

VCU Board of Visitors

V i r g i n i a C o m m o n w e a l t h U n i v e r s i t y

February 10, 2011 **Meeting of the Board of Visitors of** **Virginia Commonwealth University** *Minutes*

A regular meeting of the Board of Visitors of Virginia Commonwealth University was held on Thursday, February 10, 2011, at 9 a.m. in the Benjamin J. Lambert Board Room, 1213 East Clay Street, located in the Critical Care Hospital.

Present were Mesdames Rhodes (Rector), James and Lambert; Messrs. Ginther, Jackson, Jones, McCandlish, McMurtrie, Robertson, Siegel and Snead; and Drs. Broaddus, Dave, Doswell, Perkinson and Shapiro. Also present were Drs. Rao, Huff, Klink, Macrina, Moriarty, Retchin, Rhone, Rodriguez and Warren; Messrs. Bennett, Bunce, Jez, Ohlinger, Ream, Ross, Rubin, and Wyeth; and Mesdames Balmer, Currey, Lepley, Parmley and Perkins. Ms. Syed, student representative to the Board, Dr. McCreary, faculty representative to the Board, and Mrs. Collier, staff representative to the Board, were also present.

The meeting was called to order and members of the press were welcomed. The Report of the President followed. Board members recognized were Panny and Jim Rhodes, who are the 2011 Event Honorees at the 22nd Annual Crystal Ball to benefit the Arthritis Foundation; Lillian Lambert was named an honoree of Dominion's 2011 *Strong Men and Women: Excellence in Leadership Program*, and Tom Snead will be inducted into the Richmond Business Hall of Fame on May 19. Dr. Alenka Luzar, Chemistry professor, and Dr. Ramana Pidaparti, Mechanical Engineering professor, were introduced to the Board. Mr. John Blohm, Vice President for Development and Alumni Relations, was introduced. The President thanked Peter Wyeth, Don Gehring and John Bennett for their years of service to the University. A Recalibration Update and Budget Update were presented for information. Mr. Stepp and Mr. Balkowski, representatives from the State Auditor's Office, were introduced.

Mr. Maurice Jones reported for the Academic and Health Affairs Policy Committee. The Committee approved the Minutes of a Meeting held November 10, 2010. The following items were presented for information: Faculty and Staff Excellence - Faculty and Staff Senate Representatives; Quality Academic Programs - Report on the School of Social Work; the Report of the Interim Provost and Vice President for Academic Affairs; and

Virginia Commonwealth University Health System Financial Statement Summary Fiscal Year 2010 – Six Months Ending December 31, 2010.

Dr. Broaddus reported for the Audit and Compliance Committee. The Committee approved the Minutes of a Meeting held November 10, 2010. The following items were presented for information: Auditor of Public Accounts: Reports for the Fiscal Year Ended June 30, 2010 including Required Communications, a Report on Financial Statements, a Report on Internal Controls and Compliance, and a Report on Intercollegiate Athletics Programs.

Mr. Snead reported for the External and Alumni Affairs Committee. The Committee approved the Minutes of a Meeting held November 10, 2010. The following items were presented for information: the Government Relations and Health Policy report; the Public Relations and Marketing Communications report; and the Development and Alumni Relations Division reports.

Mr. Siegel reported for the Finance, Investment and Property Committee. The Committee approved the Minutes of a Meeting held November 10, 2010.

The VCU Operating Pool Investment Policy Amendments were presented. The Board's Investment Policy for Cash Balances requires that a review of the policy be undertaken periodically, and that suggested changes be reported to the Board for consideration. A review of the policy was conducted by VCU's financial advisor in Fall, 2010, and several changes were recommended. The principal revisions are intended to improve controls. An additional proposal suggests further diversifying the portfolio to add the emerging market debt of sovereign ratios as an additional asset class. The Finance, Investment and Property Committee recommended to the full Board the approval of the VCU Operating Pool Investment Policy Amendments.

The Amendments to the 2010-2016 Six-Year Capital Plan were presented. The amendments include the Siegel Center Club Seating and Office Renovations, the Student Commons HVAC Renovation/Improvements and One Capitol Square Renovations. The Siegel Center Club Seating and Office Renovations include the renovation of the 2nd floor athletics' office suite in the Siegel Center, upgrade the Founders Room to a Club Room, add club seating and renovate offices to relocate the Women's Basketball offices to the southwest side of the building. The renovations will be financed through private funding. The project will renovate approximately 4,600 square feet of office and assembly space and create approximately 200 seats as a balcony accessible from the second floor athletics' office area. The Finance, Investment and Property Committee recommended to the full Board the approval of the authorization to use \$3,000,000 in private funding to accomplish renovations to the Siegel Center and approval of the amendment to the University's Six-Year Capital Plan. The Student Commons HVAC Renovation/Improvements include the replacement of the mechanical systems serving the University Student Commons. The improvements will be financed with \$2,150,000 of auxiliary enterprise revenues. The Finance, Investment and Property Committee recommended to the full Board the approval to authorize the use of \$2,150,000 in auxiliary enterprise revenues to accomplish improvements to the mechanical systems in the University Student Commons, and the approval of the amendment to the University's Six-Year Capital Plan.

