

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

September 8, 1997

400-D Burruss Hall

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

PRESENT: Spencer Allen, David Conn, Larry Freeman, Ellsworth Fuhrman, Dixon Hanna, Beth Hanson, Larry Harris, Ernest Houck, Scott Hurst, Lisa Johnson, Vera Kidd, Peggy Meszaros, Michael O'Brien, Tim Pratt, Minnis Ridenour, Verna Schuetz, Dwight Shelton, Henry Snodgrass

ABSENT: John Fulton, Pat Hyer, Frederick Kamke, Patrick Knightly, Lauren Martinson, Forest Ravlin, Lee West

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, 1997 MINUTES.

The minutes of the June 26, 1997 meeting were reviewed and approved as distributed.

3. UNIVERSITY SELF-STUDY.

David Conn, Special Assistant to the Provost, provided an update on the University Self-Study. The Strategic Component of the Self-Study is in draft form and may be accessed on the WWW by September 8. Three open forums, sponsored by the Faculty and Staff Senates, will be held in the next two weeks. The steering committee is interested in receiving opinions and comments from faculty, staff, and students.

The Institutional Effectiveness Component of the Self-Study will be on the WWW by the end of September. The Council will review this document at the November meeting. The steering committee is interested in comments concerning the accuracy and completeness of the statements. Tim Pratt, Professor of Electrical Engineering, asked if the steering committee was aware of statements which could lead to a non-compliance finding. David Conn stated that the steering committee was aware of only a few of these statements. In these instances, the university will need to adjust several policies; however, no funding requirements to implement these policies are anticipated.

Skip Fuhrman, Faculty Senate President, expressed concern that there was not enough time for the university community to review the strategic component before the open forums. Peggy Meszaros encouraged each Council member to inform their respective colleges, departments, and units of the Self-Study, the open forums, and the availability of the Self-Study documents.

4. BIENNIAL BUDGET PROCESS.

Dwight Shelton, Associate Vice President for Budget, Financial Planning, and Analysis, provided an update on the 1998-2000 Biennial Budget process. In preparation for the Biennial Budget submission, the university has conducted an issue assessment, submitted the report, and met with state officials. Recently, instructions on the preparation of the Biennial Budget proposal were received. Over the next several weeks, the Budget Office will prepare the submission and review it with executive management, vice presidents and deans, and the University Advisory Council on Strategic Budgeting and Planning. The proposal is due on October 24.

Dwight Shelton also discussed critical issues for funding support. These included: support for new technology-based teaching and learning, maintain traditional strengths in science, engineering, and unique academic programs for land-grant universities, support instructional and research programs that emphasize economic development and growth, renovation and construction of facilities, continued support for equipment through equipment trust fund, support for Year 2000 systems problems, increase in nonpersonal services costs, continued support for maintenance reserve program, and expansion of decentralized administrative functions.

Minnis Ridenour, Executive Vice President, discussed the role the Virginia Business Higher Education Council has played in restoring confidence in state higher education institutions as is evidenced in the improved funding, particularly the increased funding for faculty salaries and technology. This will probably continue and be a major area of focus in the 1998-2000 biennium.

#### 5. SIX-YEAR CAPITAL OUTLAY PLAN.

Dwight Shelton provided an update on the Six-Year Capital Outlay Plan. In late August, the university submitted the third and final component of the 1998-2000 capital budget submission to the Department of Planning and Budget. A total of 13 project requests have been submitted for this biennium.

Michael O'Brien, Associate Professor of Architecture, questioned why the costs of networking are not included in the capital project estimates. Scott Hurst, University Architect, stated that the extent to which the Office of the University Architect and the Office of Budget and Financial Planning can get Communications Network Services (CNS) to identify these costs, they are reflected in the capital project budget. Minnis Ridenour stated that this is a major policy issue; the networking costs should be built into the budget.

