

**MINUTES
BUDGET AND PLANNING COMMITTEE
September 13, 2024**

Present: Sherif Abdelaziz, Kylie Allen, Leanna Blevins, Kerry Chipman, Cyril Clarke, Opal Cohen, Kristen Cox, Cathy Duerbeck, Jeff Earley, Pascha Gerni, Tim Hodge, Creed Jones, Stephen Kleiber, John McGee, Nancy McGehee, Liza Morris, Rebecca Pauly, Amy Sebring, and Rebecca Weaver-Hightower.

Absent with Notice:

Absent: Tara Brent, Travis Burns, and Joseph Wells.

Guests: Debbie Greer

- **Announcement of approval and posting of minutes of April 29, 2024**

The April 29, 2024 minutes have been approved and forwarded to the University Council for posting on the web.

- **Presentation**

Operating Budget Overview:

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 budget timelines. 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 and self-generated, and showed the trend of those resources over time. Mr. Hodge also provided an overview of the budget processes and timelines, 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.

- **Other Items**

Tim Hodge inquired from Committee members recommendations of topics they would like to discuss over the coming months. There was discussion and several topics were shared.

- **Adjournment**

There being no further business, the meeting adjourned at 3:03 p.m.



OPERATING BUDGET

BUDGETING AND PLANNING
COMMITTEE

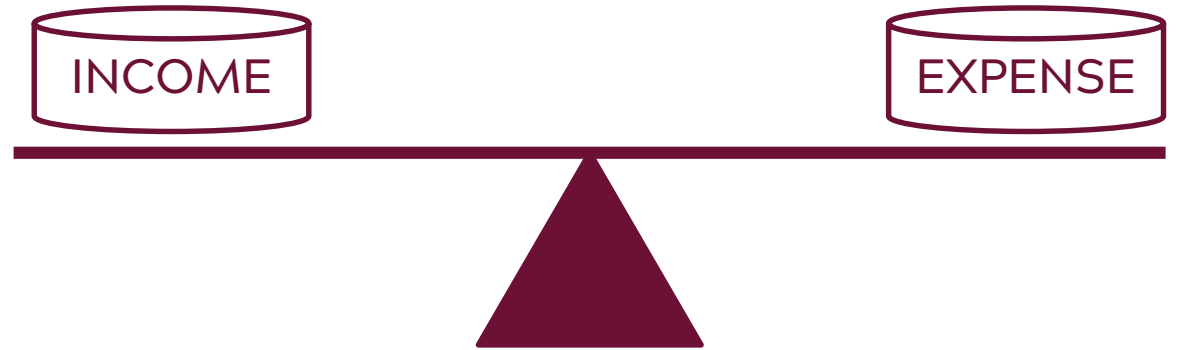
SEPTEMBER 13, 2024



Money provided to the institution for a certain purpose must be spent for that purpose

Fund accounting is an accounting system for recording resources whose use has been limited by the donor, grant agency, governing authority, or law. It emphasizes accountability and is used by nonprofits and governments.

