

INNOVATION



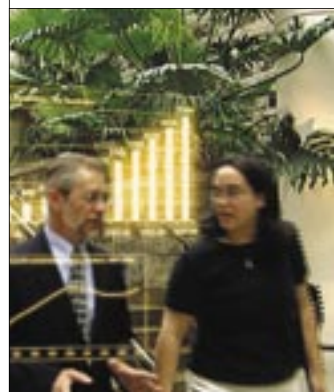
 **VirginiaTech**
Invent the Future

AND IMPACT



2004/2005

**A N N U A L
R E P O R T**





Innovation: *The ability
to transform knowledge and
data into value.*

Human *value.*

The past year and the promise of the future

A Message from Charles Steger
President of Virginia Tech

Virginia Tech's 2004-05 annual report speaks to the theme "Innovation" — and with good reason. The university's creative spirit and entrepreneurial climate are tirelessly cultivated by our high-achieving students, staff, and faculty, each aware that an American economy built on ideas will remain strong. As solid as our beloved Hokie Stone, that ambitious attitude shoulders this enterprise and keeps the university on pace to be among the country's top institutions of higher learning.



Our long-standing commitment to progress and to bettering lives and communities continues to break new ground for exciting developments that extend well beyond our own backyard. As a result of one such plan drafted on the Blacksburg campus, we joined forces with the University of Virginia and the College of William and Mary in 2003-04 in an effort to acquire more operating autonomy. In 2005, the General Assembly, which had allowed the idea to percolate for a year, approved the Restructured Higher Education Financial and Administrative Operations Act, establishing the framework for a changed relationship between the commonwealth and its colleges and universities. In effect, the financial and administrative restructuring will reduce red tape, increase operational efficiency, and enable Virginia Tech to be a more agile, responsive institution.

In light of our goals to become ever more inclusive, the university invested additional resources and much emotional capital this past year to improve campus attitudes toward and acceptance of diversity. Dedicated to both boosting enrollment of underrepresented groups and hiring more people of color into our faculty and staff ranks, we have successfully recruited a number of top-notch leaders, including Zenobia Hikes, who succeeded Lanny Cross as vice president for student affairs. In addition, the Virginia Tech Board of Visitors, campus leaders, and I approved the Principles of Community, a powerful public statement outlining our belief that a diverse community forges a stronger university.

On another front, the groundbreaking research and technological leadership of our outstanding faculty have not only strengthened our academic community, but have contributed significantly to the health, vibrancy, and prosperity of the region, nation, and world. Although our research expenditures have risen at a slower rate than we would have liked, the numbers for fiscal year 2005 were excellent nonetheless, a concrete indication that Virginia Tech has made considerable investments in future innovation.

A visible testament to Virginia Tech's resourcefulness and highly accomplished faculty and staff is our ever-growing reputation among the nation's most sought-after minds.

To support the university's rigorous academics and research, we also continue to invest in the campus physical plant. Among the range of enhancements to our campus environment this past year, the most prominent was the completion of the Inn at Virginia Tech and Skelton Conference Center and the Holtzman Alumni Center, which replaced facilities at Donaldson Brown Hotel and Conference Center and the adjoining Alumni Hall. In fall 2005, the Donaldson Brown building and Alumni Hall re-opened as the fully integrated Graduate Life Center at Donaldson Brown, encompassing academic, social, residential, and administrative functions in one locale for Tech's graduate students. In similar fashion, a new Career Services Building opened, pulling career functions together. These and other transformations in our physical plant are discussed in more detail in this report.

Such shifts, whether in the physical or the intellectual landscape, enrich a university and encourage it both to look to the future and to learn from the past. One vivid example is the just-completed celebration of the 25th anniversary of a landmark venture, the founding of the Virginia-Maryland Regional College of Veterinary Medicine. A unique cooperative regional effort and thriving partnership, the college has been a leader in sustaining animal health, as well as contributing more and more to our understanding of human health.

Virginia Tech's many innovative activities, along with yielding their own rewards, have attracted national and international recognition and have played a major role in our placement in the annual educational ratings. We are proud that the university garnered its share of high rankings and notable achievements during 2004-05, many of which you can read about in this report.

Innovation — the highly sought-after result of the everyday actions of our top-notch faculty, exceptional staff, and motivated students — is truly at the heart of our university and its endeavors. At Virginia Tech, we work hard and our achievements allow us to say with confidence, **we invent the future.**

A handwritten signature in blue ink, appearing to read "C. Steger". The signature is fluid and cursive, written over a white background.



Powerful stories: *At Virginia Tech, we contribute to the global society by making a difference in the everyday lives of people around the world.*

Reaching out

Virginia Tech's innovative outreach programs continue to change the future by improving lives and communities in Virginia and around the globe.



After spending almost a dozen years in Kenyan refugee camps, Somali Bantu families start new lives in Blacksburg with the help of the Virginia Tech Service-Learning Center, Roanoke Refugee and Immigration Services, and the Blacksburg Bantu-Somali Refugee Resettlement Initiative.

In the global arena, the university's Office of International Research, Education, and Development (OIRE) received the largest single-day award to any university by the U.S. Agency for International Development (USAID) Economic Growth, Agriculture, and Trade Program in the form of two grants totaling \$34 million over five years. The work will enhance food security while limiting negative effects on natural resources through sustainable agricultural programs in developing countries.

The USAID uses U.S. land-grant universities to promote its development assistance through Collaborative Research Support Programs (CRSPs). The agency supports nine CRSPs, each with a distinct mission, and Tech is the only university managing two CRSP projects. One \$17 million grant provides for Phase III in USAID's Integrated Pest Management Collaborative Research Support Program and the second \$17 million award makes Tech the lead institution in the Sustainable Agriculture and Natural Resource Management Collaborative Research Support Program.

"Research results will benefit the countries involved through increased farm income, reduced pesticide use, greater involvement of women in integrated pest management and natural resource management decision-making, and increased sustainable agriculture and natural resource management research and education," said S.K. De Datta, associate provost for international affairs and director of OIRE. "Virginia and the United States will benefit through reduced pesticide residues

on imported fruits and vegetables, expanded demand for our export products as incomes grow in developing countries, and reduced threats from invasive species."

Closer to home, the Institute for Advanced Learning and Research (IALR) in Southside Virginia received a regional Innovator Award as part of the Rising Together: Summit on the Rural South conference held in Alabama. The Innovator Awards focused on rural development, and IALR was recognized for its work to develop an innovation-driven economy. In partnership with Virginia Tech, IALR houses four cutting-edge research centers and a number of academic and outreach programs.

The institute also was selected as a finalist in "Putting It Together: The Role of Entrepreneurship in Economic Development," a conference hosted by the Small Business Administration's Office of Advocacy, the Council of State Governments, the Ewing Marion Kauffman Foundation, and the National Lieutenant Governors Association.

"The Institute for Advanced Learning and Research represents a unique model centered on distributed research to bring about the economic transformation of a rural area," said Timothy V. Franklin, executive director of IALR. "The opportunity to share our mission and successes with other great programs and national policy workers from around the U.S. was a great opportunity for IALR. Recognition such as [that of] the Office of Advocacy cast national attention on IALR's effort to bring the innovation economy to Southside Virginia."



At the Institute for Advanced Learning and Research, our groundbreaking research and commitment to the land-grant mission will help ensure the health and prosperity of the region and, ultimately, the nation.

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Students, faculty, and researchers at the university are currently conducting 3,500 experiments and projects, including research commissioned by more than 775 companies.

At Virginia Tech, our focus on progress bears results.



