

**VIRGINIA STATE UNIVERSITY
BOARD OF VISITORS
BOARD MEETING MINUTES
FRIDAY, APRIL 21, 2017**

*The Full Board Meeting will be held on the 2nd floor of the Gateway Dining Event Center
Salon A, on the campus of Virginia State University*

CALL TO ORDER

Mr. Harry Black, Rector, called the meeting of the Virginia State University (VSU) Board of Visitors (Board) to order in Salon A of the Gateway Dining and Event Center at approximately 9:10 a.m.

ROLL CALL

A quorum was present.

Board Members Present:

Mr. Harry Black, Rector
Mr. Huron F. Winstead, Vice Rector
Ms. Thursa Crittenden, Secretary
Ms. Pamela A. Currey
Dr. Daryl C. Dance (*absent*)
Mr. Michael Flemming
Mr. Charlie W. Hill
Dr. Alma C. Hobbs
Mr. Frederick S. Humphries, Jr. (*absent*)
Ms. Jennifer Hunter
Mr. Paul Koonce
Mr. Xavier Richardson
Mr. Glenn Sessoms
Mr. James J.L. Stegmaier
Mr. Wayne Turnage (*arrived 9:25 a.m.*)
Dr. James Norman, Faculty Representative to the Board
Ms. Shai West, Student Representative to the Board

Administration Present:

Dr. Makola Abdullah, President
Dr. Donald Palm, Provost/Vice President of Academic Affairs
Dr. Letizia Gambrell-Boone, Vice President of Student Success and Engagement
Mr. Hubert Harris, Vice President of Administration
Dr. G. Dale Wesson, Vice President of Research and Economic Development
Ms. Joanne Curtis Taylor, Chief Audit Executive
Mr. Rodney Hall, Executive Director of Enrollment Services
Ms. Pamela Tolson, Director of Communications
Mr. Osubi Craig, Special Assistant to the President for Special Projects and Special Initiatives

Legal Counsel Present:

Ms. Ramona Taylor, University Legal Counsel
Ms. Bonnie N. Holmes, Legal Assistant, University Legal Counsel

Other Attendees:

Rev. Delano Douglas, Director, Campus Ministries
Travis Edmonds, Technical Services
Debbie Jefferson, Office of the President
Karen Gulliford, CCWA Consultant
Danette Johnson, Office of the President
Joyce Henderson, Executive Director, VSU Real Estate Foundation
Henry DeBose, Division of Student Success & Engagement
Dr. Robert Turner, Executive Director, VSU Foundation
Dr. Farid Sobhani
Dr. Ghyasuddin Ahmed, Department of Social Sciences
Paula McCapes, College of Agriculture
Kathie Choinski, Dept. of Police and Public Safety

The Rector invited Reverend Delano Douglas, Director of Campus Ministries, to offer an invocation.

APPROVAL OF MINUTES

Rector Black called for the approval of minutes from the January 2017 Board and Committee meetings. For the Academic & Student Affairs Committee meeting held on January 25th, Mr. Sessoms made the motion for approval, and Ms. Hunter seconded the motion. The motion passed by voice vote.

For the Personnel & Compensation Committee meeting held January 26, 2017, Mr. Sessoms made the motion for approval, and Ms. Hunter seconded the motion. The motion passed by voice vote.

For the January 26th and the January 27th Board meetings, Mr. Hill made the motion for approval, and Dr. Hobbs seconded the motion. The motion passed by voice vote.

REAFFIRMATION OF BOARD DOCUMENTS AND THE EXECUTIVE COMMITTEE

The Rector called for the reaffirmation of the VSU Board Statement of Governance, the Board's Code of Ethics, and the VSU Board Freedom of Information ACT (FOIA) Rights and Responsibilities. The Rector also called for the reaffirmation of the Board's Executive Committee. Mr. Sessoms moved that the Board reaffirm the documents, and Mr. Hill seconded the motion. The motion passed by voice vote.

APPROVAL OF THE BOARD'S MEETING SCHEDULE, 2017-2018

The Rector called for the approval of the Board's meeting dates for 2017-2018. Mr. Hill moved for approval, and Mr. Richardson seconded the motion. The motion passed by voice vote.

OPENING STATEMENTS

None.

CLOSED SESSION

In accordance with §§ 2.2-3711(A)(1), (10) of the *Code of Virginia*, Ms. Crittenden moved to go into closed session at 9:20 a.m. for a discussion of personnel matters regarding the President's Performance Evaluation. The motion provided that President Makola M. Abdullah attend the closed meeting as his

presence was deemed necessary to aid the Board in its deliberations. The motion was seconded and carried by voice vote.

The Board reconvened in open session at 10:15 a.m. in accordance with § 2.2-3712(D) of the *Code of Virginia*. Ms. Crittenden conducted the poll in which all board members certified that the Board only discussed personnel matters. All board members present certified compliance with the Virginia Freedom of Information Act.

Mr. Richardson moved for the approval of the President's year one performance evaluation and to authorize the Rector and the Chair, Personnel and Compensation Committee to engage the Attorney General's Office to initiate the compensation changes agreed to by the Board and the President. Ms. Hunter seconded the motion. The motion passed by voice vote.

CLOSED SESSION

In accordance with §§ 2.2-3711(A)(1), (10) of the *Code of Virginia*, Ms. Crittenden moved to go into closed session at 10:17 a.m. for a discussion of personnel matters regarding the Human Resources Operational and Personnel Review/Effectiveness Survey. The motion provided that President Makola M. Abdullah, Hubert Harris, Karen Gulliford, and Ramona L. Taylor, Legal Counsel, attend the closed meeting as their presence was deemed necessary to aid the Board in its deliberations. The motion was seconded and carried by voice vote.

The Board reconvened in open session at 10:46 a.m. in accordance with § 2.2-3712(D) of the *Code of Virginia*. Ms. Crittenden conducted the poll in which all board members certified that the Board only discussed personnel matters. All board members present certified compliance with the Virginia Freedom of Information Act.

COMMITTEE SESSIONS

The Rector adjourned the meeting of the Full Board to allow for committee meetings with the Board functioning as a committee of the whole.

COMMITTEE REPORTS

Academic and Student Affairs Committee

(Committee Members Present: Currey, Hill, Hobbs, Richardson, Norman, West)

On behalf of the Committee, Dr. Alrna Hobbs presented 11 candidates for tenure and/or promotion. Mr. Hill moved that the Board approve the 11 candidates for tenure and/or promotion. The motion was seconded and carried by voice vote.

- Tenure and Promotion to Associate Professor
 - Marcus Comer, College of Agriculture
 - Shedrick D. McCall, College of Natural and Health Sciences
 - Yonglin Lu, College of Engineering and Technology
 - Vitalis W. Temu, College of Agriculture

- Promotion to Full Professor
 - Coray Davis, College of Engineering and Technology
 - Ghyasuddin Ahmed, College of Humanities and Social Sciences
 - Isis Walton, College of Humanities and Social Sciences
 - Zoe Spencer, College of Humanities and Social Sciences
 - Yan G. Zhong, College of Agriculture
 - Patricia Aldridge, College of Education

- Tenure and Promotion to Full Professor
 - Ade Ola, College of Business

Dr. Hobbs presented three candidates for tenure upon hire: Dr. M. Ray McKinnie, Dean, College of Agriculture; Dr. Kawachi Clemmons, Special Assistant to the Provost, College of Education/Education Leadership; Dr. Jewel H. Bronaugh, Executive Director of the Center of Agriculture Research and Outreach, College of Agriculture. Mr. Hill moved that the Board approve the three candidates for tenure upon hire. The motion was seconded and carried by voice vote.

Dr. Hobbs presented the request for sabbatical leave for Professor Retta Brown, School and Community Counseling. Mr. Hill moved that the Board approve the sabbatical leave request for Professor Brown. The motion was seconded and carried by voice vote.

Dr. Hobbs presented the Resolution to approve the Honorary Doctoral Degree Guidelines. Mr. Hill moved that the Board approve the Resolution. The motion was seconded and carried by voice vote.

Dr. Hobbs presented the Resolution for approval of the sale of firearm to retired DPPS officer, Eddie Perry. Mr. Richardson moved that the Board approve the Resolution. The motion was seconded and carried by voice vote.

Dr. Hobbs presented the Resolution for approval of the Student Athlete Discipline Policy. Mr. Richardson moved that the Board approve the Resolution. The motion was seconded and carried by voice vote.

Dr. Hobbs called for remarks from Dr. James Norman, Faculty Representative to the Board, and remarks from Ms. Shai West, Student Representative to the Board. President Abdullah expressed gratitude to Dr. Norman and Ms. West for their service as leaders of their respective campus organizations. The Board members expressed appreciation for Ms. West as an exemplary student. Rector Black also acknowledged Ms. Paula McCapes, Chair, of the Staff Senate.

Facilities, Finance and Audit Committee

(Committee Members Present: Flemming, Hill, Koonce, Stegmaier, Winstead)

On behalf of the Committee, Mr. Flemming presented the Resolution for approval of the Fiscal Year 2017-2018 Operating Budget. Mr. Stegmaier moved for approval of the Resolution. The motion was seconded and carried by voice vote.

Mr. Flemming presented the Resolution for approval of the Tuition, Fees, Room and Board 2017-2018. Mr. Hill moved for approval of the Resolution. The motion was seconded and carried by voice vote. Mr. Flemming presented the Resolution for the approval of the Demolition of Simms Hall. Mr. Hill moved for approval of the Resolution. The motion was seconded and carried by voice vote.

Mr. Flemming presented the Resolution for the approval of the revised Investment Policy 1900. Mr. Hill moved for approval of the Resolution. The motion was seconded and carried by voice vote.

Mr. Flemming presented the Resolution for approval of the revised Fiscal Year 2017 Internal Audit Plan. Mr. Stegmaier moved for approval of the Resolution. The motion was seconded and carried by voice vote.

Mr. Flemming presented the Resolution for revision and approval of the Audit Committee Charter. Mr. Hill moved for approval of the Resolution. The motion was seconded and carried by voice vote.

Mr. Flemming presented the Resolution for revision and approval of the Internal Audit Charter. Mr. Hill moved for approval of the Resolution. The motion was seconded and carried by voice vote.

Institutional Advancement Committee

(Committee Members Present: Crittenden, Currey, Hobbs, Hunter, Koonce, Richardson, Flemming, Sessoms)

On behalf of the Committee, Ms. Jennifer Hunter, Chair, presented the Resolution for approval of revisions to Policy 4010 – Policy on Accepting, Recording, and Naming of Gifts. Dr. Hobbs moved for approval of the Resolution. The motion was seconded and carried by voice vote.

Ms. Hunter presented the Resolution for approval of revisions to Policy 4100: Policy on the Solicitation and Recognition of Gifts. Mr. Richardson moved for the approval of the Resolution. The motion was seconded and carried by voice vote.

Ms. Hunter presented the Resolution for approval of VSU Alumni Association Alumnus of the Year Award to Lt. Colonel Darryl Wesley Sharp, Sr. (Retired). Mr. Richardson moved for the approval of the Resolution. The motion was seconded and carried by voice vote.

Personnel and Compensation

(Committee Members Present: Crittenden, Hunter, Sessoms, Stegmaier, Winstead)

No further actions.

CLOSED SESSION

In accordance with §§ 2.2-3711(A)(7) and Section 2.2-3705.6 of the *Code of Virginia*, Ms. Crittenden moved to go into closed session at 11:29 a.m. for consultation with legal counsel and exclusions to application of proprietary records and trade secrets where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body. More specifically, Legal Counsel will discuss the VSU Trojan Development Project (VSU Real Estate Foundation and VSU

Foundation). The motion provided that President Makola M. Abdullah, Legal Counsel Ramona L. Taylor; Bonnie Holmes, Joyce Henderson, Kevin Davenport, Dr. Millard "Pete" Stith (absent), Dr. Robert Turner, Dr. Dale Wesson, Osubi Craig, and Dr. Letizia Gambrell-Boone attend the closed meeting as their presence was deemed necessary and/or their presence will aid the Board in its deliberations. The motion was seconded and carried by voice vote.

In accordance with §§ 2.2-3711(A)(1) the *Code of Virginia*, Ms. Crittenden moved to go into closed session for discussion of personnel matters regarding personnel performance. The motion provided that President Makola M. Abdullah and Ramona L. Taylor, Legal Counsel, remain as their presence was deemed necessary and/or their presence would aid the Board in its deliberations.

The Board reconvened in open session at 1:56 p.m. in accordance with § 2.2-3712(D) of the *Code of Virginia*. Ms. Crittenden conducted the poll in which all board members certified that the Board only discussed personnel matters. All board members present certified compliance with the Virginia Freedom of Information Act.

Ms. Currey moved that the Board remove the University's support from the Trojan Development Company, request that the Foundation cease and desist from further actions moving it forward, and request the VSU administration to take appropriate action with the Attorney General' Office and the Department of General Services. The motion was seconded and carried by voice vote.

