

**VCU**

## Virginia Commonwealth University Board of Visitors Meeting

### Minutes

Date: September 19, 2013  
Time: 12:30 p.m. – 4:00 p.m.  
Location: Student Commons, Richmond Salons I and II, 907 Floyd Avenue, Richmond, VA

Present: Mr. William M. Ginther, Rector  
Mr. William A. Royall, Jr., Vice Rector  
Ms. Teresa H. Carlson  
Ms. Nancy C. Everett  
Mr. Michael D. Fraizer  
Dr. Robert H. Holsworth  
Mrs. Kay Cole James  
Mr. John A. Luke, Jr.  
Mr. Alexander B. McMurtrie, Jr.  
Mr. John W. Snow  
Ms. Jacquelyn E. Stone  
Mr. G. Richard Wagoner, Jr.  
Mr. Steve Worley  
Dr. Michael Rao  
Mr. David Johnson  
Mr. Brendan Hood  
Ms. Shayla Betts  
Staff from VCU and VCUHS  
Member of the press

Unavailable: Dr. Kamlesh N. Dave, Secretary  
Mr. Thomas F. Farrell II  
Mr. Sudhakar Shenoy

The meeting was called to order at 12:30 p.m. The Report of the Rector was presented.

The Rector welcomed members of the press from Richmond Times Dispatch and the Commonwealth Times. The Rector also welcomed our student representatives to the Board.

The Report of the President was presented. The President provided an overview of the start of the academic year. The President recognized Dr. Cifu for his contributions to VCU. The President introduced two new staff members, Ms. Marti Heil, Vice President of Development and Alumni Relations and Mr. William Decatur, Vice President for Finance and Administration. The President outlined his 2013-14 Presidential Priorities.

Mrs. James reported for the Academic and Health Affairs Committee. The Academic and Health Affairs Committee recommended to the full Board approval of the following consent agenda action items:

- Minutes of a Meeting held May 10, 2013
- AHA Committee Goals, Dashboard and Charter

Mr. Luke reported for the Audit, Integrity and Compliance Committee. The Audit, Integrity and Compliance Committee recommended to the full Board the approval of the following consent agenda action items:

- Minutes of a Meeting held May 10, 2013
- Audit, Integrity, and Compliance Committee Charter
- Department of Assurance Services Charter – Annual Update

Ms. Stone reported for the University Resources Committee. The University Resources Committee recommended to the full Board the approval of the following consent agenda action items:

- Minutes of a Meeting held May 10, 2013
- Updated Charter

Mr. Royall reported for the Finance, Budget and Investment Committee. The Finance, Budget and Investment Committee recommended to the full Board the approval of the following consent agenda action items:

- Minutes of a Meeting held May 10, 2013
- Amendments:
  - Revision to VCU Operating Pool Investment Policy
  - Glasgow Endowed Fund Policy
  - Debt Management Policy
- Approvals:
  - Resolution for Reimbursement Designation

**RESOLUTION  
BOARD OF VISITORS  
VIRGINIA COMMONWEALTH UNIVERSITY  
CONFIRMING DESIGNATION OF THE UNIVERSITY'S  
OFFICERS AS AUTHORIZED TO DECLARE OFFICIAL INTENT  
TO ISSUE BONDS TO REIMBURSE EXPENDITURES**

A. The United States Department of the Treasury has promulgated Treasury Regulations Section 1.150.2 (the "IRS Regulations") governing when the allocation of bond proceeds to reimburse expenditures previously made by an issuer or beneficiary of a bond issue shall be treated as an expenditure of the bond proceeds; and

B. The IRS Regulations provide that a declaration of official intent by an issuer or beneficiary may provide evidence that, on or prior to the date of payment of expenditures, the issuer or beneficiary intended to reimburse such expenditures with proceeds of bonds; and

C. Virginia Commonwealth University issues bonds, or is the beneficiary of bonds, from time to time; and

D. Section 1.150-2(e)(1) of the IRS Regulations authorizes any person or entity designated by the issuer to declare official intent on behalf of the issuer;

**NOW, THEREFORE, BE IT RESOLVED** that Virginia Commonwealth University hereby confirms the designations of the Senior Vice President and Chief Operating Officer or the Chief Financial Officer, currently titled the Vice President for Finance and Administration, as the persons authorized to declare official intent on behalf of Virginia Commonwealth University pursuant to the IRS Regulations.

This resolution shall take effect immediately upon its adoption.

