

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS  
COMMITTEE ON FACILITIES & FINANCE  
9:00 AM, FRIDAY, SEPTEMBER 16, 2022  
Gateway Dining & Event Center  
(on the campus of Virginia State University)  
(No Public Comment Period Scheduled)**

**DRAFT AGENDA**

CALL TO ORDER ..... Mr. William Murray, Chair

ROLL CALL

INVOCATION (*Pastor Jasmyn Graham, Director of Campus Ministries*)

APPROVAL OF AGENDA

APPROVAL OF PREVIOUS MEETING MINUTES (if any)

- April 21, 2022 Committee Meeting

PRESIDENT'S REMARKS ..... Dr. Makola M. Abdullah

CLOSED SESSION

- VSU Economic Development and Real Estate Acquisitions ..... Mr. Kevin Davenport  
Senior Vice President, Finance & Administration/CFO

REPORTS AND RECOMMENDATIONS

- Technology Services..... Mr. Maurion Edwards  
Chief Information Officer
  - Information Items
  - Technology Services Update

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• Division of Finance ..... Mr. Kevin Davenport

- Approval Items: None

- Information Items:

- Budget to Actual Financial Statements as of June 30, 2022
- Actual to Actual Financial Statements as of June 30, 2022
- Comparative Cash and Reserve Balances as of June 30, 2022
- Recommended FY23 Auxiliary Enterprise Reserve
- Update on Status of Capital Projects

## Committee on Facilities & Audit

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- Information Items (*continued*)
  - Discussion of Bi-Annual Management Reports (If Needed)
    - Wil McLean, President and CIO, Spider Management, LLC

### OTHER BUSINESS

### ADJOURNMENT

*All start and ending meeting times are approximate. Meetings may begin after the posted start time at the pleasure of the Board. The Board reserves the right to change its schedule as necessary.*

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS  
FACILITIES, FINANCE AND AUDIT COMMITTEE  
MEETING MINUTES  
September 16, 2022**

**CALL TO ORDER**

Mr. William Murray, Chair, called the Facilities and Finance Committee meeting to order at approximately 9:10 a.m. in the Gateway Dining and Event Center.

**ROLL CALL**

A quorum was present.

*Committee Members Present:*

Mr. William Murray, Chair  
Mr. Michael Flemming  
Mr. Victor Branch  
Mr. Thomas Cosgrove  
Mr. Wayne Turnage (*arrived 9:40 a.m.*)  
Dr. Valerie Brown, Rector (*ex-officio*)

*Others Board Members Present:*

Ms. Pamela Currey  
Dr. Christine Darden  
Dr. Robert Denton, Jr.  
Dr. Harold Green, Jr.  
Shavonne Gordon (*arrived 9:30 a.m.*)  
Mr. Edward Owens (*arrived 10:48 a.m.*)  
Mr. Glenn Sessoms  
Ms. Yania Campbell, Student Representative

*Administration Present:*

Makola M. Abdullah, Ph.D., President  
Dr. Donald Palm, Senior Vice President/Provost  
Kevin Davenport, Vice President, Finance/Administration/CFO  
Shawri King-Casey, Senior Advisor, Institutional EEC  
Dr. Tia Minnis, Vice Provost, Academic Success, Planning & Inst. Eff.  
Regina Barnett-Tyler, Assoc. Vice President, Student Success & Engagement  
Dr. Gwendolyn Dandridge, AVP/Director, Communications  
Adrian Petway, AVP, Budget Office  
Maurion Edwards, CIO/Technology Services  
Alexis Brooks-Walter, Asst. Vice Provost, Enrollment  
Dr. Annie C. Redd, Chief of Staff/Director, Board Operations & Relations  
Eldon Burton, AVP, Government Relations  
Tanya Simmons, AVP/Director, Office of Human Resources  
Jane Harris, AVP, Capital Outlay/Facilities  
Robert Phillips, Procurement  
Dr. Omar Faison, AVP, VSU Research & Economic Dev.

