

MINUTES

UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

August 27, 2009

PRESENT: Gilles Divoux, Erik Ervin, Kyrille Goldbeck, Muhammad Hajj, Dixon Hanna, Bill Huckle, Hugh Latimer (for Scott Hurst), Ben Johnson, Lonnie Johnson, Patricia Lavender, Gary Long, Steve McMullin, Mark McNamee, Don Rimstidt, Dwight Shelton, Linda Tegarden, Maxine Lyons (for Tom Tucker)

ABSENT: Martin Daniel

1. CALL TO ORDER AND WELCOME TO NEW MEMBERS

Dr. Mark McNamee, Senior Vice President and Provost, called the meeting to order at 3:00 p.m. and welcomed new members to the Council.

2. APPROVAL OF THE MAY 28, 2009 MINUTES

Dr. McNamee announced that the minutes of the May 28, 2009 meeting were electronically approved and sent to University Council to be posted on the web.

3. STATUS REPORT ON THE STATE BUDGET

Mr. Shelton provided an overview of the current status of the state budget. The University has absorbed General Fund reductions of \$42.1 million from the first round of budget reductions in October 2007 through the last reduction which was effective July 1, 2009. The state's August interim revenue forecast predicts that revenue collections will continue to fall below original projections. In early September the Governor is expected to announce another round of budget cuts that will affect both the current fiscal year and planning for the next biennium budget.

4. DPB REQUEST FOR BUDGET REDUCTION PLANS

As requested by the state, Virginia Tech submitted in July to the Department of Planning and Budget the University's plans for addressing a 5%, 10% and 15% General Fund reduction for the remainder of the current fiscal year, and for the next two fiscal years of the 2011 and 2012 biennium. The actual amount of budget reductions will be announced by the Governor around Labor Day. Virginia Tech is anticipating the additional reductions to be between 10-15%.

5. UNIVERSITY STRATEGIES FOR ADDRESSING POTENTIAL BUDGET REDUCTIONS

As it has done in past rounds of budget reductions, the University will try to address some of the Round 5 reductions in the current fiscal year by realigning some central funds and by contributions from units. The University will strive to find ways to mitigate additional reductions in the current fiscal year as much as possible in order to give units additional time to make necessary adjustments to address the full reductions at the beginning of the next fiscal year next July.

6. OTHER BUSINESS

At the request of Council, Mr. Shelton will provide members at the next meeting with details of how the University addressed the \$42.1 million budget reductions in Rounds 1-4.

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