The spirit of invention:
*When individuals and
teams are given
the room to explore.*

New breakthroughs are generated just about every day at Tech. In 2004 alone, researchers filed 28 new patents – fifth in the nation among comparable universities.

Innovation brings wide recognition



Achievement is recognized in many ways, including awards or grants that allow the innovators to continue their special work and to achieve even more impressive — and innovative — results. What follows is a sampling of the recognition earned by Virginia Tech faculty members and students for their groundbreaking research and eminent scholarship.

CAREER grants are the National Science Foundation's most prestigious awards to those junior faculty members who most effectively integrate research and education within the context of the mission of their organization. In 2004-05, Tech researchers received a number of them.

◆ **Iuliana Lazar**, a research assistant professor at the Virginia Bioinformatics Institute, earned a five-year, \$400,000 award for research on the development of microfluidic devices with mass spectrometric detection for proteomic applications.

◆ **Allen MacKenzie**, an assistant professor in the Bradley Department of Electrical and Computer Engineering (ECE), won a five-year, \$400,000 award to advance wireless network technology.

◆ **Tom Martin**, also an assistant professor in ECE, won a \$400,000 award to improve the design of electronic textiles while giving a boost to Southside Virginia's textiles industry.

◆ **Harry Dankowicz**, associate professor of engineering science and mechanics, received a Presidential Early Career Award for Scientists and Engineers (PECASE). He has developed methods to predict changes in stability and to design against instability in dynamic systems and is particularly interested in preventing fall-related injuries.

◆ **Sandeep Shukla**, assistant professor in ECE, also received a PECASE. He is a

leading researcher in designing, analyzing, and predicting performance of electronic systems, particularly systems embedded in automated systems.

France Belanger, associate professor of accounting and information systems in the Pamplin College of Business, was awarded a Fulbright Distinguished Chair, one of the most prestigious appointments in the Fulbright Scholar Program. Belanger, who is an Alumni Research Fellow in her department and directs the college's Center for Global E-Commerce, will spend the summer of 2006 in Portugal as part of the Fulbright program.

Ali Nayfeh, University Distinguished Professor, garnered Virginia's 2005 Lifetime Achievement in Science Award, presented by the Science Museum of Virginia. Nayfeh, a member of the Department of Engineering Science and Mechanics, is one of his field's most prolific researchers, having made significant and lasting contributions to the literature in nonlinear vibrations throughout the past 30 to 35 years. His research has been used to make ships, aircraft, and commercial cranes more stable.

Another scientist, **Michael F. Hochella Jr.**, a geosciences professor in the College of Science, was named Virginia's Outstanding Scientist for 2005. Hochella studies the surfaces of Earth materials and was the first person to recognize important differences in the behavior of Earth materials at the atomic level.

The American Association of Equine Practitioners honored **Dr. Nathaniel White**, the Jean Ellen Shehan Professor and director of the Marion duPont Scott Equine Medical Center in Leesburg, with its Distinguished Service Award. White is an

internationally recognized expert in equine colic and musculoskeletal disorders.

Rick O. Claus, the Lewis Hester Chair of Engineering in the College of Engineering; E. Scott Geller, Alumni Distinguished Professor of Psychology in the College of Science; and Lucinda Roy, Alumni Distinguished Professor of English in the College of Liberal Arts and Human Sciences, were among 12 people statewide named by the State Council of Higher Education for Virginia as outstanding faculty members.

MIT'S *Technology Review* magazine named **Srinidhi Varadarajan**, director of Tech's Terascale Computing Facility, to its 2004 list of the world's 100 Top Young Innovators. Varadarajan was the lead designer of Virginia Tech's supercomputer, System X, ranked in November 2003 as the fastest university supercomputer in the world. Varadarajan conceived the idea to use off-the-shelf commercial products and built the system in less than three months.

Richard J. Neves, professor of fisheries and wildlife science, was honored with the Meritorious Service Award by the U.S. Department of the Interior in recognition of his outstanding contributions to the U.S. Geological Survey in the conservation of freshwater mussels in North America. The award is the highest given by the department to any living person.

During Founders Day, Tech handed out its top alumni awards to five people.

◆ The William H. Ruffner Medal, the university's most prestigious honor, went to **William E. "Ping" Betts Jr. '32**. During World War II, Betts was an officer in the U.S. Army Corps of Engineers and was among the troops that landed on Omaha Beach, Normandy, France. He had a distinguished 60-year career in the structural

steel industry and co-founded the Montague-Betts Company in 1938. He serves as company chairman, a position he has held since 1956. His service to his alma mater includes terms as director of the Virginia Tech Educational Foundation and the Virginia Tech Alumni Association.

◆ The 2005 Distinguished Achievement Award went to **William H. Goodwin Jr. '62** of Richmond, Va. Goodwin began his career with IBM and later left the company to start Commonwealth Computer Advisors, known today as CCA Financial Inc. He is currently chairman of the board of CCA Industries Inc., a diversified holding company.

University Distinguished Service awards went to

◆ **Eddie F. Hearp '65** of Roanoke, Va. Hearp joined National Financial Services Inc., a 100-year-old insurance and investment-planning firm, in 1970 and has been president since 1983.

◆ **Eugene "Gene" E. Fife '62**, a native of Hinton, W.Va. Fife is a retired general partner of Goldman Sachs & Co. In 1988, he was named chairman of Goldman Sachs International, where he played a pivotal role in establishing the firm in Europe, Eastern Europe, and the Middle East.

◆ **Marcella K. Arline '74**, a native of Bedford, Va. Arline has a 20-plus year career with The Hershey Company and currently is responsible for human resources, communications, corporate affairs, compensation, benefits, security, flight operations, and facilities management.

Senior **Ashley White**, a University Honors student pursuing degrees in both materials science and engineering and music performance, was named to *USA Today's* All-USA College Academic First Team and

also received a Marshall Scholarship. The two-year Marshall scholarships, which are worth about \$75,000 each and cover all graduate study and living expenses at Cambridge University in England, are awarded to only 40 undergraduates in the United States each year.

David Erickson, a junior majoring in physics and math, and **Sarah Koss**, a sophomore with a triple major of biology, psychology, and studio art, were awarded Barry M. Goldwater scholarships. Goldwater scholars are selected for academic merit, and each is given up to \$7,500 per year for tuition, fees, books, and room and board.

The Navy League awarded Midshipman First Class **Kenneth P. Dittig**, a senior in the corps of cadets, the Admiral James L. Holloway Jr. Award, which is presented annually to the top-ranked graduating Naval Reserve Officers' Training Corps midshipman in the nation. The award recognizes outstanding performance in all areas of midshipman life, including leadership, scholarship, and military performance. Dittig majored in economics and minored in leadership.

The College of Agriculture and Life Sciences' **Soil Judging Team** won the overall national championship at the 2005 American National Soil Judging Championship. In addition, **Doug Frisco**, a senior majoring in biology, won first place in the individual contest.

Landscape architecture students captured two of the top three prizes in the 2004 Annual Student Competition in Landscape Architecture. First place went to juniors **Nathan Brown**, **Brandon Cappellari**, and **Jeremy Hinte**. Third place went to juniors **Kate Belski**, **Jon Hershey**, and **Andrea Smith**.

University and college rankings remain high



More than 100 Virginia Tech centers and institutes, including university- and college-based interdisciplinary programs and laboratories, undertake complex, multifaceted research on a daily basis.