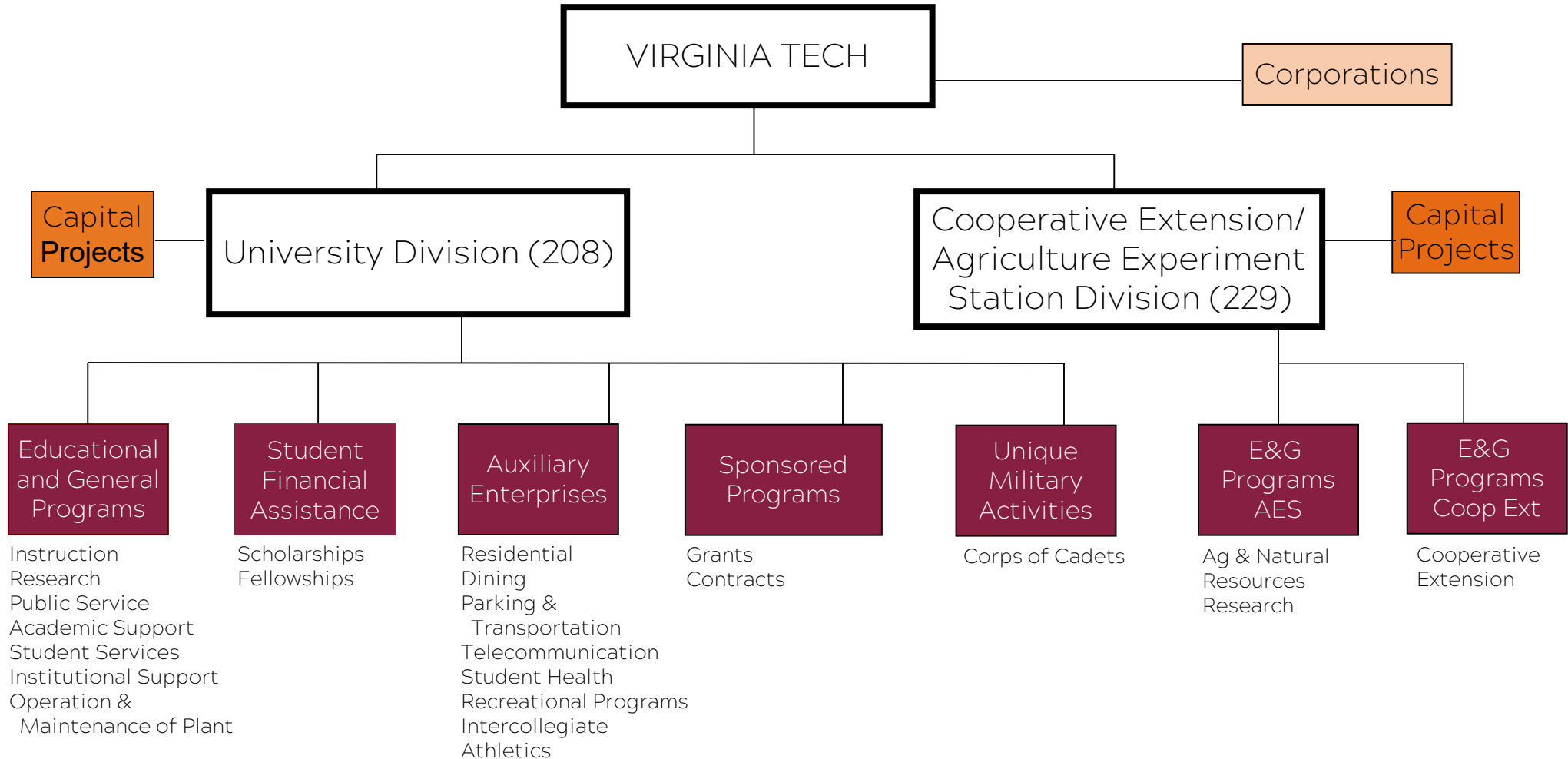
Self-Balancing Funds



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

- Agency 208 University Division E&G
- Agency 229 Cooperative Extension
- Agency 229 Ag Experiment Station
- Each Auxiliary Enterprise
- Each sponsored grant
- Each continuing education program
- Each gift (in the VTF)
- Each capital project