#### 6. ACADEMIC AGENDA - IMPLEMENTATION PLAN FOR THE UPDATE TO THE UNIVERSITY PLAN.

Peggy Meszaros and Minnis Ridenour provided an update of the Academic Agenda - Implementation Plan for the Update to the University Plan. The plan, presented to the Board of Visitors at their August Board meeting, is a working document that provides direction and assessment measures for the university. The administrative support plans will build upon departmental plans, established budget development processes, and existing university-wide planning documents such as "A Plan for Virginia Agriculture, Human, and Natural Resources", and "A Blueprint for Building the Infrastructure for Research and Graduate Education".

#### 7. OTHER BUSINESS.

##### Fall 1997 Census

Peggy Meszaros distributed a copy of Unofficial On-campus Enrollment Numbers for Fall 1997. The unofficial fall enrollment for on-campus is 25,210. Additionally, the preliminary data indicates that the academic profile for the freshman class is one of the strongest in recent years.

There being no further business, the meeting adjourned at 4:50 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

October 9, 1997

President's Board Room

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

PRESENT: Spencer Allen, Rosemary Blieszner (for Larry Harris), David Conn, Larry Freeman, John Fulton, Beth Hanson, Ernest Houck, Pat Hyer, Lisa Johnson, Vera Kidd, Peggy Meszaros, Tim Pratt, Minnis Ridenour, Verna Schuetz, Dwight Shelton, Lee West

ABSENT: Ellsworth Fuhrman, Leon Geyer, Dixon Hanna, Larry Harris, Scott Hurst, Frederick Kamke, Patrick Knightly, Lauren Martinson, Michael O'Brien, Henry Snodgrass

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 SEPTEMBER 8, 1997 MINUTES.

The minutes of the September 8, 1997 meeting were reviewed and approved as distributed.

3. BIENNIAL BUDGET SUBMISSION.

Dwight Shelton, Associate Vice President for Budget, Financial Planning, and Analysis, reviewed the 1998-2000 Biennial Budget Initiatives. The initiatives have been organized around the title, "Responding to Virginia's Needs" and include three subheadings that have ties to the Academic Agenda and cross-cutting initiatives developed over the last year. The subheadings include: Information Technology; Food, Nutrition, Health, and Biotechnology; and, Integrating Science and Technology.

Also included in the submission is a request for an increase in operational funding. This includes: Year 2000, nonpersonal services, and operation and maintenance for new facilities. The university has seen no increase in nonpersonal services funding since the late 1980's. Since this time, the costs of utilities alone has risen \$5 million. Additionally, the university has accepted approximately 2,000 additional undergraduate students with no increase in state support.

The Council discussed each initiative at length and provided suggestions. The budget submission is due on October 24. At the next Council meeting, a thorough discussion of the completed biennial budget proposal has been scheduled.

4. VIRGINIA FIRST 2000 REPORT.

Minnis Ridenour reviewed the Virginia Business Higher Education Council's Virginia First 2000 Report. The report outlines the future plans that could more closely link higher education to the economic welfare of the state. The plan calls for an additional \$900 million to be invested in higher education over the next two biennia. This funding would support increased operating expenses (faculty salaries, technology and equipment, increased enrollments, operation and maintenance of new buildings, and institution-specific needs), student financial aid, and building construction (renovation and maintenance). The Council proposes that faculty salaries be increased to the 75 percentile of peer groups; the university average faculty salary is currently at the 33 percentile of the new peer institutions.

5. OTHER BUSINESS.

There being no further business, the meeting adjourned at 5:15 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

November 13, 1997

President's Board Room

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

PRESENT: Spencer Allen, Lauren Coble, David Conn, Larry Freeman, Ellsworth Fuhrman, John Fulton, Leon Geyer, Beth Hanson, Ernest Houck, Lisa Johnson, Frederick Kamke, Vera Kidd, Tim Pratt, Minnis Ridenour, Verna Schuetz, Dwight Shelton, Henry Snodgrass

ABSENT: Dixon Hanna, Larry Harris, Scott Hurst, Pat Hyer, Patrick Knightly, Peggy Meszaros, Michael O'Brien, Lee West

GUESTS: Marcia Harrington

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 OCTOBER 9, 1997, MINUTES.

