VIRGINIA MILITARY INSTITUTE
Lexington, Virginia
Minutes
BOARD OF VISITORS MEETING
11 February 2011

A meeting of the VMI Board of Visitors was held in New Market, Virginia at the Quality Inn Shenandoah Valley, beginning at 0800 Friday 11 February, pursuant to notice.

Present: Thomas G. Slater ’66, President
Lee D. Camp
Dr. Lie-Ping Chang
Paul D. Fraim ’71
MG Patricia P. Hickerson
General John P. Jumper ’66
Kimber L. Latsha ’77
MG Daniel E. Long, Jr.
G. Marshall Mundy ’56
W. Gregory Robertson ’65
George P. Ramsey III ’72
James E. Rogers, ’67

Absent: P. Wesley Foster, Jr. ’56
Bruce C. Gottwald, Jr. ’81
General Ronald H. Griffith
Michael W. Maxwell ’87
Anthony Q. McIntosh ’89

Friday 11 February – 0800 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.

---

2. *A motion was made by Mrs. Camp, seconded by General Jumper, to approve the minutes of the 3-4 December 2010 meeting of the Board of Visitors.* The motion passed.

---

3. VMI Superintendent General J. H. Binford Peay III ’62 provided brief updates to the Board in the following areas:

a. He reviewed the *Vision 2039 Simplified Descriptors* highlighting the leader development system. He is considering an appendix to *Vision 2039* with some additional goals. The Simplified Descriptors are filed with the minutes of this meeting as **Appendix I**.

b. Total enrollment at VMI is approximately 1500 with 60% Virginians. There is a steady increase in the percentage of graduates majoring in science, technology, engineering, and math (STEM) toward the goal of 50%. It now stands at 44% with greater than 50% STEM in each matriculating class. Over 60% of the Class of 2011 will be commissioned in the Armed Forces.

c. Current sources of revenue for VMI's budget are 20% state funds, 32% private and other funds, and 48% tuition and fees. State support drops to approximately 14% in FY 2012 and remains in that range for six-year planning purposes.

d. When excluding Quartermaster charges (laundry, haircuts, and uniforms), which are out-of-pocket expenses are other colleges, VMI's in-state tuition & fees has gone from the 2nd highest among 11 selected state-supported colleges in FY 2003 to 6th in FY 2011. Over that span the Institute's overall percentage increase of 58.3% ranks next to the lowest among these 11 colleges.

e. He highlighted some of the 16 principal events which have occurred at VMI since the December 2010 Board of Visitors meeting and 67 future principal events leading to the beginning of classes on 30 August 2011. Both lists of events are filed with the minutes of this meeting as **Appendix II**.

---

4. General Peay and Captain Susan Rabern, Director of the Center for Leadership and Ethics (CLE), gave a PowerPoint presentation on VMI's leadership program and how it is incorporated into the CLE.

a. The leadership program design characteristics are congruent with American military culture, goal oriented, sequential and progressive, have different paths with commonality of purpose, have a common core, and emphasize quality not quantity.

b. There are eleven cadet development goals in order for VMI graduates to be prepared as leaders of character who serve the common defense as citizen soldiers. These goals are filed with the minutes of this meeting as **Appendix III**.

c. The leadership development organization requires integration of activities from the following areas across the Post: Superintendent, Honor Code and System, Center for Leadership and Ethics, Intellectual Development, Military Development/ROTC, and Physical Development through the Department of Physical Education, ROTC, Commandant (to include club sports), and Intercollegiate Athletics.

d. Time management in a cadet's daily schedule is demanding and reinforces leadership growth throughout the four-year experience.

e. Leadership is well integrated into the academic program. All cadets take four years of ROTC and PS 344, *Leadership in Organizations*. There is also mandatory life skills training to include Title IX and Sexual Assault, protocol issues, media relations, and VMI history. Optional life skills training includes job interviews, dressing for success, major life expenses, saving &

investing, and retirement planning. Commissioning cadets have upper level ROTC and field instruction while non-commissioning cadets have leadership labs for civilian careers, service specific classroom study, and redundancies from PS 344.