The Amendment to the 2010-2012 Six-Year Capital Plan for the One Capitol Square Renovations includes a request to increase the budget from the 2010-12 Six-Year Plan authorization of \$3 million to \$5 million. The renovation will be financed using University Funds. The Finance, Investment and Property Committee recommended to the full Board the approval of the amended project total of \$5 million.

The Authorization of the Transfer of Metro Buy-Out Quasi-Endowment to Fund Planning for Siegel Center Club Seating and Office Renovations was presented. The Metro Buy-Out Fund is a quasi-endowment account established to temporarily invest the proceeds from the settlement payment from the Metro Conference to VCU Athletics upon the dissolution of that conference. Transfers to date have been used in the construction of the Siegel Center (\$1,000,000 transfer in May 1999) and for construction and equipping the VCU athletic weight room located in the Bowe Street Parking Deck (\$500,000 transfer in February 2002). The current balance of the fund is \$44,785. Athletics has requested the use of the balance of the quasi-endowment to fund engineering and architectural work for the club seating project in the Siegel Center. The Finance, Investment and Property Committee recommended to the full Board the approval of the requested return of the quasi-endowment funds.

The Project Plans for the Student Commons HVAC Renovation/Improvements were presented. The project will replace outdated mechanical equipment in the Phase I portion of the University Student Commons, address ongoing operation problems with pump and piping systems in the Phase II portion of the building, and replace the obsolete pneumatic control system with modern electronic controls. The improvements will increase the overall efficiency and effectiveness of the building's mechanical system, while also improving the overall health of the indoor environment. The construction budget is \$1,795,000 with a total budget of \$2,150,000. The Finance, Investment and Property Committee recommended to the full Board the approval of the Project Plans for the Student Commons HVAC Renovations/ Improvements.

A Request for Proposals (RFP) for the Audio Visual and Multimedia Equipment was presented. The purpose of the request is to establish contracts with multiple contractors who will provide audio-visual and multimedia equipment to the University. A RFP will be issued in compliance with all State and University procurement regulations, with a target date of April 1, 2011, and awarded by September 1, 2011. The completion date will ensure no lapse in the current contract which expires October 23, 2011. The anticipated contract amount is \$4,000,000 over five years. The Finance, Investment and Property Committee recommended to the full Board the approval of the Request for Proposals for the Audio Visual and Multimedia Equipment.

A Request for Proposals (RFP) for the Monroe Park Campus Housekeeping Services was presented. VCU wishes to seek proposals from contractors to provide full custodial services in 83 buildings representing 1,940,815 square feet on the Monroe Park Campus. All University housekeeping services are privatized for academic, research and medical facilities. An RFP will be issued in compliance with all state procurement regulations.

The RFP is to be issued on or around July 1, 2011. The awarded contract will commence on or about December 1, 2011. The anticipated contract amount is estimated at \$2,000,000 annually. The Finance, Investment and Property Committee recommended to the full Board the approval to seek proposals from qualified firms to provide high quality, cost-effective housekeeping services to the University, at an estimated cost of \$2,000,000 annually.

The following items were presented for information: Capital Projects Status Report; Notification of Contract Award: New School of Medicine; Operating Pool Investment Report as of December 31, 2010; University Quarterly Budget Performance Report through December 31, 2010; University's Financial Statements for the Year Ended July 30, 2010; Foundation Annual Reports from the MCV Foundation, the VCU Intellectual Property Foundation, the VCU School of Business Foundation and the VCU Foundation; and the Virginia Commonwealth University Health System Financial Statement Summary Fiscal Year 2010 – Six Months Ending December 31, 2010.

Dr. Doswell reported for the Student Affairs, Athletics and International Programs Committee. The Committee approved the Minutes of a Meeting held November 10, 2010. The following items were presented for information: Student Engagement - Student Representatives and USS-RAMS; and University Effectiveness - Admissions Report and Student Recruitment Strategies.