There was good news and bad news for Tech in the research-funding arena. Spending on research grew from \$248 million in fiscal year 2003 to \$268 million in fiscal year 2004, an 8 percent increase. But the university's **national ranking for research expenditures** at universities dropped from 52nd in 2002 to 55th in 2003 (rankings lag behind the dollar figures by about a year).

In 2002-03, Tech lost \$62 million in state funding. More than 100 senior faculty members, many of whom had established research programs, either retired early or left Blacksburg. Professors who remained carried a larger teaching load, which diminished the time they could spend on research.

"All in all, we expected to drop a few notches because of the loss of state support," said Brad Fenwick, vice president for research. "And I would predict we may drop another one or two next year for the same reason." However, that trend should reverse dramatically in two years when recent gains begin to show up in the **National Science Foundation reports**. Fiscal year 2005 numbers were not final when this report was written, but the increase was remarkable, Fenwick said.

Virginia Tech's undergraduate programs ranked among the top 100 in the nation in the *U.S. News & World Report* survey of "America's Best Colleges 2005." The university maintained its rank of 32nd among national public universities and came in 74th among national universities. In 2004, Tech was ranked 73rd.

Also in the *U.S. News & World Report* survey, the **College of Engineering** undergraduate program ranked 19th in the nation among all accredited engineering schools that offer doctorates and 10th among engineering schools at public universities.

Seven undergraduate engineering programs were in the top 25 among peer programs nationally, according to the magazine. The industrial engineering program was ranked seventh; agricultural engineering, 11th; civil engineering, 11th; mechanical engineering, 17th; aerospace engineering, 19th; environmental engineering, 19th; and electrical engineering, 24th.

The **Pamplin College of Business** ranked 38th among the nation's undergraduate business programs and 23rd among public institutions in the *U.S. News* report. Pamplin's overall ranking puts it in the top 10 percent of the 400 U.S. undergraduate programs accredited by the Association to Advance Collegiate Schools of Business International.

The career and technical education graduate program in the **School of Education** climbed to third in the nation after being ranked fifth among vocational/technical graduate specialties for the past four years in *U.S. News & World Report's* "America's Best Graduate Schools 2006" survey. The program has been a top-10 selection for 11 straight years.

In the same survey, the overall ranking for the **College of Engineering** rose from 32nd to 31st, 18th among engineering schools at public universities. Individual engineering graduate programs ranked in the top 30 were industrial, eighth; civil, 11th; environmental, 12th; aerospace, 13th; mechanical, 20th; materials, 26th; and electrical, 29th.

U.S. News & World Report does not conduct new surveys for all graduate programs each year, and two programs in the **College of Science** retained high rankings from the 2003 survey. Sedimentology/stratigraphy, a program in the Department of Geological Sciences, was ranked ninth in the nation, and the applied mathematics program in the Department of Mathematics retained a rank of 33rd.

The **Pamplin College of Business** M.B.A. program improved its position from 43rd in 2004 to 36th in 2005 among U.S. business schools, according to the *Financial Times* rankings of full-time M.B.A. programs. The program's global ranking was 58th. Among the notable sub-categories, Pamplin ranked fourth in "percentage salary increase" M.B.A. graduates received, an indicator of alumni career development and purchasing power.

In its 2005 rankings, *DesignIntelligence*, the only national college ranking survey focused exclusively on design, rated Tech's architecture program in the School of Architecture + Design 10th in the nation. In addition, the graduate program in architecture was ranked among the top 10 in the South.



Private giving: Ensuring our success

Innovation and discovery fueled by generous philanthropy change lives. And the fiscal year 2004-05 was a banner year for private support at Virginia Tech with gifts totaling a record-breaking \$76.5 million. This outstanding effort brings the amount raised in the first two years of the silent phase of the university's fundraising campaign to \$256.5 million.

Alumni and friends, including parents, students, faculty, and staff, were responsible for \$47.8 million in donations in 2004-05 — more than 62 percent of total private giving. They, along with the corporations, foundations, and other organizations funding Virginia Tech's research and programs, are true partners in the success of the university.

As Virginia Tech grows in national prominence, private contributions play a crucial role in achieving the university's strategic objectives. Gifts from alumni and friends have endowed new scholarships and created new professorships, making it possible for Tech to continue to attract high-achieving students looking for challenging academic standards and to maintain a faculty of national and international prominence. Corporate and foundation support enable exciting research in areas as wide-ranging as homeland security and exploring cures for cancer. These investments provide the margin of excellence needed to ensure the highest quality academic experience for students and to prepare them for careers in a global marketplace.

Private philanthropy also enriches life throughout the university by funding multicultural initiatives, offering greater opportunities for honors students, financing study-abroad opportunities, and supporting student athletes. What our students experience at Virginia Tech will help them to discover the value of the principles we all hold dear — responsibility, self-discipline, community service, and the understanding of others. We have the chance to introduce them to new cultures, to provide them opportunities for leadership, to present new ways of viewing the world around them, and to create avenues for them to become involved in the creation of new knowledge through research.

This extraordinary level of commitment reflects both the confidence that Tech's partners have in the university and the pride alumni and other friends have in the impact Virginia Tech has on students, on advancing knowledge, and on developing the economy of the commonwealth and beyond. Their unwavering support assures Virginia Tech's place as a university of the future.





A crucial role: *The unflagging generosity of donors has undergirded our rise to prominence.*

A large number of our efforts would not be possible without the ongoing support of our dedicated alumni and friends, perhaps our most treasured resources.

VALUES



INCLUSI

Highly principled: *We are committed to creating an environment in which cultural diversity is integral to discovery.*

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Striving for cultural inclusiveness



For decades now, the university has worked hard to diversify the campus — to make it a culturally inclusive learning community. Despite these efforts and some successes, certain groups — particularly African Americans — remain underrepresented. Many factors play a role, including institutional history, location, and, in the case of international students, tighter government restrictions in the wake of the Sept. 11 terrorist attacks.

In 2004-05, the Virginia Tech Board of Visitors (BOV) and the administration took steps to highlight the importance of the issue and to apply additional resources to reach the university's diversity goal. The board publicly expressed its commitment to increasing diversity by endorsing and publicizing the Principles of Community, a statement that affirms the university's determination to foster an inclusive community. Board members joined university officials March 14, 2005, in signing the document in a public ceremony.

The Principles of Community were also endorsed by President Charles W. Steger, the Faculty Senate, Staff Senate, Student Government Association, Graduate Student Assembly, Virginia Tech Alumni Association, and the university's Commission on Equal Opportunity and Diversity (COED).

"The board recognizes and accepts its role in partnership with our community in shaping and supporting our commitment to create a truly diverse and inclusive community," Steger said at the signing. "This

important statement will guide all our actions as we work together to build a stronger and better future for our university."

The statement draws on several documents and initiatives, including the university's mission and core values; the university's strategic plan and complementary Diversity Strategic Plan, published in 2001; the work of the COED, created in 2003; the Standards for Inclusive Policies, Programs, and Practices, adopted by the CEOD in 2004; and the "Working Document on Diversity," developed at the request of the board of visitors in 2004.

"We have known for quite some time that our community faces many challenges if we are to make a real commitment to be a truly inclusive community," said Benjamin Dixon, vice president for multicultural affairs. "We have made considerable progress, but important work remains. The Virginia Tech Principles of Community is another step in the right direction."

Additionally, the Office of the Provost targeted around \$1 million for new initiatives that could lead to a more diversified campus. The money was used to expand the recruitment capabilities of Undergraduate Admissions, to increase support to the Presidential Campus Enrichment Grant, and to provide funds to administer the Multicultural Academic Opportunities Program.