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### *Legal Counsel Present:*

Cynthia Norwood Marquez, Senior State Attorney General

### *Others Present:*

Brenda Stitch-Finch, VSU Foundation

Keith Boswell, VGR

Karen Welch, Spider Management

Caroline Crawford, Spider Management

Kendra White, Compliance

Yourdonus James, Director, Conference Services

Debbie Jefferson, President's Office

Danette Johnson, President's Office

Marjorie Muse, President's Office

Benjamin Houck, Finance

Pastor Graham, Director of Campus Ministries

Franklin Antonio, Technology Services

Derrick Jennings, Technology Services

Dr. Kawachi Clemons, Office of Provost

Kendrick Mason, Government Relations

Joseph Lyons, Student, Success & Engagement

Franklin Johnson-Norwood, Institutional Advancement

## **INVOCATION**

Chair William Murray invited Pastor Graham to offer the invocation.

## **APPROVAL OF AGENDA**

The Chair called for the approval of the agenda noting a change wherein Spider Management would present before the closed session. A Visitor made the motion which was properly seconded, and the Committee approved the agenda by voice vote.

## **PREVIOUS MEETING MINUTES**

The Chair asked for a motion to approve previous meeting minutes. A Visitor made the motion which was properly seconded, and the Committee approved the previous meeting minutes by voice vote.

## **PRESIDENT'S REMARKS**

President Abdullah did not make remarks.

## **PRESENTATION FROM SPIDER MANAGEMENT**

Mr. Davenport provided background on the investment RFP process, noting performance and diversity as major drivers of the selections. He summarized the reasons why the RFP Committee decided to renew the contract with Spider Management and enter into a new contract with Consequent Capital Management.

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Before calling up Ms. Crawford and Ms. Welch from Spider Management, Mr. Davenport provided some background on Spider's partnership with VSU, noting their track record of superior returns since the partnership's inception in 2006. Ms. Crawford discussed performance, asset allocation, and over and underperformance for each asset class contained in the portfolio. She highlighted some goals for rebalancing in the portfolio such as achieving less directionality, balance with private equity, and adding some real estate to balance some of the underperformance in public equity.

Ms. Welch noted Spider's historical outperformance in 100% of down markets but also achieving solid performance in up markets. She presented several tables which highlighted the focus on protecting and preserving capital in down markets. She noted the use of various asset classes as protection when public markets were down, discussed the macro environment and inflation, commented on raising rates, and highlighted strategic changes to asset allocation. Ms. Welch also provided a summary of the pool of managers to which Spider has access. Ms. Crawford discussed DEI initiatives at Spider Management. She noted their recently published Responsible Investing Report. She discussed partnership with VSU including the hiring of an intern from VSU. She noted the upcoming partner sessions.

### **CLOSED SESSION**

Chair Murray asked for a motion to enter into a closed meeting for the discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, and discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6 related to economic development pursuant to Va. Code Section 2.2-3711 (A)(6) and (39), relating specifically to an economic development opportunity. The motion was made and properly seconded. Other attendees included Cynthia Norwood Marquez (Legal Counsel), Kevin Davenport, Jane Harris, Omar Faison, Keith Boswell, Ben Houck, Adrian Petway, Alexis Brooks-Walter, Donald Palm, Shawri King-Casey, Tonya Hall, Eldon Burton, and Annie C. Redd.

Following the discussion, the Chair asked for a motion to enter open session. A Visitor made the motion which was properly seconded. The Committee voted by voice vote. In open session, Chair Murray read the certification statement: During its closed meeting, the Board Committee discussed only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only those public business matters identified in the motion convening the Board Committee in closed session. The chair asked for a motion to certify the closed meeting. A Visitor made the motion which was properly seconded. The Committee voted by a roll call vote.

### **REPORTS AND RECOMMENDATIONS**

#### **Division of Technology Services**

Mr. Edwards noted that one of the first projects he was tasked with was dealing with issues related to the WIFI network. He explained that the WIFI architecture was temporarily rearchitected to hold over until complete replacement took place. He stated that approval has been granted to update the WIFI on campus.