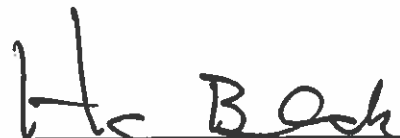
Mr. Flemming moved that the Board approve President Makola Abdullah to take actions discussed in closed session regarding personnel performance. The motion was seconded and carried by voice vote.

BOARD RETREAT ACTION PLAN FOLLOW-UP

Ms. Crittenden opened the discussion with a request for Board members' to submit suggestions to her for the BOV Annual Retreat scheduled for August 10-11, 2017. The Board members expressed their views about the Board's engagement at the April 2017 meeting.

ADJOURNMENT

There being no further business, the Rector adjourned the meeting at approximately 12:30 p.m.




Harry Black, Rector



Thursa D. Crittenden, Secretary



Date



Date

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**RESOLUTION OF THE
VIRGINIA STATE UNIVERSITY BOARD OF VISITORS**

APPROVING DEMOLITION OF SIMMS HALL

WHEREAS, § 23-38.112(A)(3) of the *Code of Virginia* allows that with the approval of the Governor “a covered institution may sell, assign, encumber, mortgage, demolish, or otherwise dispose of any project or any other property, real or personal, tangible or intangible, or any right, easement, estate, or interest therein, or any deed of trust or mortgage lien interest owned by it, under its control or custody or in its possession”; and

WHEREAS, the Simms Hall building has been vacant, has not been utilized and sustained substantial fire damage in October, 2016; and

WHEREAS, current Department of Environmental Quality (DEQ) provisions allow redevelopment provided the impacted footprint remains the same and all of the relevant erosion and sediment control regulations are followed; and

WHEREAS, the current provision grants the right to demolish Simms Hall to the existing slab and rebuild in the same location at a later date.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Visitors of Virginia State University hereby approves the demolition of Simms Hall.



Harry Black, Rector



Date



Thursa Crittenden, Secretary



Date

**RESOLUTION OF THE
VIRGINIA STATE UNIVERSITY BOARD OF VISITORS**

**APPROVING BOARD OF VISITORS POLICY 1900:
INVESTMENT**

WHEREAS, the Virginia State University Board of Visitors (“Board”) has the power to make policies concerning the University and to manage the funds of the University; and

WHEREAS, on September 17, 2010, the Board approved Virginia State University Policy 4020 - Endowment Investment and Spending Policy (“Policy 4020”), that provided guidance on how the University would manage investments; and

WHEREAS, the Board seeks to replace Policy 4020 with a policy, Virginia State Policy 1900 - Investment (“Policy 1900”) that provides a more detailed framework for the management of the Endowment with respect to governance structure, financial objectives, the Title III Endowment Challenge Grant Program, requirements of external advisors, and standards of prudent management; and

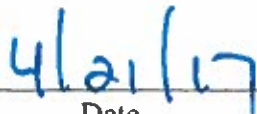
NOW, THEREFORE, BE IT RESOLVED, the Board of Visitors of Virginia State University has considered and hereby approves Policy 1900 - Investment, which provides for the more detailed framework for the management of Endowments, related Title III programs, external advisor requirements, and prudent management standards; and

BE IT FURTHER RESOLVED, that Policy 1900 supersedes and replaces Policy 4020 – Endowment Investment and Spending; and

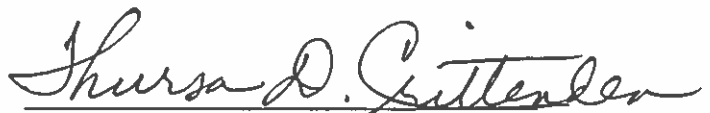
BE IT FURTHER RESOLVED, that the Board of Visitors of Virginia State University does hereby authorize and direct the President to execute and distribute the aforementioned Policy 1900 to the University Community.



Harry Black, Rector



Date



Thursa Crittenden, Secretary



Date

Virginia State University
Policies Manual

Title: Investment Policy Statement

Policy: 1900

Purpose

This Investment Policy Statement has been established by the Board of Visitors of Virginia State University ("the Board") to govern the investment of the pooled endowment funds ("the Endowment") owned by Virginia State University ("the University") and will set forth the responsibilities of the University, its investment advisors, and its external managers.

The University's Endowment consists of gifts, Board-designated endowments, and funds connected with the Title III Endowment Challenge Grant Program. It is the intent of the Board that these funds be invested with a long-term approach aimed at generating sustainable levels of income to support the academic mission of the University.

This Investment Policy Statement will provide a framework for meeting the Board's objectives with respect to the investment of the Endowment by providing guidance on the following matters:

- Governance structure for the Endowment and the responsibilities of the Board, senior management of the University, investment advisors, and internal financial staff.
- Financial objectives with respect to the management of the Endowment, including a long-term real return objective, asset allocation, performance monitoring, and spending policy.
- The Title III Endowment Challenge Grant Program and its role within the University Endowment and investment approach.
- Requirements of the external managers who are hired by an investment advisor.
- Define standards for adhering to prudent management and preemptively avoiding conflicts of interest.

The Board will review this Investment Policy Statement as needed, but not less than annually, and make appropriate changes. The University's Vice President for Finance and Chief Financial Officer (the "CFO") will communicate any changes in writing to the Investment Advisor (as defined below).

Authority, Responsibility, and Duties

In accordance with the Bylaws of the Board, The Facilities, Finance and Audit Committee (the "Committee") is responsible for supervising the investment and for supervising the management of the Endowment. In doing so, the Committee may elect to delegate the creation and implementation of broad or specific portfolio management responsibilities to designated advisors. Should it be decided that investment management responsibilities for certain endowment funds are to be delegated to an advisor or advisors (the "Investment Advisor"), the designated Investment Advisor shall have discretion over the day-to-day decision-making with respect to that investment portfolio within the strategic framework approved by the Committee.

When the Investment Advisor has been given discretion to manage Endowment funds, the chart below sets forth the responsibilities of the various parties involved in the management of those funds.

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Governance Structure for the Management of the Endowment						
	Asset Allocation	Portfolio Rebalancing	Advisor Selection, Monitoring, and Termination	Manager Selection, Monitoring, and Termination	Operations	Performance Reports
The Committee	Approves		Approves			Reviews Annually
CFO	Recommends, Monitors, and Reviews	Approves	Recommends, Oversees, Monitors	Oversees		Reviews Quarterly
Investment Advisor	Recommends, Monitors, and Reviews	Recommends		Approves, Implements, Monitors, Reports	Implements	Provides Quarterly
University Finance Staff					Implements	

Unless the Committee has specifically delegated the management and investment of the University's Endowment to an Investment Advisor, the selection, hiring, monitoring, and termination of Investment Managers may be delegated to the CFO.

Policy Statement

Financial Objectives

The University's Endowment should be treated as long-term assets managed to achieve a real total return that preserves the value of those assets, while generating an income stream to support the academic activities of the University. The Endowment's real total return will be sought from an investment strategy that provides an opportunity for superior total returns with acceptable levels of risk and volatility. The University's long-term real return objective for the Endowment is to achieve a return in excess of CPI + 5% (to cover expected distributions and administrative fees).

Asset Allocation

In order to meet return and risk objectives, Endowment funds must be strategically allocated to a variety of asset classes, each of which in turn plays a specific role within the portfolio as a whole. It is recognized that, in the long-term, proper diversification among asset classes produces the highest expected return within a prudent risk framework.

At least annually, the CFO and the Investment Advisor shall informally review and assess the asset allocation. Should the CFO and the Investment Advisor recommend changes to the asset allocation, such proposed changes will be brought to the Committee for consideration.

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Given the uncertain and continuously evolving nature of investment markets, no static list of security types, asset classes, or definitions of investment management strategies can continuously express prudent practice. Therefore, the process by which investment decisions are developed, analyzed, adopted, and executed must satisfy relevant standards of care.

The section of this Investment Policy Statement entitled "Title III Related Endowment Funds" will provide additional guidance and restrictions that pertain to certain portions of the University's Endowment.

Performance Monitoring

The University does not expect that its long-term real return objective will be achievable every year and, as a result, investment returns over rolling three-, five-, and ten-year periods will carry greater significance in assessing the performance of the entire Endowment portfolio.

Benchmark indices are essential in properly considering the risk and return of individual investment managers, pooled funds, asset classes, and the performance of an advisor as a whole. The [Committee] will assign and maintain suitable benchmarks for each of these categories within the strategic framework approved by the Committee. Key considerations in selecting benchmark indices include broad market coverage, ability to passively invest, transparency of index construction, and objectivity of the index provider.

The CFO will monitor the performance and risk of the Endowment portfolio in its entirety as well as the performance of individual managers, pooled funds, asset classes, and advisors on a quarterly basis.

Title III Related Endowment Funds

Title III of the Higher Education Act of 1965 (as amended) (hereafter "Title III") was intended to improve the academic quality, institutional management, and fiscal stability of eligible institutions, including historically black colleges and universities, in order to increase their self-sufficiency and strengthen their capacity to make a substantial contribution to the nation's higher education resources. As a part of reaching these objectives, under 20 U.S.C. § 1065, Title III established an Endowment Challenge Grant Program ("Match Program") with the purpose of increasing endowment funds, providing additional incentives to promote fund-raising activities, and foster increased independence at those institutions.

The Board desires to continue leveraging these programs in order to best contribute to advancing the mission of the University. As such, participation in the Match Program requires adherence to certain conditions as set forth in Title III and subsequent amendments. In order to be eligible to use grant funds provided under Title III for the purposes of establishing or increasing an endowment, the University must provide matching funds from non-federal sources, in an amount equal to or greater than the federal funds provided for these purposes. The resulting combination of grants awarded under the Match Program plus the grants provided by the institution (in total, the "Matched Funds") are subject to a grant period, during which the principal may not be spent and is subject to the following guidelines and restrictions:

- The University, as grantee, shall exercise the judgment and care, under the circumstances, that a person of prudence, discretion and intelligence would exercise in the management of his or her own financial affairs.
- Matched Funds shall be invested in savings accounts or low-risk securities in which a regulated insurance company may invest under the Code of Virginia.
- Matched Funds may not be invested in real estate.

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Matched Funds represent a significant portion of the University's Endowment. For these funds, the University will collaborate with the Investment Advisor on an ongoing basis to evaluate proposed investments and monitor existing investments to ensure their compliance with the above listed guidelines and restrictions.

Endowment Spending Policy

Subject to the intent of the donor expressed in a gift instrument and applicable law, including but not limited to the Virginia Uniform Prudent Management of Institutional Funds Act, Chapter 11 of § 64.2 of the Code of Virginia ("UPMIFA"), the expenditure of endowment funds during a calendar year shall be no greater than 4.7% of the average of the market value of an endowment portfolio (including income and appreciation of investments) on the last day of each of the three calendar years before such year.

Investment Managers

The Committee is responsible for approving the hiring or termination of Investment Advisors. In turn, an Investment Advisor is responsible for the hiring and termination of additional specialist investment firms for discretionary management of target asset classes ("Investment Managers") as part of the implementation of the objectives of the Committee as outlined in this Investment Policy Statement. Specific responsibilities of the Investment Managers include:

- Perform discretionary investment management including decisions to buy, sell, or hold various securities.
- Provide the Investment Advisor with copies of all available statements, documents, and reports in a timely manner after the close of each period.
- Communicate any major changes to economic outlook, investment strategy, or any other factors, which would affect expected performance or process.
- When appropriate, vote proxies and keep all records that will be governed by the Investment Manager's client agreement.
- Comply with applicable law, report any discrepancies, and notify the Investment Advisor and the University of any legal action taken against the Investment Manager, any arbitration, involving the Investment Manager, or any judgment against the Investment Manager or its employees.
- Implement this Investment Policy Statement to achieve the investment objectives.
- Notify the Investment Advisor and the University should circumstances occur which the Investment Manager believes would require a modification of this Investment Policy Statement in order to achieve the Committee's stated objectives.
- Notify the Investment Advisor and the University of any material change in the management, key personnel, or ownership of the Investment Manager, within ten calendar days of occurrence.
- Notify the Investment Advisor and the University of any material change in the investment philosophy of the Investment Manager in advance of such change.

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Prudent Management

The University will, in accordance with law, consider the present and anticipated financial requirements of the institution, the expected total returns on investments, the capital markets environment and general economic conditions. In managing and investing the Endowment, the University shall consider the charitable purposes of the institution and manage and invest the Endowment in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

UPMIFA sets forth specific factors that, unless otherwise provided by a gift instrument, must be considered in managing and investing the Endowment. These factors include, but are not limited to:

1. The duration and preservation of the Endowment funds;
2. The purposes of the institution and the Endowment funds;
3. General economic conditions;
4. The possible effect of inflation or deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the institution; and
7. The investment policy of the institution.

Conflicts of Interest

Virginia State University will take reasonable measures to assess the independence of Investment Advisors and Investment Managers. Members of the Board, University management, and members of the internal financial staff of the University must disclose any conflicts of interest prior to the approval of an Investment Advisor or Investment Manager.

