

FINAL – APPROVED BY EXECUTIVE COMMITTEE 6/19/09

**OLD DOMINION UNIVERSITY
BOARD OF VISITORS
Executive/Administration & Finance Committee Meeting
Tuesday, March 24, 2009**

MINUTES

The Executive and Administration and Finance Committees of the Old Dominion University Board of Visitors met in joint session on Tuesday, March 24, 2009, at 12:00 Noon in the Board Room of Webb University Center on the Norfolk campus. Present from the Committees were:

Ross A. Mugler, Rector
David L. Bernd
Kendra M. Croshaw
Harold W. Gehman, Jr.
Conrad M. Hall
Pamela C. Kirk
Barry M. Kornblau
Katherine Treherne

Absent from the Committees:

Linda L. Forehand
James A. Hixon
Marc Jacobson
Robert J. O'Neill
Moody E. Stallings, Jr.

Also present:

John R. Broderick, Acting President
Thomas Alberts
Denise Batts (*The Virginian-Pilot*)
Alonzo Brandon
Jerry Creedon
Robert L. Fenning
Glenda Humphreys
Mohammad Karim
Patrick B. Kelly
Donna W. Meeks
Carol Simpson
Geneva Walker-Johnson

CALL TO ORDER AND APPROVAL OF MINUTES

The Rector called the meeting to order at 12:10 p.m. and asked for approval of the minutes of the Executive Committee meeting held on February 23, 2009. Upon a motion made by Dr. Treherne and seconded by Mr. Hall, the minutes were approved unanimously by all Executive Committee members present and voting (*Croshaw, Gehman, Hall, Kirk, Treherne*).

RECTOR'S REPORT

The Rector stated that he received the draft Institutional Review report from Dr. Portch, which will be mailed to board members this week for their review prior to the April Board meeting.

MAGLEV PRESENTATION

Dr. Jerry Creedon, Director of Transportation Research, gave report on the status of the Maglev Research & Development project. At the request of Mr. Bernd, he provided a brief history of the project. He noted the objectives established for Maglev in 2004 when the University took control of the project. These objectives were to establish ODU as a leading research university in Maglev technology, establish Maglev systems as economical and practical for public transportation (<\$20M per mile), and provide a functional transportation system for ODU. The first objective remains the same while the second and third objectives are now to develop and demonstrate technology to establish Maglev systems as economical and practical for public transportation (<\$20M per mile) and to license technology and contribute expertise and capability to domestic Maglev systems developers where appropriate.

Dr. Creedon described ODU's partnership with MagneMotionInc, which is a \$6.38M, two-phased effort over three years funded by the FTA. Phase 1, involving system design, runs through September, 2009. The University's (MagTechODU) primary responsibilities are to conduct a ridership study (requested by FTA); conduct dynamic analyses of vehicle, track and guideway; and integrate MagneMotionInc's infrastructure with ODU's. The University will also be significantly involved in the Phase 2 testing and evaluation. In response to a question by Admiral Gehman, Dr. Creedon stated that this project is funded entirely by the FTA and the funds are provided to MagneMotion, to which ODU is a subcontractor.

Dr. Creedon showed a map of the 3,400 ft. guideway and the current work area across from the tennis courts. The testing and evaluation phase will move to Webb Center, where MagneMotion and MagTechODU will simultaneously test vehicles (a separate vehicle is being developed with FTE funds) in opposite directions on the guideway, while sharing the control station and other resources.

Dr. Creedon provided a summary of what has been accomplished since Old Dominion University took over the project, including the most recent accomplishments within the last 15 months. He played a brief video clip showing the bogie levitating and moving on the guideway. He noted that Maglev technology has some important potential advantages in transportation applications and ODU is established as a leading research university in Maglev technology and provides a unique, practical and effective training ground for graduate students. The University will continue to work with MMI under FTA funding and to seek funding to further MagTechODU efforts. He concluded that the University is making progress and has been meeting its milestones and is on track to continue meeting its milestones.

Admiral Gehman commented that this is an R&D project and as long as the University is meeting its milestones, the R&D funding should continue. He said it would be helpful to the Board to know how many people at ODU – professors, graduate students, etc. – are benefitting from this project.

Dr. Creedon said that eight professors, ten students and two full-time staff members are involved in the project that offers a significant research benefit to the University.

The Rector applauded the progress of the research project but expressed concern that this had previously been portrayed as a transportation system for the campus. Dr. Creedon commented that one of the flaws of the original developer (Tony Morris of American Maglev Technology) was that, rather than seeing this as an R&D activity, he assumed that the system would be built and immediately work as a transportation system for the University. Once operational, this system could be replicated elsewhere as a transportation system. The College of Business and Public Administration is also conducting a ridership survey at the request of the FTA and using this as a learning opportunity for its students.

Mr. Bernd asked what the technological benefits are of Maglev vs. an electric train. Dr. Creedon stated that its elevation, environmentally-friendly design and ability to run at much steeper grades are among the advantages of the Maglev system. In response to a question from Mr. Hall about the issues with the guideway beams that were reported in the past, Dr. Creedon said that the vibration issues have been solved through redesign of the vehicle.

