROGRAMS VARY IN THE PORTION OF FUNDING THAT COMES FROM SELF-GENERATED REVENUES AND SUBSIDIES

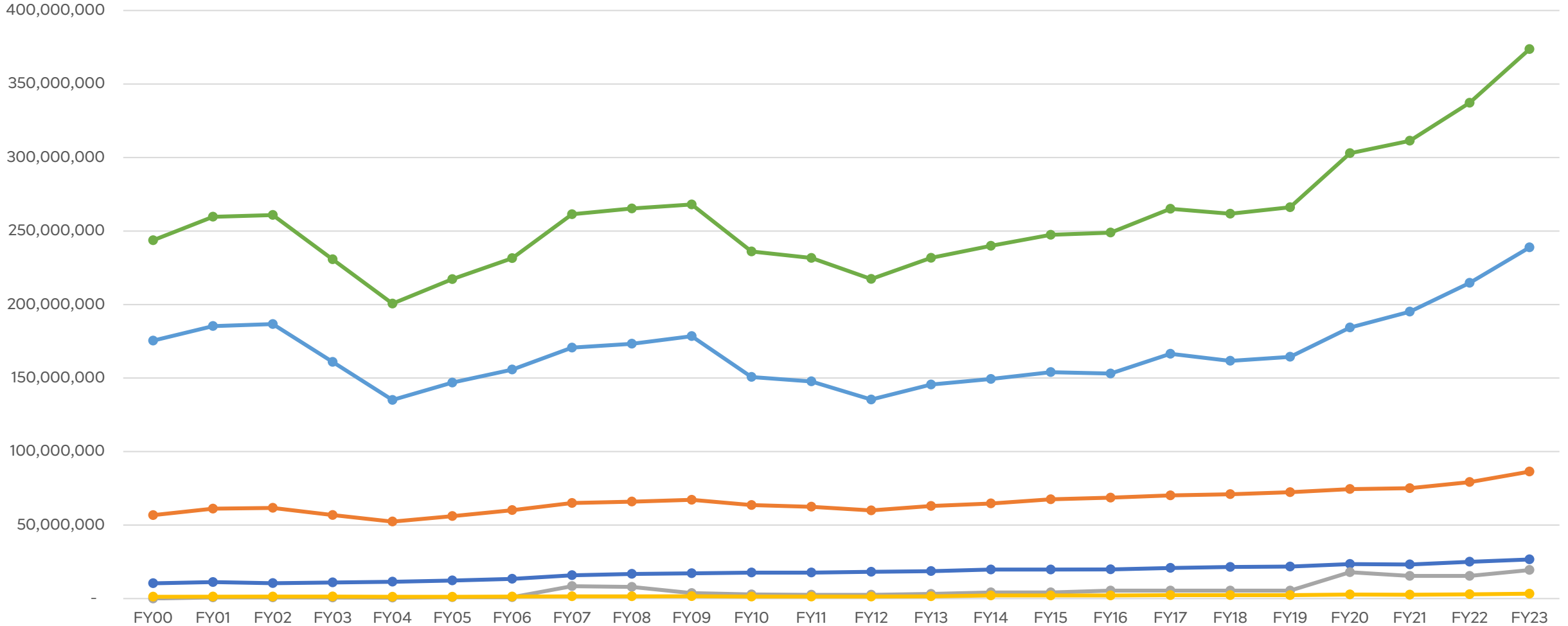


2022-23 Operating Budget Trend by Component (\$ in Millions)



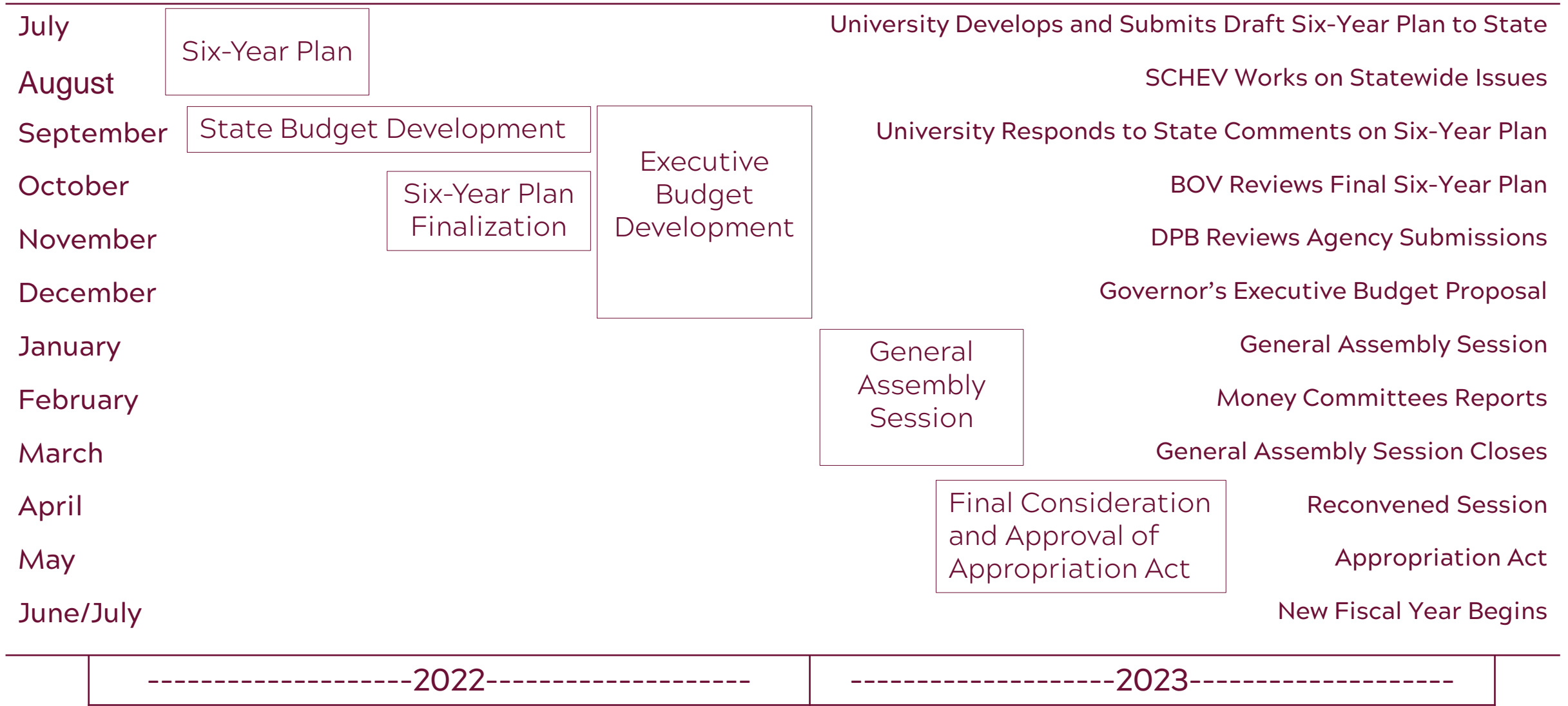
General Fund Support by Program

Trend of General Fund by Major Program from FY2009-10 through FY2022-23



University Division CE/AES Division Student Financial Aid Financial Assistance for E&G Programs Unique Military Activities Total

EXTERNAL OPERATING BUDGET TIMELINE - BIENNIUM



-----2022-----

-----2023-----

DISCUSSION
