

VIRGINIA MILITARY INSTITUTE  
Lexington, Virginia  
Minutes  
BOARD OF VISITORS MEETING  
28-29 August 2009

A meeting of the VMI Board of Visitors was held in Lexington, Virginia in the Turman Room of Preston Library at VMI beginning at 1200 hours, Friday 28 August and continuing at 0800 hours, Saturday 29 August pursuant to notice.

Present: Thomas G. Slater, Jr. '66, President  
Elizabeth D. Camp  
Dr. Lie-Ping Chang  
P. Wesley Foster, Jr. '56  
Paul D. Frain '71  
General Ronald H. Griffith  
MG Patricia P. Hickerson  
General John P. Jumper '66  
Michael W. Maxwell '87  
Anthony Q. McIntosh '89  
G. Marshall Mundy '56  
Maj Gen Robert B. Newman, Jr. '73  
William A. Paulette '69  
W. Gregory Robertson '65  
George P. Ramsey III '72  
James E. Rogers '67  
Sloan C. Burns '10 (present on Saturday)

Absent: Kimber L. Latsha '77

**Friday 28 August – 1200 hours**

1. Mr. Slater presided and called the meeting to order. Colonel Michael M. Strickler '71, Secretary to the Board of Visitors, recorded the minutes.

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2. Mr. Slater welcomed new board member General John Jumper '66.

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3. General Peay gave a PowerPoint brief on various topics relating to the Institute.

a. He reviewed 23 major events which have taken place at VMI since the May meeting of the Board. A listing of these events is filed with the minutes of this meeting as **Appendix 1**.

b. Key faculty and staff assignments and promotions are:

1. Chief of Staff COL Jeffrey H. Curtis '79
  2. Academic Department Heads: LTC Daren J. Timmons (Chemistry), CAPT John E. Riestler, Jr. '78 (Civil & Environmental Engineering), LTC Troy J. Siemers (Applied Math & Computer Science), COL James E. Turner '65 (Biology)
  3. Senior Women's Administrator (Intercollegiate Athletics) Elizabeth C. Igo
  4. Coordinator for Academic Advising MAJ Simone McKelvey
  5. Men's and Women's Rifle Coach COL Eric D. Hutchings '77
  6. Lead Superintendent's Representative to the Honor Court Karen Gutermuth
  7. Deputy Director, Center for Leadership and Ethics, CAPT Susan J. Raeburn
  8. Assistant Director for Conferences, Programs, & Marketing MAJ Amy K. DeHart
  9. Assistant Dean of Academic Administration and Planning CDR Michael J. Sebastino
- c. Cadet activities occurring during the summer included:
1. 61 cadets completed Summer Abroad programs in 13 countries.
  2. 232 pre-matriculants attended the Summer Transition Program (STP).
  3. 586 cadets attended summer school.
  4. 37 cadets and 28 faculty mentors participated in undergraduate research projects.
  5. 345 athletes attended five sports camps held on the Post.
  6. The College Orientation Workshop (COW) completed its 23<sup>rd</sup> session at VMI...since its inception, 15 COW participants have graduated from VMI.
  7. Donald R. Cowart III '09 received All American status by virtue of his 12<sup>th</sup> place finish in the 3,000 meter steeplechase at the NCAA Championships.
  8. 69 Army, 68 Marine, 43 Navy, and 25 Air Force cadets completed summer training.
  9. VMI won its fourth consecutive Big South Conference Sportsmanship Award.
- d. During the summer, the VMI faculty published at least 27 papers, wrote or co-wrote eight books, made 26 presentations, were instrumental in support of eight conferences and symposia, secured grants in excess of \$600,000, Economics and Business completed the self-evaluation process for ACSB accreditation, and 46 full-time & 21 part-time faculty taught summer session and STP courses.
- e. VMI advanced in the U.S. News & World Report annual collegiate rankings, moving to its highest position (61<sup>st</sup>) in the top tier of National Liberal Arts Colleges, moved from 21<sup>st</sup> to 19<sup>th</sup> among engineering schools whose highest degree is bachelor or masters, and maintained its third place ranking among public liberal arts colleges. Forbes Magazine ranks VMI 79<sup>th</sup> of 600 and 10<sup>th</sup> among public college and universities in its America's Best Colleges issue.
- f. The make-up of the first class leadership includes all segments of the Corps and all ROTC branches. The Regimental Commander is Karsten G. Bloomstrom; First Class President is Sloan C. Burns; and Honor Court President is Weston D. Whitcomb.
- g. The Rat Class was the largest in VMI history with 490 matriculants (440 men & 50 women). 54.7% were in-state; 52% selected liberal arts majors with 48% in math, science, & engineering; the middle 50% range on SATS was 1060-1210; the average GPA was 3.4 (highest ever), and there were 99 recruited NCAA athletes. Six foreign countries are represented, and the top five states represented after Virginia are North Carolina, Maryland, Pennsylvania, Georgia, and New

