1. CALL TO ORDER & OPENING COMMENTS
   Mr. H. Benson Dendy, III, Rector
   5 minutes (12:30 – 12:35)

2. PUBLIC COMMENT PERIOD
   Ms. Chelsea Gray, Assistant
   Secretary & Board Liaison
   15 minutes (12:35 – 12:50)

3. APPROVAL OF MINUTES
   Mr. H. Benson Dendy, III, Rector
   September 17, 2021 BOV meeting
   October 29, 2021 BOV Retreat
   2 minutes (12:50 – 12:52)

4. PRESIDENT’S REPORT
   Dr. Michael Rao, President
   13 minutes (12:52 – 1:05)

5. CONSTITUENT REPORTS
   Jordan Matamoro-Mejias,
   Undergraduate Student BOV
   Representative
   Anne Skelton, Graduate Student
   BOV Representative
   a. Student Representatives
   10 minutes (1:05 – 1:15)
b. Faculty Representatives

**Dr. Nancy Jallo, Faculty Senate Representative**

**Dr. Valerie Robnolt, alternate, Faculty Senate Representative**

5 minutes (1:15 – 1:20)

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c. Staff Representatives

**Christopher McDonald, VCU Staff Senate BOV Representative**

**Saher Randhawa, Staff Senate BOV Representative**

5 minutes (1:20 – 1:25)

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6. VCU STATE OF RESEARCH

**Dr. Srirama Rao, Vice President for Research and Innovation**

30 minutes (1:25 – 1:55)

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7. CLOSED SESSION – Freedom of Information

Act Sections 2.2-3711 (A)(1), (3), (7), (8), (9) and (19) specifically:

5 minutes (1:55 – 2:00)

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a. Closed session report from the Audit, Integrity and Compliance Committee

**Dr. Shantaram Talegaonkar, Chair**

2 minutes (2:00 – 2:02)

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b. Closed session report from Intercollegiate Athletics Committee

**Mr. Todd Haymore, Chair**

10 minutes (2:02 – 2:12)

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c. Closed session report from University Resources Committee

**Rev. Tyrone Nelson, Chair**

2 minutes (2:12 – 2:14)

i. Named Fund and Spaces Report

ii. Approved Named Funds under $50,000

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d. President’s Report:

**Dr. Michael Rao, President**

30 minutes (2:14 – 2:45)

i. Greek Life

ii. Faculty Tenure Appointments, Changes in Status and Other Personnel Actions
iii. Commencement, Honorary Degree, Edward A. Wayne Medal and Presidential Medallion Recipients

8. RETURN TO OPEN SESSION AND CERTIFICATION

Mr. H. Benson Dendy, III, Rector

Resolution and Certification
5 minutes (2:45 – 2:50)

Action Items: Approval of items discussed in closed session, if any
5 minutes (2:50 – 2:55)

9. BREAK

10 minutes (2:55 – 3:05)

10. GREEK LIFE UPDATE

Dr. Charles Klink, Senior Vice Provost for Student Affairs

15 minutes (3:05 – 3:20)

11. STRATEGIC TASK FORCE UPDATE

Mr. Keith Parker, Chair

10 minutes (3:20 – 3:30)

12. HEALTH SYSTEM UPDATE

Mr. Keith Parker, VCUHS BOD member

10 minutes (3:30 – 3:40)

13. AUDIT, INTEGRITY AND COMPLIANCE COMMITTEE OPEN SESSION REPORT

Dr. Shantaram Talegaonkar, Chair

Report to the Board of Visitors
2 minutes (3:40 – 3:42)

14. INTERCOLLEGIATE ATHLETICS COMMITTEE REPORT

Mr. Todd Haymore, Chair

Report to the Board of Visitors
2 minutes (3:42 – 3:44)

15. ACADEMIC AND HEALTH AFFAIRS

Ms. Coleen Santa Ana, Co-Chair
COMMITTEE OPEN SESSION REPORT

Report to the Board of Visitors

Action Items, recommendation for:
5 minutes (3:44 – 3:49)

16. GOVERNANCE AND COMPENSATION

COMMITTEE OPEN SESSION REPORT

Report to the Board of Visitors

Action Items, recommendation for:
5 minutes (3:49 – 3:54)

17. FINANCE, BUDGET AND INVESTMENT

COMMITTEE OPEN SESSION REPORT

Report to the Board of Visitors

Action Items, recommendation for:
5 minutes (3:54 – 3:59)

18. UNIVERSITY RESOURCES

COMMITTEE OPEN SESSION REPORT

Report to the Board of Visitors

2 minutes (3:59 – 4:01)

19. OTHER BUSINESS

Mr. H. Benson Dendy, III, Rector

20. ADJOURNMENT

Mr. H. Benson Dendy, III, Rector

** The start time for the Board of Visitors meeting is approximate only. The meeting may begin either before or after the listed approximate start time as Board members are ready to proceed.
Commending the Honorable Kelly Thomasson

WHEREAS Secretary Kelly Thomasson, served with distinction as the Secretary of the Commonwealth of Virginia under Governor Ralph Northam and Governor Terry McAuliffe; and

WHEREAS Kelly Thomasson hails from Ashland, Virginia; and

WHEREAS Kelly Thomasson graduated Magna Cum Laude from Virginia Commonwealth University in 2001 with a degree in Political Science; and

WHEREAS Kelly Thomasson worked for Senator Mark Warner for 13 years in various capacities, including projects director in his U.S. Senate office and as director of scheduling in the Office of the Governor; and

WHEREAS Kelly Thomasson joined Governor Terry McAuliffe’s administration as the Deputy Secretary of the Commonwealth in 2014 and was appointed as Secretary of the Commonwealth in 2016; and

WHEREAS Kelly Thomasson was named Top 40 Under 40 by Style Weekly in 2017; and

WHEREAS Kelly Thomasson was reappointed as Secretary of the Commonwealth in 2018 by Governor Ralph Northam; and

WHEREAS Kelly Thomasson is passionate about creating a state government that is open and welcoming to everyone, she was instrumental in recruiting qualified, service-minded individuals to serve on boards, commissions, and councils across the entire Commonwealth of Virginia; and

WHEREAS Kelly Thomasson led the effort to restore civil rights of eligible felons on a case-by-case basis, resulting in over 160,000 individuals having their rights restored in the Commonwealth of Virginia; and

WHEREAS Kelly Thomasson also acts as the Governor’s liaison to Virginia’s Indian tribes, as well as the Council on Women; and

WHEREAS Kelly Thomasson is involved in many local community activities, including serving on the board of the Ashland Main Street Association; and

WHEREAS Kelly Thomasson served as Secretary of the Commonwealth with distinction and Virginia Commonwealth University thanks Secretary Kelly Thomasson for her service to the Commonwealth; now, therefore, be it

RESOLVED by Virginia Commonwealth University Board of Visitors on this 10th day of December 2021 that we commend Secretary Kelly Thomasson for her dedicated and extraordinary service to our Commonwealth.

______________________________
H. Benson Dendy III, Rector

______________________________
Michael Rao, President
A Report on the Administrative Structure at Virginia Commonwealth University

By the
VCU Chapter of the AAUP

and

endorsed by the VCU Chapter of the United Campus Workers

Presented as written comments to the VCU Board of Visitors December 10, 2021
Executive Summary

Over the past two years, administrative growth at Virginia Commonwealth University has out-paced faculty growth while the number of instructional employees overall has remained unchanged. **For every four tenure track faculty members at VCU, there are five administrators.** This growth in executive administration correlates directly to eroded working conditions for all faculty, but particularly for the growing contingent faculty workforce. Instructors’ working conditions are students’ learning conditions, and the erosion of the former negatively impacts the latter. Only 33% of the instructional employees are tenured or tenure-track, which is a lower percentage of tenure-eligible faculty than all of VCU’s VA peer institutions, as well as the majority of national peer and aspirational universities. Tenure-eligible faculty are typically the research-active faculty that drive the university’s R1 ranking, attract students, and provide the relevant experiential learning opportunities that set VCU apart from other universities.

**VCU has developed an inefficient and expensive administrative overhead that is sapping cash flow, threatening the bond rating, and mismanaging student tuition and taxpayer dollars.**

As an institution, VCU is responding to the crisis in higher education in the least effective way possible—hiring more and more administrators and non-instructional employees—rather than investing in the core, intertwined missions of education and research.

If VCU is an institution for transformative innovation that can lead the reinvention of higher education, then let it not be hampered by the lack of tenure-track faculty. VCU’s faculty are forward thinking and highly adaptable, as we have witnessed over the past year. We are dedicated to providing our students, many of them first-generation college students, an excellent education and to engaging in research for the greater public good. For our institution to reach its full potential we must decrease the level of administration, increase the percentage of tenure-track faculty and provide them with the resources needed to maximize student success.

According to financial data reported to the National Center for Educational Statistics by VCU administration, over the past two years the increase in the administrative salaries has been covered almost entirely by a rise in student tuition revenue. Since 2019, the number of management employees has increased 9.6%. **Students are paying the price and they are going to look elsewhere if VCU does not correct its course.** Finance-savvy students are not going to pay more and more for a VCU education—which is already among the costliest in the Commonwealth—when that additional revenue is being spent on management and administration, rather than being invested directly into their education.

The VCU Chapter of the AAUP is requesting that the VCU Board of Visitors immediately begin a comprehensive review of the administrative structure of VCU, as well as the structure of the instructional staff by an outside consulting group vetted by faculty. We believe this is essential for VCU to move to the next level and continue providing the best education possible for our students.
VCU Administrative structure is out of balance

An article published by the Association of American Colleges and Universities periodical peerReview in Fall 2002 explained that “Over-reliance on part-time and other ‘contingent’ instructional staff diminishes faculty involvement in undergraduate learning...such over-reliance particularly disadvantages the less-well-prepared entering and lower-division students in the non-elite institutions who most need more substantial faculty attention.” AAUP’s 2018 Data Snapshot of contingency in higher education shows that destabilization of the faculty workforce through conversion of instructional labor to contingent positions has continued unabated, eroding the working conditions of our instructional workforce nationally. Stabilizing and protecting the employment status of adjunct and term faculty would rectify this concern by allowing those faculty to focus their attention on students rather than on their precarious employment status.

At VCU, 23% of employees are instructional employees. The percentage of tenure-track faculty per total instructional employees is the lowest of any of our peer institutions.

VCU’s commitment to the relevant, experiential, and applied learning initiative (REAL). Stable working conditions for full-time, tenure track faculty allows those faculty to focus our curriculum on addressing real world problems and experiential opportunities, not only within research fields, but also through possibilities for interdisciplinary convergence research and problem-based learning as outlined within VCU’s strategic vision. Active tenured/tenure-track research faculty are able to develop strong professional networks and community ties through their work and these connections help students secure professional opportunities. In a world where it increasingly matters who you know (and not just what skills you’ve been credentialed in), providing these networked connections is essential to helping our students succeed in this challenging and dynamic economy.
At VCU, 23% of employees are instructional employees. The percentage of tenure-track faculty per total instructional employees is the lowest of any of our peer institutions. Only 33% of the instructional employees at VCU are tenured or tenure-track employees, compared to 50% and 58% at our peer and aspirational peer institutions, respectively.

At VCU, 15% of all employees are categorized as management. This is twice the percentage of our peer institutions.

VCU’s lack of tenure-track faculty is apparent on a per-student basis. Simply, there are substantially fewer tenured and tenure-track faculty at VCU than at our peer institutions. VCU has 36.3 full-time students per tenure-track faculty member. This is a worse ratio than peer institutions, both within the Commonwealth and nationally. At Virginia peer institutions, the average ratio is 25.5:1, while at our national peer institutions it is 32.8:1. Only 55% of VCU’s full-time instructional employees are tenured or tenure-track faculty, as

<table>
<thead>
<tr>
<th></th>
<th>Student to Tenure Track Faculty Ratio</th>
<th>Tenure Track Faculty to Administration Ratio</th>
<th>Percentage Instructional Employees on the Tenure Track</th>
</tr>
</thead>
<tbody>
<tr>
<td>VCU</td>
<td>36.3 : 1</td>
<td>0.82</td>
<td>33%</td>
</tr>
<tr>
<td>Virginia Peers</td>
<td>25.5 : 1</td>
<td>5.5</td>
<td>56%</td>
</tr>
<tr>
<td>Peer</td>
<td>32.8 : 1</td>
<td>1.7</td>
<td>43%</td>
</tr>
<tr>
<td>Aspirational Peers</td>
<td>34 : 1</td>
<td>2.1</td>
<td>55%</td>
</tr>
</tbody>
</table>
compared to UVA and VA Tech at 75% and GMU at 65%. This could be one reason that those institutions gained students last year while VCU lost students.

The percentage of instructional faculty is below our peers

At VCU there are 2.5 instructional employees per every management employee. This stands in sharp contrast to our peer institutions, where there are 3.8 instructional employees per management employee—54% more. VCU's aspirational peer institutions have 3.9 such instructional employees, or 59% more.

Over 20% of all salary outlays are for managerial employees, while only 27% are for instructional staff. By comparison, VCU's Peer institutions typically spend on average 13% of all salary outlays on management employees and spend over 30% on instructional employees. To put this into financial perspective, in 2020 VCU spent a total of $87M on 868 non-instructional management employees, compared to $125M on 2133 full and part-time instructional employees responsible for conducting the educational and research mission of the university.

All too often, the low percentage of tenure-track faculty is defended as necessary to maintain favorable bond ratings with Moody's and S&P rating agencies. It is regularly suggested that a high percentage of tenured faculty negatively impacts the rating because it depresses operational cash flow. But upon examining the bond rating scorecard used by Moodys, it is not the percentage of tenure-track faculty that impact the bond rating per se, but rather committed salary outlays, which include those for administration contracts. At the Moody's-identified peer institutions, the instructional-to-management employee ratio is even larger at 5.3 instructional employees per management employee. Even the for-profit University of Phoenix has 4.7 instructional employees per management employee ratio. In contrast, the ratio of instructional employees to management at VCU is an abysmal 2.5-to-1.

In April 2017, the California state auditors examined administrative costs at the University of California system and found that the ten executives in the president's office were earning over $3.7M. At VCU in 2020, the 14 individuals listed in the president's cabinet had combined salaries of over $5.3M, while management salary outlays increased from $55M in 2015 to over $87M in 2020. The disproportionate number of management employees and the large amount of salaries for them reduces the success rates for our most vulnerable students and negatively impacts the faculty's ability to complete our educational mission. As an institution, we are responding to the crisis in higher education by hiring more and more administrators and non-instructional employees, as opposed to focusing on our core, intertwined missions of education and research.
When we look at just tenured/tenure-track faculty to administrators, VCU’s ratio further drops to 0.81:1, or more than one administrator per every tenured or tenure-track faculty member.

Key Information

- Every student at VCU pays $3398, or 27% of their tuition to management employees who do not directly contribute to the overall instruction.
- The most vulnerable students are those eligible for Pell Grants. The inflation-adjusted Pell Grant award has been almost flat at $6195 since 2013. However, the overall salary outlays for management employees at VCU increased 31% from 2016 to 2020.
- From 2019 to 2020, revenue from tuition increased by $13M while management salary outlays increased by $10.5M.
- Since 2015, VCU has seen the overall full-time student enrollment drop about 5% while the number of full-time instructional employees has remained unchanged. Since 2019, the number of management employees has increased 9.6%.
- According to data provided to the IPEDS system, in 2020 35% of all salary outlays were for 868 managerial employees, while only 45% of salary outlays were for the entire body of instructional employees.

VCU serves the Commonwealth by providing excellent educational opportunities to first-generation college students. Our mission states that we are an “urban public research institution dedicated to the success and well-being of our students.” However, the choices made to expand executive, administrative, and managerial staff, and their compensation, have been paid for by our students, particularly our most financially challenged students who are disproportionately likely to be first-generation college students and students of color. This development puts our mission at risk.

Key Financials since 2016
VCU and the National Conversation About College Price

- Benjamin Ginsberg, a professor of political science at the Johns Hopkins University has argued that universities would be better off with fewer administrators. The three-to-one ratio “makes a lot of sense,” Mr. Ginsberg said, because it would shift the staff balance in universities.

- Richard Vedder, director of the Center for College Affordability and Productivity and a professor of economics at Ohio University (a VCU peer institution) during testimony to US senate budget committee in June 2014, said “shifting the balance back toward faculty is key to keeping universities’ missions focused on teaching, as opposed to becoming too focused on other activities, like business development or sustainability efforts. “We need to get back to basics,” said Mr. Vedder. The basics are “teaching and research,” he said, “and we need to incentivize leaders of the universities to get rid of anything that’s outside of that.”

- Part-time positions of one year or less make up the largest share of non-tenure track positions at all types of institutions, ranging from 19% of all faculty positions at public research institutions to 50% of all faculty positions at community colleges. The employment status of these non-tenure track contingent faculty is tenuous, allowing institutions to hire and relieve most of their contingent instructional staff relatively quickly over a short period of time. Their precarity is harmful for all faculty and for the capacity of programs to fulfill their missions to students, and stabilizing adjunct and term faculty should be considered a priority by providing better pay and longer contracts.

- Contingent faculty have substituted for tenure or tenure-track faculty in most types of institutions. While the addition of contingent faculty has outpaced the loss of tenure or tenure-track faculty at private bachelor’s and master’s institutions, the rise in the use of contingent faculty has merely offset declines in tenure-line faculty at all other types of four-year institutions. At public community colleges, the decrease in the number of tenure-line faculty surpassed the growth in the number of contingent faculty, resulting in a net loss of 3 full-time equivalent (FTE) faculty per 1,000 FTE students.

- Colleges and universities with higher shares of contingent faculty also have higher shares of students at risk of noncompletion, particularly among private four-year institutions. Among private four-year colleges and universities, those with the largest shares of part-time students reported higher concentrations of contingent faculty. Likewise, private four-year institutions with the largest shares of Pell Grant recipients also reported higher concentrations of contingent faculty. Some evidence indicates that the intense workloads and high levels of precarity that affect adjuncts and other contingent faculty may also negatively affect student success outcomes (Bickerstaff & Chavarin, 2018). However, existing tenured faculty do not have the capacity to teach the course loads that contingent faculty currently cover and increasing course loads would further diminish positive student outcomes and compromise research productivity. Therefore, universities should rectify faculty precarity by offering longer and more robust contracts and benefits to their current contingent faculty members. Rather than running costly national searches for tenure-eligible positions, universities should seek to convert existing faculty from contingent to full time or tenure eligible.
Methodology

Publicly available data were obtained using the Integrated Postsecondary Education Data System (IPEDS). IPEDS is an annual data collection distributed by the Postsecondary Branch of the National Center for Education Statistics (NCES), a non-partisan center within the Institute of Education Sciences under the U.S. Department of Education. NCES is the primary federal entity for collecting and analyzing data related to education in the U.S. and other nations. IPEDS is a system of interrelated surveys conducted annually by the U.S. Department of Education’s National Center for Education Statistics (NCES). Institutions must complete the IPEDS surveys in eight areas: institutional characteristics; institutional prices; admissions; enrollment; student financial aid; degrees and certificates conferred; student persistence and success; and academic libraries, institutional, and human fiscal resources. These data are made available to students and parents through the College Navigator college search Web site and to researchers and others through the IPEDS Data Center. To learn more about IPEDS Survey components, visit https://nces.ed.gov/ipeds/use-the-data/survey-components.

The completion of all IPEDS surveys is mandatory for institutions that participate in or are applicants for participation in any federal student financial aid program (such as Pell grants and federal student loans) authorized by Title IV of the Higher Education Act of 1965, as amended (20 USC 1094, Section 487(a)(17) and 34 CFR 668.14(b)(19)).

Tuition, as reported to the IPEDS system, includes the average amount of money charged to students for instructional services. For this analysis, we concentrated on VCU’s average in-state tuition.

Additional data were obtained via a Freedom of Information Act Request of the Virginia Department of Human Resource Management for the salary information of all state employees with salaries over $50,000 per year at Virginia Commonwealth University, University of Virginia’s Main Campus, and Virginia Tech. Salary information used from the IPEDS system are for full-time, non-medical, instructional staff, and include base salaries only – no supplements, overloads, or bonuses. Additional stipends for administrative, managerial, or other responsibilities are NOT included in the salary outlays data for instructional staff. The excluded medical staff is any staff employed by or staff working in the medical school. This also does not include staff employed by or employees working strictly in a hospital associated with a medical school, or those who work in health or allied health schools or departments such as dentistry, nursing, or dental hygiene unless the health or allied health schools or departments are affiliated with (housed in or under the authority of) the medical school.
Cash and Financial statements are publicly available from the September 2021 Board of Visitors meeting of the committee on finance and budget. Copies of the Moody’s bond rating scorecards were obtained from Virginia Commonwealth University. Salary outlays were reported in the IPEDS human financial resources survey. The salary outlays used herein were for full-time non-medical instructional staff per academic year.

