The Administration and Finance Committee of the Board of Visitors of Old Dominion University met at 8:26 a.m. in the Board Room of the Kate and John Broderick Dining Commons. Present from the committee were:

E. G. (Rudy) Middleton, III, Chair
Larry R. Hill, Vice Chair
R. Bruce Bradley (ex-officio)
P. Murry Pitts (ex-officio)
Andrew Hodge
Rick Wyatt
Wie Yusuf (Faculty Representative)
Kashav A. Vermani (Student Representative)

Also present from the Board:
Ross A. Mugler
Dennis Ellmer
Kay A. Kimber

Also present were:
Austin Agho       Donna Meeks
Ashleigh Boothe   Alicia Monroe
Alonzo Brandon    Tom Odom
Bob Clark         Chad A. Reed
Ken Fridley       Nina Rodriguez Gonser
Annie Gibson      September Sanderlin
Brian O. Hemphill Tara Saunders
Adam Henken       Ashley Schumaker
Etta Henry        Garrett Shelton
Brandi Heper LaBanc Amanda Skaggs
Mike Holliday     Alona Smolova
Jaime Hunt        Doug Streit
Todd Johnson      JaRenae Whitehead Cooper
Susan Kenter      Rob Wells
Mike LaRock       Shannon White
Maggie Libby     Allen Wilson

Chairman Rudy Middleton called the meeting to order at 8:26 a.m.
A. **Approval of Minutes** – R. Bruce Bradley moved to approve the minutes of the June 15, 2023, meeting. Larry R. Hill seconded the motion. The minutes were unanimously approved by all members present and voting. (*Bradley, Hill, Middleton, Pitts, Wyatt*)

B. **Fall Opening Update** – Chad A. Reed, Vice President for Administration and Finance

Vice President Chad A. Reed shared with the Committee the Fall Opening presentation which provided an overview of services managed by the Auxiliary Business Services (ABS) department and a snapshot comparison of current activities to previous years. Mr. Reed noted that comparisons were mainly drawn between this year and 2019 (the last year before campus activities were impacted by the pandemic).

Data was provided on five business services offered by ABS including Dining Services, Mail Center, Transportation and Parking, Village Bookstore, and Webb University Center. Mr. Reed shared that this year Dining Services sold over 5,142 meal plans through the first week of classes. Although this represents a 2% increase over 2022, it is a 12% decrease from 2019. Mr. Reed remarked that this data demonstrates a consistent return to campus life and that residence halls are filled with students purchasing meal plans.

Mr. Reed also shared data on the Mail Center’s delivering and routing of packages. Since 2020, volumes have steadily increased and for the first week of classes in 2023, 6,745 packages have been delivered (48% increase from Fall 22) and 7,007 packages were routed/received (47% increase from Fall 2022). Mr. Reed noted the increase can be reflective of how students receive their items (i.e. Amazon) and the relocation of the Mail Center from the Facilities building to its new location in the Webb Center.

Mr. Reed shared there has been a 2,030% increase in online sales in comparison to opening week in Fall 2019. In store sales have decreased 9% in comparison to Fall 2019 and increased 6% in comparison to last year’s opening week sales. Total sales for opening week Fall 2023 have decreased 15% in comparison to Fall 2019 and increased 8% in comparison to Fall 2022.

Vice President Reed shared data on Webb University Center volumes for opening week this year. A total of 141,679 visitors entered Webb Center during opening week. This represents an 18% decrease compared to Fall 2019 and a 7% increase compared to Fall 2022.

In closing, Mr. Reed offered that what is being seen on-campus with volume and return to activities is a positive sign.
C. **Capital Projects Report** – Chad A. Reed, Vice President for Administration and Finance

Next, Vice President Reed provided a Capital Projects update to highlights some of the ongoing campus projects and offer to the Committee what has changed since the last meeting.

Currently, the University has about $320 million in active capital construction across the campus which consists of five projects in active construction, four in design and one in planning consisting of the new Health Sciences building, the Student Health and Wellness building, the new Biology building, and the Campus Gateway Signage project.

The presentation began with the 128,257 gross square foot new Health Sciences Building. This $76 million project is completely state funded and will provide modern state-of-the-art instructional labs, classrooms, patient services along with administrative space for Anatomy and Medical Diagnostics, Dentistry and Dental Hygiene, Occupation and Physical Therapy and classrooms and research labs. The building is anticipated to be opened for classes in January. Ross Mugler inquired how many individuals are served by the dental hygiene and the physical therapy clinics a year? Provost Austin Agho responded that the dental clinic had 1,753 visits last year and physical therapy had 10,245 visits.

The next update shared was for the Student Health and Wellness building. This $12.1 million project has been funded by institutional reserves and debt. The almost 19,000 gross square foot building is expected to be completed this fall. The project will relocate Student Health, Counseling and Health Promotions from their current location within the Webb Center. The project is on-track and on-time and progressing very well.

Mr. Reed then shared status of the new Biology building, noting that this project is the largest capital project in the history of the university at a cost of $184.2 million, which is completely state funded. This project consists of 162,000 square feet and called for the razing of the Pretlow planetarium, the Alfriend Chemistry, and the Kaplan Conservatory. The project has been delayed with a completion now expected in Spring 2027. The state approved the preliminary design and budget; however, as seen over the last several years, construction costs have measurably increased. Since this project is state funded, the funding pool process requires 6-PAC approval; due with the state budget, the 6-PAC approval was also delayed several months. Due to uncertainty of how long the project would be suspended, the architects and engineering (A/E) team had to move on to their projects. Since receiving the budget approval, the A/E team has been contacted and reassembling the design team to move forward with development of working drawings. Mr. R. Bruce Bradley inquired what was the risk of prices increasing again? Mr. Reed responded he had inquired with his staff, and they advised the budget is on the upper end of what was projected and are confident in the proposed cost.
The final update Mr. Reed provided was for the Campus Gateway Signage project. This project will align with the anticipated master plan and the desire to improve campus imagery at its gateways. Included in the presentation was information and renderings on possible ways to visibly identify you have entered the university district. Areas for signage opportunities were identified along Hampton Boulevard from 43rd Street at Chartway Arena to 49th Street, to include the remainder of the Maglev structure. Following the presentation, Mr. Ross Mugler complemented that the appearance of the campus’ grounds has improved significantly.

