

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

August 14, 1996

Room 400-D Burruss Hall

3:00 p.m. - 5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, David Conn, Larry Freeman, Dixon Hanna, Larry Harris, Scott Hurst, Pat Hyer, Frederick Kamke, Lauren Martinson, Martha McCollum, Peggy Meszaros, Paul Metz, Raynel Otero, Minnis Ridenour, Dwight Shelton, Henry Snodgrass, Richard Zody

ABSENT: Shawn Handley, Beth Hanson, Ernest Houck, Joseph Marcy, Timothy Pratt, Verna Schuetz

GUESTS: Erv Blythe, Mary Lou Bourne, Theta Bowden, Louis Helfrich

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 3:00 p.m. Members introduced themselves since many were new to the council.

2. FACULTY CREDENTIALS FOR THE SELF STUDY.

David Conn, Special Assistant to the Provost, discussed the process of providing faculty credentials to support the self study requirements. Official transcripts will not be required for currently employed faculty; instead, the university will seek an official statement of the highest degree awarded from the institution which awarded the degree. Guidelines for the documentation and verification process are being developed. Paul Metz, President of the Faculty Senate, suggested a search of dissertation abstracts to assist with verification.

3. REVIEW AND APPROVAL OF THE JUNE 26, 1996 MINUTES.

The minutes of the June 26, 1996 meeting were distributed in July. Since there were new members who were not yet on the mailing list, the minutes will be re-distributed and reviewed at the next meeting.

4. INTRODUCTION TO UNIVERSITY BUDGET AND APPROPRIATIONS PROCESS.

Minnis Ridenour, Executive Vice President, discussed the organizational, financial, and programmatic structure of the university. He distributed charts relating to the university's financial structure, accountability and reporting, and budget cycles. Council members also received a copy of the university's total operating budget, the 1994/1995 President's Report, and a list of accounting definitions.

Minnis Ridenour explained the university's structure which consists of a non-profit organization and ten corporations. The governmental authorities (Water, Sanitation, and Waste Management) and commission (Hotel Roanoke) were created through a legislative process with appointments by the Board of Visitors.

The classification of funds was also discussed. Minnis Ridenour reported that the endowment fund, the current value of which is \$242 million, consists primarily of restricted funds. Restricted funds can be used for their designated purpose only. Unrestricted funds and gifts may be used to support general education programs.

The financial structure of the university has three classifications: Related Corporations, University Division (208), and Cooperative Extension/Agricultural Experiment Station Division (229). The university division contains funds for teaching, public service, and research. Funds from Agency 229 may not be used to support university work; it is a violation of the Appropriations Act.

Minnis Ridenour discussed the operating budget, including the sources of revenues and expenditures. He also discussed the structure of the auxiliaries and corporations. Included in the materials was a graph which depicted the decline in state monies since 1989.

#### 5. CHANGING THE COMPUTING ENVIRONMENT AND ADMINISTRATIVE INFORMATION SYSTEMS.

Erv Blythe, Vice President for Information Systems, discussed the change which will occur in the university's computing environment. The university is moving from a mainframe environment to a distributive computing environment. The Administrative Systems which are being developed will provide the necessary infrastructure needed to support student services, faculty teaching and research projects, and external client-users.

Although the cost will be great, Erv Blythe emphasized the necessity to move to the client-server environment. Parts for the current mainframe are no longer manufactured, this could create a crisis if the mainframe were to develop a technical problem. Secondly, the university has allocated no money to upgrade the computing system since 1986. Colleges and departments have spent about \$78 million since 1989 on distributed environment hardware and software. The new environment will provide a system that will enable the university to remain competitive. The information systems budget, which was distributed prior to the meeting, does not include the faculty development component.

Louis Helfrich, Professor of Fisheries and Wildlife Science, asked if the new systems were related to the new technology building and if there had been planning in the last several years for a new system. Minnis Ridenour stated that the expenditures between the new technology building and the information systems were not related; however, the new building will help to support the systems once they are developed. In response to the question regarding planning, Erv Blythe stated that monies for new technology were spent within the colleges and departments and they now need an infrastructure to support their technological needs. Minnis Ridenour stated that the budget reductions experienced during the last several years affected the amount of technology funding. He also reported that other colleges were seeing significant changes in their technology.

Richard Zody, Professor of Urban Affairs and Planning, expressed his concern that the budget is underestimated because it does not include funding for maintenance and upgrades to computers already purchased. He also stated that representatives from all university constituencies need to be involved in the development of the new applications since the user-base will be large.

Spencer Allen, Staff Senate President, asked why there was an \$8 million new plan that was not listed in the operating budget. Minnis Ridenour stated that this was a new topic and it was listed in the operating budget. Because the budget has just been completed, the dollar amount was not listed in the budget. Erv Blythe also stated that the dollar amount and personnel numbers have not increased since projections from several years ago.

Mary Lou Bourne, Associate Director for Administration - Administration Information Systems, encouraged council members to provide input and ask questions via phone or e-mail.

In concluding, Minnis Ridenour stated that the information systems project is a major project. The system will serve the entire university. Given the different university budget structure, which moved from a centrally allocated system to a total budget responsibility center, all revenues are distributed throughout the university. The central administration has no discretionary funding to cover special projects or needs such as this.

Peggy Meszaros reminded the council that we must serve the students and must prioritize the budget requests with this in mind.

6. OTHER BUSINESS.

Peggy Meszaros shared copies of the new student orientation brochure with the council. This year, the university will sponsor a series of student-oriented workshops; these are outlined in the brochure.

Peggy Meszaros also informed council members that the update to the University Plan has been received. David Conn will provide copies to those wishing to review the update.

The council's fall schedule was distributed. Peggy Meszaros also reminded members of the Planning Retreat scheduled for September 5 and 6 at the Hotel Roanoke and Conference Center. She encouraged everyone to attend and to come prepared for discussions related to planning, program review, and information systems. A memo providing details about the retreat was mailed to members on August 13.

There being no further business, the meeting adjourned at 5:10 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

September 10, 1996

President's Board Room

3:00 p.m. - 5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, David Conn, Larry Freeman, John Fulton, Dixon Hanna, Beth Hanson, Larry Harris, Ernest Houck, Scott Hurst, Patrick Knightly, Joseph Marcy, Lauren Martinson, Peggy Meszaros, Paul Metz, Brian Murphy (for Fred Kamke), Raynel Otero, Timothy Pratt, Verna Schuetz, Dwight Shelton

ABSENT: Pat Hyer, Frederick Kamke, Martha McCullom, Minnis Ridenour, Henry Snodgrass, Richard Zody

GUESTS: Richard Alvarez, Bob Bates, Erv Blythe, Mary Lou Bourne, Theta Bowden, Harold Burkhart (for Greg Brown), Pat Edwards, Jean Eversole (for Ray Smoot), Peter Eyre, Tom Head, Eileen Hitchingham, Janet Johnson, Judy Lilly, Anne Moore, John Moore, Kim O'Rourke (for Charles Steger), Len Peters, Rich Sorensen, Andy Swiger, Michael Vorster (for Bill Stephenson), Mike Williams

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE JUNE 26, 1996 MINUTES.

The minutes of the June 26, 1996 meeting were reviewed and approved as distributed.

3. REVIEW AND DISCUSSION OF THE COMPUTING AND COMMUNICATIONS ENVIRONMENT.

Objectives of review and discussion

Following discussion at the two-day university planning retreat held on September 5 and 6, the University Advisory Council on Strategic Budgeting and Planning recommended continuing discussion of the computing and communications environment at the next regularly scheduled meeting. The vice presidents and deans were also invited to attend these discussions.

Peggy Meszaros reviewed two objectives carried forward from the retreat. Specifically, the goals of the meeting's discussion were to: 1) obtain additional information regarding the information systems proposal, and 2) review alternative funding options for the identified priorities.

Why move to a new computing environment?

Peggy Meszaros discussed three reasons why the university is moving to a new open-systems environment:

1. It was a decision made at the Presidential level during 1985-86.
2. It follows the movement of computing environments within industry.
3. It follows the decision of many of the university's competitors (Georgia Tech, Penn State, UNC - Greensboro, James Madison, Arizona State, Florida State, Harvard, and Cornell).

This decision is not a reversible one; doing so is not in the best interest of the university. Peggy Meszaros also reported that additional personnel are needed because of the structure of the new hardware and software. It

does not create a resource-reduced environment at the computing management level.