**Data Used and Definitions**

Institutions of higher education are required to report headcounts of graduate and undergraduate enrollment as well as staff numbers through the IPEDS system. Staff are classified in three general categories:

1. Instructional employees are those whose primary responsibility is instruction (i.e., faculty). For this analysis, the number of instructional employees does not take into account those faculty from the medical school whose primary responsibility is clinical or research. Instructional employees are broken down into full and part-time numbers as well as tenured, tenure track but not yet tenured, and non-tenure track numbers.

2. Executive/administrative/managerial employees are those whose primary responsibility is administration (i.e. deans, associate deans, vice presidents, etc.).

3. Non-instructional employees are those whose primary responsibility is university support through means other than teaching.

**Selection of Peer institutions**

The Carnegie Commission on Higher Education classifies Virginia Commonwealth University as an R1: Doctoral University - Very High Research Activity. VCU is one of four Virginia institutions to earn an R1 classification. The selection of peer institutions was matched to those provided by VCU’s Quest 2025 peer institutions, aspirational peers, and other Virginia R1 institutions. We routinely measure ourselves against these institutions to help track our progress toward VCU's strategic plan goals.

**Peer Institutions**
- University of Cincinnati - Main Campus
- University of Louisville
- University of South Florida - Main Campus
- University of Alabama at Birmingham
- University of Illinois at Chicago
- University of South Carolina - Columbia

**Aspirational Peer Institutions**
- University of California - Los Angeles
- Florida State University
- University of Minnesota - Twin Cities
- University of Buffalo
- The Ohio State University - Main Campus
- University of Pittsburgh - Pittsburgh Campus

**Virginia R1 Peer Institutions**
- University of Virginia
- Virginia Polytechnic Institute and State University
- George Mason University
References

Rogers, J. 3 to 1: That’s the Best Ratio of tenure-Track faculty to Administrators, a study Concludes, Chronicle of Higher Education, November 1, 2012

Simon, C. Bureaucrats and buildings: The case for why college is so expensive, Forbes.com Sept 5, 2017

Contingent Workforce, a report to congressional requesters by US General Accountability Office, October 2017

Benjamin, E. How Over-reliance on contingent appointments diminishes faculty involvement in student learning, Association of American Colleges & Universities, Fall 2020


Drozdowski, M. The Plight of adjunct faculty on America’s Campus, Best Colleges, March 23, 2021

Bickerstaff, S. & Chavarin, O. Understanding the needs of part-time faculty at six community colleges, Community college research center, November 2018

Vedder, R. Can college be made more affordable? testimony before the committee on the budget, US senate, June 4, 2014

Ginsberg, B. The Fall of the Faculty: The Rise of the All-Administrative University and Why It Matters, Oxford University Press, 2011
## Appendix 1: VCU data compared to the averages of our peers

<table>
<thead>
<tr>
<th>Institution/year</th>
<th>Virginia Commonwealth University</th>
<th>Among Quest 25 and Virginia Peers</th>
<th>Among Aspirational peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total degrees awarded</td>
<td>7552</td>
<td>17444</td>
<td>12303</td>
</tr>
<tr>
<td>Total degree programs</td>
<td>156</td>
<td>321</td>
<td>253</td>
</tr>
<tr>
<td>Reported full-time equivalent (FTE) undergraduate enrollment</td>
<td>21177</td>
<td>44417</td>
<td>31499</td>
</tr>
<tr>
<td>Reported full-time equivalent (FTE) graduate enrollment</td>
<td>4586</td>
<td>12832</td>
<td>8260</td>
</tr>
<tr>
<td>Full-time equivalent fall enrollment</td>
<td>26707</td>
<td>57642</td>
<td>39862</td>
</tr>
<tr>
<td>Full-time instructional employees (excluding medical schools)</td>
<td>1278</td>
<td>2935</td>
<td>1923</td>
</tr>
<tr>
<td>Part-time instructional employees (excluding medical schools)</td>
<td>857</td>
<td>1200</td>
<td>823</td>
</tr>
<tr>
<td>Full-time non-instructional staff - number</td>
<td>3521</td>
<td>8244</td>
<td>7604</td>
</tr>
<tr>
<td>Instructional employees (excluding medical schools), faculty with tenure or on tenure track</td>
<td>708</td>
<td>2000</td>
<td>1411</td>
</tr>
<tr>
<td>Instructional employees (excluding medical schools), faculty not on tenure track</td>
<td>1425</td>
<td>2066</td>
<td>1151</td>
</tr>
<tr>
<td>Management - number</td>
<td>868</td>
<td>1133</td>
<td>942</td>
</tr>
<tr>
<td>Graduate assistants (excluding medical schools)</td>
<td>834</td>
<td>3757</td>
<td>2657</td>
</tr>
<tr>
<td>Institution/year 2020</td>
<td>Virginia Commonwealth University</td>
<td>Among Quest 2025 and Virginia Peers</td>
<td>Among Aspirational peers</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------</td>
<td>-------------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Total Instructional Employees salary outlays</td>
<td>$125,127,494</td>
<td>$330,939,524</td>
<td>$244,012,714</td>
</tr>
<tr>
<td>Full-time non-instructional staff - outlays</td>
<td>$243,016,365</td>
<td>$546,065,817</td>
<td>$513,420,206</td>
</tr>
<tr>
<td>Management - outlays</td>
<td>$87,547,533</td>
<td>$133,622,191</td>
<td>$110,791,260</td>
</tr>
<tr>
<td>Total state appropriations</td>
<td>$270,852,010</td>
<td>$450,047,128</td>
<td>$547,430,191</td>
</tr>
<tr>
<td>Revenue from Tuition and fees, after deducting discounts and allowances</td>
<td>$356,255,280</td>
<td>$840,120,259</td>
<td>$614,568,725</td>
</tr>
<tr>
<td>In-state average tuition for full-time undergraduates</td>
<td>$12,177</td>
<td>$21,575</td>
<td>$10,883</td>
</tr>
<tr>
<td>Out-of-state average tuition for full-time undergraduates</td>
<td>$32,825</td>
<td>$61,470</td>
<td>$30,078</td>
</tr>
</tbody>
</table>
## Appendix 2: VCU IPEDS data from 2016-2020

<table>
<thead>
<tr>
<th>Survey year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
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<tbody>
<tr>
<td>Total degrees awarded</td>
<td>7420</td>
<td>7588</td>
<td>7506</td>
<td>7379</td>
<td>7552</td>
</tr>
<tr>
<td>Full-time equivalent fall enrollment</td>
<td>27466</td>
<td>27490</td>
<td>27282</td>
<td>27399</td>
<td>26707</td>
</tr>
<tr>
<td>Full-time instructional employees, faculty tenured or on tenure track</td>
<td>680</td>
<td>686</td>
<td>708</td>
<td>727</td>
<td>707</td>
</tr>
<tr>
<td>Full-time instructional employees, faculty not on tenure track</td>
<td>510</td>
<td>527</td>
<td>536</td>
<td>557</td>
<td>569</td>
</tr>
<tr>
<td>Part-time instructional employees</td>
<td>857</td>
<td>883</td>
<td>912</td>
<td>874</td>
<td>857</td>
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<tr>
<td>Full-time non-instructional staff - number</td>
<td>3112</td>
<td>3122</td>
<td>3256</td>
<td>3392</td>
<td>3521</td>
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<tr>
<td>Graduate assistants (excluding medical schools)</td>
<td>836</td>
<td>867</td>
<td>887</td>
<td>834</td>
<td>834</td>
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<tr>
<td>Management - number</td>
<td>354</td>
<td>228</td>
<td>249</td>
<td>785</td>
<td>868</td>
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<tr>
<td>Salary outlays - total</td>
<td>$103,702,659</td>
<td>$107,700,428</td>
<td>$115,009,234</td>
<td>$118,890,899</td>
<td>$125,127,494</td>
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<tr>
<td>Full-time non-instructional - outlays</td>
<td>$189,851,894</td>
<td>$192,646,252</td>
<td>$208,272,816</td>
<td>$221,085,795</td>
<td>$243,016,365</td>
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<td>Management - outlays</td>
<td>$45,368,017</td>
<td>$33,630,122</td>
<td>$36,641,148</td>
<td>$77,001,359</td>
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<td>Total state appropriations</td>
<td>$230,869,666</td>
<td>$256,173,107</td>
<td>$278,093,185</td>
<td>$291,281,124</td>
<td>$270,852,010</td>
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<tr>
<td>Core revenues, total dollars (GASB)</td>
<td>$890,255,313</td>
<td>$915,859,947</td>
<td>$998,590,651</td>
<td>$990,909,896</td>
<td>$997,264,534</td>
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<tr>
<td>Core expenses, total dollars (GASB)</td>
<td>$815,610,258</td>
<td>$859,999,736</td>
<td>$886,570,229</td>
<td>$937,414,339</td>
<td>$949,820,539</td>
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<td>Revenue from tuition and fees</td>
<td>$312,809,796</td>
<td>$323,586,088</td>
<td>$336,426,527</td>
<td>$343,183,127</td>
<td>$356,255,280</td>
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<td>In-state average tuition for full-time undergraduates</td>
<td>$10,669</td>
<td>$10,846</td>
<td>$10,972</td>
<td>$12,177</td>
<td>$12,177</td>
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<td>Out-of-state average tuition for full-time undergraduates</td>
<td>$28,735</td>
<td>$29,378</td>
<td>$29,824</td>
<td>$32,825</td>
<td>$32,825</td>
</tr>
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</table>
A tradition of transformative innovation

1956: David Hume, M.D.
Organ transplantation pioneer

1980: Baruj Benacerraf, M.D.
Nobel Prize in Medicine or Physiology

2002: John Fenn, Ph.D.
Nobel Prize in Chemistry

1970: Billy Martin, Ph.D.
Addiction and drug abuse

2021

Ken Kendler, M.D.
School of Medicine
Genetics, addiction

Danielle Dick, Ph.D.
College of Humanities and Sciences
Genetic epidemiology and substance abuse

Puru Jena, Ph.D.
College of Humanities and Sciences
Theoretical physics

Jeanine Guidry, Ph.D.
College of Humanities & Sciences
Visual social media and health

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VCU L. Douglas Wilder School of Government and Public Affairs
Housing, gentrification, and eviction

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VCU L. Douglas Wilder School of Government and Public Affairs
Housing, gentrification, and eviction
A tradition of transformative innovation

Steve Fong, Ph.D.
College of Engineering
Bioengineering, systems biology, microorganisms

Jessica Salvatore, Ph.D.
College of Humanities and Sciences
Genetics, alcohol misuse

Martin Safo, Ph.D.
School of Pharmacy
Sickle cell disease

Cang Ye, Ph.D.
College of Engineering
Robotics, computer vision, assisted technology

Brittany Haupt, Ph.D.
L. Douglas Wilder School of Government and Public Affairs
Emergency and crisis management

Robert Winn, M.D.
MCC, School of Medicine
Cancer biology, disparities research

Michelle Peace, Ph.D.
College of Humanities & Sciences
Forensic science/toxicology

Daniel McGarvey, Ph.D.
VCU Life Sciences
Fresh water ecology

Frank Gupton, Ph.D.
College of Engineering
Pharmaceutical engineering

Christine Bae, Ph.D.
School of Education
K-12 STEM education
2021 Externally Sponsored Research Awards

- **Total external awards**: $363M
  - **8.3% ↑**

- **Federal awards**: $165M
  - **51.3% ↑**

- **Industry awards**: $57M
  - **51.3% ↑**

- **State awards**: $56M
  - **8.9% ↑**

- **Other (foundation, gifts)**: $85M
  - **10.2% ↑**
External Sponsored Funding Growth
Up 25% since 2018

FY2021: $363M
FY2020: $335M
FY2019: $310M
FY2018: $271M
External Sponsor Proposal Submissions

11.8% increase in proposals submitted since 2017

$1.44 billion sponsored proposals submitted in 2021
Shaping the Future

Technology
Commercialization,
Entrepreneurship,
Economic Development
10 years of impact

- New products to market: 49
- Licensing revenue: >$28M
- Invention disclosures: 1,213
- Patents filed: >1,540
- Licenses/Options: 172
- Patents issued: 192
- Start-ups: 55+
- In start up funding: $70M

Year to date - FY 2021
Impactful Innovators and Entrepreneurs

**Voicing Elder**
Semi Ryu
School of the Arts
- Improved quality of life for an aging population
- Advances cultural storytelling

**A bandage that treats**
Gary Bowlin, Ph.D.
College of Engineering
**David Simpson, Ph.D.**
School of Medicine
- Disperses clot-forming proteins to an injury site
- Electrospinning

**Sickle Cell Drug**
Martin Safo, Ph.D.
& Richmond Danso-Danquah Ph.D.
School of Pharmacy
- Armomatic Aldehyde Therapeutic drug for SCD
- VZHE-039 licensed to IllExcor
- Approved for clinical trials for patients in England

**Lyme Disease Vaccine**
Richard Marconi, Ph.D.
School of Medicine
- Lyme Disease vaccine for animals
- In development for humans

**Tubie Vent**
Nancy Thompson, R.N.
School of Medicine
- Gastrostomy venting device

Images:
- Voicing Elder: A woman holding a tablet with an image of a person
- A bandage that treats: A man holding a bandage
- Sickle Cell Drug: A man holding a lab tool
- Lyme Disease Vaccine: A man with a dog
- Tubie Vent: A woman holding a baby
Kenneth Wynne, Ph.D.
College of Engineering
- Nanotechnology startup
- Antimicrobial, biocompatible tubes
- Prevention infections (super-bugs)

Tracey Dawson-Cruz, Ph.D.
College of Humanities
- Medical Device
- Microchip
- Automates and expedites the processing of sexual assault evidence samples.

Mark Baron, M.D., George Gitchel, Ph.D., Paul Wetzel, Ph.D.
School of Medicine, VA, College of Engineering
- Non-invasive eye tracking device
- Detects early signs of Parkinson's Disease

Susanna Klein, M.M.
School of Arts
- Reinforces mindfulness
- Approach to personal practice
- Goal setting and reflection.

Robert F. Diegelmann, Ph.D.
School of Medicine
- Tissue Repair Device
- Facilitates wound healing
- Stops major bleeding

Impactful Innovators and Entrepreneurs

- Automated detection of Sexual Assault DNA
- Early Detection of Parkinson's Disease
- V-Coach – App for Mindfulness
- Wound Healing patch

WynnVision
Amongst 19 peers, VCU is: #3 start-ups, #3 patent applications, #4 invention disclosures, #8 licensing income

<table>
<thead>
<tr>
<th>INSTITUTION</th>
<th>Total Research Expenditures</th>
<th>Invention Disclosures</th>
<th>Patent Applications</th>
<th>Licenses + Options</th>
<th>Licensing income</th>
<th>Issued Patents</th>
<th>Start-ups</th>
<th>Licensing FTEs</th>
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<td>Louisiana State University System</td>
<td>$356,036,000</td>
<td>197</td>
<td>134</td>
<td>56</td>
<td>$8,553,734</td>
<td>44</td>
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<td>9</td>
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<td>University of South Florida</td>
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<td>151</td>
<td>86</td>
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<td>7</td>
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<td>University of Kentucky Research Foundation</td>
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<td>165</td>
<td>17</td>
<td>$2,943,622</td>
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<td>10</td>
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<tr>
<td>Medical College of Wisconsin Research Foundation</td>
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<td>Utah State University</td>
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<td>22</td>
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<td>11</td>
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<td>2</td>
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<tr>
<td>Temple University System</td>
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<td>91</td>
<td>20</td>
<td>$1,191,573</td>
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<tr>
<td>Virginia Commonwealth University</td>
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<td>$2,480,057</td>
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<td>University of Oklahoma all campuses</td>
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<td>51</td>
<td>5</td>
<td>$3,832,716</td>
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<tr>
<td>University of Connecticut</td>
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<td>126</td>
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<td>University of Kansas</td>
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<td>103</td>
<td>35</td>
<td>$8,087,081</td>
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<tr>
<td>Medical University of South Carolina</td>
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<td>156</td>
<td>56</td>
<td>19</td>
<td>$1,010,541</td>
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<tr>
<td>Oregon State University</td>
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<td>51</td>
<td>$3,800,619</td>
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<td>Mississippi State University</td>
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<td>University of Cincinnati</td>
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<td>Auburn University</td>
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<td>$4,609,824</td>
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<td>University of New Mexico/Sci. &amp; Tech. Corp.</td>
<td>$243,375,266</td>
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<td>47</td>
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<td>Wayne State University</td>
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<td>$817,203</td>
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<td>Peer Average</td>
<td>$288,142,905</td>
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<td>93</td>
<td>27</td>
<td>$5,040,443</td>
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<td>Peer Median</td>
<td>$280,131,000</td>
<td>92</td>
<td>85</td>
<td>20</td>
<td>$1,698,829</td>
<td>21</td>
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<tr>
<td>VCU Peer Rank (out of 19)</td>
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<td></td>
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<tr>
<td>National Average</td>
<td>$460,441,448</td>
<td>146</td>
<td>161</td>
<td>54</td>
<td>$16,380,897</td>
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<tr>
<td>National Median</td>
<td>$264,526,000</td>
<td>79</td>
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<td>$2,311,126</td>
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<td>VCU National Rank (out of 183)</td>
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</table>

FY2020 Technology Commercialization Peer Analysis
Shaping the Future

Clinical Research and Care
Clinical Research FY2021: $34M (up by 26%)

Includes COVID-19 trials

Bench to Bedside

5,599 Participants enrolled

984 Clinical study opportunities

317 Clinical Trials

244 Clinical Trials at VCU Health

36 VCU New Drug/Device Studies

93 VCU Investigator-initiated Trials
Battling the Pandemic

- **20** Active Clinical Trials
- **14** Patient Registry/Expanded Access Studies
- **320** Total Participants
- **3,450** Total Participants
- **7** Vaccine Trials
- **Sanofi Pasteur, Pfizer, and others**
Shaping the future

One VCU Research Strategic Priorities Plan
Achieving transformative innovation through a culture of collaboration
1. Enriching the Human Experience

A seeing-cane improves wayfinding

2.2B people are visually impaired resulting in a $49.4B economic productivity loss (Lancet)

Funded by 2 NIH organizations

Cane is a robotic navigation aid for the visually impaired; beyond GPS wayfinding

Cang Ye, Ph.D.
College of Engineering
Each day, approx. 13 youths die by homicide and >1,300 are treated for non-fatal injuries in ERs

$6M funding to establish a national model for youth violence prevention approaches

VCU leading 1 of only 5 CDC-designated centers across the country

Community engaged partners:
- Richmond city schools
- Mayor’s office
- Richmond housing authority

Terri Sullivan, Ph.D.
College of Humanities and Sciences

Nicholas Thomson, Ph.D.
School of Medicine
There are approx. 600,000 homeless in the U.S. in 2021; avg. life expectancy is 50 years.

Collaboration with Arts and Medicine
AAMC-funded, veterans and workforce development. Project aims to:

• Strengthen self-advocacy and problem-solving skills
• Reduce the stigma of homelessness
2. Achieving a Just and Equitable Society

Eradicating segregation in schools

67 years after Brown v. Board of Education:
- Majority of students enrolled in K-12 are non-white; these students lack equal access to higher-level coursework
- DEI-minded schools offer advantages for all students

Collaborative research at VCU aimed at leading policy change through the Virginia Department of Education toward:
- New opportunities for integration and program access for all, regardless of: race, ethnicity, socioeconomic background, neighborhood

Genevieve Siegel-Hawley, Ph.D.
School of Education
2. Achieving a Just and Equitable Society

Increasing scientific literacy for URM in K-12

VCU collaboration with 15 local, urban middle schools to:
• Strengthen science learning
• Expand equitable access to high-quality science education

NSF supported outcomes:
• Advance diversity in STEM
• Achieve greater science literacy for all students

Christine Bae, Ph.D.
School of Education
3. Optimizing Health

Addressing cancer disparities

Lessening disproportionate effects of lung cancer on the Black community
  • First in in VA to be funded by NCI $3M Specialized Program of Research Excellence grant

Diversifying future cancer care and research
  • NCI awards VCU $1.7 million
  • VCU leads collaboration with VSU
  • Experiential research opportunities for students

Breaking down systemic race-related barriers for care:
  • Awarded American Cancer Society / Pfizer grant
  • 1 of 10 institutions in the U.S.
3. Optimizing Health

Federally-designated Spinal Cord Consortium

VCU-led consortium for integrated health:
• $2.2M in NIH funding
• Converging talents of VCU, VCU Health, Veteran’s Affairs, Sheltering Arms Institute

A national model
• 1 of 4 centers in the country with achieving the highest standard - dual designation in spinal cord injury and traumatic brain injury
• 1 of only 14 Spinal Cord Injury Model Systems Centers in the U.S.
Depression affects 10-15% of the world’s population and is the leading cause of disability (WHO)

Participating in the world’s largest study of genetic risk factors for depression ($9M collaborative project)

• The effort will enroll 20,000 women and:

• Explore genetic variations that affect individuals’ risk for depression;

• Identify environmental risks
Sickle Cell Anemia affects 1 in every 13 African American

$1.7 million awarded by NIH to VCU
- Led first financial impact study of disease, estimated $1.5B in lost wages due to SCA
- Support of new treatments for SCA

VCU-led innovation and new startup

First clinical trial begins in England in 2022
VCU leads the nation in alcohol and addiction research, and is ranked in the Top 10 institutions for research funding from the National Institute of Alcohol Abuse and Alcoholism (NIAAAA)

Identification of genes can lead to future therapeutics
- $7.8M NIAAA / NIH grant
- $3M for transdisciplinary research on the predictors and consequences of drinking from adolescence to early midlife
- $1.8M to study the genetics involved in alcohol consumption behavior
4. Supporting Sustainable Energy and Environments

Leading river research, preservation across 35 states

VCU co-leads a $2M NSF freshwater research and education for URM student and early career scientists

The River Field Studies Network is:

• Training field instructors
• Developing 50 open-source educational resources
• Creating the next-generation of practitioners of river-based education

Daniel McGarvey, Ph.D.
VCU Life Sciences & Center for Environmental Studies

James Vonesh, Ph.D.
VCU Life Sciences & Center for Environmental Studies
VCU Cybersecurity research addresses infrastructure vulnerabilities for:

- Wind and Solar Energy Grids
  - Targets for hackers

- Nuclear Energy:
  - In collaboration with Idaho National Labs, VCU is developing technologies to integrate and secure critical infrastructure systems
  - Department of Energy supported program to modernize research and development infrastructure

Milos Manic, Ph.D.
College of Engineering
VCUarts Qatar leverages its research strengths in creative practice.