Tech also formed the new Multicultural Programs and Services unit to coordi-

nate, deliver, and increase the visibility of services for underrepresented groups. The unit will provide an educational focus that will include institutionalized partnerships with the Africana Studies Program, the Center for Academic Enrichment and Excellence, the Department of Interdisciplinary Studies, and the Race and Social Policy Research Center.

"It's an exciting opportunity," said Karen Eley Sanders, assistant provost and director of academic support services. "We'll be able to create an environment at Virginia Tech that is more welcoming, supportive, and inclusive, and one that addresses the transition and support issues that led some of our constituent groups to feel their needs are not being met."

The new unit will oversee the Black Cultural Center and Multicultural Center (located in Squires Student Center), cultural-awareness programs, advising for multicultural student organizations (Black Student Alliance, Asian American Student Union, Latino Association of Student Organizations, and Lesbian, Gay, Bisexual Transgender Alliance), education and research, advocacy, and recruitment and retention. It also will work with the faculty to help professors infuse multiculturalism into their classes. The new unit will be a part of the Division of Academic Affairs.

A copy of the Virginia Tech Principles of Community can be found at www.unirel.vt.edu/vt/community.

Minority enrollment during fall 2004 was 13.8 percent, and white enrollment was 72.4 percent. Foreign and undeclared students comprised the balance.

Growing by leaps and bounds

As seems to be true virtually every year, Virginia Tech's physical plant continues to evolve in response to new and growing demands — and visions of the university's future. While the core of the campus remains recognizable to virtually any living alumnus, the surrounding infrastructure changes rapidly.

Perhaps the most stunning innovations for 2004-05 are the new 147-room **Inn at Virginia Tech**; the **Skelton Conference Center**, with nearly 25,000 square feet of meeting space; and the **Holtzman Alumni Center** — a \$43 million project. The three adjoined facilities are located on 25 acres on the northwestern corner of campus. Visitors entering campus by Price's Fork Road have an elegant first view of the university.

At the same time the new inn and conference center were opening, Donaldson Brown Hotel and Conference Center and the adjoining Alumni Hall were closing to undergo transformation into a fully integrated **Graduate Life Center** encompassing academic, social, residential, and administrative functions. Phase I of the project, accomplished during the summer of 2005, brought Donaldson Brown's three floors and Alumni Hall's two floors of hotel

rooms up to code for residence hall use. Phase II, which includes moving the Graduate School administrative offices to the facility, will take place in 2006.

"It will be the hub of graduate student life, providing students with opportunities to meet and collaborate with faculty and peers across disciplines, develop skills for academic and professional success, and maintain a healthy work-life balance," said Karen P. DePauw, dean of the Graduate School, who believes that the innovative center may be the first of its kind in the nation.

In fall 2004, the new 22,000-square-foot **Career Services Building**, located on the corner of Washington Street and West Campus Drive, opened. The facility is dedicated solely to the career development and employment needs of students and employers of Virginia Tech students and alumni. It offers several advantages over the old quarters: 32 interview rooms; conference rooms and seminar space for workshops, meetings, classes, and employer receptions and information sessions; a high-tech computer lab; a career-resource center; and air conditioning.

Tech's horticulture garden, now renamed

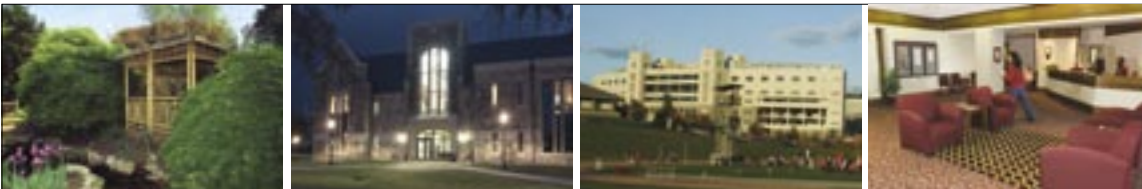
the **Peggy Lee Hahn Horticulture Garden**, will expand from 2.5 acres to 6.9 acres and will also include a multipurpose special events and education center. T. Marshall Hahn, president of Virginia Tech from 1962 to 1974, and his wife, Peggy, made the project possible by pledging a \$1 million estate gift and \$475,000 in start-up funds.

Other construction was not quite as spectacular, but the benefits will be felt for years. To improve pedestrian safety and provide better traffic control during peak travel hours and sporting events, a traffic circle — or roundabout — was constructed at the intersection of West Campus Drive and Washington Street. The university and the Virginia Department of Transportation also installed a new traffic signal, including pedestrian lights, at the intersection of Southgate Drive and Spring Road/Tech Center Drive. Both intersections had become congested and difficult to navigate safely.

Hokie football fans will enjoy the \$54 million **Lane Stadium west side expansion**, and work also continued on the \$26 million **Agriculture and Natural Resources Building**, which is scheduled for completion in early 2006.

Making room: *Every new square inch provides fresh opportunities to teach, experiment, and discover — in short, space to stretch.*

From a more expansive horticulture garden to enhanced facilities for students, alumni, conferences, sports, and research, the university is improving the quality of its campus.



Acres of natural beauty, academic venues, and meeting spaces make for Virginia Tech's perfect chemistry.

The university's physical plant regularly undergoes changes in order to provide the university community with the most dynamic and functional environment possible.

A tribute to innovative thinking

Thanks to innovative thinking in the 1970s, Virginia Tech in 2004-05 celebrated the 25th anniversary of one of its more landscape-changing — and academic program-changing — events: the founding of the Virginia-Maryland Regional College of Veterinary Medicine (VMRCVM), one of just 27 veterinary medical colleges in the United States and the only one supported by two states.

The theme of the anniversary celebration, “Breaking New Ground in Veterinary Medicine,” evoked images of the college’s historic 1978 groundbreaking, when former Virginia Tech President William E. Lavery, the late founding Dean Richard B. Talbot, and the late Virginia Gov. John Dalton got construction under way on an interim teaching hospital facility by guiding a plow pulled by a pair of Belgian draft horses. The anniversary theme also referred to the pioneering global role the college continues to play in preparing more veterinarians to deal with or conquer bioterrorism; infectious diseases; biomedical health challenges; cancer; heart disease; AIDS; and environmental toxins that threaten the quality of our food, our water, and our future.

The drive in the 1970s to fund the college also gave the university a glimpse of its own fundraising future. The Campaign for the Veterinary College, which raised \$8 million in private support, was Virginia Tech’s first-ever capital campaign. Since then, the university has conducted two university-wide campaigns that surged beyond their goals.

The year-long celebration of the college’s founding included events in Blacksburg and throughout the region, the publication of a history book, the presentation of a community vet school program, recognition by the General Assembly with a Legislative Day, and the dedication of the first major piece of sculpture ever installed on the campus.

The celebration kick-off on Aug. 20, 2004, featured “A Tribute to Peter Eyre,” who led the college from 1985 through

2003. College Family Day followed on Oct. 8, 2004, and the grand celebration event was held April 8-9, 2005, in Blacksburg and at the university’s Hotel Roanoke and Conference Center.

“As Virginia Tech strives to enhance our contribution to the state and nation as a research university, we understand that the life sciences will play a central role in our research enterprise,” said Tech President Charles Steger at the college’s grand finale black-tie gala. “The college of veterinary medicine will play a leading role in these efforts, particularly through collaborations with other disciplines.”