#### University Instructional Technology Budget

The Instructional Technology budget was developed based on recommendations from a task force which studied distance learning. Peggy Meszaros reported the increase in the Instructional Development Initiative is primarily for labs and classrooms which is being driven by faculty initiatives.

Bob Bates, Dean of the College of Arts and Sciences, expressed concern about the lack of support staff for the distance learning programs. Peggy Meszaros reported that the proposed budget includes two additional personnel for operations.

Peggy Meszaros suggested that colleges could share costs for the proposed four classrooms, with the deans involved in discussions to determine the purpose and location of the rooms. Timothy Pratt, Professor of Electrical Engineering, stated that before new classrooms are renovated, the university should determine the demand for distance learning programs, both from students and colleges. Additionally, the budget contains funds for video-bridging.

The Innovations in Learning initiative developed from a College of Education proposal. This program would provide assistance in courseware development. Rich Sorensen, Dean of the Pamplin College of Business, discussed other methods to develop courseware. He reported that within the College of Business, faculty involved in distance learning programs have used summer research grants to help develop programs. He also suggested that this option could be more cost-effective.

Pat Edwards, Dean of the College of Architecture and Urban Studies, questioned the expense for new equipment, since most faculty have obtained hardware through the Faculty Development Institute. Anne Moore, Office of the Vice President for Information Systems, reported that these funds would purchase upgrades for current hardware/software and equipment for special technological needs. To remain current, most workstations need to be upgraded every three to four years.

#### Wide Area Network (WAN)

Due to substantial increases in satellite transmission and the limited capabilities of the current "legacy" system, the university is working towards established internet worked, interactive distance learning classrooms in five extended campus facilities. Erv Blythe, Vice President for Information Systems, reported that satellite transmission is not an option after next year, per discussion with the state. After studying other options, it was concluded that the WAN is the most cost effective alternative. Dwight Shelton, Director of Budget and Financial Planning, clarified this item on the budget. The university will have duplicative costs for two years due to the transfer from satellite transmission to WAN. After the two years, the only expense will be from WAN. Erv Blythe also reported that one option for funding this item would be to finance it within the Communication Network Services auxiliary.

#### Legacy/Server

The PROFS system is currently operated through the "legacy" mainframe. The university's current system operates Eudora, SPSS, WWW, and administrative systems, such as payroll and registration. The new servers, UNIX machines, will run the new database software which has been purchased, known as Oracle. Mike Williams, Office of the Vice President for Information Systems, reported that approximately two-thirds of the current mainframe operations are administrative systems, with the remaining third being other programs, such as WWW and Eudora.

## Distributed Computing Environment

Richard Alvarez, Director of Administrative Information Systems, discussed the new environment and the support it will provide for the university's computing needs. The first three years of the budget are an accurate representation of funds needed to meet the information systems' goals. The last three years may not be as accurate, due to the difficulty in estimating changes which will occur. Spencer Allen, Staff Senate President, asked whether the budget is adequate to support the university needs. Richard Alvarez responded that, although the budget had been reduced significantly since the first draft, the current budget is adequate.

Peggy Meszaros asked what would be the consequences if the budget were cut by fifty percent. Richard Alvarez reported that in looking at other universities around the country, others are spending \$50-70 million to change their computing environments. Any less money than what is reflected in the budget would put the university at great risk.

Raynel Otero, Professional Faculty Representative and Assistant Dean for Administration and Finance in the College of Forestry and Wildlife, asked if the new systems will operate on the mainframe. Theta Bowden, Administrative Information Systems, reported that the existing systems will run on the mainframe, but this does not address the year 2000 problem. Proceeding would simply be a stop-gap measure; the functionality would not be increased.

## Administrative Applications

Mary Lou Bourne, Administrative Information Systems, reported that the personnel costs reflected in the budget is not a new cost. This amount represents positions already in the base budget.

## Alternative Source of Funding

Dwight Shelton distributed a draft of potential sources of funding. Potential options in the base funding category included: 96-97 tuition revenue, technology operating funds, incremental unassigned equipment trust funds, and central internal equipment funds. Options within the one-time funding category included: central accounts carryovers, Provost/EVP carryforward funds, 96-97 savings from payroll delay, CNS capital investment, 96-97 fringe savings, 229 allocation, and auxiliary enterprises allocation.

Dwight Shelton emphasized that these were only POTENTIAL options; no decisions had been made. The President, Provost, and Executive Vice President will discuss the identified priorities and funding options.

## Funds in Colleges

Peggy Meszaros asked deans and college representatives if colleges have excess money. Rich Sorensen discussed the budget reductions, student enrollment increases, and restructuring initiatives that have occurred with the Pamplin College of Business over the last few years. Pat Edwards stated that within the College of Architecture and Urban Studies, salary savings had to be used to defray operating expenses.

Bob Bates discussed the problems encountered within the College of Arts and Sciences due, in part, to the increase in enrollment. As more students move to the upper level classes, more problems will be encountered; there are not enough resources to increase the number of upper level courses. Andy Swiger, Dean of the College of Agriculture and Life Sciences, discussed the budget cuts and increase in enrollment, as well as the difficulties his college has encountered in meeting these demands. Peter

Eyre, College of Veterinary Medicine, reported that carryover funds enable colleges to plan for future initiatives, programs, and/or necessary purchases; also, it helps to eliminate wasteful spending.

Dwight Shelton reported that the total university carryover for this year is approximately \$10 million. He reported that this amount is much higher than the state has authorized and the university could be in jeopardy of losing funds.

#### Concluding Discussion

Timothy Pratt expressed his concern that the information systems budget is five times greater than the other funding priorities combined and encouraged the university to seek alternative funds for technology. Peter Eyre questioned whether the flexibility that has been encouraged in colleges has also been encouraged within other areas, such as information systems. Dwight Shelton stated that the budgets presented have gone through several revisions in an attempt to eliminate unnecessary items.

Pat Edwards suggested that the university examine collaborative initiatives among colleges as a potential funding mechanism. Peggy Meszaros also suggested that the university examine a student fee for technology, which some institutions are implementing. Erv Blythe also reported that state money may be available for distance learning initiatives and the year 2000 problem. Currently, proposals are being written for these initiatives.

#### Next Steps

Peggy Meszaros discussed the next steps in the program review/funding priority process, which include:

1. Look for further flexibility in budgets.
2. Look at financing options.
3. Obtain balance between college priorities which focus on services provided to students with information systems requests which will help alleviate university risks.
4. Determine how quickly the information systems need to be implemented.

Peggy Meszaros stated that she would meet with Minnis Ridenour, Executive Vice President, and discuss the information gathered at this meeting. They will then meet with the President, who will make the strategic decisions. Peggy Meszaros encouraged the vice presidents, deans, and members of the University Advisory Council on Strategic Budgeting and Planning to forward other advice and/or suggestions.

#### 4. OTHER BUSINESS.

There being no further business, the meeting adjourned at 5:25 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

September 27, 1996

President's Board Room

1:00 p.m. - 3:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, David Conn, John Fulton, Beth Hanson, Larry Harris, Ernest Houck, Scott Hurst, Frederick Kamke, Martha McCollum, Lauren Martinson, Peggy Meszaros, Paul Metz, Tim Pratt, Verna Schuetz, Dwight Shelton, Henry Snodgrass

ABSENT: Larry Freeman, Dixon Hanna, Pat Hyer, Patrick Knightly, Joseph Marcy, Raynel Otero, Minnis Ridenour, Richard Zody

GUESTS: Anne McNabb, Ann Spencer

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 1:00 p.m.

2. REVIEW AND APPROVAL OF THE AUGUST 14, 1996 AND SEPTEMBER 10, 1996 MINUTES.

The minutes of the August 14, 1996 and September 10, 1996 meetings were reviewed and approved as distributed.

3. SACS OVERVIEW.

David Conn, Special Assistant to the Provost, discussed the purpose of the University Self-Study and conducted a three-part presentation, which included overview, institutional effectiveness, and strategic component sections. The same presentation is being given to other university commissions, committees, and associations.

Overview

The purpose of the self-study is to prepare the university for "reaffirmation of accreditation by the Southern Association of Colleges and Schools (SACS)". The full team visit will be held on March 16, 1998. Currently, the university is preparing the Institutional Effectiveness and Strategic Components' Report which will be presented to SACS in December 1997.