Hub for multi-disciplinary and cross-institutional research collaborations:
- Qatar Foundation partner universities
- VCU Monroe Park and Medical campuses.

Key areas of research excellence:
- Emergent technology
- Material studies
- Visual cultures
- Cultural heritage
- Advancing pedagogies

VCUarts Qatar’s dynamic research labs lay the groundwork for the establishment of a Research Institute, currently under consideration.

Research labs at VCUarts Qatar:

- TypeArab
  - Arabic typography lab

- BOOST
  - Product design and development lab

- MULTIMODAL MATHEMATICS
  - Alternative models for teaching and learning

- X-LAB
  - Advanced computation in art + design

- SONIC JEEL
  - Experimental sound lab

- NANO-TECHNOLOGY + TEXTILES
  - Enhancing textile materials

- WaterWithWater
  - Experimental publishing + visual research lab

- DATA ART + TECHNOLOGY (D.A.T.)
  - Human physiology in data processing
One VCU Research Strategic Priorities Plan: ROI and KPIs for Phases 1-3

- **External Awards**: $400M
- **Research Expenditures**: $500M
- **U.S. Research Universities Ranking**: Top 50
- **Patents Licensing Partnerships Start-ups**: Doubled

**Additional Priorities**

- **Student & Trainee Engagement in Research**
- **Increased Research Faculty**
- **Community Engagement & Access to Innovation**
- **Team Science, Scholarship, Creative Practice**
- **Clinical Research & Trials**
- **NCI-designated Comp. Cancer Center**
One VCU Research Strategic Priorities Plan

Projected total cost: $77M over 6 years
Committed: $35.5M | Unmet: $41.5M

<table>
<thead>
<tr>
<th>Phase</th>
<th>Year</th>
<th>Academic Year</th>
<th>Budget Target</th>
<th>Committed Funding</th>
<th>Unmet Funding</th>
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<td>2022</td>
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<td><strong>Total</strong></td>
<td><strong>$77,000,000</strong></td>
<td><strong>$35,480,778</strong></td>
<td><strong>$41,519,222</strong></td>
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</table>
One VCU Research Strategic Priorities Plan: Phase 1 Investment Strategy

- Commercialization Fund ($0.5M)
- Quest Fund ($1M)
- Accelerate Fund (up to $1.5M)
- VCU Breakthroughs Fund (up to $2.5M)
- State of the Art Equipment ($5.5M)

OVPRI RFPs released enterprise-wide on 12/1/2021
One VCU Research Strategic Priorities Plan:
Infrastructure Investments (Phases 1-3)

EXPAND

- Under/grad student & trainee (postdoc) engagement
- Research faculty hires (including cluster, URM)
- Clinical research and trials
- Technology, commercialization, entrepreneurship
- Global communications & prominence
- Cores, institutes, centers
- Research IT & security
- State of the art equipment
- Services & support staff across enterprise
- Resources to reduce faculty administrative burden
- Research analytics, dashboarding to tabulate ROI

INCREASE

STRENGTHEN
## Fraternity and Sorority Life Update

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VIRGINIA COMMONWEALTH UNIVERSITY

BOARD OF VISITORS GREEK LIFE REVIEW PROGRESS UPDATE

DECEMBER 01, 2021
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OVERVIEW:

At the direction of the President in March 2021, the Senior Vice Provost (SVP) for Student Affairs launched a comprehensive review of Greek life at the university. That review included internal assessments of the operations as well as an independent review by an outside consultant, Dyad Strategies LLC. Many of Dyad’s recommendations were accepted by University leadership who received their report in August 2021 and are at various stages of implementation (Appendix I).

Fraternity and sorority life work was the primary focus of senior leadership over the summer continuing into fall semester. Major accomplishments related to the reviews have included establishing the FSL office as a separate unit in the Division reporting to an Associate Vice Provost, hiring a Director of Fraternity and Sorority Life who started October 15th, establishing and charging 5 FSL workgroups, strengthening the FSL record keeping system, amending the Student Code of Conduct to address organizational conduct, adding a position to Student Conduct to address organizational conduct issues, review and updating FSL Handbook, establishing a weekly organization case coordination team, developing and disseminating an alcohol amnesty policy, creating and posting a Hazing Prevention Coordinator position, finishing alcohol and hazing training, developing new member and recruitment plans for spring 2022 and outreach to chapters, advisors, councils, and national headquarters.

Other recommendations from the reviews required further evaluation by workgroups established by the Senior Vice Provost and their work, which started in September 2022, is highlighted in this report. Each workgroup was led by Co-Chairs, with other members selected from various constituent groups. Workgroup membership and affiliation is listed in Appendix II.

The Senior Vice Provost met with Co-Chairs in August 2021 prior to the start of each workgroup to review each workgroup’s charge (Appendix III) and answer any questions. After workgroups started, a monthly meeting was held with Co-Chairs to discuss progress and issues shared across workgroups. An FSL town hall was held on November 16, 2021 where each workgroup presented their recommendations for feedback from the community. A form was also provided to collect additional feedback for evaluation of the workgroup recommendations. Workgroups provided their reports to the SVP on November 22, 2021. Workgroup recommendations are enumerated in Appendix IV.

University leadership ultimately is responsible for policies related to fraternity and sorority life. The Senior Vice Provost and his leadership team will be evaluating recommendations and feedback received to present a final report to the Provost and President. Recommendations will be prioritized and linked to a timetable for implementation.

There were a number of challenges encountered over the course of our work. Nationally, and in Virginia, there has been an exodus of student affairs staff creating significant staffing gaps. This
is evident in fraternity and sorority life offices in the Commonwealth and across the country. In our office we had one coordinator depart May 21, another who departed August 13, and after the hire of our director the one remaining staff member, the associate director, left on November 5 for another position leaving us with one staff member. The current director is in the process of evaluating the appropriate staffing configuration for the office and will start recruiting new staff. We had also hoped to restart new member recruitment and intake for the fall semester, but due to staffing considerations and continued policy review we postponed recruitment to spring semester 2022. This involved considerable time meeting and communicating with the FSL community, advisors and national headquarters to address their concerns and answer their questions. Some of the yet to be completed recommendations are also related to filling staff positions. For instance, the campus wide hazing plan is contingent on the hire of the Hazing Prevention Coordinator. Despite these challenges, we have made considerable progress to support and strengthen our FSL community.
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<tbody>
<tr>
<td><strong>Hazing Policy</strong></td>
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<tr>
<td>Karen</td>
<td>Belanger</td>
<td>Director, Student Conduct &amp; Academic Integrity (co-chair)</td>
</tr>
<tr>
<td>Fred</td>
<td>Tugas</td>
<td>Assistant Dean of Students (co-chair)</td>
</tr>
<tr>
<td>Jason</td>
<td>Block</td>
<td>Senior Compliance Specialist, Audit &amp; Compliance Services</td>
</tr>
<tr>
<td>Jordan</td>
<td>Gardner</td>
<td>Assistant Director, Structured Sports &amp; Outreach, RecWell</td>
</tr>
<tr>
<td>Noah</td>
<td>Strebeler</td>
<td>Associate AD for Compliance &amp; Student Services, Athletics</td>
</tr>
<tr>
<td>Monica</td>
<td>Johnson</td>
<td>Employee Relations Associate, Human Resources</td>
</tr>
<tr>
<td>Carlos</td>
<td>Stewart</td>
<td>Alpha Phi Alpha Fraternity, Inc., Area Advisor</td>
</tr>
<tr>
<td>Jayda</td>
<td>Nelson</td>
<td>Zeta Phi Beta Sorority, Inc., Chapter President</td>
</tr>
<tr>
<td>Farzad</td>
<td>Jarrahi</td>
<td>Theta Chi, Chapter President</td>
</tr>
<tr>
<td><strong>Health &amp; Safety</strong></td>
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<tr>
<td>Jihad</td>
<td>Aziz</td>
<td>Interim Assistant Vice Provost and Executive Director of UCS (co-chair)</td>
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<tr>
<td>Louie</td>
<td>Correa</td>
<td>Senior Director of Development, VCU School of Pharmacy (co-chair)</td>
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<tr>
<td>Trisha</td>
<td>Saunders</td>
<td>Interim Associate Director, Recreation &amp; Well-Being</td>
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<tr>
<td>Caroline</td>
<td>Coffill</td>
<td>Clinical Case Manager, University Counseling Services</td>
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<tr>
<td>Malorie</td>
<td>Yeaman</td>
<td>Title IX Coordinator &amp; Director of Outreach and Support, EAS</td>
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<tr>
<td>Fancis</td>
<td>Thompson</td>
<td>Phi Gamma Delta Chapter Advisor</td>
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<tr>
<td>Mason</td>
<td>Huynh</td>
<td>Lambda Phi Epsilon Fraternity, Inc. - Chapter President</td>
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<tr>
<td>Rebecca (Becca)</td>
<td>Kolb</td>
<td>Phi Mu - Chapter President</td>
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<tr>
<td>Domanic</td>
<td>Martin</td>
<td>Theta Delta Chi - Chapter President</td>
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<tr>
<td>Tom</td>
<td>Chau</td>
<td>Chapter and Volunteer Services Director, SigEp Headquarters</td>
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<tr>
<td>Jimmie</td>
<td>Gahagan</td>
<td>Director, VCU Transform Living-Learning Program (LLP) (co-chair)</td>
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<tr>
<td>Allison</td>
<td>Toney</td>
<td>Director, Student and Alumni Engagement (co-chair)</td>
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<tr>
<td>Bailey</td>
<td>Mitchell</td>
<td>Coordinator, Student Conduct &amp; Academic Integrity</td>
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<tr>
<td>Barbara</td>
<td>Cohen</td>
<td>Alpha Gamma Delta Chapter Advisor</td>
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<tr>
<td>Lindsay</td>
<td>McDonald</td>
<td>College Panhellenic Council (CPC) - Council VP of Recruitment</td>
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<tr>
<td>Lauryn</td>
<td>Myers</td>
<td>National Pan-Hellenic Council (NPHC) - Council President</td>
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<tr>
<td>Josh</td>
<td>Leidy</td>
<td>Coordinator, New Student &amp; Family Programs</td>
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<tr>
<td>Brooke</td>
<td>Graduate Assistant, VCU Fraternity &amp; Sorority Life Office</td>
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<tr>
<td>Matthew</td>
<td>Theta Delta Chi, Chapter President</td>
<td>Theta Delta Chi International Fraternity</td>
</tr>
<tr>
<td>Caleb</td>
<td>VCU Alum, R&amp;D Associate Staff; Oak Ridge National Laboratory</td>
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<tr>
<td>Brian</td>
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<tr>
<td>Rick</td>
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<tr>
<td>Tony</td>
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<tr>
<td>Gavin</td>
<td>Director, Residential Life &amp; Housing (co-chair)</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
</tr>
<tr>
<td>Maitlan</td>
<td>Conference Services Coordinator, Residential Life &amp; Housing</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
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<tr>
<td>Brooke</td>
<td>Assistant Executive Director, Pi Kappa Phi Headquarters</td>
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<tr>
<td>LaDarius</td>
<td>Associate Director, Fraternity &amp; Sorority Life</td>
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<tr>
<td>Natalie</td>
<td>Delta Sigma Theta Sorority, Inc. - Primary Chapter Advisor</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
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<tr>
<td>Sidhu</td>
<td>Alpha Sigma Alpha - Chapter President</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
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<tr>
<td>Kevin</td>
<td>Multicultural Greek Council (MGC) - Council President</td>
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<td>Executive Director, Center for Community Engagement and Impact (co-chair)</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
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<tr>
<td>Miles</td>
<td>Director, Community &amp; Government Relations (co-chair)</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
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<tr>
<td>EJ</td>
<td>Assistant Chief, VCU Police</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
</tr>
<tr>
<td>Lisa</td>
<td>Assistant Director, Student Support - Dean of Students Office</td>
<td>VCU Fraternity &amp; Sorority Life Office</td>
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<tr>
<td>Tito</td>
<td>Neighborhood Outreach Director</td>
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<tr>
<td>Julie</td>
<td>Fan District Association</td>
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<tr>
<td>Chris</td>
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<td>Courtney</td>
<td>College Panhellenic Council (CPC) - Council President</td>
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<td>Koroush</td>
<td>Interfraternity Council (IFC) - Council President</td>
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<tr>
<td>Amy</td>
<td>5th District Liaison, Office of the Honorable Stephanie A. Lynch Councilmember, Richmond City Council, 2nd district</td>
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<tr>
<td>Katherine</td>
<td>2nd District Liaison, Office of the Honorable Katherine Jordan</td>
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<td>Sven</td>
<td>Randolph Neighborhood Association</td>
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Appendix III
Workgroup Charges

HEALTH AND SAFETY WORKGROUP:

- Charge:

The primary objective of this workgroup is to identify, evaluate, and propose mechanisms to support the health, safety, and well-being of fraternity and sorority members, pledges, and guests. The workgroup should review current policies and procedures, identify gaps in supporting a safe and healthy environment, and propose necessary changes.

As part of its work, the group should identify attitudes, behaviors, and practices that contribute to creating healthy and safe communities, as well as those that inhibit the formation and sustenance of such environments.

Initially the workgroup is asked to explore the Dyad recommendation related to a programming structure aimed at improving the health and safety of fraternity and sorority members. The workgroup should further analyze the internal recommendation eliminating alcohol from all sorority and fraternity events. The workgroup is also tasked with evaluating the current social event registration process and purpose. Finally, the group should examine ways to encourage self-reporting and bystander intervention related to behaviors negatively impacting health and safety, including hazing.

RECRUITMENT, INTAKE & MEMBER EDUCATION WORKGROUP:

- Charge:

This group will examine policies and practices related to bringing in membership to fraternity and sorority chapters. The group will also examine new member and ongoing education reflecting the values and purposes of chapters, consistent with the university’s and division’s mission and values.

The workgroup should evaluate the recruitment process and make recommendations to improve that process. Issues to be considered include threshold GPA requirements for individuals and chapters, first year student participation, qualities of new members contributing to chapter success, consideration of dashboards for evaluation of chapter performance, chapter expansion, new member educator training, and new member orientation procedures.

The workgroup should also evaluate new member and ongoing member education content and delivery. Diversity and inclusion should be an integral component of any education program, targeted to all fraternity and sorority members. The workgroup
should coordinate with the Health and Safety workgroup on education or policy matters related to hazing, alcohol & drug abuse, and sexual violence.

**ROLES & RESPONSIBILITIES & PURPOSE WORKGROUP:**

- **Charge:**

  The objective of this workgroup is to delineate roles and responsibilities for offices, organizations and individuals supporting fraternity and sorority life at VCU. The workgroup should examine relationships between the Division of Student Affairs, the Office of Fraternity and Sorority Life, councils, chapters, advisors and headquarters. The workgroup should propose policies and practices to provide an effective and seamless, to the extent practical, Fraternity and Sorority Life infrastructure.

  Issues to be examined may include communication, collaboration, nature of relationships, shared responsibilities, scope and reach of each entity, roles and responsibilities, utilization of a strong volunteer system, need for memorandum of understandings, and common objectives.

**UMBRELLA HAZING POLICY WORKGROUP:**

- **Charge:**

  Currently hazing is listed as a prohibited behavior in the Student Code of Conduct. It is also referenced in other local documents and policies. This workgroup will evaluate the adoption of a comprehensive stand-alone umbrella university hazing policy incorporating requirements of state statutes and the *Model Policy regarding the Prevention of and Appropriate Disciplinary Action for Hazing at Virginia’s Institutions of Higher Education* promulgated by the State Council of Higher Education for Virginia.

**UNIVERSITY & COMMUNITY RELATIONS WORKGROUP:**

- **Charge:**

  The objective of this workgroup is to identify and propose practices that foster communication and identify solutions to the challenges of fraternity and sorority life in the external community. Those issues and challenges include, but are not limited to, open and timely communications, event planning and coordination, noise, trash, parking, engagement of fraternity and sorority alumni and parents, and incident response and resolution.
Appendix IV
Workgroup Recommendations

The following workgroup recommendations will be evaluated and prioritized by the Senior Vice Provost and his leadership team and linked to a timetable for implementation.

Health and Safety Recommendations:

- Current risk management policies and procedures should remain. Alcohol may be permitted at events so long as the events adhere to VCU FSL risk management policies and procedures, third party guidelines, legal drinking age, etc. The work group did not see high risk behavior as a result of registered, formal events. High risk behavior occurred in informal settings.
- FSL could provide clarity around what is a formal event and what is an informal event.
- For informal events, a set of informal gathering guidelines could be established so members could take further precautions when these events occur to help insure safety of their members and guests.
- FSL could provide further education on both formal and informal events. FSL should develop a clear communication plan/strategy on how information will be disseminated to FSL members. Acknowledgment of receipt and review of this information can be completed in the annual accreditation process.
- FSL could provide training for registration of events as the current event registration process hasn't been utilized during this evaluation period.
- Re-evaluate the Big/Little Brother/Sister nights. The work group recommends FSL consider one or more of these potential changes:
  - Eliminate Big/Little nights - these events create opportunities for high risk behavior and involve a power dynamic when they occur during the pledging process.
  - Move Big/Little events to after initiation - moving the events to after initiation would substantially decrease the power dynamic issue.
  - Require Big/Little events to occur on campus - the sorority organizations host their Big/Little events on campus and seemingly have far fewer issues of high risk behavior. Although there is concern of informal parties occurring after the formal events.
  - Alcohol should be eliminated from these events in their entirety.
- Enhance training/programming around responsible citizenship. Many students were well aware of their role in decreasing liability. Although important, this should be a secondary concern behind the safety and well-being of members and guests. The FSL community could benefit from peer-to-peer training on good citizenship, bystander intervention and more. This programming should be assessed regularly to ensure it is effective.
  - Fraternity and Sororities membership should be required to develop baseline knowledge on topics such as alcohol and bystander engagement. Some examples include:
    - VCU AlcoholEdu
Step Up!
  - Create peer-to-peer models for education and training
  - Explore models that allow for training and educational activities within each chapter to be peer-developed and peer-led where possible.

Recruitment, Intake & Member Education Recommendations:
Value Proposition
A values-based Fraternity and Sorority Life (FSL) community creates an experience for students that adds value to the overall VCU experience. The community's core values should be espoused throughout a student's entire collegiate experience. A committee of students from across all councils at VCU (IFC, CPC, NPHC, and MGC) should be formed to determine and define shared values for the fraternity and sorority community at VCU which also align with VCU’s Quest 2025 goals.