References

Title III of the Higher Education Act of 1965
20 U.S.C. § 1065 "Endowment Challenge Grants"
Code of Virginia §§ 38.2-1400 - 1411.2 "Investments"
Code of Virginia §§ 64.2-1100 - 1108 "UPMIFA"

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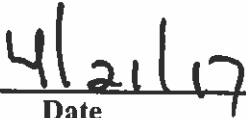
Approved By:



Harry Black, Rector



Thursa Crittenden, Secretary



Date



Date

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**VIRGINIA STATE UNIVERSITY
BOARD OF VISITORS**

**RESOLUTION AUTHORIZING THE OPERATING BUDGET FOR
FISCAL YEAR 2017-2018**

APRIL 21, 2017

WHEREAS, the Board of Visitors, has today given consideration and approved tuition and fee rates for Fiscal Year 2017-2018, within the limits set by the Commonwealth of Virginia as proposed by the Governor, based on the 2016 Virginia Acts of Assembly, Chapter 780; and

WHEREAS, the tuition and fee rates approved for Fiscal Year 2017-2018 as presented by the Administration are deemed reasonable and consistent with past Appropriation Acts; and

WHEREAS, the appropriations to the University, which authorize the state funding and spending authority for the University, including the Cooperative Extension and Agricultural Research Services budget, but not including local University or VSU Foundation funding, are limited to the amounts and conditions in the Act; and

WHEREAS, the University has forecast revenue collections from all sources for Fiscal Year 2017-2018, based on conservatively anticipated enrollment levels; and

NOW, THEREFORE, BE IT RESOLVED, the Board of Visitors approves the Proposed Operating Budget appearing on the attached Table I; and

BE IT FURTHER RESOLVED THAT, the Board of Visitors approves the Educational and General (E&G) Budget appearing on the attached Table I; and

BE IT FURTHER RESOLVED THAT, the Board of Visitors approves the budgeted amounts for the Auxiliary Enterprise programs as appearing on Schedule I; and

BE IT FURTHER RESOLVED THAT, the Board of Visitors approves expenditures in support of Sponsored Programs that have been properly awarded to the University and up to the amounts for which cash will be made available during the course of Fiscal Year 2017-2018 or as appearing in Table I; and

BE IT FURTHER RESOLVED THAT, the Board of Visitors authorizes the President to allocate and cause to be expended tuition, room, board, comprehensive and other fees collected beyond base projections, up to the amount appropriated and adjustments required and allowed by language in the Act, any additional General Fund Appropriation which may be incorporated in the final Appropriation Act and also to reallocate and expend all unexpended fiscal year 2016-2017 Educational and General and Auxiliary Enterprise funding that may be re-

appropriated for use in fiscal year 2017-2018 and to expend local funds available to the University should the need arise; and

BE IT FURTHER RESOLVED THAT, the University President shall provide to the Board, at its next regularly scheduled board meeting, a presentation of the actual budget distribution.

H. Blask

Harry Blask, Rector

4/21/17

Date

Thursa D. Crittenden

Thursa Crittenden, Secretary

4.21.17

Date

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**VIRGINIA STATE UNIVERSITY
BOARD OF VISITORS**

**RESOLUTION FOR
TUITION AND FEES FOR ACADEMIC YEAR 2017-2018**

April 21, 2017

WHEREAS, the Commonwealth of Virginia funding policies and the impact of the economic forecast for the foreseeable future contained in the 2016-2018 Biennium Appropriations Act ("Act"); and

WHEREAS, the Act requires each institution to communicate its tuition and fee policy, as approved by the Board of Visitors to the Secretary of Education, the State Council of Higher Education for Virginia ("SCHEV"), and the Chairs of the House Appropriations and Senate Finance Committee by May 15 of each fiscal year; and

WHEREAS, the Board of Visitors has considered the proposed schedule of tuition, room, board, comprehensive and miscellaneous fees, identified as Schedules A, B, C, D and E (attached); and

WHEREAS, the rates set for tuition, room, board, comprehensive and miscellaneous fees, together with administrative actions to control costs, are intended to provide adequate coverage for basic instructional activities, related administrative support, other program and operating costs, and adequate debt service reserves for past and future construction projects utilizing bonded funds.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Visitors of Virginia State University approves the tuition, room, board, comprehensive and miscellaneous fees, found on Schedules A, B, C, D, and E, to be charged to students during the 2017-2018 academic year.

BE IT FURTHER RESOLVED THAT, the President shall monitor any subsequent actions of the General Assembly between now and the beginning of Fiscal Year 2018 for legislative impact on the tuition and fee policy and related funding, and shall implement timely changes required by such legislation, and shall report such action to the Board of Visitors at its next regularly scheduled meeting; and

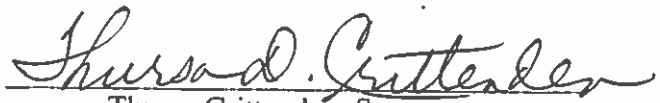
BE IT FURTHER RESOLVED THAT, the President is authorized to establish miscellaneous fees for items not listed in Schedule D, in response to emerging needs and changing circumstances.



Hardy Black, Rector



Date



Thursa Crittenden, Secretary



Date

Resolution of the Board of Visitors

Approving the Alumnus of the Year

Lieutenant Colonel Darryl Wesley Sharp, Sr. (Retired)

WHEREAS, § 23-165.6 of the Code of Virginia provides that "[t]he board shall control and expend the funds of the University and any appropriation hereafter provided, and shall make all needful rules and regulations concerning the University, appoint the president, who shall be its chief executive officer, and all professors, teachers and agents, and fix their salaries, and generally direct the affairs of the University"; and

WHEREAS, Lieutenant Colonel (Ret) Darryl Wesley Sharp, Sr, is a native of Chesapeake, Virginia and was commissioned a Second Lieutenant in the United States Army Infantry in 1989. He holds a Master of Procurement and Acquisition Management degree from Webster University and a distinguished military graduate with Bachelor of Science degree in Biology from Virginia State University. Lieutenant Colonel (Ret) also was inducted in the VSU Reserve Officer Training Corps (ROTC) Military Hall of Fame in 2016; and

WHEREAS, Lieutenant Colonel (Ret) has distinguished himself by extraordinarily meritorious and conspicuous service in his over 23-year military career in the United States Army. He served in positions of leadership and excelled at each rank. Some of his duty positions included Platoon Leader, 1/21st Infantry and Company Executive Officer/Assistant Support Operations Officer/Technical Supply Officer, 25th Forward Support Battalions, Schofield Barracks, Hawaii; Logistic Management Officer in 2nd Corps Material Management Center (CMMC) and Company Commander of the 62nd Airdrop Equipment Repair Company, Fort Bragg, NC; Battalion S4 Officer and Casualty/Mortuary Affairs Officer, Fort Myers, VA. His culminating assignment his last three years of distinguished service was as Sustainment Maintenance Officer within the G-4 Maintenance Directorate, Headquarters, Department of the Army G-4 located at the Pentagon, Washington, DC.; and

WHEREAS, Lieutenant Colonel Sharp (Ret) is a graduate of the Infantry Officer Basic Course, Combined Arms and Services Staff School, Battalion Motor Officer Course, Quartermaster Branch Qualification Course, Combined Logistics Officer Advanced Course, Mortuary Affairs Officer Course, Support Operations Course Phase II, Command General Staff College, Ranger Course, Airborne Course, Aerial Delivery and Maintenance (Rigger) Course, Air Assault Course, and Force Management Course; and

WHEREAS, Lieutenant Colonel Sharp (Ret) military awards and decorations include: Legion of Merit, Bronze Star, Meritorious Service Medal (with 4 oak leaf cluster), Army Commendation Medal (with 4 oak leaf clusters), Army Achievement Medal (with 1 oak leaf cluster), National Defense Service Medal (one star), Iraqi Campaign Medal, Global War on Terrorism Service Expeditionary Medal, Global War on Terrorism Service Medal, Korean Defense Service Medal, Humanitarian Service Medal, Meritorious Outstanding Volunteer Service Medal, Army Service Ribbon, Overseas Service Ribbon- two, Air Assault Badge, Combat Action Badge, Expert Infantry Badge, Airborne Badge, Rigger Badge, Ranger Badge, and Army Staff Identification Badge; and

WHEREAS despite the extraordinary demands of his profession, Lieutenant Colonel (Ret) commitment to service is clearly evident from his many highly involved volunteer efforts over the years, Lieutenant Colonel Sharp retired in 2014 and is currently a Defense Logistics Agency Contractor with Cherokee Nation Management and Consulting at Fort Belvoir, VA.; and

WHEREAS, his long-standing, stellar dedication to his Alma Mater as a Loyal Son is evidenced by his personal commitment of time and talent as Vice President of the Northern Virginia Chapter of the Virginia State University Alumni Association; and

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Visitors of Virginia State University hereby names Lieutenant Colonel (Ret) Darryl Wesley Sharp, Sr 2017-18 Alumnus of the Year with all the rights and privileges thereto appertaining.

Harry Black
Harry Black, Rector

4/21/17
Date

Thursa D. Crittenden
Thursa Crittenden, Secretary

4.21.17
Date

**VIRGINIA STATE UNIVERSITY
BOARD OF VISITORS**

**RESOLUTION TO APPROVE
THE REVISIONS POLICY 4010: POLICY GOVERNING THE ACCEPTANCE,
RECORDING AND NAMING OF GIFTS
APRIL 21, 2017**

WHEREAS, the Board of Visitors, may find it necessary to modify contributions the University accepts and records; and

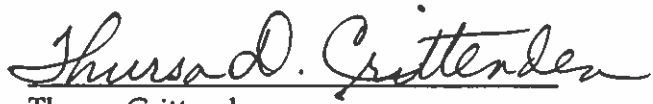
WHEREAS, the Board of Visitors, has the authority to determine and modify the University's naming opportunities; and

WHEREAS, the Board of Visitors has reviewed the revised language in the Policy Governing the Acceptance, Recording and Naming of Gifts; and

THEREFORE, BE IT RESOLVED, the Board of Visitors approves the revisions to the Policy 4010: Policy Governing the Acceptance, Recording and Naming of Gifts.



Harry Black
Rector



Thursa Crittenden
Secretary



Date

Virginia State University
Policies Manual

Title: Policy Governing the Accepting, Recording and Naming of Gifts

Policy: 4010

Purpose

This policy is intended to establish the guidelines for the acceptance, recording and reporting of all current and deferred gifts to Virginia State University (VSU) and to inform all discussions between donors, their advisor(s), University employees and volunteers acting on behalf of VSU.

The University shall generally accept all funds provided to the University, so long as the terms and conditions are in compliance with the mission of the University and provided the President (and/or designee) has approved, in writing, the acceptance of the gift which conforms to this policy. No University employee may accept any gift for or on behalf of the University, including gifts from approved affiliate or support organizations, without the prior written approval of the President (and/or designee).

Authority, Responsibility, and Duties

The President (and/or designee) has the authority to determine the University's giving priorities, terms at which the University accepts gifts, and the naming opportunities available at the University.

The Office of Institutional Advancement serves as the clearinghouse for all fundraising activities/priorities, fundraising events and donor solicitation throughout the University by any support or affiliate organization.

The Office of Institutional Advancement has the responsibility to advise and assist schools, departments, student groups and University support/affiliate organizations with their fundraising needs. The Office of Institutional Advancement has the responsibility of recording all philanthropic gifts, pledges and planned gifts to the University and the VSU Foundation, as well as all stewardship and grant reporting.

