

**OLD DOMINION UNIVERSITY
BOARD OF VISITORS
Administration and Finance Committee**

December 8, 2022

MINUTES

The Administration and Finance Committee of the Board of Visitors of Old Dominion University met at 2:30 p.m. in the Board Room of the Kate and John Broderick Dining Commons. Present from the committee were:

Robert A. Broermann, Chair
Yvonne T. Allmond, Vice Chair
R. Bruce Bradley (*ex-officio*)
P. Murry Pitts (*ex-officio*)
Robert S. Corn
E. G. (Rudy) Middleton, III
Elza H. Mitchum
Ross A. Mugler
Steve Hsiung (*Faculty Representative*)

Also present from the Board:

Armistead D. Williams, Jr., MD

Also present were:

Austin Agho	David Robichaud
Bruce Aird	Nina Rodriguez Gonser
Kim Early	Ashley Schumaker
Brian O. Hemphill	Garrett Shelton
Etta Henry	Amanda Skaggs
Todd Johnson	Alona Smolova
Casey Kohler	Don Stansberry
Mike LaRock	Doug Streit
Maggie Libby	Rusty Waterfield
Donna Meeks	Rob Wells
Chad Reed	Al Wilson

Chairman Robert Broermann called the meeting to order at 2:32 pm.

- A. Approval of Minutes** – Ross A. Mugler moved to approve the minutes of the September 15, 2022, meeting. P. Murry Pitts seconded the motion. The minutes were unanimously approved by all members present and voting. (*Allmond, Bradley, Broermann, Corn, Middleton, Mitchum, Mugler, Pitts*)
- B. Operating Budget and Financial Update** – Chad A. Reed, Vice President for Administration and Finance

Mr. Chad A. Reed, Vice President for Administration and Finance, briefed the committee on the Mid-Year Budget Update. He shared there was a budget of approximately 535,000 credit hours and they are projecting approximately 534,000 credit hours. The update included a review of enrollment for the Summer and Fall semesters, as well as projections for the upcoming Spring semester, collectively showing that enrollment levels are in line with the budget plan for the year.

This was followed by a discussion of favorable stability of the state general fund and other cost factors influencing FY2023 resources. In addition, Mr. Reed discussed the recovery of \$26 million in lost tuition and auxiliary revenues through available pandemic relief funding. The recovery of these resources will serve to fortify reserves and fund \$5.5 million in one-time, strategic investments.

Mr. Reed shared factors impacting FY2023 resources to include vacancy rates, supply chain delays, inflation/CPI, graduate assistants' minimum stipends, the Commonwealth Approved Bonus, and the minimum wage increase.

Mr. Reed then presented the updated Financial Performance Report which reflects the increase in resources resulting from the \$26 million of lost revenue recovery funds and an additional \$800,000 of gift income. These adjustments to the FY2023 Operating Budget result in a total of \$645 million in resources, \$625 million in expenditures, and a \$20 million contribution to reserves.

Mr. Reed shared the proposed Resolution for the Approval of the Amended 2023 Operating Budget and Plan with the Committee to seek approval to move it forward to the full Board on December 9th. Mr. Mugler moved to approve the proposed Resolution. Mr. Pitts seconded the motion, and it was unanimously approved by all members present and voting. (*Allmond, Bradley, Broermann, Corn, Middleton, Mitchum, Mugler, Pitts*)

The proposed Resolution states:

WHEREAS, the Board of Visitor By-laws require the President or designee to report to the Administration and Finance Committee, any changes to the Operating Budget and Plan that exceed \$250,000.

WHEREAS, the substantive nature of the proposed mid-year amendments to the 2023 Operating Budget and Plan reflect material changes, the President presents the amended budget and plan to the Board of Visitor for approval.

THEREFORE, BE IT RESOLVED that upon the recommendation of the President and the Administration and Finance Committee, the Board of Visitors approves the amended 2023 Operating Budget and Plan.

Mr. Reed concluded his presentation with a preview of the FY2024 budget development process and the key assumptions and points of emphasis that will influence the forthcoming budget development process.

C. Capital Outlay Projects Status Report – Chad A. Reed, Vice President for Administration and Finance

Mr. Reed presented the Capital Outlay Project Status Report to the committee. He highlighted updates on several projects currently under construction or nearing completion. In total, 84% are related to academic activities, 9% are related to student activities, 6% are related to athletics, and about 1% are for infrastructure. Mr. Reed shared photos of the progress made on the new Health Sciences Building, which has a target completion of Fall 2023. Mr. Reed also updated on the Student Health and Wellness building, which also has a target completion of Fall 2023. He shared photos of the completed LR Hill Football Locker Room, which is nearing completion. He provided an update on the status of the design of the new Biology Building, which is slated to start construction in January of 2024 with a 24-month construction period. He shared the site plans for the building and highlighted various features of the building including the research greenhouses, Kaplan Orchid Conservancy, and an enhanced pedestrian bridge for photograph opportunities.