Institutional Effectiveness

The Institutional Effectiveness portion of the self-study examines all courses, programs, and support services offered by the university. University commissions and committees will be provided draft reports for review and feedback later this year. Marcia Harrington, Associate Director of Institutional Research, is manager for this component.

David Conn also discussed how the university would address the faculty credentialing requirement of the self-study. He distributed a draft proposal and requested feedback from council members. Verna Schuetz, Assistant Department Head of Computer Science, asked if this were a new component since the 1986 self-study. Larry Harris, Professor of Education, stated that it is not a new component, but was not taken as seriously in the past. The focus of the current study will center around teaching faculty; graduate students who are teaching assistants will not be included.

Fred Kamke, Professor of Wood Science and Forest Products, asked if the 400 MUST statement responses could be consolidated, if appropriate. David Conn stated that statements could be consolidated; however, appropriate



documentation must still be available for the visiting team.

#### Strategic Component

David Conn introduced Anne McNabb, Professor of Biology, who is serving as chair of the Strategic Component Steering Committee. The university was allowed to select the topic, "Transforming Virginia Tech for the Information Age", which will focus on use of technology in the learning environment. The committee identified four learner groups: traditional undergraduates, non-traditional learners, graduate students/postdoctoral researchers, and faculty/staff. The committee is still working to define questions and gather data. A list of cross-cutting themes has been developed. Included in the list is information obtained from the core values project.

#### Summary

In closing, David Conn reported that articles will be featured in Spectrum to keep the university informed of the study's progress. Additionally, a web page is also being developed. The University Advisory Council on Strategic Budgeting and Planning will provide oversight for the IE component of the self-study process and will review documents once they are completed. Lastly, updates will be provided at regularly scheduled council meetings.

#### 4. RESTRUCTURING REPORT UPDATE.

Ann Spencer, Associate Vice President for Personnel and Administrative Services, discussed the Restructuring Report which will be sent to SCHEV on October 1, 1996. This is the third year the university, as well as all state institutions, have been required to submit such a report. Ann Spencer reported that the format of the report has evolved significantly over the last two years. This year's instruction letter from SCHEV defined areas which should be addressed and asked for a substantial number of supplemental materials.

#### Specific Components

Specific sections included: focus on fewer academic programs, assist the state in economic development, acquire technology and train faculty in its use, define balance between teaching and scholarship and ensure that faculty evaluation includes regular, rigorous post-tenure performance review, cooperate and share resources with other Virginia institutions, and evaluate the effects of change.

#### Supplemental Materials

Additionally, supplemental materials requested included: program-review process and any resulting decisions on program closure, financial aid review, faculty evaluation and post-tenure review, assessment, including brief coverage of any new developments, plus any issues raised during this year's oral report, real-dollar unit cost of services, elimination of academic programs, reduction of credit hours to complete degree programs, credit for competency and self-paced learning, and annual value of privatized services.

#### Summary and Questions

The restructuring report will be available for the university community the first week of October. Council members will also be sent a copy of the report to review.

Tim Pratt, Professor of Electrical Engineering, asked if there were external pressures which were affecting the university's decision-making process. Ann Spencer stated that the decision-making process has not been affected. Peggy Meszaros reported that the university plans to integrate the new University Plan with future restructuring reports.

Rosemary Blieszner, Professor of Family and Child Development, questioned the definition of restructuring and the future expectations. Ann Spencer

responded, comparing restructuring to continuous improvement; areas should continually review operations and improve programs as necessary.

Ernest Houck, Professor of Management Science, asked how these reports are used. Ann Spencer stated that the first year's report received good comments. The university received no feedback from last year's report; however, this was perceived as positive. Some universities were asked to revise portions of their reports. Additionally, state funding is withheld from universities which do not have approved restructuring reports.

In closing, Peggy Meszaros stated that restructuring will be a part of the university for a long time. It is important that the information be reported well. It is a vital component of university funding and the funding of new initiatives. Additionally, she acknowledged those individuals who have worked to produce the restructuring report and their diligence in producing a quality product.

#### 5. 1997 GOVERNOR'S BUDGET AMENDMENT SUBMISSIONS.

Dwight Shelton, Director of Budget and Financial Planning, reviewed the process for budget amendments. Instructions were received from the state which provided guidelines regarding what institutions may request. All amendments are due to the state by October 4, 1996. The Governor will review the amendments and will propose amendments to the 1996-98 approved budget. This will result in a revised biennium budget.

Dwight reviewed potential items which could be submitted as budget amendments. The numbers listed on this document are estimates only. Once specific items are identified, more exact numbers will be submitted.

#### Operating Budget

In the operating budget section, potential items included: faculty salaries, technology initiatives, health and safety issues, enrollment growth, and unique military activities (for increased enrollment). Larry Harris questioned the purpose of \$500,000 estimated for military activities. Dwight Shelton stated that the state funds received for the 1996-97 fiscal year were based on the number of cadets in fiscal year 1995-96; the number of cadets has increased. Additional funds are needed for uniforms, corps administration, and leadership initiative project.

#### Capital Budget and Operating Budget 229

Other potential items included: Advanced Communications and Information Technology Center, Upper Quad Planning, Residence Hall Infrastructure Upgrade, and Plan for Virginia Agriculture. Additional equipment funding for the Communication Center may be necessary. The original estimate may not be adequate. The residence hall upgrade would provide funding to install wiring in several dorms.

#### Summary

Peggy Meszaros, Minnis Ridenour, Executive Vice President, and President Torgersen will review final amendment requests next week and decide which items will be submitted to the state.

#### 6. OTHER BUSINESS.

#### Graduate Student Shift in Payday

Martha McCollum, Graduate Student Assembly Representative, asked for clarification of the shift in paydays and the effect on graduate students. Dwight Shelton stated that the state mandated shift in paydays is for 12-month employees only; therefore, graduate students could be exempt. Currently, graduate students are paid on the same schedule as faculty. Due to the university's payroll system, establishing another payroll would create significant problems. Although the university is not a lending institution, and given the fact that the university views graduate student pay as a type of financial aid, the university is studying the possibility

of providing loans to assist graduate students during the shift in payday period.

#### Status of Program Review Funding Requests

Spencer Allen, Staff Senate President, asked the status of funding requests which were part of each area's program review. Peggy Meszaros stated that she and Minnis Ridenour had met with President Torgersen and discussed requests and funding sources. A decision should be made within the next few weeks.

#### Council's Communication

Peggy Meszaros encouraged council members, through their interactions, to share information with faculty, staff, and student associations. Council members requested that documents which are distributed during the meeting be sent electronically, when possible, with the minutes so that further distribution within their areas would be possible. Additionally, any confidential information will be marked accordingly. However, other information should be shared among colleges and departments.

There being no further business, the meeting adjourned at 2:50 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

October 8, 1996

President's Board Room

2:00 p.m. - 3:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, John Fulton, Dixon Hanna, Scott Hurst, Frederick Kamke, Bea Mahan (for Dwight Shelton), Joseph Marcy, Lauren Martinson, Peggy Meszaros, Paul Metz, Tim Pratt, Minnis Ridenour, Verna Schuetz

ABSENT: David Conn, Larry Freeman, Beth Hanson, Larry Harris, Ernest Houck, Pat Hyer, Patrick Knightly, Martha McCollum, Raynel Otero, Dwight Shelton, Henry Snodgrass, Richard Zody

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 2:00 p.m.

2. REVIEW AND APPROVAL OF SEPTEMBER 27, 1996 MINUTES.

The minutes from the September 27, 1996 meeting were reviewed. One clarification was noted under agenda item number 3 stating that the University Advisory Council on Strategic Budgeting and Planning will provide oversight for the IE component of the self-study process and will review documents once they are completed. The minutes were approved with the recommended change.

3. 1996-97 FINAL BUDGET AMENDMENTS.

Bea Mahan, Director of Budget Management, reviewed the status of the 1996-97 Budget Amendments. Items which were classified as "critical needs" were required to have prior approval from the Secretary of Education. These items were discussed at the previous council meeting. The university received notification on October 2, 1996 that none of the submitted items were approved.

Bea Mahan also distributed and reviewed the university "Amendment Exhibit for 1997" which was presented to the Secretary of Education on October 4, 1996. Although faculty and staff salaries could not be included in the amendment package, the university did emphasize in the cover letter that this issue was the university's highest priority.