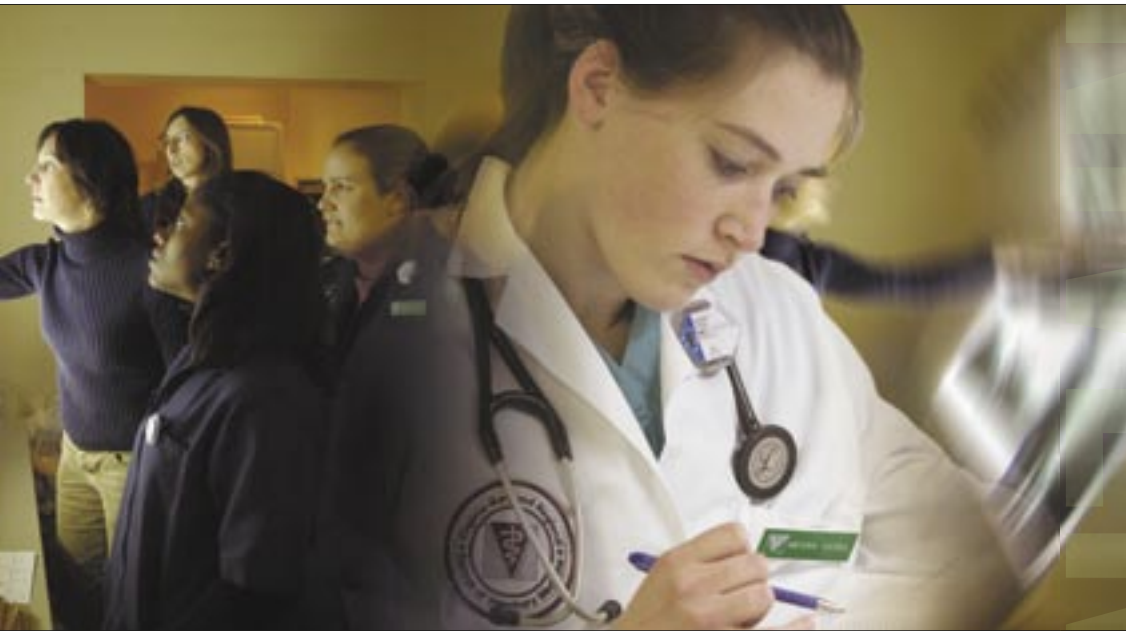
At VMRCVM, knowledge, technology, and compassion converge in an arena of extraordinary health care.



Life in a modern veterinary teaching hospital largely resembles the activities in a major human medical center. Highly trained veterinary specialists use the same sophisticated equipment to diagnose and treat animals as physicians use for people.

VETERINARY
MEDICINE





A pioneering role: *Our work in veterinary medicine makes breakthroughs every day in animal and human health care.*

The Virginia-Maryland Regional College of Veterinary Medicine is a top-notch biomedical and clinical research center providing professional continuing education services for veterinarians throughout Virginia and Maryland.

Speakers enhance a vibrant academic environment

Students at Virginia Tech learn in a challenging academic environment that takes advantage of the university's roster of nationally and internationally recognized professors and their discoveries. In 2004-05, a plethora of fascinating guest speakers also galvanized and enhanced that environment.

Nobel Peace Prize-winning author **Elie Wiesel**, acclaimed by many as the most powerful and moving of living Holocaust survivors in the world, became the first speaker to ever sell out Burruss Hall Auditorium. Wiesel wrote *Night*, the internationally acclaimed book about his experiences in the Nazi death camps, where one of his sisters and both of his parents perished. Wiesel, the Andrew W. Mellon Professor in the Humanities at Boston University, and his wife, Marion, founded the Elie Wiesel Foundation for Humanity to "advance the cause of human rights by creating forums for the discussion and resolution of urgent ethical issues."

Another speaker, the **Rev. Al Sharpton**, a 2004 Democratic presidential candidate, a vibrant figure in the minority community, an author, and an outspoken political activist for nearly two decades, urged students of all viewpoints to get involved. Sharpton, ordained as a minister when he was 10, founded and directs the National Action Network.

Former U.S. Vice President **Walter F. Mondale** addressed participants and guests at the graduation ceremony of the inaugural class of executive M.B.A. students. Mondale, who holds a bachelor's degree in political science

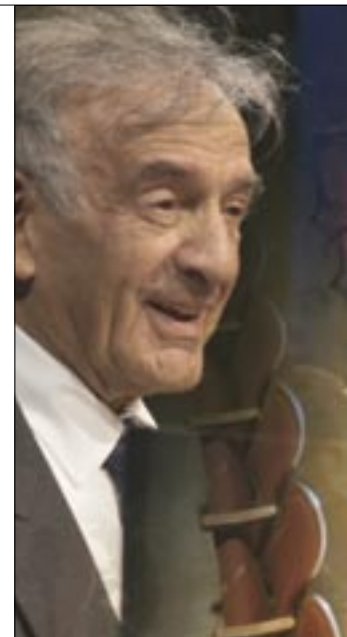
and a law degree from the University of Minnesota, served as attorney general for Minnesota and as a U.S. senator before his election as Jimmy Carter's vice president in 1976. In 1984, he was the Democratic Party's nominee for president.

The campus also welcomed **Hunter "Patch" Adams**, the subject of the 1998 movie "Patch Adams." Adams, a medical doctor and a professional clown, is equally renowned for his activism targeted at reforming America's healthcare system. As a creative response to what he describes as "spiraling costs, dispirited care givers, and alienated patients," he founded the Gesundheit Institute in 1972.

Homer Hickam, acclaimed author of several best-selling books, a 1964 graduate of Virginia Tech, and a corps of cadets alumnus, came to Blacksburg to sign copies of his latest novel, *The Ambassador's Son*, and to join the corps on its semi-annual 13-mile Caldwell March. Other books by Hickam include the historical non-fiction *Torpedo Junction* (1989); *Rocket Boys* (1998), the basis for the movie "October Sky"; and several other fiction and non-fiction works.

James Carville and **Mary Matalin**, perhaps America's best-known politically polarized couple, gave a joint presentation, "All's Fair: Love, War, and Politics," for the Cutchins Distinguished Lecture. Co-authors of the national bestseller *All's Fair: Love, War, and Running for President*, Democrat Carville and Republican Matalin have been key players on the national political stage for more than two decades.

The university hosted the first U.S.



A forum for discovery: *Guest speakers bring a global perspective to the university community.*



Eminent speakers promote the discussion of ideas central to the university's mission and enhance the intellectual vitality of the surrounding community.

appearance by Iraqi Ambassador **Haitham Rashid Wihab**, former head of protocol for Saddam Hussein. Before his speech, students had the opportunity to watch a portion of "Dancing with the Devil," an unreleased documentary directed by Wihab about the life of Saddam Hussein. Wihab then spoke about his experiences serving under Hussein for 13 years and how he fled the country after three attempts on his life.

Former Minnesota Governor **Jesse Ventura** came to Blacksburg to share anecdotes from his ascension to the governor's mansion and insights into pressing events of the day. Ventura, a trained Navy SEAL and former pro wrestler, was the first-ever Reform Party candidate to win statewide office. He has also served as mayor of Brooklyn Park, Minn.; appeared in several films; taught at Harvard as a visiting fellow; and been a radio talk-show host.

Former Swiss ambassador to the United States **Alfred Defago** spoke about "The U.S. and Europe: Political, Economic, and Cultural Observations on a Difficult Partnership." Defago served as the Swiss Consul General and director of Switzerland's Federal Office of Culture before his appointment as the Swiss ambassador.

