

# 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

## MINUTES OF A REGULAR MEETING OF THE BOARD OF VISITORS OF VIRGINIA COMMONWEALTH February 9, 2012

A regular meeting of the Board of Visitors of Virginia Commonwealth University was held on Thursday, February 9, 2012, at 1 p.m. in the Richmond Salons located in the University Student Commons at 907 Floyd Ave.

Present were Messrs. Snead (Rector), Farrell, Ginther, Jackson, McCandlish, McMurtrie, Royall, Shenoy and Siegel; Drs. Broaddus, Dave, Doswell, and Perkinson; and Mesdames Lambert and Stone. Mrs. James was absent. Also present were Drs. Rao, Byrdsong, Huff, Marolla, McKenna, Morarity, Rhone, Rodriguez and Warren; Messrs. Bunce, Jez, Woodward; and Mesdames Atkinson, Balmer and Lepley.

The Rector's report was presented. The Rector asked if there were any objections to changing the meeting scheduled for April 19 to April 24, 2012. There were no objections.

The Report of the President was presented. Sainath "Sai" Iyer, an honors student majoring in mass communications, international relations and religious studies was introduced, as well as the research team of David Simpson, associate professor of anatomy and neurobiology in the School of Medicine, and Dr. Gary Bowlin, the Harris Exceptional Scholar Professor of Biomedical Engineering and the Director of the VCU Tissue Engineering Laboratory. The President updated the Board on Strategic Financing, Legislative Update, Construction Update, and commitment to community engagement and economic development.

Mr. McCandlish reported for the Academic and Health Affairs Policy Committee. A Proposal to Reorganize the Department of Obstetrics and Gynecology, School of Medicine was presented. The Department of Obstetrics and Gynecology is currently organized into six subspecialty sections. The Department is seeking to designate the sections as divisions. Reorganization into divisions will allow a number of improved functions:

- Education: Will allow for a clarification of educational responsibilities and allow for the creation of future subspecialty fellowships. The first of the fellowships will be in maternal fetal medicine.
- Recruitment: Recruiting individuals to fulfill the role of chief will be enhanced due to the prestige of overseeing a division rather than a section.

- Leadership: Will allow for the expansion of the role of the chief in administration and growth of the division. The current role of the section chief is limited to day- to-day Clinical administration and has a limited role in the sectional finances or strategic planning.
- Clinical: will allow clearer alignment of support staff with subspecialty clinical and administrative needs. The success of an RVU based compensation plan within the department will likely depend on individual plans for each subspecialty, which will be facilitated by reorganization in to a tighter divisional structure.
- Research: Will expand the role and responsibilities of the chief for developing research within the clinical divisions. Divisional structure conveys larger size and infrastructure, which will likely be helpful with grant applications. Will allow for better coordination of space and equipment as well as provide an infrastructure that is expected to result in a significantly enlarged research presence.

The Academic and Health Affairs Policy Committee recommended to the full Board the approval of the Proposal to Reorganize the Department of Obstetrics and Gynecology, School of Medicine.

The Academic and Health Affairs Policy Committee Charter and Calendar were present. The primary purpose of the Academic and Health Affairs Policy Committee is to provide oversight and make recommendations to the Board on all academic and health-educational, research, and public service policies and plans, consistent with the stated goals and objectives of the University and with its academic health center, including its affiliation with the Virginia Commonwealth University Health System Authority. Areas of responsibility include:

- Academic degrees, programs and structure
- Coordination of academic activities among campuses and with the VCU Health System Authority
- Faculty and staff employment, rights and responsibilities, and professional development
- Admissions and retention
- Accreditation

In addition, the Academic and Health Affairs Policy Committee provides oversight and counsel toward the achievement of the mission, vision and goals of the Virginia Commonwealth University strategic plan. The Academic and Health Affairs Policy Committee recommended to the full Board the approval of the Academic and health Affairs Policy Committee Charter and Meeting Planner.