- We recommend the formation of a Greek Council that can serve as a community-wide board that can provide learning and engagement opportunities (see example at Dartmouth). This creates an opportunity to increase cross-council communication and to build ownership for their community’s existence as a diverse collective. Create opportunities of shared council/FSL community-building. Examples of shared council and community-building activities may include but are not limited to:
  - Shared council letter day: identify a day monthly when all councils wear their letters
  - Community service day or days for the entire community to come together over a shared experience - See the FreshStart at Pennsylvania State University
  - Optional for-credit leadership course - creating a leadership course that would help FSL leaders understand the values of the community and learn how to translate that into action in their specific organizational context (Iowa State, LSU)

- We recommend the Office of Fraternity and Sorority Life create a marketing plan and timeline that articulates the values of the FSL community and highlights the contributions of community members to the broader VCU and Richmond constituents including but not limited to (i.e. potential new students, returning students, parents and families, faculty, staff and administration, community members). Examples may include but are not limited to:
  - Develop a marketing tool that promotes the positive initiatives of fraternity and sorority chapters and the community as a whole (Virginia Tech).
  - Develop and invest in university resources to tell the VCU fraternity and sorority membership experience story.
  - Highlight chapters, members and events that directly positively promote values in ways that are equitable, right, and fair. For example: how the Watch the Yard page displays excellence in the Divine 9 community
  - Encourage the FSL office to officially articulate what organizations are doing successfully on campus and within the community.
  - Create a module for FSL to be incorporated into Weeks of Welcome that highlight the values of the community and why a first-year student should
consider joining an organization. Explore other options to get information about the FSL community into the hands of first-year students through events like Open Houses and the Resource Fair.

- We recommend the university needs to make a true commitment to diversity, equity, inclusion, and accessibility (DEIA) by engaging in the following:
  - Examining policies and practices in light of DEIA
  - Distinguishing between sense of belonging work and moving organizations away from exclusionary practices
  - Ongoing training members on restorative practices, implicit bias, and other topics
  - Conducting a DEIA audit to assess the climate of FSL community, address barriers, and promote awareness
  - Institutions must move away from treating culturally oriented organizations similarly based on membership numbers. This is done by focusing on equity over equality.
  - Require councils to create events that support VCU students’ sense of belonging, well-being, and success and contribute to traditions on campus.

Recruitment

- We recommend the Office of Fraternity and Sorority Life should consistently promote the values and benefits of fraternity and sorority membership by implementing the following:
  - Training for chapters to facilitate a values-based recruitment/intake
  - Require potential members orientation prior to any recruitment/intake processes to ensure all potential members understand the expectations with the potential for breakout sessions based on councils.
  - Disclose of the range of estimated costs (based on prior fiscal year) of participating in Fraternity/Sorority Life
  - Develop a permanent year round Greek Ambassador program

- We recommend that the recruitment by fraternities and sororities be delayed by six weeks from the start of the Fall academic semester or unless a longer time is specified by national councils or organizations. Additional supporting literature can be found at the end of this document in the references section. During this six week timeline we encourage council-wide promotion and outreach efforts that would promote the values and benefits of FSL membership. We would advocate for the following eligibility standards to be put in place:
  - For Potential New Members:
    - A minimum 2.5 GPA requirement for a student not in their first-semester, first-year of enrollment at VCU
    - Students to be in good standing
    - Successful completion of Potential New Member (PNM) orientation
  - For Chapters participating in recruitment
    - Recruitment for all recognized FSL chapters is a privilege not a right
    - Chapters must be in good standing with the university and national organization affiliation
      - Documentation from the inter/national headquarters stating that the chapter may recruit must be received by OFSL before the chapter can participate in membership recruitment/intake.
• Communication initiated by the FSL office. In the summer, official communication requests each organization approval for chapters to recruit.
• All chapters should submit for approval all recruitment/intake events. Prior to any recruitment/intake activities at least one chapter member, preferably the Chapter President or Intake/Recruitment Chairperson and/or New Member Educator must meet with a designee in the OFSL.
• In the event recruitment/intake activities begin without the knowledge and approval of the Office of Fraternity & Sorority Life and/or the chapter has not adhered to the guidelines stated by the office and/or designated council, recruitment/intake activities may be referred for disciplinary action.

New Member Rights and Responsibilities
• We recommend the elimination of any tier based vernacular (e.g., pledge, colonies, rush) that reinforce power differentials between new members and older members, and could invite or condone a hazing or unsafe culture (NASPA, pg 83).
• We recommend that the Office of Fraternity and Sorority Life create a new member “bill of rights” that outlines how new members are integrated and involved throughout their first semester and/or first year within an organization.
  o The document should include a list of opportunities and expectations that new members are entitled to as they are going through the new member process.
  o See example provided by NPC.
• We recommend that the Office of Fraternity and Sorority Life as well as individual chapters/organizations address concerns about the big-brother/big sister process and how it contributes to positive and negative behaviors. Suggestions include:
  o Encourage big brother/big sister roles to be upper class students vs. sophomores.
  o Train big brothers/big sisters on effective mentoring, expectations, and creating a sense of belonging. The training should be council specific at a minimum (highly recommended chapter follow ups). Chapter participation should be included in the FSL review process at the end of year.
    • Working with fraternity chapters to develop parameters around the use/presence of alcohol as part of big/little brother/sister activities.
    • At beginning of each semester, new member educators are required to attend trainings regarding the three big nights (bid nights, big brother/sister reveal, initiation) and how to train big brothers and sisters on appropriate mentorship

New Member Education
• We recommend that at the start of each academic term/semester the chapters should provide the Office of Fraternity and Sorority Life an outline and overview of the new member education curriculum which includes the programs, dates, locations of all activities.
• We recommend that new member education should be reduced to a maximum of 6 weeks, unless dictated longer by the national/international/corporate headquarters within the respected fraternal/sorority organization’s guidelines.
We recommend the Office of Fraternity and Sorority Life ensure an internal standards process exists and is utilized by chapters and respective councils to hold its members accountable for their behavior and actions and is in alignment with the process outlined and approved by the local and national/international/corporate headquarters.

Chapter Performance and Accountability
We recommend the creation of a comprehensive multicomponent training program that addresses diversity, equity, inclusion & accessibility; health and wellness; and how to manage risk. Training should include new and returning members. Training should be ongoing, active, and skill-based and should take into account the timing of the student life-cycle.

We recommend the development of a common set of expectations/frameworks/standards for education programs for different roles such as campus advisors, alumni advisors, student leaders, and organizational members. Examples include but are not limited to:
  o University of Arizona
  o Dartmouth
  o Theta Delta Chi Charge Manual

We recommend that the Office of Fraternity and Sorority Life should provide a list of campus-based training held by other departments to chapters/organizations that make sense in order to avoid duplication. The same should be in place for the inter/national/corporate headquarters of chapters.
  o As stated in the values proposition section, we recommend the formation of a Greek Council that can serve as a community-wide board to provide learning and engagement opportunities. This creates an opportunity to increase cross-council communication and to build ownership for their community’s existence as a diverse collective.

We recommend that a Fraternity/Sorority Life Retreat should be established and held annually that both builds community and helps VCU to better define roles and responsibilities.

We recommend that the university establish a formal Student Organizational Standards of Excellence Scorecard or Rubric that is inclusive of FSL organizations.
  o We highlight the national scorecard from the Piazza Center at Penn St and the Fraternity & Sorority Life Chapter Scorecards developed at Florida State and Community Conduct Page at Missouri as examples

We recommend that the university create a student organization Community Conduct Page that highlights student organizations in good disciplinary standing as well as those organizations on disciplinary probation if not included in the scorecard/rubric. We recommend a possible green, yellow, red distinction between organizations.

We recommend that there should be an increase in resource allocation to support student organization accountability and programming.

We recommend that the Office of FSL should clearly define and increase communication with inter/national/corporate headquarters staff. For example, inviting headquarters, alumni advisors, and other stakeholders on joint calls with students as necessary.

We recommend that the university should increase communication and networking between student organizational leaders at VCU.

We recommend that NPHC and MGC should be assigned a dedicated staff member, preferably someone affiliated with a culturally based group. For example, the university
may consider dual appointments in Sorority and Fraternity Life and the Office of Multicultural Student Affairs where students currently go for support.

- We recommend that the Office of Fraternity and Sorority Life host semesterly town hall meetings with the local community to provide feedback and accountability between the overarching Greek Council, VCU, and the neighborhood associations immediately surrounding the VCU community.
- As a part of the semesterly roster submission process we recommend creating a new roster of those who have left the organization. The Office of FSL should create an anonymous exit survey of why students leave the fraternity and sorority life at VCU and send to members who have left the organization.
- The Office of FSL should ensure each council has student leadership transition check-list.
- The Office of FSL should regularly celebrating the successes of the FSL community and share with the campus and broader community.

Space

- We recommend that the university evaluate priority given to Fraternity and Sorority Life in the space reservation process on-campus.
  - The Office of Fraternity and Sorority Life should work with the University, Residential Life and Housing, and the Student Commons to determine if dedicated meeting space can be prioritized for the FSL community in a way that is beneficial to chapter growth, development, and inclusivity.
- We recommend that the university incorporate fraternity and sorority organizations into the existing campus master plan as well as Student Commons renovation strategic plan.
- We recommend that the Office of Fraternity and Sorority Life redesign what the official office space in the Student Commons looks like to better support student organizations.
- We recommend that the Office of Fraternity and Sorority Life require chapters to provide an annual housing update with the office. In addition, if the chapter is using a house that members live in, and is being used for events, that should be registered as well.

Roles & Responsibilities Recommendations:

- Provide a FSL Implementation Plan that includes key performance indicators to help ensure the various recommendations from the various workgroups can be evaluated and implemented in a timely manner.
- Establish a Relationship Statement for recognized chapters at the University. This is recommended to be a joint collaborative process between FSL and the various councils. The creation of the relationship statement must include focus groups from chapter leadership, advisors, and members from inter/national (or equivalent) organizations.
- FSL will establish a yearly accreditation process that includes key performance indicators such as: required training, GPA requirements, submitting service hours, submitting by-laws/constitutions, advisor feedback, programs and events, recruitment initiatives, attending council meetings, and highlighting values based activities of the organization.
- Re-establish a yearly Greek Life awards night that can be tied to both the accreditation process as well as additional meaningful awards for the Greek community. Examples of awards to include: Service Project of the Year, Chapter of the Year, Greek Person of the Year per Council, Risk Management Program Excellence, 3.0 GPA recognition for
chapters, and Rams Cup (to recognize the organization with the highest GPA or the organization per council with the highest GPA).

- Greek Councils should establish a Greek Life creed that shifts focus from social based organizations to values based organizations. The creed will help connect all councils and what it means to be a member of the Greek community. This creed can also connect to the relationship statement, accreditation process, and increase a sense of belonging as a Greek community.

- FSL or appropriate VCU website to be updated to include positive highlights from the various organizations and councils, a breakdown of policies, organization discipline and outcomes, recognized and unrecognized chapters, and a parent resource page.

- FSL create an infrastructure dashboard in terms of organizations submitting items at University level to be utilized for items such as; advisor contact information, required advising training, roster management, chapter constitution and bylaw submission, appropriate materials from Inter/National organization (or equivalent), chapter events, recruitment/intake processes, community service, training requirements, council transition reports. It should be considered if the chosen system connects to the university banner system.

- All organizations must have an advisor on file with the FSL office. FSL office will develop required annual training for advisors that sets the expectations from the University and will keep advisor contact information on file. Offer advisors the opportunity to connect with other advisors for support on a semesterly basis. Additionally, all chapters must have an Inter/National Office contact (or equivalent) on file annually with the FSL office.

- Utilization of a strong volunteer system to have an available pool of volunteers who can serve as advisors or community members to assist the Greek system.

- (FSL) Host an annual state of Greek Life meeting in which members of Inter/Nationals (or equivalent), advisors, and the Greek members are invited to hear updates on the Greek community.

- (FSL) Publish a newsletter or assessment highlight book to provide updates, benefits, accomplishments, and overview on the Greek Life Community.

- (FSL) Update Advisors and Inter/National Office (or equivalent), in accordance with VCU policy, on any conduct action charged against or taken against chapter organizations. This should include charges related to academic, risk management, or any other conduct in which the organization is being charged.

- (FSL) Partner with and collect from Inter/National Offices (or equivalent) all recruitment/intake expectations, programming requirements, academic standards, and risk management requirements.

- Review of council constitutions and bylaws to occur every two years and tracking of individual chapter constitutions and bylaws yearly.

- Annual Greek Life Retreat hosted by FSL to include council executive board members and individual chapter Presidents and two to three key executive board members.

- Prepare a responsible student module that can be an orientation training or module to highlight the Greek Life community as standalone or as part of being involved on campus. This module would be incorporated as a way to educate on the benefits of Greek Life as well as the responsibility of organizations.
● Establish educational training across the Greek membership. The quarterly training should focus on holistic timely topics that may include: Title IX, alcohol education, hazing education, membership development, and diversity, equity and inclusion training.
● Support and build up the various Greek Life Councils in creating buy-in at that council level and greek life membership level. This includes accountability that all chapters are actively participating in the councils scheduled meetings.
● Establish a program calendar to establish when individual chapters can host events or recruitment efforts. Support the councils hosting various campus wide events within the first six weeks of the semester to help spread the positive message and work of the Greek Community. In addition, this program calendar would highlight the important dates established by FSL.
● Establish clear academic standards (VCU currently states 2.7 GPA) and conduct standards for new members to join organizations.
● (VCU) Ensure that chapters and members understand that student code of conduct is in place both on campus and off-campus. This messaging should be consistent with Greek organizations and all student organizations. It is of important note that this representation is extremely important when you are acting on behalf of your chapter.

University & Community Relations Recommendations:
Open and Timely Communications
Overall perception that communications with regard to Greek life has historically been uneven and inconsistent. The following recommendations were made to enhance communications, foster transparency and build trust.
● Develop and invest in ongoing education and training focused on modeling the VCU Creed, what it means to be a good neighbor and citizen, and expectations for responsible behavior and adherence to social norms. Assume a valued-based approach that goes beyond compliance.
  o Develop a training/orientation module for sorority/fraternity students that can be integrated into the existing student orientation and/or a Greek Life retreat. Invite and include testimonials and/or reflections from neighborhood representatives. Note, there is a preference to include all students beyond Greek Life, especially Student Government Association (SGA).
  o Integrate ongoing education into civic education and community engagement. Topics may include defining what it means to attend a college in an urban setting, understanding basic ordinances for living off-campus, and expected social norms as a student-citizen.
  o Maximize the website and social media tools to feature service activities, recognize the positive aspects and contributions of Greek Life, create an annual flyer and/or our newsletter for ongoing communication and updates.
● Communicate “early and often” and utilize multiple channels. Students noted that there is significant information overload from administrative emails and they are often ignored given sheer volume and frequency. Communication to students should fit their preference, and how they best access information, such as mobile apps and device to device communications.
● Optimize the value of Greek Life, especially the leadership and service component.
Implement a calendar of volunteer events with neighbors to build relationships and provide an opportunity to give back together.

Host an annual “Meet Your Neighbor Night” or open house to “Get to Know the Greeks” at the start of the school year.

Identify sorority and/or fraternity leadership to serve on the respective neighborhood associations to foster collaboration and joint problem-solving. Build this responsibility into their role as a Greek leader.

Event Planning and Coordination
The tool to register parties was deemed to be cumbersome and not user friendly. Concern was expressed by the students that the tool was being used as a tracking and monitoring device perceived to provoke fear of getting in trouble.

Proposed solutions to address event planning and ensure proper event registration.

- **Office of Sorority and Fraternity life:**
  - Define what parties need to be registered
  - Clearly communicate the process for registration and approval
  - Ensure each fraternity and sorority has a sober brother/sister available at each party
  - Restructure the Big Brother/Big Sister program for peer-to-peer mentoring.
  - Develop and implement a model for student-driven self-regulation for party control based on best practices.

- **Encourage responsible behavior for adhering to guidelines and modeling the Student Code of Conduct.**
  - Develop criteria for allocating SGA funding as a bonus and/or penalty for responsible behavior
  - Consider monetary and nonmonetary incentives for responsible conduct while taking a reasoned and balanced approach to avoid quid pro quo. Ideas to consider: reserved study space in library during exams, gifts cards, Lyft or Uber cards, Rambucks, basketball tickets.
  - Awards and Recognition: Create an annual award at the President’s level to recognize outstanding citizenship and/or community service. Awards could be made to an individual and/or a fraternity/sorority. Awards could be extended beyond Greek Life.

- **Stricter oversight of fraternities and sororities. Ensure consequences and enforcement of non-compliant behavior are consistent with the Student Code of Conduct. Tie non-compliance to penalties such as inability to conduct chapter recruitment.**

- **Ensure neighbors understand the Student Code of Conduct and the process for non-compliance, especially as it relates to Registered Student Organizations.**

Neighborhood Experience - Trash Pickup, Noise & Parking

- Ensure trash pick-up is built into an organized, planned effort after a party. Could be led by Sorority and Fraternity “Bigs and Littles”.
- Ensure trash receptacle are accessible and provide more where needed

Recognition and acknowledgement by the work group that noise disturbances are generally associated with parties. Recognition that enforcement of noise ordinances can be challenging to enforce and resources to ensure compliance are limited. Recommendations:
• Neighbors and Council members strongly encourage VCU to support the amendment and passage of a city-wide ordinance on noise reduction and enforcement.
• Students need to self-monitor and be accountable for managing noise levels responsibly.

Parking policy banning cars on campus for freshmen has been very effective as well as active permitting in the Fan district and GRTC ridership. Recommendations:
• Consider extending parking ban to upperclassmen
• Assess alternate use of VCU parking decks when not fully utilized
• Align reduction of cars and parking to long-term sustainability plan and alternative modes of transportation.

Engagement of Fraternity and Sorority Alumni and Parents Recommendation
• Partner with the Alumni Association to assess current levels of alumni engagement and where there are opportunities for future participation, especially as advisors. Develop plan with FSL office, Alumni Association and appropriate Greek Life representatives to increase participation (Spring 2023)

Incident Response and Resolution
High praise and accolades to Officer Luke Shrader for responding to incidents in a timely manner. His regular reporting and updates at neighborhood meetings are highly valued. However, many neighbors would like real time monitoring rather than response and reporting after an incident has occurred. Recommendations:
• Extend VCUPD jurisdiction to the Randolph and Oregon Hill neighborhoods
• Convene taskforce to assess the problem and concerns more closely and consider all the options to address.

Housing
Discussion of the complexities of off-campus housing and the respective role and responsibilities of the university, sorority and fraternities, and landlords. Recommendations:
• Sororities and fraternities to voluntary disclose housing location to build greater trust, transparency and promote safety
• Office of Fraternity and Sorority Life to convene a taskforce to develop the plan, set goals/objectives, process for disclosure, potential map of housing identified by Greek letters/signs and communications. Desire to seek mutual benefit for all stakeholders.
• Continue to partner with landlords to ensure compliance with zoning laws as appropriate.

**Hazing Policy Recommendation:**
• Draft policy in process
Diversity, Equity and Inclusion Priority
Embed DEI in all facets of the university's mission and operations with intentionality

- Develop a One VCU strategic plan: Quest Recalibration
  - Enterprise-wide: VCU and VCU Health
  - Accountable structure throughout organization
    - Empower the chief diversity officer to guide the development of a framework that includes budget, policy, infrastructure, strategic priorities
    - DEI Accountability/performance metrics that specifically includes accountability rubrics for creating a culture of inclusion, focus on equity and diversity
  - Review/revise VCU mission and vision statements so that they are relevant, memorable and actionable
    - Incorporate student experience and engage students in the vision
  - Significantly improve supplier diversity, especially with women and minority businesses

- Student-centered focus - meet students where they are
  - Create a deeper connection to the student experience/Bridge gaps between students and leadership
    - Center student empowerment
    - Organize student leader panels with VCU leadership
    - Raise awareness of student support services.
      - Possible tactic: develop a resource wheel to students navigate how to access important tools and resources
    - Provost to organize meetings between deans and students to explore how to create an infrastructure model (fractal model) for organizing effective connections between students, administration, deans, department chairs and others
    - Identify good examples of engaging students in the academic/career continuum, e.g., Management Leaders of tomorrow; share with board
  - Establish more and stronger student-focused programming at VCU and VCUHS
    - Mentorships
    - “Co-op” Internships
    - Student feedback loop (listening to students when professors have been given consistent negative reviews and doing something about it)
      - Senior leadership to push chairs and faculty and hold them accountable (e.g. DFW rates)
    - Better engage the student government structure
    - Empower students with 1-1 meetings
OTHER:

- Priorities - budget implications/FY 23 and beyond university budget
- VCU branding/marketing communications to support strategic priorities
- Review VCU Foundations - how they are set up; agreements, etc. (PDL/KG to develop backgrounder for BOV)
- Provide a history of the BOV and VCUHS boards with analysis of the pros and cons of the BOV as the primary governing board and health system board as a subsidiary committee (legal, government relations)
- Grow enrollment: international, scale popular programs, online, etc.
Proposal to create a Graduate Certificate in Culturally Responsive Leadership

Overview
Virginia Commonwealth University (VCU) requests approval to create a 15-credit hour Graduate Certificate in Culturally Responsive Leadership. The purpose of the proposed certificate program is to prepare school and community leaders with foundational theory, research and skills related to culturally responsive leadership. Students will develop specific knowledge of power imbalances related to race, ethnicity, culture and class in school and community settings. Graduates will possess the skills to mitigate those imbalances through the establishment of practices that nurture an anti-racist organizational climate. Graduates will be able to: 1) analyze research and theory related to race, ethnicity, culture and class; 2) engage in critical self-reflection and action; 3) develop relationships with schools, communities, nonprofits and other community-based organizations to advocate for transformative, justice-centered praxis in education; 4) implement place- and people-based education strategies to empower communities for social change.

