

University Council Minutes
April 2, 2018
3:00 PM
1045 Pamplin Hall

Present: Tim Sands (presiding), Rosemary Blieszner, Cyril Clarke, Greg Daniel, Karen DePauw, Edwin Jones for Alan Grant, Scott Midkiff, Robin Panneton for Sally Morton, April Myers, Pam Vickers for Kelly Oaks, Kim O'Rourke, Robin Jones for Patty Perillo, Angela Hayes for Charles Phlegar, Menah Pratt-Clarke, Julia Ross, Debbie Greer for Dwight Shelton, Kay Hunnings for Robert Sumichrast, Tyler Walters, Kim Akers for Lisa Wilkes, Sherwood Wilson, Paul Winistorfer, Richard Ashley, Janice Austin, Kevin Edgar, John Ferris, Deyu Hu, Jen Irish, Chris Saunders, Tammie Smith, Dean Stauffer, Monty Abbas, Susan Anderson, David Tegarden, Lynn Abbott, Tom Inzana, Mary Marchant, Yan Jiao, Christopher, Zobel, LaTawnya Burleson, Sue Teel for Tracey Drowne, Erin Poff, Andrienne Young for Glenda Scales, Christine Tysor, Alexandra Hyler, Andre Stevenson, Sam Felber, Mady Moore, Savannah Nelson, Rex Willis, Hans Robinson, & Robert Sebek

Absent: Richard Blythe, Michael Friedlander, Guru Ghosh, Theresa Mayer, Steve McKnight, Jan Helge Bøhn, Diane Agud, Bryan Brown Bob Hicok, Eric Kaufman (with notice), Anita Puckett, Matthew Gabriele, Chris Lawrence, Judy Alford (with notice), Brian Huddleston, Katrina Loan, Teresa Lyons, Annette Bailey, Jeannie Layton-Dudding, John Massey, Ginai Seabron, Michele Waters, Adwoa Baah-Dwomoh, Brett Netto, and Seyi Olusina

Guests: Lori Buchanan, D'Elia Chandler, William Dougherty, Jack Finney, Sharon Kurek, Peggy Layne, Scott Nachlis, Paul Plassmann, Ellen Plummer, Jason Soileau, Diane Zahm

Dr. Sands called the meeting to order at 3:00 p.m. A quorum was present.

1. Adoption of Agenda

A motion was made and seconded to adopt the agenda. The motion carried.

2. Announcement of approval and posting of minutes of February 19, 2018

Dr. Sands noted that these minutes have been voted on electronically and can be publicly accessed on the Governance Information System on the Web (<http://www.governance.vt.edu>). (Note: the March 12, 2018, and March 19, 2018, University Council meetings were cancelled.)

3. Old Business

University Council

Resolution UC 2017-18B

Resolution to Approve the Virginia Tech Carilion School of Medicine (MD) Degree Program

The March 12, 2018, University Council meeting was cancelled due to inclement weather. President Sands made a decision to have this resolution voted on electronically because its approval was required by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) in order for them to approve the integration of the Virginia Tech Carilion School of Medicine into Virginia Tech. The SACSCOC deadline was March 15, so it was critical that the vote on this resolution not be delayed. Forty members of University Council cast their vote in favor of UC Resolution 2017-18B by the deadline of 3:30 p.m. on Monday, March 12, 2018. There were no votes cast in opposition. The resolution passed.

4. New Business

Commission on Research

Resolution COR 2017-18A

Resolution to Clarify Faculty Handbook Language on Research Faculty Promotion Process

Dr. Jen Irish presented the resolution for first reading. This resolution will align the Faculty Handbook with current practices. There has been one update made to the resolution. The second to last sentence in section 6.2.1, "A faculty member may not serve on any committee that is evaluating a spouse, family member, or other individual with whom the faculty member has a close personal relationship. (See chapter two, "Potential Conflicts Involving Spouses and Immediate Family Members.")" will be moved to the second-to-last sentence in section 6.2.2. There was a suggestion to remove "etc." from section 6.2.1 because "such as" is already used earlier in the sentence and "etc." is not needed.

Commission on Research

Resolution COR 2017-18B

Resolution to Clarify Faculty Handbook Language on Overload Compensation for Research Faculty Members Teaching Credit Classes

Dr. Jen Irish presented the resolution for first reading. This resolution will formalize the pilot program on overload compensation for research faculty members teaching credit classes that was started in 2012.

Commission on Research

Resolution COR 2017-18C

Resolution to Clarify Language in Faculty Handbook on Removal Processes for Research Faculty Members

Dr. Jen Irish presented the resolution for first reading. This resolution will take the language in this section of the Faculty Handbook and make it consistent with other sections of the Faculty Handbook. It was indicated that the sentence "In cases where there is a threat to health and safety, the 45-day period may be waived" should be revised to state who makes the determination. This passive voice is used in several sections in the Faculty Handbook. President Sands requested that this language, throughout the Faculty Handbook be reviewed and revised in the 2018-2019 academic year.

A suggestion was made to have an additional step prior to termination in cases where the 45-day notice for termination is waived. The process seems rushed. It was indicated that there is an appeal process already in place that suspends the termination process.