Definitions

- A. **Affiliate Organization** - legal business entities with an active MOU agreement with Virginia State University. These organizations currently include the VSU Foundation, Inc., the VSU Alumni Association (and their chapters), Spectra, and the Athletic Booster Club.
- B. **Bequests** - refers to a gift by will or other legally binding testamentary document.
- C. **Bequest Intentions** - a provision in a will, trust, or other testamentary document providing a gift for Virginia State University upon the death of a donor. Bequest intentions are revocable unless accompanied by a legally enforceable contract.
- D. **Contributions** - used synonymously with Gifts.
- E. **Donor Advised Funds/Donor Directed Funds** – refers to 501(c)(3) charitable organizations that are established to accept, invest and distribute irrevocable contributions to other 501(c)(3) charitable organizations.
- F. **Gifts** - refers to private gifts, even though such gifts or contributions may be termed "grants" by individuals, associations, corporations, foundations, societies and businesses. They are voluntary and irrevocable transfer of money or property for use by the University in the furtherance of the mission. These contributions from private sources for which goods or services are not received or expected, implied, or forthcoming to the donor, and in which no proprietary interests are retained by the donor. Gifts are also created when the contribution substantially exceeds the consideration expected in return. The following gifts are not received as charitable private gifts: Membership dues/fees, governmental funds (whether local, state, federal or foreign), contract revenue and contributed services. If further definition is needed, use the NACUMBO Guide to distinguish between Contracts and Gifts (CASE Management Reporting

Virginia State University
Policies Manual

Title: Policy Governing the Accepting, Recording and Naming of Gifts

Policy: 4010

- Standards). If the majority of the characteristics meet the factors of a gift, then the contribution is classified as a gift.
- G. **Gifts-In-Kind** - non cash donations of materials or unreimbursed costs incurred by a donor for the benefit of the University. Gifts-in-kind can include items such as equipment, software, printed materials, expenses associated with hosting dinners/events.
 - H. **Intangible Property** - refers to such property that has no intrinsic marketable value but is merely the representative or evidence of value such as certificates of stock, bonds, promissory notes, and franchises.
 - I. **Pledges** – unconditional promises or arrangements to give money in the future. Pledges will be recorded in accordance with Financial Accounting Standards Boards (FASB) and CASE guidelines.
 - J. **Restricted Funds** - refers to assets that are provided to the University subject to legally binding limitations on their use. These limitations are imposed by the donor. If the University accepts such assets, it must abide by these limitations. Accordingly, it is imperative that the restrictions be duly approved by the Board of Visitors. Restricted funds are divided into three major types:
 - i. Expendable Restricted Funds - restricted funds which allow the asset to be expended in the normal course of meeting the restriction.
 - ii. Unrestricted Endowment (Nonexpendable Funds) - funds which require that the donated assets be indefinitely retained for investment. The income, including gains and losses, from these investments is for unrestricted purposes.
 - iii. Restricted Endowment (Nonexpendable Funds) - funds which require that the donated assets be retained for indefinite investment. The income from these investments is restricted to specific operating purposes which the donor has specified.
 - K. **Restricted Quasi-Endowment Funds** - refers to funds which have been designated by the Board of Visitors for long-term investment. The income from these investments is restricted to specific purposes which the donor has specified. The Board of Visitors can, at any time, approve the expenditure of the invested funds in accordance with the specific donor restrictions. Funds are discussed further in the section "Fund Accounting and Other Guidelines."
 - L. **Support Organization** – an organized group approved to support fundraising on behalf of the University.
 - M. **Tangible Property** - refers to such property as may be felt or touched and is necessarily corporeal or has physical substance such as land, machinery, or cash.
 - N. **Unrestricted Funds** - refers to those funds received by the University with no donor restrictions on their use, and are, therefore, expendable for any University purpose prescribed by the Board of Visitors.
 - O. **Unrestricted Quasi-Endowment Funds** - refers to funds which have been designated by the Board of Visitors for long term investment. The income and gains and losses from these investments are for unrestricted purposes. The Board of Visitors can, at any time, approve expenditures of these invested funds for unrestricted use.

Policy Statements

A. General Policies:

- i. The University shall only solicit funds in accordance with the guidelines established by the President (and/or designee) and the Virginia State University Board of Visitors, and in accordance with Law. See, for example, Section § 4-2.01 of the Appropriation Acts governing the solicitation and acceptance of donations, gifts, and grants.
- ii. Private gifts to Virginia State University may be used to further the mission of the University, support the University's programs, schools, facility, area of study, or for general purposes of institution.

Virginia State University
Policies Manual

Title: Policy Governing the Accepting, Recording and Naming of Gifts

Policy: 4010

- iii. In the absence of written restrictions from the donor to designate funds, it will be treated as an unrestricted gift.
- iv. Virginia State University and all individuals supporting fundraising activities on the University's behalf, must maintain confidentiality and high ethical standards as referenced in the VSU Code of Ethics Policy (Policy 1700).
- v. The Office of Institutional Advancement will adhere to the AFP Code of Ethical Principles and Standards and the Donor Bill of Rights.

B. Gift Acceptance Policies:

- i. If at any time the President (and/or designee) determines that a gift will place unreasonable constraints and/or conditionals upon the resources and finances of the University, Institutional Advancement staff will contact the donor and request that unacceptable restrictions be altered or eliminated. If restrictions cannot be altered or eliminated, the University may refuse to accept the gift.
- ii. Gifts the University accepts include:
 - Outright gifts including cash, major credit cards, payroll deduction, and electronic funds transfer.
 - Gifts of securities, including stocks and bonds that are deemed to be derived from legal sources and are passed irrecoverably from the donor's control.
 - Gifts of property, including tangible personal property, intangible personal property, and real property. Such gifts must be consistent with the mission of the University.
 - Deferred gifts.
- iii. Gifts which remain under the control or direction of a donor, must be approved in writing prior to the acceptance of the gift by the President (and/or designee). All restrictions must be approved in advance. Any changes must be mutually agreed upon by both the donor and the University.
- iv. The University reserves the right to decline gifts of property if acceptance of said gift is not in the best interest of the University. Questions on the appropriateness of a gift of property will be referred to the President (and/or designee).
- v. The disposition of property or other assets must be approved by the President (and/or designee).
- vi. The University accepts in-kind contributions with the following restrictions or considerations: The acceptance of such gifts should not involve significant additional expense for their present or future use, display, maintenance or administration. Neither the University nor its officers or employees may furnish valuations or appraisals to donors in connection with gifts-in-kind.
- vii. When a monetary gift to the University is received by any University college, school, department, or program, it must be forwarded in a timely manner to the Office of Institutional Advancement for recording, deposit and acknowledgment.

C. Endowed Funds Policies:

- i. The minimum to establish an endowed scholarship fund at the University is \$25,000. Donors have five years to reach the minimum level.

Virginia State University
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- ii. Donors may not include criteria restricting the designation of a scholarship to an individual recipient donor, a relative or descendants of the donor as the recipient; restrictions on future employment; and restrictions by the donor on interest rates or conditions for repayment of loans.

D. Gift Recording Policies:

- i. Gifts will be credited and receipted to the legal donor. Legal credit will be given to the individual/entity from whom/which a contribution is received and can treat their gifts as charitable contributions for tax purposes. Third Party Gifts such as Donor Advised Funds, Matching Gifts, gifts from Family/Personal Foundations, Community Foundations, etc., will be documented and receipted based on the legal donor.
- ii. All gifts of securities received by gift or bequest will be registered to the University and recorded as of the date issued to the University, the value will be determined in accordance to the Internal Revenue Service regulations. Securities will be processed as documented in the VSU Investment Policy (Policy 1900).
- iii. Institutional Advancement will record and adhere to IRS Publication 526 regarding contributions that qualify (select volunteer expenses) as tax deductions and those that do not qualify (professional time or company services) as tax deductions, Publication 1771 regarding the documentation of benefits received and the requirement of Form 8283/8282 regarding gifts of property; and the documentation of donor advised funds and matching gifts.
- iv. The Office of Institutional Advancement will adhere to the § 42.1-85 of the Code of Virginia regarding Records Management Program.

E. Naming Policies:

- i. The University may consider naming new and existing facilities in honor of those whose gifts, loyalty, or service provided extraordinary impact on the University. Any proposal to name or rename a facility, in whole or part, or college/program must be reviewed by the President and presented to the Board of Visitors for consideration. The Board of Visitors, in accordance with their Bylaws, must review and either approve or disapprove the proposed naming or renaming. Term limits of naming may be imposed at the discretion of the Board of Visitors.
- ii. Given the perpetual nature of the University, it is likely that a named building or area/facility within will someday be either demolished, renovated, or substantially remodeled to improve its function and/or to create a completely new use of the space. Should such an event occur, the University will review the circumstances and determine the course of action on a case-by-case basis.
- iii. The University is charged with maintaining an inventory of naming opportunities. An annual review of all available opportunities will be produced and maintained by the Office of Institutional Advancement.
- iv. In general, deferred gift commitments will not count towards any minimum requirement needed for naming opportunities. The President (and/or designee) may consider requests if the deferred gift is

Virginia State University
Policies Manual

Title: Policy Governing the Accepting, Recording and Naming of Gifts

Policy: 4010

irrevocable and the present value of the deferred gift commitment exceeds the formula determined to name the physical space or facility.

- v. The University reserves the right to remove the name of a donor from a building or facility within an existing building or space, if the donor fails to honor his/her financial commitment associated with the naming rights or has engaged in conduct that besmirches the reputation and goodwill of the University. The University also reserves the right to remove the name or rename a building or facility, in whole or part, if at any time the name or naming of the building or facility, in part or whole, results in negative influence or publicity or operates in opposition of the mission of the University.

References

Code of Ethics Policy (1700)

University Investment Policy (1900)

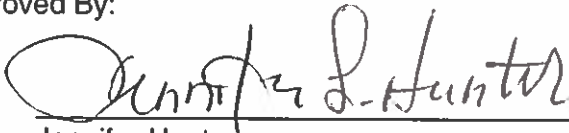
Section 4-2.01 of the Appropriation Acts

IRS Publication 1771

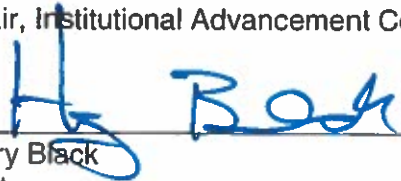
IRS Publication 526

Code of Virginia § 42.1-85


Approved By:




Jennifer Hunter
Chair, Institutional Advancement Committee



Harry Black
Rector



Thursa Crittenden
Secretary



Date

**VIRGINIA STATE UNIVERSITY
BOARD OF VISITORS**

**RESOLUTION TO APPROVE
POLICY 4100: POLICY ON THE SOLICITATION AND RECOGNITION OF GIFTS
APRIL 21, 2017**

WHEREAS, the Board of Visitors, may find it necessary to modify contributions how gifts are solicited and recognized; and

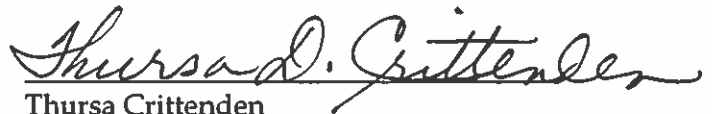
WHEREAS, the Board of Visitors, has the authority to determine and modify the University's recognition guidelines; and

WHEREAS, the Board of Visitors has reviewed the language in the Policy on the Solicitation and Recognition of Gifts; and

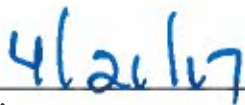
THEREFORE, BE IT RESOLVED, the Board of Visitors approves the Policy 4100: Policy on the Solicitation and Recognition of Gifts.



Harry Black
Rector



Thursa Crittenden
Secretary



Date

Virginia State University
Policies Manual

Title: Policy on the Solicitation and Recognition of Gifts

Policy: 4100

Purpose

This policy is intended to establish the guidelines for the solicitation and recognition of gifts in the name or on behalf of Virginia State University.

Authority, Responsibility, and Duties

The President (or designee) have the authority to determine the University's giving priorities, the terms at which the University accepts gifts, and the approval for support and affiliate organizations to formally solicit gifts on behalf of the University.

The Office of Institutional Advancement serves as the clearinghouse for all fundraising priorities, fundraising events and donor solicitation throughout the University. This includes fundraising activities done in the name (or the benefit) of the University by any support, affiliate or non-related organizations.

Definitions

- A. **Affiliate Organization** - legal business entities with an active MOU agreement with Virginia State University. These organizations currently include the VSU Foundation, Inc., the VSU Alumni Association (and their chapters), Spectra, and the Athletic Booster Club.
- B. **Fundraise** – the act of collecting funds for an initiative, priority or cause. This includes solicitations by mail, phone, in-person, email, and through events.
- C. **Gifts** refers to private gifts, even though such gifts or contributions may be termed "grants" by individuals, associations, corporations, foundations, societies and businesses. They are voluntary and irrevocable transfer of money or property for use by the University in the furtherance of the mission. These contributions from private sources for which goods or services are not received or expected, implied, or forthcoming to the donor, and in which no proprietary interests are retained by the donor. Gifts are also created when the contribution substantially exceeds the consideration expected in return. The following gifts are not received as charitable private gifts: Membership dues/fees, governmental funds (whether local, state, federal or foreign), contract revenue and contributed services. If further definition is needed, use the NACUMBO Guide to distinguish between Contracts and Gifts (CASE Management Reporting Standards). If the majority of the characteristics meet the factors of a gift, then the contribution is classified as a gift.
- D. **Soft Credit** – the ability to assign a contribution to one or more individuals who are not the legal donor. Examples of Soft credit include matching gifts, gifts in honor, gifts in memory, matching gifts, donor advised funds, gifts from family foundations. Soft credits can also be given as a way to acknowledge who was responsible for receiving the contribution.
- E. **Support Organization** - an organized group approved to support fundraising on behalf of the University.

Policy Statements

A. Solicitation Policies

- i. External organizations (including affiliate and support organizations) requesting to host fundraising events on campus (to benefit or on behalf of Virginia State University) must be approved in writing with the President (and/or his designee).

Virginia State University
Policies Manual

Title: Policy on the Solicitation and Recognition of Gifts

Policy: 4100

- ii. All internal campus departments/programs requesting to solicit funds from any governmental, corporate or foundation agency, should gain approval from the appropriate Dean or Vice President and the approval from the Office of Institutional Advancement prior to the solicitation. The Office of Institutional Advancement reserves the right to attend any/all solicitations. Form A should be used for such requests.