The minutes of the October 9, 1997, meeting were reviewed and approved as distributed.

3. REVIEW OF SELF-STUDY: INSTITUTIONAL EFFECTIVENESS REPORT.

David Conn, Special Assistant to the Provost and Director of the Self-Study, provided an update on the self-study process and the status of the Institutional Effectiveness (IE) component. The IE report has been reviewed by the appropriate management and governance committees and needs approval from the Council.

The report was distributed to the Council prior to the meeting for review. After discussion of the report, the Council made the following recommendations:

- Section 5.2 (Instructional Support) should be expanded beyond the information technology services available.
- Section 5.4.42-43 should include a statement regarding the Equipment Trust Fund.
- Section 5.4.45 response should be reviewed for accuracy, particularly the section that addresses maintenance by departments.
- Section 6.4.1.61 reference to the Research Park growth and development should be expanded. Len Peters or Joe Meredith could provide the necessary information.
- Section 6.4.60 should include a statement that mentions the university's plan to address programmatic needs and quality of student life issues. Significant improvements have been made, including renovations outlined in the Integrated Space Plan.
- Section 5.4.3.4.59-60 paragraph two should also include a statement about the program enhancement efforts of the Residential and Dining Hall staff.

The Council also recommended that the report be reviewed for consistency (i.e., references to tuition and fees). The Council approved the IE Report with the revisions noted.

Marcia Harrington, Associate Director of Institutional Research, asked that Council members help to communicate the necessity for URL addresses to remain unchanged until after the self-study site visit. Additional comments or revisions should be forwarded to Marcia Harrington.

4. BIENNIAL BUDGET SUBMISSION.

Dwight Shelton, Associate Vice President for Budget, Financial Planning, and Analysis, reviewed the 1998-2000 Biennial Budget Submission. The initiatives were organized around the title, "Responding to Virginia's Needs in Technology and Science" and "Responding to Virginia's Needs in Nutrition and Health." Also included in the submission was a request for an increase in operational funding for Year 2000 issues, nonpersonal services, and operation and maintenance for new facilities.

The list of initiatives will be narrowed during the legislative session. The university should know which initiatives will be funded by March 14 and will be prepared to make the allocations by July 1, 1998. Minnis Ridenour informed the Council that funding must not be carried forward; allocations must be spent each fiscal year by June 30.

5. UPDATE ON PERFORMANCE MEASURES.

Dwight Shelton distributed an update on the university's performance measures. There are seven measures for Agency 208 and five for Agency 229; these were developed by the Department of Planning and Budget. In Agency 208, the university met the graduation rate and retention rate targets, but missed the persistence rate and progression rate targets. The university did not meet the transfer rate goal; this was due in part to a decrease in the number of community college students. The university also fell short of reaching the "instruction as a percent of E&G expenditures" goal; this was due to difficulty in the classification system used to identify expenditures. The Budget Office is working to revise the system. In Agency 229, the number of customers served was incorrectly calculated during the development; this number has since been revised and the targets have been adjusted accordingly.

6. OTHER BUSINESS.

There being no further business, the meeting adjourned at 5:15 p.m.

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

January 8, 1998

President's Board Room

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

PRESENT: Spencer Allen, Lauren Coble, David Ford, Leon Geyer, Beth Hanson, Vera Kidd, Peggy Meszaros, Tim Pratt, Verna Schuetz, Dwight Shelton, Henry Snodgrass

ABSENT: David Conn, Larry Freeman, Ellsworth Fuhrman, Dixon Hanna, Larry Harris, Ernest Houck, Scott Hurst, Pat Hyer, Frederick Kamke, Patrick Knightly, Michael O'Brien, Minnis Ridenour, Lee West, Lisa Wilkes

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 9, 1997, MINUTES

The minutes of the November 13, 1997, meeting were reviewed and approved as distributed.