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18F

Resolution to Discontinue Bachelor of Science Degree in Environmental Policy and Planning

Dr. Dean Stauffer presented the resolution for first reading. The Urban Affairs and Planning program has recently been restructured. There will be a new Environmental Policy and Planning major offered under the Bachelor of Arts in Public and Urban Affairs degree.

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18G

Resolution to Approve New Major, Environmental Policy Planning, in Bachelor of Arts in Public and Urban Affairs

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18H

Resolution to Approve New Major, Smart and Sustainable Cities, in Bachelor of Arts in Public and Urban Affairs

Dr. Dean Stauffer presented these two resolutions for first reading. These new majors are a result of the restructuring of the Urban Affairs and Planning program.

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18I

Resolution to Approve New Major, Chip-Scale Integration, in Bachelor of Science in Computer Engineering

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-1J

Resolution to Approve New Major, Controls, Robotics & Autonomy, in Bachelor of Science in Computer Engineering

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18K

Resolution to Approve New Major, Machine Learning, in Bachelor of Science in Computer Engineering

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18L

Resolution to Approve New Major, Networking & Cybersecurity, in Bachelor of Science in Computer Engineering

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18M

Resolution to Approve New Major, Software Systems, in Bachelor of Computer in Computer Engineering

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18N

Resolution to Approve New Major, Communications & Networking, in Bachelor of Science in Electrical Engineering

Commission on Undergraduate Studies and Policies

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Resolution to Approve New Major, Radio Frequency & Microwave, in Bachelor of Science in Electrical Engineering

Commission on Undergraduate Studies and Policies

Resolution CUSP 2017-18T

Resolution to Approve New Major, Space Systems, in Bachelor of Science in Electrical Engineering

Dr. Dean Stauffer presented these twelve resolutions for first reading. The Department of Electrical and Computer Engineering is growing rapidly each year. These twelve new majors align well with content areas in

the employment arena. The changes within the department are very similar to departments in other universities in the United States. Having these majors will allow students to align with areas of interest. There will be a 25% overlap in the common core classes that students take before moving to specialty areas.

A question was raised as to what the advantage is when offering a major versus a track. It was indicated that only majors are recognized on transcripts.

Commission on University Support

Resolution CUS 2017-18A

Resolution to Rename, Update Charge, and Change Membership of the Computing and Communication Resource Committee

Dr. Richard Ashley presented the resolution for first reading. The Computing and Communications Resources Committee has been dormant for a number of years. The committee name change to "Information Technology Services and Systems," the new charge, and the updates to the membership are more aligned with the scope of the committee and will more readily address the ever-changing technology climate. A suggestion was made to not indicate the number of subcommittees within the proposed charge to allow flexibility for changes to these subcommittees as the climate changes. The resolution will be updated to address this suggestion.

Commission on University Support

Resolution CUS 2017-18B

Commission on Equal Opportunity and Diversity

Resolution CEOD 2017-18C

Joint Resolution to Update Membership of the Campus Development Committee

Dr. Richard Ashley presented the resolution for first reading. This resolution will add the Director of ADA and Accessibility Services as an ex officio on the committee and one representative from the Commission on Equal Opportunity and Diversity (CEOD) as a member on the committee. These new positions will allow the CEOD access to provide input to the committee regarding accessibility as well as diversity and inclusion issues.

5. Announcement of Approval and Posting of Commission Minutes

These minutes have been voted on electronically and will be posted on the University web (<http://www.governance.vt.edu>). Note that the purpose of voting on Commission minutes is to accept them for filing. University Council By-laws require that policy items be brought forward in resolution form for University Council action.

- Commission on Administrative and Professional Faculty Affairs
February 14, 2018
- Commission on Equal Opportunity and Diversity
December 4, 2017
February 5, 2018
- Commission on Faculty Affairs
December 1, 2017
February 2, 2018
February 16, 2018
March 2, 2018

- Commission on Graduate Studies and Policies
February 7, 2018
February 21, 2017
- Commission on Outreach and International Affairs
February 15, 2018
- Commission on Research
December 13, 2017
February 14, 2018
- Commission on Student Affairs
September 28, 2017
October 26, 2017
November 9, 2017
November 30, 2017
- Commission on Undergraduate Studies and Policies
February 12, 2018
February 26, 2018

6. For Information Only

Minutes of the University Advisory Council on Strategic Budgeting and Planning
February 15, 2018

7. Presentation

Ms. Sharon Kurek, Executive Director of Audit, Risk, and Compliance, gave a presentation (attached) on enterprise risk management.

8. Adjournment

There being no further business, a motion was made to adjourn the meeting 3:57 p.m.

ENTERPRISE RISK MANAGEMENT (ERM) PROGRAM UPDATE

April 2, 2018

Sharon Kurek
Executive Director of Audit, Risk, & Compliance

ERM DEFINED

- A process applied in strategy-setting and across the enterprise that is designed to identify potential events that may affect the entity, manage risk to be within the entity's risk tolerance, and support the achievement of entity objectives.