Method of Delivery
Traditional face-to-face classroom format and fully online.

Target Implementation Date
Fall 2022

Target Population
The target audience includes individuals working in K-12 educational settings, including schools and education-related non-profit organizations.

Impact on Faculty
All courses will be taught by existing faculty in the Department of Educational Leadership. Faculty appointments in the proposed Graduate Certificate program will be established by the Chair of the Department of Educational Leadership. The minimum requirements for faculty teaching in the certificate program include a doctorate in educational leadership or a related field and three years of higher education teaching experience.

Funding
Resources required to support the proposed certificate include existing resources to support current programs such as: student support services (e.g., enrollment, help desk for computer and technology support, library); faculty support services (e.g., copying, contracts); and general administration (e.g., budgeting, forecasting). Program administration is provided by the program coordinator. Faculty in the Department of Educational Leadership created new courses for the program. Faculty time to teach the new courses will be included in existing teaching loads. No new positions will be created to initiate the proposed certificate program. Virginia Commonwealth University has sufficient resources to initiate and sustain the proposed certificate program.

Next Steps
October 28 - University Council subcommittee on Academic Affairs and University Policies (UCAAUP)
November 4 - University Council Meeting
November 8 - President's Cabinet Meeting
December 9 - Board of Visitor's Meeting
Virginia Commonwealth University
Proposed Program Brief

Proposal to create a Baccalaureate Certificate in Public Health Laboratory Sciences

Overview
Virginia Commonwealth University (VCU) requests approval to create a 12-credit hour Baccalaureate Certificate in Public Health Laboratory Sciences. The purpose of the certificate program is to provide students with specific coursework and training for performing laboratory testing in a public health facility. Students will learn knowledge and skills in areas related to public health laboratories (e.g., whole genome sequencing and epidemiology). Graduates will possess competencies and skills specific to a public health laboratory setting and be able to: 1) perform molecular assays not performed routinely in the clinical laboratories such as those applicable to whole genome sequencing and newborn screening; 2) apply the fundamentals of epidemiology in public health surveillance including data collection, analyzing and interpreting data, and evaluating and improving surveillance; and 3) assess and apply quality management and regulatory requirements of public health laboratories.

Method of Delivery
Core courses will be offered fully online. Practicum courses will be offered in a public health laboratory setting.

Target Implementation Date
Fall 2022

Target Population
The primary target audience for the proposed certificate program is existing undergraduate students in the Bachelor of Science (BS) degree program in Medical Laboratory Sciences. Additionally, current graduate students in the Master of Science (MS) degree program in Medical Laboratory Sciences and individuals who possess a bachelor’s degree and are certified as Medical Laboratory Scientists may apply to the program.

Impact on Faculty
Full-time faculty from the Department of Medical Laboratory Sciences will be the primary instructors in the proposed program. Two adjunct faculty will also be used. All faculty teaching in the certificate program will meet minimum requirements: master’s degree or higher, certified as Medical Laboratory Scientist or related credential, minimum five years’ experience in their discipline, and minimum two year’s higher education or bench training experience.

Funding
Resources required to support the certificate program are met by existing resources to support current programs. These include student support services (enrollment, help desk, and library), faculty support services, and general administration (budgeting and forecasting). No new faculty or staff positions will be created to support the certificate. Resources for adjunct faculty will be available within the existing budget of the Department of Medical Laboratory Sciences in the College of Health Professions. The university has sufficient resources to offer and sustain the certificate program.

Next Steps
October 28 - University Council subcommittee on Academic Affairs and University Policies (UCAAUP)
November 4 - University Council Meeting
November 8 - President's Cabinet Meeting
December 9 - Board of Visitors Meeting
Proposal to create a Graduate Certificate in Health Equity

Overview
Virginia Commonwealth University (VCU) requests approval to create a 12-credit hour Graduate Certificate in Health Equity. The purpose of the proposed program is to prepare students to manage factors (e.g., differences in income, education, social and physical environments, and access to health care) that contribute to health disparities in the United States (U.S.) by helping them identify and advocate for strategies to reduce these disparities (e.g., increasing insurance coverage, increasing school and social program funding in disadvantaged communities, and eliminating food deserts). Students will gain an understanding of the historical context and existing research on the causes and impact of health disparities. Students will also explore the values and ethical framework that relate to health equity. Students will learn how health care organizations and public entities are funding efforts to address unconscious bias, patient centered care, and the social determinants of health such as housing, food insecurity, and environmental conditions as well as increased access to health care as a means to reduce health disparities. Students will develop skills to understand and influence the policy process and learn to apply advocacy skills to influence policies that affect health equity. Graduates will be prepared to critically analyze, design, and implement strategies to enhance health equity.

Method of Delivery
All courses for the proposed certificate program will be conducted in a fully online format.

Target Implementation Date
Fall 2022

Target Population
The target population for the certificate program is students enrolled in VCU graduate degree programs in the health sciences (e.g., nursing, medicine, pharmacy, dentistry, health professions) as well as other graduate programs such as social work and public administration. The certificate will also target graduates of undergraduate programs in health sciences, social work, and public administration.

Impact on Faculty
Faculty members teaching courses will have appointments in the Department of Health Administration and other departments in the College of Health Professions. All faculty teaching in the certificate program will meet the minimum requirements for faculty as determined by the home departments. No new faculty positions will be created.

Funding
Resources required to support the proposed certificate program include existing resources to support current programs such as student support services (e.g., enrollment, help desk, and library), faculty support services (e.g., copying and contracts), and general administration (e.g., budgeting and forecasting). No new positions will be created to initiate and sustain the proposed certificate program. The university has adequate resources to offer and sustain the proposed certificate program.

Next Steps
October 28 - University Council subcommittee on Academic Affairs and University Policies (UCAAUP)
November 4 - University Council Meeting
November 8 - President's Cabinet Meeting
December 9 - Board of Visitor's Meeting
Virginia Commonwealth University
Proposed Program Brief

Intent to Discontinue the Master of Music in Music in the School of the Arts

Overview
Virginia Commonwealth University (VCU) requests approval to discontinue the Master of Music (M.M.) in Music in the School of the Arts. This program has experienced a decline in enrollment in recent years. In 2019-2020 there were four students enrolled in this program, all of whom graduated in the Summer 2020 term. There have been no new enrollments in the program since that time.

VCU submitted materials to SCHEV in August 2021 as part of the productivity review process, and subsequently this discontinuance was the agreed-upon action by SCHEV and the university.

There are no students affected by this closure. There are no students “stopped out” or currently enrolled at this time.

The department will communicate this decision to all potential students, faculty, and staff via the University Bulletin and through direct communication.

Target Implementation Date
Fall 2022

Impact on Faculty and Funding
Resources previously required to sustain the M.M. in Music have been reallocated to related programs within the Department of Music in the School of the Arts. This includes instructional faculty and staff who have supported the program. No staff or faculty have been eliminated as part of this change, and there will be no measurable changes in workload or duties as a result of this discontinuance. No additional costs or fees to students have been associated with this change.

Next Steps
October 28 - University Council subcommittee on Academic Affairs and University Policies (UCAAUP)
November 4 - University Council Meeting
November 8 - President's Cabinet Meeting
December 9 - Board of Visitor's Meeting
Program Productivity Process: *Intent to Discontinue Cover Sheet*

Complete a separate cover sheet for each program closure. Completed cover sheets should be emailed to emilyhils@schev.edu.

| 1. Institution: Virginia Commonwealth University |
| 2. Program name: Music |
| 3. Degree designation (e.g. AA, BS, MBA, PhD): Master of Music (M.M.) | 4. CIP code: 50.0903 |
| 5. Date beyond which no new enrollments will be accepted (last semester and year): Fall 2021 | 6. Termination date for reporting degrees (last semester and year when the degree will be granted): Fall 2021 |
| 7. Submitted by (name, title, email address): Deborah S. Noble-Triplett, Ph.D., Senior Vice Provost for Academic Affairs, nobletriplett@vcu.edu |
Virginia Commonwealth University
Proposed Program Brief

Intent to discontinue the Doctor of Philosophy in Art History

Overview
Virginia Commonwealth University (VCU) requests approval to discontinue the Doctor of Philosophy (Ph.D.) in Art History in the School of the Arts. The program has experienced a decline in enrollment and funding in recent years. In 2020-2021, the Ph.D. in Art History enrolled five students and graduated one.

VCU submitted materials to SCHEV in August 2021 as part of the productivity review process, and subsequently this discontinuance was the agreed-upon action by SCHEV and the university.

There are currently four students affected by this closure. None of these students is taking courses, as all are in the dissertation phase of their doctoral programs. Students will be permitted to finish their dissertations and graduate within eight semesters, which is consistent with university policy. The teach out plan will be to offer the dissertation course in which they will enroll each semester until degree completion. There are no “stopped out” students affected by this closure.

The department will communicate this decision to all students, faculty, and staff via the University Bulletin and through direct communication.

Target Implementation Date
Fall 2022

Impact on Faculty and Funding
The resources required to sustain the Ph.D. in Art History have been reallocated to related programs within the Department of Art History. This includes instructional faculty and the staff who support the program. No staff or faculty have been eliminated as part of this change, and there will be no measurable changes in workload or duties as a result of this decision. No additional costs or fees to students have been associated with this change.

Next Steps
October 28 - University Council subcommittee on Academic Affairs and University Policies (UCAAUP)
November 4 - University Council Meeting
November 8 - President's Cabinet Meeting
December 9 - Board of Visitor's Meeting
Program Productivity Process: Intent to Discontinue Cover Sheet

Complete a separate cover sheet for each program closure. Completed cover sheets should be emailed to emilyhils@schev.edu.

<table>
<thead>
<tr>
<th>1. Institution: Virginia Commonwealth University</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Program name: Art History</td>
</tr>
<tr>
<td>3. Degree designation (e.g. AA, BS, MBA, PhD): Doctor of Philosophy (Ph.D.)</td>
</tr>
<tr>
<td>5. Date beyond which no new enrollments will be accepted (last semester and year): Fall 2021</td>
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<tr>
<td>7. Submitted by (name, title, email address):</td>
</tr>
<tr>
<td>Deborah S. Noble-Triplett, Ph.D., Senior Vice Provost for Academic Affairs, <a href="mailto:nobletriplett@vcu.edu">nobletriplett@vcu.edu</a></td>
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Reimagining public health at VCU for our students and the Commonwealth

VCU Health Board of Trustees
Dec 10, 2021

Art Kellermann, MD, MPH
Outline

• Rationale
• Recent history of the effort
• How would this work?
• How would this affect non-public health faculty and schools?
• How might the school benefit other VCU schools and the community?
• Why now?
Virginia & our nation have compelling needs.

• The global pandemic of COVID-19 has exposed stark shortcomings in our public health system at all levels

• Once the pandemic recedes, other public health threats will remain.

• Public health is hobbled by an aging and shrinking workforce. Half of Virginia’s public health nursing positions are vacant.

So does VCU.

• VCU needs to grow enrollment at the undergrad and master’s level. A School of Public Health can help with both

• VCU needs to increase its research funding. Public health schools often play a catalytic role in driving team science

• Establishing a SPH could help VCU achieve the goals outlined in *Quest 2025*
Recent History

• Efforts to start a school began 20 years ago, shortly after the terrorist attacks of Sept 11, 2001 & the Anthrax attacks that soon followed
• Supporters reasoned that a SPH could help Virginia prepare for bioterrorism and support VCU’s mission “to improve the health of citizens of the Commonwealth of Virginia”
• Following extensive discussions, VCU submitted a proposal to establish a SPH to SCHEV. It was in approved in 2005
• Unfortunately, the onset of the Great Recession and competing priorities led the University to indefinitely suspend work in 2008
• Despite this setback, faculty interest in a SPH persisted. It regained momentum during the current pandemic
• Work on the current proposal began in JAN 2021. Last spring, VCU’s (then) Provost and the SVP for Health Sciences jointly convened a deans’ task force to examine the idea and make recommendations
• The current proposal incorporates this group’s input and feedback from other VCU deans, Faculty Senate, staff and other stakeholders
How would this work?

• Two existing departments and a division in the SoM wd move to the new SPH but stay in their existing offices. Dean’s staff wd be co-located:
  • The Division of Epidemiology would be elevated to an academic department
  • Dept of Health Behavior & Policy would be restored to two departments
  • Biostatistics would remain intact

• The four (4) departments this produces, plus a third MPH degree concentration and the four (4) existing PhD programs, meet two key criteria for CEPH accreditation

• The new SPH will focus on *graduate* education. In this way, it will enhance, rather than compete, with existing undergrad degree programs

• No other MCV or Monroe Park School will be affected. Those with relevant pre-health curricula may, if they choose, partner with the newly established SPH to create 5-year dual degree (i.e., BS/MPH) tracks
How would this affect other VCU faculty?

• No additional financial support will be required from the University. VCU Health System agrees to cover any incremental costs

• As MPH enrollment grows, additional faculty will be added as needed. This is factored into the School’s budget projections

• The College of Health Professions (CHP) Dept of Health Services and its associated BS degree will stay in place. CHP could, if they choose, create a 5-year BS/MPH dual-degree track with the new SPH

• Nursing, Pharmacy, Dentistry faculty will not be affected. New or past graduates with relevant professional degrees would be eligible to apply for an accelerated 1-year MPH degree

• The School’s focus on health equity and other 21st century public health challenges should create partnership opportunities for MP faculty with expertise in media, business, social work, education, public policy, environmental sciences, sociology and other relevant disciplines
How might a SPH benefit other schools and the community?

• No MP faculty members will be adversely affected. Schools that offer pre-health degrees may, if they choose, create joint BS/MPH tracks.

• Under the RCM budget model, any growth in pre-health enrollment and retention will benefit existing schools with undergrad degree programs.

• A SPH should strengthen ties between VCU’s two main campuses, as well as increase philanthropy, team research grants and contracts.

• It could also foster partnerships with state HBCUs & other institutions.

• VCU Health will be able to expand its services from sick care to health care and by doing so, redefine its “safety net” mission.

• Underserved communities across the commonwealth will gain an eager and willing partner dedicated to improving their health.

• State agencies, local health depts, NGOs & employers will benefit by hiring eager SPH grads who are ready to work on day one.
Why now?

• Undergraduate interest in public health is extremely strong nationwide

• At least two other universities in Virginia are launching public health schools. Others may follow.

• VCU previously gained SCHEV approval to start a SPH but abandoned the effort. This may be our last chance.

• The Virginia Dept of Health’s (VDH) Public Health Transformation Plan is nearly complete. Workforce development is a key priority.

• State leaders are excited by the prospect of a VCU SPH.

• A VCU SPH could attract substantial philanthropy. If we stay on the sidelines, prospective donors will go elsewhere.

• VCU Health urgently needs to reduce preventable hospitalizations.

• For all these reasons, starting a SPH is not only the right thing to do; it’s the smart thing to do
This idea is not new...

A group of community leaders founded the Richmond School of Social Economy, later known as the Richmond School of Social Work and Public Health, in 1917. Initial instruction was in the fields of social work and nursing, but the curriculum soon expanded. In 1925 the school became the Richmond Division of the College of William and Mary and moved to its permanent home here at 827 West
Proposal
Virginia Commonwealth University (VCU) requests approval to establish a School of Public Health. The proposed School of Public Health will build on VCU’s long-accredited and substantive public health program as a stand-alone academic unit within the university and consistent with national accreditation standards, will have the same reporting structure as the other schools at the university (e.g., College of Health Professions; and the Schools of Dentistry, Medicine, Nursing, and Pharmacy).

Overview
The proposed School of Public Health intends to focus on advancing the health of the commonwealth, with a particular emphasis on eliminating longstanding racial, ethnic, economic and geographic health disparities. The proposed school will attract and prepare a high-performing public health workforce with the breadth of knowledge and skills required to meet existing and emerging threats to public health. The proposed school will also catalyze world-class, multidisciplinary and inter-professional research across VCU’s MCV and Monroe Park Campuses to improve public's health at a local, regional, national, and global level.

Impact on Existing Programs/Policies
The proposed organizational change will: 1) academically relocate the Department of Biostatistics, 2) academically relocate and reorganize the Department of Health Behavior and Policy into two departments -- the Department of Social and Behavioral Health and the Department of Health Management and Policy, and 3) academically relocate and elevate the Division of Epidemiology, currently located within the Department of Family Medicine and Population Health, to become a Department of Epidemiology. All three organizational units currently reside in the School of Medicine but will be reallocated, with the support of the School of Medicine’s dean and faculty, to the proposed School of Public Health. The academic programs that reside within each of the departments will realign with their respective departments.

Impact on Faculty
Initially, the proposed School of Public Health will house 41 instructional faculty and 6 adjunct faculty for a total of 47 faculty. The current faculty are academically located in the School of Medicine and will relocate to the proposed school. The instructional faculty of the proposed School of Public Health will include 26 faculty (15 tenured, 11 tenure-track) and 15 full-time (i.e., non-tenure or non-tenure eligible positions) faculty. These faculty will be supplemented by 6 adjunct faculty for a total of 47 faculty positions. As enrollment grows, additional faculty will be hired. Anticipated enrollment growth has been budgeted for the first three years of the school’s operations.

Funding
Funding for the proposed School of Public Health will be sourced in two ways: (1) existing VCU resources allocated to the departments that are being restructured into the new school will be retained and (2) VCU Health will provide $5 million dollars in start-up support to cover initial operating costs, and will underwrite any operating deficits that might occur over the life of the school.

Next Steps
November 18: University Council subcommittee on Academic Affairs and University Policies (UCAAUP)
December 2: University Council Meeting
Electronic Vote: President's Cabinet Meeting
December 8-9: VCU Health System Board of Directors
December 9: VCU Board of Visitors Meeting
To: Members of the Board
From: Office of the Provost, Office of Budget, Analysis, and Financial Planning
Subject: AAUP Report on VCU Administrative Structure
Date December 10, 2021

The VCU Chapter of the American Association of University Professors (AAUP) submitted a report suggesting that there has been a rise in management employees at VCU with a concomitant loss of support for tenured and tenure track faculty. Further, the report implies that a rise in student tuition has been required to fund administrative growth at VCU, and that administrative growth has outpaced faculty growth. However, this report does not accurately reflect VCU’s current or historical administrative structure or its investments in personnel.

In general, the report suffers from an inaccurate interpretation of the data. Attached we have provided a reviewed copy of the report highlighting contextual corrections. In general, these corrections clarify:

- Definitional issues associated with the data set (Integrated Postsecondary Education Data System, known as IPEDS), noting that classification of management is not consistent across institutions or over time. VCU’s classification of management staff has been significantly impacted by the VCU HR Redesign, which involved reclassification of many existing employees.
- Increases to salaries and other operational costs within the last three years are the result of State funding or reallocation, as VCU’s tuition rate has remained flat during that time.
- Corrected data regarding instructional vs. non-instructional personnel noting VCU as among the highest investor in instructional and research per student FTE, behind UVA and W&M.
- Corrected data regarding the costs associated with the university cabinet.

One of the fundamental issues with the claims in this report is the lack of alignment with institutional practices in the data source. The AAUP analysis uses data from the Integrated Postsecondary Education Data System (IPEDS), a system of surveys conducted annually by the U.S. Department of Education. IPEDS gathers information from every institution that participates in federal student financial aid programs and provides basic public data needed to determine trends in postsecondary education in the U.S. (e.g., number of students enrolled, employed faculty and staff, degrees earned, etc.).

Working with IPEDS data can be challenging. For example, data is self-reported by institutions based on how the institution interprets and responds to each IPEDS survey component. This would include how an institution defines employee types which can easily differ from institution to institution. To complicate matters, within the last two years, the VCU HR Redesign intentionally changed the way the university classifies employee types. While internal resource metrics provided to the BOV reflect this change, it was not addressed in a timely manner in the public IPEDS data.

This change in coding is most problematic when the AAUP assessment uses the metric of management employees to show significant growth over time. While the size of VCU’s administration has not increased, the reporting of management staff did change as a result of how administrative faculty (mainly some academic advisors, finance and administrative professionals) were re-coded into management after the HR Redesign in 2018. These employees were almost entirely from the IPEDS employment categories of Business, Financial Operations and Libraries and
Instructional Support. When the coding issue is resolved (by combining these administrative groups), one sees that VCU has experienced relatively modest growth across these categories in recent years. As Figure 1 shows, UVA and Virginia Tech have expanded their staffing levels in these categories much more rapidly than VCU has.

*Figure 1: Full-time Staffing (Finance, Library & Academic Support, and Management)*

We continue to see these trends when we examine staffing levels on a per student FTE basis (Figure 2). Again, VCU has experienced relatively modest growth in these categories, particularly in comparison with UVA and Virginia Tech.
VCU has maintained steady state staffing for faculty since 2015, as shown in Figures 3 & 4.