Peggy Meszaros also introduced David Ford as the new Vice Provost for Academic Affairs. In other announcements, Peggy noted that Anne Moore, Manager for Information Systems Initiatives, has been asked to head up a statewide effort exploring the Electronic Campus. She also noted that President Torgersen is leading the Rapid Response Group of Higher Education Institutions in Virginia, and that she has been asked to chair this statewide committee.

2. ACADEMIC AGENDA UPDATE

Peggy Meszaros noted that performance funding for the core performance measures proposed by the state match well with the proposed initiatives included in the Academic Agenda. Peggy asked all of the members of the Council to review again the Academic Agenda.

3. GOVERNOR'S RECOMMENDATIONS AND UNIFIED AMENDMENT

Dwight Shelton, Associate Vice President for Budget, Financial Planning, and Analysis, reviewed a comparison of the Governor's budget proposal with the recommendations of the Virginia Business Higher Education Council for the 1998-2000 biennium. The Governor announced his budget on December 19, 1997, that included projects across the state and higher education. For Virginia Tech's portion of the Virginia Business Higher Education Council recommendation, \$20.705 million was proposed to fund a 5.8 percent increase for faculty salaries. The Governor's budget, however, proposed a total of \$9.9 million from the General Fund and \$6.5 million from the Non-General Fund, a 4.16% increase for teaching and research faculty, 3.42% for administrative and professional faculty, and 2.25% for part-time faculty and GTA's. In total, the Governor's budget proposed \$24.9 million in General Funds and \$11.1 million in Non-General Funds for Virginia Tech.

Dwight Shelton noted that the Governor's budget includes performance funding of \$8.1 million for Virginia Tech. SCHEV used the performance measures that have been established to rank universities among their peers. The total performance budgeting pool for all state institutions is \$50 million. The Governor's budget also included funding for the Chemistry/Physics Building in the amount of \$25.2 million, and \$1.2 million in planning funds for the Agriculture and Forestry Research Facility.

4. OTHER BUSINESS

Peggy Meszaros distributed a draft report on impact of the new Eligibility Policy. Peggy also discussed briefly a book entitled Leading Change by John P. Cotter and recommended all Budget and Planning Council members read it to possibly discuss at a future brown bag luncheon. She noted that the book related to change processes that were occurring at the university.

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



MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

February 12, 1998

President's Board Room

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

PRESENT: Spencer Allen, Rosemary Blieszner (for Larry Harris), Lauren Coble, David Conn, David Ford, Leon Geyer, Dixon Hanna, Scott Hurst, Frederick Kamke, Vera Kidd, Peggy Meszaros, Verna Schuetz, Dwight Shelton, Lisa Wilkes

ABSENT: Larry Freeman, Ellsworth Fuhrman, Beth Hanson, Larry Harris, Ernest Houck, Pat Hyer, Patrick Knightly, Michael O'Brien, Tim Pratt, Minnis Ridenour, Henry Snodgrass, Lee West

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 JANUARY 8, 1998 MINUTES.

The minutes of the February 12, 1998, meeting were reviewed and approved as distributed.

3. GENERAL ASSEMBLY AND BUDGET UPDATE.

Dwight Shelton, Associate Vice President for Budget, Financial Planning, and Analysis, discussed the status of the budget and the amendments submitted on behalf of the university. The Virginia Business Higher Education Council (VBHEC) recommended funding for higher education be increased \$910 million for the 1998-00 biennium (\$400 million for operating, \$60 million for financial aid, and \$450 for capital outlay and maintenance reserve). In his budget, Governor Allen recommended an increase of \$500 million (\$185.4 million for operating, \$5.6 million for financial aid, and \$308 million for capital outlay and maintenance reserve). Governor Gilmore's amendments include an \$8 million increase in technology funding for GMU, a \$181,000 increase in funding for the Virginia Executive Institute at VCU, a \$25 million decrease in performance funding, and a \$3 million decrease in funding for faculty salaries. The Unified Amendment is seeking an additional \$283 million (\$248 million in general fund support and \$34 million in non-general fund support) for higher education.