York. Ethnic origin showed 83.6% white, 5.1% black or African American, 4.1% Hispanic/Latino, 2.9% non-resident alien, 2.7% Asian, 1.6% other.

h. 1,052 (970 men, & 82 women) members of the Old Corps have pre-registered for the fall semester. The make-up is 60.4% Virginians, 20 foreign cadets, with 51.9% majoring in liberal arts, and 48.1% in math, science, and engineering. The top five majors represented are International Studies, Economics/Business, Mechanical Engineering, History, and Civil Engineering.

i. The number of women in the Corps has increased to 129 with 158 women having graduated from VMI over the past 11 years. The percentage of minorities in the Corps has increased by over 4% in the past 2 ½ years.

j. General Peay stressed the importance of the honor system to VMI's everyday operation. He noted that VMI can operate only if the honor system works. A holistic systematic approach is a must to combat today's culture of dishonor and incivility. He pointed out that the Superintendent administers the honor system and the cadets operate it. He noted that understanding of status is a problem area along with some quibbling, and that he and the Honor Court are working to educate the Corps to resolve these two issues. He said that some alumni concerns in this area have come to his and the Board's attention through the President of the Alumni Association and that those concerns are being addressed. The Board briefly discussed aspects of the honor system. General Jumper inquired about faculty support of the honor system. Brigadier General R. Wane Schneiter, Deputy Superintendent for Academics and Dean of the Faculty, said that the faculty sees the honor system as a compliment to their efforts in educating cadets and an essential element in their teaching efforts. Mr. Rogers asked if the faculty "buys into the single sanction" penalty and does that give them any hesitation in reporting a suspected violation. BG Schneiter said that the faculty does support single sanction, and that they carefully weigh each situation, and if it is an overt breach of the code, they are not hesitant to report it. General Peay noted the seriousness of an honor violation and the repercussions of the single sanction penalty, and because of it he always wants to make sure a case is solid before sending it on to trial. Mr. Slater emphasized that General Peay, his faculty representatives, the Honor Court, and members of the staff, who work with him on honor issues, are keenly attuned to the challenges which VMI's unique honor system brings and are working diligently to solve any problem areas.

k. In the academic area, the Quality Enhancement Program (QEP), a key element of VMI's SACS accreditation, is maturing with 8 of 11 areas fully implemented. The QEP learning objectives must now be synchronized with the Institute Seminar, The Center for Leadership and Ethics program, ROTC instruction, and Corps instruction. In addition to CAPT Rabern and MAJ DeHart, the Center for Leadership and Ethics (CLE) employs an Assistant Conference Coordinator Derek Pinkham and a Technologist/Assistant Facility Manager Justin Spears all under the Directorship of Brigadier General Charles F. Brower, IV. There will be three major conferences this fall (The U.S. Citizen-Soldier, Protector the Homeland; George C. Marshall, Servant of the American Nation; and the Commonwealth of Virginia Energy Symposium, (COVES) and a maturing slate of programs and activities throughout the year. Last spring Dr. Lewis Sorley, retired Army officer, historian, and former CIA official was the CLE's first Gottwald Visiting Professor of Leadership and Ethics.

l. Major planning efforts for AY 2009-2010 include: the next VMI campaign, examining South Post concepts (field house and aquatic center, engineering laboratories, parking); office moves in Carroll Hall and renaming of Maury Brooke Hall to Shell Hall ("New Science" will now have the name of Maury Brooke); 2010-2102 Biennium Master Plan; Post Hospital modernization; Post traffic plans; 7<sup>th</sup> women's sport; and budget reduction studies.

m. Budget challenges include the state directive for cuts, likely 15%. Through prudent management, the increase in the number of cadets, and employee vacancies/turnover, the cut will not impact academics. This could change if there is another mid-year cut. The Funding Priorities Initiative Task Force is considering approximately 150 recommendations, and the six-year Athletic Strategic Funding Plan is being developed.

n. With assistance from the Keydet Club's 75<sup>th</sup> anniversary campaign, the percentage of donors to VMI for FY 2009 increased from 36% to 39%. The VMI Foundation's endowment has increased from a bottom of \$202 million to a current total of \$248 million. The Foundation received its largest ever bequest (\$14 million) from the estate of Robert B. Rust, Jr. '34 to be used for need-based academic scholarships.