Source: Baker Tilly

PRIMARY DRIVERS FOR ERM



ERM Program Benefits -

Control Focus

- Silo managed
- Reactive, crisis resolution
- Current focus

Strategic Focus

- University-wide
- Designing risk mitigation scenarios
- Forward looking focus

Board of Visitors

- Enhanced visibility into the university's risks
- Align strategic planning with risk awareness
- Reviewing ERM program assessment results

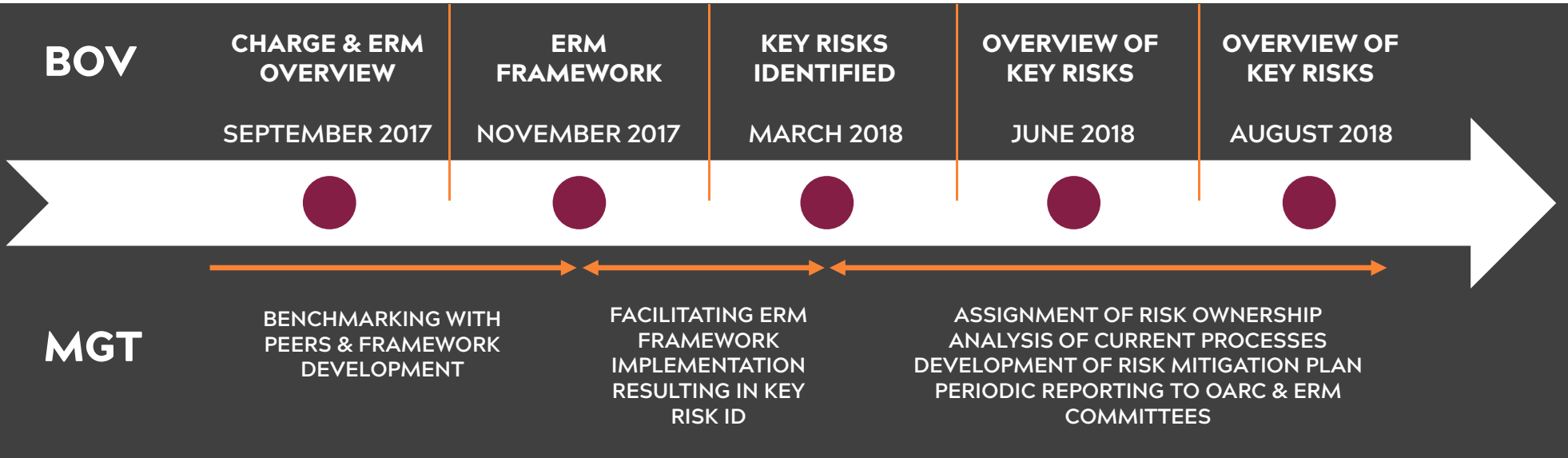
Senior Management

- Engaged to identify and assess risks
- Align strategic planning with risk awareness
- Incorporate and update new and emerging risks

External Stakeholders

- Assurance on stewardship of resources by federal & state government, donors, and other stakeholders
- Promoting greater accountability for consideration by accreditors and public debt issuers

