

OLD DOMINION UNIVERSITY
BOARD OF VISITORS
Administration and Finance Committee
Thursday, June 12, 2025

MINUTES

The Administration and Finance Committee of the Board of Visitors of Old Dominion University was held on Thursday, October 9, 2025, at 12:00 p.m. in the Board Room of the Kate and John Broderick Dining Commons on the main campus of Old Dominion University.

Present from the Committee were:

E.G. (Rudy) Middleton, III, Chair
Bruce L. Thompson
P. Murry Pitts (*ex-officio*)
Andrew Hodge (*ex-officio*)
Gregg Eure
William Giandoni
Elza Mitchum, Vice Chair
D.R. (Rick) Wyatt
Elizabeth Burns (*Faculty Representative*)

Also present from the Board:

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Alfred Abuhamad	Neal Kessler
John Adams	Casey Kohler
Austin Agho	Mike LaRock
Alonzo Brandon	Holly Lucas
Tammy Chrisman	Ashley Miller
Randall Ellis	Tom Odum
Ken Fridley	Kimberly Osborne
Annie Gibson	Brian Payne
Annmarie Ginder	Stacy Purcell
Brandi Hephner LaBanc	Chad Reed
Brian O. Hemphill, President	Tina Russell
Adam Henken	September Sanderlin
Etta Henry	Tara Saunders

Helen Heselius
Aaron Hodnett
Mike Holliday
Stephanie Jennelle
Amber Kennedy
Susan Kenter

Ashley Schumaker
Wood Selig
Fred Tugas
JaRenae Whitehead Cooper
Allen Wilson

Call to Order: Chair Rudy Middleton called the meeting to order at 12:00 p.m.

A. **Approval of Minutes** – Chair Middleton moved to approve the minutes of the June 10, 2025 meeting. Mr. Pitts seconded the motion. The minutes were unanimously approved by all members present and voting.

B. **Debt Management Annual Report**

Senior Associate Vice President for Finance Stephanie Jennelle reviewed the annual debt management report and advised the committee that the full written report was provided in the OnBoard materials. The purpose and goal of the report is to ensure that the university usage of debt meets the goals of the University's strategic and capital plans. The report is also provided to ensure that current and future debt is supported with sufficient financial resources. Lastly, the report projects what debt the University anticipates issuing and ensures that the University's debt burden ratio does not exceed the 7% approved in the policy.

SAVP Jennelle reported on three main financing vehicles: Section 9c debt (general obligation bonds), 9d debt (revenue bonds), and Commonwealth of Virginia pool bonds/debt. The university pays approximately \$33 million in debt service annually, with significant portions allocated to Housing and Residential Life (34%) and Athletics (20%). The debt service composition also includes the EDMS legacy debt (4.5%) and the foundation (16%). The estimated debt burden ratio for fiscal 25 is 3.57%, comprised of \$33.6 million in annual debt service and \$941 million in operating expenses.

SAVP Jennelle provided a 10-year look back at the debt burden ratio, noting fluctuations due to the pandemic and its impact on revenue streams. The pandemic allowed for debt service payment reprieves for auxiliary functions, which were partially realized in 2021 and fully in 2022. The onset of \$4.5 million in EVMS legacy debt in 2024 is countered by over \$300 million in operating expenses. The report projects a small increase in expenditures annually with no new debt, highlighting the university's significant debt capacity.

The importance of sufficient reserves and resources to cover debt service were discussed noting fund balance reserves are primarily related to auxiliaries, with operating reserves ranging from 10 to 22%. Renewal and replacement reserves are earmarked for future

projects, such as residence hall renovations. The auxiliary capital and general fee reserves are designed to support auxiliaries holistically, with a current balance of \$242.8 million.

A discussion was had whereas it was confirmed the current debt capacity can accommodate the Master Plan projects. It was also confirmed that the EVMS debt is managed within the budget and the state benefits from the operating resources. Also noted was The foundation's debt is conservatively managed, with a current debt of \$5.2 million out of a total \$40 million.

C. **Six-Year Plan**

Vice President for Finance and CFO Chad Reed introduced the six-year plan, emphasizing its importance in aligning institutional priorities with state government goals. The plan is legislatively required and must be approved by the board every two years. The plan addresses academic priorities, financial scenarios, enrollment plans, and economic development strategies. It provides a unique opportunity for higher institutions to engage policymakers for future planning and priorities. It includes a financial planning exercise with tuition and financial aid disclosures.

The University submitted a plan that projects conservative enrollment, tuition and fee increases aligned with the higher education price index, and no changes to general fund appropriations. The plan also includes institutional priorities such as future-ready digital transformation, data-driven student recruitment and retention, and academic program alignment with industry needs. The plan aims to fund these strategies with a \$19.6 million request, including ongoing funding for the VMSDEP program.

A discussion was held regarding the VMSDEP program including its growth, the impact on the university's finances and the need for continued funding to support the program.

The Committee voted unanimously by all members present and voting to approve a recommendation to present the Six-Year Plan for approval to the full board. (*Pitts, Thompson, Wyatt*)

D. **Financial Performance Report**

Vice President Reed then presented the University's Financial Performance Report as of June 30, 2025. The report illustrated a positive operating fiscal year close with a \$47.16 million surplus across all programs. This included total revenue activity of \$973.7 million and total expense activity of \$926.5 million. This is relative to the budgeted amounts of \$984.3 million

and \$961.5 million respectively. Notable variances include a \$1.9 million increase in tuition and fees and a \$12 million decrease in other revenue due to timing issues.

E. **Division of Administration Overview**

Executive Vice President for Administration and COO Ashley Schumaker presented an overview of the newly established Division of Administration. The division is comprised of the following areas: Community Engagement & University Events, Environmental Health & Safety, Facilities Management & Construction, University Planning & Strategy and Outreach.

Ms Schumaker outlined upcoming initiatives including electric vehicle charging stations and an exterior wayfinding and signage design project and reviewed current and upcoming capital projects, relaying there are currently 14 projects in various phases.

F. **Facilities Management and Construction**

Assistant Vice President of Facilities Management and Construction, Michael Holliday, presented a report on three maintenance reserve projects and five renovation and engineering projects on both main campus and the medical campus. The presentation detailed a significant increase in maintenance reserve investments from FY25 to FY26. Mr. Holliday also highlighted an increase in University-funded renovation and engineering projects, these investments increased from a total of \$10.7 million in completed projects in FY25 to a current investment of \$14.1 million in active projects thus far in FY26.

G. **Investment Report**

Mr. Mike LaRock, Associate Vice President for Foundation presented the Educational Foundation investment report, highlighting the foundation's agreement to manage endowments for various entities. The foundation's returns were higher than benchmarks, with a one-year return of 10.85% and a 10-year return of 8.87%. The endowment's net cash flow was negative \$2.6 million, with a recent transfer of \$14.4 million to the university.

The endowment's value at the end of August was \$414.5 million, with a breakdown of components including the Old Dominion endowment and the EVMS foundation.

H. **Adjournment** – There being no further business, the meeting adjourned at 1:30 p.m.