B. Recognition Policies:

i. Giving Clubs/Societies:

The University recognizes the following giving clubs to honor donor's annual investment in advancing the mission of our University:

- University Club - \$1,500 - \$2,499
- Leadership Club - \$2,500 - \$4,999
- President's Club - \$5,000 - \$9,999
- Board Club - \$10,000 - \$24,999
- Founder's Club - \$25,000+

Membership is open to all Virginia State University donors and recognizes all types of support (including soft, matching, and other giving outlined in Policy 4010) determined on a fiscal year basis. The Office of Institutional Advancement reserves the right to determine how and when donors will be acknowledged for their contributions.

1882 SOCIETY

Recognition society honors individual donors who have given (any outright contribution) ten or more fiscal years to Virginia State University consecutively as determined on a fiscal year basis.

Special recognition within the 1882 Society will be given to donors who contribute at the University Club level (and above) for ten or more consecutive fiscal years to Virginia State University.

POWELL SOCIETY

Recognition society for individuals who have made provisions for Virginia State University as part of their overall estate plans

- ii. The Office of Institutional Advancement will adhere to the IRS Publication 1771 regarding the documentation of benefits received. Donors may opt out in writing from receiving benefits from the University.

References

VSU Policy Governing the Accepting, Recording and Naming of Gifts (Policy 4010)

Form A – Request to Conduct Fundraising Activity

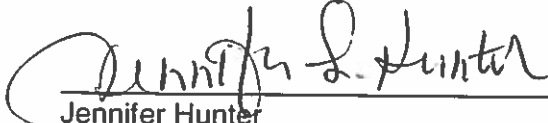
IRS Publication 1771

Virginia State University
Policies Manual

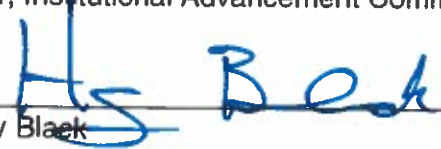
Title: Policy on the Solicitation and Recognition of Gifts

Policy: 4100


Approved By:



Jennifer Hunter
Chair, Institutional Advancement Committee



Harry Black
Rector



Thursa Crittenden
Secretary

4.21.17

Date

Virginia State University
Virginia State University, Virginia

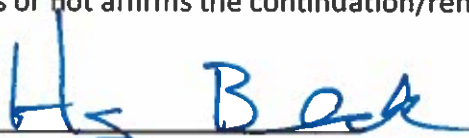
Resolution of
The Board of Visitors of
Virginia State University

Contract Continuation/Renewals

WHEREAS, the Board of Visitors bylaws require the President to prepare a listing of contract continuation/renewals for Assistant Vice Presidents, Associate Vice Presidents, Deans, and Vice President to be presented to the Resource Committee in the April board meeting.

WHEREAS, the Board of Visitors will affirm or not affirm the continuation/renewal of contracts in the April board meeting.

NOW, THEREFORE, BE IT RESOLVED, the Board of Visitors of Virginia State University hereby affirms or not affirms the continuation/renewals of contracts as noted in the attached listing.




Harry Black, Rector



Thursa Crittenden, Secretary



Date



Date

RESOLUTION OF THE
VIRGINIA STATE BOARD OF VISITORS

APPROVAL OF

STUDENT ATHLETE DISCIPLINE POLICY

WHEREAS, Section 23-165.6 of the Code of Virginia provides the statutory authority for the Board of Visitors of Virginia State University to direct the affairs of the University and

WHEREAS, Student-athletes and team success contribute to the University's overall image and

WHEREAS, Student-athletes are highly visible and any on-the-field or off-the-field discipline problems of student-athletes are often magnified and may reflect poorly on the image of the University,

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Visitors of Virginia State University hereby approves the Student-Athlete Discipline Policy.

Hy Beek
Rector
4/21/17
Date

Sharon D. Gutterden
Secretary
4.21.17
Date

Virginia State University
Policies Manual

Title: Student-Athlete Discipline

Policy: XXXX

Purpose

Athletics is a fundamental part of the multi-dimensional education experience offered at Virginia State University (VSU). Our student-athletes and our team successes contribute to the overall image of the University. As a result of the visibility of collegiate athletics, student-athletes have additional responsibilities, which include, but are not limited to, performing to the best of their ability, both academically and athletically; and contributing on and off the field in a manner that reflects positively on the student, athletic team, Department of Intercollegiate Athletics and the University.

Student-athletes, like all students, are held accountable under all institutional policies and procedures, such as the VSU Student Handbook and Student Code of Conduct. Violations of these policies and procedures will be administered through the Office of Student Conduct as prescribed.

Student-Athletes are also governed by requirements of the VSU Student-Athlete Handbook and the rules and regulations of the National Collegiate Athletic Association (NCAA), the Central Intercollegiate Athletics Association (CIAA). Violations of the VSU Student-Athlete Handbook, or rules and regulations of the NCAA and CIAA are administered through the Office of the Athletics Director as prescribed.

Policy Statement

Each member of the Virginia State University (VSU) community shares in the responsibility for his/her personal conduct and in some cases, may assume reasonable responsibility for the behavior of others. All students are required to engage in responsible conduct that positively reflects the University community and themselves. Pursuant to § 23-9.2:3 of the Code of Virginia (Virginia Code), as amended (replaced by 23.1-1301.B.6. of the Code of Virginia effective October 1, 2016), the VSU Board of Visitors (BOV) is required to establish rules and regulations addressing the conduct of students while attending the University. Further, VSU BOV is charged, pursuant to Virginia Code § 23-2.5 (replaced by 23.1-1303.B.7. of the Code of Virginia effective October 1, 2106), to establish a policy for the discipline of students who participate in varsity intercollegiate athletics. This policy specifically addresses the conduct of student-athletes and the disciplinary and reporting requirements involving varsity collegiate athletics at the University.

Definitions

Central Intercollegiate Athletics Association (CIAA): an American collegiate athletic conference which consists of 12 institutions of higher education ranging from Pennsylvania to North Carolina and is affiliated with the Division II level of the National Collegiate Athletic Association (NCAA) ⁱⁱ.

National Collegiate Athletic Association (NCAA): a membership-driven organization dedicated to safeguarding the well-being of student-athletes and equipping them with the skills necessary to succeed on the playing field, in the classroom and throughout life. NCAA members-mostly colleges and universities, but also conferences and affiliated groups-work together to create the framework of rules for fair and safe competition. Those rules are administered by NCAA national office staff, which also organizes national championships and provides other resources to support student-athletes and the schools they attend.

Student-Athlete: a student who participates in varsity intercollegiate athletics at Virginia State University.

Virginia State University
Policies Manual

Title: Student-Athlete Discipline

Policy: XXXX

Student: A person who has been admitted to or has enrolled at the University and has not completed a program of study for which she/he has enrolled; or has completed a program of study and has satisfied all academic requirements for the program but has not been awarded a degree at the time of the offense. Student status exists regardless of whether the University is in session (i.e. spring break and summer).

Authority, Responsibility, and Duties

It is a privilege, and not a right, to participate in intercollegiate athletics. In accepting these privileges, student-athletes accept all the responsibilities of representing the University. In addition to NCAA, CIAA, institutional, and department rules, student-athletes are expected to follow team rules and practices set forth by your coaches.

Student-athletes are expected to conduct themselves, whether on or off-campus, in manner that positively represents the University, their team and their family. Student-athletes who do not conduct themselves in a manner consistent with these expectations may be subject to discipline in keeping with federal, institutional, departmental and team protocols as well as the policies and laws of the Commonwealth of Virginia.

Infractions of policy or law by student-athletes will be adjudicated accordingly:

- a. Violations of the VSU Student-Athlete Handbook will be referred to the Office of the Athletic Director and handled according to the procedures outlined in the Student-Athlete Handbook;
- b. Violations of the VSU Student Handbook and Student Code of Conduct will be referred to the Office of Student Conduct (or the appropriate law enforcement body) and handled according to the procedures outlined in the VSU Student Handbook;
- c. Violations of the University's Title IX and related policies will be referred to the University's Title IX Coordinator and handled in accordance with the University's Discrimination Grievance Procedures;
- d. Violations of local, state or federal law will be referred to the appropriate law enforcement body, who may contact the Office of Student Conduct; and
- e. Violations that may be considered infractions under more than one Handbook, policy or law will be handled in a manner that does not conflict with the Constitution of the United States or the Constitution of Virginia.

Sanctions

Sanctions will be commensurate with the severity and/or the frequency of any violation of this policy, University conduct provisions, state policy, federal protocols, or the laws of the Commonwealth.

Approval and Effective Date

This initial policy is effective on date of the Rector's signature. This policy shall be reviewed and revised as needed, unless otherwise noted.

Virginia State University
Policies Manual

Title: Student-Athlete Discipline

Policy: XXXX

Approval By: _____


Rector

Date: _____

4/2/17

References:

VSU Student Code of Conduct. <http://www.vsu.edu/student-life/support-and-resources/student-code-of-conduct.php>

VSU Student-Athlete Handbook,
http://govsutrojans.com/documents/2013/11/14/Student-Athlete_Handbook_2013-2014.pdf?tab=student-athletheadbook

VSU Student Handbook, <http://www.vsu.edu/files/docs/student-activities/2014-2015-student-handbook.pdf>

¹ <http://www.theciaa.com/landing/index>

ⁱⁱ <http://www.ncaa.com/>

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RESOLUTION OF THE
VIRGINIA STATE BOARD OF VISITORS

APPROVAL TO SELL POLICE FIREARM

WHEREAS. Section 59.1-148.3 of the *Code of Virginia* provides the statutory authority for the sale of handguns at a price of \$1 to retired law enforcement officers, who retire with at least 10 years of service, or at 70 years of age or older, or who are disabled as a result of an injury while on duty, and

WHEREAS. Colonel (retired) Eddie Perry, is a retired campus police officer who retired from Virginia State University, with over 20 years of service in law enforcement, and

WHEREAS. Colonel (retired) Perry has requested to purchase the service handgun that was previously issued to him during his service as a campus police officer in the Department of Police and Public Safety at Virginia State University, under the provisions of Section 59.1-148.3 of the *Code of Virginia*, and

WHEREAS. Colonel (retired) Perry was previously issued a Glock 27.40 caliber semiautomatic handgun with the serial number of LTV385, and this service weapon is still owned by Virginia State University, and the service handgun is currently unassigned,

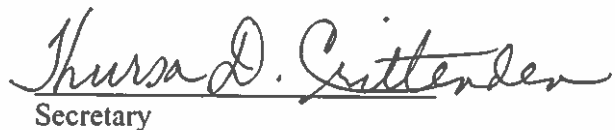
NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Visitors of Virginia State University hereby approves the sale of a Glock 27.40 caliber semiautomatic handgun with the serial number of LTV385 to Colonel (Retired) Eddie Perry, for the sale price of one dollar, \$1.




Rector



Date



Secretary



Date

✓

VIRGINIA STATE UNIVERSITY
Petersburg, Virginia
RESOLUTION OF THE
VIRGINIA STATE UNIVERSITY BOARD OF VISITORS

APPROVAL OF
AWARDING HONORARY DOCTORAL DEGREES

WHEREAS, the awarding of Honorary Doctoral Degrees by Virginia State University is an extension of its role as a unique institution in our society devoted to the discovery, transmission, and preservation of knowledge.

WHEREAS, Virginia State University wishes to recognize individuals by awarding special honors to those persons who have achieved outstanding original and creative accomplishments in the arts, letters and sciences; unusual and fruitful service to humanity; a distinguished career in humanitarian endeavors that advance the value and worth of human existence; and/or exemplified leadership in improving the quality of life, in furthering human relationships, or assisting in the advancement of knowledge.

WHEREAS, the title of diploma shall include the words "Honoris Causa". Virginia State University awards the following honorary degrees for academic disciplines offered at Virginia State University:

Doctoral Title	Field of Distinction
Doctor of Humane Letters (DHL)	Cultural contributions, public service, scholarly activity and distinction in disciplines such as social science, literature and all disciplines other than the fine arts and science
Doctor of Laws (DL)	Public service - for recipients who possess earned law degrees only
Doctor of Science (DS)	Science, Mathematics, Agriculture, Engineering, and Technology
Doctor of Fine Arts (DFA)	Art, Architecture
Doctor of Divinity	Exceptional Religious Figure


WHEREAS, the nomination deadline for honorary doctoral degrees is September for Fall commencement and February for Spring commencement. Any member of the Virginia State University community, including members of the Honorary Doctoral Degree Committee (HDDC) of the Faculty Senate may submit nominations. Although faculty and administrators at Virginia State University or members of the community may nominate candidates for an honorary doctoral degree, the final authority to award said degrees rests with the Virginia State University Board of

Visitors. The names of nominees, nominations forms, letters or recommendation and curriculum vitae or resume of all persons being nominated shall be submitted to the Office of Academic Affairs. Biographical information, in the form of a curriculum vitae or resume, entry from Who's Who, or other documents shall accompany the letter of nomination or Honorary Doctoral Degree Nomination form. No disclosure is to be made until the VSU Board of Visitors renders a final decision. The Office of Academic Affairs shall review nominations, ensure that the supporting documentation and necessary information are included, and forward them to the President of the Faculty Senate.