f. The CLE mission statement has both internal and external components: *To advance the understanding, practice, and integration of leadership and character development at the Institute…and to share insights gleaned from the VMI programs with a broader national audience*.

g. The leader development program at the CLE has the following components:

- Mandatory leadership course integrated into the core curriculum – PS 344 commenced in the spring of 2008 is an interdisciplinary study of leadership in an organizational context.
- Four endowed leadership chairs positioned in academic departments – Faculty will offer elective courses in leadership and ethics and will be valuable resources for symposia and conferences.
- The Leader-in-Residence program – Current or former leaders in government, military, or business will be in residence at VMI for two weeks and immersed with the Corps and all aspects of Institute life. The first two leaders-in-residence were Colonel Greg Gadson (U.S. Army), 2010 and Craig Mullaney (Special Advisor on Afghanistan & Pakistan, USAID), who arrives mid February 2011.
- Leadership book program and Friday night at the movies – The book program is organized by cadets who meet every Thursday night for discussion. The sessions are augmented by speakers and occasional movies.
- Very best symposia and conferences – There have been six major conferences held at the CLE since its dedication in 2008: *The U.S. Citizen Soldier: Protector of the Homeland*; *4th Annual Commonwealth of Virginia Energy Symposium*; *George C. Marshall: Servant of the American Nation*; *21st Annual Environment Virginia Symposium*; *Society for Military History Conference*; and *VMI Leadership Conference: Answering the Nation's Call for Leaders of Character*. Five additional conferences are scheduled over the next two years: *East Meets West*; *22nd Annual Environment Virginia Symposium*; *Commonwealth of Virginia Energy Symposium*; *The U.S., China, & Africa*; and *Leadership and Generalship in the Civil War*.
- Battlefield Staff Rides teaching leadership lessons – There will be systematic preliminary study and includes battlefields in the U.S. and Europe.
- National speakers – Examples of speakers to date at the CLE include former Navy SEAL Marcus Luttrell; General Anthony Zinni, USMC (Retired); LTG John Knapp, Floyd D. Gottwald '43 Visiting Chair in Leadership & Ethics; Extreme Athlete Robyn Benincasa; Dr. Ed Ayers, President, University of Richmond; and Pulitzer Prize Winning Author David Finkel – *The Good Soldiers*.
- Corporate Retreats – Goal is to host two per year, show VMI "on parade," and establish long term relationships.

h. Near term challenges include identifying and understanding major leadership opportunities and programs across the Institute throughout the four year experience, establish faculty and staff leadership development training, program assessment and institutional effectiveness, and to run the Center and develop a staff team. General Peay plans to put together a Task Force this

summer to mold a program for leadership training for the faculty and staff. He cited the fact that only 12% of the faculty are alumni and fewer each year on the faculty & staff have military experience. All need to fully understanding the leadership experiences and requirements within the Corps of Cadets.

i. After slightly more than a year in full-time operation, the CLE is already establishing a national reputation and tackling topics of national urgency. Key stakeholders and donors are acknowledging that the Center is more than just a building or conference facility. The Center's focus remains on VMI cadets. The CLE staff includes a Director, Deputy Director (not yet filled), Administrative Assistant, Assistant Director for Facilities, Assistant Director for Conferences, and Associate Conference Coordinator.

j. The Board briefly discussed the controversy surrounding the March 2011 East Meets West conference. Some blogs and a radio talk show are portraying the conference as "glorification" of a Muslim conquest, some kind of "pro-Arab" presentation, and that the conference and the Center are funded through contributions from Muslim organizations. Some VMI alumni and numerous non-alumni have contacted various people on Post regarding their opposition to aspects of the conference. The conference is an historical 1,300 year look-back to a time when Muslims, Christians, and Jews began living together. It will have balanced representation and examine diplomacy, history, economics, and trade. The purpose is to examine the cultures that have developed, highlight successes and failures, and begin to chart a course for a realistic and hopeful future. The Institute has produced two responses to refute misinformation and have placed them on the VMI web-page.

k. Mr. Robertson asked if there was competition among our Leadership Center and others on college campuses and what is different about the VMI program. Captain Rabern responded that there are other Leadership centers and programs, however, the CLE is tackling and discussing the national problem with leadership in our country. The VMI program not only talks about leadership, but demonstrates it.