The following items were presented for information:

- Faculty and Staff Excellence
  - Faculty Representative Report
  - Staff Representative Report
- Quest Reports
  - Report on Clinical and Translational Research – CTSA (Theme III. Goal C)
  - Report from VCU Libraries (Theme I. Goal C)
  - Report on VCU Summer Reading Program (Theme I. Goal C)
- Quest-Strategic Enrollment Management (2011-2012 University Initiative)
  - Update on new Office of Strategic Enrollment Management (Theme I. Goal A)
  - Update on Current and Future Strategic Recruitment Initiatives (Theme I. Goal A)
- VCUHS Financial Statement Summary FY 2011 – Five Months Ending November 30, 2011

Dr. Broaddus reported for the Audit and Compliance Committee. The following items were presented for information:

- Auditor of Public Accounts: Reports for the Fiscal Year Ended June 30, 2011
  - Required Communications
  - Report on Financial Statements
  - Report on Internal Control and Compliance
  - Report on Intercollegiate Athletics Programs
- Training Resources Applicable to Code of Ethics

Mr. Jackson reported for the External and Alumni Relations Committee. The External and Alumni Relations Committee Charter and Calendar were presented. The primary purpose of the External and Alumni Relations Committee is to monitor and oversee activities relating to governmental relations, fundraising from the private sector, public relations, community relations, and alumni relations. The Administration will report, for review, activities in the above areas of endeavor. In addition, the External and Alumni Relations Committee shall recommend to the Board the naming of any physical facility or part thereof or any programmatic element of the University as outlined in the Board-approved “Policy Guidelines on Recognition of Donors and Friends.” The External and Alumni Relations Committee recommended to the full Board the approval of the External and Alumni Relations Committee Charter and Calendar.

The following items were presented for information:

- Report of the Vice President for Development and Alumni Relations
  - Development Report (Metrics)
- Alumni Report
- Government Relations Report
- Public Relations and Marketing Communications Report

Mr. Siegel reported for the Finance, Investment and Property Committee. The Finance, Investment and Property Committee Charter and Calendar were presented. The primary purpose of the Finance, Investment and Property Committee is to assist the Board of Visitors in fulfilling its objectives and fiduciary responsibilities related to applicable policy/ies and oversight of:

- University finances and investments
- University policies on debt management
- University facilities planning, design, construction and renovation
- University purchase and divesture of land, including any easements

The Finance, Investment and Property Committee recommended to the full Board the approval of the Finance, Investment and Property Committee Charter and Calendar.

The Project Plans for West Grace Street Housing North were presented. The project provides for construction of residential upper-class housing with a total capacity of 388 beds. The first floor includes approximately 6,000 SF for use by the Global Education Living/Learning Community. The undergraduate curriculum in global education is enriched by coordinated residential activities among students of diverse backgrounds on campus, in local communities and abroad. The design build budget is \$23,464,235 and the total budget is \$32,199,000. The Finance, Investment and Property Committee recommended to the full Board the approval of the Project Plans for West Grace Street Housing North.

The Tax-exempt Debt Compliance Policy was presented. The policy establishes a formal system for both pre-issuance planning and post-issuance monitoring of tax-exempt bonds to ensure compliance with federal laws. The policy provides guidance to university units involved in tax-exempt financing so that the units understand and are able to carry out the roles in the processes. The Finance, Investment and Property Committee recommended to the full Board the approval of the Resolution for the Tax-exempt Debt Compliance Policy.

An Amendment Altering School of Medicine Financing Agreement was presented. As part of the Support Agreement the MCV Foundation agreed to pay up to \$7,636,000 of the costs of construction on the Project and pay debt service on the \$40,000,000 component of the 2011 Note attributable to the Project. Subsequent to the issuance of the VCBA bonds and the VCU Note, the Dean of the School of Medicine has determined that

tuition revenues, facilities and administrative cost recoveries and certain other funds will be sufficient to pay debt service on the School of Medicine debt. The Dean and senior leadership of the University have also determined that the University and the School of Medicine will be best served by terminating the Support Agreement so that the MCV Foundation will be able to utilize its funds for the support of the School of Medicine in other ways, including programs to attract and retain talented teaching and research faculty consistent with the Quest for Distinction program. The Finance, Investment and Property Committee recommended to the full Board that the resolution authorizing the termination of the Support Agreement and execution of an internal Memorandum of Understanding between the University and the School of Medicine.