In the recommendations submitted by the VBHEC, it was proposed that the university receive an additional \$60.7 million for E & G operating costs. Included in this total is \$16.6 million for increases in faculty salaries (Agency 208) and \$21 million for institution-specific initiatives. The recommendations also included a \$4 million increase for faculty salaries (Agency 229), \$14.6 million increase for the equipment trust fund, and \$8.6 million for undergraduate student financial aid.

The university submitted budget amendments totaling \$12.36 million for Agency 208 and \$7.08 million for Agency 229. The amendments for capital projects submitted on behalf of the university totaled \$26.63 million. Those amendments submitted for Agency 208, drawn from the crosscutting initiatives, included: instructional technology, biotechnology and related bio-applications, materials science, and non-personal services. The Plan to Serve Virginia Agriculture, Human, and Natural Resources was submitted for Agency 229. The capital project amendments included: Henderson Hall Conversion, Dairy Science Facilities Update, Infectious Waste Disposal Supplement, Classroom Renovations to Support Technology Upgrades, Shanks

Hall Conversion, Alumni/CEC/Hotel Complex Planning Increase, and Building and Construction Learning Laboratory.

Dwight Shelton will provide a legislative update at the next council meeting.

4. OTHER BUSINESS.

Self-Study

David Conn, University Director of the Self-Study and Special Assistant to the Provost, provided an update of the self-study process. The visit will take place March 15-18, 1998. The IE committee list is complete; the strategic component committee is almost complete.

There being no further business, the meeting adjourned at 3:45 p.m.

MINUTES  
UNIVERSITY ADVISORY COUNCIL ON  
STRATEGIC BUDGETING AND PLANNING

March 3, 1998  
President's Board Room  
3:00-5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner (for Larry Harris), David Conn, David Ford, Larry Freeman, Leon Geyer, Dixon Hanna, Beth Hanson, Scott Hurst, Vera Kidd, Bea Mahan (for Dwight Shelton), Peggy Meszaros, Minnis Ridenour, Verna Schuetz, Lisa Wilkes

ABSENT: Lauren Coble, Ellsworth Fuhrman, Larry Harris, Ernest Houck, Pat Hyer, Frederick Kamke, Patrick Knightly, Michael O'Brien, Tim Pratt, Dwight Shelton, Henry Snodgrass, Lee West

1. CALL TO ORDER.

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

2. REVIEW AND APPROVAL OF FEBRUARY 12, 1998 MINUTES.

The minutes of the February 12, 1998, meeting were reviewed and approved as distributed.

3. UPDATE: LEGISLATIVE SESSION.

Minnis Ridenour distributed a copy of the Legislative Update materials that were provided to members of the Board of Visitors. These materials summarize the Virginia Business Higher Education Council (VBHEC) budget recommendations, the Governor's Executive Budget Proposal, and the Unified Amendment Proposal. Also included was a summary of the budget amendments submitted on behalf of the university, both operating and capital outlay, and the proposed tuition and fee rates for 1998-99.

The Council received a briefing on the actions of the House and Senate; the General Assembly is scheduled to end on March 14, 1998. Both houses provided funding to bring faculty salaries to the 60th percentile of benchmark institutions. The action resulted in increases of 5.8% in each year of the biennium. Other actions included funding for equipment purchases at \$14.1 million for the biennium through the Equipment Trust Fund and the authorization to implement a technology fee of \$1.50 per credit hour. Additionally, it appears that the university will receive some funding for the Plan to Serve Virginia Agriculture, Human, and Natural Resources and technology operating support.

Minnis and Peggy will review the impact of the technology fee on the total cost of education and will make a recommendation to the President regarding 1998-99 tuition and fee rates. The fee structure for next year should be finalized by mid-March.

4. UPDATE: SELF-STUDY.

Self-Study

David Conn, University Director of the Self-Study and Special Assistant to the Provost, provided an update of the self-study process. There has been good participation in the Open Forums that have been held in the last several weeks, particularly the session held for department secretaries. The Council was reminded of the dates and reminded that members of the

Self-study Review Committee may request to meet individually or collectively with members of the Council.

