

MINUTES
UNIVERSITY ADVISORY COUNCIL ON
STRATEGIC BUDGETING AND PLANNING
September 6, 2012

PRESENT: Greg Boardman, Amy Brunner, Martin Daniel, Mike Ellerbrock, Balu Guduri, Wendy Herdman, Tim Hodge, Sarah Karpanty, Mark McNamee, Quinton Nottingham, Dwight Shelton, Ken Smith, Jason Soileau, Connie Stovall, Sue Teel, Zhaomin Yang

ABSENT: Tyler Arthur, Elizabeth Fine , Joseph Guthrie, Theresa Pancotto

GUEST: Rachel Gabriel

1. CALL TO ORDER

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

2. APPROVAL OF THE MAY 24, 2012 MINUTES

Dr. McNamee announced that the minutes of the May 24, 2012 meeting have been approved and sent to University Council for posting on the web.

3. OVERVIEW OF THE BUDGET PROCESS

Dr. McNamee welcomed new and returning committee members, and asked everyone to briefly introduce themselves. He then gave an overview of what the committee does.

Tim Hodge, Assistant Vice President for Budget and Financial Planning, distributed a handout and gave an overview of the General Fund support received by the university for FY 2012-13, the operating and capital budget development cycles, external budget guidelines, and the external operating budget timeline for the 2012-14 biennium. Dwight Shelton, Vice President for Finance and CFO, encouraged committee members to keep the timeline from Mr. Hodge's handout since the timeline will be discussed throughout the year. A copy of Mr. Hodge's handout is attached to these minutes.

4. UPDATE ON THE STATE'S FINANCIAL ENVIRONMENT AND POTENTIAL IMPACT FOR VIRGINIA TECH

An update on the university's financial outlook was also provided. Key considerations include the recently passed Higher Education Opportunity Act of 2011, slow economic growth, sensitivity to increases in tuition, and uncertainty of the federal budget.

5. OVERVIEW OF THE STRATEGIC PLANNING PROCESS

Dr. McNamee reviewed a PowerPoint presentation on Implementing the Plan for a New Horizon. It covered the strategic planning development process, the campus engagement process, the factors shaping the future, and the potential response strategies to the various challenges. An example response matrix was shared. As a next step each senior

management area is developing a strategic plan. A recent retreat generated some guiding principles. A copy of the PowerPoint presentation given by Dr. McNamee is attached to these minutes.

6. OTHER BUSINESS

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



Implementing “The Plan for a New Horizon”

Mark G. McNamee, Senior Vice President and Provost



Strategic Plan Development

- Office of Long Range Planning Established
- Planning Committees Formed
- Working Papers Drafted
- Consolidated Long Range Plan Document Drafted
- Approval by Board of Visitors June 2012
- Implementation of Plan Begins



Challenges and Responses

Our future will be shaped by:

- **Global Interdependence**
 - International Success: Faculty, Partnerships, Recognition
- **Needs and Challenges of a Data-Driven Society**
 - Computational Competency; High Performance Infrastructure
- **Meeting our Research Expectations**
 - Emerging and translational research fields
- **Organizational Efficiency and Flexibility**
 - Operate in a Flexible, Efficient, and Accountable Manner

A wide-angle photograph of the Virginia Tech campus. In the center, the iconic Campanile tower stands tall against a blue sky with scattered white clouds. The foreground is filled with green grass and several trees with autumn-colored foliage in shades of yellow, orange, and brown. In the background, other university buildings and a tall chimney stack are visible.

Categories of Response

- **Virginia Tech Experience** – What should the students, employees and others who interact with the university expect from their experience?
- **International Profile and Experiences** – How will the university enhance its global recognition and significance?
- **Planned Reviews** – What areas of the university need to be reviewed and improved during the planning period?
- **Investment Priorities** – How will the university prioritize its investments over the planning period?
- **Key Metrics** – What are the summary metrics that will demonstrate progress toward the goals of the plan?



Response Matrix

	Learning + Pedagogy	Research + Scholarship	Outreach + Engagement	Infrastructure + Support
Virginia Tech Experience	<p>Research/Experiential Learning Experiences</p> <p>Technology Supported Learning</p> <p>Advising Excellence</p> <p>Computational/Informatics Competency</p> <p>Problem Solving/Team Based Learning</p> <p>Diverse and Inclusive Perspectives</p> <p>Arts and Technology</p> <p>Support for Entrepreneurship</p>	<p>Faculty with strong Disciplinary Expertise and an Openness to Innovation</p> <p>Opportunities to Participate in Faculty Structures that Transcend Single Disciplines</p> <p>Participation in Innovative Health Related Research</p> <p>Broad Application of Translational Research</p>	<p>Opportunities for Researchers and Practitioners to Working Together in Living Laboratories</p> <p>An Institution That Embraces the Climate Action and Sustainability Plan</p>	<p>A Healthy Environment</p> <p>Opportunity for Work-Life Balance</p> <p>Innovative Financial and Business Practices</p> <p>Dynamic and Inclusive Spaces that Support Learning and Research</p>



Response Matrix

	Learning + Pedagogy	Research + Scholarship	Outreach + Engagement	Infrastructure + Support
International Profile and Experiences	International Experiences for All Students Foreign Language Competency Participation in International Competitions	A Globally recognized profile of research and scholarship. “One Health” Approaches to Global Health Challenges	International Engagement and Strategic Partnerships Highlighting the Local-Global Connections	Identify and Address Any Administrative Barriers to International Relationships