Prior Commitments

The university requested additional funding for two items identified as prior commitments. A one-time funding request of \$279,720 was submitted to address the significant increase in satellite transponder costs. Additional funds were also requested for unique military activities which will address the increased enrollment in the Corps of Cadets program.

Emergency

One item was submitted as an emergency item, Steam Line Asbestos Abatement, due to the potential health risks to university employees. The request for this item totaled \$350,000.

Mandates

A package of health and safety issues was included in the university's amendments to help address various mandates. Specifically, \$165,830 was requested for four environmental and occupational safety issues. The four issues

presented were: radiation safety, laboratory inspection program, chemical tracking, and pollution prevention.

#### Capital Budget

Two issues were presented under the capital budget category. The university requested \$1,778,800 in nongeneral funds to proceed with Upper Quad Planning. Planning needs to begin now so that the conversion of two dorms on the Upper Quad can begin when the new dorms are completed. To complete the telecommunications upgrades in fourteen residence halls, the university also requested \$3,700,000 in nongeneral funds.

#### 4. OTHER BUSINESS.

##### Advanced Communications and Information Technology Building Funding

Minnis Ridenour, Executive Vice President, reported that the university plans to present a request to the Governor for additional state funding for the Advanced Communications and Information Technology Building. The Governor could then present this for consideration to the General Assembly. Otherwise, the university would need to wait until the 1997 General Assembly is in full session, which would delay the project. Current plans call for the project to go to bid in 1997.

##### Enrollments

Peggy Meszaros discussed the latest enrollment information. Overall, on-campus undergraduate enrollment is up 1,029 students and graduate enrollment is up 109 students. At extended-campus locations, overall enrollment is relatively flat, with an increase of only 8 students. Peggy Meszaros also reported that the university denied admission to approximately 4,000 students, indicating the university is selective in our admissions procedures. The university is very close to its 25,000 student target, with an on-campus enrollment of 24,812 this year. Peggy Meszaros indicated that the Enrollment Management Committee is examining the issues associated with the increased enrollments.

##### Delay in Pay

Joseph Marcy, Associate Professor of Food Science and Technology, asked if there were any updates on the state's delayed pay schedule. Minnis Ridenour responded that Ann Spencer and Dwight Shelton are staying in contact with the state, and will distribute information to the university community as it is received.

There being no further business, the meeting adjourned at 3:00 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

October 24, 1996

President's Board Room

3:00 p.m. - 5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, David Conn, Dixon Hanna, Beth Hanson, Ernest Houck, Scott Hurst, Pat Hyer, Frederick Kamke, Joseph Marcy, Lauren Martinson, Peggy Meszaros, Paul Metz, Tim Pratt, Minnis Ridenour, Verna Schuetz, Henry Snodgrass

ABSENT: Larry Freeman, John Fulton, Larry Harris, Patrick Knightly, Martha McCollum, Raynel Otero, Dwight Shelton, Richard Zody

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE OCTOBER 8, 1996 MINUTES.

The minutes of the October 8, 1996 meeting were reviewed and approved as distributed.

3. IMPLEMENTING THE UNIVERSITY PLAN.

Peggy Meszaros and Minnis Ridenour, Executive Vice President, distributed copies of the strategic planning components and processes which are being implemented throughout the university.

Peggy Meszaros explained the three stage process which will occur during 1996-97. The university will begin a national benchmarking project in January to help define the components of a model land-grant university for the 21st century. The Academic Agenda has been developed and the text is currently being edited. Each college will develop a strategic restructuring plan which will incorporate the strategic directions, the Academic Agenda, and external and internal performance indicators.

Minnis Ridenour discussed the strategic planning which is occurring in the operational support units. Specifically, the business, financial, and administrative units are working to develop plans which will support both the 1996-2001 Update to the University Plan and the Academic Agenda. Five functional areas have been identified (financial, physical and human resources, information technology, marketing/communications, general administration) within these units. A matrix has been developed which shows the links between these areas with the University Plan and the Academic Agenda. Once the Academic Agenda has been finalized, units will begin developing specific goals and objectives to help address the identified initiatives.

Peggy Meszaros and Minnis Ridenour will meet with each vice president and vice provost to discuss their vision for Virginia Tech. These visions will assist in the development of the internal performance indicators (benchmarks).

Henry Snodgrass, Extension Specialist, asked how the extension programs would fit within the Academic Agenda. Peggy Meszaros stated that two components of the Academic Agenda, Campus Community and Outreach and Economic Development, would have direct ties with the extension programs.

Joseph Marcy, Associate Professor of Food Science and Technology, asked if the university would be required to submit a restructuring report to the State Council of Higher Education for Virginia (SCHEV) annually, and if the planning process was being conducted before the budget process. Dixon Hanna, Interim Vice Provost for Outreach and Economic Development, stated that an annual report would still be required. However, it is anticipated that the strategic restructuring plan will combine several of the reports now required of the university. Minnis Ridenour explained that the university needs to develop a plan for the 1998-2000 biennium so that the budget can be drafted to address the identified needs. Additionally, the six-year capital plan will be submitted in the Spring of 1997.

Dixon Hanna reported that SCHEV has accepted six of the university's external performance indicators. The seventh one, faculty workload, is still being considered. Paul Metz, Faculty Senate President, encouraged the administration to work with the Faculty Senate in developing the tool which will be used to measure faculty productivity.

Fred Kamke, Professor of Wood Science and Forest Products, asked when the internal performance indicators would be completed, and if colleges would have adequate time to incorporate these in their strategic restructuring plan. The internal performance indicators will be developed in the meetings with the vice presidents and vice provosts. Additional components will be developed through the national benchmarking project, which will begin in January.

#### 4. OTHER BUSINESS.

The Council received copies of Restructuring Virginia Tech: Progress Report 1996, the annual restructuring report submitted to SCHEV.

Ernest Houck, Professor of Management Science, asked if freshman class statistics were completed. The summary is complete and will be sent to Council members.

There being no further business, the meeting adjourned at 4:00 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

December 5, 1996

President's Board Room

3:00 p.m. - 5:00 p.m.

PRESENT: Rosemary Blieszner, David Conn, Larry Freeman, John Fulton, Beth Hanson, Larry Harris, Ernest Houck, Frederick Kamke, Joseph Marcy, Lauren Martinson, Martha McCollum, Paul Metz, Tim Pratt, Verna Schuetz, Dwight Shelton, Richard Zody

ABSENT: Spencer Allen, Dixon Hanna, Scott Hurst, Pat Hyer, Patrick Knightly, Peggy Meszaros, Raynel Otero, Minnis Ridenour, Henry Snodgrass

GUESTS: Michael Naff, Linda Woodard

1. CALL TO ORDER.

Dwight Shelton, University Director of Budget and Financial Planning, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE OCTOBER 24, 1996 MINUTES.

The minutes of the October 24, 1996 meeting were reviewed and approved as distributed.

3. HRIS DEMONSTRATION.

Linda Woodard, Director of Personnel Services, and Michael Naff, Business Process Analyst, conducted a demonstration of the university's new Human Resource Information System (HRIS). Phase I of the project will be implemented on January 1, 1997. The second phase will be implemented during the summer of 1997.

Unlike IMS, functionality can be added and enhancements made once the system is implemented. The Administrative Client Project is working with departments to upgrade and/or replace hardware needed to fully utilize the new HRIS system.

In addition to the training offered this fall, additional support services will be available to employees in January. Verna Schuetz, Assistant Department Head, Computer Science, requested that academic departments be consulted when scheduling future parallel testing. Linda Woodard stated that the lease agreement with the vendor resulted in the parallel testing schedule. She noted that this should not be a problem in the future.

4. UNIFIED AMENDMENT.

Dwight Shelton discussed the university's 1997 Unified Amendment. This was submitted to the Virginia Business Higher Education Council who will review the amendments with the Council of Presidents. Increases in faculty salaries remain the top priority. Other items included: Technology Operating Funds, Technology Equipment Trust Fund, Student Financial Aid, and Institution Specific projects. A new section, Additional Needs, was added to the worksheet this year.

5. CHANGING THE COMPUTING ENVIRONMENT - BUDGET UPDATE.

Dwight Shelton stated the 1996-97 technology budget was fully funded, noting that the technology budget was modified after the retreat in



September. Since the Provost is still allocating funds, further discussion of the budget was deferred until the January meeting.

