

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON FACILITIES & FINANCE
1:15 P.M.; THURSDAY, NOVEMBER 14, 2024
100 E. Main Street; Norfolk, VA 23510
(No Public Comment Scheduled)**

AGENDA

CALL TO ORDERMs. Daphne Meeks, Chair

ROLL CALL

INVOCATION

APPROVAL OF AGENDA

APPROVAL OF PREVIOUS MEETING MINUTES (if any)

- September 12, 2024, Committee Meeting

PRESIDENT’S REMARKSDr. Makola M. Abdullah

CLOSED SESSION.....Real Estate Acquisitions

DIVISION OF FINANCE.....Mr. Kevin Davenport, Senior Vice President/CFO

REPORTS AND RECOMMENDATIONS

- o Approval Items:
 - Resolution to Authorize the Acquisition of Properties

- o Information Items
 - Finance & Facilities Overview
 - Statement of Sources and Uses for Quarter Ending June 30, 2024
 - Comparative Cash Reserves for the Year Ending June 30, 2024
 - Proposed Tuition & Fees for 2025-26
 - Capital Project Update for Year Ending June 30, 2024

- o Discussion of Bi-Annual Management Reports

OTHER BUSINESS

ADJOURNMENT

11.4.2024

**VIRGINIA STATE UNIVERSITY BOARD OF VISITORS
COMMITTEE ON FACILITIES & FINANCE
THURSDAY, NOVEMBER 14, 2024**

CALL TO ORDER

Ms. Daphne Meeks, Chair, called the Facilities & Finance Committee meeting to order at approximately 1:15 p.m.

ROLL CALL

A quorum was present.

COMMITTEE MEMBERS PRESENT:

Ms. Daphne Meeks (Chair)
Dr. Valerie K. Brown (Ex-Officio)
Mr. Victor Branch
Mr. Thomas Cosgrove (Vice Chair)
Mr. Peter McPherson
Mr. Robert Thompson
Mr. Kishore S. Thota (arrived approximately 2 pm)

BOARD APPOINTEES:

Professor Tracy Jackson, Faculty Representative
Mr. Yousif Omer, Student Representative (absent)

OTHER MEMBERS PRESENT:

Mr. Victor Branch
Mr. Joseph A. F. Chase, Jr.
Dr. Robert Denton, Jr. (Virtual)
Mr. Jon Moore
Ms. Verndell Robinson

Dr. Denton participated by virtual means from Blacksburg, VA, due to medical reasons.

ADMINISTRATION PRESENT:

Dr. Makola M. Abdullah, President
Dr. Tia Minnis, Provost/Vice President for Academic and Student Affairs
Ms. Tonya S. Hall, Vice President for Advancement and External Engagement
Mr. Kevin Davenport, Senior Vice President for Finance & Administration/CFO
Ms. Shawri King-Casey, Vice President for Institutional Integrity & Compliance
Dr. Alexis Brooks-Walter, Vice President for Student Affairs/Enrollment Management
Dr. Annie C. Redd, Chief of Staff/Director, Board Operations & Relations

**FACILITIES & FINANCE COMMITTEE MEETING MINUTES
THURSDAY, NOVEMBER 14, 2024
PAGE 2**

INVOCATION

The Chair called Dr. Joseph A. F. Chase to deliver the invocation.

APPROVAL OF AGENDA

The Committee approved the agenda by voice vote.

APPROVAL OF PREVIOUS MEETING MINUTES

The Committee approved the minutes from the meeting on September 12, 2024, by voice vote.

PRESIDENT'S REMARKS

Dr Abdullah had no comments.

REPORTS & RECOMMENDATIONS

The Chair called on Mr. Davenport, who gave a presentation on the changes in the cash and reserve balances between the June 30th and September 30th, 2024 periods. Considering the season, he saw a healthy cash situation. He outlined several key areas, including grant funds, tuition and fees, and state funds.

A Visitor asked for an update regarding the expenditure of the COVID relief funds. Mr. Davenport noted that most funds have expired. However, there is one category remaining that can be utilized.

Mr. Davenport presented the changes in investment balances for the periods ending June 30th, 2024 versus September 30th, 2024. He highlighted the various categories of funds such as University endowment, Foundation endowment, Title III endowment, and the MacKenzie Scott gift.

A Visitor inquired as to why money is split between the Foundation and the University. Background information on the split was given by Mr. Davenport, who also mentioned that the Foundation manages its investments and has its own investing policy. The majority of Foundation funding is donor-endowed and goes toward scholarships, Dr. Abdullah continued.

A Visitor inquired about the MacKenzie Scott donation in relationship to buying more real estate. Mr. Davenport stated that he does not anticipate using this donation to purchase real estate in the future.

In addition to providing updates on progress for all main categories following the first quarter, Mr. Davenport gave a summary of the sources and uses, emphasizing the discrepancies between budgeted and actual amounts. He pointed out that so far, revenue and spending are on pace to reach the budget.

A Visitor inquired as to whether a surplus was anticipated. Mr. Davenport pointed out that we are not anticipating a surplus and that we are facing some difficulties with tuition and fees. A draft tuition and fee statement for 2025–2026 was presented by Mr. Davenport. According to the

**FACILITIES & FINANCE COMMITTEE MEETING MINUTES
THURSDAY, NOVEMBER 14, 2024
PAGE 3**

statement, a 3-5% rise is anticipated to address inflationary pressures, as well as advancements in technology and public safety.

