

MINUTES
UNIVERSITY ADVISORY COUNCIL ON
STRATEGIC BUDGETING AND PLANNING
October 17, 2019

PRESENT: Scott Case, Terry Clements, Sherrie Clark-Deener, William Dougherty (via Zoom), John Fike, Donald Hatfield (via Zoom), Bob Hicok, Tim Hodge, Maruf Hoque, Edward Lener, Erin McCann, Cayce Myers (via Zoom), Ken Smith and Michael Sorrice.

ABSENT: Maria Balota, Cyril Clarke, Ken Miller, Liza Morris and John Richey.

1. CALL TO ORDER

Mr. Tim Hodge, Associate Vice President for Budget and Financial Planning, called the meeting to order.

2. APPROVAL OF THE SEPTEMBER 19, 2019 MINUTES

Mr. Hodge stated that the September 19, 2019 minutes have been approved and forwarded to the University Council for posting on the web.

3. FINANCIAL OVERVIEW OF ENROLLMENT VARIANCE

Mr. Hodge gave a financial overview of the enrollment variance to the Council. Mr. Hodge shared a breakdown of the enrollment variance, highlighting that while the freshman class exceeded planning parameters by 1,004 students, there was also a managed decline in the number of transfer (134) and subsequently realized shortfall in continuing undergraduate students (434) due to strong graduation and decreasing time to degree. When considering the enrollment as a whole, the actual variance was 479 students for 2019-20. Mr. Hodge then broke down how this variance financially impacted the University Division E&G program, Housing & Dining, The Inn at Virginia Tech and expanded student services. A PDF of the presentation is attached to these minutes.

4. UPDATE ON UNIVERSITY STRATEGIC PLAN – FEEDBACK ON CRITICAL MILESTONES

Erin McCann, Director for Strategic Planning, gave an update on the University Continuous Strategic Planning Process. Ms. McCann reminded the Council that through the collaboration of stakeholders across campus, the University approved a new Strategic Plan at the June, 2019 Board of Visitors meeting. Within the new Strategic Plan, four priorities were established, and within those priorities, numerous milestones were identified. Ms. McCann shared a list of proposed critical milestones to the Council for their feedback. While the Council was able to share some feedback, it was suggested that this topic be continued to the next Council meeting on November 21, 2019 for additional discussion. A PDF of the handout is attached to these minutes.

5. No further business was discussed, the meeting was adjourned at 5:05 p.m.

Priority	Milestones	Proposed Critical Milestones as of 10.15.2019
Advance Regional, National, and Global Impact	Increase extramural research expenditures to \$410M by 2024	Y
	Achieve Top 10 U.S. public land-grant (WSJ/THE U.S. College Rankings) by 2024	
	Achieve Top 13 U.S. land-grant (THE World University Rankings) by 2024	Y
	Ensure 100% of academic majors have a required experiential learning component by 2024	Y
	Reach 30,000 undergraduate students by 2023	
	Increase graduate student enrollment to 22% of undergraduate enrollment by 2024 (includes Innovation Campus Master Degree Students)	Under review
	Achieve Top 1/3rd (66th percentile) of internationally and nationally recognized faculty awards by 2022	Y
	Achieve Top 1/3rd (66th percentile) of internationally and nationally recognized faculty publications and citations by 2022	Y
	Increase the diversity (number of countries represented) of international faculty to 100 by 2024	
	Increase the diversity (number of countries represented) of international students by reducing the representation from the top two countries to no more than 50% by 2024	
	Advance the Rural Virginia Initiative with 20 funded projects by 2022	Under Review

Priority	Milestones	Proposed Critical Milestones as of 10.15.2019
Elevate the Ut Prosim (That I May Serve) Difference	Achieve 25% representation of underrepresented minority students in the entering class (freshmen and transfers) by 2022	Y
	Achieve 40% representation of underrepresented minority or underserved students (Pell-eligible, first generation, and veterans) in the entering class (freshmen and transfers) by 2022	Y
	Increase the total enrollment in the Corps of Cadets to 1400 by 2022	
	Achieve 20% representation of underrepresented minority graduate and minority professional students by 2024	Y
	Increase U.S. underrepresented minority faculty to 15% (which is equal to or greater than the mean Research (R1) Public Land-Grant Universities) by 2024	Y
	Increase female faculty representation to 50% (which is equal to or greater than the mean Research (R1) Public Land-Grant Universities) by 2024	Y
	Increase U.S. underrepresented minority faculty new hires to 25% annually by 2022	
	Increase female faculty new hires to 50% annually by 2022	
	Ensure 100% of graduate programs of study include a required cultural competency component by 2022	
	Increase undergraduate students graduating with at least two Pathways courses that satisfy the Critical Analysis of Equity and Identity in the United States core concept to 25% by 2024	Y
	Increase undergraduate students graduating with at least two Pathways courses that satisfy the Intercultural and Global Awareness integrative concept to 25% by 2024	
	Increase representation of underrepresented minority staff and administrative and professional faculty to 25% by 2024	Under Review