Response Matrix

	Learning + Pedagogy	Research + Scholarship	Outreach + Engagement	Infrastructure + Support
Planned Reviews and Improvements	Create Alternate Pathways to the General Education of Students Expand Year-Round Academic Operations	Remove Real and Perceived Barriers to Interdisciplinary Work Systematically Identify and Pursue New Opportunities for Research and Scholarship.	Increase Access to On-Line Course Offerings	Governance Procedures Administrative Policies and Practices The Administrative Leadership Structure University Resource Allocation Strategies



Response Matrix

	Learning + Pedagogy	Research + Scholarship	Outreach + Engagement	Infrastructure + Support
Investment Priorities	<p>Grow the Number of Graduate Students and Graduate Programs</p> <p>Provide Incentives for Distance Education and Instruction and For Year-Round Operation</p> <p>Improve E-Learning Infrastructure</p> <p>Provide Advising Excellence</p> <p>Supporting Students Pursuit of Multiple Majors and Minors</p>	<p>Build on Existing Research Strengths</p> <p>Fund Emerging Research Strengths Including: Security Resilience Health Sustainability</p> <p>Build on NCR Capacity</p> <p>Enhance High Performance Computing Infrastructure</p>	<p>Leveraged External Partnerships</p>	<p>Recruit and Retain a Excellent and Diverse Faculty and Staff</p> <p>Create New Subsidiary Units and Spin-Offs Corporations</p>

Response Matrix

	Learning + Pedagogy	Research + Scholarship	Outreach + Engagement	Infrastructure + Support
Measuring our Progress	<p>Growth in Degrees Awarded</p> <p>Measured Improvement in Student Skills: Reasoning Intercultural Communications Computational</p> <p>Summer Enrollment as Percent of Fall/Spring</p> <p>Student Satisfaction with Academic Advising</p>	<p>Externally Funded Research</p> <p>NSF Research Expenditures</p> <p>Post-Doctoral Positions in STEM-H</p> <p>Federal Competitive Awards</p> <p>Articles by Quality of Journal</p> <p>Faculty Awards</p>	<p>Number of Internationally Ranked Programs</p> <p>International Collaborations</p> <p>Number of On-Line Courses Offered</p> <p>Licensing Income</p>	<p>Actual Funding vs. Base Budget Adequacy Model</p> <p>Private Support Annual Donations Endowment Value</p> <p>Facility Utilization: Classroom Support Space Research Space</p> <p>Debt Service Ratios</p>



Supporting Strategic Plans

- Prepared by each college and VP area
- These plans will identify and inform:
 - Specific Strategies
 - Cross-Cutting Strategies
 - Outcome Metrics
 - A Multi-Year Financial Plan




Guiding Principles for Review of Academic Plans

- Maintain high quality, comprehensive undergraduate, graduate, and professional offerings typical of a large AAU-like university
- Attract and support high quality, diverse faculty, students, and staff
- Compensate faculty and staff at a level competitive with our peer group based on a sustained merit-based process



Guiding Principles for Review of Academic Plans (cont.)

- Grow the size and impact of globally-competitive research
- Sustain our exceptional reputation in well-known programs
- Invest in innovation and emerging new areas
- Support the ideals of the land grant mission of learning, discovery, and engagement



Guiding Principles for Review of Academic Plans (cont.)

- Grow and strengthen graduate programs, especially doctoral STEM-H
- Develop revenue enhancing strategies targeted to new populations of students
- Expand our leadership in high performance computing
- Develop distance and distributed learning for our traditional students and to attract new students to Virginia Tech



QUESTIONS

Percentage of General Fund Support

Fiscal Year 2012-13

\$ in millions

<u>Program Category</u>	<u>GF Budget</u>	<u>Total Budget</u>	<u>GF as a % of Total Budget</u>
E&G - 208	145.5	539.2	27.0%
E&G - 229	62.9	77.9	80.7%
Total E&G	208.4	617.1	33.8%
Student Financial Aid (state)	18.6	18.6	100.0%
Subtotal E&G and SFA	227.0	635.7	35.7%
Auxiliary Enterprises	-	270.4	0.0%
Sponsored Programs	3.1	290.1	1.1%
All Other Programs	1.5	5.7	26.3%
University Budget (all funds)	231.6	1,201.9	19.3%
Virginia Tech Foundation (VTF)	-	125.0	0.0%
All Other University Entities	-	30.0	0.0%
All University Operations	\$ 231.6	\$ 1,356.9	17.1%

Operating and Capital Budget Development Cycles

- Capital
 - Six-Year Capital Plan
 - Biennial Capital Outlay Appropriations Request
- Operating
 - Six-year Academic, Enrollment, and Financial Plan
 - Biennial Appropriations Requests
 - Second-Year Amendment Requests

External Budget Guidelines

Traditional

- Department of Planning and Budget / Governor
- State Council of Higher Education
- House Appropriations Committee and Senate Finance Committee

New

- Higher Education Opportunity Act (TJ21)
- Op6
- Higher Education Advisory Committee (HEAC)

External Operating Budget Timeline

2012-2014 Biennium