**Figure 2: Finance, Library & Academic Support, and Management Staffing per Student**

**Figure 3: Count of Full-time VCU Faculty by Tenure Status**
As Figure 5 shows, when VCU’s allocation among staff categories is compared to other Virginia peers, we see that VCU does have a lower percentage of tenured and tenure-track faculty. Addressing this inequity is a key area of focus and a driving force behind VCU’s recent request to the State of $60M for equity funding (to be funded over 3 years).

The lower proportion of tenure and tenure-track faculty is offset in part by a higher numbers of term faculty and non-faculty researchers and instructors. Including these groups, VCU has a higher percentage of full-time staff engaged in instruction and research than any of its major Virginia peers, at 38.0%. When viewed as a percentage of total full-time employees, VCU’s staffing for financial, academic support, and management functions is comparable to those of our Virginia peers.
Note that not all institutions report staffing for the postdoctoral / non-faculty instruction and research classification. According the instructions that IPEDS provides to institutions, "non-faculty status" is intended to allow institutions to account for employees whose primary function is research and/or instruction, but who do not qualify for faculty status (such as postdoctoral research associates). From 2015-2019, neither UVA nor Virginia Tech reported any staff in this category. Assuming that both institutions did, in fact, employ staff such as postdoctoral researchers, it is likely that such staff are included in those institutions’ reported numbers for instructional and research faculty.

As a dynamic institution responding to student and faculty needs, as well as to changing external conditions, VCU will continue to make changes to optimize staffing resources. One area which has experienced recent staffing growth is student advising, following a decision made in 2016 to improve and expand that function. As the Board approved at that time, VCU, like many other institutions, changed its student advising model from faculty-based advising to a more consistent, full time, professional advisor model. This not only provided faculty more time to focus on teaching and research but enhanced services to VCU students, providing greater expertise, consistency and accessibility. Overall, approximately 33 professional advisor positions have been added.

As a final note, as the BOV is aware, the university’s commitment to growing the investment in faculty salaries is evidenced each budget cycle. The university’s internal budget consistently includes funding for promotions in rank, and the last several years have included base rate increases for adjuncts. As noted above, VCU prioritizes faculty and adjunct salary increases in both the Six Year Plan and VCU’s annual budget request to the Governor. This most recent State budget cycle saw two requests: a request for 2-3% merit increase for faculty in addition to a $60M equity adjustment which will directly support our faculty. This is accomplished through increasing salaries to more competitive levels and creating new tenure and tenure track positions. The latter are key both for student success and for realizing VCU’s Strategic Research Priorities Plan for research
growth. Our commitment to investing in instruction and research, along with student support, will continue to be one of our highest priorities.
A Report on the Administrative Structure at Virginia Commonwealth University

By the
VCU Chapter of the AAUP

and

endorsed by the VCU Chapter of the United Campus Workers

Presented as written comments to the VCU Board of Visitors December 10, 2021
Executive Summary

Over the past two years, administrative growth at Virginia Commonwealth University has out-paced faculty growth while the number of instructional employees overall has remained unchanged. [For every four tenure track faculty members at VCU, there are five administrators.] This growth in executive administration correlates directly to eroded working conditions for all faculty, but particularly for the growing contingent faculty workforce. Instructors’ working conditions are students’ learning conditions, and the erosion of the former negatively impacts the latter. Only 33% of the instructional employees are tenured or tenure-track, which is a lower percentage of tenure-eligible faculty than all of VCU’s VA peer institutions, as well as the majority of national peer and aspirational universities. Tenure-eligible faculty are typically the research-active faculty that drive the university’s R1 ranking, attract students, and provide the relevant experiential learning opportunities that set VCU apart from other universities.

VCU has developed an inefficient and expensive administrative overhead that is sapping cash flow, threatening the bond rating, and mismanaging student tuition and taxpayer dollars.

As an institution, VCU is responding to the crisis in higher education in the least effective way possible—hiring more and more administrators and non-instructional employees—rather than investing in the core, intertwined missions of education and research.

If VCU is an institution for transformative innovation that can lead the reinvention of higher education, then let it not be hampered by the lack of tenure-track faculty. VCU’s faculty are forward thinking and highly adaptable, as we have witnessed over the past year. We are dedicated to providing our students, many of them first-generation college students, an excellent education and to engaging in research for the greater public good. For our institution to reach its full potential we must decrease the level of administration, increase the percentage of tenure-track faculty and provide them with the resources needed to maximize student success.

According to financial data reported to the National Center for Educational Statistics by VCU administration, over the past two years the increase in the administrative salaries has been covered almost entirely by a rise in student tuition revenue. Since 2019, the number of management employees has increased 9.6%. Students are paying the price and they are going to look elsewhere if VCU does not correct its course. Finance-savvy students are not going to pay more and more for a VCU education—which is already among the costliest in the Commonwealth—when that additional revenue is being spent on management and administration, rather than being invested directly into their education.

The VCU Chapter of the AAUP is requesting that the VCU Board of Visitors immediately begin a comprehensive review of the administrative structure of VCU, as well as the structure of the instructional staff by an outside consulting group vetted by faculty. We believe this is essential for VCU to move to the next level and continue providing the best education possible for our students.

Commented [1]: In this report, definitions and references to metrics are often misinterpreted and misrepresented. The report equates university administration and management functions, using the two terms interchangeably. This characterization of IPEDS is inaccurate.

Commented [2]: The use of administrations is not a metric of IPEDS. The preamble addresses VCU’s level of administration and comparable figures for the state.

Commented [3]: Salary increases overall and in recent years have been state-mandated and funded half by the state, for example, the 5% mandated increases for all employees in fiscal year 2022. For faculty, there is and has been a focus on providing 10% increases related to promotions and rises in rank and supporting faculty merit increases as part of VCU’s long-term strategy.

Commented [4]: VCU’s cost of tuition and mandatory fees is 3rd out of the 5 tier III institutions in the state (VCU, W&M, VT, UVA, JMU) and has been held flat for the last 3 years for undergraduate students. All recent increases in operational costs, new hires, and salary increases have been from state funds and reallocations and have not been at the cost of increasing tuition to our students.
VCU Administrative structure is out of balance

An article published by the Association of American Colleges and Universities periodical peerReview in Fall 2002 explained that “Over-reliance on part-time and other ‘contingent’ instructional staff diminishes faculty involvement in undergraduate learning...such over-reliance particularly disadvantages the less-well-prepared entering and lower-division students in the non-elite institutions who most need more substantial faculty attention.” AAUP’s 2018 Data Snapshot of contingency in higher education shows that destabilization of the faculty workforce through conversion of instructional labor to contingent positions has continued unabated, eroding the working conditions of our instructional workforce nationally. Stabilizing and protecting the employment status of adjunct and term faculty would rectify this concern by allowing those faculty to focus their attention on students rather than on their precarious employment status.

At VCU, 23% of employees are instructional employees.

The percentage of tenure-track faculty per total instructional employees is the lowest of any of our peer institutions.

At VCU, 23% of employees are instructional employees. Tenure track employees at an R1 university are those faculty who are afforded more capacity for active research. These research-active faculty are directly responsible for the increase seen in VCU research expenditures over the past two years which, in turn, attracts students to our programs. The ratio of tenured or tenure-track faculty to total instructional employees directly impacts program quality.

Tenured/tenure-track research faculty provide valuable hands-on research experiences to students, in line with VCU’s commitment to the relevant, experiential, and applied learning initiative (REAL). Stable working conditions for full-time, tenure track faculty allows those faculty to focus our curriculum on addressing real world problems and experiential opportunities, not only within research fields, but also through possibilities for interdisciplinary convergence research and problem-based learning as outlined within VCU’s strategic vision. Active tenured/tenure-track research faculty are able to develop strong professional networks and community ties through their work and these connections help students secure professional opportunities. In a world where it increasingly matters who you know (and not just what skills you’ve been credentialed in), providing these networked connections is essential to helping our students succeed in this challenging and dynamic economy.

Commented [5]: When VCU is compared to its other R1 and SCHEV peers, it is in the middle of the pack for the number of research and instructional personnel per student and spending per FTE on research and instructional personnel.

Instructional Employees Breakdown

Commented [6]: VCU has invested significantly in the REAL program and is expanding that program for this very purpose.
Key Information

At VCU, 23% of employees are instructional employees. The percentage of tenure-track faculty per total instructional employees is the lowest of any of our peer institutions. Only 33% of the instructional employees at VCU are tenured or tenure-track employees, compared to 50% and 58% at our peer and aspirational peer institutions, respectively.

At VCU, 15% of all employees are categorized as management. This is twice the percentage of our peer institutions.

VCU’s lack of tenure-track faculty is apparent on a per-student basis. Simply, there are substantially fewer tenured and tenure-track faculty at VCU than at our peer institutions. VCU has 36.3 full-time students per tenure-track faculty member. This is a worse ratio than peer institutions, both within the Commonwealth and nationally. At Virginia peer institutions, the average ratio is 25.5:1, while at our national peer institutions it is 32.8:1. Only 55% of VCU’s full-time instructional employees are tenured or tenure-track faculty, as

<table>
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<tr>
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<th>Student to Tenure Track Faculty Ratio</th>
<th>Tenure Track Faculty to Administration Ratio</th>
<th>Percentage Instructional Employees on the Tenure Track</th>
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<tr>
<td>VCU</td>
<td>36.3 : 1</td>
<td>0.82</td>
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<tr>
<td>Virginia Peers</td>
<td>25.5 : 1</td>
<td>5.5</td>
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<tr>
<td>Peer</td>
<td>32.8 : 1</td>
<td>1.7</td>
<td>43%</td>
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<tr>
<td>Aspirational Peers</td>
<td>34 : 1</td>
<td>2.1</td>
<td>55%</td>
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Commented [7]: When part-time instructional faculty are included VCU’s percentage is closer to 38%. When clinical faculty are included (excluding adjuncts) 39% are instructional employees. When IPEDS data is used Instructional and Research personnel account for 44%.

Commented [8]: This is misleading because it combines two different metrics. The best way to understand faculty composition is to review them as: (1) % of Instructional faculty who are full-time (2) % of full-time instructional faculty who are tenured or tenure-eligible

2019 % of Full Time Instruction & Research Staff who are tenured or tenure-eligible

- WM = 74%
- ODU = 67%
- GMU = 65%
- UVA = 60%
- VT = 54%
- VCU = 43%

2019 % of Instruction & Research Staff who are Full-time

- ODU 94%
- UVA 94%
- VT 98%
- WM 80%
- VCU 71%
- GMU 52%

VCU is on the low side in terms of % Full-time, but we’re not the outlier on this metric (GMU is the outlier).

Commented [9]: Much of this change came after the implementation of the HR redesign and reclassification of Administrative Professional Faculty to University Academic Professionals (UAP). The change is not an indication of VCU having more of these employees but having a different classification from others. In total, VCU is comparable.
of education and research. The disproportionate number of management employees and the large amount of salaries for them reduces the success rates for our most vulnerable students and negatively impacts the faculty's ability to complete our educational mission.

Over 20% of all salary outlays are for managerial employees, while only 27% are for instructional staff. By comparison, VCU’s Peer institutions typically spend on average 13% of all salary outlays on management employees and spend over 30% on instructional employees. To put this into financial perspective, in 2020 VCU spent a total of $87M on 868 non-instructional management employees, compared to $125M on 2133 full and part-time instructional employees responsible for conducting the educational and research mission of the university.

All too often, the low percentage of tenure-track faculty is defended as necessary to maintain favorable bond ratings with Moody’s and S&P rating agencies. It is regularly suggested that a high percentage of tenured faculty negatively impacts the rating because it depresses operational cash flow. But upon examining the bond rating scorecard used by Moody’s, it is not the percentage of tenure-track faculty that impact the bond rating per se, but rather committed salary outlays, which include those for administration contracts. At the Moody’s identified peer institutions, the instructional-to-management employee ratio is even larger at 5.3 instructional employees per management employee. Even the for-profit University of Phoenix has 4.7 instructional employees per management employee ratio. In contrast, the ratio of instructional employees to management at VCU is an abysmal 2.5-to-1.

In April 2017, the California state auditors examined administrative costs at the University of California system and found that the ten executives in the president’s office were earning over $3.7M. At VCU in 2020, the 14 individuals listed in the president’s cabinet had combined salaries of over $5.3M, while management salary outlays increased from $55M in 2015 to over $87M in 2020. The disproportionate number of management employees and the large amount of salaries for them reduces the success rates for our most vulnerable students and negatively impacts the faculty’s ability to complete our educational mission. As an institution, we are responding to the crisis in higher education by hiring more and more administrators and non-instructional employees, as opposed to focusing on our core, intertwined missions of education and research.

Compared to UVA and VA Tech at 75% and GMU at 65%. This could be one reason that those institutions gained students last year while VCU lost students.

**The percentage of instructional faculty is below our peers**

At VCU there are 2.5 instructional employees per every management employee. This stands in sharp contrast to our peer institutions, where there are 3.8 instructional employees per management employee—54% more. VCU’s aspirational peer institutions have 3.9 such instructional employees, or 59% more.

Over 20% of all salary outlays are for managerial employees. If the report referenced from 2017 were to be updated for salary changes and inflation from the last 5 years it would likely be higher than that of VCU's current level.

At VCU in 2020, Every student contributes $3398 of their tuition to management employee salaries

Instructional Management Employees at VCU and Peers:

- **VCU**: 2.5 instructional employees per management employee.
- **ODU**: 5.3 instructional employees per management employee.
- **GMU**: 3.9 instructional employees per management employee.
- **VCU's aspirational peers**: 3.8 instructional employees per management employee.
- **ODU's aspirational peers**: 5.3 instructional employees per management employee.

The total spent on non-instructional employees was $4.6M in 2017. As of 1-10-21 the total salaries in the president’s cabinet totaled $4.6M. This figure also includes health system and university joint employees. If the report referenced from 2017 were to be updated for salary changes and inflation from the last 5 years it would likely be higher than that of VCU's current level.

**Commented [10]**: This statement is incorrect. Data from 2019 shows that our instructional staff as a percentage of the total staff are among the highest in the state:

**FY2019**

- **GMU**: Total FT Staff = 4,226, FT Instruction&Research = 1,568, Instruction&Research Share = 37.1%
- **ODU**: Total FT Staff = 2,490, FT Instruction&Research = 891, Instruction&Research Share = 35.8%
- **UVA**: Total FT Staff = 9,813, FT Instruction&Research = 2,731, Instruction&Research Share = 27.8%
- **VT**: Total FT Staff = 8,145, FT Instruction&Research = 2,745, Instruction&Research Share = 33.7%
- **VCU**: Total FT Staff = 6,458, FT Instruction&Research = 2,457, Instruction&Research Share = 38.0%

**Commented [11]**: This statement is incorrect. Data from 2019 shows that our instructional staff as a percentage of the total staff are among the highest in the state:

**Commented [12]**: This statement is untrue. Tenure and Tenure Track faculty numbers are not a part of any bond rating agency scorecards nor has it ever been regularly suggested that this metric is important to VCU’s bond ratings.

**Commented [13]**: Management outlays increasing from $45M in 2016 to over $87M in 2020 was directly related to the recording of Administrative Faculty to Management Staff from the HR redesign and unrelated to adding new positions. Overall, the average managerial salary has decreased from $128k to $101k.

**Commented [14]**: As of 1-10-21 the total salaries in the president’s cabinet totaled $4.6M. This figure also includes health system and university joint employees. If the report referenced from 2017 were to be updated for salary changes and inflation from the last 5 years it would likely be higher than that of VCU's current level.
When we look at just tenured/tenure-track faculty to administrators, VCU’s ratio further drops to 0.81:1, or more than one administrator per every tenured or tenure-track faculty member.

Key Information

- Every student at VCU pays $3398, or 27% of their tuition to management employees who do not directly contribute to the overall instruction.
- The most vulnerable students are those eligible for Pell Grants. The inflation-adjusted Pell Grant award has been almost flat at $6195 since 2013. However, the overall salary outlays for management employees at VCU increased 31% from 2016 to 2020.
- From 2019 to 2020, revenue from tuition increased by $13M while management salary outlays increased by 10.5M.
- Since 2015, VCU has seen the overall full-time student enrollment drop about 5% while the number of full-time instructional employees has remained unchanged. Since 2019, the number of management employees has increased 9.6%.
- According to data provided to the IPEDS system, in 2020 35% of all salary outlays were for 868 managerial employees, while only 45% of salary outlays were for the entire body of instructional employees.

VCU serves the Commonwealth by providing excellent educational opportunities to first-generation college students. Our mission states that we are an “urban public research institution dedicated to the success and well-being of our students.” However, the choices made to expand executive, administrative, and managerial staff, and their compensation, have been paid for by our students, particularly our most financially challenged students who are disproportionately likely to be first-generation college students and students of color. This development puts our mission at risk.
VCU and the National Conversation About College Price

- Benjamin Ginsberg, a professor of political science at the Johns Hopkins University has argued that universities would be better off with fewer administrators. The three-to-one ratio “makes a lot of sense,” Mr. Ginsberg said, because it would shift the staff balance in universities.
- Richard Vedder, director of the Center for College Affordability and Productivity and a professor of economics at Ohio University (a VCU peer institution) during testimony to US Senate budget committee in June 2014, said “shifting the balance back toward faculty is key to keeping universities’ missions focused on teaching, as opposed to becoming too focused on other activities, like business development or sustainability efforts. "We need to get back to basics," said Mr. Vedder. The basics are “teaching and research,” he said, “and we need to incentivize leaders of the universities to get rid of anything that’s outside of that.”
- Part-time positions of one year or less make up the largest share of non-tenure track positions at all types of institutions, ranging from 19% of all faculty positions at public research institutions to 50% of all faculty positions at community colleges. The employment status of these non-tenure track contingent faculty is tenuous, allowing institutions to hire and relieve most of their contingent instructional staff relatively quickly over a short period of time. Their precarity is harmful for all faculty and for the capacity of programs to fulfill their missions to students, and stabilizing adjunct and term faculty should be considered a priority by providing better pay and longer contracts.
- Contingent faculty have substituted for tenure or tenure-track faculty in most types of institutions. While the addition of contingent faculty has outpaced the loss of tenure or tenure-track faculty at private bachelor’s and master’s institutions, the rise in the use of contingent faculty has merely offset declines in tenure-line faculty at all other types of four-year institutions. At public community colleges, the decrease in the number of tenure-line faculty surpassed the growth in the number of contingent faculty, resulting in a net loss of 3 full-time equivalent (FTE) faculty per 1,000 FTE students.
- Colleges and universities with higher shares of contingent faculty also have higher shares of students at risk of noncompletion, particularly among private four-year institutions. Among private four-year colleges and universities, those with the largest shares of part-time students reported higher concentrations of contingent faculty. Likewise, private four-year institutions with the largest shares of Pell Grant recipients also reported higher concentrations of contingent faculty. Some evidence indicates that the intense workloads and high levels of precarity that affect adjuncts and other contingent faculty may also negatively affect student success outcomes (Bickerstaff & Chavarin, 2018). However, existing tenured faculty do not have the capacity to teach the course loads that contingent faculty currently cover and increasing course loads would further diminish positive student outcomes and compromise research productivity. Therefore, universities should rectify faculty precarity by offering longer and more robust contracts and benefits to their current contingent faculty members. Rather than running costly national searches for tenure-eligible positions, universities should seek to convert existing faculty from contingent to full time or tenure eligible.
Methodology

Publicly available data were obtained using the Integrated Postsecondary Education Data System (IPEDS). IPEDS is an annual data collection distributed by the Postsecondary Branch of the National Center for Education Statistics (NCES), a non-partisan center within the Institute of Education Sciences under the U.S. Department of Education. NCES is the primary federal entity for collecting and analyzing data related to education in the U.S. and other nations. IPEDS is a system of interrelated surveys conducted annually by the U.S. Department of Education’s National Center for Education Statistics (NCES). Institutions must complete the IPEDS surveys in eight areas: institutional characteristics; institutional prices; admissions; enrollment; student financial aid; degrees and certificates conferred; student persistence and success; and academic libraries, institutional, and human fiscal resources. These data are made available to students and parents through the College Navigator college search Web site and to researchers and others through the IPEDS Data Center. To learn more about IPEDS Survey components, visit https://nces.ed.gov/ipeds/use-the-data/survey-components.

The completion of all IPEDS surveys is mandatory for institutions that participate in or are applicants for participation in any federal student financial aid program (such as Pell grants and federal student loans) authorized by Title IV of the Higher Education Act of 1965, as amended (20 USC 1094, Section 487(a)(17) and 34 CFR 668.14(b)(19)).

Tuition, as reported to the IPEDS system, includes the average amount of money charged to students for instructional services. For this analysis, we concentrated on VCU’s average in-state tuition.