o. A tuition & fees comparison of 11 selected Virginia institutions ranks VMI directly in the middle, excluding Quartermaster charges (uniforms, haircuts, laundry) which are out-of-pocket costs at other institutions. Among these schools, the average tuition & fees increase for AY 2009-2010 is 5.2% (in-state) and 5.5% (out-of-state); VMI's increases are 5.2% and 4.5% respectively.

p. This will be the final year for phasing in renovations to the Barracks. By August 2010, all rooms and other renovations to the Barracks complex will be complete, providing a Third Barracks and a total facelift for Old and New Barracks.

o. The Maury House, former quarters for the Commandant, will be fully renovated with completion in the spring of 2010.

p. The Military and Leadership Field Training Grounds (North Post) project will begin in September 2009. The \$15+ million project will take 22-24 months to complete. It will present parking challenges due to the displacement of the First Class parking area, but a plan is in place.

q. Due to state budgetary issues the renovation of the New Science building (to be renamed Maury Brooke Hall), which includes South Institute Hill parking, will likely be pushed back at least one year.

r. General Peay reviewed several miscellaneous items of interest.

1. The administration has been working closely with Dr. David L. Copeland, Post Physician, in planning for the challenges VMI may face with the Swine Flu.

2. As approved by the Board, cadets will be subject to random urinalysis testing for drug use with 10-15 cadets tested each week.

3. Due to fire codes associated with the Third Barracks and the renovations to Old and New Barracks, locks will be placed on all cadet rooms. There will be strict regulations regarding the use of the locks.
  4. A “stick check” in conjunction with Taps is being brought back this year.
  5. VMI faculty and staff will wear the new Army Blue uniforms beginning in AY 2010-2011. The cost for the new uniforms is \$300,000.
  6. Post-wide roadways paving is scheduled for the summer of 2010.
  7. The majority of the improvements and historical plaques placements in primary buildings have been finished with full completion by the end of the academic year. Hundreds of “shadow boxes” displaying military medals of alumni have been placed in Marshall Hall. The 100 level of the VMI Museum, which will include the world renowned Stewart Gun Collection, is being prepared for displays. The old “Subs Mess” area in Crozet Hall has been renovated and can be used for various functions.
- s. He previewed 18 major events which will take place in the fall semester. A listing of these events is filed with the minutes of this meeting as **Appendix 1**.
- t. He concluded by reiterating the “immutables” for a VMI education:
- An academic and full spectrum quality education
  - Competitive athletic program
  - Citizen-soldiers to serve our country in peace and war
  - Quality environment in which to study and work
  - Commonality of purpose
  - Graduating honorable leaders and good citizens
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4. Colonel Thomas H. Trumps '79, Commandant of Cadets, gave a brief PowerPoint presentation.

- a. He reiterated General Peays' emphasis on status and that is what makes VMI unique from other colleges.
- b. The Bluebook has been simplified and is subject to periodic updates. Corps standards must be strengthened through knowledge of the regulations. The Commandant's office must give executable guidance through training and education, dyke and cadre accountability, and involve all segments of the Corps.
- c. He highlighted the following key objectives and areas from his perspective: building a team; Corps appearance; training subordinates; attendance by Corps leadership at all parades; the Class system and privileges (policing their own); uphold traditions and changing as needed; training by the cadre during matriculation week and beyond; support athletic teams; Commandant's training time for practice parades and inspections; and conduct.
- d. He highlighted opportunities/challenges for AY 2009-2010 to include the largest incoming Rat Class, Barracks construction and rooming, First Class parking, Homecoming Hop on 3 October, random drug testing, door locks, and the Governor's inaugural parade on 16 January.

5. Brigadier General Robert L. Green '67, Deputy Superintendent for Finance, Administration, and Support, provided a budget summary.

a. This year's expected mid-year state budget cut is 15% (\$1.78 million) with the effects and possible additional cuts continuing into 2011 and 2012. Strategies to cope with the cuts are to replace State funds with tuition revenues, reduced contingency funds (discretionary spending), maximize employee vacancy and turnover savings, and use auxiliary fund balances.

b. Assumptions for tuition and fees include a 5.6% increase (in-state) & 4.4% (out-of-state) for FY 2011 and a 5.5% in-state and 5.2% out-of-state for FY 2012, bringing the totals for the out-year to \$20,042 and \$39,018 respectively.

c. Enrollment assumptions are for 1,523 cadets in FY 2011 and 1,509 cadets in FY 2012.