WHEREAS, the Office of Academic Affairs will notify the University President and Faculty Senate President of nominations once all materials have been collected. The (Standing Committee) Faculty Senate, shall be responsible for the evaluation of documentation, and making recommendations to the Faculty Senate on actions to be taken on nominations. The HDDC shall evaluate each candidate based on the given procedure and criteria. For nominees in the areas of scholarship or the creative arts, the appropriate authorities on campus will normally be consulted before a recommendation is finalized. Once presented and voted on by the Faculty Senate, the President of the Faculty Senate will send the recommendations to the Provost and Vice President for Academic Affairs. The Provost may make any comments deemed necessary, and send the recommendations to the President of the University. The University President will review the recommendations and make any comments deemed necessary. Once the President makes final reviews, the President shall forward the recommendation(s) to the VSU Board of Visitors for approval or disapproval by the appropriate deadline established. If the Board of Visitors approves the recommendation, the Provost will inform the recipient, by a letter, of his/her honor.

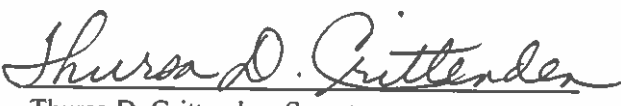
NOW, THEREFORE, BE IT RESOLVED the Honorary Doctoral Degree shall be awarded at a public ceremony. Virginia State University may award more than one Honorary Doctoral Degree at each of its commencement ceremonies.

BE IT FURTHER RESOLVED THAT special seating shall be made available for the degree recipient and members of their family and close friends. The President of the Faculty Senate shall hood honorees.



Harry Black, Rector
4/21/17

Date



Thursa D. Crittenden, Secretary
4.21.17

Date

Resolution of
The Board of Visitors of
Virginia State University
The Internal Audit Charter
Revision and Approval April 21, 2017

WHEREAS, the Facilities, Finance and Audit Committee, a subcommittee of the Board of Visitors, shall have control and oversight over all facilities and financial affairs of the University, and


WHEREAS, the Committee will review the University's financial accounting and reporting processes, assess the effectiveness of the systems of internal control and risk management, governance, internal and external audit processes, and the University's process for monitoring compliance with laws and regulations and the Code of Ethics; and

WHEREAS, the Committee's Charter prescribes the independent oversight of internal audit, the annual review and approval of the Internal Audit Department Charter, and involvement with the quality assurance and improvement program, and

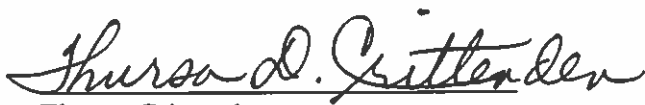
WHEREAS, the Institute of Internal Auditors' Standard 1000: Purpose, Authority, and Responsibility require the Internal Audit Department Charter to be periodically reviewed and presented to senior management and the Board for approval.

WHEREAS, the Board of Visitors has reviewed the Internal Audit Charter and the *Impact of Changes to the IIA Standards Effective January 2017*; and

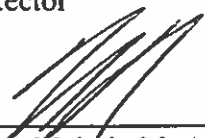
THEREFORE BE IT FINALLY RESOLVED THAT the Facilities, Finance, and Audit Committee of the Board of Visitors of Virginia State University, the Board of Visitors, and the President approve the Internal Audit Charter.



Harry Black
Rector



Thursa Crittenden
Secretary



Dr. Makola M. Abdullah
President
4/21/17

Date

Virginia State University Internal Audit Charter

Revision and Approval April 21, 2017

VIRGINIA STATE UNIVERSITY

INTERNAL AUDIT CHARTER Reaffirmed and Approved April 21, 2017

INTRODUCTION

The Mission of the Department of Internal Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight for Virginia State University and be a catalyst for opportunities for continuous improvement toward management's strategic initiatives. Internal Auditing, as defined by the Institute of Internal Auditors (IIA), is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The Virginia State University Internal Audit Department has prepared this charter to serve as a guide in the performance of its duties. The charter does not include, nor is it intended to include, all of the Department's duties and/or responsibilities as they may exist from time to time. As defined by the IIA, the charter of the internal audit activity is a formal written document that defines the activity's purpose, authority, and responsibility. The charter:

1. Establishes the internal audit activity's position within the organization;
2. Authorizes access to records, personnel, and physical properties relevant to the performance of engagements;
3. Defines the scope of internal audit activities; and,
4. Includes guidelines and directives received from the Office of Inspector General, as appropriate.

The Internal Audit Department has adopted and recognized conformance with the following guidance principles of the IIA for incorporation in its internal audit activity:

Mandatory Guidance:

- 1) Core Principles for the Professional Practice of Internal Auditing
 - Demonstrates integrity.
 - Demonstrates competence and due professional care.
 - Is objective and free from undue influence (independent).
 - Aligns with the strategies, objectives, and risks of the organization.
 - Is appropriately positioned and adequately resourced.
 - Demonstrates quality and continuous improvement.
 - Communicates effectively.
 - Provides risk-based assurance.
 - Is insightful, proactive, and future-focused.
 - Promotes organizational improvement.
- 2) Code of Ethics

- 3) the *Standards*
- 4) Definition of Internal Auditing

The *Standards*, together with the Code of Ethics, encompass all mandatory elements of the International Professional Practices Framework; therefore, conformance with the Code of Ethics and the *Standards* demonstrates conformance with all mandatory elements of the International Professional Practices Framework.

Recommended Guidance:

- 1) **Implementation Guidance:** assist internal auditors in applying the *Standards*. They collectively address internal auditing's approach, methodologies, and consideration, but do not detail processes or procedures.
- 2) **Supplemental Guidance:** provides detailed guidance for conducting internal audit activities. These include topical areas, sector-specific issues, as well as processes and procedures, tools and techniques, programs, step-by-step approaches, and examples of deliverables.
 - all Practice Guides
 - Global Technology Audit Guides (GTAGs)
 - Guides to the Assessment of IT Risks (GAIT)

The Chief Audit Executive shall annually assess whether this charter continues to be adequate to enable the internal auditing activity to accomplish its objectives. The result of this periodic assessment shall be communicated to the Board of Visitors, the University President, and senior management.

OBJECTIVE AND SCOPE

The Virginia State University Department of Internal Audit is an independent function established by the VSU Board of Visitors (BOV) with the objective to assist the University's President, Management and Board of Visitors in the effective performance of their responsibilities. The mission of the Internal Audit Department is to provide an independent, objective assurance and consulting activity designed to add value and improve the University's operations. These services help the University to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit's primary purpose is to enhance and protect the University's value by providing stakeholders with risk-based, objective and reliable assurance, advice and insight.

The scope of internal auditing encompasses the examination, evaluation and contribution to the improvement of the adequacy and effectiveness of the University's systems of internal control and risk management, governance, and the quality of performance in carrying out assigned responsibilities. The scope of internal audit includes:

1. Reviewing internal control and assessing its effectiveness under the Committee of Sponsoring Organizations (COSO) Internal Control – Integrated Framework comprised of: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities and other principles;
2. Monitoring and evaluating the adequacy and effectiveness of controls in responding to risks within the University's governance, operations, and information systems regarding the: reliability and integrity of financial and operations information; effectiveness and efficiency of operations; safeguarding assets; compliance with laws, regulations, and contracts; and risk management system;
3. Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and reports, and determining whether the University is in compliance;
4. Reviewing operations or programs, to include technology governance, to ascertain whether results are consistent with the University's established objectives and goals and whether the operations or programs are being carried out as planned;
5. Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information;
6. Evaluating the potential for the occurrence of fraud, investigating such instances, and how the University manages fraud risk or the deterrence of fraud;
7. Reviewing the economy and efficiency with which resources are employed;
8. Reviewing or consulting on specific operations or activities at the request of the Facilities, Finance, and Audit Committee, the University President, or senior management; and

9. Coordinating audit efforts with the Auditor of Public Accounts and other external auditors.

PROFESSIONAL STANDARDS

The Internal Audit Department of Virginia State University endorses and hereby adopts the following auditing framework as an integral part of its internal audit function.

International Professional Practices Framework (IPPF)

The Institute of Internal Auditors (IIA), an international organization dedicated solely to the advancement of the internal auditing profession, has adopted the International Professional Practices Framework (IPPF), which is the conceptual framework that organizes authoritative guidance promulgated by The IIA and includes the following Mandatory Guidance: Core Principles for the Professional Practice of Internal Auditing, Code of Ethics, *Standards*, and Definition of Internal Auditing, and the following Recommended Guidance: Implementation Guidance and Supplemental Guidance. The Standards and Interpretations delineate the basic requirements for performing a broad range of internal audit activities and for evaluating internal audit performance.

Generally Accepted Auditing Standards

The American Institute of Certified Public Accountants has promulgated Generally Accepted Auditing Standards (GAAS) through statements of auditing standards, industry audit guides, and other professional releases.

Government Audit Standards

The United States General Accounting Office (GAO) recommends Governmental Audit Standards ("Yellow Book" or "GAGAS", Generally Accepted Governmental Auditing Standards) for use by auditors who audit government organizations, programs, activities and functions.

Virginia Information Technologies Agency (VITA) Information Security Audit

In the Commonwealth of Virginia, the Virginia Information Technologies Agency (VITA) Information Security Audit Standard delineates the methodology for conducting an IT security audit of sensitive IT systems that contain Agency information as identified and prioritized in an Agency's Business Impact Analysis, primarily adopted from the National Institute of Standard and Technology (NIST).

Information Systems Audit and Control Association Standards, Guidelines and Procedures

The Information Systems Audit and Control Association (ISACA) requires standards that apply specifically to Information Systems (IS) auditing. ISACA defines, develops and promulgates IS auditing standards and their associated guidelines and procedures. Standards define mandatory requirements for IS auditing and reporting; Guidelines provide guidance in applying IS Auditing Standards; and, Procedures provide examples of procedures an IS auditor might follow in an audit

engagement. A source of best practice guidance which provides a detailed set of controls and control techniques for the information systems management environment is *Control Objectives for Information and related Technology* (COBIT®), an IT governance framework and supporting toolset that allows managers to bridge the gap between control requirements, technical issues and business risks published by the Information Technology Governance Institute (ITGI) with the support of ISACA.

INFORMATION SYSTEMS (IS) AUDITING

The Internal Audit Department will participate in an audit or advisory capacity only in the systems development life cycle. The objective is to assist management by providing assurance that the computerized systems function as management intended with an appropriate level of internal control. These audits and advisories will be completed in accordance with Virginia Information Technology Agency (VITA), COBIT, NIST, and/or other applicable standards

INTERNAL AUDIT STAFF CODE OF ETHICS

Internal Audit staff has a responsibility to conduct themselves so that their good faith and integrity should not be open to question. While having due regard for the limit of their technical skills, they will promote the highest possible internal auditing standards to the end of advancing the interest of the University. The ultimate quality of the Internal Audit Department's performance is directly related to the quality of the people employed. Internal Audit should be directed by and staffed with qualified and competent personnel. Minimum qualifications for each position within the audit function have been established. However, additional experience, training, specialized skills, as well as intelligence, adaptability, promotability, and analytical ability should be considered in the employment process.

Standards of professional behavior and conduct are based upon the Code of Ethics issued by the Institute of Internal Auditors. Internal Audit staff shall realize that individual judgment is required in the application of these standards. Internal auditors are expected to apply and uphold the following principles and rules of conduct. The Core Principles of the IPPF are embedded in the Code of Ethics:

1. Integrity

Internal auditors:

- a. Must perform their work with honesty, diligence, and responsibility.
- b. Must observe the law and make disclosures expected by the law and the profession.
- c. Must not knowingly be a party to any illegal activity, or engage in acts that are discreditable to the profession of internal auditing or to the University.
- d. Must respect and contribute to the legitimate and ethical objectives of the University.

2. Independence and Objectivity

Internal auditors:

- a. Must be objective in performing their work, and the internal audit activity must be independent. Internal auditors must not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the University or which would prejudice their ability to carry out objectively their duties and responsibilities. To achieve individual objectivity, internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.
- b. Where the chief audit executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards must be in place to limit impairments to independence or objectivity.
- c. Must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities (organizational independence). The Chief Audit Executive must confirm to the Board, at least annually, the organizational independence of the internal audit activity.
- d. Must not accept anything that may impair or be presumed to impair their professional judgment.
- e. Must disclose to appropriate parties, the details of impairment if independence or objectivity is impaired in fact or appearance.
- f. Must disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

3. Confidentiality

Internal auditors:

- a. Must be prudent in the use and protection of information acquired in the course of their duties.
- b. Must not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the University.

4. Proficiency, Due Professional Care and Competency

Internal auditors:

- a. Must perform engagements with proficiency and due professional care and engage only in those services for which they possess the necessary knowledge, skills, and

experience. The Chief Audit Executive must obtain competent advice and assistance when other expertise is required to perform an engagement.

- b. Must perform internal auditing services in accordance with the *International Professional Practices Framework (IPPF)*, to include the use of technology-based auditing and other data analysis techniques.
- c. Must continually improve their proficiency and the effectiveness and quality of their services.