---

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

a. Assumptions for tuition & fees figures show a 6.0 % increase for in-state in FY 2012 ($20,630) and 6.1% in FY 2013 ($21,844). Assumptions for out-of-state show increases of 5.8% in FY 2012 ($39,609) and 5.3% in FY 2013 ($41,718).

b. Average enrollment for FY 2011 is 1,530 and is predicted to be 1,528 for FY 2012, and 1,556 for FY 2013. The model for the incoming Rat class is approximately 500 (43% Virginians).

c. State General Funds for VMI Education & General programs will dip from $8.57 million in FY 2011 to $6.95 million in FY 2012, before rebounding to $7.46 million in FY 2013.

d. Unique Military Program (UMA) revenues will increase slightly from the current $6.39 million to $6.74 million in FY 2013. Unrestricted Local Funds from the VMI Foundation and Development Board will decrease from $3.27 million to $2.6 million for both FY 2012 & FY 2013. Contingencies budgeted will fall from $1.96 million to $1.3 million in FY 2013. VMI plans to maintain its auxiliary fund balance over the next two years between $6.22 and $6.52 million.

e. Under the State Higher Education Opportunity Act legislation, the Board of Visitors must approve a new six-year budget plan by 1 July 2011. The legislation also calls for a revenue test intended to limit "in-state" tuition increases or risk loss of state funding and for institutions to make a financial aid commitment that provides assistance to low and middle income families.

f. Other key assumptions include:

- No additional State General Fund cuts will occur.
- No new State funding (VMI pays 67% of the cost of education for Virginia cadets) for VMI's enrollment increase of 195 cadets since 2006
- State will continue to fund Maintenance Reserve and Equipment Trust Funds
- State bonuses of 2% percent in FY 2012 for all state employees
- VMI paid merit bonuses totaling approximately $256,000 to teaching faculty, A&P faculty, classified, part-time, and hourly employees in February 2011.
- A state authorized 4% salary increase for teaching faculty and 3% increase for all other employees in FY 2013
- Continue vacancy/turnover savings of $375,000 annually for FY 2011, 2012, and 2013.
- Department budget cuts of about $200,000 and no funding for new requests in FY 2012
- Need-based cadet financial aid from VMI unrestricted funds will increase from $1.28 million currently to $2.40 million in FY 2013.
- Maintain or slightly increase athletic programs subsidies in FY 2012 and FY 2013.
- Annual debt service of $240,000 for the South Institute Hill Parking project starts in FY 2012.

g. Regarding capital projects in the state budget, it appears that the $18.3 million Science Building (Maury-Brooke Hall) renovations have moved up in State priority and that the State may have the debt capacity to fund this project. Post Hospital renovations ($5.5 million) are also authorized depending on State debt capacity. Planning money ($4.6 million) and Cormack Hall renovations ($16.5 million) for the Corps Physical Training Facilities (CPTF-Phase I) are in the Senate amendment and the House added the CPFT project to the Governor's Capital Projects Bill.

---

6. Commander Timothy S. McElhannon, Director of International Programs, presented a PowerPoint brief on his area.

a. VMI's International Programs has a sending and receiving mission…to provide cadets top quality opportunities for international education and experience through study abroad, military exchanges, internships, educational travel, and international academic and cultural events on Post…and to provide support to international cadets, both four-year and exchange cadets,

advising them on immigration issues and helping them integrate into the Corps and adjust to a new culture.

b. Study Abroad opportunities are available to Fourth Classmen only during the summer after completion of the first year. The Third Class Year is when the majority of cadets study abroad, occurring in the fall, spring, or summer. Second Classmen can also participate in the fall, spring, or summer, but drawbacks are Ring Figure and preparation for ROTC summer training. First Class cadets can participate only during the fall semester.