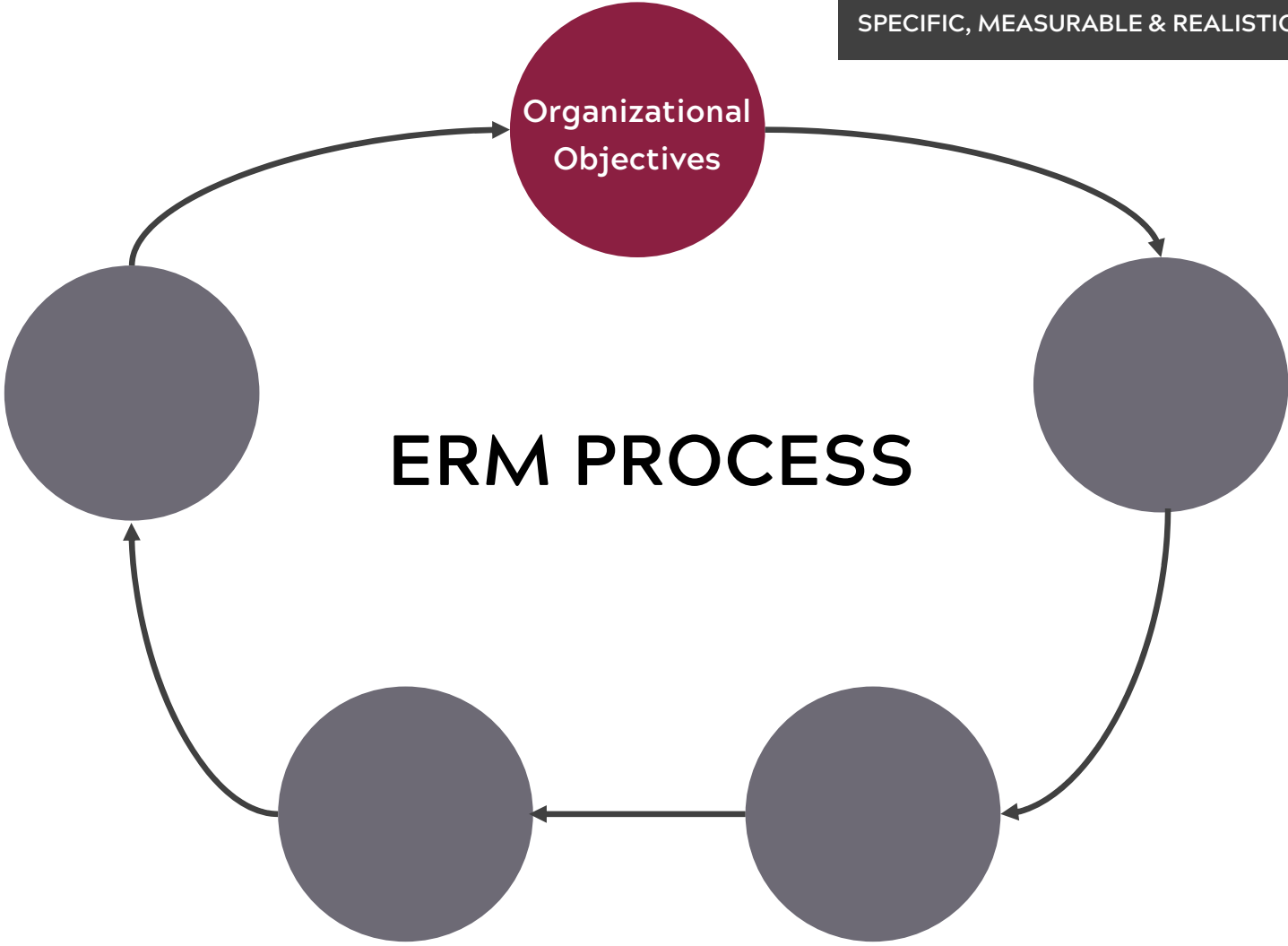
ERM TIMELINE



ERM COMMITTEE STRUCTURE

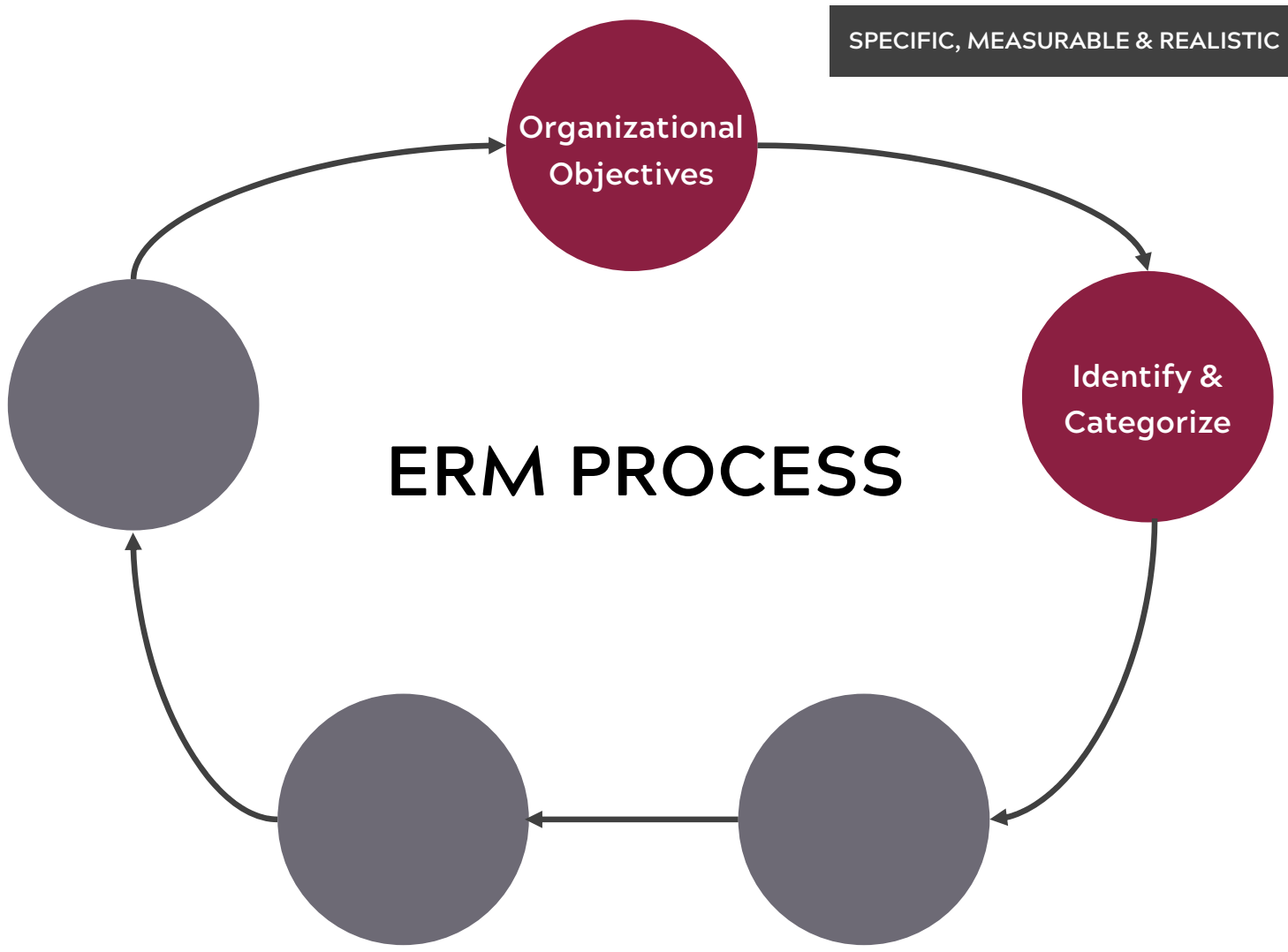


SPECIFIC, MEASURABLE & REALISTIC



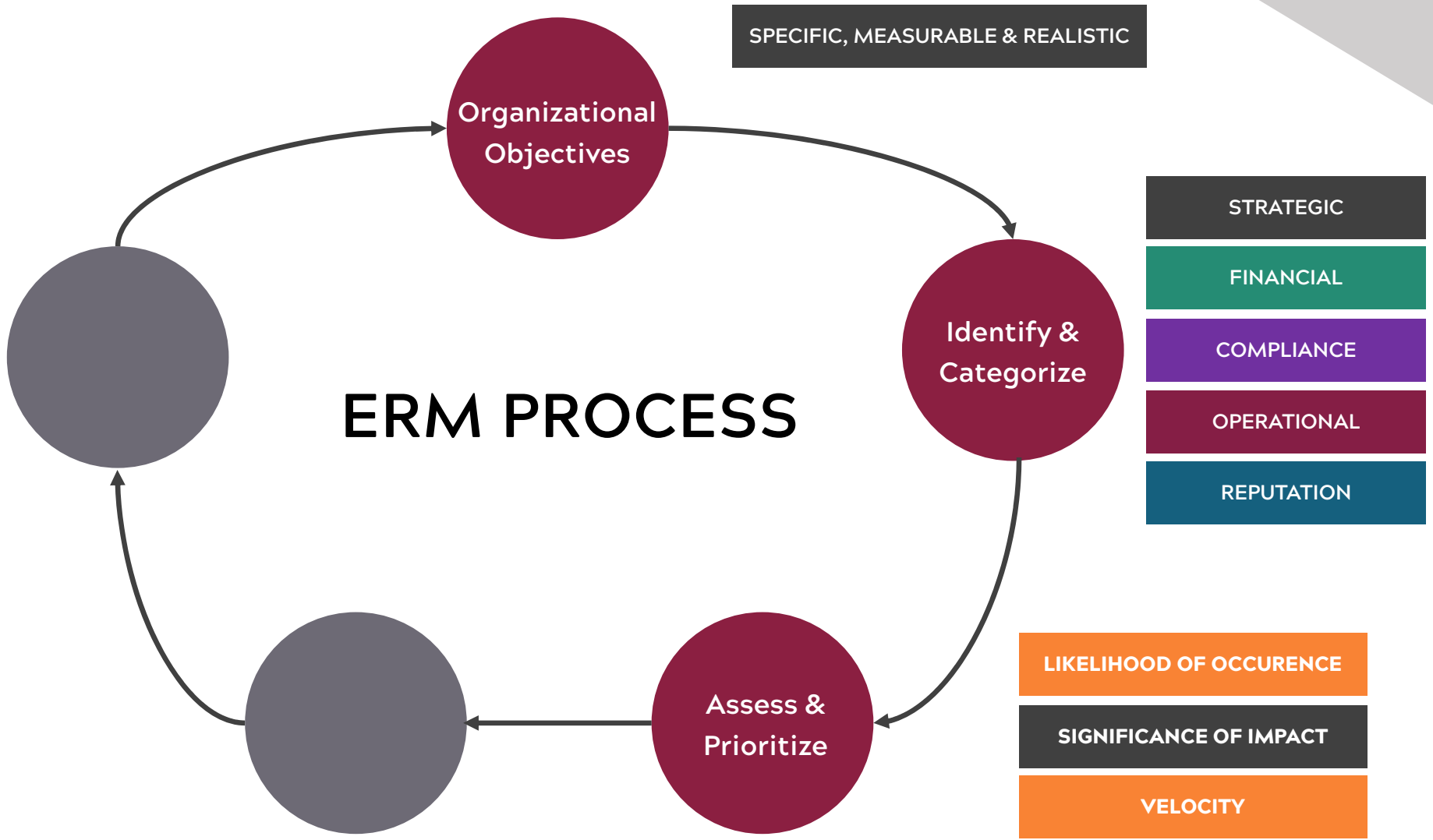
ERM PROCESS

Organizational
Objectives



SPECIFIC, MEASURABLE & REALISTIC

- STRATEGIC
- FINANCIAL
- COMPLIANCE
- OPERATIONAL
- REPUTATION



RESIDUAL RISK ASSESSMENT

IMPACT

| Level | Risk description |
|-------------------|--|
| 1 - Insignificant | No impact on reputation No potential impact on enrollment/market share No potential impact on the retention/recruitment of faculty No potential impact on overall research funding Responsibility of junior management and staff to resolve |
| 2 - Minor | Consequences can be absorbed under normal operating conditions Local impact on reputation Potential negative impact on image, enrollment Potential negative impact on retention/recruitment of faculty Little impact on overall research funding Responsibility of middle management to resolve |
| 3 - Moderate | State-wide impact on reputation Enrollment of students or image will be affected in the short-term Recruitment and retention of faculty will be affected in the short-term Loss of research funding for X-X grantees Responsibility of senior and middle management to resolve |
| 4 - Major | Adverse impact on university reputation at the regional level Accreditation is threatened Long-term reduction in enrollment Ability to retain and recruit faculty Significant loss of research funding from multiple grantees resulting in curtailment of major sponsored programs Responsibility of the Board and senior management to resolve |
| 5 - Critical | Loss of accreditation National / Global impact on reputation Significant reduction in enrollment Ability to retain and recruit faculty Revocation of sponsored research funding across the institution Responsibility of the Board and the President to resolve |

Residual (Net) Risk: The result of an assessment of the potential "impact" and "likelihood" of a risk after taking into account the effectiveness of the controls and other mitigations put into place to manage the risk.