D. Public Private Education Facilities & Infrastructure Act – Chad A. Reed, Vice President for Administration and Finance

In his next presentation, Mr. Reed briefed the Committee on the Public Private Education Facilities and Infrastructure Act. He discussed the legislation and enabling language that allows private sector and government agency partnerships to acquire, construct, maintain or operate qualifying projects. Benefits of entering a public private partnership include increased innovation, faster completion of projects, cost savings, and risk sharing. Some of the qualifying projects may include education facilities, improvements to enhance public safety and security of buildings, utility and telecommunications and other communication infrastructures, recreational facilities, and technology infrastructure and services. Mr. Reed reviewed the PPEA process to the committee, to include the posting and evaluation process. Mr. Reed also provided a side-by-side comparison of a standard project timeline versus a public private project timeline.

Mr. Reed shared the proposed Resolution for the Adoption of Guidelines for Projects under the Public-Private Education Facilities and Infrastructure Act (PPEA) of 2002 with the Committee to seek approval to move it forward to the full Board on December 9th. Mr. Mugler moved to approve the proposed Resolution. Mr. Pitts seconded the motion, and it was unanimously approved by all members present and voting. (*Allmond, Bradley, Broermann, Corn, Middleton, Mitchum, Mugler, Pitts*)

The proposed Resolution states:

WHEREAS, the Public-Private Education Facilitates Act of 2002 (PPEA) grants responsible public entities the authority to create public-private partnerships for

the development of a wide range of projects for public use if the public entity determines there is a need for the project and that the private involvement may provide the project to the public in a timely and cost-effective manner.

WHEREAS, for the purposes of the PPEA, the Commonwealth of Virginia, its agencies and institutions, including Old Dominion University, is a “responsible public entity” that has the power to develop or operate the applicable qualifying projects,

WHEREAS pursuant to the Code of Virginia §56-575, the University must adopt guidelines in compliance with the PPEA in order to pursue any qualifying project,

BE IT RESOLVED that the Board of Visitors of Old Dominion University hereby adopt the “Old Dominion University Guidelines for Projects under the Public-Private Education Facilities Infrastructure Act (PPEA) of 2002”.

- E. Annual Financial Report** – Maggie Libby, Interim Associate Vice President for Finance and University Controller
Maggie Libby, Interim Associate Vice President for Finance and University Controller presented an update on the FY2022 Annual Financial Statements. She shared that the University utilizes the accrual basis of accounting where revenues are recognized when earned, expenses are recognized when the obligation is incurred, and disregards timing of related cash flows. This year, the new Governmental Accounting Standards Board (GASB) method of reporting was adopted, which provides for three accounting treatments. A remeasurement of former operating leases and former capital leases were completed under the new accounting treatment. Ms. Libby shared the summary statement of net position, total assets, total liabilities, net position composition, a summary statement of revenues, expenses, and changes in net position, as well as operating revenues and expenses for FY22. Ms. Libby concluded her report by indicating we are currently under review with our auditors, which should be completed by March 31st, 2023, ahead of the SACSCOC accreditation deadline.
- F. Fall 2022 ODU Phishing Campaign** – Doug Streit, Executive Director of IT Security and Planning
In lieu of time constraints, the presentation from Mr. Streit was tabled.
- G. Public Safety Update** – Garret Shelton, Interim Chief of Police
The meeting concluded with a Public Safety Update from Interim Chief of Police, Garrett Shelton. Chief Shelton provided information on the Threat Education Assessment & Management team (TEAM), a cross-functional, multidisciplinary group committed to identifying, evaluating, and managing the risks associated with certain behaviors that may pose a threat to the campus community’s safety. In 2022, the TEAM was restructured, beginning with the hiring of an experienced Threat Assessment Coordinator. Additionally, the methodology for evaluating cases was restructured, a risk rubric was established, Maxient was adopted for case

management, a live spreadsheet for case tracking and documentation was implemented, training was delivered to 43 departments, and training for TEAM membership on the reorganized threat assessment process was completed.

- H. **Investment Report** – Mike LaRock, Assistant Vice President for Foundations
In lieu of time constraints the presentation from Mr. LaRock was tabled.
- I. **Adjournment** - There being no further business, the meeting adjourned at 4:03 pm.