Innovative operations = enhanced efficiency

News coverage in Virginia in 2004-05, indeed throughout the nation, put a spotlight on Tech's innovative efforts to change the way colleges and universities in Virginia operate.

The Restructured Higher Education Financial and Administrative Operations Act — originally introduced as “chartered university” legislation by Tech, where the concept was developed; William & Mary; and the University of Virginia — is an expanded concept that encompasses all state colleges and universities. The Virginia General Assembly approved it by wide margins and Gov. Mark Warner signed it into law.

Students will likely notice few alterations in the way the university operates, but Warner called the bill “the most sweeping change in our outstanding system of public higher education in decades.” The legislation establishes the framework for a new business relationship with the commonwealth and will reduce red tape, increase operational efficiency, and engender a more nimble and responsive institution.

The legislation provides additional operating authority for all state schools, but with

three distinct levels. Virginia Tech plans to seek “covered university” status, which provides the greatest degree of operating freedom. Tech will work with state government officials to craft a management agreement that will clearly articulate new authorities for financial management, debt management, capital funding and construction, procurement, human resources management, and information technology. Currently, these basic management operations are prescribed in great detail by state policy.

Under the act, Virginia Tech will gain the responsiveness and flexibility demanded by the 21st century marketplace. For schools that desire this model, the legislation will fuel coherent and logical long-range planning. Boards will have greater freedom in setting tuition and management policies.

The restructuring act does not alter the historic compact between the school and

Virginia's citizens since all schools operating under the act remain state agencies. Tech's commitment to the land-grant mission will remain unchanged. Academic programs will continue to provide opportunities for advancement and personal fulfillment but will be better funded.

The new legislation calls for long-range academic, financial, and enrollment plans. For the first time, students and families will have a picture of future costs, including projections showing both the upper and the lower bounds of tuition movement.

This historic legislation should produce a more reliable funding stream, enable long-range planning, foster more public/private entrepreneurial partnerships, boost strategic state economic initiatives, and most importantly, improve the quality of life for Virginians.

The highest quality: *Our innovative plan for a changed relationship between the commonwealth and its institutions of higher education ensures greater responsiveness and flexibility.*



Virginia Tech, William & Mary, and the University of Virginia have created a new approach to fuel coherent and logical long-range planning.

The recently approved Restructured Higher Education Financial and Administrative Operations Act will serve as the framework for more efficiently managed colleges and universities in Virginia.

RESTRUCTURING
TURNING

University 2004-05 timeline

July

Polymer science and engineering experts form institute

Virginia Tech's excellence in polymer science and engineering culminates in formation of the Macromolecules and Interfaces Institute (MII). MII represents the convergence of the Polymer Materials and Interfaces Laboratory, the Center for Adhesive and Sealant Science, the Center for Composite Materials and Structures, the Materials Research Institute, and the macromolecular science and engineering graduate program. MII consists of about 20 faculty members who are heavily involved in polymer, adhesion, and composite research along with more than 30 additional faculty members involved in peripheral ways.

VBI to support infectious disease research

The Virginia Bioinformatics Institute (VBI) and its partners are awarded a five-year, \$10.3 million contract by the National Institute of Allergy and Infectious Diseases to establish a national Bioinformatics Resource Center (BRC) that consists of a multi-organism relational database in support of infectious disease research. Tech's BRC will focus on brucella; caliciviruses; hepatitis A; rabies; and *coxiella burnetii*/rickettsias, which cause Q fever, Rocky Mountain spotted fever, and typhus.

August

New center name honors 4-H booster

The Smith Mountain Lake 4-H Educational and Conference Center changes its name to the W. E. Skelton 4-H Educational Conference Center at Smith Mountain Lake to recognize William E. "Bill" Skelton, dean emeritus of the Virginia Cooperative Extension Program at Virginia Tech and the man who helped create the facility. Skelton was director of Virginia Cooperative Extension from 1965 to 1976, and he continues to volunteer at the center — something he has been

doing for the past 37 years. He has been involved with 4-H for more than 70 years and is a member of the national 4-H Hall of Fame.

September

Library participates in digital archive

Digital Library and Archives, a department in University Libraries, forms a partnership with libraries at Emory University, Auburn University, Florida State University, Georgia Tech, and the University of Louisville that receives a \$1.4 million grant from the Library of Congress to create a MetaArchive of Southern Digital Culture, which will preserve vital at-risk digital content of Southern culture and history.

October

Tech receives USAID's largest single day award to a university

Tech's Office of International Research, Education, and Development receives the U.S. Agency for International Development's largest ever single-day award to a university: \$34 million. The award funds two projects that will enhance food security while limiting negative impacts on natural resources through sustainable agricultural programs in developing countries.

Funds help VBI battle diseases

The Virginia Bioinformatics Institute (VBI) receives \$4.9 million in additional funding from the U.S. Department of Defense (DoD) for its PathPort (Pathogen Portal) project. This additional DoD funding helps VBI continue to develop the already established project, which assists users in combating infectious diseases by providing access to relevant data and tools.

Center to reduce construction-related deaths

The National Institute of Occupational Safety and Health awards Virginia Tech \$3.4 million to investigate ways to help reduce work-related accidents, injuries, and fatalities in the small construction industry,

where falls from buildings, scaffolds, and ladders are the leading cause of fatal injury. To do this work, a cross-section of experts from six academic departments form the Center for Innovation in Construction Safety and Health within Virginia Tech's new Institute for Critical Technology and Applied Science.

CALS offers entrance to community college grads

The College of Agriculture and Life Sciences (CALs) and the Virginia Community College System sign a comprehensive, statewide agreement guaranteeing community college graduates admission into CALs. The agreement, called "Pathway to Excellence - Guaranteed Admission Initiative," provides students with a seamless curriculum, instruction, and advising program that maximizes efficiency for degree completion and high-quality instruction.

Tech to help reclassify plants

A \$3 million National Science Foundation (NSF) Tree of Life grant is enabling researchers from Virginia Tech and six other laboratories to reclassify the 270,000 species of flowering plants that include all of our food plants. The grant allows scientists from Tech and six other universities to combine expertise to solve existing classification problems and develop formal regrouping and reclassification of these plants.

November

University inks genome agreement

Virginia Tech and the Institute for Genomic Research (TIGR) of Rockville, Md., sign a memorandum of understanding that will enrich the university's basic research capacity in the life sciences and enhance TIGR's computational and experimental capacity. The agreement envisions joint research projects, shared use of related facilities, adjunct faculty appointments, and opportunities for students to participate in research. The focus of the joint research will be in the areas

of microbial, plant, and animal genomics and functional genomics.

December

Football squad takes ACC title in first year

The Hokies beat the Miami Hurricanes 16-10 to claim the ACC football championship and earn the league's automatic berth in the Bowl Championship Series to face Auburn University. With the win — Tech's eighth straight — the Hokies finish the regular season with a 10-2 overall record and a 7-1 mark in the ACC.

Corps band continues parade tradition

The Highty-Tighties receive notice they have been selected to play in the 2005 Presidential Inaugural Parade on Jan. 20. The corps of cadets band is one of 30 bands selected for a coveted spot, the 11th time they have been chosen for an inaugural parade appearance. The tradition began in 1917 when the band appeared in President Woodrow Wilson's parade. The Highty-Tighties also marched in the 1953, 1957, 1961, 1965, 1969, 1973, 1977, 1981, and 1997 parades.

Magazine DVD is a first

For the first time ever, *Virginia Tech Magazine* is issued in DVD format, with only "Classnotes" published in accompanying hard copy. In addition to University Relations, which publishes the alumni magazine, Alumni Relations, University Development, and Virginia Tech Corps of Cadets contribute to the project to make it available to a wider number of alumni.