Internal auditors are responsible for continuing their education in order to maintain their proficiency. They should keep informed about improvements and current developments in internal auditing standards, procedures, and techniques. The Internal Audit Department recognizes the need for continuing education through membership and participation in professional societies, attendance at conferences, seminars, college courses, and in-house training programs, and participation in research projects.

Members of the Internal Audit staff will be required to obtain at least forty (40) hours of continuing education credits annually.

- d. Must align with the strategies, objectives, and risks of the organization.
- e. Communicate effectively.
- f. Provide risk-based assurance.
- g. Are insightful, proactive, and future-focused.
- h. Promote organizational improvement.

The Chief Audit Executive will report to the Board of Visitors annually when the audit plan is considered, as to the effectiveness of the present staff, in fulfilling the stated objectives of the Internal Audit Department and during such times of interim and annual performance evaluations in concert with the University's administration of performance management.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

The Chief Audit Executive must develop and maintain a quality assurance and improvement program. The Chief Audit Executive is accountable for implementing processes designed to provide reasonable assurance to senior management, the President, and the Board of Visitors that the internal audit activity:

- 1. Performs in accordance with the internal audit charter, which is consistent with the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *Standards*, and the Definition of Internal Auditing;

2. Operates in an effective and efficient manner; and
3. Adds value and a provision for improving University operations.

These processes include appropriate supervision, periodic internal assessments, and ongoing monitoring of quality assurance. The periodic internal assessment of the Quality Assurance and Improvement Program (QAIP) is measured every 18 months to two years. The results of ongoing monitoring must be communicated at least annually.

The Chief Audit Executive shall obtain external assessments at least once every five years and shall communicate the results of the external assessments to the Board of Visitors, University President, senior management, and the State Inspector General. The external assessor must conclude as to conformance with the Code of Ethics and the Standards. The Board of Visitors will be involved in the quality assurance and improvement program and provide a level of oversight in the external assessment to reduce perceived or potential conflicts of interest.

The Chief Audit Executive must communicate the results of the quality assurance and improvement program to senior management and the board. Disclosure should include:

- The scope and frequency of both the internal and external assessments.
- The qualifications and independence of the assessor(s) or assessment team, including potential conflicts of interest.
- Conclusions of assessors.
- Corrective action plans.

ORGANIZATIONAL INDEPENDENCE AND REPORTING RESPONSIBILITIES

The Chief Audit Executive shall report directly to the Board of Visitors (Facilities, Finance and Audit Committee) and administratively to the University President for day-to-day direction.

The Chief Audit Executive shall have direct access and communication to the Board of Visitors when the Chief Audit Executive believes that such access is needed to fulfill the stated objectives of the Department. At all times, the Chief Audit Executive should have open and direct access to the Rector, Chair of the Facilities, Finance and Audit Committee, or full Board if appropriate.

The Chief Audit Executive should meet privately with the Board of Visitors, without management present, to reinforce independence and the nature of this reporting relationship, at least annually.

The Administrative reporting line should enable adequate communications and information flow such that the Chief Audit Executive and the internal audit function have adequate and timely flow of information concerning the activities, plans, and business initiatives of the University, to include open and direct communications with executive and line management. The Chief Audit Executive should be able to communicate directly with any level of management, including the University President.

The Chief Audit Executive shall, at a minimum, meet with the Board of Visitors and the University President on a quarterly basis to discuss:

- I. Audit reports issued;

2. Status of the audit plan;
3. Internal audit operational activities;
4. The propriety of any limitations on the scope of internal audits that may be imposed by management.
5. Significant risks and control issues, including fraud risks.
6. Conformance with the Code of Ethics and the Standards.

AUTHORITY

In order to fulfill its responsibilities, the Internal Audit Department has unrestricted access to all personnel, facilities, records, reports, data bases, documents, or other University information or material that is needed to accomplish its audit objectives. No legitimate source of information is to be closed to the internal auditor.

The Internal Audit Department shall be free from control or undue influence in the selection and application of audit techniques, procedures, and programs.

It is understood that certain items are confidential in nature and special arrangements will be made by the Internal Audit Department when examining and reporting upon such items.

1. Access to Personnel, Documents, and Records: The Internal Audit Department's access to personnel, documents, and records will be unrestricted and unfettered by burdensome administrative requirements or screening procedures. The Internal Audit Department shall be free from undue influence in the selection of areas, activities, personal relationships and managerial policies to be examined. The internal audit activity must be free from interference in determining the scope of internal auditing, performing work, and communicating results. The chief audit executive must disclose such interference to the board and discuss the implications.
2. Access to Information Systems and Automated Data Processing Equipment: Access to information systems and related infrastructure, automated data processing equipment (including microcomputers and/or on-line workstations) and programming personnel shall be made readily available to the Internal Audit Department auditors to permit auditing of automated information. Necessary access to, and related training on, existing data retrieval and report generating capabilities shall also be provided to Internal Audit Department auditors.
3. Access to Protected Health Information, Personally Identifiable Information :In accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (45 CFR Parts 160, 162, and 164), the Family Educational Rights and Privacy Act (FERPA) (34 CFR § 99.31), and the Privacy Act of 1974, the University is permitted to disclose records with sensitive information (Protected Health Information, Personally Identifiable Information) without an individual's authorization for the purpose of an audit, fraud and

abuse detection, compliance evaluation, or administrative review.

Internal Audit has access to all records covered by the aforementioned regulations when discharging their official duties and we will be prudent in the use and protection of the confidential and sensitive information acquired.

RESPONSIBILITIES FOR THE DETECTION OF ERRORS OR IRREGULARITIES

The Chief Audit Executive and the internal audit staff have a professional responsibility to conduct reviews with an attitude of professional skepticism (an auditor's attitude of a questioning mind and critical assessment of audit evidence; no assumption that management is either honest or dishonest). The Chief Audit Executive must recognize that the application of internal auditing procedures may produce evidential matter indicating the possibility of errors or irregularities.

The Chief Audit Executive will discuss the potential errors or irregularities and their disposition with the University's President as appropriate. The detection and prevention of errors and irregularities, which may occur, is a responsibility shared by all members of the management team.

INVESTIGATIONS

The Internal Audit Department shall be notified in all cases where assets have been lost (or suspected lost) or there is reasonable suspicion of fraud through defalcation or security breaches in financial and operating systems. Immediately upon such notification, the Chief Audit Executive will notify proper authorities within the University of the potential loss and to the Virginia State Police, Auditor of Public Accounts, and State Inspector General as appropriate.

Pursuant to the anonymous State Fraud, Waste, and Abuse Hotline established by the Governor of Virginia and administered by the Office of State Inspector General, for cases referred to the Internal Audit Department, the internal audit program over these cases must maintain the confidentiality and integrity of the hotline referral. All working papers must be clearly marked as "Confidential Commonwealth Hotline Documents" to provide confidentiality over hotline documents and the integrity of the hotline program and must not be shared with anyone except those individuals who are directly involved in conducting the investigation and have a need to know. Those provided this information also must understand the confidentiality requirements and may be required to sign a confidentiality statement. Information must be received upon request in order to afford us the opportunity to complete the hotline investigation in sixty days as required by the OSIG.

Internal Audit will conduct an investigation based on the facts submitted to determine if a loss, fraud, waste or abuse has in fact occurred. Tests will be performed of the financial and operating procedures to identify weaknesses which permitted the irregularity (if any) to occur. Improvements will be recommended to correct such weaknesses.

MANAGING THE INTERNAL AUDIT ACTIVITY

The Chief Audit Executive should effectively manage the internal audit activity to ensure it adds

value to the organization, to include establishing policies and procedures to guide the internal audit activity.

The Chief Audit Executive must establish a risk-based plan and determine the priorities of the internal audit activity, consistent with the University's goals. The internal audit activity's plan of engagements will be based on a documented risk assessment, undertaken at least annually. The input of senior management, the President, and the Board shall be considered in the process.

The Chief Audit Executive should consider accepting proposed consulting and advisory engagements based on the engagement's potential to improve risk management, add value, and improve the University's operations of which the nature and scope is to be agreed by management, without the internal auditor assuming management's responsibility. Those engagements that have been accepted should be included in the plan. Internal auditors generally should not agree to conduct a consulting engagement simply to circumvent, or to allow others to circumvent requirements that would apply to an assurance or audit engagement, if the service in question is more appropriately conducted as an assurance or audit engagement.

Each year, the Chief Audit Executive shall communicate the internal audit activity's plan for the next fiscal year and resource requirements, including significant interim changes, to the President and to the Board of Visitors for review and approval and the resulting impact of resource limitations. The Chief Audit Executive will initiate audits pursuant to the plan.

COOPERATION WITH EXTERNAL AUDITORS

The Chief Audit Executive is responsible for coordinating the audit efforts of the Internal Audit Department with those of the Auditor of Public Accounts and other external auditors as applicable.

The coordination of audit efforts should be planned and defined as part of the scope for proposed audits to ensure effectiveness. This coordination will provide reasonable assurance that the work of all auditing groups is complementary, providing proper coverage, and minimizing duplication of effort.

ASSURANCE AND CONSULTING SERVICES

Assurance services include objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Examples may include financial, performance, compliance, system security, and due diligence engagements.

Assurance engagements for functions over which the chief audit executive has responsibility must be overseen by a party outside the internal audit activity.

Internal audit may provide assurance services where it had previously performed consulting services, provided the nature of the consulting does not impair objectivity and provided individual objectivity is managed when assigning resources to the engagement.

Consulting and related client service activities, the nature and scope of which are agreed with the

client, are intended to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility. The Internal Audit Department will perform consulting services, beyond internal audit's assurance services, to assist management in meeting its objectives. Examples may include counsel, facilitation, process design, training, and advisory services.

Consulting services objectives shall be consistent with University values and goals; focus on managing risk, adding value, and enhancing operations; and be understood by the client. Also, in the course of providing consulting services, Internal Audit will be alert to significant risks and control matters, incorporate knowledge gained into future engagements, and communicate issues to higher levels. These services will be provided at the discretion of the Chief Audit Executive where they do not represent a conflict of interest or detract from Internal Audit's obligation to the Board of Visitors or the President.

Internal auditors must refrain from assessing specific operations for which they were previously responsible. Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year.

Internal auditors may provide consulting services relating to operations for which they had previous responsibilities.

If internal auditors have potential impairments to independence or objectivity relating to proposed consulting services, disclosure must be made to the engagement client prior to accepting the engagement.

AUDIT REPORTS

At the conclusion of each audit, the department or activity audited will be provided an opportunity to respond in writing to the findings, conclusions, and recommendations of the Internal Audit Department. An exit conference will be held with responsible management of the department or activity reviewed. All findings, conclusions, and recommendations will be discussed and any differences of opinion will be noted.

A formal audit report will be issued after the exit conference. This report will contain a summary of the department or area reviewed, the objectives of performing the audit, methods used, detailed explanations of findings, and recommendations for improvement. A section of the report will also include management's response to Internal Audit's findings and recommendations when received within a reasonable timeframe.

Management's written corrective action plan shall include the individual responsible for implementing the recommendation, the timetable for anticipated completion of action to be taken and an explanation for any recommendations not addressed or agreed upon. In addition, management shall be given 10 business days from the date of the exit conference to provide written responses to the Chief Audit Executive.

Audit reports will be addressed to the responsible Cabinet member or Executive and senior manager of the department or activity reviewed. Copies will be forwarded to the Board of Visitors,

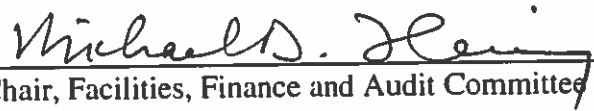
the University President, the State Inspector General, the Auditor of Public Accounts, and other persons deemed necessary.

The Internal Audit Department will conduct follow-up reviews on audits performed to ensure that recommendations to address the most significant risks have been considered and acted upon at least semi-annually. Distribution of the follow-up report will be the same as the original report.

APPROVED THIS 21st DAY OF APRIL 2017.



Rector, Virginia State University Board of Visitors



Chair, Facilities, Finance and Audit Committee



President, Virginia State University

Resolution of
The Board of Visitors of
Virginia State University
To Approve
Revised Fiscal Year 2017 Internal Audit Plan
April 21, 2017

WHEREAS, the Board of Visitors may find it necessary to modify the audit plan scope of work and/or allocate Internal Audit Department resources to other areas based upon new discovery or vulnerability; and

WHEREAS, the Chief Audit Executive proposes a revised audit plan to assist the Board of Visitors in its fiduciary responsibility; and


WHEREAS, the Chief Audit Executive has prepared a Revised FY 2017 Internal Audit Plan pursuant to available personnel resources; and

WHEREAS, the Board of Visitors has reviewed the proposed Revised FY 2017 Internal Audit Plan; and


NOW, THEREFORE, BE IT RESOLVED that the Board of Visitors of Virginia State University approves the Revised Fiscal Year 2017 Internal Audit Plan.



