

Introduction

The Virginia Tech Offices of Economic Development (OED) and Continuing and Professional Education (CPE) are providing assistance to the GO Virginia Region 2 Council. This Council is one of nine bodies organized around the state in response to a program administered by the Virginia Department of Housing and Community Development (DHCD). The Council is charged with advancing economic growth and diversification in the New River Valley, Roanoke-Alleghany and Lynchburg regions.

OED will provide planning, research, marketing, and other administrative staff services to the Council as described in the narrative budget estimate below. The office, which has provided these services since the council's creation, has a breadth of planning, research, and evaluation expertise across the state, serving as a contractor to many federal, state, and local agencies and a partner for the private sector. Recent experience highly relevant to GO Virginia includes labor market demand and skills mapping projects, targeted industry studies, facilitation of the commercialization of university technology, and coordination of access to university technical expertise. OED will provide a designated project lead and support staff, while also drawing on a team of specialists with expertise in regional planning, economic development research, and program evaluation.

CPE will serve as the fiscal agent for all funds. CPE manages a multi-million dollar portfolio of contracts for federal, state, and local agencies, as well as the private sector. CPE will provide a designated project manager and accountant to provide services that attend to the specialized needs for the funds received by Virginia Tech. This will include logistical support, contractual services, technical assistance, and financial services. A full-cost accounting summary will be provided as needed along with all other reporting required by the state.

Narrative Budget Estimate FY 21 and FY22

Administration \$340,000

1. Council Meetings \$20,000

Support Council meetings and committees reporting to the Council. This includes staff time for agenda development, meeting facilitation, and assistance to Council in undertaking its required functions. This includes Council engagement in decision-making on selection of projects for submission to the state for funding.

Staff leads: John Provo, Scott Tate

Staff Support: Rachel Jones, Doris Waddell



OUTREACH & INTERNATIONAL AFFAIRS
VIRGINIA TECH.

OFFICE OF ECONOMIC DEVELOPMENT

FOR ANY QUESTIONS REGARDING THIS PROPOSAL,
OR FOR MORE INFORMATION PLEASE CONTACT:

John Provo, Director

Virginia Tech Office of Economic Development

540-231-4004 jprovo@vt.edu

2. Contracts Administration (including legal, financial, audit) \$200,000

Serve as the fiscal agent for all funds. Staff time to establish and ensure all financial management procedures are in accordance with state regulations. Facilitate legal review of all contracts and agreements, as well as remittances for applicants.

Staff leads: Shelly Jobst, Meghan Gaskill

Staff support: University Legal and Audit, Engagement Finance

3. Individual Project Reporting and Evaluation \$80,000

Monitor project progress, ensure accurate and complete reporting of outcomes and financial data from projects to the Council. Staff hours to provide evaluation of outcomes data analyzing return on investment from projects. Complete all required state reporting on project activities.

Staff leads: Meghan Gaskill, Elli Travis

Staff support: Rachel Jones, Student Research Assistants

4. Marketing and Outreach \$20,000

Staff to solicit participation in and provide notice on Council and committee meetings. Provide minutes and manage Council website with archived program materials. Design and circulate project solicitations. Respond to information requests and conduct outreach to potential applicants. Develop and support targeted outreach efforts identified by Council following discussion of gap analysis.

Staff Leads: John Provo, Scott Tate

Staff support: Rachel Jones, Student Research Assistants

5. Technical Assistance to Applicants \$20,000

Staff time to support project applicants in developing appropriate responses to Council solicitations. Launch and manage an application process.

Staff leads: John Provo, Scott Tate

Staff support: Rachel Jones, Student Research Assistants



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Planning Services \$220,000

1 Strategic project pipeline development \$90,000

Staff to assist applicants in identifying opportunities and developing appropriate responses for Council solicitations and state competitive funds (i.e. multi-regional). Conduct analysis of gaps between Growth and Diversification Plan goals versus projects funded. Identify issues with Council and regional stakeholders.