d. A 20-year look back (FY 1990 to FY 2010) showed the following:

1. A compounded annual increase in tuition and fees of 5.2% for in-state (\$6,540 to \$17,982) and out-of-state of 6.2% (\$10,640 to \$35,530).
2. Cadet enrollment has increased from 1,312 to 1,501 (55% - 59% Virginians).
3. The total operating budget has increased by an annual rate of 4.5% (\$26.37 million to \$64.2 million) while the State General Funds have increased by an annual rate of 0.8% (\$10.9 million to \$12.76 million). State General Funds as part of the budget have decreased from 41% to 20%. Total private funds budgeted have increased at an annual rate of 7.1% (\$4.69 million to \$18.33 million). The operating budget for intercollegiate athletics has increased at an annual rate of 5.3% (\$1.75 million to \$4.95 million).
4. VMI's teaching faculty has increased from 95 to 123 a total of 29.5%. Non-teaching employees have increased from 315 to 383 (21.6%).

e. VMI's employee to student ratio for FY 2008 was 0.34 compared to Washington & Lee (0.36), Richmond (0.31), William & Mary (0.27), Virginia (0.33), James Madison (0.14), Longwood (0.14), Radford (0.13), Old Dominion (0.09), and The Citadel (0.19).

f. On 17 March 2009 General Peay announced the formation of the Funding Initiatives Task Force to assist him in dealing with VMI's economic challenges. The report includes small and large ideas and major and minor initiatives.

1. Initiatives in progress include:

- Update the Athletic Six Year Financial Plan.
- Review stipends and subsidies.
- Seek state funding for the Army Blue uniforms.
- Review course overloads.
- Consider reducing travel expenditures by an additional five percent.
- Work with the Alumni Agencies for increased effectiveness and efficiencies.
- Review SACS accreditation and QEP requirements.
- Develop a list of 20 actions related to awarding of financial aid.

2. New recommendations include:

- Continue budget reductions implemented over the past two years.
- Expand energy conservation efforts and name a conservation “Czar.”
- All program heads are directed to look at opportunities to consolidate support requirements.
- Evaluate reducing the number of general computer labs.
- Cap the study abroad program at 35 with additional emphasis placed on summer program options.
- Review all phone service, especially cell phone service.
- Address vehicle registration fees.
- Extend the period that cadets wear winter uniform.
- Conduct outsourcing reviews of all support functions.
- Look at all summer programs and provide recommendations for 2010.
- Evaluate partnerships with Washington & Lee particularly in the areas of phone service and purchase of supplies.
- Review the facilities use agreements.
- Evaluate current mileage reimbursement policies.
- Review events that could be done on a less frequent basis.
- Review land holdings to determine if any can be sold.

g. BG Green provided a brief summary of the six-year Strategic Business Plan for Athletics, FY 2011-2016.

1. NCAA Division I status requires 7 men’s and 7 women’s sports with 50% of the maximum allowable scholarships.

2. Budget reductions implemented in FY 2010 were 20% supplies, 15% travel, and 20-40% recruiting.

3. The Keydet Club raised \$3.49 million in FY 2009. The total athletic budget for FY 2010 is \$8.4 million. The current Keydet Club endowment is \$12 million with no current plans to increase it. The Athletic Operating Fund cash balance was \$368,000 for FY 2009.

4. The draft six-year plan assumes one or two football “money” games each year; private funding annual donations to increase 3%-5%; private support from the Development Board endowment anticipated to drop through FY 2012 then grow from 4%-7% by FY 2015; a 7<sup>th</sup> women’s sport phased in beginning FY 2011; growth in existing women’s scholarships over the next six years to meet requirements while scholarship for some men’s sports decrease; a decrease in operating costs for several men’s sports; and an annual allocation from the Superintendent’s discretionary funds to meet operating expenses and to grow operating reserves.

5. The draft six-year plan, which keeps VMI at the Division I level, is sustainable through 2016. The plan is a “hand-to-mouth” budget, and there is an immediate need for an additional \$15-\$20 million endowment for the intercollegiate athletic program.

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6. The meeting was adjourned at 1340 hours to reconvene Saturday, 29 August at 0800 hours.

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**Saturday, 29 August 2009 – 0800 hours**

7. Mr. Slater called the meeting to order. Attendance was the same as on Friday.

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8. A motion was made by MG Hickerson, seconded by Mrs. Camp, to approve the minutes of the 1-2 May 2009 meeting of the Board of Visitors. The motion passed.

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9. The August Board meeting provides an annual opportunity for public comment to the Board. Mr. Slater asked if anyone in attendance wished to address the Board. There were none.