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Along with the complete update, he noted that a complete analysis of the whole campus will take place, with connectivity being the number one priority. He added that the vendor assisting with the analysis will also evaluate cell phone connectivity for the entire campus. Mr. Edwards provided some context for establishing his priorities for connectivity, with one of the main drivers being his close communication with the SGA.

Mr. Edwards discussed the newsletter and social media presence which were created so that students can have up to date status on technology. He also provided summaries relating to the PPPM process, the SharePoint site, and personnel processing, noting that software that assisting with onboarding will be added.

Mr. Edwards provided the context that in year one, the focus was “thinking differently”. For this year, the theme for technology will be “moving the speed of business. He discussed Blackboard One Stop and the way that useful analytics are able to be drawn from this platform.

Mr. Edwards highlighted his team’s monthly meetings with the research team, pointing out that VSU now has a separate network dedicated to research. He noted the ways that relationships have been leveraged with the state’s Chief Information Security Office. He stressed the importance of proper planning and due diligence and working with the deans for strategic planning. He described the process of performing interviews with twenty stakeholders, analyzing organizational charts and existing processes, looking for synergies where single employees can handle multiple functional requirements, and ultimately presenting an assessment to Dr. Palm.

Mr. Edwards presented an investment management roadmap, including a slide on the higher education digital footprint. He stressed the importance of getting key data to lead to more optimal outcomes. Visitor Pam Currey, Chair of the Academic and Student Affairs Committee, thanked Mr. Edwards for his overview and requested that the Academic and Student Affairs and Finance committees sit jointly when the IT Strategic Plan is presented. Visitor Currey noted the success of Dr. Palm working closely with the CIO and of Mr. Edwards also working closely with the SGA and deans.

### **Division of Finance**

The Chair called Mr. Davenport to present the operating results for the end of last year, projections, and cash balances. Mr. Davenport noted that he will not be discussing enrollment in depth, but noted that revenue will be up \$1.3 million for the first quarter of next year due to the increase in enrollment. He stated that 2,100 students were budgeted to reside on campus and currently we have over 3,000 housed. He stated that this increase is expected to create a total increase in revenue of \$3 million. He also noted that budget for state support were conservative, with the actual state support amount increasing by \$22 million.

Mr. Davenport presented last year’s fiscal results – noting that all key metrics were met. He went through various categories such as tuition and auxiliary revenues, highlighting a total surplus of about \$8.6 million. He stated that this surplus is comprised of the VCAN funds that are being carried forward

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(\$3.4 million), funds carried forward by Agency 234 (\$3.4 million), and some state financial aid that is able to be carried forward.

Mr. Davenport presented the cash position, noting that the University is in a strong position. He highlighted an ending cash balance as of June 30, 2022 of \$63 million, noting the flexibility that this level of cash makes possible. He highlighted that auxiliary levels are above their target threshold and that the MacKenzie Scott gift has not been drawn. He noted an overall cash position of over \$100 million considering all sources.

A Visitor described the apparent contradiction in mission where many institutions of higher education are able to pay administrators high salaries and build massive endowments, but yet graduate students with significant levels of indebtedness, that for some graduates may not be serviceable. He encouraged university leadership to keep this in mind and ensure that minimizing student debt is a top priority for deploying excess cash.

Dr. Abdullah thanked this Visitor for reminding us of this priority of making sure that balance sheet is not just grown for its own sake, but to make sure students are the beneficiaries.

A Visitor offered concurrence with these comments. The Visitor also encouraged university leadership to further investigate creative opportunities that might be found looking at the cost of each major.

**ADJOURNMENT**

There being no further business, Chair Murray called for a motion to adjourn the meeting. The motion was made, properly seconded, and the Committee voted by voice vote. The Chair adjourned the meeting at 10:52 a.m.

**APPROVED:**

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**Chair**

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**Date**