On motion made and seconded, the following Consent Agenda Actions were approved:

Board of Visitors

- Minutes of a Meeting held November 11, 2010
- Minutes of a Meeting held December 2, 2010
- Minutes of a Meeting held December 4, 2010
- Minutes of a Meeting held December 7, 2010

Academic and Health Affairs Policy Committee

- Minutes of a Meeting held November 10, 2010

Audit and Compliance Committee

- Minutes of a Meeting held November 10, 2010

External and Alumni Relations Committee

- Minutes of a Meeting held November 10, 2010

Finance, Investment and Property Committee

- Minutes of a Meeting held November 10, 2010
- VCU Operating Pool Investment Policy Amendments
- Amendments to the 2010-2016 Six-Year Capital Plan
 - a. Siegel Center Club Seating and Office Renovations
 - b. Student Commons HVAC Renovation/Improvements
 - c. One Capitol Square Renovations

Authorize Transfer of Metro Buy-out Quasi-Endowment to Fund Planning for Siegel Center Club Seating and Office Renovations

Project Plans: Student Commons HVAC Renovation/Improvements

Request for Proposals for Audiovisual and Multimedia Equipment

Request for Proposals for Housekeeping Contract – Monroe Park Campus
Presidential Evaluation Committee

Minutes of a Meeting held November 8, 2010

Minutes of a Meeting held December 21, 2010

Student Affairs, Athletics and International Programs Committee

Minutes of a Meeting held November 11, 2010

Mrs. Rhodes reported for the Board's Nominating Committee for Rector. Members are: Mrs. Rhodes (Chair) and Messrs. Jones, McCandlish and Robertson; and Dr. Shapiro. The Committee recommended Mr. Thomas G. Snead, Jr. be elected as Rector of the Board of Visitors for a one-year term, effective July 1, 2011. On motion made and seconded, the Board approved the recommendation of the Nominating Committee for Rector.

The Rector appointed the following members of the Board to serve on the Board Nominating Committee for Officers and Executive Committee: Dr. Broaddus (Chair), Messrs. Ginther and Snead; and Mesdames Lambert and Rhodes.

On motion made and seconded, the Board convened into closed session to discuss certain personnel matters and matters relating to the appointment, promotion, performance and salaries of identifiable employees and faculty of VCU, including Faculty Appointments and Changes in Status and other Personnel Actions; and to discuss the evaluation of performance of departments or schools of VCU where such evaluations necessarily involve discussion of the performance of specific individuals, including Audit Reports of individually identified departments and/or schools; and to consult with legal counsel and receive briefings from staff members regarding certain legal matters and actual or probable litigation where such consultation or briefings in open session would adversely affect the negotiating or litigating position of VCU; to discuss the acquisition or use of real property for public purpose, or of the disposition of publicly held property, or of plans for the future of a state institution of higher education which could affect the value of property owned or desirable for ownership by such institution, including the acquisition of property on or adjacent to the Monroe Park Campus; and to discuss matters relating to gifts, bequests, and fund-raising activities, including consideration of the Named Funds Report and Facility Naming Recommendations and an update on the development activities, and to discuss matters relating to honorary degrees and special awards, as authorized by Section 2.2-3711 A(1), A(3), A(7), A(8) and A(10) of the Virginia Freedom of Information Act.

Following closed session, on motion made and seconded, the following resolution was approved by roll call vote:

Virginia Commonwealth University hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session meeting were heard, discussed or

considered by the Board of Visitors of Virginia Commonwealth University.

<u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mrs. Anne J. G. Rhodes, Rector	X	
Dr. J. Alfred Broaddus, Jr.	X	
Dr. Kamlesh N. Dave	X	
Dr. John C. Doswell II	X	
Mr. William M. Ginther	X	
Mr. Brian K. Jackson	X	
Mrs. Kay Coles James	Left before voting	
Mr. Maurice A. Jones	X	
Ms. Lillian L. Lambert	X	
Mr. Thomas W. McCandlish	X	
Mr. Alexander B. McMurtrie, Jr.	Left before voting	
Dr. W. Baxter Perkinson, Jr.	X	
Mr. Richard T. Robertson	X	
Dr. Carol S. Shapiro	X	
Mr. Stuart C. Siegel	X	
Mr. Thomas G. Snead, Jr.	Left before voting	

Vote:

Ayes: 13

Nays: 0

Absent during meeting: 0

Absent during voting: 3

On motion made and seconded, the Board accepted the Report of the President; approved the Named Funds Report; approved the Faculty Appointments and Changes in Status and Other Personnel Actions, as amended; approved the Recommendations of the Student Affairs, Athletics and International Programs Committee for the Board of Visitors Award Selection; approved the recommendations of the Special Awards Committee; and accepted the Closed Session Committee Reports.

The meeting was adjourned at 12:50 p.m.