January

Engineering dean vacates post

Hassan Aref announces he will leave his position as dean of the College of Engineering. Provost Mark McNamee praises Aref for his leadership in faculty recruitment, curricular enhancement, the development of the System X supercomputer, and the launch of the new In-

March

stitute for Critical Technology and Applied Science. Aref continues to hold a tenured appointment in the Department of Engineering Science and Mechanics as the Reynolds Metal Professor, an endowed faculty position.

Tsunami destruction touches Tech

When a tsunami devastates several Asian nations and kills hundreds of thousands of people, Virginia Tech responds. Two professors from the Department of Human Development in the College of Liberal Arts and Human Sciences go to Atma Jaya University in Jakarta, Indonesia, to provide training in psychosocial interventions to psychologists, social workers, and volunteers working with families in the area. In addition, students start a campaign for the university community to raise \$100,000, or \$3 for every Virginia Tech student and faculty and staff member.

February

Program features best of the best

The university establishes a series of half-hour lectures by its University Distinguished Professors and Alumni Distinguished Professors, the elite of the faculty. The series is part of the university's "Focus on Distinguished Faculty" program, which is sponsored by the Office of the Provost and Vice President for Academic Affairs.

Historic restructuring plan gains approval

The Virginia General Assembly passes legislation that will give Virginia's 16 public colleges and universities greater control of their financial and administrative affairs. The concepts outlined in the Restructured Higher Education Financial and Administrative Operations Act are the result of an agreement by The Council of Presidents to broaden the charter concept introduced in 2004. Under the legislation, all state colleges and universities will remain state agencies. In exchange for greater financial and administrative autonomy, institutions must meet certain criteria.

Tech leads mining consortium

The Center for Advanced Separation Technologies, a multi-university and industry consortium led by Virginia Tech, receives a \$12 million grant from the U.S. Department of Energy's National Energy Technology Laboratory to improve separation technologies that are used by mining industries to meet national energy and environment goals.

Danville initiative wins recognition

The Institute for Advanced Learning and Research (IALR) in Danville, Va., is selected as one of 19 finalists in "Putting It Together: the Role of Entrepreneurship in Economic Development," a conference hosted by the Small Business Administration's Office of Advocacy, the Council of State Governments, the Ewing Marion Kauffman Foundation, and the National Lieutenant Governors Association. At the conference, organizations detail initiatives that foster small business growth and entrepreneurial activity as a means for economic development.

April

Penn State engineer to head college

Richard C. Benson, head of the Department of Mechanical and Nuclear Engineering at Pennsylvania State University, is named dean of Tech's College of Engineering. "This college has so many assets, including a top-rate curricula, internationally recognized research programs, and tremendous depth and breadth of the faculty, that I am confident we can achieve our goals of greater national prominence and impact," says Benson. Benson also served as chair of the Department of Mechanical Engineering at the University of Rochester and was associate dean for graduate studies in Rochester's College of Engineering and Applied Science.

NSF funds space research center

The National Science Foundation awards Tech \$805,000 to create an interdisciplinary center for space research in the College of Engineering. The space science research program will feature research and teaching programs in radio science,

upper atmospheric physics, and aeronomy that complement Virginia Tech's existing efforts in these areas.

Corps honors Iraq heroes

The Virginia Tech Corps of Cadets holds a Pylon dedication ceremony to honor three former students who lost their lives while serving in the Iraqi war. Those honored are Army Staff Sgt. Nathaniel J. Nyren, 31, of Reston, Va.; Army Spec. Nicholas C. "Nick" Mason, 20, of King George, Va.; and Marine Cpl. Christopher L. Weaver, 24, of Fredericksburg, Va.

May

Ceremony celebrates Hispanic/Latino achievement

The Virginia Tech Lambda Psi Chapter of Sigma Delta Pi, the National Collegiate Hispanic Honor Society, holds a special graduation ceremony to celebrate Hispanic/Latino achievement at Tech. The first of its nature in the history of the university and the region, the ceremony recognizes Hispanics and Latinos from all majors who earn their degrees in spring 2005.

University paves way for traffic safety

After several accidents involving pedestrians on campus, the Virginia Tech Police Department steps up its emphasis on crosswalk safety. In addition, summer roadway projects will improve vehicular and pedestrian safety. The most visible will be a traffic roundabout at the intersection of West Campus Drive and Washington Street that will improve conditions by providing a steady flow of traffic. Tech also will install new traffic signals, including pedestrian lights, at the intersection of Southgate Drive and Spring Road/Tech Center Drive. Vehicular and pedestrian traffic have grown steadily in the area in recent years.

Students enjoy better food

The Office of Student Programs wins three Loyal E. Horton Dining Awards from the National Association of College and University Food Services. Hollywood Night, the Chef Series Premier Event, wins the gold award in the catering special event category; the silver award in residence hall dining multiple concepts or outlets category goes to D2, formerly known as The Depot at Dietrick; and the Luau Feast earns

honorable mention for a residence hall theme dinner.

June

Cross retires from student affairs

Landrum "Lanny" L. Cross, vice president for student affairs for the past nine years, retires. Mark McNamee, vice president for academic affairs and university provost, praises Cross's commitment to Tech and leadership. A 1977 Virginia Tech alumnus with a doctorate of education in counseling and student personnel, Cross returned to his alma mater in 1983 as assistant vice president for student affairs. He was promoted to associate vice president in 1989 and vice president in 1995.

Spelman administrator takes over from Cross

Zenobia L. Hikes, vice president for student affairs and dean of students at Spelman College in Atlanta, Ga., since 1999, is chosen to replace Lanny Cross as vice president for student affairs. At Spelman, she established the Women of Excellence Leadership Series; served as co-principal investigator for an Office of Women's Health initiative designed to stem the spread of HIV/AIDS, diabetes, and hypertension; and had her successful recruitment and retention model for African-American college students published in *Instructing and Mentoring the African American College Student: Strategies for Success in Higher Education*. Hikes received her Ph.D. from the University of Delaware.

Weight thrower takes two titles

Virginia Tech's Spyridon Jullien wins the national championship in the hammer throw at the NCAA Outdoor Track & Field Championships, his second title of the year. He also wins the national championship in the 35-pound weight throw indoors. Jullien, a junior from Athens, Greece, threw the hammer 231'1" (70.43m) on his third toss of the six-throw series.

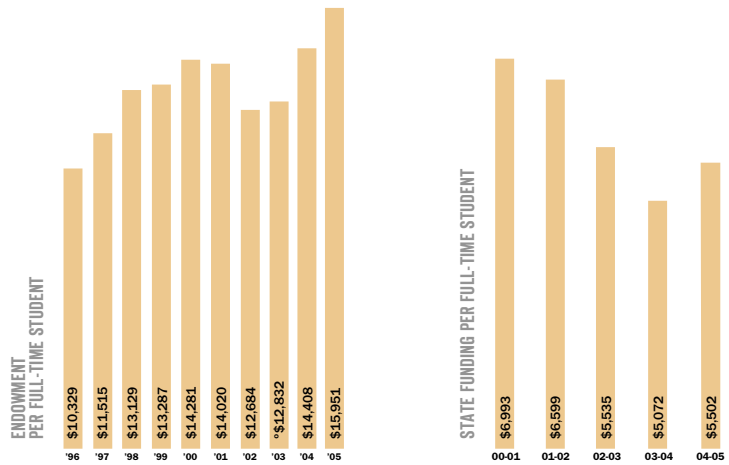
Two new appointees join BOV

Virginia Gov. Mark R. Warner appoints Shelley Duke of Middleburg, Va., owner and manager of Rallywood Farm, and George C. Nolen of Centerville, Va., president and chief executive officer of Siemens Corporation and a 1978 graduate of the Pamplin College of Business, to the Virginia Tech Board of Visitors.