ACTING PRESIDENT'S REPORT

In his report to the committee, Acting President Broderick shared a comparison of budget reduction restorations among Virginia public institutions, noting that 77% of Old Dominion's original reduction was restored, resulting in a net reduction of 3.37%, second lowest among all institutions.

The President noted that the University continues to pursue opportunities for Federal funding. He and Vice President Karim recently visited Senators Warner and Webb and Congressmen Scott, Forbes and Nye to discuss interest in funding opportunities for bioelectrics and modeling & simulation and received favorable responses.

President Broderick shared a number of faculty awards, both external and internal. These included Dean Chris Platsoucas (received honorary doctorate from Democritus University, Thrace, Greece); Eileen Hoffman (served on National Academies National Research Council Advisory Committee for Climate Change Research); Mahesh Gopinath (won inaugural Journal of Consumer Psychology Park award); Karl Schoenbach and colleagues ("2008 Top 10" distinction from Plasma Sources Science and Technology); Joyce Neff, James Swanson, Steven Rhiel and James Kosnik (2009 University Professors); and Karen Crum, Kurt Gaubatz and Katherine Gossett (2009 Teaching With Technology awardees). In addition, the University has garnered external visibility through the work of several faculty members, including Nora Noffke, Michael Blumenthal, Larry Weinstein and Gretta Pratt.

President Broderick noted the Marketing and Branding message that is being sent electronically to college and university presidents and admissions directors and includes a link to the Modern Thinking video. Using this method of delivery is not only cost effective, but also enables the administration to measure how often it is accessed.

The Enrollment Management initiative continues to make significant progress. ODU's graduate program just completed a major review by a national accrediting group, while focus continues on undergraduate students and incoming freshmen. The Office of Finance has implemented measures to cut expenses and become more environmentally-friendly, including the discontinuation of printed pay stubs and the use of payroll deduction for purchase of parking hangtags. The work of the Safety Task Force is also progressing, with involvement of the three area civic leagues as well as students and University and City staff. Considerable focus has been on lighting and code enforcement.

President Broderick reported that the University continues to receive recognition in a number of areas and he is optimistic that ODU will receive Federal support in bioelectrics and VMASC.

President Broderick noted several upcoming events, including the ONFilm Festival featuring "A Conversation with Richard Dreyfuss," the Marc and Connie Jacobson Raoul Wallenberg Humanitarian Lecture featuring Jonathan Kozol, and Spring Commencement ceremonies on May 9th featuring keynote speakers Lt. Gen. Kathleen Gainey, Director of Logistics for the Joint Chiefs of Staff, and David Gergen, former presidential advisor.

BUDGET BRIEFING

Vice President Fenning briefed the committees on the preliminary budget that will form the basis of the administration's proposed FY10 tuition and comprehensive fees and operating budget, which will be presented to the Board for approval in April and June. He noted that the administration is using a three-year financial strategy in developing its budget due to the unique circumstances as the result of the Federal stimulus funds. He reviewed the Commonwealth budget development process, the University's requests submitted to the Department of Planning and Budget and the Governor's budget announced in December, which included the base Tuition Moderation Incentive Fund allocation. The final budget approved by the Conference Committee retains the 5% (FY09) and 10% (FY10) cuts, provides \$12.8M in one-time stimulus funds for FY10 and FY11, retains the \$2.1M in M&S funding, includes \$1.4M in student financial aid, provides authority to continue planning and design of the Systems Research and Academic Building with institutional funds (to be reimbursed later with project funds), includes language on the conveyance of the President's House to the Real Estate Foundation, and mandates an increase to the capital fee for out-of-state students to \$10 per credit hour.

Mr. Fenning reviewed the FY10 budget priorities, which include unavoidable cost increases, important initiatives and strategic investments, as well as the operating budget strategy that will be used to reduce the cost base and increase the revenue base while making limited base investments with new tuition dollars and using stimulus funds to offset the remaining \$8.8M budget reduction. He then discussed the implications for the FY10 operating budget and tuition rates, taking into account the \$16.M base budget reductions and the loss of the \$12.8M in stimulus funds after FY11.

President Broderick commented that the Enrollment Management initiative has allowed the administration to focus on how to best meet the needs of the students in an era of shrinking resources, and will likely result in admitting fewer freshman and transfer students in the future. The University will still see an overall increase in enrollment, however, because of large classes and

positive retention rates, and must meet the needs of these students by making key investments now that will withstand the loss of the stimulus funds after two years.

The Rector complimented Vice President Fenning on his presentation and requested that the Board be sent the estimated costs of each of the budget priorities once those have been determined. President Broderick acknowledged the work and cooperation of the vice presidents during the budget discussions.

OLD/UNFINISHED BUSINESS

There was no old or unfinished business to come before the Board.

NEW BUSINESS

There was no old new business to come before the Board.

With no further business to be discussed, the meeting was adjourned at 1:40 p.m.