Additional data were obtained via a Freedom of Information Act Request of the Virginia Department of Human Resource Management for the salary information of all state employees with salaries over $50,000 per year at Virginia Commonwealth University, University of Virginia’s Main Campus, and Virginia Tech. Salary information used from the IPEDS system are for full-time, non-medical, instructional staff, and include base salaries only – no supplements, overloads, or bonuses. Additional stipends for administrative, managerial, or other responsibilities are NOT included in the salary outlays data for instructional staff. The excluded medical staff is any staff employed by or staff working in the medical school. This also does not include staff employed by or employees working strictly in a hospital associated with a medical school, or those who work in health or allied health schools or departments such as dentistry, nursing, or dental hygiene unless the health or allied health schools or departments are affiliated with (housed in or under the authority of) the medical school. Cash and Financial statements are

Data collected from the IPEDS surveys herein represent a direct statement of information provided to the NCES by VCU, without further interpretation.

There were no changes made to employee categories, university revenues, or salary outlays as reported by VCU.
publicly available from the September 2021 Board of Visitors meeting of the committee on finance and budget. Copies of the Moody's bond rating scorecards were obtained from Virginia Commonwealth University. Salary outlays were reported in the IPEDS human financial resources survey. The salary outlays used herein were for full-time non-medical instructional staff per academic year.

Data Used and Definitions

Institutions of higher education are required to report headcounts of graduate and undergraduate enrollment as well as staff numbers through the IPEDS system. Staff are classified in three general categories:

1. Instructional employees are those whose primary responsibility is instruction (i.e., faculty). For this analysis, the number of instructional employees does not take into account those faculty from the medical school whose primary responsibility is clinical or research. Instructional employees are broken down into full and part-time numbers as well as tenured, tenure track but not yet tenured, and non-tenure track numbers.

2. Executive/administrative/managerial employees are those whose primary responsibility is administration (i.e. deans, associate deans, vice presidents, etc.).

3. Non-instructional employees are those whose primary responsibility is university support through means other than teaching.

Selection of Peer institutions

The Carnegie Commission on Higher Education classifies Virginia Commonwealth University as an R1: Doctoral University - Very High Research Activity. VCU is one of four Virginia institutions to earn an R1 classification. The selection of peer institutions was matched to those provided by VCU’s Quest 2025 peer institutions, aspirational peers, and other Virginia R1 institutions. We routinely measure ourselves against these institutions to help track our progress toward VCU’s strategic plan goals.

**Peer Institutions**
- University of Cincinnati - Main Campus
- University of Louisville
- University of South Florida - Main Campus
- University of Alabama at Birmingham
- University of Illinois at Chicago
- University of South Carolina - Columbia

**Aspirational Peer Institutions**
- University of California - Los Angeles
- Florida State University
- University of Minnesota - Twin Cities
- University of Buffalo
- The Ohio State University - Main Campus
- University of Pittsburgh - Pittsburgh Campus

**Virginia R1 Peer Institutions**
- University of Virginia
- Virginia Polytechnic Institute and State University
- George Mason University
References

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Simon, C. Bureaucrats and buildings: The case for why college is so expensive, Forbes.com Sept 5, 2017

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Benjamin, E. How Over-reliance on contingent appointments diminishes faculty involvement in student learning, Association of American Colleges & Universities, Fall 2020


Drozdowski, M. The Plight of adjunct faculty on America’s Campus, Best Colleges, March 23, 2021

Bickerstaff, S. & Chavarin, O. Understanding the needs of part-time faculty at six community colleges, Community college research center, November 2018

Vedder, R. Can college be made more affordable? testimony before the committee on the budget, US senate, June 4, 2014

Ginsberg, B. The Fall of the Faculty: The Rise of the All-Administrative University and Why It Matters, Oxford University Press, 2011
Appendix 1: VCU data compared to the averages of our peers

<table>
<thead>
<tr>
<th>Institution/ year 2020</th>
<th>Virginia Commonwealth University</th>
<th>AVERAGES Among Quest 2025 and Virginia Peers</th>
<th>Among Aspiration peers</th>
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<tbody>
<tr>
<td>Total degrees awarded</td>
<td>7552</td>
<td>17444</td>
<td>12303</td>
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<tr>
<td>Total degree programs</td>
<td>156</td>
<td>321</td>
<td>253</td>
</tr>
<tr>
<td>Reported full-time equivalent (FTE) undergraduate enrollment</td>
<td>21177</td>
<td>44417</td>
<td>31499</td>
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<tr>
<td>Reported full-time equivalent (FTE) graduate enrollment</td>
<td>4586</td>
<td>12832</td>
<td>8260</td>
</tr>
<tr>
<td>Full-time equivalent fall enrollment</td>
<td>26707</td>
<td>57642</td>
<td>39862</td>
</tr>
<tr>
<td>Full-time instructional employees (excluding medical schools)</td>
<td>1278</td>
<td>2935</td>
<td>1923</td>
</tr>
<tr>
<td>Part-time instructional employees (excluding medical schools)</td>
<td>857</td>
<td>1200</td>
<td>823</td>
</tr>
<tr>
<td>Full-time non-instructional staff - number</td>
<td>3521</td>
<td>8244</td>
<td>7604</td>
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<tr>
<td>Instructional employees (excluding medical schools), faculty with tenure or on tenure track</td>
<td>708</td>
<td>2000</td>
<td>1411</td>
</tr>
<tr>
<td>Instructional employees (excluding medical schools), faculty not on tenure track</td>
<td>1425</td>
<td>2066</td>
<td>1151</td>
</tr>
<tr>
<td>Management - number</td>
<td>868</td>
<td>1133</td>
<td>942</td>
</tr>
<tr>
<td>Graduate assistants (excluding medical schools)</td>
<td>834</td>
<td>3757</td>
<td>2657</td>
</tr>
<tr>
<td>Institution/year 2020</td>
<td>Virginia Commonwealth University</td>
<td>Among Quest 2025 and Virginia Peers</td>
<td>Among Aspirational peers</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------------------</td>
<td>-----------------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>Total Instructional Employees salary outlays</td>
<td>$125,127,494</td>
<td>$330,939,524</td>
<td>$244,012,714</td>
</tr>
<tr>
<td>Full-time non-instructional staff - outlays</td>
<td>$243,016,365</td>
<td>$546,063,817</td>
<td>$513,420,206</td>
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<tr>
<td>Management - outlays</td>
<td>$87,547,533</td>
<td>$133,622,191</td>
<td>$110,791,260</td>
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<tr>
<td>Total state appropriations</td>
<td>$270,852,010</td>
<td>$450,047,128</td>
<td>$547,430,191</td>
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<tr>
<td>Revenue from Tuition and fees, after deducting discounts and allowances</td>
<td>$356,255,280</td>
<td>$840,120,259</td>
<td>$614,568,725</td>
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<tr>
<td>In-state average tuition for full-time undergraduates</td>
<td>$12,177</td>
<td>$21,575</td>
<td>$10,883</td>
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<tr>
<td>Out-of-state average tuition for full-time undergraduates</td>
<td>$32,825</td>
<td>$61,470</td>
<td>$30,078</td>
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</table>
## Appendix 2: VCU IPEDS data from 2016-2020

<table>
<thead>
<tr>
<th>Survey year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td><strong>Total degrees awarded</strong></td>
<td>7420</td>
<td>7588</td>
<td>7506</td>
<td>7379</td>
<td>7552</td>
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<tr>
<td><strong>Full-time equivalent fall enrollment</strong></td>
<td>27466</td>
<td>27490</td>
<td>27282</td>
<td>27399</td>
<td>26707</td>
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<tr>
<td><strong>Full-time instructional employees</strong>, faculty tenured or on tenure track</td>
<td>680</td>
<td>686</td>
<td>708</td>
<td>727</td>
<td>707</td>
</tr>
<tr>
<td><strong>Full-time instructional employees</strong>, faculty not on tenure track</td>
<td>510</td>
<td>527</td>
<td>536</td>
<td>557</td>
<td>569</td>
</tr>
<tr>
<td><strong>Part-time instructional employees</strong></td>
<td>857</td>
<td>883</td>
<td>912</td>
<td>874</td>
<td>857</td>
</tr>
<tr>
<td><strong>Full-time non-instructional staff - number</strong></td>
<td>3112</td>
<td>3122</td>
<td>3256</td>
<td>3392</td>
<td>3521</td>
</tr>
<tr>
<td><strong>Graduate assistants (excluding medical schools)</strong></td>
<td>836</td>
<td>867</td>
<td>887</td>
<td>834</td>
<td>834</td>
</tr>
<tr>
<td><strong>Management - number</strong></td>
<td>354</td>
<td>228</td>
<td>249</td>
<td>785</td>
<td>868</td>
</tr>
<tr>
<td><strong>Salary outlays - total</strong></td>
<td>$103,702,659</td>
<td>$107,700,428</td>
<td>$115,009,234</td>
<td>$118,890,899</td>
<td>$125,127,494</td>
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<tr>
<td><strong>Full-time non-instructional - outlays</strong></td>
<td>$189,851,894</td>
<td>$192,646,252</td>
<td>$208,272,816</td>
<td>$221,085,795</td>
<td>$243,016,365</td>
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<tr>
<td><strong>Management - outlays</strong></td>
<td>$45,368,017</td>
<td>$33,630,122</td>
<td>$36,641,148</td>
<td>$77,001,359</td>
<td>$87,547,533</td>
</tr>
<tr>
<td><strong>Total state appropriations</strong></td>
<td>$230,869,666</td>
<td>$256,173,107</td>
<td>$278,093,185</td>
<td>$291,281,124</td>
<td>$270,852,010</td>
</tr>
<tr>
<td><strong>Core revenues, total dollars (GASB)</strong></td>
<td>$890,225,313</td>
<td>$915,859,947</td>
<td>$998,590,651</td>
<td>$990,909,896</td>
<td>$997,264,534</td>
</tr>
<tr>
<td><strong>Core expenses, total dollars (GASB)</strong></td>
<td>$815,610,258</td>
<td>$859,999,736</td>
<td>$886,570,229</td>
<td>$937,414,339</td>
<td>$949,820,539</td>
</tr>
<tr>
<td><strong>Revenue from tuition and fees</strong></td>
<td>$312,809,796</td>
<td>$323,586,088</td>
<td>$336,426,527</td>
<td>$343,183,127</td>
<td>$356,255,280</td>
</tr>
<tr>
<td><strong>In-state average tuition for full-time undergraduates</strong></td>
<td>$10,669</td>
<td>$10,846</td>
<td>$10,972</td>
<td>$12,177</td>
<td>$12,177</td>
</tr>
<tr>
<td><strong>Out-of-state average tuition for full-time undergraduates</strong></td>
<td>$28,735</td>
<td>$29,378</td>
<td>$29,824</td>
<td>$32,825</td>
<td>$32,825</td>
</tr>
</tbody>
</table>

**Commented [19]:** This increase may be in part due to the increase of research funding from $275M in 2016 to $335M in 2020 (22% increase). The increase in research funding means the number of staff assigned to research also increases.

**Commented [20]:** As stated in the preamble, for 2019 and 2020 increases are directly a result of VCU’s HR Redesign. 2019 and 2020 “management” numbers include former AP Faculty (now UAP employees) who were not previously included.
EXECUTIVE SUMMARY OF PROPOSED POLICY:
Alcohol & Other Drugs

New Policy ☐ or Substantive Revision ☒
Policy Type: Board of Visitors
Responsible Office: Division of Student Affairs, VCU Human Resources, Office of the Provost
Draft Date: 06/11/2021
Initial Policy Approved: 09/1991
Revision History:
- 09/1991 VCU Alcohol and Drug Policy
- 11/10/1999 VCU Alcohol and Drug Policy
- 5/17/2002 VCU Alcohol and Drug Policy
- 11/16/2006 VCU Alcohol and Drug Policy
- 5/09/2014 Alcohol and Other Drugs
- 03/22/2018 Alcohol and Other Drugs (9/1/2020: Minor revision to update hyperlinks and office names]

Governance Process Tracking:
Integrity & Compliance Office Review: 05/28/2021
University Counsel Review: 06/09/2021
Public Comment Posting: 8/26/2021
University Council Academic Affairs and University Policy Committee Review: 10/28/2021
University Council Review: 11/04/2021
President’s Cabinet Approval:
Board of Visitors Approval (if applicable):

1. Why is this policy being created ☐ or revised ☒?

To comply with the Drug Free Campuses and Schools Act, the alcohol and other drug policy must be reviewed and revised as appropriate in even numbered years. Per the federal statute, the AOD Task Force appointed by the Provost reviewed the AOD policies and practices and reviewed and revised the AOD policy as necessary. This revised policy is a result of that process.

2. New policy ☐
☐: What are the general points or

The substantive changes to the policy are as follows:
• Provided clarity about the offices with authority to interpret and apply the policy based upon the relationship of the individual with the institution. Specifically, the Assistant Vice President for Human Resources will interpret and apply
2. What are the substantive differences between this draft and the current policy?

Revised policy ☒: What are the substantive differences between this draft and the current policy?

- Marijuana was specifically clarified in the policy to account for recent changes in state law within Virginia. Similar to institutions located in states that have previously decriminalized marijuana, the policy recognizes marijuana is still a controlled substance according to federal law, and as such, we treat it according to that guidance in order to ensure compliance with the Drug Free Campuses and Schools act. Not doing so could potentially jeopardize federal funding.
- A medical amnesty policy has specifically been included, which is modeled upon the policy in the Title IX policy as well as state law providing similar amnesty for individuals seeking assistance for overdoses. This policy provides an opportunity for educational sanctions, but allows students to seek help for themselves or others without fear of student conduct sanctions for any students involved who may have engaged in prohibited conduct as described in this policy.
- Off-campus policy enforcement for employees was clarified that the prevailing policy for such conduct would be the VCU Criminal Convictions Investigations Policy.

3. Which stakeholder offices or personnel have provided input into this policy draft?

The following offices and personnel were consulted:
- Senior Vice Provost for Faculty Affairs
- Alcohol and Other Drugs Task Force
- Collegiate Recovery
- University Counseling Services
- VCU Police Department
- Office of Student Conduct and Academic Integrity
- Residential Life and Housing
- VCU Human Resources
- University Counsel
- VCU College and Behavioral Health Institute
- Division of Student Affairs
- Office of the Provost
- Office of the Dean of Students
- VCU Health Human Resources
- Alcohol and Other Drugs Advisory Committee

4. Which other universities’ policies or resources (e.g., laws, regulations, etc.) did you consider?

We considered the following:
- Drug-Free Workplace Act of 1988 and implementing regulations at 34 CFR Part 84, [https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=0593ca209d0a62cb0ba6f0729262fe6c&mc=true&r=PART&n=pt34.1.84](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=0593ca209d0a62cb0ba6f0729262fe6c&mc=true&r=PART&n=pt34.1.84)
consider when preparing this draft?

<table>
<thead>
<tr>
<th>Title</th>
<th>Relevant Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>title20-chap28-subchap1-partB-sec1011i</td>
<td>and its implementing regulations at 34 CFR Part 86, <a href="https://www.ecfr.gov/cgi-bin/text-idx?SID=393301a7cdccca1ea71ff8aae51824e7&amp;node=34:1.1.1.1.30&amp;rgn=div5">https://www.ecfr.gov/cgi-bin/text-idx?SID=393301a7cdccca1ea71ff8aae51824e7&amp;node=34:1.1.1.1.30&amp;rgn=div5</a></td>
</tr>
<tr>
<td>• Commonwealth of Virginia Policy on Alcohol and Other Drugs (Employees only)</td>
<td><a href="http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/assets/pol1_05alcoholanddrugssummary.pdf?sfvrsn=2">http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/assets/pol1_05alcoholanddrugssummary.pdf?sfvrsn=2</a></td>
</tr>
<tr>
<td>• VCU Policy: <strong>Family and Medical Leave</strong></td>
<td></td>
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<tr>
<td>• VCU Policy: <strong>Accessibility and Reasonable Accommodation for Individuals with Disabilities</strong></td>
<td></td>
</tr>
<tr>
<td>• VCU Policy: <strong>Faculty Promotion and Tenure Policies and Procedures</strong></td>
<td></td>
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<tr>
<td>• VCU Policy: <strong>Administrative and Professional Faculty and Faculty Holding Administrative Appointments</strong></td>
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<tr>
<td>• VCU Policy: <strong>Student Code of Conduct</strong></td>
<td></td>
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<tr>
<td>• Guide to Residential Living (updated annually)</td>
<td></td>
</tr>
<tr>
<td>• Procedures for Parental Notification</td>
<td></td>
</tr>
<tr>
<td>• VCU Policy: <strong>Preventing and Responding to Discrimination</strong></td>
<td></td>
</tr>
</tbody>
</table>

5. What is your general assessment of this policy's impact on the university community?

The impact is broad and wide-ranging, as it impacts how various conduct policies related to alcohol and other drugs are administered. Specifically, the additions of a medical amnesty policy for students and clarifying how marijuana use is handled under this policy are important for the community to know and understand.

6. What is your plan to implement this new policy or policy revision (e.g., raise awareness and train relevant audiences and monitor for compliance)?

As part of the Drug-Free Schools and Campuses act, we are required to provide an annual notice to this policy, which we will continue to do. This will occur in the fall semester. New students will also be provided with this information as part of a new program being developed by the Division of Student Affairs to implement Alcohol.Edu as part of orientation.
Alcohol and Other Drugs

Policy Type: Board of Visitors
Responsible Office: Division of Student Affairs, Office of the Provost, Human Resources
Initial Policy Approved: 09/1991
Current Revision Approved:

Policy Statement and Purpose

The purpose of this policy is to promote the health, safety and welfare of members of the Virginia Commonwealth University community and the public served by the university. VCU recognizes that substance use disorders are treatable medical conditions. As such, this policy balances the need for VCU to support individuals seeking recovery with the safety and health of the entire university population. This policy encourages help-seeking while also outlining consequences for violation of the community standards for conduct, specifically standards regarding unauthorized substance use. To support our students and employees, VCU’s policy:

- Encourages all members of the community to attend to the safety and well-being of each other and actively seek help for an alcohol or other drug related emergency.
- Encourages individuals to seek help if they are concerned that they or their family members may have a drug and/or alcohol problem.
- Encourages individuals to use the services of qualified professionals in the community to assess the seriousness of substance use disorders and identify appropriate sources of help.
- Provides a current list of VCU resources.
- Allows the use of accrued paid or unpaid leave for employees while seeking treatment for substance use disorders.

In accordance with the federal and state law/policy, VCU prohibits the unlawful possession, use, or distribution of drugs and alcohol by students and employees on university property, or as part of or affecting any university activity. Marijuana (cannabis) is a controlled substance under federal law and therefore its possession, use, or distribution is prohibited by this policy as a drug, regardless of any law of the Commonwealth of Virginia that may permit its possession or use. For students, as stated in the Student Code of Conduct, the Director of Student Conduct and Academic Integrity or designee shall decide at their sole discretion on a case-by-case basis whether the Student Code of Conduct shall be applied to conduct occurring off campus, including conduct prohibited by this policy. For employees, VCU Human Resources will review any violations of this policy occurring off campus in accordance with VCU Criminal Convictions.
Investigations Policy. The conduct described in this paragraph is referred to in this policy as Prohibited Conduct.

Any employee or student who violates this policy is subject to disciplinary action up to and including termination of employment or expulsion from the university under applicable university employee or student conduct policies. In addition, to promote the safety of members of the University community, VCU may refer information related to such a violation to appropriate law enforcement officials and/or require satisfactory participation in an appropriate evaluation or rehabilitation program.

In accordance with the law and university policies on (1) Preventing and Responding to Discrimination and (2) Accessibility and Reasonable Accommodation, VCU does not discriminate on the basis of disability in admission, employment or access to its programs and activities and provides reasonable accommodation for individuals with disabilities.

VCU supports an environment free from retaliation. Retaliation against any individual who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.

**Table of Contents**

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Who Should Know This Policy

All VCU faculty, staff and students are responsible for knowing this policy and familiarizing themselves with its contents and provisions.

Definitions

Amnesty: The offering of protection from discipline under university policies to individual(s) involved in a potential violation of a law or policy when certain conditions are met.

Employee: For the purpose of this policy, any person (faculty and/or staff) with a direct employment relationship with VCU, including those who work on a part-time or temporary basis. An individual can hold a status as both a student and employee. Cases arising under this policy will be addressed consistent with the role principally held by such individuals in the context of the alleged incident.

Prohibited Conduct: The unlawful possession, use, or distribution of drugs and alcohol by students and employees on university property, or as part of or affecting any university activity. Marijuana (cannabis) is a controlled substance under federal law and therefore its possession, use, or distribution is prohibited by this policy as a drug, regardless of any law of the Commonwealth of Virginia that may permit its possession or use.

Recovery: Beyond changing an individual’s use of substances, it is a deeper process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.