- Resolution authorizing financing of Grace & Harrison/Broad & Ryland Student Housing

**RESOLUTION BOARD OF VISITORS  
VIRGINIA COMMONWEALTH UNIVERSITY  
AUTHORIZATION OF FINANCING FOR  
RESIDENCE HALLS LOCATED AT THE CORNERS  
OF HARRISON/GRACE STREETS AND BROAD/RYLAND STREETS**

**WHEREAS**, Chapter 6.1, Title 23 of the Code of Virginia of 1950, as amended (the "Virginia Code") establishes a public corporation under the name and style of Virginia Commonwealth University (the "University") which is governed by a Board of Visitors (the "Board") vested with the supervision, management and control of the University;

**WHEREAS**, Title 23 of the Virginia Code classifies the University as an educational institution of the Commonwealth of Virginia;

**WHEREAS**, by Chapter 4.10, Title 23 of the Virginia Code (as amended, the "Act"), the University entered into a management agreement with the Commonwealth of Virginia which was enacted as Chapter 594 of the Acts of Assembly of 2008 which, as amended, classifies the University as a public institution of higher education and empowers the University with the authority to undertake and implement the acquisition of any interest in land, including improvements on the acquired land at the time of acquisition, new construction, improvements or renovations and to borrow money and make, issue and sell bonds of the University for such purposes, including the refinancing of any such facilities;

**WHEREAS**, the Act further authorizes the University to provide for the payment of the principal of and the interest on any bonds from any one or more of the following sources: (i) its revenues generally; (ii) income and revenues derived from the operation, sale, or lease of a particular project or projects, whether or not they are financed or refinanced from the proceeds of such bonds, notes, or other obligations; (iii) funds realized from the enforcement of security interests or other liens or obligations securing such bonds, notes, or other obligations; (iv) proceeds from the sale of bonds, notes, or other obligations; (v) payments under letters of credit, policies of municipal bond insurance, guarantees, or other credit enhancements; (vi) any reserve or sinking funds created to secure such payment; (vii) accounts receivable of the University; or (viii) other available funds of the University;

**WHEREAS**, the Board has previously approved the acquisition, construction and equipping of two residence halls, one located at the corner of Harrison and Grace Streets and the other located at the corner of Broad and Ryland Streets (collectively, the "Project");

**WHEREAS**, the Project will add approximately 426 beds to the University's current housing inventory and will further the University's strategic plan, known as Quest for Distinction, by creating two living-learning centers, one focusing on leadership and the other focusing on innovation an entrepreneurship, as well as retail space; and

**WHEREAS**, the Board has determined it desirable to authorize the University to issue its general revenue pledge bonds in a maximum principal amount not to exceed \$41,000,000 (the "University Bonds") for purposes of financing (a) all or a portion of the Project, (b) capitalized interest on the University Bonds and (c) costs of issuing the University Bonds.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF VISITORS OF VIRGINIA COMMONWEALTH UNIVERSITY:**

1. The Board authorizes the issuance and delivery of the University Bonds for purposes of financing (a) all or a portion of the Project, (b) capitalized interest on the University Bonds and (c) costs of issuing the University Bonds.
2. The Board authorizes the execution and delivery of a bond resolution (the "Bond

Resolution") in substantially the form utilized in previous issuances of general revenue pledge bonds by the University with such changes and additions as may be approved by the Senior Vice President and Chief Operating Officer, the Vice President for Finance and Administration or the Associate Vice President for Finance and Administration (the "Authorized Officers") consistent with prior practice of the University so that the Bond Resolution may reflect the final terms and conditions of the University Bonds. Each Authorized Officer is authorized to approve the final form of the Bond Resolution and to evidence such approval in writing.

3. The University Bonds shall be sold in one or more series through a public offering or a private placement as any Authorized Officer, in collaboration with Public Financial Management, Inc., the University's financial advisor (the "Financial Advisor"), determines to be in the best interest of the University.

4. The final terms and forms of the University Bonds, including maturities, interest rates and redemption provisions, shall be approved by an Authorized Officer; provided that (a) the principal amount of the University Bonds shall not exceed \$41,000,000, (b) the final maturity shall not be later than 31 years from the date of issuance, (c) the true interest cost on any series of University Bonds sold at a fixed rate shall not exceed 5.50%, (d) the interest rate on any series of University Bonds sold through a public offering or a private placement may be at a variable rate as set forth in the Bond Resolution, and (e) no redemption price on the University Bonds may exceed 102%.

5. Any Authorized Officer, in collaboration with the Financial Advisor, is authorized and directed to determine, subject to paragraph 3 above, the aggregate principal amount of the University Bonds and their dated date, the interest rates, maturity schedule and optional redemption provisions, and the price to be paid for the University Bonds by the purchaser or underwriter (as applicable), all as any Authorized Officer determines to be in the best interests of the University.

6. Any University Bonds sold through a public offering may be sold through a competitive sale or a negotiated sale as any Authorized Officer, in collaboration with the Financial Advisor, determines to be in the best interest of the University.