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10. Regimental Commander Mr. Bloomstrom, First Class President Mr. Burns, and Honor Court President Mr. Whitcomb were introduced and made brief statements to the Board regarding their particular areas within the Corps of Cadets.

a. Cadet Bloomstrom said that the focus this year was for the regimental, class, and honor systems to work together with the goal of each cadet having pride in all aspects of Corps' life. The three leaders believe that this pride is gaining momentum, and they want to leave next May with the upward momentum continuing.

b. Cadet Burns said that one aspect of taking pride in the Corps is to have First Class privates take ownership in the system...increase their involvement in the class system and the Corps in general. There are 75 First Class privates who are members of the OGA (Officer of the Guard Association), GC (General Committee), RDC (Rat Disciplinary Committee), and the Cadet Equity Association (CEA). The class is also continuing to focus on civility within the Corps.

c. Cadet Whitcomb reported that the motto of the Honor Court this year is "Honor is a Lifestyle." Education will be emphasized with leaders from all areas of the Corps assisting the Court, which will provide buy-in throughout the Corps. The Court's education will be focused on its processes and standard operations, to include juror instructions.

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11. The Board received remarks from representatives of the Alumni Agencies: Mr. Richmond P. Lykins, Jr. '73, President of the VMI Alumni Association; Mr. Walton M. Jeffress, Jr. '68 Vice President for Administration, VMI Foundation; and Mr. Charles F. Plageman '90, President of the VMI Keydet Club.

a. Mr. Lykins reported that the three alumni agencies have signed an MOU to work with VMI's Department of Communications and Marketing to share resources and initiatives. For FY 2009, the Alumni Association was 9.2% under budget and has a goal of 10% reduction for FY 2010. He has sent a personal letter to all female alumni urging them to become more involved in alumni activities. There is currently one woman on the Association's Executive Committee. Over 500 alumni are expected to return for fall reunions. General Peay spoke to six alumni chapters, mostly on the West Coast, during the summer and visited with VMI cadets in summer camp at Fort Lewis, Washington.

b. Mr. Jeffress reported that contributions for FY 2009 totaled \$18.7 million with an additional \$13 million in pledges, a 31% increase over the previous year. Donor participation to all agencies increased to 38.8% and this will continue to be a focus for the future. He highlighted the \$14 million bequest from the Rust '34 estate. The Foundation's endowment through 7/31/09 has increased 22% since February to \$247 million. The overall results for the endowment during FY 2009 were down 28.9%. This compares favorably to the larger endowments such as Harvard and Yale that are reporting losses in excess of 30%. The VMI Foundation has formed the VMI Investment Holding Company LLC to replace its existing Investment Committee in order to be able to react quicker to market conditions. Cliffwater LLC is the Foundation's new investment adviser. The new LLC sets the allocation and Cliffwater LLC decides where the money is to be invested. He recognized the Foundation's new CEO Mr. Brian S. Crockett, who comes to the Foundation having served in development at Rutgers University and most recently as the Vice-President for Development at the United States Military Academy at West Point.

c. Mr. Plageman reported that the Keydet Club exceeded its goal of \$3.55 million in spite of having 144 fewer leadership contributors. The 75<sup>th</sup> anniversary campaign accounted for 1,925 new donors, who contributed \$344,433. The KC staff and Board think that there are more dollars in the new donor base. They will work hard to develop these donors and also bring the 144 leadership contributors back into the fold. They will also focus on the 70% of the alumni donor base (approximately 14,000) who do not contribute to the Keydet Club. He reviewed the fall activities centered around football weekends, highlighting 25-26 September when VMI plays the University of Richmond and the Boards of the Keydet Club and Alumni Association have a joint meeting. He stressed the importance of raising additional endowment funds and acknowledged Mr. Slater's gift to endow a full football scholarship in memory of his parents.

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12. Mrs. Camp, Chair of Academic Affairs, reported on the meeting of her committee.

a. The incoming rat Class is the largest in VMI history with 490 new cadets (440 men, 50 women). The yield (the ratio of reservations to acceptances) was 51%. The number of applicants, 1,725, was the second highest and the GPA, 3.41, was the highest in history.

b. A motion was made by Mrs. Camp, seconded by Mr. Robertson, that the Academic Affairs Committee has considered the Changes in Faculty and Staff, dated 19 August 2009 and recommends that the Board of Visitors approve these changes. The motion passed.