Program Structure

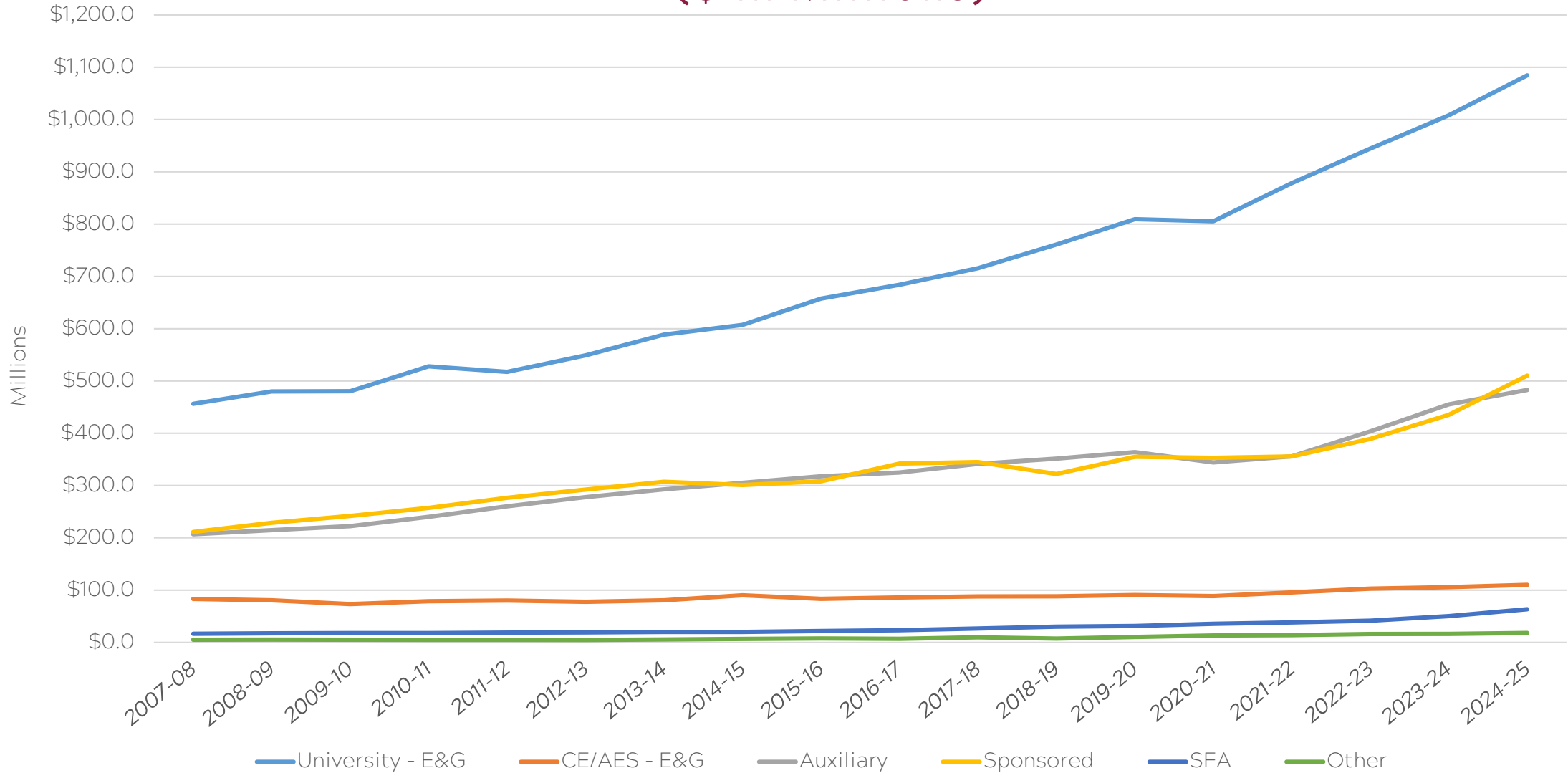


VIRGINIA
TECH'S
MAJOR
FUNDS AND
PROGRAMS
COMPRISE A
\$2B PUBLIC
ENTITY

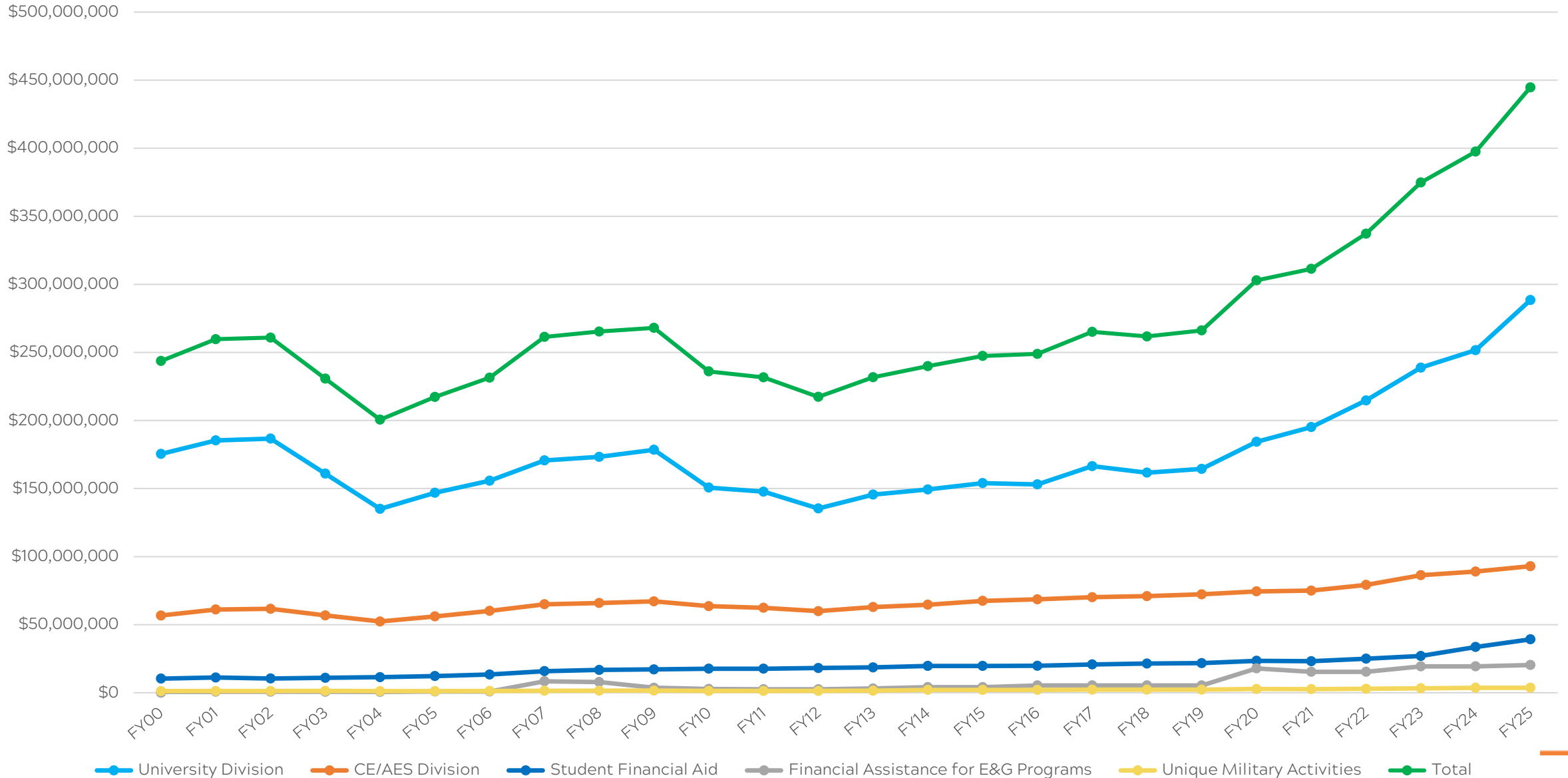
		PROGRAMS						TOTAL	
		University Division E&G	CE/AES Division E&G	Auxiliary Enterprises	Sponsored Programs	Student Financial Aid	Other Programs		
FUNDS	General Fund	\$288.5	\$92.9		\$20.4	\$39.3	\$3.6	\$444.7	Subsidy
	Tuition & Fees	736.2		246.2		24.2		1,006.6	Self-Gen
	Federal Funds		15.6					15.6	Subsidy
	Sales & Services	2.6		236.5				239.1	Self-Gen Earmarked
	Grants & Contracts				489.7			489.7	Self-Gen Earmarked
	All Other Income	57.2	1.4				14.5	73.1	Self-Gen Earmarked
Total		\$1,084.5	\$110.0	\$482.7	\$510.1	\$63.5	\$18.1	\$2,268.9	