c. For the current academic year, three cadets studied abroad in fall, 10 traveled to Egypt during Christmas furlough, 36 cadets are studying abroad this semester (10 are in military exchanges), the men's rugby team will travel to France over spring furlough, and approximately 60 cadets will participate in summer abroad programs in Ecuador, Morocco, Germany, and Japan and in programs not sponsored by VMI. There is a China summer program every other summer.

d. VMI currently has military exchange programs with the French Military Academy - Saint Cyr, L'Ecole Polytechnique, German Military Academy - Bundeswehr, Hungarian Military Academy, Lithuanian Military Academy, and the University of Salford (UK). The advantages of exchange programs are no tuition loss for VMI, inexpensive for cadets and good for Virginia residents, and bringing international cadets to VMI providing cultural exposure to the Corps. Prospective exchanges include the New Zealand Army/Massey University and the Japanese National Defense Academy.

e. Overall, approximately one-third of the Corps participates in some aspect of VMI's international programs. In the future potential partners are being identified in Africa, India, Mexico, and Brazil. Mr. Robertson commented that there is no program with Israel. CMDR McElhannon said that Israel is on the State Department warning list and that is VMI's benchmark. He also noted that Mexico is now on the State Department warning list which will preclude Mexico for the present.

f. The program offers good opportunities to STEM cadets. Summer programs include Arabic language in Morocco and a program in Germany scheduled for the summer of 2011 led by Colonel Jon-Michael Hardin, Head of Mechanical Engineering, and his spouse Patricia Hardin, instructor in Modern Languages…a dual program of engineering and German. Spring semester programs include a Qatar program through Texas A&M, the University of Queensland, Australia, and the University of Waikato, New Zealand.

g. The cost for a semester abroad program is $12,000 (exchanges are less) and $5,000-$6,000 for a summer abroad program. VMI has $30,000 available annually thru the Lanford, Burress, and Conte scholarships. There are also external scholarships available through U.S. government grants, DOD Arabic grants, and NSEP Critical Languages, and Gilman/Pell Grant recipients.

h. There are currently 30 international cadets at VMI. In addition there are numerous permanent residents, naturalized citizens, and first generation Americans. About 10% of all cadets were born overseas. There are two established programs with Taiwan (four cadets per year) and

Thailand (one cadet per year). Beginning in 2012, two-three cadets per year will come from Saudi Arabia.

i. Faculty help promote education abroad programs and serve as host and mentors to international cadets, lead cadets abroad on summer and furlough programs, and engage with scholars internationally, at exchange academies and civilian universities.

---

7. Brigadier General R. Wane Schneiter, Deputy Superintendent for Academics and Dean of the Faculty, announced that Jacob T. Cox ’10 has been selected as VMI’s first Gate Cambridge Scholar. This Scholarship is considered the equivalent of the Rhodes. While the Rhodes is associated more with the liberal arts the Gates Cambridge focuses on the sciences. Mr. Cox graduated last May with a degree in Chemistry.

---

8. Mr. Frank Atkinson, Chairman, McGuireWoods Consulting, LLC, provided a briefing on the Virginia Higher Education Opportunity Act of 2011, also known as “Top Jobs” or “TJ21.”

a. Key recommendations for TJ21 came from Governor Bob McDonnell’s bipartisan Commission on Higher Education Reform and also from the Virginia Business Higher Education Council’s (VBHEC) *Grow by Degrees* initiative, which VMI has supported. McGuireWoods Consulting has provided support to the Governor’s Commission through its VBHEC role.

b. Statistics show that every dollar spent on higher education in Virginia generates $13 in economic growth and every dollar invested returns $1.39 to the state coffers.

c. TJ21 has broad-based support to include the state legislature, the Council of Presidents (state colleges and universities), the VBHEC, Virginia Chamber of Commerce, and many others.

d. Major findings and recommendations by the Commission fall into three areas: economic opportunity, reform-based investment, and affordable access. Legislation also establishes a 6-year planning process and a Higher Education Advisory Committee (HEAC).