The following items were presented for information:

- Budget Summary
- Update on Glasgow Trust Funds
- VCU Master Plan Update
- VCU Athletics Strategic Master Plan Update
- Notification of Contract Award
  - University Learning Center
  - Monroe Park Housekeeping Contract
- Capital Projects Update
- Cash, Debt and Investment Monitoring
- Operating Pool Investment Report as of December 31, 2011
- Budget Reports
  - University's Financial Statements for the Year Ended June 30, 2011
  - Revenue and Expense Summary: 12/31/11
- Foundation Annual Reports
  - MCV Foundation
  - VCU School of Business Foundation
  - VCU Intellectual Property Foundation
- VCUHS Financial Statement Summary FY 2011 – Five Months Ending November 30, 2011

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

- Board of Visitors
  - Minutes of a Meeting held November 10, 2011
- Academic and Health Affairs Policy Committee
  - Minutes of a Meeting held November 10, 2011
    - Proposal to Reorganize the Department of Obstetrics and Gynecology, School of Medicine
  - Academic and Health Affairs Policy Committee Charter and Calendar

- Audit and Compliance Committee
  - Minutes of a Meeting held November 10, 2011
- External and Alumni Relations Committee
  - Minutes of a Meeting held November 10, 2011
  - External and Alumni Relations Committee Charter and Calendar
- Finance, Investment and Property Committee
  - Minutes of a Meeting held November 10, 2011
  - Finance, Investment and Property Committee Charter and Calendar
  - Project Plans for West Grace Street Housing North
  - Tax-exempt Debt Compliance Policy
  - Amendment to School of Medicine Financing Agreement
- Nominating Committee for Rector
  - Minutes of a Meeting held January 19, 2012
- Special Awards Committee
  - Minutes of a Meeting held January 19, 2012
- Student Affairs, Athletics and International Programs Committee
  - Minutes of a Meeting held November 10, 2011
    - Student Affairs, Athletics and International Programs Committee Charter and Calendar

The Report of the Nominating Committee for Rector was presented. Members of the Committee are: Dr. Broaddus (Chair), Dr. Dave, Mr. Ginther, Mr. McCandlish, Mr. McMurtrie, Dr. Perkinson, Mr. Royall, Mr. Siegel and Ms. Stone. Mr. Snead served as an ex-officio member. The Committee recommended Dr. John C. Doswell II be elected as Rector of the Board of Visitors for a one-year term, effective July 1, 2012. On motion made and seconded, the Board approved the recommendation of the Nominating Committee for Rector.

The Rector asked for volunteers to serve on the Nominating Committee for Officers and Executive Committee. Members interested in serving should notify the Rector, Vice Rector or Secretary to the Board.

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; and to discuss matters relating to gifts, bequests, and fund-raising activities, including consideration of the Named Funds Report and an update on the development activities, and to discuss matters relating to honorary degrees and special awards, as author-

ized by Section 2.2-3711 A(1), 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>
Mr. Thomas G. Snead, Jr.	X	
Dr. J. Alfred Broaddus, Jr.	X	
Dr. Kamlesh N. Dave	X	
Dr. John C. Doswell II	X	
Mr. Thomas F. Farrell II	X	
Mr. William M. Ginther	X	
Mr. Brian K. Jackson	Left before voting	
Mrs. Kay Coles James	Absent	
Ms. Lillian L. Lambert	X	
Mr. Thomas W. McCandlish	X	
Mr. Alexander B. McMurtrie, Jr.	X	
Dr. W. Baxter Perkinson, Jr.	X	
Mr. William A. Royall, Jr.	X	
Mr. Sudhakar V. Shenoy	X	
Mr. Stuart C. Siegel	Left before voting	
Ms. Jacquelyn E. Stone	X	

Vote:

Ayes: 13

Nays: 0

ABSENT DURING MEETING: 1

ABSENT DURING VOTING: 3

On motion made and seconded, the following items were approved:

- 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 Recommendation of the Student Affairs Committee for the Board of Visitors' Award Selection;
- Approved the Recommendation of the Special Awards Committee, and
- Accepted the Closed Session Committee Reports.

The meeting was adjourned at 3:05 p.m.