Source: 2024-25 University Authorized Budget Document available at obfp.vt.edu

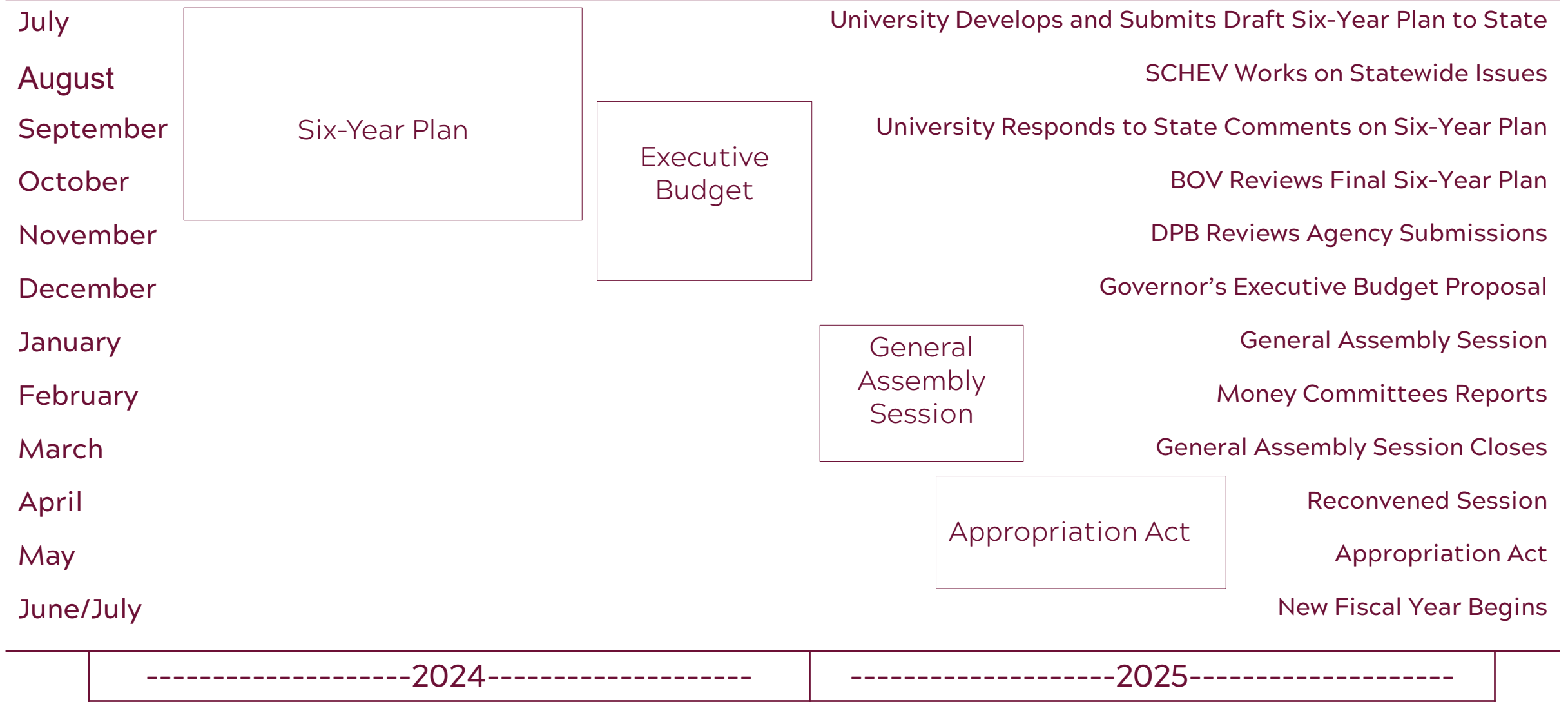
2024-25 Operating Budget Trend by Component (\$ in Millions)