Staff leads: John Provo, Scott Tate

Staff support: Rachel Jones, Student Research Assistants

2 GO Virginia Region 2 program impact evaluation \$90,000

Staff time to synthesize data from project reporting and collect additional data required to assess broader regional metrics. Develop and produce an impact evaluation report for assessing performance of the region, impact of the program, and progress on goals and objectives articulated in the Growth and Diversification Plan. Build a base for a larger regional databank project.

Staff leads: Elli Travis, Sarah Lyon-Hill, Neda Moyerian

Staff support: John Provo, Scott Tate, Rachel Jones, Student Research Assistants

3 Growth and Diversification plan update FY 21 \$40,000

In line with instruction following state Growth and Diversification plan guidelines, staff time to conduct original research on economic development, collecting data from primary and secondary sources. Staff will develop plan goals and objectives along with appropriate project and regional metrics for reporting and evaluation. Synthesize data and input from other plans, work groups, and Council members. Write and edit final plan submitted to state.

Staff leads: John Provo, Scott Tate

Staff support: Elli Travis, Sarah Lyon-Hill, Zach Jackson, Rachel Jones, Student Research Assistants

Other costs \$180,000

1 Travel (Council and staff) \$6,000

2 Materials and supply \$6,000

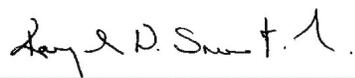
3 Council contingency fund \$168,000

4 Marketing services \$0

Total costs \$740,000

Memorandum

The budget included in this memo was approved by the Region 2 Council at its meeting on May 6, 2020. This new budget operates as a part of a two-year contract approved by the council on May 6, 2020. Per administrative rules of the GO Virginia program, Virginia Tech will be appended this document to a support contract between the university and DHCD in order to receive funds to implement the scope of work described above during a performance period extending from July 2020-June 2022.



Dr. Ray Smoot, Chair
GO Virginia Region 2 Council



Ab Boxely, Vice Chair
GO Virginia Region 2 Council

Budget change and justifications

Administration \$170,000 per fiscal year (FY 20 \$124,000)

1. **Council meeting budget \$10,000 (FY 20 \$5,000).** The Executive Committee now has regular meetings, which require additional planning and administration.
2. **Contracts administration budget \$100,000 (FY 20 \$90,000).** Council now has 17 projects under contract, an increase of 7, which is the most of any region. Proposing to tie contracts costs to 8% administrative charge on new projects is the practice which is followed in most regions and recommended by the state.
3. **Individual project reporting and post-contract evaluation \$40,000 (FY 20 \$15,000).** Proposing to tie individual reporting costs to 8% administrative charge on new projects, which costs will be drawn from project budgets, not capacity building funds. This year 7 projects close and move into evaluation for the first time.
4. **Marketing and outreach \$10,000 (FY 20 \$9,000).** This adjustment better reflects actual costs observed during FY 20.
5. **Technical assistance to applicants \$10,000 (FY 20 \$5,000).** This adjustment better reflects actual costs observed during FY 20.

Planning Services \$110,000 (FY 20 \$90,000)

1. **Strategic project pipeline development \$45,000 (FY 20 \$40,000)** This adjustment better reflects actual costs observed during FY 20.
2. **GO Virginia Region 2 program impact evaluation \$45,000 (FY 20 \$40,000)** This adjustment better reflects actual costs observed during FY 20.
3. **Growth and Diversification plan update FY 21 \$20,000 (FY 20 \$10,000)** This year's update is expected to add substantive process and public engagement not required last year.

Other costs \$90,000 (FY 20 \$36,000)

1. **Travel \$3,000 (FY 20 \$3,000)**
2. **Materials and supply \$3,000 (FY 20 \$3,000)**
3. **Council contingency \$84,000 (FY 20 \$10,000)** This includes savings realized from the move to tie various administrative costs to 8% charge on new projects.
4. **Marketing services \$0 (FY 20 \$20,000)** Reduced after completion of last year's major marketing project.

Total budget estimate \$370,000

Available resources

State allocated support organization budget	\$250,000
Estimated Per capita administrative charge	\$120,000 (budgeted)
Estimated Emergency fund administrative charge	\$80,000 (not-budgeted)