We enter each academic year with highly capable faculty and staff who are committed to teaching and learning, research, and outreach.

University highlights

Admission to Virginia Tech has become increasingly competitive as the university's quality, commitment to innovation, and results have grown.



Student admissions

	2000-01	2001-02	2002-03	2003-04	2004-05
TOTAL APPLICATIONS RECEIVED (INCLUDES TRANSFERS)					
Undergraduate	21,395	21,588	20,593	21,026	20,453
Graduate and first professional	7,691	7,512	9,062	8,591	6,953
OFFERS AS A PERCENTAGE OF APPLICATIONS					
Undergraduate	59.6	66.1	63.8	66.4	67.4
Graduate	45.3	42.7	36.4	33.6	35.9
NEW ENROLLMENT AS A PERCENTAGE OF OFFERS					
Undergraduate	42.4	40.2	40.7	40.3	40.7
Graduate	59.5	58.5	55.1	58.3	64.7

Total student enrollment (head count)

ENROLLMENT BY CLASSIFICATION					
Undergraduate	21,428	21,593	21,473	21,348	21,330
Graduate and first professional	6,441	6,610	6,554	6,407	6,289
ENROLLMENT BY CAMPUS					
Blacksburg campus	25,643	25,912	25,819	25,737	25,629
Northern Virginia Center	1,381	1,346	1,204	1,114	1,041
Other off-campus locations	845	945	1,004	904	949
ENROLLMENT BY RESIDENCE					
Virginia	19,975	19,812	19,388	18,970	18,839
Other states	6,218	6,331	6,487	6,541	6,639
Other countries	1,676	2,060	2,202	2,244	2,141
DEGREES CONFERRED					
Undergraduate	4,708	4,652	4,742	4,876	4,835
Graduate and first professional	1,703	1,747	1,831	1,827	1,867

Faculty and staff

Full-time instructional faculty	1,247	1,295	1,301	1,251	1,265
Other faculty and research associates	1,599	1,646	1,451	1,375	1,463
Temporary faculty	228	203	215	235	224
Support staff	3,474	3,484	3,561	3,418	3,515
Total faculty and support staff	6,548	6,628	6,528	6,279	6,467
Percent of instructional faculty tenured	70.4	65.6	66.9	67.0	67.0

University financial highlights

*For the years ended
June 30, 2001 - 2005*

(all dollars are in millions; square feet in thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05
REVENUES, EXPENSES, AND CHANGES IN NET ASSETS (1)					
Operating revenues	\$364.5	\$393.5	\$442.1	\$459.0	\$500.9
Operating expenses (2)	\$664.5	\$696.5	\$685.2	\$697.5	\$741.9
Operating loss (2, 3)	\$(300.0)	\$(303.0)	\$(243.1)	\$(238.5)	\$(241.0)
Non-operating revenues and expenses (2)	\$301.2	\$286.1	\$243.5	\$239.4	\$264.4
Other revenues, expenses, gains, or losses	\$(0.4)	\$24.3	\$56.8	\$60.3	\$35.4
Net increase in net assets	\$0.8	\$7.4	\$57.2	\$61.2	\$58.8
UNIVERSITY NET ASSETS (1)					
Invested in capital assets, net of related debt (4)	\$341.1	\$344.0	\$388.1	\$420.4	\$464.4
Restricted	\$70.0	\$73.6	\$80.2	\$100.6	\$106.4
Unrestricted	\$29.9	\$30.8	\$39.2	\$49.4	\$58.2
ASSETS AND FACILITIES					
Total university assets (1, 4)	\$732.6	\$769.7	\$863.0	\$988.0	\$1,046.3
Capital assets, net of accumulated depreciation (1, 4)	\$469.6	\$498.9	\$559.6	\$630.1	\$698.3
Facilities-owned gross square feet	7,684	7,779	7,940	8,001	8,147
Facilities-leased square feet	467	551	551	609	599
SPONSORED PROGRAMS					
Number of awards received	2,200	2,330	2,111	2,148	2,086
Value of awards received	\$122.8	\$157.2	\$159.1	\$147.8	\$189.5
Research expenditures reported to NSF (5)	\$216.3	\$232.6	\$247.8	\$268.8	N/A
VIRGINIA TECH FOUNDATION					
Gifts and bequests received	\$75.4	\$49.1	\$47.3	\$53.9	71.6
Expended in support of the university	\$76.4	\$88.0	\$95.1	\$86.6	\$96.9
Total assets and managed funds	\$624.5	\$601.3	\$613.5	\$670.4	\$728.0
ENDOWMENTS (AT MARKET VALUE)					
Owned by Virginia Tech Foundation (VTF)	\$311.2	\$285.8	\$289.8	\$325.5	\$361.7
Owned by Virginia Tech	\$42.9	\$37.6	\$36.3	\$39.5	\$40.8
Managed by VTF under agency agreements	\$5.9	\$5.6	\$5.6	\$6.2	\$6.4
Total endowments supporting the university	\$360.0	\$329.0	\$331.7	\$371.2	\$408.9
STUDENT FINANCIAL AID					
Number of students receiving selected types of financial aid					
Stafford loans	14,446	14,229	15,420	15,433	15,392
Pell grants	3,014	3,005	2,981	2,914	2,775
Student wage employees	6,137	5,589	6,733	5,424	5,454
Graduate assistants	2,914	3,099	2,873	2,853	2,946
Perkins loans	1,070	1,399	1,652	1,328	955
Total amounts by major category					
Loans	\$80.1	\$77.0	\$82.2	\$91.1	\$94.1
Grants and scholarships (6)	\$61.4	\$56.7	\$58.7	\$62.9	\$70.9
Employment opportunities	\$40.5	\$45.7	\$46.2	\$45.7	\$48.7
Total financial aid	\$182.0	\$179.4	\$187.1	\$197.7	\$213.7

(1) The university adopted the new Governmental Accounting Standards Board (GASB) reporting model in fiscal year 2002 as required by GASB Statement Number 35, Basic Financial Statement – and Management's Discussion and Analysis – for Public Colleges and Universities. Financial data for fiscal year 2001 has been restated in the new format. Financial data for fiscal years prior to 2001 have not been restated in the new format.

(2) Totals for 2003 have been restated to eliminate the adjusting entries made to increase the university's expenses and gift revenue by equal amounts for restricted payments made directly to outside vendors by the Virginia Tech Foundation on behalf of the university. With the adoption of GASB Statement Number 39 in 2004, these expenses are now reported in the component unit column. Fiscal years prior to 2003 have not been restated.

(3) The university will always be expected to show an operating loss since significant recurring revenues are shown as non-operating. Major revenue sources reported as non-operating include state appropriations, gifts, and investment income. These revenue sources are used for general operations in support of the instruction, research, and public service missions of the university.

(4) Totals for 2003 have been restated to reflect the capitalization of capital assets that were acquired in prior fiscal years.

(5) Total research expenditures for the NSF report were not available at publication date.

(6) Totals for 1999, 2000, and 2001 reflect any applicable restatements.

Virginia Tech *Board of Visitors*

July 1, 2004 - June 30, 2005

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FORWARD



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Invent the Future

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