6. OTHER BUSINESS.

The schedule for council's spring meetings was distributed. The next meeting will be Thursday, January 23, 1997.

There being no further business, the meeting adjourned at 4:30 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

January 23, 1997

President's Board Room

3:00 p.m. - 5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, Harold Burkhart (for Frederick Kamke), David Conn, Larry Freeman, Dixon Hanna, Larry Harris, Ernest Houck, Scott Hurst, Lauren Martinson, Martha McCollum, Peggy Meszaros, Paul Metz, Tim Pratt, Verna Schuetz, Dwight Shelton, Henry Snodgrass, Richard Zody

ABSENT: John Fulton, Beth Hanson, Pat Hyer, Frederick Kamke, Patrick Knightly, Joseph Marcy, Minnis Ridenour

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE DECEMBER 5, 1996 MINUTES.

The minutes of the December 5, 1996 meeting were reviewed and approved as distributed.

3. UPDATE ON BUDGET AMENDMENTS SUBMITTED TO THE GENERAL ASSEMBLY.

Dwight Shelton, Director of Budget and Financial Planning, discussed the budget amendments which were submitted to the General Assembly. In late December, the Governor's budget recommendations were received. In the 1997 budget, the Governor recommended Virginia Tech receive \$350,000 to remove asbestos contained in the insulation of the steam tunnel pipes. Additionally, the Governor provided authorization for sprinklers in the dormitories.

The university is again participating in the Unified Budget Amendment, developed through the Virginia Business Higher Education Council and the Council of College and University Presidents. The Unified Amendment submission totaled \$199.5 million; \$33.4 million represented the university's request. This year's top priority is, again, faculty salary increases. Additionally, increases in staff salaries continues to be a state-wide issue. Technology operating funds, equipment trust funds for technology and traditional lease payments, undergraduate student financial aid, and institution-specific needs were other items included in the amendment. The institution-specific initiatives included: year 2000 costs, general fund support for additional Virginia undergraduates, Northern Virginia graduate programs, and Culinary Arts professional training programs.

The university also submitted three operating budget amendments on behalf of the university. These included: satellite transponder costs; Plan to Serve Virginia, Agriculture, Human, and Natural Resources; and unique military activities.

Capital outlay amendments submitted on behalf of the university included: Advanced Communications and Information Technology Center, Planning Phase II of upper quad conversion, telecommunications upgrade, agility gymnasium for athletic facility addition, addition to Cheatham Hall, and airport parallel taxiway.

Dwight Shelton discussed each of the amendments submitted and responded to questions from council members. Additional funds were requested for the Advanced Communications and Information Technology Center since federal funds may not be available to construct the building. Instead, federal

funding will be requested to purchase equipment for the building.

Several of the budget amendments were submitted as nongeneral funds items; however, legislative approval is still required since the university is a state agency. If approved, the dormitory sprinkler systems, telecommunications upgrade, and upper quad conversion planning will be funded from auxiliary funds, and the agility gymnasium and Cheatham Hall addition will be privately funded. Since the airport parallel taxiway is necessary to be in compliance with federal and state aviation policies, the university should receive assistance from both federal and state agencies.

Paul Metz, Faculty Senate President, suggested the university hire a consultant to examine the installation of sprinkler systems. Peggy Meszaros stated that the university administration had discussed several options, and the use of a consultant was being considered. Dwight Shelton discussed a bill that was moving through the legislature that would require universities to have sprinklers installed by 1999. The outcome of this bill will be decided in the next few weeks.

Tim Pratt, Professor of Electrical Engineering, expressed his department's concern about the university's decision to move from a satellite transponder to an ATM environment. Since the ATM will not allow courses to be offered outside the state of Virginia, some distance learning programs will be eliminated. Peggy Meszaros stated the university will need to examine this issue, especially in light of the Electrical Engineering department's proposals which have been submitted.

#### 4. INFORMATION ON 1998-2000 CAPITAL REQUEST DEVELOPMENT.

Dwight Shelton stated that the 1998-2000 Capital Outlay Budget is being developed. The plan is being reviewed by the President, the Senior Vice President and Provost, and the Executive Vice President. The plan will be reviewed by the vice presidents, deans, and council members before being submitted this spring.

#### 5. OTHER BUSINESS.

##### University Self-Study

David Conn, Special Assistant to the Provost, provided an update on the progress of the university's self-study. Those working with the Strategic Component are beginning to write the chapters for the specific items. Self-study MUST statement responses in the Institutional Effectiveness Component are currently being reviewed. University commissions will begin reviewing the statements in February and continue through April. Additionally, the self-study home page is now operational.

Budget Allocations for the "Changing the Computing Environment" Initiative  
Budget allocations and re-allocations for the "Changing the Computing Environment" initiative will be discussed at the February 6 meeting. Peggy Meszaros has asked Anne Moore, Information Technology Initiative Manager, to attend the meeting and provide an update on the instructional development initiative. Additionally, Anne will be meeting with colleges to discuss the instructional delivery needs and the future direction.

##### National Benchmarking Update

Peggy Meszaros provided an update on the university's national benchmarking project, one component of the new University Plan implementation. To date, university representatives have visited Texas A & M University. The teams will also visit Purdue University, Penn State, N. C. State, Cornell, and University of Illinois at Urbana-Champaign. After each visit, the team will meet to discuss their findings and develop summaries.

##### Graduate Assistants Use of Instructional Technology

Martha McCollum, Graduate Student Assembly Representative, reported that

graduate teaching assistants are having difficulty obtaining instructional technology equipment to use in teaching assignments. Since Anne Moore will be a guest at the next meeting, Peggy Meszaros suggested this item be discussed on February 6.

There being no further business, the meeting adjourned at 4:20 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

February 6, 1997

Room 400-D Burruss Hall

3:00 p.m. - 5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, David Conn, Larry Freeman, John Fulton, Dixon Hanna, Beth Hanson, Larry Harris, Ernest Houck, Scott Hurst, Vera Kidd, Joseph Marcy, Lauren Martinson, Martha McCollum, Peggy Meszaros, Paul Metz, Tim Pratt, Minnis Ridenour, Verna Schuetz, Dwight Shelton

ABSENT: Pat Hyer, Frederick Kamke, Patrick Knightly, Henry Snodgrass, Richard Zody

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE JANUARY 23, 1997 MINUTES.

The minutes of the January 23, 1997 meeting were reviewed and approved as distributed.

3. UPDATE ON THE GENERAL ASSEMBLY LEGISLATION.

Minnis Ridenour, Executive Vice President, provided an overview of the legislative activity and the work that he, President Torgersen, and Ralph Byers, Director of Governmental Relations, have conducted with state legislators. The actions taken by the House of Representatives and the Senate will now be discussed with the Conference Committee.

Dwight Shelton, Director of Budget and Financial Planning, distributed a schedule which provided the status of the Governor's initiatives and the legislative amendments. Both the House and Senate have taken action on Increases in Faculty Salaries and Satellite Transponder Costs. Other amendments for which the House has taken action include: Support for Virginia Undergraduates and Plan to Serve Virginia: Cooperative Extension. The Senate has taken action on: Plan to Serve Virginia: Agricultural Experiment Station, Virginia Water Resources Center, three additional Minority Graduate Student Scholarships, and Roanoke Valley Higher Education Center. Additionally, the Senate has also taken action to reduce the 1997-98 operations and maintenance funding since the new Architecture facility opening is delayed until December 1997. In the capital budget, both the House and Senate have taken action on all the amendments which were submitted.

In other legislative activity, Dwight Shelton reported that the tuition "freeze" for Virginia undergraduates will continue in 1997-98. Faculty salary increases are provided at: 6% for teaching and research faculty, 4% for administrative and professional faculty, and 4% for graduate students. The authorization will allow the university to provide a 6% salary increase for graduate students, however the state will only appropriate a 4% increase. Classified salary increases are provided at 4% in the Senate and 3% in the House. The percentage of staff salary increases will be decided in Conference Committee discussions. Additionally, the previous lag pay proposal was eliminated. An alternate plan changes the pay period but does

not change the pay date. Therefore, the amount employees are paid will not be affected.

#### 4. REVIEW OF 1998-2004 CAPITAL OUTLAY PLAN.

Dwight Shelton reviewed the 1998-2004 Capital Outlay Plan, which has also been reviewed by the vice presidents and deans. The priorities of projects are consistent with the university's Master Plan. Dwight Shelton stated that the Maintenance Reserve E&G Project is state mandated. The Campus Infrastructure item requests funding for projects which support the existing infrastructure, such as extending electrical lines and other utilities to new university facilities.

