

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON FACILITIES & FINANCE
10:15 AM FRIDAY, FEBRUARY 10, 2023
Gateway Dining & Events Center
(on the campus of Virginia State University)
(No Public Comment Period Scheduled)**

AGENDA

CALL TO ORDER Mr. William Murray, Chair

ROLL CALL

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

APPROVAL OF AGENDA

APPROVAL OF PREVIOUS MEETING MINUTES (if any)

- November 18, 2022 Committee Meeting

PRESIDENT'S REMARKS Dr. Makola M. Abdullah

REPORTS AND RECOMMENDATIONS

Technology Services..... Mr. Maurion Edwards
Chief Information Officer

- o Information Items
 - ✦ Technology Services Update

- Division of Finance Mr. Kevin Davenport
Senior Vice President, Finance & Administration/CFO

- o Approval Items:
 - ✦ Resolution Authorizing the Tuition and Fees for Academic Year 2023-2024

- o Information Items:
 - ✦ Finance and Facilities Overview
 - ✦ Cash and Reserves for Quarter Ending December 31, 2022
 - ✦ Statement of Sources and Uses for Quarter Ending December 31, 2022
 - ✦ Proposed Tuition, Fees, Room and Board Rates for 2023-2024
 - ✦ Capital Project Update for Quarter Ending December 31, 2022

- CLOSED SESSION..... Mr. Kevin Davenport

OTHER BUSINESS

ADJOURNMENT

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
FACILITIES & FINANCE COMMITTEE
FRIDAY, FEBRUARY 10, 2023**

MEETING MINUTES

CALL TO ORDER

Mr. William Murray, Committee Chair, called the meeting of Finance and Facilities Committee to order at 10:15 a.m. in the Gateway Dining and Events Center on the campus of Virginia State University.

ROLL CALL

A quorum of committee members was present.

Committee Members Present

Mr. William Murray, Chair
Mr. Michael Flemming (*absent*)
Mr. Victor Branch
Mr. Thomas Cosgrove
Mr. Wayne Turnage
Dr. Valerie Brown, Rector (*ex-officio*)

Mr. Wayne Turnage participated by video conference from Glen Allen, VA for personal reasons.

Other Board Members Present

Pamela Currey
Shavonne Gordon
Mr. Glenn Sessoms
Dr. Robert Denton, Jr.
Dr. Leonard Haynes, III
Dr. Leonard Githinji (Faculty Representative)
Yania Campbell (SGA Representative)

Administration Present:

Dr. Makola M. Abdullah, President
Dr. Donald Palm, Provost/Executive Vice President for Academic and Student Affairs
Kevin Davenport, Senior Vice President for Finance & Administration/CFO
Shawri King-Casey, Vice President for Integrity & Compliance
Tonya Hall, Vice President for External Relations
Dr. Annie Redd, Chief of Staff/Director, Board Operations and Relations
Rodney Hall, Deputy Chief of Staff
Maurion Edwards, Chief Information Officer/Technology Services
Chief David Bragg, Associate Vice President, Chief/VSU Police Department
Dr. Alexis Brooks-Walter, Vice President for Enrollment Management

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Regina Barnett-Tyler, Assoc. Vice Provost/Student Success & Engagement
Dr. Gwendolyn Williams Dandridge, Asst. Vice President/Director, Communications
Eldon Burton, Asst. Vice President/Director of Government Relations
Dr. Tia Minnis, Vice Provost for Academic Success, Planning & IE

Legal Counsel Present:

Cynthia Marquez, Senior Assistant Attorney General

Other Attendees:

Pastor Jasmyn Graham, Campus Ministries
Derrick Jennings, Technology Services
Franklin Antonio, Technology Services
Yourdonus James, Office of Conference Services
Danette Johnson, President's Office
Debbie Jefferson, President's Office
Marjorie Muse, President's Office
Kendra White, Office of Compliance
Joseph Lyons, Student Success & Engagement
Kendrick Mason, Office of Institutional Advancement
Robert Phillips, Office of Procurement
Franklin Johnson-Norwood, Office of Institutional Advancement

INVOCATION

The Chair invited Pastor Graham to deliver the invocation.

AGENDA

The agenda was approved by voice vote.

PREVIOUS MEETING MINUTES

The minutes from the November 18, 2022 meeting were approved by voice vote.

REPORTS & RECOMMENDATIONS

Division of Technology

The Chair called Mr. Edwards to deliver an update on technology. Mr. Edwards starting by explaining that many students loved the hybrid model of education that was adopted during the pandemic. He expressed the need to expand distance learning. He then outlined his plan and vision for technology going through 2027. He discussed the benefits of the cloud with respect to accessibility for students, noting the partnership with Google allowing students to obtain

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DIVISION OF FINANCE

The Chair called Mr. Davenport for his Finance and Facilities overview. Mr. Davenport presented an overview of the cash and reserves position, including the Agency 234 cash balances. He also drew attention to the amounts of spending authority remaining on the CARES Funds, including MSI, student, and international funds.