PROBABILITY (Likelihood of Occuring)


| Level | Risk description | Probability |
|--------------------|---|-------------|
| 1 - Remote | Event may only occur in exceptional circumstances | 0-5% |
| 2 - Unlikely | Event could occur at some time | 6-35% |
| 3 - Moderate | Event should occur at some time | 36 - 65% |
| 4 - Likely | Event will probably occur in most circumstances | 66-95% |
| 5 - Almost certain | Event is expected to occur in most circumstances | 96 - 100% |

VELOCITY (Speed of Onset)

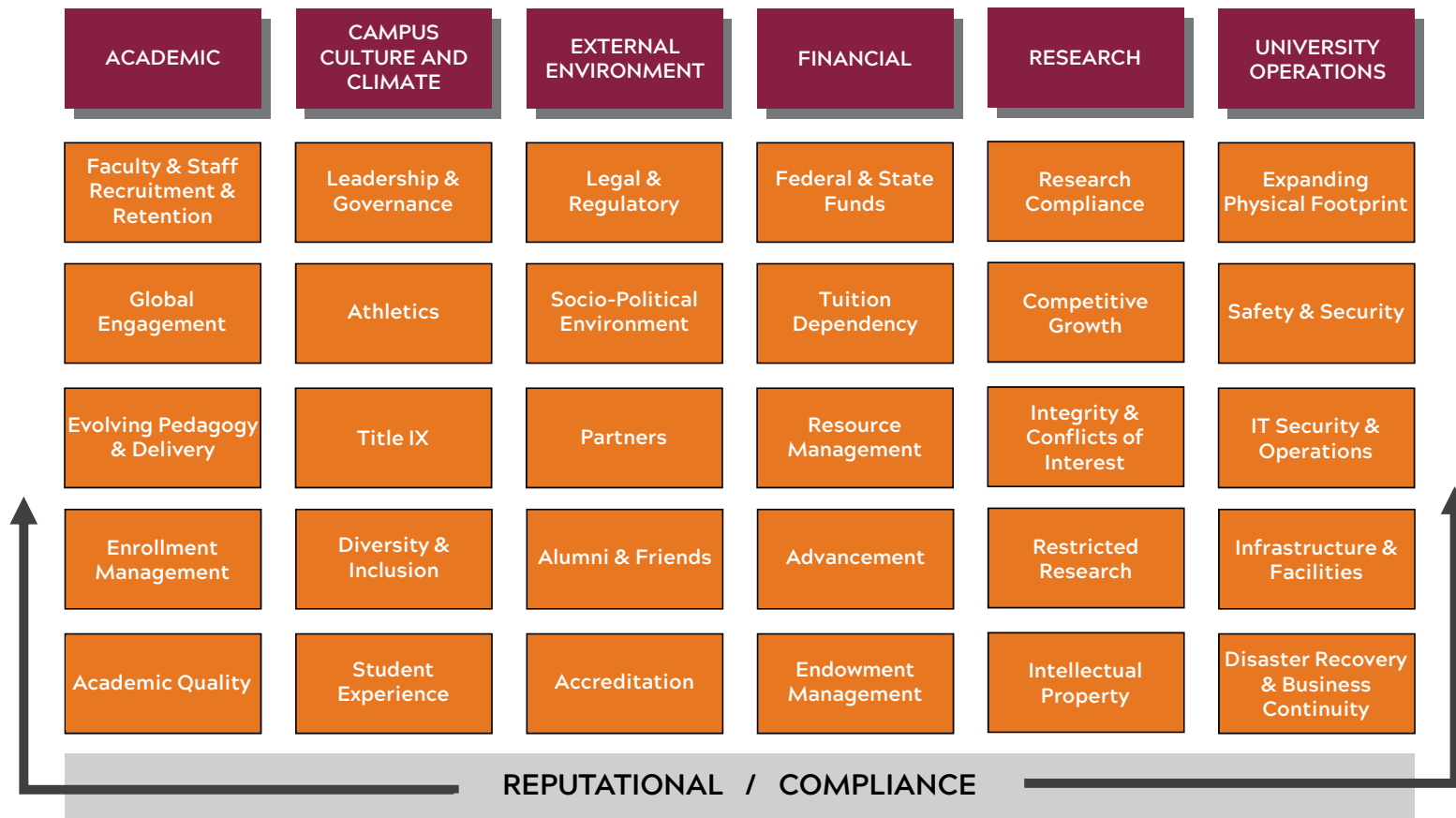
| Level | Risk description |
|------------|---|
| 1 - Slow | Very slow onset; longer than 9 months to impact after occurrence |
| 3 - Medium | Medium onset; between 3 to 9 months; Limited time for reaction and response planning |
| 5 - Rapid | Very rapid onset; little or no warning, instantaneous; within 3 months after occurrence |