Priority	Milestones	Proposed Critical Milestones as of 10.15.2019
Be a Destination for Talent	Achieve progress in competitive faculty salaries towards 50th percentile of top 20 Research (R1) Public Land-Grant Universities by 2024	Y
	Achieve progress in competitive administrative and professional and staff salaries towards the 50th percentile of relevant market range by 2024	Under review
	Increase the four-year graduation rates for all undergraduate (entering freshmen) students to 70% by 2024	Y
	Increase the three-year graduation rates for all undergraduate transfer students to 75% by 2024	Y
	Reduce the average student loan debt per graduating senior to \$25k by 2024	Under review
	Increase faculty and staff satisfaction with career advancement opportunities to at least 75% as reported in Employee Climate Survey by 2022	Under review
	Increase faculty and staff satisfaction with work-life balance to at least 75% as reported in the Employee Climate Survey by 2022	Under review
	Increase students participating in Hokie Mentorship Connect Program to 25% by 2022	
	Increase on-campus students living in Living Learning Programs to 67% by 2024	

Priority	Milestones	Proposed Critical Milestones as of 10.15.2019
Ensure Institutional Excellence	Achieve 100% completion of college and unit-level strategic plans by May 2020	
	Achieve maintenance reserve funding in the range of 1- 1.5% of facility values for auxiliaries	Y
	Maintain Debt Rating in the AA or Aa Range	Y
	Maintain =or<5% University debt ratio	Y
	Increase the University's unrestricted net assets by \$20 million annually by 2024	Y
	Achieve an increase of at least 10% in total SWaM expenditures for each of the SWaM categories annually by FY22	
	Increase the endowment to \$1.6B by FY22	Y
	Increase alumni giving to 22% by FY22	Y
	Increase funds raised annually to \$175 million by FY23	Y

Financial Overview of Enrollment Variance Fall 2019

**UNIVERSITY ADVISORY COUNCIL ON STRATEGIC
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OCTOBER 17, 2019



Enrollment Variance

- Freshman yield exceeded planning parameters
 - Activity levels were adjusted to ensure quality VT experience
- Total enrollment variance is now understood
- Enrollment variance impacts:
 - University Division E&G program
 - Housing and Dining
 - Inn at Virginia Tech
 - Expanded student services

Enrollment Variance 2019-20

ON & Off Campus

	Internal Budget	Actuals	# Variance
Associate/Unclassified	219	216	(3)
Freshman	6,600	7,604	1,004
Transfers	1,250	1,116	(134)
Continuing UG	20,798	20,364	(434)
Undergraduate	28,867	29,300	433
Graduate	6,370	6,414	44
Vet Med	498	499	1
VTCSOM	169	170	1
Total	35,904	36,383	479

Undergraduate Enrollment Variance – E&G

\$ in millions

	2019-20
Higher than projected tuition revenue from FRESHMAN variance	\$14.8
Less college support for instruction and advising	(4.9)
Less support programming, student services, services for students with disabilities.	(1.0)
Less enrollment delay incentives (gap, VCCS, summer, \$400K FY21)	(0.1)
Subtotal Freshman Variance	\$8.8
Shortfall from continuing students (higher graduation rate) & other updates	(\$8.0)
Total	\$0.8

Enrollment Variance - Residential & Dining System

- \$9.3 million Incremental income from housing and dining of additional students
- Supplanted \$5.1 million of transient lodging activity at the Inn at VT with student housing
- Leased Holiday Inn for \$3.7 million
- \$2.4 million Staffing, operations, including buyout of returning student housing contracts to create capacity
- Increased dining \$2.7 million
- Reserve will underwrite and be restored over time.

Enrollment Variance – Inn at VT

- Inn at VT shifted from serving transient business to student housing in 3 of 4 floors.
 - \$5.1 million contract with Residential for student housing to supplant transient lodging activity
 - While budget was reshaped, at this time, no change to total budget.
 - Closely monitoring impacts to lodging, conference, and dining activities for FY20 and FY21.

Enrollment Variance – Student Services

\$ in millions

	Expenses
Health Services: added 4 counselors, 1 staff for counseling, 1 health center nurse practitioner, and expanded space	\$0.8
Student Conduct: added 1 student coordinator	\$0.1
Orientation: added 2 sessions to accommodate increased participants	\$0.1

Discussion