D. **Six-Year Plan** – Chad A. Reed, Vice President for Administration and Finance

Vice President Chad A. Reed shared with the new members of the Committee that every year he will be providing a Six-Year Plan; approval of a new plan will be needed in the odd years and affirmation of the plan will be needed in the even years.

The initial Six-Year Plan was submitted to SCHEV on July 17 and on September 7, the President and cabinet leaders presented the Plan to “Op-Six” stakeholder members. The members will provide their comments which will be incorporated in the final plan due in October.

2023 General Fund request will be made to address the base funding disparity ($11,400,000 each year) and to offset the rising cost of VMSDP waivers ($9,114,010 each year).

The Committee voted unanimously to move the noted approval and authorization to the full Board of Visitors meeting on September 15th. *(Bradley, Hill, Hodge, Middleton, Pitts, Wyatt)*

The proposed Resolution states:

**THEREFORE, BE IT RESOLVED** the Old Dominion University Board of Visitors approves the Old Dominion University 2023 Six-Year Plan (Part I and Part II) as presented in the format provided by the State Council of Higher Education for Virginia; and

**BE IT FURTHER RESOVED**, that the University is authorized to revise the 2023 Six-Year Plan as required by State officials for final submission by the state deadline.
E. **Commonwealth Budget Update** - Chad A. Reed, Vice President for Administration and Finance

Vice President Reed noted that the General Assembly held a special session last week for continued budget negotiations; and the budget has now been submitted to the Governor. Resulting from the special session, the enrolled budget provides additional funding for the EMVS merger, along with additional monies for Affordable Access Funding ($7.4 million), Nursing Workforce funding ($560,000) and Compensation and Benefits (estimated $370,769). Also included is additional funding for undergraduate need-based aid ($9.8 million). Mr. Reed shared that in December, once the Governor has signed the budget, he will return to the Committee to request approval adjustments to the FY2024 budget approved by the Board in June.

Questions were raised if the additional funding for the need-based aid would help with enrollment? Vice President Brandi Hephner LaBanc responded that, along with FSFA policy changes expected in December, the funding is significant and that her staff will be working to leverage the funds the best way to help the students and potentially weave in with merit dollars to attract some of the high ability students who have some need as well.

F. **Debt Management Annual Report** – Maggie Libby, Associate Vice President for Finance and University Controller

Ms. Libby provided an overview of the annual Debt Management Report. She noted that the purpose behind the program is to ensure that the University is using debt to support strategic goals, that the Board of Visitors has ultimate authority over all debt decisions, that the Vice President for Administration and Finance is responsible for administering and executing the debt program, and that the debt policy establishes the framework for the debt program. The debt policy also establishes debt capacity guidelines.

Ms. Libby reviewed the Debt Management Policy, the primary financing vehicles utilized by the University for capital improvements, a summary of auxiliary reserves, and look back to 2013, as well as a look forward through 2034, and the estimated impact of the addition of debt held by EVMS. Discussion was held around the EVMS debt burden as well as the University reserves.
The University remains in compliance with the Debt Management Policy and is in a healthy position with regards to maintaining compliance in the future

G. **Financial Performance Report** – Chad A. Reed, Vice President for Administration and Finance

Vice President Reed presented information on the Financial Performance. Mr. Reed noted the report is an examination of activity through the first two months of the new fiscal year. Mr. Reed commented that although it is early in the fiscal year, performance appears to be on target.

H. **Investment Report** – Mike LaRock, Assistant Vice President for Foundation

Assistant Vice President Mike LaRock provided an update on the Educational Foundation Investment. Mr. LaRock shared that the Committee recently met with JP Morgan reviewing the Current Market along with the portfolio position and performance.

Mr. LaRock commented that questions had been raised whether the investment would be able to reach 8% for the 10-year mark and was happy to report that performance is just under 8.0%, with July numbers at 7.99%.

Mr. LaRock shared the cash flow for the year and advised that for the first time in a while, investment earnings have exceeded net cash outflow.

I. **Public Safety** – R. Garrett Shelton, Chief of Police

Chief Shelton provided an overview of services provided by both the University Police Department (UPD) and the Office of Emergency Management, highlighting that UPD is a nationally and internationally recognized 24/7 operation.

Chief Shelton then shared information on football game day operations including the addition of two pieces of equipment – Fotokite Drone System and the implementation of Open Gate Weapon Detection System.
In closing his presentation, Chief Shelton provided updates on two new community engagement programs: Adopt-A-Cop Program and the Student Citizens Academy.

Following the conclusion scheduled presentations, a question was raised if the food service provider had unionized. Mr. Reed reported that Aramark, the food service provider, had unionized with Unite Here and a collective bargaining agreement was reached in August. Mr. Reed shared that the agreement had assisted with the vendor maintaining many staff members and hiring additional staff. The collective bargaining agreement will be in place for the next three years.

Additionally, Annie Gibson, Associate Vice President for Governmental Relations shared that she had been informed that Governor Glenn Youngkin is scheduled to sign the state budget later this morning at 10:30 a.m.

J. **Adjournment** - There being no further business, the meeting adjourned at 10:10 a.m.