ERM CONTEXT

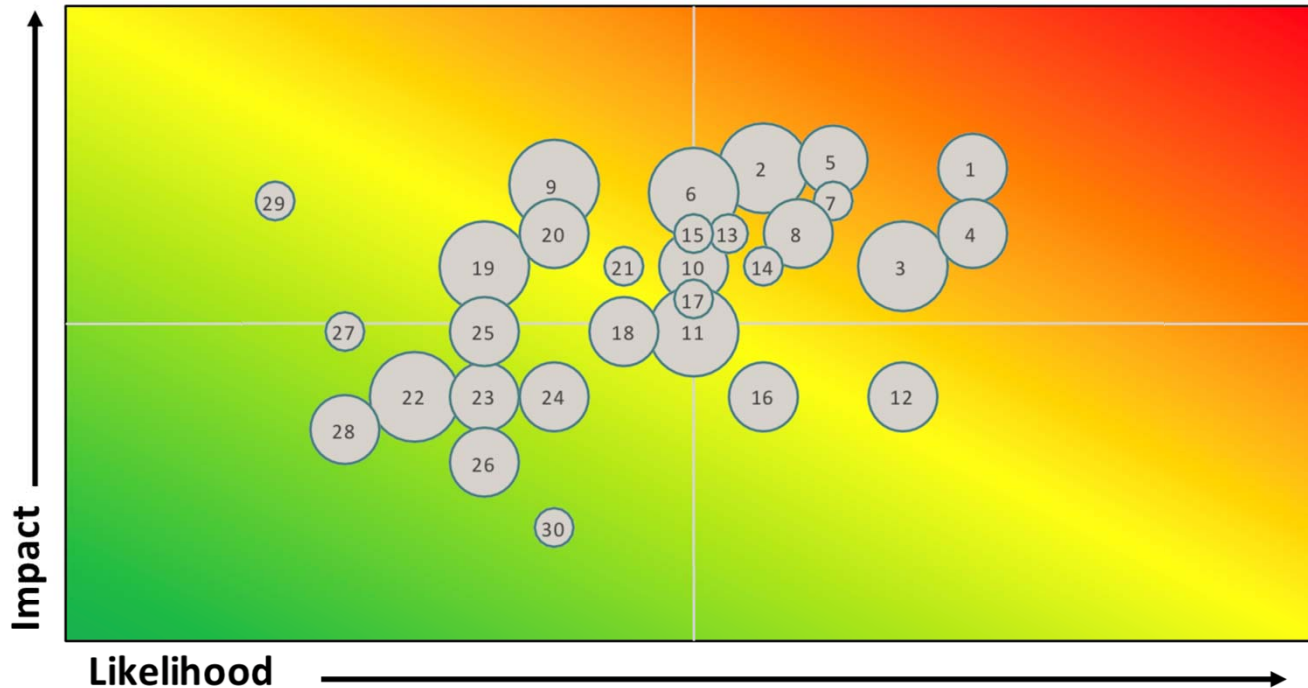
- Strengthen Virginia Tech's role as a global land-grant institution
 - Our biggest risk is to not move the university forward... not just survive but thrive by adapting and anticipating the changing landscape of higher education
 - Success requires the willingness to take measured risk, perhaps failing a time or two, to yield innovative results
 - Evaluate sub-risks through the lens of this overarching perspective
- 