Dr. Abdullah gave a thorough explanation of the steps involved in creating the tuition and fee statement in advance of the February meeting. A slide that Mr. Davenport showed Dr. Abdullah illustrated the specifics of this procedure. A chart that illustrates inflationary pressures was provided by Mr. Davenport. He pointed out that clauses allowing them to raise their fees in tandem with CPI are found in many of the larger contracts with outside vendors. He gave a list of all state universities' undergraduate and graduate tuition and fees, pointing out that VSU has the lowest overall costs and some of the lowest tuition. Additionally, Mr. Davenport showed a slide that illustrated the additional revenue that would result from hikes of three, four, and five percent.

According to a Visitor, the university has one of the greatest percentages of Pell-eligible students and the highest general fund appropriation per student, despite having some of the lowest tuition. The Visitor provided more information, pointing out that the school has the oldest buildings of any state university and that 80% of students graduate with debt. "We need a programmatic approach as we push for more state funding," the Visitor said.

The Visitor went on to say that the presentation from the previous year made a strong case for a three percent raise. To support such an increase, more program and academic reviews are required this year. The Visitor underlined that the institution must carry out more due diligence regarding efficiency in light of the JLARC assessment, which revealed that instructional costs had increased by more than 60%.

In addition to thanking the Visitor for his remarks, Dr. Abdullah stated that he specifically wants an administrative and program evaluation to be carried out this year so that the board may better understand VSU's size in comparison to its peers. He said hiring a consultant who can provide this review would be his top priority.

Discussion followed in reference to the HEPI measure, a need for a progressive tuition and fee strategy that looks out four to five years rather than simply one year at a time, the state's reaction to a proposed increase, and the need to understand the differences between in-state and out-of-state marketplaces. Additional discussion included whether tuition price rises would affect the amount of money each student received from Pell Grants, consideration of the entire amount of debt that VSU graduates bear, students' debt levels and their impact on public opinion of higher education.

A Visitor thanked Mr. Davenport and said that for the board to assess cost drivers and unfunded mandates, it would be helpful to offer a comparable level of detail about tuition at the February meeting as it was last year. A Visitor wanted background information on how much tuition

**FACILITIES & FINANCE COMMITTEE MEETING MINUTES
THURSDAY, NOVEMBER 14, 2024
PAGE 4**

increases hurt the university's ability to accept applications. There is a detrimental impact on the applications that are received, according to Dr. Abdullah.

CLOSED SESSION

Chair Meeks asked for a motion to enter closed session for the discussion or consideration of information pursuant to 2.2-3711 (A) (3), relating to the acquisition of real property for a public purpose where discussion in an open meeting would affect the bargaining position or negotiating strategy of the public body. This is pertaining to the leasing and/or purchase of private properties adjacent to the University's campus. The motion was made, properly seconded and approved by voice vote for the Committee to enter closed session.

Upon returning to open session, the Committee certified that 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 board in closed session. The motion was made, properly seconded, and approved by roll call vote.

OTHER BUSINESS:

Ms. Meeks announced the Committee had selected Mr. Thomas Cosgrove as the Vice Chair.

ADJOURNMENT:

With no further business, Chair Meeks called for a motion to adjourn the meeting. The motion was received and properly seconded, and the Committee voted by voice vote. The Chair adjourned the meeting at approximately 1:15 p.m.

APPROVED:

D Meeks

Chair

2/6/2025

Date

Good afternoon, (introduction)

Ensuring that we not maintain but improve Safety and Quality at Virginia State University As the 2025–2026 school year approaches, is among our top priorities. It's important that we as a Student Government Association acknowledge the growing expenses associated with improving a world-class educational experience. In order to guarantee that Virginia State University can keep making investments in vital fields like technology and public safety, this suggested tuition and fee adjustment is critical. Our students are deserving of an institution that is competitive with other universities, safe, and up to date. While no one wants to see costs rise, this tuition adjustment will support the resources that keep VSU a robust and successful institution.

The reality is that inflation impacts all aspects of university operations. From classroom technology to student housing and dining services. The Student Government Association wants Virginia State University to remain a leader in higher education, we believe that VP Davenport's report has been extensive, and informative, and we thank him for the many presentations and meetings that he has taken with students, organizations, and alumni groups.

This modest increase ensures that Scholars at Virginia State University have access to the best possible learning environment while keeping VSU's tuition and fees competitive with peer institutions.

The Student Government Association supports the tuition adjustment.

With Trojan Dignity & Pride,

Yousif N. Omer | *President*

Student Government Association | Virginia State University

Contact: (424) 440-4345 | yome3554@students.vsu.edu

Virginia State University:

- Opens doors for **GREATER** access to lifelong learners
- Provides **GREATER** educational opportunities to increase the economic outlook for generations to come
- Provides **GREATER** outreach as an 1890 land-grant university extending **GREATER** expertise to improve the quality of life in our state, nation, and world
- Provides a personable, stable, nurturing holistic atmosphere conducive to **GREATER** learning, growing, and transforming
- Develops **GREATER** leaders who are globally competitive while remaining civically engaged

LEAD RESPONSIBLY

"Virginia State University's SGA consists of the student governing body. The SGA is responsible for being the liaison between students and administration regarding policies or issues directly affecting the student body. It also helps to promote and implement new legislation and initiatives that affect the student body's way of life."