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

MINUTES  
UNIVERSITY ADVISORY COUNCIL ON  
STRATEGIC BUDGETING AND PLANNING

April 9, 1998  
President's Board Room  
3:00-5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner (for Larry Harris), John Carroll (for Verna Schuetz), Lauren Coble, David Ford, Larry Freeman, Leon Geyer, Beth Hanson, Vera Kidd, Bea Mahan (for Dwight Shelton), Tim Pratt

ABSENT: David Conn, Ellsworth Fuhrman, Dixon Hanna, Ernest Houck, Scott Hurst, Pat Hyer, Frederick Kamke, Patrick Knightly, Peggy Meszaros, Michael O'Brien, Minnis Ridenour, Henry Snodgrass, Lee West, Lisa Wilkes

1. CALL TO ORDER.

David Ford, Vice Provost for Academic Affairs, called the meeting to order at 3:00 p.m.

2. REVIEW AND APPROVAL OF MARCH 3, 1998, MINUTES.

The minutes of the March 3, 1998, meeting were reviewed and approved as distributed.

3. OUTCOME OF THE LEGISLATIVE SESSION.

Bea Mahan, Associate Director for Budget Development and Financial Planning, reviewed a set of handouts that have been shared with the Board of Visitors, Faculty Senate, Deans and Vice Presidents. The materials identified the university's peer group, as used by the State Council of Higher Education and the Department of Budgeting and Planning in Richmond, to calculate the university's ranking for faculty salaries and other benchmarks. Bea reviewed the system-wide General Assembly outcomes as well as the specific actions for Virginia Tech.

The General Assembly approved \$90.4 million in funding for faculty salaries, technology funding, biotechnology initiatives, student financial assistance and capital outlay projects for the 1998-2000 biennium. Additionally, 79.5 FTE positions were appropriated to the university's education and general budget, while 27.0 FTE were appropriated to the cooperative extension and agricultural experiment station budget for the biennium. These positions were allocated without funding with the understanding that the university would provide the funding necessary to fill the positions.

Virginia Tech received \$14.1 million in equipment trust fund allocations for the biennium. Capital outlay recommendations included \$25.2 million for Chemistry/Physics - Phase II, \$10.7 million for Special Purpose Housing - Phase III, and \$1.17 million in planning funds for the Agriculture/Forestry Research Laboratory. The university also received \$15.4 million in maintenance reserve funding.

Leon Geyer, Professor of Agriculture and Applied Economics, inquired about the funding of the new computer requirement initiative and how the new technology fee would be used. David Ford responded that a definitive plan for the use of the technology fee had not yet been developed other than it would be in keeping with the General Assembly designation that it be used to support students' technology needs. Richard Alvarez, Director of Administrative Information Systems, and Erv Blythe, Vice President for Information Systems, will be asked to review how the funds allocated to

Information Systems for the Administrative Information Systems initiative have been used, and specifically, how the technology fee will be used.

Vera Kidd, Assistant to the Director of Residential and Dining Programs, noted that the university received substantial funding for faculty salaries and technology, with minor amounts allocated to specific programs. Bea Mahan agreed that most of the funding received has been earmarked for specific uses, with very little flexible funding available.

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

MINUTES  
UNIVERSITY ADVISORY COUNCIL ON  
STRATEGIC BUDGETING AND PLANNING

May 7, 1998  
President's Board Room  
3:00-5:00 p.m.

PRESENT: Spencer Allen, Rosemary Blieszner (for Larry Harris), David Conn, David Ford, Larry Freeman, Ellsworth Fuhrman, Leon Geyer, Dixon Hanna, Ernest Houck, Scott Hurst, Vera Kidd, Peggy Meszaros, Tim Pratt, Minnis Ridenour, Verna Schuetz, Lisa Wilkes

ABSENT: Lauren Coble, Beth Hanson, Pat Hyer, Frederick Kamke, Patrick Knightly, Michael O'Brien, Dwight Shelton, Henry Snodgrass, Lee West

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 APRIL 9, 1998, MINUTES.