The Rector asked if the university is able to use any of these funds for information technology. Mr. Davenport replied that this is possible and there are some good opportunities to support this area with these funds. He also mentioned that the university has been through three different audits of the COVID funds and noted that it has passed all audits. He thanked Ms. Petway for her leadership in ensuring compliance with these funds. A Visitor asked how long the university has to spend the CARES Funds. Mr. Davenport responded that the university is able to apply for one more extension through June 30th of next year.

Mr. Davenport presented a high-level look at the university's investment balances. He highlighted the renewal of the contract with Spider Management as well as the hiring of Consequent Capital Management. Dr. Abdullah noted that the university's endowment is about \$70 million, and with the Foundation and the MacKenzie Scott gift, closer to \$120 million. He emphasized that the university would be in the top fifteen HBCUs without the MacKenzie Scott gift and in the top ten including the gift. He noted that historically VSU has been around the 40-50th ranking. Dr. Abdullah also highlighted the trend to assign more priority to developing the endowment, which started with his predecessor, Dr. Eddie Moore.

Mr. Davenport presented the key budget drivers including headcount. In response to a Visitor's question, Mr. Davenport confirmed that transfer students were added for the spring semester to offset the normal drop off.

A Visitor asked about cash reserves and how large we want them to be. Mr. Davenport replied that he wants to support Dr. Abdullah's priority to invest as well as maintaining an adequate amount of cash reserves. He added that the reserve target is roughly \$20 million.

The Chair asked Mr. Davenport what he thinks about endowment versus reserves. Mr. Davenport clarified that endowment is not included in the calculation or targets for cash reserves.

Dr. Abdullah added that the balances seen in the report are primary operating cash balances which fluctuate, as opposed to reserves, noting that auxiliary balances are likely the closest representation of reserves and currently stand at about \$55 million. Mr. Davenport presented a high-level summary of sources and uses of funds, comparing budgeted amounts to actuals. The Chair moved to transition the meeting into closed session.

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affordable laptops. He explained how campus resources can now be accessed from anywhere and students studying even abroad will have equal access to technology resources. Mr. Edwards presented the key components to the strategic plan, explaining how the IT strategic plan ties back to the University's strategic plan. Mr. Edwards stated now that VSU has the proper technology systems in place, the university will be joining major research networks along with Virginia Tech.

Mr. Edwards presented an update on the current state of systems, noting that many systems still remain which are antiquated. He also noted a lack of system integration which impacts the student experience. He then presented what the future state of systems will look like, including the costs and steps for each of the three phases of the plan. Phase one includes costs such as new staffing, 24/7 contact center, security and network operations center, a digital portal, and additional audio and visual for classrooms. Phase two and three will include data analytics, google for students and alumni, and continual innovation. He noted the ability to engage alumni more so by allowing them to transition to an alumni email address.

A Visitor asked about the proposed investment control board. Mr. Edwards noted that if someone wants to implement a system, they can come to request a system and it is then reviewed. The Visitor followed up to ask if this will be looked at in budget development. Dr. Abdullah confirmed that it would be.

A Visitor asked about staffing. Mr. Edwards gave an update on where he is in meeting staffing needs noting that he will be using a mix of contract as well as VSU staff. He noted that establishing the framework will cost about \$3 million in base cost. He noted potential large savings through subscription and service-based process.

The Rector asked about the timeframe needed for total implementation to take place. Mr. Edwards replied that total implementation is projected to take place around 2026-2027. He also responded to a Visitor's question not that the university takes a proactive response with respect to cyber security.

A Visitor asked where the university is in terms of technology compared with its peers. Mr. Edwards stated that VSU is ahead of many of its peers in terms of establishing an investment control board. He also noted that VSU is on the cloud whereas many campuses are still on sites with their own servers for banner. The Chair noted that the committee will spend more time on cyber security in the next meeting.

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CLOSED SESSION

The Chair called for a motion to enter a closed meeting at 10:55 a.m. for discussion or consideration of the acquisition of real property for a public purpose, or to dispose of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body pursuant to 2.2-3711 (A)(3), specifically to consider the acquisition of real property by Virginia State University. The motion was made and properly seconded. The committee voted by voice vote. Additional persons in attendance were Cindy Norwood Marquez, Legal Counsel; President Makola Abdullah, Kevin Davenport, Benjamin Houck, Dr. Alexis Brooks-Walter, Shawri King-Casey, Tonya Hall, Jane Harris, Adrian Petway, Dr. Donald Palm, and Dr. Annie C. Redd, Board Liaison.

Following discussion, the Chair requested a motion to enter open session. The motion was made and properly seconded. The committee voted by voice vote. In open session, the Chair read the certification statement: During its closed meeting, the 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 committee in closed session. The Chair requested a motion to certify the closed meeting. The motion was made and properly seconded. The committee voted by a roll call vote.

The Chair requested a motion to recommend to the Full Board that the Executive Committee be authorized to vote on and make decisions regarding the real estate transactions necessary relating to housing for students. The committee voted and passed the motion by roll call vote.


ADJOURNMENT

There being no further business, Chair Murray called for a motion to adjourn the meeting. The motion was received, properly seconded, and the committee voted by voice vote. The chair adjourned the meeting at approximately 11:30 am.

APPROVED:



Chair



Date