1. Economic Opportunity
   - Establishes a goal of awarding 100,000 additional undergraduate degrees by 2025 with strategies to increase enrollment of Virginia students, improving graduation and retention rates, and increasing degree completion by Virginian with partial credit…there are 900,000 Virginians with some college credit but no degree
   - Focuses on additional STEM and healthcare degrees
   - Promotes increased public-private, regional collaboration on university-based research and establishes an emerging technology fund, and R&D tax credit

2. Reform-Based Investment
   - An incentive based approach to promote innovation and efficiency through optimal year-round utilization of facilities, technology-enhanced instruction, resource sharing across higher education, and degree path initiatives…some schools like VMI have

already helped with increased enrollment, more STEM majors, and increased commissioning all of which will be taken into consideration.

- Replaces the current Institutional Performance Standards, indentifies additional opportunities for managerial autonomy, and streamlines the six-year planning process.

3. Affordable Access
   - Enrollment-based funding to increase Virginia slots with recognition of past (since 2005) unfunded enrollment growth
   - A new, codified funding model to serve as benchmark and catalyst for increased state-support over time
   - Long term affordability through tuition pressures being eased as state support rebounds, need-based financial aid extended to middle-income families, and the development of a higher education revenue stabilization (rainy day) fund to insulate against future downturns

e. There are four components to the funding model framework: incentives for economic impact and innovation, need-based financial aid, per-student enrollment-based funding, and basic operations and instruction.

1. Basic Operations and Instructions
   - Codifies existing state policy goals that 67% of the cost of higher education be borne by the Commonwealth and 33% by the Virginia students and that faculty salaries be funded at the 60th percentile of peer institutions
   - The "Cost of Education" (COE) calculation will reflect unique institutional missions, programs, and conditions. VMI's uniqueness is cited by the commission and UMA appropriations are part of the base, but do not count against COE.
   - The model will be fully funded over time and provide state schools with the same percentage support moving toward the 67% goal.
   - Tuition setting authority is reserved to the governing boards. However, in-state tuition revenues should not exceed COE, after taking into account state General Fund support and non-Virginia student revenues. Expenditures for financial aid or institutional share of state salary and benefit or incentive fund matches are excluded from calculation. Program, initiatives and other costs specified in the six-year plans are not subject to the tuition parameters. Consequences for state funding are to be determined by the General Assembly.
2. Per-student Enrollment-Based Funding
   - Provides incentives for Virginia undergraduate enrollment growth
   - A per-student amount will follow students to the public or private institutions in which they enroll.
   - Unfunded enrollment growth since 2005 is recognized.
3. Need-Based Financial Aid
   - Envisions increased state support for financial aid, includes the use of tuition to fund financial aid, and extends eligibility to more middle-income families
   - The HEAC will study new federal programs and institutional practices and make recommendations to include definitions of "low-income" and "middle income"…and the six-year plan will address financial aid to these families.

4. Economic and Innovation Incentives – These are performance-based incentives tied to key policy outcomes to include increased enrollment of Virginia students, increased degree completion by returning students, improved retention and graduation rates, STEM and health-related degree production, public-private research partnerships, optimal year-round utilization of facilities and resources, technology-enhanced instruction and resource sharing, and community college transfer grants and other degree path programs.

f. The six-year planning process streamlines existing reporting with biennial plans approved by the governing boards and submitted by July 1. The plans will receive comment from a six-person state level committee comprised of the Education and Finance Secretaries, staff directors of the Senate Finance and House Appropriations Committees, a representative from the Department of Planning and Budget, and a representative from the State Council of Higher Education in Virginia (SCHEV).

g. The HEAC will recommend details of all four funding model components for inclusion in the next biennial budget, the next steps for restructuring, to include additional managerial autonomy with accountability, and a methodology for developing a "Rainy Day Fund." HEAC will also have ongoing responsibility related to restructuring, financial aid, progress on degree attainment and affordability. Make-up of the Committee will be split between state and institutional representatives (probably 5+5). Members from the state side would likely be the Secretaries of Education and Finance, staff directors of the Senate Finance and House Appropriations Committees, and the SCHEV Executive Director. Four of the institutional representatives will be selected by the college presidents (two from doctoral institutions and two from comprehensive institutions) with the fifth representative from the Virginia Community College System. For issues involving private colleges, the Committee can choose a private college representative, who would not have any input on matters related to only public institutions. Other representatives can be added if needed. HEAC will probably report to either the Secretary of Education or a representative appointed by the Governor.

h. In the state budget the Governor recommended $95 million as a down payment on TJ21 funding, including research-related funding and identified higher education as a priority in new revenue forecasting. The revisions in the debt capacity model made by the Debt Capacity Advisory Committee were not altered by either House's budget, allowing certain higher education bond projects to proceed at the discretion of the Administration.