The minutes were reviewed and approved as distributed.

3. FACULTY MERIT INCREASES.

Minnis Ridenour, Executive Vice President, reviewed the proposal to move the merit increase for administrative and professional faculty from 3.1% to 5.8%. During the 1998 General Assembly, teaching and research faculty were appropriated a 5.8% merit increase, while the increase for administrative and professional faculty was funded 3.1%. The difference in appropriations has occurred for the previous two years. In 1996-97, the university chose to fund the difference internally; last year the university decided not to fund the difference internally. Due to concerns from the university community, the administration developed a proposal that would outline the cost to move the merit increase administrative and professional faculty to 5.8%. The continuing annual cost for the University Division (208), would be \$501,936; \$329,191 would be needed for the Cooperative Extension/Agricultural Experiment Station Division (229).

The proposal was reviewed by the Deans and VPs earlier in the week and received strong support. Skip Furhman, Faculty Senate President, questioned whether a reallocation of funds would be necessary in order to implement the proposal. Minnis Ridenour stated that no reallocations would be necessary. Although the university received very little unrestricted funds during the 1998 General Assembly Session, the bulk of the university's funding is unrestricted. The Council was in agreement that the university needed to implement the proposal.

Minnis Ridenour also reviewed the proposal to increase the teaching and research merit increase from 5.8% to bring the university into compliance with the Consolidated Salary Authorization. The continuing annual cost for the University Division (208) would be \$114,058 for each 0.1% the merit pool is increased above the state-appropriated 5.8%; \$19,597 would be needed for the Cooperative Extension/Agricultural Experiment Station Division (229). The university is still experiencing some effects from the WTA; as senior faculty retired, junior faculty were hired at lower salary levels. Additionally, the conversion of faculty positions to GTA positions has also added to the situation. The Consolidated Salary Authorization requires the university to be within 1% of the authorization; the university is about 2% below the authorized level. The Council was

supportive of the proposal to increase the faculty salary level for teaching and research faculty to bring the university in compliance with the Consolidated Salary Authorization.

Peggy Meszaros and Minnis Ridenour will review these proposals with the President. An update will be given at the next meeting.

4. UPDATE ON CROSS-CUTTING INITIATIVES.

Peggy Meszaros provided an update on the university's Cross-Cutting Initiatives. In December, work groups were formed for each of the cross-cutting initiatives to identify the university's strengths in each area. Case statements were written for each initiative; these were distributed to all faculty and staff in April. The work groups are currently completing a gap analysis to determine the university's strengths and weaknesses when compared to those universities who excel in each of the seven areas. This analysis will help to determine where additional investments will be required.

5. OTHER BUSINESS.

University Self-Study

David Conn, Director of the University Self-study and Special Assistant to the Provost, provided an update on the university's self-study. The university received 12 recommendations during the March visit by the SACS reaccreditation team. Additionally, a commendation was given to the finance and administrative functions of the university.

A draft report was received several weeks ago; a few minor revisions were noted and returned to the Chair. The final report should be received within the next couple of weeks; the university's response will be due August 1, 1998. The response must include how the university will address each of the 12 items; full compliance is required within two years. The final report, including the university's responses, will be presented at the Commission on Colleges meeting in December.

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



MINUTES  
UNIVERSITY ADVISORY COUNCIL ON  
STRATEGIC BUDGETING AND PLANNING

June 11, 1998  
President's Board Room  
3:00-5:00 p.m.