7. If any Authorized Officer determines to sell the University Bonds (or portion thereof) in a competitive sale,

(a) such Authorized Officer is hereby authorized to receive bids for such

University Bonds and award such University Bonds to the bidder providing the lowest "true" or "Canadian" interest cost, subject to the limitations set forth in paragraph 3 above;

(b) following the competitive sale, the applicable Authorized Officer shall file a certificate with the Secretary of the Board setting forth the final terms of such University Bonds;

(c) the actions of any Authorized Officer in selling the University Bonds in a competitive sale shall be conclusive, and no further action with respect to the sale and issuance of the University Bonds shall be necessary on the part of the Board; and

(d) the officers of the University, in collaboration with the Financial Advisor, are authorized and directed to take all proper steps to advertise the University Bonds for sale in accordance with a notice of sale containing terms consistent with this Resolution and as otherwise approved by a Authorized Officer;

8. If any Authorized Officer determines to sell the University Bonds (or portion thereof) in a negotiated sale,

(a) such Authorized Officer is hereby authorized, in collaboration with the Financial Advisor, to choose one or more investment banks or firms to serve as the underwriter for the University Bonds and to negotiate with such underwriter the final terms of the University Bonds, subject to the limitations set forth in paragraph 3 above;

(b) the Authorized Officers are hereby authorized to execute and deliver to the underwriter a bond purchase agreement (the "Bond Purchase Agreement") setting forth the final terms of such University Bonds;

(c) following a negotiated sale, the applicable Authorized Officer shall file a copy of the Bond Purchase Agreement with the Secretary of the Board; and

(d) the actions of any Authorized Officer in selling the University Bonds in a negotiated sale shall be conclusive, and no further action with respect to the sale and issuance of the University Bonds shall be necessary on the part of the Board.

9. If the University Bonds are sold by competitive or negotiated sale through a public offering, the officers of the University are hereby authorized to prepare, in collaboration with the Financial Advisor and the University's counsel, an official statement (the "Official Statement") in preliminary and final forms. The Authorized Officers are hereby authorized and directed to execute the Official Statement in final form and deliver it to the purchasers of the

University Bonds. The officers of the University shall arrange for the delivery to the underwriter of the University Bonds of a reasonable number of copies of the final Official Statement, within seven business days after the University Bonds have been sold, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom the underwriter initially sells any University Bond.

10. The Authorized Officers are hereby authorized, on behalf of the University, to deem each of the preliminary Official Statement and the final Official Statement to be "final" as of its respective date within the meaning of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission, except for the omission from the preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of the preliminary Official Statement and the execution of the final Official Statement by any Authorized Officer shall be conclusive evidence that each has been deemed "final" as of its date by the University.

11. The Authorized Officers are hereby authorized and directed to execute a continuing disclosure agreement (the "Continuing Disclosure Agreement") setting forth the reports and notices to be filed by the University and containing such covenants as may be necessary to assist the underwriter(s), if any, in complying with the provisions of the Rule and to approve the form of such Continuing Disclosure Agreement.

12. If any Authorized Officer determines to sell the University Bonds (or portion thereof) in a private placement, such Authorized Officer is hereby authorized, in collaboration with the Financial Advisor, to solicit proposals from one or more commercial banks, to select a commercial bank to purchase the University Bonds and to negotiate the final terms of the University Bonds, subject to the limitations set forth in paragraph 3 above.

13. The Authorized Officers of the University are authorized to execute and deliver, to the extent necessary, amendments to, substitutes for, any existing support or management agreements relating to any existing University residence halls in order to facilitate the acquisition, construction, equipping or financing of the Project.

14. The Authorized Officers and any other officers of the University, and their delegates, are each hereby authorized to take such actions and to execute and deliver on behalf of the University any and all agreements, certificates or other documents, which they deem necessary or desirable in order to carry out the foregoing resolutions and any and all actions

heretofore taken by them consistent with the foregoing resolutions are hereby ratified and confirmed.

15. This Resolution shall take effect immediately upon its adoption.

- Design/Build Contract Approval for Grace & Harrison/Broad & Ryland Student Housing
- Resolution for FERIP Policy

**RESOLUTION OF THE VIRGINIA COMMONWEALTH UNIVERSITY BOARD OF VISITORS RATIFYING THE FIRST AMENDMENT TO THE VIRGINIA COMMONWEALTH UNIVERSITY SUPPLEMENTAL RETIREMENT PLAN FOR FACULTY**

**WHEREAS**, Virginia Commonwealth University (the “University”) established the Virginia Commonwealth University Supplemental Retirement Plan for Faculty (the “Plan”) effective January 1, 1999;