---

9. *A motion was made by Mr. Rogers, seconded by Mr. Mundy, to approve Board of Visitors' resolutions honoring the late Pamela B. Gray, wife of Senator Elmon T. Gray '46, and the late Colonel Karen Gutermuth, Professor of Economics and Business and former Superintendent's Representative to the Honor Court*. The motion passed. These resolutions are field with the minutes of this meeting as **Appendix IV**.

---

10. *A motion was made by Mrs. Camp, seconded by Mr. Fraim, that the Academic Affairs Committee has considered the graduation list, dated 1 February 2011, for 18 December*

2010 and 31 January 2011 graduates. The Committee recommends that the Board of Visitors accept the final list of 18 December graduates and that the list be filed with the minutes of this meeting. The motion passed. The list of graduates is filed with the minutes of this meeting as **Appendix V.**

---

11. *A motion was made by Mrs. Camp, seconded by General Jumper, that the Board of Visitors approve the Changes in Faculty and Staff, dated 1 February 2011.* The motion passed.

---

12. *A motion was made by Mrs. Camp, seconded by Mr. Robertson, that the Academic Affairs Committee has considered updates to the **Faculty Handbook**, dated, February 2011 and recommends that the Board of Visitors approve the **Faculty Handbook, February 2011** and that the updates be made part of the minutes*. The motion passed. The memorandum associated with this motion and the updates are filed with the minutes of this meeting as **Appendix VI**. **The Faculty Handbook, February 2011** is on file in the office of the Deputy Superintendent for Academics and Dean of the Faculty.

---

13. *A motion was made by Mrs. Camp, seconded by Mr. Ramsey, that the Academic Affairs Committee has considered the changes to General Order #3 – **Cadet Active Duty Policy** and that the Board of Visitors approve General Order #3 and that it be made part of the minutes*. The motion passed. General Order #3, with changes noted, is filed with the minutes of this meeting as **Appendix VII**.

---

14. *A motion was made by Mrs. Camp, seconded by Mr. Rogers, that the Academic Affairs Committee has considered the revised Policy on International Baccalaureate (IB) and Advanced Placement (AP) Credit Award and recommends that the Board of Visitors approve both the IB and AP Credit Awards*. The motion passed. The revised policies for both Credit Awards are filed with the minutes of this meeting as **Appendix VIII**.

---

15. *A motion was made by Mr. Robertson, seconded by Mr. Mundy, that the Board of Visitors approve the addition of an exclusion, concerning information about medical conditions and the application process, to the Virginia Military Institute Administrative and Professional Faculty Handbook*. The motion passed. The memorandum accompanying this motion is filed with the minutes of this meeting as **Appendix IX**.

---

16. **Entered into Closed Session**: A *motion was made by Mr. Fraim, seconded by Mr. Latsha, to enter into a Closed Meeting*. The motion passed and the Board entered into Closed Session at 1130 hours to discuss:

1. Disciplinary and other matters involving specific cadets, former cadets, and individuals (pursuant to 2.2-3711 (A) 2 relating to honor court cases.

2. Discussion of prospective candidates for appointment of specific public officers of any public body (pursuant to 2.2-3711 (A)1 relating to the VMI Board of Visitors.

3. Consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel (pursuant to 2.2-3711 (A) 7) relating to EEOC complaints.

15. **Return to Open Meeting**: *At 1210 hours, a motion was made by General Jumper, seconded by Mrs. Camp, certifying the Closed Meeting*. The motion passed.

---

16. There being no further business to come before the Board, the meeting was adjourned at 1211 hours.

Michael M. Strickler ’71
Secretary