Spencer Allen, Staff Senate President, asked if a site had been selected for the parking deck, and if a parking deck would impact parking fees. Dwight Shelton stated that no site had been selected. The construction of a parking deck would impact parking fees. However, plans for a parking deck have not yet been developed.

Rosemary Blieszner, Professor of Family and Child Development, inquired about the Hillcrest Renovations. Dixon Hanna, Interim Vice Provost for Outreach, stated that renovation of Hillcrest Hall is being reviewed as part of the Integrated Space Plan. One option is to shift the education departments now located in East Eggleston, Lane, and War Memorial to Hillcrest. Larry Harris, Interim Associate Dean for Human Resources and Education, asked how the shift would affect Education faculty. Dixon Hanna stated that the move would bring the Human Resource and Education facilities closer together. Martha McCollum, Graduate Student Assembly Representative, asked what impact the Hillcrest renovations would have on graduate housing. Dixon Hanna stated that there was no plan to eliminate on-campus graduate housing; another facility for graduate housing would be identified in the event that graduate housing will no longer be available in Hillcrest.

#### 5. TECHNOLOGY BUDGET ALLOCATIONS.

Responding to a request from Tim Pratt, Professor of Electrical Engineering, Dwight Shelton reviewed the technology budget allocations for 1996-99. The 1996-97 budget was fully funded at \$11.29 million. To fully fund the requests, \$4.6 million was applied to the base budget. The remaining \$6.65 million was addressed through one-time funding. Although the schedule shows a shortfall for 1997-98, the budget will be recast and will likely change.

Tim Pratt inquired about the status of improvements to the mainframe. Dwight Shelton stated that a lease purchase agreement had been signed with IBM. Because the financing will now be spread over five years rather than two, there will be a decrease in the budget.

#### 6. INSTRUCTIONAL DEVELOPMENT INITIATIVE.

Peggy Meszaros reviewed the status of the Instructional Development Initiative. Anne Moore, Center for Innovation in Learning, invited all colleges to submit courseware development proposals. Peggy Meszaros distributed a summary of the proposal and reported that all proposals had been funded.

Peggy Meszaros also reported that she, Anne Moore, Tom Head, Director of Media Services, and John Moore, Director of Educational Technologies, had visited the College of Forestry and Wildlife and the Pamplin College of Business to discuss the instructional technology needs of faculty. Visits with the remaining colleges are scheduled.

Ernest Houck, Professor of Management Science, inquired about the components of the courseware development proposals. Peggy Meszaros stated that the proposals contained a variety of interventions. Beth Hanson,

Library Faculty Association Representative, asked how the various technological programs "fit" together. Peggy Meszaros stated the integration of the technology programs was part of the presentation being given at the colleges. Peggy Meszaros also stated that she and the CIL team would be willing to share their presentation with any university group. Martha McCollum inquired about the availability of instructional technology for graduate teaching assistants. Peggy Meszaros stated that this should be addressed at a Dean's Council Meeting and asked Martha McCollum to request this item be added to an upcoming Dean's Council meeting.

7. OTHER BUSINESS.

Peggy Meszaros provided an update of the National Benchmarking Project. The teams have visited four universities. Visits to the two remaining institutions are scheduled in February. Of the four institutions visited, none have faced budget reductions and none have gone through restructuring. The teams noted the broad and deep administrative structures at these universities. In addition to the benchmarked institutions, all team members have been requested to examine one business which has similar functions with their area.

Ernest Houck, benchmark team member representing this council, stated that the financial funding of the institutions he visited was considerably better than Virginia Tech's funding; this impacted employee morale.

From discussions with the benchmarked institutions, the teams noted that the university needs to be more responsive and flexible. A full report will be presented once the visits are completed.

There being no further business, the meeting adjourned at 4:45 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

February 26, 1997

President's Board Room

210 Burruss Hall

2:00 p.m. - 4:00 p.m.

PRESENT: Rosemary Blieszner, David Conn, John Fulton, Beth Hanson, Larry Harris, Ernest Houck, Scott Hurst, Pat Hyer, Fred Kamke, Vera Kidd, Terry Lawrence (for Spencer Allen), Lauren Martinson, Peggy Meszaros, Paul Metz, Tim Pratt, Minnis Ridenour, Verna Schuetz, Dwight Shelton, Henry Snodgrass, Richard Zody

ABSENT: Spencer Allen, Larry Freeman, Dixon Hanna, Patrick Knightly, Joseph Marcy, Martha McCollum

1. CALL TO ORDER.

Minnis Ridenour, Executive Vice President, called the meeting to order at 2:10 p.m.

2. REVIEW AND APPROVAL OF THE FEBRUARY 6, 1997 MINUTES.

The minutes of the February 6, 1997 meeting were reviewed and approved as distributed.

3. CAPITAL OUTLAY PLAN.

Dwight Shelton, Director of Budget and Financial Planning, provided an update on the Capital Outlay Proposal which was reviewed at the previous Council meeting. The Board of Visitors approved the plan at their February meeting. Three changes to the plan reviewed in early February were made. The Upper Quad Planning, Cheatham Hall Addition, and Telecommunications Upgrade were authorized in this year's General Assembly session. These three projects have since been removed from the plan. The Budget Office is waiting for instructions from the state on how to proceed with submission. The Capital Outlay Plan was developed to address programmatic needs and space guidelines.

4. TUITION AND FEES.

The 1997-98 tuition and fee rates were discussed by Dwight Shelton. The Board of Visitors approved the proposed rates at their February meeting. The state policy of no increase in tuition for in-state students will continue again this year. The tuition for out-of-state students was increased 3.1%. Student comprehensive fees were increased 2.5% for both in-state and out-of-state students. No increase was necessary for the student health fee, bus fee, or recreational sports fee. However, an \$8 increase was necessary in the student activity fee to cover operating costs and programmatic needs. Also, an \$8 increase in the athletic fee was necessary because of increased operating costs, additional costs associated with the women's sports expansion, and debt service requirements associated with facility renovation projects. An increase in the Recreational Sports fee is anticipated next year when the new Fitness Center will come on-line.

Paul Metz, Faculty Senate President, asked if faculty would be required to pay a fee to use the new Fitness Center. Minnis Ridenour stated that the new center, because it is an auxiliary, must be self-supporting; no Educational and General funding from the state may be used to support its operations. Paul Metz also asked if faculty could continue to use the War Memorial facilities. Minnis Ridenour stated that no decision had yet been made; it is a financial decision that needs to be discussed. The programmatic needs, employee practices, and operational expenses would need to be examined.



Tim Pratt, Professor of Electrical Engineering, asked how the university's tuition and fees compared to other institutions. Minnis Ridenour stated that Virginia Tech has the lowest fees of any state institution in the Commonwealth. Although the university has the highest tuition for in-state students, the room and board fee is the lowest in the state. The entire package is attractive to both in-state and out-of-state students.

Dick Zody, Professor of Urban Affairs and Planning, asked why tuition was more expensive for undergraduate out-of-state students than for graduate out-of-state students. Minnis Ridenour stated that the university had tried to maintain a low tuition rate for graduate students to build and support graduate programs. Since, by state law, out-of-state students are required to pay 100% of the instructional costs, and graduate education is much more expensive than undergraduate, undergraduate tuition serves to subsidize graduate education for out-of-state students.

Fred Kamke, Professor of Wood Science and Forest Products, asked if there was a plan to increase the tuition rate for off-campus students due to the significant investments being made in distance learning technology. Dwight Shelton stated that the university had not considered changing the tuition rate and that the university had received some Educational and General funding to help address technology needs. Peggy Meszaros, Senior Vice President and Provost, stated that the pricing structure was not based on the delivery mechanism. As more institutions and students choose to participate in distance education, the university will need to study the market and set the tuition at an appropriate rate.

#### 5. CONFERENCE COMMITTEE REPORT.

##### General Assembly Committee Report

Dwight Shelton reviewed the General Assembly Conference Committee Report. The faculty salary portion of the Unified Amendment, sponsored by the Council of Presidents and supported by the Virginia Business Higher Education Council, was supported at \$4.25 million by the General Assembly. Virginia Tech also received funding for Satellite Transponder Costs, Plan to Serve Virginia: Agriculture, Human, and Natural Resources, Virginia Water Resources Research Center, and Two Additional Minority Scholarships (CALs). The university also received a reduction of \$117,300 in the operations and maintenance budget due to the delayed opening of the Architecture Building.