ENTERPRISE RISK LANDSCAPE



ENTERPRISE RISK HEAT MAP

Enterprise Risk Heat Map



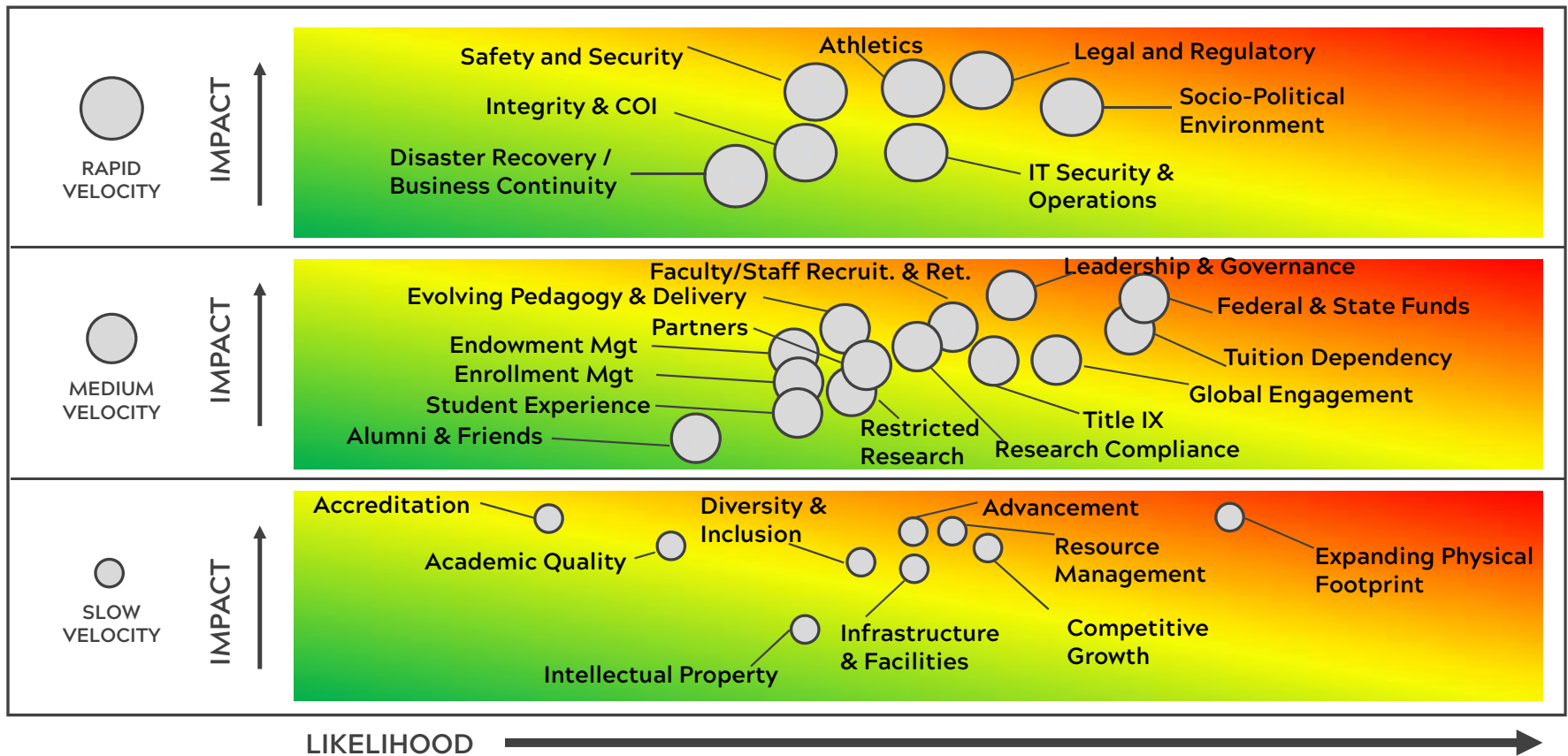
Graph Legend

| Number | Risk |
|--------|---|
| 1 | Federal & State Funds |
| 2 | Legal & Regulatory |
| 3 | Socio-Political Environment |
| 4 | Tuition Dependency |
| 5 | Leadership & Governance |
| 6 | Athletics |
| 7 | Expanding Physical Footprint |
| 8 | Faculty & Staff Recruitment & Retention |
| 9 | Safety & Security |
| 10 | Research Compliance |
| 11 | IT Security & Operations |
| 12 | Global Engagement |
| 13 | Resource Management |
| 14 | Competitive Growth |
| 15 | Advancement |
| 16 | Title IX |
| 17 | Infrastructure & Facilities |
| 18 | Partners |
| 19 | Integrity & Conflicts of Interest |
| 20 | Evolving Pedagogy & Delivery |
| 21 | Diversity & Inclusion |
| 22 | Disaster Recovery & Business Continuity |
| 23 | Enrollment Management |
| 24 | Restricted Research |
| 25 | Endowment Management |
| 26 | Student Experience |
| 27 | Academic Quality |
| 28 | Alumni & Friends |
| 29 | Accreditation |
| 30 | Intellectual Property |

Velocity



ENTERPRISE RISK HEAT MAP -- VELOCITY



TIMELY
TRANSPARENT

RISK OWNERSHIP
BUSINESS PROCESSES
INTERNAL / EXTERNAL
REVIEW & ANALYSIS



ERM NEXT STEPS

QUESTION?

UNIVERSITY COUNCIL MEETING

April 2, 2018

3:00 p.m.

1045 Pamplin Hall

AGENDA

1. Adoption of Agenda Dr. Timothy Sands
2. Announcement of approval and posting of minutes of February 19, 2018 Dr. Timothy Sands

These minutes have been voted on electronically and will be posted on the University web.
3. New Business Dr. Timothy Sands
 - Commission on Research Dr. Jen Irish
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Resolution CUS 2017-18A
Resolution to Rename, Update Charge, and Change Membership of the Computing and Communication Resource Committee

Dr. Richard Ashley

Commission on University Support
Resolution CUS 2017-18B
Commission on Equal Opportunity and Diversity
Resolution CEOD 2017-18C
Joint Resolution to Update Membership of the Campus Development Committee

Dr. Richard Ashley
Dr. Deyu Hu

4. **Announcement of acceptance and posting of Commission Minutes**
These minutes have been accepted for filing by electronic vote and will be posted on the University web. Note that the purpose of voting on Commission minutes is to accept them for filing. University Council By-laws require that policy items be brought forward in resolution form for University Council action.

Dr. Timothy Sands

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5. **For Information Only**

Dr. Timothy Sands

Minutes of the University Advisory Council on Strategic Budgeting and Planning

February 15, 2018

6. **Presentation**

Enterprise Risk Management

Ms. Sharon Kurek

7. **Adjournment**

Dr. Timothy Sands