General Fund Support by Program



EXTERNAL OPERATING BUDGET TIMELINE - BIENNIUM



-----2024-----

-----2025-----

FY25 OPERATING BUDGET +7.4%



All Programs

Dollars in Millions

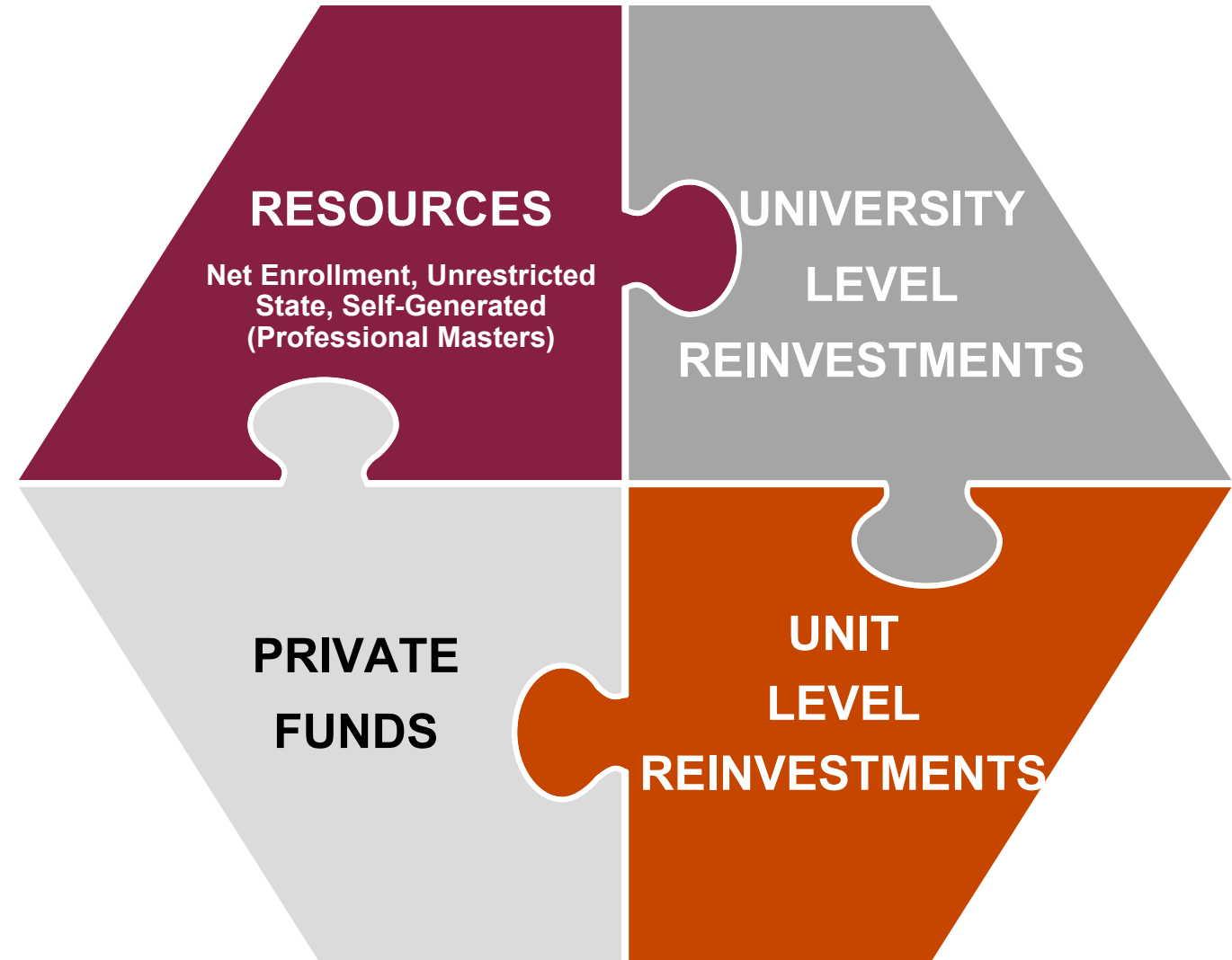
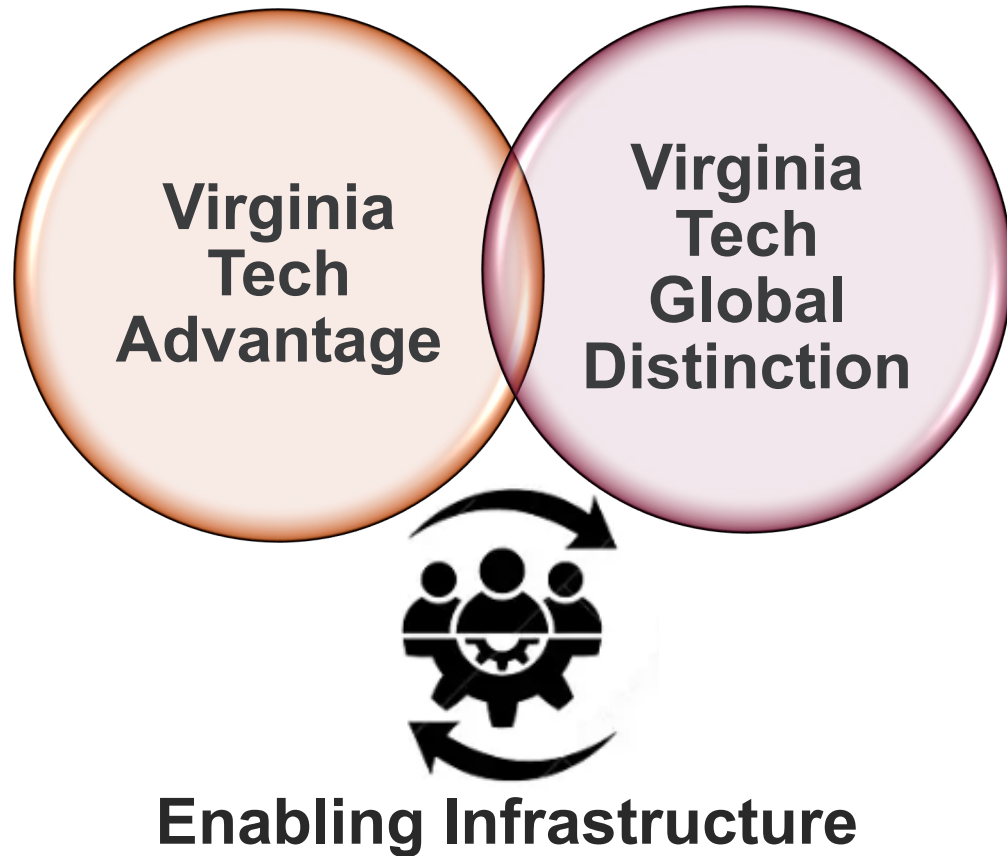
	FY24 Adjusted Budget	FY25 Proposed Budget	Change	
			\$	%
<u>Educational and General (E&G)</u>				
University Division	\$1,019.8	\$1,084.5	\$64.7	6.3%
Coop Ext/Ag Experiment Station Division	108.6	110.0	1.4	1.3%
Subtotal, E&G	\$1,128.4	\$1,194.5	\$66.1	5.9%
Auxiliary Enterprises	\$458.0	\$480.4	\$22.4	4.9%
Sponsored Programs	436.5	510.1	73.6	16.9%
Appropriated Student Financial Assistance	61.5	63.3	1.8	2.9%
All Other Programs	25.7	18.2	(7.5)	(29.3%)
Total Operating Budget	\$2,110.1	\$2,266.5	\$156.4	7.4%