##### Salary Increases

Faculty salary increases were provided at 6% for teaching and research faculty, and 4% for graduate teaching assistants, part-time faculty, and administrative and professional faculty. Classified salary increases were also provided at 4%.

#### 6. OTHER BUSINESS.

##### Operating Budget

Dwight Shelton also distributed a draft version of the 1997-98 operating budget. To address the incremental funding needed in 1997-98, a plan is being developed that will rely heavily on one-time funds. Paul Metz asked if there would be a reversion of funds. Peggy Meszaros and Minnis Ridenour stated that no reversion or reduction has been discussed or included in their plan to address programmatic needs for next year.

##### National Benchmarking

Peggy Meszaros provided an update on the university's National Benchmarking Project. The draft report will be ready for review by deans, vice presidents, and the University Advisory Council on Strategic Budgeting and Planning in late March or early April.

There being no further business, the meeting adjourned at 4:00 p.m.



MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

March 12, 1997

President's Board Room

210 Burruss Hall

3:00 p.m. - 5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, David Conn, Larry Freeman, Dixon Hanna, Beth Hanson, Larry Harris, Ernest Houck, Vera Kidd, Lauren Martinson, Martha McCollum, Peggy Meszaros, Paul Metz, Tim Pratt, Minnis Ridenour, Verna Schuetz, Dwight Shelton

ABSENT: John Fulton, Scott Hurst, Pat Hyer, Fred Kamke, Patrick Knightly, Joseph Marcy, Henry Snodgrass, Richard Zody

1. CALL TO ORDER.

Minnis Ridenour, Executive Vice President, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE FEBRUARY 26, 1997 MINUTES.

The minutes of the February 26, 1997 meeting were reviewed and approved with two revisions. Terry Lawrence attended the meeting for Spencer Allen. The General Assembly approved two CALS scholarships, not three.

3. REVIEW AND AFFIRMATION OF SELF-STUDY MUST STATEMENTS.

David Conn, Special Assistant to the Provost, reviewed the Self-Study process, each of the two components, and the role of the Council. The MUST statements were assigned to appropriate departments and responses were drafted. The responses were then forwarded to the senior administrator of the respective department for review. Currently, the responses are being reviewed throughout the university governance system. This Council was asked to review Self-Study MUST statements Section 6, Numbers 26-48.

Minnis Ridenour led the Council through a review of each of the statements. Revisions were compiled into one copy and will be forwarded to Marcia Harrington, Manager of the Institutional Effectiveness component of the Self-Study.

4. OTHER BUSINESS.

Peggy Meszaros, Senior Vice President and Provost, reported that the SCHEV academic representative, Laura Ford, was on campus for two days. During her visit, she met with several departments to discuss innovative programs being conducted at the university.

Peggy Meszaros also reported that the most recent issue of Time had an excellent report on tuition. The President is forwarding copies of the magazine to the Board of Visitors. Peggy Meszaros encouraged Council members to read the article.

There being no further business, the meeting adjourned at 4:15 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

April 2, 1997

President's Board Room

210 Burruss Hall

3:00 p.m. - 4:30 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner, David Conn, John Fulton, Dixon Hanna, Beth Hanson, Larry Harris, Ernest Houck, Scott Hurst, Pat Hyer, Fred Kamke, Vera Kidd, Lauren Martinson, Peggy Meszaros, Paul Metz, Tim Pratt, Minnis Ridenour, Verna Schuetz, Henry Snodgrass

ABSENT: Larry Freeman, Patrick Knightly, Joseph Marcy, Martha McCollum, Dwight Shelton, Richard Zody

GUESTS: Deans, Vice Presidents, Vice Provosts, SACS Self-Study Steering Committee, Benchmarking Team Members

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 3:05 p.m.

2. REVIEW AND APPROVAL OF THE MARCH 12, 1997 MINUTES.

The minutes of the March 12, 1997 meeting were reviewed and approved as distributed.

3. REVIEW OF STRATEGIC IMPLEMENTATION PLAN.

Peggy Meszaros provided an update on the Strategic Implementation Plan. The Strategic Implementation Plan is a three phase process which involves: the national benchmarking project, the development of the academic agenda, and the submission of the college strategic restructuring plans. The national benchmarking trips are completed and the report is being finalized. The academic agenda has been developed. Peggy Meszaros has met with each dean regarding their respective college's strategic restructuring plan and the colleges are presently revising and re-working these plans which are due July 1, 1997.

Peggy Meszaros referred the Council to the draft document which was previously distributed. She reminded Council that this was a summary of the "best practices" identified through the benchmarking trips data. This report will be used in the development of the Strategic Implementation Plan which will be presented to the Board of Visitors in August.

Peggy Meszaros shared a series of slides documenting the six benchmarking trips. The Benchmarking Team Members also shared their insights and impressions from the visits to the six institutions. The team found that none of the six institutions they visited had experienced the restructuring mandates or budget constraints the university has faced over the last several years. Additionally, the team members found that Virginia Tech has a lean administrative structure when compared to the other institutions.

The team members also reported that several institutions exhibited a clear vision of movement to the next century and displayed this in the bold and aggressive initiatives they had implemented. Conversely, others noted that some institutions had difficulty defining themselves and had no real sense of direction. The involvement of the central administration in the planning processes varied across the institutions. Several members stated

they were more aware of the strong leadership and good creativity of Virginia Tech's administrative officers. For example, the team found that the Faculty Development Initiative was a one-of-a-kind program and the other institutions were very interested to find out how it was developed, funded, and implemented.

Peggy Meszaros also shared five areas developed by benchmarking teams members, and refined and narrowed by the deans. These include: Environmental and Energy Systems, Computing, Information and Communication Technology, Materials Technology, Biological Systems and Biotechnology, and Advanced Learning Systems.

Minnis Ridenour, Executive Vice President, reported how the financial and administrative areas are moving forward as the academic agenda and benchmarking projects unfold. These areas continue to seek further decentralization from the state and are meeting with the top administration in the Commonwealth, including the Secretaries of Finance, Administration, and Education. Additionally, these units are working to develop a major funding scheme that would address renovations. Minnis Ridenour also stated that the university will need to seek creative, internal financing plans as a way to generate additional state, federal, and private support. These efforts will have direct ties to the academic agenda.

#### 4. OTHER BUSINESS.

The 1997 summer meeting schedule was distributed.

There being no further business, the meeting adjourned at 4:30 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

May 21, 1997

President's Board Room

210 Burruss Hall

3:00 p.m. - 5:00 p.m.

PRESENT: Rosemary Blieszner, David Conn, John Fulton, Ernest Houck, Fred Kamke, Vera Kidd, Terry Lawrence (for Spencer Allen), Lauren Martinson, Peggy Meszaros, Paul Metz, Tim Pratt, Minnis Ridenour, Verna Schuetz, Dwight Shelton

ABSENT: Spencer Allen, Larry Freeman, Dixon Hanna, Beth Hanson, Larry Harris, Scott Hurst, Pat Hyer, Patrick Knightly, Joseph Marcy, Martha McCollum, Henry Snodgrass, Richard Zody

GUESTS: Lanny Cross

1. CALL TO ORDER.

Peggy Meszaros, Senior Vice President and Provost, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE APRIL 2, 1997 MINUTES.

The minutes of the April 2, 1997 meeting were reviewed and approved as distributed.

3. STRATEGIC IMPLEMENTATION PLAN.

Peggy Meszaros reviewed the components being used to develop the Strategic Implementation Plan. The 1996-2001 Update to the University Plan was approved at the April 1996 Board of Visitors meeting. This plan outlined the strategic directions and support strategies as well as stating the university's mission, purpose, and vision statements. The Board then charged the President to develop an implementation plan. The Best Practices identified through the National Benchmarking trips, the Academic Agenda, the Envisioning Document, and the core values, in addition to the strategic directions and support strategies listed in the Update to the University Plan, are the key components of the implementation plan.

