MINUTES
UNIVERSITY ADVISORY COUNCIL ON
STRATEGIC BUDGETING AND PLANNING

January 24, 2008

PRESENT: Judy Alford, Donna Dunay, Kyrille Goldbeck, Johanna Hahn, Muhammad Hajj, Eric Hallerman, Scott Hurst, Bernie Jortner, Mary Ann Lewis, Hardus Odendaal, Don Rimstidt, Dwight Shelton, Linda Tegarden, Stephanie White

ABSENT: Julia Beamish, Ellen Bielema, David Ford, Dixon Hanna, Mark McNamee, Amanda Mitchell

GUEST: Tim Hodge, Heidi McCoy

1. CALL TO ORDER

Mr. Dwight Shelton, Vice President for Finance and Chief Financial Officer, called the meeting to order at 3:00 p.m.

2. APPROVAL OF THE NOVEMBER 29, 2007 MINUTES

Mr. Shelton announced that the minutes of the November 29, 2007 meeting were electronically approved and sent to University Council to be posted on the web.

3. ANALYSIS OF THE GOVERNOR’S 2008-2010 EXECUTIVE BUDGET

Mr. Shelton provided Council members with handouts outlining the Governor’s 2008-2010 Executive Budget proposals for Virginia Tech which were announced on 12/17/07.

For Virginia Tech, the Governor’s Executive Budget Bill proposes total Operating Funds of $21,885,000 for 2008-09 and $14,360,000 for 2009-2010. After adjustments are made to account for removal of Commonwealth Research Initiative funding, continuation of 2007-08 budget reductions, exclusion of ETF allocation that was transferred from the VA College Building Authority, and technical adjustments to the Base Budget, the total of all state operating support reconciled to the Executive Budget document is $7,780,000 for 2008-09 and $255,000 for 2009-2010. The Governor’s budget does not include a pay increase for staff or faculty in the first year of the biennium (2008-09), but it does include funding in the Central Appropriation for a 3% pay increase for staff and faculty in the second year (2009-2010), effective July 1, 2009 (pay period beginning June 25, 2009). If this proposal is accepted by the General Assembly, this would shift in the effective date in salary increases from the traditional November 25 to June 25.
The Executive Budget Bill proposes total capital budgets for the 2008-2010 biennium of $161,261,000 in General Fund and $94,047,000 in Nongeneral Fund monies, for a total of $255,308,000 for Virginia Tech. After adjustments are made to account for $11,628,000 less in the Central Appropriation for Maintenance Reserve and $146,175,000 General Obligation Bond monies subtracted from the total, the adjusted total of Virginia Tech’s capital section of the budget bill for 2008-2010 is $97,505,000. The Governor introduced a Higher Education bond package of $1.65 billion, which includes a General Obligation Bond (GOB) package for 75 projects intended to support education, including four at Virginia Tech. If passed by the General Assembly, the GOB package will need public approval in a Fall 2008 bond referendum.

In response to the Governor’s proposed Executive Budget, Virginia Tech has presented the 2008 General Assembly with 13 amendment requests; Mr. Shelton provided Council members with a handout listing the specific amendments. Total Operating amendment requests for Agencies 208 and 229 are $13,098,000 for 2008-09, $20,574,000 for 2009-2010, and include a “Caboose” request for an additional $2,964,000 for the remainder of 2007-08 to enhance classroom and building safety and security and support recovery from quarantine at the Equine Medical Center. Additionally, the state universities have jointly presented a Unified Amendment addressing issues such as base budget adequacy, additional monies for graduate assistantships and undergraduate financial aid, operating and maintenance funding needs, faculty salaries, and staff salaries.

The House and Senate committees are scheduled to report their budget recommendations on February 17, 2008, at which time the recommendations will “crossover” between the committees, and the House and Senate will each review the other’s budget recommendations and propose any amendments. Finally, the Conference Committee will meet to review House and Senate recommendations and amendments and finalize the budget.

4. REPORT ON VT FACULTY HISTORICAL POSITION DATA

In follow-up to a discussion at the Council’s last meeting, Mr. Shelton provided members with a handout showing a 10 year history of filled Teaching and Research (T&R) and Administrative/Professional (A/P) faculty FTEs. Over the 10 year span from 1998 – 2007, Agency 208 E&G T&R faculty FTEs increased 10%, up 135.89 FTEs from 1,342.92 in 1998 to 1,478.81 in 2007, and A/P faculty FTEs increased 4%, from 272.40 in 1998 to 284.39 in 2007. Some of the increase was due to growth, and some of the A/P increase was due to conversions of positions from staff to A/P. From 1998 to 2007, Sponsored T&R positions increased 42%, and A/P positions increased 69%. Combined, E&G and Sponsored T&R positions increased 16%, and A/P positions increased 12%.

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