INCREASE IN UNIVERSITY DIVISION E&G DRIVEN BY STATE SUPPORT

Dollars in Millions

	FY24	FY25	Change	
	Adjusted Budget	Proposed Budget	\$	%
<u>University Division (E&G)</u>				
General Fund	\$262.3	\$288.5	\$26.2	10.0%
Tuition and Fees	699.1	736.2	37.1	5.3%
All Other Income	58.4	59.8	1.4	2.4%
Subtotal	\$1,019.8	\$1,084.5	\$64.7	6.3%

STRATEGIC INVESTMENTS ARE SUPPORTED BY MULTIPLE FUNDING SOURCES



OPERATING DEVELOPMENT BUDGET TIMELINE

	FY24												FY25
	July	August	September	October	November	December	January	February	March	April	May	June	July
State	<div style="border: 1px solid #00aaff; padding: 5px; margin-bottom: 10px; width: 60%; margin-left: 10px;">Six-Year Plan</div> <div style="display: flex; justify-content: space-between;"> <div style="border: 1px solid #00aaff; padding: 5px; width: 30%; margin-left: 10px;">State Budget Development</div> <div style="border: 1px solid #00aaff; padding: 5px; width: 15%; margin-left: 10px;">Executive Budget</div> <div style="border: 1px solid #00aaff; padding: 5px; width: 15%; margin-left: 10px;">General Assembly</div> <div style="border: 1px solid #00aaff; padding: 5px; width: 10%; margin-left: 10px;">Veto Session</div> <div style="border: 1px solid #00aaff; padding: 5px; width: 10%; margin-left: 10px;">Appropriation Act</div> </div> <div style="border: 1px solid #00aaff; padding: 5px; width: 10%; margin-left: 10px; margin-top: 10px;">Crossover</div>												
Board of Visitors	<div style="border: 1px solid #800000; padding: 5px; margin-bottom: 10px; width: 60%; margin-left: 10px;">BOV 6 year plan</div> <div style="display: flex; justify-content: space-between;"> <div style="border: 1px solid #800000; padding: 5px; width: 20%; margin-left: 10px;">Tuition Public Notice/Public Comment</div> <div style="border: 1px solid #800000; padding: 5px; width: 10%; margin-left: 10px;">BOV T&F</div> <div style="border: 1px solid #800000; padding: 5px; width: 15%; margin-left: 10px;">BOV Budget</div> </div>												
University Budget Process (informed by strategic plan)	<div style="border: 1px solid #800000; padding: 5px; margin-bottom: 10px; width: 30%; margin-left: 30px;">Reinvestment Proposals</div> <div style="border: 1px solid #800000; padding: 5px; margin-bottom: 10px; width: 25%; margin-left: 40px;">Critical Needs Request</div> <div style="border: 1px solid #800000; padding: 5px; margin-bottom: 10px; width: 20%; margin-left: 50px;">Hearings</div> <div style="border: 1px solid #800000; padding: 5px; width: 15%; margin-left: 70px;">Publish Budget</div>												
Carryover	<div style="border: 1px solid #800000; padding: 5px; width: 15%; margin-left: 10px; margin-top: 10px;">Carryover Phase 2</div> <div style="border: 1px solid #800000; padding: 5px; width: 15%; margin-left: 50px; margin-top: 10px;">Carryover Plans</div>												Carryover Phase 1

DISCUSSION



FUTURE MEETING TOPICS

- Philanthropy
- Reinvestments
- Global Distinction
- Other

DISCUSSION