c. Mrs. Camp made the following motion, seconded by Mr. McIntosh: The Academic Affairs Committee has considered the Graduation List for 15 September 2009 graduates, dated 19 August 2009. The Committee recommends the Board of Visitors approve this preliminary list of graduates. The Board of Visitors grant to the Deputy Superintendent for Academics and Dean of the Faculty the authority to delete names of cadets who do not meet the requirements for graduation from VMI and to add the names of graduates who may fulfill the requirements for graduation. The Committee further recommends that the final list of May 2009 graduates be filed with the minutes of this meeting. The motion passed. The final list of May 2009 graduates is filed with the minutes of this meeting as **Appendix II**.

d. There was committee discussion regarding the percentage of VMI alumni on the faculty. Currently, 12 % of the full-time faculty are VMI alumni (primarily in science and engineering), 20% of the part-time faculty are alumni, and 22% of the ROTC faculty are alumni. Brigadier General R. Wane Schneiter, Deputy Superintendent for Academics and Dean of the Faculty, reviewed the hiring process and noted that it includes the informal nurturing of those VMI graduates who show promise as potential faculty members. The committee encouraged the Dean to explore untapped sources of VMI alumni who have the necessary qualifications to be considered for faculty positions. The Academic Affairs Committee passed the following motion and Mrs. Camp presented it as a motion to the Board of Visitors; it was seconded by Mr. Rogers: The Academic Affairs Committee encourages the Dean of the Faculty to continue his deliberate efforts to grow and attract VMI graduates to the faculty across all disciplines recognizing the value of having had the VMI experience, all other things being equal and recommends approval of this motion by the Board of Visitors. The motion passed

e. A faculty retention report shows that of 60 new faculty over the past ten years, three left VMI voluntarily and six involuntary. Only three of 54 faculty left of their own volition, a retention rate of 94.4%.

f. BG Schneiter reviewed the statement on faculty expectations.

g. The Graduate Programs Relationships Committee has set a goal of establishing one relationship per year between VMI and graduate school programs. Dr. David S. Wilkinson '67, Chair of the Department of Pathology at Virginia Commonwealth University and Alumni Association liaison with the Academic Affairs Committee, noted that the arrangement with VCU's Medical College is that two cadets are identified after the Third Class year, and if they progress in accordance with requirements, they will be accepted. He also said that there is an alumni effort to raise funds for scholarships for these two slots.

h. MG Newman pointed out that there are numerous cadets in the Corps who are serving simultaneously in either the National Guard or Reserves. They drill each month with their units and many have been called to active duty, thus disrupting their cadetship and forcing delays in graduation. They are excellent examples of the citizen soldier.

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13. Mr. Robertson, Chair of Audit, Finance and Planning reported on the meeting of his committee.

a. A motion was made by Mr. Robertson, seconded by MG Hickerson, that the Board of Visitors approve the following resolution: Be it, therefore, resolved that the VMI Board of Visitors endorses the pursuit of a Virginia Department of Conservation and Recreation Recreational Trail Fund grant in the amount of \$79,000 for improvements to the Chessie Nature Trail. The motion passed.

b. A motion was made by Robertson, seconded by Mr. Maxwell, that the Board of Visitors approve the Identity Theft Red Flag Rule Policy as outlined in Attachment A. The motion passed. Attachment A is filed with the minutes of this meeting as **Appendix III.**

- c. The Committee received a VMI Foundation report on investment strategy from Mr. Crocket, Mr. Jeffress, and Mr. David L. Prasnicki, Chief Financial Officer. In addition to the information included in 11 b of these minutes, they pointed out that principal payments, on the \$45 million outstanding debt associated with construction projects, are scheduled to begin in 2012 and that the Foundation is working to refinance the debt and renegotiate a payment schedule. If unsuccessful, VMI could see a minimum of a \$1 million reduction in unrestricted income (\$12 million in new unrestricted funds need to be raised in the next 18 months to offset the principal payments). The Foundation and Development Board provide VMI funds from endowments based on a quarterly rolling average. The major decline in the market over the last year forecasts less funding from endowment in future years until the market recovers and/or new endowment gifts are received.
  - d. The Committee received an update on Information Technology issues from Colonel Thomas F. Hopkins, Director.
  - e. New goals for SWAM (Small, Women and Minority Owned Businesses) were approved by the Executive Committee of the Board. This action which cleared the way for VMI to receive Level 2 restructuring status from the State which will provide more flexibility in state oversight for procurement procedures.
  - f. Former President of the Board of Visitors, G. Gilmer Minor III '63, has been appointed to the Board of the State Council of Higher Education in Virginia (SCHEV).
  - g. Submission of VMI's six-year Institutional Plan to SCHEV is due 20 November. The plan will be presented to the Board at its December meeting. SCHEV is not seeking prior approval from the Board.
  - h. VMI is still trying to negotiate a settlement regarding the court case resulting from the renovation construction of Crozet Hall.
  - i. Dr. David L. Copeland Post Physician presented VMI's plan for combating the Swine Flu.
  - g. BG Green provided copies of the report of the Funding Priorities Initiative Task Force.
  - h. Work on the 6-year financial plan for Intercollegiate Athletics is in progress.
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14. Mr. Fraim, Chair of Appeals, reported on the meeting of his committee.