Peggy Meszaros reported that over the last several weeks, input from the university community regarding the Envisioning document has been received and will be used in finalizing the implementation plan. The colleges are refining their strategic restructuring plans. Minnis Ridenour, Executive Vice President, reported that the financial and administrative units are preparing plans which will support the strategic directions, support strategies, and academic agenda. In addition to the departmental plans, functional plans will also be developed in the areas of financial resources, human resources, physical resources (equipment, facilities, grounds), general administration, information technology, and advancement (communications/positioning, development, alumni relations, government relations, and coordination with outreach). The functional plans cross departmental boundaries and will utilize existing plans, unit plans, and budget development processes.

Over the next several weeks, the university must reach a final decision on the thrust areas and the format for the plan. Additionally, the Vice Presidents and Vice Provosts will select initiatives from the best practice

lists for inclusion in the implementation plan.

The Council discussed the Envisioning document and provided comments for use in the implementation plan. Following is a summary of the comments:

\* How do we ensure that students secure meaningful employment?

The academic agenda is not saying 100% of the students will secure meaningful employment, rather the university, through analysis of the data from career services and working with departments, must set realistic goals. There are many intervening variables in a student securing meaningful employment. Suggestions for ensuring meaningful employment included: provide students with broad skills which can be applied in different settings, expand co-ops, focus on learning, ensure the curricula is lively, provide good advising to students, develop targets for departments, encourage students to think about goals after graduation, and coordinate advising across departments, especially for students with interdisciplinary interests.

\* What is the enrollment management plan?

An enrollment management plan has just been developed by John Fulton, Vice Provost for Academic Affairs. The plan addresses, but is not limited to, size, academic profile, student services, and anticipated revenues. It is important for the university to maintain an undergraduate/graduate balance and to manage the enrollment within each discipline because of state funding implications. Some programs already have capped enrollments.

A higher percentage of students accepted admissions offers this past year resulting in more students than was indicated in the enrollment projections submitted to the state; the university received no state funding for these students. Virginia Tech has absorbed 51% of the state's enrollment growth; it is therefore necessary to carefully control enrollments so that revenue is received for all in-state students. Since there has been no increase in operating budgets during the last 10 years, departments have relied on salary savings to support programs and initiatives for the additional students.

\* How do the central thrusts fit with the plan?

The thrusts which must be selected are those initiatives that will produce world-class programs and generate additional revenue. These thrusts will not necessarily be merged with the implementation plan, but rather will be integrated into the plan.

\* Where do faculty fit with the plan?

The academic plans need to address the goals and interests of the faculty while also integrating the strategic directions, support strategies, and academic agenda. Collaboration between disciplines will be led through efforts of the college deans. Many collaborative efforts have already been initiated (i.e., biotechnology).

\* What are the incentives for the faculty to participate?

Some council members expressed concern that no structure was in place to reward faculty who are involved in creative initiatives and projects. The faculty merit processes do not necessarily support special projects and initiatives. One suggestion was to provide rewards other than increased salaries; resources such as time and increased funding for initiatives were suggested as possible incentives.

\* Should college and department plans address programs/initiatives of decreasing emphasis?

Plans should include areas where de-emphasizing is appropriate and/or necessary. This should be viewed as an avenue to restructure and provide revenue for programs that are growing. There is no plan for the university to reallocate revenue from programs that are de-emphasized. This revenue, under the total budget responsibility center, will stay with colleges and departments to fund initiatives and projects. Colleges and departments are encouraged to use restructuring as a way to develop new programs or expand existing programs. There may be university-wide initiatives that will require colleges and departments to reallocate funding (one recent example is the math emporium).

\* What role does the university play in holding students responsible for becoming a part of the institution, and being successful?

Through summer and fall orientations students are involved in programs that provide beneficial information. One part of this is a program that involves faculty in the orientation process and allows them to communicate to students the keys to being successful. Other new programs are being developed as well. The new academic eligibility policy also provides further support for students.

#### 4. DISCUSSION OF RESTRUCTURING AND ASSESSMENT.

Peggy Meszaros distributed copies of two letters from SCHEV. One outlines the procedures for the 1997 Restructuring Report; the second letter addresses Assessment. Peggy asked that everyone review the letters for discussion at the next meeting.

#### 5. BIENNIAL OPERATING BUDGET TIMETABLE.

Dwight Shelton, University Director of Budget and Financial Planning, distributed copies of the Biennial Operating Budget timetable. The university will conduct and report on institution Issues Assessment. This report is due on July 14; Minnis Ridenour, Peggy Meszaros, Paul Torgersen, and Dwight Shelton will present the report to a team from the Governor's Cabinet and the Department of Planning and Budget on July 21. Final strategic plans and budget submissions will be due October 24.

#### 6. OTHER BUSINESS.

There being no further business, the meeting adjourned at 5:00 p.m.



MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

June 26, 1997

Room 400-D Burruss Hall

3:00 p.m. - 5:00 p.m.

PRESENT: Rosemary Blieszner, Larry Freeman, Ellsworth Fuhrman (for Paul Metz), Dixon Hanna, Beth Hanson, Larry Harris, Ernest Houck, Delbert Jones (for Spencer Allen), Vera Kidd, Joseph Marcy, Minnis Ridenour, Verna Schuetz, Dwight Shelton

ABSENT: Spencer Allen, David Conn, John Fulton, Scott Hurst, Pat Hyer, Frederick Kamke, Patrick Knightly, Lauren Martinson, Martha McCullom, Peggy Meszaros, Paul Metz, Tim Pratt, Henry Snodgrass, Richard Zody

GUEST: Bob Broyden

1. CALL TO ORDER.

Minnis Ridenour, Executive Vice President, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF THE MAY 21, 1997 MINUTES.

The minutes of the May 21, 1997 meeting were reviewed and approved as distributed.

3. SIX YEAR CAPITAL OUTLAY PLAN SUBMISSIONS.

Dwight Shelton, Associate Vice President for Budget, Financial Planning, and Analysis, provided an overview of the Capital Outlay Plan process. Vice presidents, deans, and the University Advisory Council on Strategic Budgeting and Planning reviewed and discussed the six-year draft plan earlier in the year.

The university submitted the capital project budget package to the Department of Planning and Budget (DPB) on June 2. On June 12, representatives from the DPB visited the campus and toured university facilities to gain a better understanding of the university's needs. Currently, DPB is reviewing the university's submission to identify projects which could receive funding. In July, DPB will notify the university if additional submissions are requested for specific projects. These submissions will be due September 2. The status of the capital budget proposal will be discussed at future council meetings.

4. ISSUES ASSESSMENT REPORT FOR BIENNIAL BUDGET PROCESS.

Dwight Shelton discussed the Issues Assessment Report, the first portion of the biennial budget process, due on July 14. The President, Senior Vice President and Provost, Executive Vice President, and Associate Vice President for Budget, Financial Planning, and Analysis will present the report in Richmond on July 21.

The Issues Assessment Report requires agencies to identify their mission, customers, strengths/weaknesses, and opportunities/threats. Once this is completed, agencies must identify critical issues. The last component requires agencies to submit budget initiatives. Budget instructions should be received by August 15; submission is due October 24. The 1996-2001 Update to the University Plan and the implementation plan presently being written, will help provide guidance and structure in the development of the

issue assessments.

Dwight Shelton reviewed a list of potential program initiatives and critical issues that have been developed over the last several weeks. In agency 229, the Plan to Serve Virginia, faculty salaries, maintenance reserve, and ag/forestry research building have been identified as possible issues. In agency 208, changing the teaching and learning environment; food, nutrition, health, and biotechnology; and, natural resources and energy systems have been identified as potential program initiatives. Other critical issues which have been identified include: faculty salaries at the 60th percentile, nonpersonal costs, capital projects, maintenance reserve funding, and year 2000 funding.

Minnis Ridenour stated that the emphasis on technology and telecommunications is likely to continue through the 1998-2000 biennium. The council discussed the need for technology support positions so faculty could devote more time to teaching and research. Minnis Ridenour stated that Linda Woodard, Director of Personnel Services, is chairing a committee at the state level to discuss these needs.

#### 4. OTHER BUSINESS.

The council discussed the need for personnel to provide support and advice when departments are determining their technological needs. Minnis Ridenour stated that Erv Blythe, Vice President for Information Systems, has been charged to establish a technical assistance program for students in support of the computer requirements set by the departments. The same program, or a similar program, could possibly be used to provide technical assistance to faculty members and departments.

There being no further business, the meeting adjourned at 4:30 p.m.