**WHEREAS**, the Plan was amended and restated effective January 1, 2010;

**WHEREAS**, the University submitted the Plan to the Internal Revenue Service (“IRS”) for a favorable determination letter, which was issued on March 22, 2013;

**WHEREAS**, in connection with the favorable determination letter, the IRS requested certain revisions as part of its review of the Plan;

**WHEREAS**, Section 7.1 of the Plan permits the University to amend the Plan;

**WHEREAS**, the First Amendment to the Plan attached hereto incorporates the requested changes and is consistent with the Internal Revenue Code and the *Code of Virginia*;

**WHEREAS**, the Senior Vice President and Chief Operating Officer of the University, David W. Hanson, executed the First Amendment to the Plan on June 7, 2013;

**THEREFORE, BE IT RESOLVED** that the University hereby ratifies Dr. Hanson’s actions to execute the First Amendment to the Plan on its behalf and that the Plan was thereby amended when executed effective as of the dates reflected in said amendment.

**IN WITNESS WHEREOF**, the undersigned duly authorized official of the University has executed this resolution on \_\_\_\_\_, 2013.

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_



- FBI Committee Charter and Planner

Mr. Royall reported for the Governance and Compensation Committee. The Governance and Compensation Committee recommended to the full Board the approval of the following consent agenda action item:

- Governance and Compensation Charter, Dashboard and Calendar for 2013 – 14

On motion made and seconded the Committee Reports, consent agenda items 1 – 17 were approved including:

### **Board of Visitors**

- Minutes of an Orientation and Retreat held August 22, 2013
- Minutes of a Meeting held May 10, 2013
- Minutes of a Meeting held June 24, 2013

### **Student Affairs, Athletics and International Programs Committee**

- Minutes of a Meeting held May 10, 2013

### **Presidential Evaluation and Compensation Committee**

- Minutes of a Meeting held July 29, 2013
- Minutes of a Meeting held September 16, 2013

Dr. Warren presented the 2013-14 Six-Year Plan and on motion made and seconded, the recommendation was approved.

Mr. Ginther asked for any questions on the Proposed 2013-2014 Board of Visitors' Schedule and on motion made and seconded, the schedule was approved.

Dr. Warren presented the 2013-14 Quest Priorities for information and discussion.

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 the Faculty Appointments and Changes in Status and other Personnel Actions, Promotion and Tenure Recommendations 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 the acquisition or use of real property for public purpose, or of the disposition of publicly held real property, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of VCU, including the acquisition of property on or adjacent to the Monroe Park Campus and consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel as authorized as authorized by Section 2.2-3711 A(1), A (3), A (7) and A(8) 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. William M. Ginther	X	
Mrs. Teresa H. Carlson	absent for vote	
Dr. Kamlesh N. Dave	absent	
Ms. Nancy C. Everett	X	
Mr. Thomas F. Farrell II	absent	
Mr. Michael D. Fraizer	X	
Dr. Robert H. Holsworth	X	
Mrs. Kay Coles James	X	
Mr. John A. Luke, Jr.	X	
Mr. Alexander B. McMurtrie, Jr.	X	
Mr. William A. Royall, Jr.	X	
Mr. Sudhakar V. Shenoy	absent	
Dr. John W. Snow	X	
Ms. Jacquelyn E. Stone	X	

Mr. G. Richard Wagoner X  
Mr. Steve Worley X

Vote:

Ayes: 12

Nays: 0

ABSENT DURING MEETING: 3

ABSENT DURING VOTING: 4

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

- Approve the incentive plan payment of \$50,000 to Dr. Rao, in accordance with the terms of the President's contract and in recognition of the achievement of the established measures and metrics for the 2012-13 academic year.
- Approve the bonus to the Executive Director of Assurance Services of up to \$15,000 for 2012-13.
- Approve the appointments of
  - Campbell, W. Gardner as Vice Provost for Learning Innovation and Student Success; and
  - Freiman, Lisa D. as Director of the VCU Institute for Contemporary Art, Office of the Provost and Senior Vice President for Academic Affairs and School of the Arts, and Professor; and
  - Wiencek, John M. as Senior Vice Provost for Administration and Strategic Initiatives, Office of the Provost and Senior Vice President for Academic Affairs and Professor (with tenure), Department of Chemical and Life Sciences Engineering, School of Engineering and;
- Approve promotion and tenure recommendations of tenure/tenure track promotions of 2 Professors and 2 Associate Professor; and
- Approve change in status Director, Wilder School of Government and Public Affairs, to Inaugural Dean, Wilder School of Government; and
- Approve the renaming of the School of Media and Culture to The Richard T. Robertson School of Media and Culture
- Approve the naming requests as detailed in Named Fund Report; and
- Approve the lease of 900 West Grace Street; and

- Accept closed session committee reports.

The meeting was adjourned at 4:04 p.m.