- a. The Superintendent's faculty representatives to the Honor Court, Colonel Karen Gutermuth - lead representative - Colonel Thomas S. Baur '75 and Major George M. Brooke, IV '94 and the President of the Honor Court, Weston D. Whitcomb, and two of three prosecutors, Ottie E. Allgood, Jr. and William R. Feldman, attended the committee meeting.

b. There was discussion on Honor Court policies to include the *Memorandum to the Defense Counsel, Instructions to be Given to Each Jury Panel*, and *Questions to be Posed to the Jury Panel of 16*.

c. The Honor Court members present stressed the importance of education to cadet, faculty, and staff. Their goal is to meet with all members of the faculty to include coaches. Cadre has been engaged to assist with honor education to the Rats.

d. The current make-up of the Honor Court is seven First Classmen – President, Vice President, Vice-President for Defense, Vice-President for Education, & three Prosecutors and six Second Class representatives.

e. There are no Honor Court Appeals pending.

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15. Mr. Mundy, Chair of Athletics, reported on the meeting of his committee.

a. Athletic Director Donald T. White provided information on department staffing. Elizabeth C. Igo, in her fifth year at VMI, has been selected as the new Senior Women's Administrator and will assist in academic advising, and continue to support game operations. Stephen C. Ross '83, in his 21<sup>st</sup> year with the athletic department, is now the head athletic academic adviser. Coaching retention has been positive with only one new assistant football coach, an assistant baseball coach, an assistant women's soccer coach, and an assistant lacrosse coach.

b. VMI won the Big South Conference Sportsmanship Award for the 4<sup>th</sup> consecutive year.

c. Quarterback Tim Maypray was selected the pre-season Big South Offensive Player-of-the year.

d. Head basketball coach Duggar Baucom was one of several college basketball coaches to travel to Afghanistan over the summer in support of the U.S. troops there.

e. The Sports Hall of Fame banquet will be held on 30 October in Marshall Hall, VMI Center for Leadership and Ethics with seven alumni to be inducted as the Class of 2009: William Van Fossen '56, (posthumously) Swimming; Dr. George D. Henning '61, Special Citation; Thomas W. Davis '64, Special Citation; Charles T. Cole '64, Football; Andrew G. Beasley '90, Baseball; Darrius D. Jackson-Walker '98, Track & Football; and Michael R. Rogers '98, Football.

f. The NCAA has rejected a further waiver on women's sports team, and VMI must meet the seven sports minimum. VMI must notify the NCAA next spring what its 7<sup>th</sup> women's sport will be and its coach. A committee has been formed to make recommendations to the Superintendent. The team will begin competition in the fall of 2011. Currently, eight percent of the Corps are women and 50% of them compete in intercollegiate athletics.

g. Basketball (918) and Women's Swimming (908) have both fallen below the 925 mark for the four-year average of the NCAA's Academic Progress Rating (APR), which is based on retention

and eligibility. However, neither sport will be penalized because the projected 2009 APR is well above the minimum, basketball (981) and women's swimming (1000).

h. The FY 2009 athletic budget was \$18,000 in the black. The six-year athletic strategic plan approved last spring is being revised in light of new revenue assumptions from the Keydet Club and the addition of a seventh women's sport. All athletic teams are now operating with budget reductions in supplies, travel, and recruiting. The six-year plan shows that scholarship funding for some men's sports will decrease while scholarship funding for women's sports will increase.