PRESENT: Lauren Coble, Karen Etgen (for Vera Kidd), Larry Freeman, Dixon Hanna, Beth Hanson, Larry Harris, Ernest Houck, Scott Hurst, Pat Hyer, David Lamie (for Leon Geyer), Michael O'Brien, Ben Poe (for Spencer Allen), Minnis Ridenour, Verna Schuetz, Dwight Shelton, Henry Snodgrass, Lisa Wilkes

ABSENT: Spencer Allen, David Conn, David Ford, Ellsworth Fuhrman, Frederick Kamke, Vera Kidd, Patrick Knightly, Peggy Meszaros, Tim Pratt, Lee West

GUESTS: Richard Alvarez, Erv Blythe, Randy Pelt

1. CALL TO ORDER

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

2. REVIEW AND APPROVAL OF MAY 7, 1998, MINUTES

The minutes were reviewed and approved as distributed.

3. STATUS OF SYSTEMS PROJECTS

Erv Blythe, Vice President for Information Systems, introduced Richard Alvarez, Director of Administrative Information Systems (AIS), and acknowledged the leadership Richard has given to the systems implementation over the last two years.

Richard Alvarez provided an update on the system projects and reviewed the increased capabilities the integrated systems will bring to the university's academic and administrative processes. The new systems, using an integrated database, are more customer-focused than the current, functionally-focused systems. AIS has worked to develop detailed project plans for each system.

Richard Alvarez discussed the 13 different project plans, involving over 8,000 tasks, that will help to bring the systems up by the year 2000. A copy of the Project Strategy Overview was distributed to the Council. This overview provides a timeline for each system and each phase of the individual systems. As scheduled, the Finance system will be up and running by July 1, 1998. Richard anticipated that the Alumni/Development System will be operational by mid-October 1998.

Richard Alvarez also discussed the Year 2000 compliance process. The university decided to replace the centralized administrative systems rather than to repair the old systems. The university is on schedule and should have all Year 2000 compliance issues addressed before January 1, 2000. Due to the large number of non-centralized systems in the university, AIS has developed an education program for use by departments. Included in this program is a web page that will allow departments to check their system for compliance. Representatives from AIS have also visited colleges and administrative units and placed articles in Spectrum to help heighten awareness regarding Year 2000 issues.

4. UPDATE ON SEVEN-YEAR TECHNOLOGY BUDGET

Richard Alvarez provided a graph showing the original AIS seven-year budget and discussed the status of the funding requirements. In 1996-97, AIS was able to purchase some additional equipment at year-end utilizing central funds. The 1997-98 budget was adjusted downward to reflect the increase in 1996-97. The project budget through 2002-2003 remains at the original projection.

5. DISCUSSION OF TECHNOLOGY FEE

Dwight Shelton, Associate Vice President for Budget, Financial Planning, and Analysis, provided a schedule outlining the Technology Service Fee expenditure plan. The expenditure plan, proposed by the Student Computer Requirement Implementation Committee, proposed that the technology fee funds be distributed to the 4-Help desk and hotline, technology coordinators and technology support for colleges. Additionally, \$100,000 is being allocated to purchase hardware for student computer labs.

Michael O'Brien, Associate Professor of Architecture, asked whether colleges could implement a technology fee to help cover the network and maintenance costs in laboratories. Dwight Shelton responded, stating that the university is not authorized by the General Assembly to implement any additional technology fees. Additionally, all fees must be approved by the Board of Visitors.

6. PROPOSED 1998-99 BUDGET ALLOCATIONS

Dwight Shelton distributed copies of a schedule outlining the 1998-99 New Requirements and Available Resources. The Deans have reviewed both the 208 and 229 budgets.

Dwight Shelton reviewed the funding requirements for faculty merit increases, and initiatives in technology, biotechnology, and Northern Virginia. The Council also discussed funding requirements for university initiatives, new facilities and fixed cost increases, and new mandates and regulatory compliance requirements. Dwight Shelton will meet with the fiscal officers in the next few weeks to review 1998-99 budgets; authorized budget documents will be distributed by the Budget Office.

Minnis Ridenour provided an update on preparations for the 1999 Legislative Session. Working with the Council of Presidents and the Virginia Business Higher Education Council, the university will continue to work on recommendations for the next session. Additionally, work has also begun on the 2000-2002 biennial budget.

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