Harry Black
Rector



Thursa Crittenden
Secretary



Date

REVISED INTERNAL AUDIT PLAN 2016-2017 (March 2017)

Audit Activities		Budget
Audit Planning and Business Operations		
1	Audit Plan and Risk Assessment	89
2	Policies, Procedures and Website Maintenance	135
3	Board Meetings and Report Preparation	342
4	Quality Assurance Program - Self Assessment & QAR	316
5	Business Operations and External Communications	306
6	Staff Performance and Development	292
Risk-Based Audits		
7	VITA Security Audit Standard 502-00: Follow-up on Security Program Implementation and Corrective Action Plans	440
8	Follow-Up: Status of Corrective Action Plans for Laserfiche	190
10	VSU Real Estate Foundation Performance Audit: Follow-up	190
11	Quarterly Status of Corrective Action Plans	80
13	Academic Governance Over Grade Administration and Graduation Clearance Phase I Continuation – Wrap-Up - Phase II	1830
Special Investigations and Board of Visitors' Requests		
16	OSIG - Commonwealth Fraud, Waste, and Abuse Hotline	400
17	Management Investigative Requests	50
Management and Advisory Services		
18	Emerging Compliance, Internal Control Awareness	160
19	Technology Governance, Systems Implementation, Shared Oversight	80
20	SACS Decennial Reaffirmation Review	130
22	President's Cabinet	100
23	Board of Visitors Requests	50
24	Management Requests	99
Total Direct Audit Hours (80%)		5,279
Administration		
25	General Administration	408
26	Holiday and Compensated Absences	819
Total Indirect Audit Hours (20%)		1,227
Total Hours Allocated		6,506
Total Hours Available		6,416
Excess/(Shortfall)		(90)

VIRGINIA STATE UNIVERSITY
Virginia State University, Virginia

Resolution of
The Board of Visitors of
Virginia State University
Audit Committee Charter
Adopted April 13, 2007
Revision and Approval April 21, 2017

WHEREAS, the primary purpose of the Audit Committee is to assist the Board of Visitors in discharging its oversight responsibilities; and

WHEREAS, the Audit Committee will review the University's financial accounting and reporting processes, assess the effectiveness of the systems of internal control and risk management, governance, internal and external audit processes, and the University's process for monitoring compliance with laws and regulations and the Code of Ethics; and

WHEREAS, the Audit Committee Charter prescribes the purpose, authority, composition, meeting schedule, responsibilities, independent oversight of internal audit, relationship with external auditors, review of the effectiveness of compliance monitoring by management, reporting and other responsibilities assigned to members of the Audit Committee; and


WHEREAS, the Board of Visitors has reviewed the Audit Committee Charter and the *Impact of Changes to the IIA Standards Effective January 2017*; and

NOW THEREFORE BE IT RESOLVED THAT the Facilities, Finance, and Audit Committee of the Board of Visitors of Virginia State University and the Board of Visitors of Virginia State University approve the Audit Committee Charter.

BE IT FINALLY RESOLVED that the Audit Committee should continue effective efforts designed to assist the Board of Visitors in discharging its oversight responsibilities and to keep the Board of Visitors informed of matters of importance.


Harry Black
Rector

Date


Thursa Crittenden
Secretary

Date

**VIRGINIA STATE UNIVERSITY
BOARD OF VISITORS**

AUDIT COMMITTEE CHARTER
(Adopted April 13, 2007)
Revision and Approval April 21, 2017
INTRODUCTION

I. PURPOSE

The primary purpose of the Audit Committee is to assist the Board of Visitors in discharging its oversight responsibilities. The Audit Committee will oversee the University's financial accounting and reporting processes, the effectiveness of the systems of internal control and risk management, governance, the internal and external audit processes, the University's process for monitoring compliance with laws and regulations, and the Code of Ethics.

II. AUTHORITY

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of the Chief Audit Executive and the internal audit staff.
- Resolve any disagreements between management and the internal and external auditors regarding financial reporting or findings.
- Establish a relationship with the external auditors for the purpose of developing effective two-way communications between the external auditors and those charged with governance in relation to the financial statement audit to gain a mutual understanding and discussion of the scope, conduct, and the results of the audits, and to report results of those audits to the full Board.
- Pre-approve the Internal Audit budget and resources, annual audit plan and significant revisions to the plan.
- Retain independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation.
- Have unrestricted access to members of management, faculty and employees, as well as to all books, records and facilities of the University.

III. COMPOSITION AND INDEPENDENCE

The Executive Committee shall recommend and the Board shall approve a Facilities, Finance and Audit Committee of a minimum of three members of the Board at the Annual Meeting. The Executive Committee, in consultation with the Rector and President, shall recommend the Committee Chair. The Board shall approve the Committee Chair. The Rector and Vice Rector shall serve as ex-officio members. At least one member shall be

designated as the “financial expert,” as defined by applicable legislation and regulation and each member shall be independent and financially literate.

Each Committee member’s term of office shall coincide with term of office on the Board of Visitors.

A majority of the members of the Committee shall constitute a quorum for the transaction of business.

IV. MEETINGS

The Audit Committee shall meet at least four times a year, with authority to convene additional meetings, as circumstances require. The Committee shall invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary. The Committee may hold closed meetings as authorized by law. Meeting agendas shall be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared.

V. RESPONSIBILITIES

In performing its oversight responsibilities, the Audit Committee shall:

A. Financial Statements

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
2. Review with management and the external auditors all matters required to be communicated to the Committee under Generally Accepted Governmental Auditing Standards, the results of the audit, including any difficulties encountered.
3. Review the annual financial statements with management, and interim financial statements if prepared, and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
4. Understand how management develops annual and interim financial information, and the nature and extent of internal and external auditor involvement.

B. Risk Management, Internal Control and Governance

1. Require management to report on procedures that provide assurance that the University’s mission, values, and Code of Ethics are properly communicated to all employees.
2. Review the process for communicating the Code of Ethics to University

personnel and for monitoring compliance therewith, to include compliance by senior management and the Board.

3. Evaluate whether management is setting the appropriate tone of the control environment by communicating the importance of internal controls.
4. Review and evaluate the University's processes for assessing significant risks and exposures.
5. Make inquiries of management, University Counsel, the Chief Audit Executive and the external auditors concerning the significant risks or exposures to the University and how risks are managed through methods of identification, assessment, and mitigation.
6. Consider the effectiveness of the University's internal control system, including information technology, governance, information assurance, security, and control. Obtain regular reports from management.
7. Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses. Follow up on findings and recommendations to ensure corrective action is feasible, adequate and complete.
8. Monitor the University's conflict of interest policies and related procedures.

C. Internal Audit

1. Review annually, with management and the Chief Audit Executive the charter, plans, activities, staffing, and organizational structure of the internal audit function.
2. Approve the internal audit department charter. The charter should be reviewed annually and updated as necessary.
3. Review and approve the Internal Audit annual audit plan and any significant changes to the plan, to include completed audit reports and progress reports on executing the approved audit plan, with full reporting to the Board of Visitors.
4. Review annually the qualifications of the internal audit staff and the level of staffing. Assess the effectiveness of the internal audit function, including its independence, reporting relationships, budget, staffing required to complete the audit plan, and compliance with The Institute of Internal Auditors *International Professional Practices Framework (IPPF)*, to include The Mission of Internal Audit and the mandatory elements of the Framework consisting of the Core Principles for the Professional Practice of Internal Auditing, Code of Ethics, Standards, and the Definition of Internal Auditing. Ensure there are no unjustified restrictions or limitations on the internal audit function.
5. Review and concur in the appointment, replacement, or dismissal of the Chief Audit Executive. At least once per year, review the performance of the Chief Audit Executive and concur with the annual compensation and salary adjustment.
6. On a regular basis, meet separately with the Chief Audit Executive (without members of senior management present) to discuss any matters that the Committee or Chief Audit Executive believes should be discussed in closed

session or privately. Refer significant internal audit findings and issues to the full Board.

7. Be involved in the quality assurance and improvement program and provide a level of oversight in the external assessment to reduce perceived or potential conflicts of interest.

D. External Audit

1. Meet with the external auditors and University management to review the proposed scope of the external audit, including coordination of audit effort with internal audit. The auditors should inform the Audit Committee of any significant changes in the original audit plan.
2. Discuss with the external auditors their processes for identifying and responding to key audit and internal control risks.
3. Review the coordination of internal and external audit procedures to promote an effective use of resources and ensure complete and efficient coverage of the University's risks.
4. As required, and consistent with state law, meet separately with the external auditors (without members of senior management present) to discuss any matters that the Committee or auditors believe should be discussed privately.
5. Meet with the external auditors at the completion of the audit to receive the audit report. Ensure that significant findings and recommendations made by the external auditors and the University's proposed responses are received, discussed, and acted upon appropriately.

E. Compliance


1. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or instances of noncompliance. Monitor the results of compliance efforts.
2. Review the findings of any examinations by regulatory agencies, and any auditor observations.
3. Obtain regular updates from management and legal counsel regarding compliance matters.

F. Reporting and Other Responsibilities

1. Regularly report to the Board of Visitors about Committee activities, issues, and related recommendations.
2. Provide an open avenue of communication between internal audit, the external auditors, and the Board of Visitors.
3. Review any other reports the University issues that relate to Committee responsibilities.

4. Adopt a formal written charter that specifies the Committee's scope of responsibility. Review and assess the adequacy of the Committee charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
 5. Confirm annually that all responsibilities outlined in this charter have been carried out.
 6. Perform other activities related to this charter as requested by the Board of Visitors.
 7. Evaluate the Committee's and individual member's performance on a regular basis.
-

APPROVED THIS 21ST DAY OF APRIL, 2017.


Chair, Facilities, Finance, and Audit Committee


Rector, Virginia State University Board of Visitors


Secretary, Virginia State University Board of Visitors

**RESOLUTION
BOARD OF VISITORS
VIRGINIA STATE UNIVERSITY**

WHEREAS, the Virginia State University Foundation ("VSUF") and the Virginia State University Real Estate Foundation ("VSUREF"), collectively, the "Foundations," have created a joint venture entity known as the VSU Trojan Development Company, LLC (the "Trojan Development Company"), the sole members of which are the Foundations, which thereby control the Trojan Development Company; and

WHEREAS, as authorized by the 2014 Special Session 1, Virginia Acts of Assembly, Chapter 2, Item C-19.10, and by Section 23-4.1 of the Code of Virginia (1950), as amended, Grantor conveyed by deed dated November 20, 2014 and recorded January 30, 2015 in Deed Book 10763 at Page 0872 (the "Deed"), eleven parcels of real property lying and being in the County of Chesterfield, Virginia, and containing in the aggregate 3.1485 acres, more or less (the "Property") for the sum of Three Hundred and Twenty-Eight Thousand and NO/100 Dollars (\$328,000.00) (the "Payment") and for the purpose of Grantee's development and construction on the Property of a mixed-use facility comprised of commercial/retail office space on the first floor of the facility and market rate residential apartments on the upper floors of the facility (the "Project"); and

WHEREAS, this Board has granted two extensions, the latest which expires December 31, 2017, to aid the Trojan Development Company in ascertaining financing of this Project; and

WHEREAS, at its meeting on April 21, 2017, the representatives of the Trojan Development Company presented a pro forma analysis;

WHEREAS, at this same meeting, the University's Division of Finance presented stress test and VSU Impact analysis regarding the project, which demonstrated significant long-term negative financial impact on the University; and

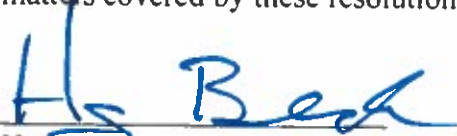
WHEREAS, the University's Board of Visitors agreed that given such significant negative impact support of the Trojan Development Company Project would not be in the best interest of the University;

WHEREAS, the University's Board of Visitors voted unanimously that the associated VSUF and VSUREF cease and desist further development on this Project.

NOW, THEREFORE BE IT:

1. **RESOLVED**, the Board, through its authority, request that the VSUF and VSUREF cease and desist all further development of the Trojan Development Company Project;
2. **FURTHER RESOLVED**, that the University take all necessary action to terminate the existing Deed of Extension which expires December 31, 2017; and it is

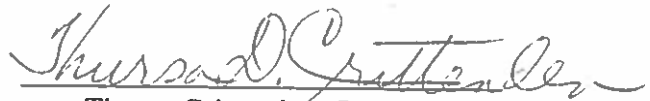
3. **FURTHER RESOLVED**, that the University President and/or his designee is hereby authorized to execute and deliver, on behalf of the University, all legal documents, after review by University legal counsel and approval as to form by the Office of the Attorney General, for the amendments to the aforementioned deed, including the Support Agreement and any deeds, leases or easements, and such other documents and agreements, all with such rights, restrictions, or covenants as the aforementioned President or his designee deems necessary or advisable to carry out the terms and provisions of the foregoing documents and to effectuate the purposes of the foregoing resolution. The above referenced execution authority granted to the University President or his designee is limited to the matters covered by these resolutions.



Harry Black, Rector



Date



Thursa Crittenden, Secretary



Date