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16. Mr. McIntosh, Chair of Cadet/Military Affairs, reported on the meeting of his committee.

a. The commissioning rate for cadets enrolled in Army ROTC is in excess of 60%; Navy Marine is approximately 50%, and Air Force is about 20%.

b. Mr. McIntosh posed some questions and comments for the Board... Are the ROTC units overtaxed? Is Air Force, in particular, properly staffed? In light of very good, but not excellent performance at ROTC summer camps, are our cadets well prepared? Considerable discussion ensued. General Peay said that Mr. McIntosh had clearly identified an area of concern. He pointed out that all cadets take a full complement of ROTC courses, which tends to take away time from the commissioning cadets, and the staffs are spread thin. Because of the work load in the ROTC units, the Commandant had to take some of the duties on the "Hill" off of them. He said that the Air Force has a limited number of commissioning opportunities which adversely affects their numbers (there are over 400 cadets enrolled in Air Force ROTC). While summer camp preparation time may be limited, General Peay noted that, as a whole, VMI cadets are not as "gung ho" at summer camp because of what they go through during the academic year, and this is a perception by their evaluators. He also said that consideration has been given to capping the number of cadets for each service, but that might prevent some cadets the option of choosing.

c. General Griffith noted that there is a genuine sense of collegiality among the ROTC Department Heads with regard to cadets switching to another service for commissioning. He also said that the service branches at VMI are accommodating cadets who decide at the "11<sup>th</sup> hour" that they want to commission. He stressed the importance of this, particularly for athletes as it has been his experience that they make excellent officers.

d. General Jumper noted that Air Force ROTC field training has increased significantly and that it is extremely competitive. AFROTC units at civilian schools are setting the bar very high.

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17. Mr. Paulette, Chair of External Relations, reported on the meeting of his committee.

a. General Peay presented VMI Achievement Medals to Major Kathryn L. Crossman and Major Amy F. Goetz for exceptional service as web-designer and marketing director, respectively, in the Office of Communications and Marketing.

b. A follow up letter has been sent to Bill and Melinda Gates asking them to consider AY 2010-2011 for receiving the Jonathan Daniels '61 Humanitarian Award.

c. The Office of Communications and Marketing recently received three bronze awards and a Grand Gold Award from CASE (Council and Support for Education) for brochures and marketing efforts in support of female recruiting.

d. Colonel Stewart D. MacInnis, Director of Communications and Marketing reported on recent media challenges to include the Sexual Assault case and the football player being caught by the police with drugs in his car, showed a short video of the new Rat Class meeting their Cadre, and noted that web-development was ongoing.

e. Mr. Theodore F. Adams III '83 of McGuireWoods and Lieutenant Colonel Kimberly C. Parker, Director of Government Relations, reviewed VMI's legislative priorities for the 2010 General Assembly session. They said that VMI has a good relationship with both of the gubernatorial candidates. The Virginia Business Higher Education Council (VBHEC) is sponsoring an initiative titled "Grow by Degrees" in support of higher education funding from the state. VBHEC is hosting a symposium on 1 October in Richmond at which the two gubernatorial candidates will speak. Mr. Minor has been appointed to the SCHEV Board.

f. Colonel Keith E. Gibson '77, Director of Museum Operations reported that the exhibit cases for the renowned Stewart Gun collection and citizen soldier exhibits have been installed on the 100 level of the VMI museum. Visitations at both the VMI Museum and the New Market Battlefield State Historical Park are ahead of last year, but dollars spent are behind.

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18. General Griffith, Chair of Nominating & Governance, reported on the meeting of his committee.

a. There were no nominating issues.

b. The committee reviewed the new shortened schedule and agenda for the August meeting. It was the sense of the committee that the format was appropriate and that the Board should consider it for all meetings. The Board discussed this issue and there was concern from several board members that there was not enough time in their committee meetings to complete the agenda. Mr. Robertson said that the VMI staff provides much read-ahead material for the meetings, and it is incumbent upon the Board to be prepared for the committee meetings...with committee chairs working through the staff liaisons to identify key items, the committees should be able to meet the time requirements. Other suggestions included changing the date of the first meeting of the year to early September and repositioning the Closed Session portion of the agenda earlier in the Saturday meeting. Mr. Slater asked that the Board members give careful consideration to this issue and provide General Griffith with their input prior to the December meeting.

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19. **Entered into Closed Session:** A motion was made by Mr. Maxwell, seconded by Mr. Paulette to enter into a Closed Meeting. The motion passed and the Board entered into Closed Session at 1012 hours to discuss:

1. Disciplinary and other matters involving specific cadets, former cadets, and individuals (pursuant to 2.2-3711 (A) 2 and (A) 4) relating to honor court cases, honor cases, other indiscipline, and scholastic records.
2. Personnel matters related to specific individual employees or candidates for employment (pursuant to 2.2-3711 (A) 1), relating to performance and compensation.

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20 **Return to Open Meeting:** At 1125 hours, a motion was made by Mr. Rogers, seconded by Mrs. Camp, certifying the Closed Meeting. The motion passed.  
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21. There being no further business to come before the Board, the meeting was adjourned at 1127 hours.

Michael M. Strickler '71  
Secretary