Student: The term “Student” includes all persons taking courses through VCU, either full-time or part-time, on-line or in-person, single or dual enrolled, pursuing undergraduate, graduate or professional studies. “Student” also includes all persons who withdraw after allegedly violating university policy, persons who are not enrolled officially for a particular term but who have not officially withdrawn from the university, persons who have been notified of their acceptance for admissions, and persons living in VCU residence halls regardless of course enrollment.

Substance Use Disorder: The current terminology used in the DSM-V to cover a wide range of issues or symptoms that potentially develop when individuals use alcohol or other drugs.

University Property: Any property owned, leased, or controlled by Virginia Commonwealth University.

Workplace: Any state-owned or -leased property or any site where official duties are being performed by a VCU employee.

Contacts

The Senior Vice Provost for Student Affairs officially interprets this policy for students, the Assistant Vice President for Human Resources officially interprets this policy for staff, and the Senior Vice Provost for Faculty Affairs officially interprets this policy for faculty. The Assistant Vice Provost for Health and Wellness with the Division of Student Affairs is responsible for obtaining approval for any revisions through the...
appropriate governance structures. Please direct general policy questions to the Division of Student Affairs 804-828-1244.

Policy Specifics and Procedures

Education and Resources

● The Office of the Provost and VCU Human Resources will distribute at least annually in writing to all employees and students this policy, together with information regarding alcohol and other drug counseling, treatment and rehabilitation programs, descriptions of the health risks associated with alcohol and other commonly misused drugs, and descriptions of applicable legal sanctions under state and federal law for the unlawful possession or distribution of controlled substances, illegal drugs, and alcohol.

● Specific resources at the university and in the surrounding community for employees and students needing additional information or support related to an alcohol or other drug use issue are regularly updated and can be accessed through the VCU Alcohol and Other Drug Resources and FAQ page.

● Educational information on the health risks of alcohol and other drugs is publicly available and regularly updated by the Advisory Committee on Alcohol and Other Drugs.

● The provost-appointed Advisory Committee on Alcohol and Other Drugs will write a biennial report in even years reviewing the program’s educational effectiveness and the consistency of enforcement sanctions.

Accessing Support and Treatment for Recovery

● VCU recognizes that substance use disorders are treatable illnesses. VCU also realizes that early intervention and support improve the success of rehabilitation.

● Specific resources at the university and in the surrounding community for employees and students with a substance use disorder are regularly updated and can be accessed through the VCU Alcohol and Other Drug Resources and FAQs page.

● In accordance with the law, VCU does not discriminate on the basis of disability in admission, employment, or access to its programs and activities and provides reasonable accommodation for individuals with disabilities. Current illegal drug use is excluded from the definition of disability under the Americans with Disabilities Act (ADA), but substance use disorder may be a covered disability. An individual with a disability may include a person who is in or has completed a drug treatment program or has been otherwise rehabilitated and is no longer using drugs. Contact VCU’s ADA Coordinator at (804) 828-8532 or ADAservices@vcu.edu.

● Additional assistance for students:
  o Students can contact the Dean of Students Office to learn more about requesting a medical leave of absence.

● Additional procedural assistance for employees:
  o An employee eligible for family and medical leave (FMLA) shall be permitted to take a leave of absence to undergo treatment in an approved alcohol or drug treatment program. A request for leave by an employee who is ineligible for FMLA will be considered on a case by case basis.
Relevant Federal and State Legal Sanctions

Members of the VCU community are subject to and should be aware of the potential consequences for conduct involving drugs and alcohol under state and federal law. As required by the Federal Drug-Free Schools and Communities Act of 1989, some of the pertinent laws and references to sanctions are referenced below.

Virginia law

Title 18.2 of the Code of Virginia describes crimes and penalties. An offense is generally classified in the Code of Virginia as a misdemeanor or a felony, depending upon the type and the amount of the substance(s) involved. Penalties can include both civil and criminal and range in severity from fines to loss of driver’s license to imprisonment.

https://law.lis.virginia.gov/vacode/title18.2/

Virginia's Alcohol Beverage Control Act contains a variety of provisions governing the possession, use and consumption of alcoholic beverages: https://www.abc.virginia.gov/enforcement/virginia-codes-and-regulations

Federal law

The U.S. Department of Justice’s Drug Enforcement Administration (DEA) enforces the federal Controlled Substances Act, 21 U.S.C. §§ 801 et seq. Part D describes offenses and penalties.

https://www.deadiversion.usdoj.gov/21cfr/21usc/

Policy Enforcement for Employees

- Employees are prohibited from engaging in any of the following acts:
  - The unlawful possession, use, or distribution of drugs and/or alcohol on university property, or as part of any university activity, or off campus.
  - Reporting to or remaining at work impaired by or under the influence of alcohol or drugs except from the use of drugs for legitimate medical purposes
  - Violation of any criminal drug law based upon conduct occurring either in or outside the workplace
  - Violation of any law that governs driving while intoxicated based upon conduct occurring in the workplace

- Supervisors are required to immediately report such occurrences to Human Resources, Office of Employee Relations.
- Violation of any of the foregoing prohibitions may subject an employee to disciplinary action including, but not limited to termination or suspension, in accordance with applicable state and university policies.
- Employees are also subject to the VCU Criminal Convictions Investigations Policy, which may include alcohol or other drug related criminal convictions.
Policy Enforcement for Students

- A student found responsible for Prohibited Conduct is subject to disciplinary action up to and including expulsion from the university in accordance with university policies, including the Student Code of Conduct and applicable Residential Life and Housing policies.
  - Medical Amnesty: If a student seeks medical assistance for themselves or others due to the use of alcohol or drugs, neither the student seeking assistance nor the student needing aid will be subject to disciplinary action by the university for prohibited conduct under this policy. In these circumstances, the university reserves the right to mandate that the student(s) participate in academic programming or a medical intervention related to alcohol or drug use. In the case of a student with additional university responsibilities (i.e. teaching assistants or resident advisers) potential disciplinary action may occur as stated in the policies related to those additional responsibilities.

- As a result of any violation of this policy, a student may be referred to an appropriate educational, evaluation or rehabilitation program or offered community service, in lieu of suspension or dismissal. Satisfactory participation in any such program is to be determined by the appropriate university official who may consult with the individual or organization providing the evaluation or rehabilitation program, coordinating the community service, and/or conducting the educational program. Participation in any such program may postpone completion of degree requirements.

- When students under the age of 21 are found responsible for violating alcoholic beverage and/or drug laws or policies, VCU may notify their parent or guardian of such violations at the time of the notification in accordance with the Family Educational Rights and Privacy Act (FERPA).

Procedures for University Events Where Alcohol Is Served

- Students, employees, contractors, and guests must conduct themselves in accordance with the laws of the Commonwealth of Virginia and assume full responsibility for their activities while sponsoring or attending university events where alcohol is served.

- Individuals who host or organize a university event, on- or off-campus, where alcohol is served must:
  - Comply with applicable federal law, state law, and Virginia ABC regulations
  - In conducting an event, complete the following:
    - Request and complete the Alcohol Authorization Agreement form by emailing uscaevent@vcu.edu.
    - Execute an agreement with a third party vendor with an ABC license setting forth that the vendor is responsible for adhering to applicable laws and regulations. (Obtaining an ABC license rather than using a third party vendor requires special exemption from the Senior Vice Provost for Student Affairs or designee).
    - Pay security costs incurred in connection with the event. For events on University property, VCU Police determine the cost and the level of security required.
    - The event must be in accordance with the Office of Procurement Services Allowable Expenditures and Required Documentation Chart, including utilizing only local or private funds to pay for the purchase of alcoholic beverages. There must be a clear business purpose for the function that supports the university’s mission and is approved by the appropriate leadership (e.g., chair/director and...
Alcohol and Other Drugs 7 DRAFT Policy Revisions

For university events, any publication, advertisement or announcement whose actual or intended recipients are primarily persons under 21 years of age must not mention or depict alcoholic beverages. Distribution of any publication, advertisement or announcement that mentions or depicts alcoholic beverages should be limited primarily to persons 21 years of age or older and such publication, advertisement, or announcement must contain a requirement of proof of age.

Related Documents

1. Drug-Free Workplace Act of 1988 and implementing regulations at 34 CFR Part 84, https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=0593ca209d0a62cb0ba6f0729262fe6c&mc=true&r=PART&n=pt34.1.84
3. Commonwealth of Virginia Policy on Alcohol and Other Drugs (Employees only) http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/assets/pol1_05alcoholanddrugssummary.pdf?sfvrsn=2
4. VCU Policy: Family and Medical Leave
5. VCU Policy: Accessibility and Reasonable Accommodation for Individuals with Disabilities
7. VCU Policy: Faculty Promotion and Tenure Policies and Procedures
8. VCU Policy: Administrative and Professional Faculty and Faculty Holding Administrative Appointments
9. VCU Policy: Student Code of Conduct
10. Guide to Residential Living (updated annually)
11. Procedures for Parental Notification
12. VCU Policy: Preventing and Responding to Discrimination

Revision History

This policy supersedes the following archived policies:

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<th>Approval/Revision Date</th>
<th>Title</th>
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<td>09/1991</td>
<td>VCU Alcohol and Drug Policy</td>
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<td>11/10/1999</td>
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<tr>
<td>11/16/2006</td>
<td>VCU Alcohol and Drug Policy</td>
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FAQs

Will the VCU Police Department enforce federal or state law regarding marijuana?

The VCU Police Department is a law enforcement entity under the laws of the Commonwealth of Virginia. Therefore, the Department will enforce Virginia law. The VCU Police Department will, upon request, assist or support federal law enforcement if necessary. For more specific information please contact the VCU Police Department directly.

Under this policy are university employees subject to discipline from VCU for activities involving drugs or alcohol that occur off campus?

Under this policy employees are subject to discipline for the unlawful possession, use, or distribution of drugs and/or alcohol. Whether the possession, use or distribution of drugs and/or alcohol is unlawful is subject to decision of law enforcement and the respective federal or state court.

Other Frequently Asked Questions related to this policy are regularly updated and can be accessed through the VCU Alcohol and Other Drug Resources and FAQ page.
Tax-Exempt Debt Compliance

Policy Type: Board of Visitors
Responsible Office: Treasury Services
Initial Policy Approved: 02/09/2012
Current Revision Approved: TBD

Policy Statement and Purpose

This policy provides a framework for complying with federal laws and regulations relating to the issuance and post-issuance monitoring of tax-advantage or tax-exempt bonds (collectively, “tax-exempt”). The purpose of this policy is to identify the compliance areas of tax-exempt bond financing and define the university's policy to fulfill all requirements in these areas during both pre- and post-issuance processes. This policy provides guidance to university employees involved in tax-exempt financings or active in the facilities so financed in order to understand and carry out their roles in this compliance.

The university relies heavily on the tax-exempt bond market to finance a portion of the university’s capital projects. The consequences of non-compliance can be severe and can include the retroactive loss of tax-exempt status, significant liability to the IRS or bondholders, reputational damage, and the inability to access the tax-exempt bond market in the future.

Accordingly, this policy addresses the following areas:

- Identification of applicable Internal Revenue Code provisions and Treasury rules and regulations relating to tax-exempt debt compliance (collectively, the "Tax Rules");
- Definition of the university’s policy for complying with applicable rules and regulations to safeguard against violations that may result in penalty or the loss of the tax-exempt status of its bonds;
- Assignment of responsibility for tax-exempt bond compliance to specific departments to maintain continuity and ensure that sufficient information is routinely identified, maintained and shared as appropriate between departments; and,
- Identification of the university’s continuing disclosure requirements and establish procedures for providing annual disclosure, "event disclosure" and voluntary disclosure through the Electronic Municipal Market Access ("EMMA") system.

Compliance with the policy ensures that (1) the proceeds of tax-exempt bonds are spent as required by...
both the bond documents and the Tax Rules and (2) the buildings and equipment financed by tax-exempt bonds do not have impermissible amounts of third-party use. The bond documents and tax rules detail the requirements requiring the timely expenditure of bond proceeds the evaluation of investment "arbitrage" arising from the investment of bond proceeds prior to their expenditure and the limitations on third-party use.

The university recognizes compliance with Tax Rules is fluid. Accordingly, the policy requires on-going monitoring and will be reviewed periodically and modified as necessary by the Treasurer.

Oversight

VCU's Treasurer is responsible for administering and overseeing the day-to-day aspects of the program as well as supporting the Bond Compliance Community which consists of individuals from the following departments: Treasury Services, Facilities Management Division (FMD), the Controller's Office, Development and Alumni Relations, Contracts Team in Procurement Services, Capital Assets and Real Estate, University Relations and the Office of Research and Innovation. Additionally, individuals from any university department which occupies space financed with tax-exempt bonds will provide required compliance data. For pre- and post-issuance compliance requirements, this Bond Compliance Community shall provide information concerning any space currently or prospectively financed with tax-exempt bonds to ensure compliance with the applicable Tax Rules.

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.

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Who Should Know This Policy

- Vice Presidents and other Senior Executives
  - Vice Provosts, Deans, Directors, and Department Heads
  - The Bond Compliance Community
Definitions

501(c)3 Bonds - federally tax-exempt bonds issued on behalf of a nonprofit organization, such as the Virginia Commonwealth University Real Estate Foundation, to finance a capital project or for other purposes permitted by the Internal Revenue Code.

Arbitrage - the investment gain made by investing the proceeds of tax-exempt bonds in higher yielding investments, often taxable investments.

Arbitrage Rebate Consultant – professional firm engaged to measure and verify arbitrage earned and rebate obligations under IRS Treasury rules in compliance with a specific tax-exempt debt issue.

Bad Use - use of tax-advantage financed facility by or for benefit of third-party entities which may include non-profit or for-profit entities, or the Federal Government. There are special rules relating to use for sponsored research. Management and development contracts with private parties also can create bad use.

Bond Compliance Community – VCU staff engaged in oversight and reporting of various aspects of tax-exempt bond compliance including, but not limited to, contracts with third parties, authorizations, validation and approval of expenditures, measurement of tax compliance, evaluation and reporting of third-party use.

Electronic Municipal Market Access System ("EMMA") – electronic repository of municipal bond data maintained by the Municipal Securities Rulemaking Board. EMMA serves as the official source for municipal securities disclosures and related market data in the United States. EMMA provides free on-line access to centralized new issue municipal securities disclosure documents (known as official statements), on-going continuing disclosures for all municipal securities and other required information for the benefit of and disclosure to investors.

Good Use also known as Government Use – use of tax-advantage financed facility exclusively by the university, a state or local governmental unit or the general public, or in the case of 501(c)(3) bonds, by a private charitable organization in connection with its charitable activities.

Governmental Unit or Person – State or municipal government or agency, including certain related entities, but excluding the federal government.

Government Bonds - bonds issued by a governmental entity, such as Virginia Commonwealth University, to support spending and obligations. These bonds can be taxable or tax-exempt.

Private Business Use – See “Bad Use”.

Tax-Advantage Bonds - Debt obligations which carry some form of tax “advantage” for the issuer or investor of the security. This policy will refer to Tax-Advantage Bonds as “Tax-Exempt Bonds”, which is most commonly used in financing markets. See “Tax-Exempt Bonds.”

Tax-Credit Bonds - Debt obligations where the bondholder may receive, in lieu of interest payments, a credit against federal income tax or the issuer can receive a subsidy towards the interest payment. This
policy will refer to Tax-Advantage Bonds as “Tax-Exempt Bonds”, which is most commonly used in financing markets. See “Tax-Exempt Bonds.”

Tax-Exempt Bonds - Debt obligations which carry a tax advantage for the investor as interest is excluded from gross income for federal income tax purposes. Such interest may or may not be exempt from state income or personal property taxation in the jurisdiction where issued or in other jurisdictions. Tax-Exempt Bonds may also include Tax-Advantage and Tax-Credit Bonds.

Tax Rules - applicable Internal Revenue Code provisions and Treasury rules and regulations relating to tax-exempt debt compliance.

Third-Party– any party other than a related governmental unit; The Commonwealth of Virginia and its agencies, including other institutions of higher education, are not third-party to Virginia Commonwealth University.

Contacts

The Office of Treasury Services within the Office of the Senior Vice President and Chief Financial Officer officially interprets this policy and is responsible for obtaining approval for any revisions as required by the policy Creating and Maintaining Policies and Procedures through the appropriate governance structures. Please direct policy questions to Treasury Services. Treasury Services is responsible for responding to inquiries by investors, rating agencies and other outside parties relating to the status of projects, the financial condition of the University and any other events that may affect investors. All such inquiries should be referred to the Treasurer.

Policy Specifics and Procedures

Pre-Issuance:

Tax-Exempt Bond compliance begins with the proper planning for debt issuances. While capital projects can be proposed and approved at any time, it is expected that the majority will be identified during the biennial updates to the University’s six-year capital plan which is approved by the Board of Visitors. Once senior management has recommended the project for debt issuance, the following authorizations are generally required to be in place prior to any debt issuance:

**Authorization of Debt** — All indebtedness incurred by the university, whether tax-exempt or taxable, must be authorized by the Board of Visitors.

**Declaration of Intent to Borrow and Reimbursement Resolution** — While the Tax Rules restrict the ability of the University to use bond proceeds to reimburse itself for costs incurred prior to the issuance of the Bonds, the university can in many circumstances preserve the right to reimburse itself for current expenditures with the proceeds of future bonds by passing a qualifying “reimbursement resolution” or adopting a qualifying expression of intent to reimburse. The Board of Visitors has authorized the Senior Vice President and CFO to take such action. In general, bond proceeds can be used for reimbursement for prior costs within 18 months after the project is "placed in service" but in no event later than three years after the date of the expenditures. The reimbursement clause applies to expenditures made up to 60 days
prior to the reimbursement resolution. There are exceptions for certain preliminary costs, such as architects' and engineering fees.

**State Authorization** – Legislative approval is required as well as approval by the Treasury Board in accordance with § 2.2-2416 of the Code of Virginia for any debt issued through a State authority. However, under the Management Agreement dated March 12, 2008 (as amended and renewed from time to time) between the Commonwealth of Virginia and the Board of Visitors of the Virginia Commonwealth University, the university has the authority to issue bonds, notes or other obligations that do not constitute state tax-supported debt with only the Board of Visitors' approval.

**Legal Opinions** – Legal counsel is required to provide a legal opinion on debt authorizations and the effect on the tax-exempt status of the debt being issued. For new bond issues, bond counsel opines on the validity and tax-exempt status of the bonds, while University counsel opines on due authorization of the bonds and compliance with existing bond documents and similar restrictions.

**Tax Certificate** – A Tax Certificate, also known as an Arbitrage Certificate, is required to properly document the validity and tax-exempt status of the financing and to identify compliance requirements with applicable laws and regulations during the time of issuance. This Certificate sets forth the university's expectations as to the use of bond proceeds and will be reviewed by an official familiar with the project being financed, the cost components and the schedule. For bonds issued by another entity for the benefit of the university (such as The Treasury Board for 9(c) Bonds or the Virginia College Building Authority for certain 9(d) Bonds), similar certificates are required. Review of the proposed use of the facility will also engage the future occupants as well as FMD to estimate bad use in consideration of issuing taxable bonds.

Treasury Services will manage the pre-issuance process including the drafting, review, and development of any needed resolutions, write-ups, financial feasibility studies or other materials.

**Post Issuance:**

For bonds to continue to qualify for tax-exempt status, the applicable detailed provisions in the Tax Rules must be satisfied. Accordingly, post-issuance debt compliance generally falls into the following categories:

- Expenditure and allocation of bond proceeds
- Investment of bond proceeds and payment of rebate, if any, to the U.S. Government
- Use of bond financed project (private use) and compliance with remedial action in case of a “change in use”
- Disclosure and other filing requirements
- Record retention, and
- Training.

If the potential to fail to comply with post issuance compliance activities is identified, the Treasurer will seek the advice of qualified bond counsel in order to assess the need to take remedial actions described under section 1.141-12 or 1.148 of the Income Tax Regulations or enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31.

**Expenditure and Allocation of Bond Proceeds**

Bond proceeds can only be used for eligible related project costs in accordance with applicable federal law and the restrictions of the bond documents. The spending of bond proceeds and related investment
earnings toward eligible project costs must be tracked to ensure they are used for qualified purposes. Bond proceeds are intended to be disbursed for the following expenditures:

- Project Costs
- Capitalized Interest
- Bond Issuance Costs

Under bond counsel direction, in certain circumstances bond proceeds may also be used for principal payments on the bonds.

FMD is responsible for verifying that bond proceeds are spent on qualified expenditures and maintaining related payment records. FMD will have the accounting documentation be made part of the permanent records for the particular bond transaction. At the conclusion of a project, Treasury Services will compile a final accounting, documenting the use of all bond proceeds, related investment earnings and equity by project. There are rules that permit a reallocation of use of bond proceeds if action is taken not later than 18 months after the later of the date of the expenditure or the date the project is placed in service. Bond counsel will be consulted regarding any planned reallocations. Treasury will maintain the final allocation records.

**Spending Requirements and Arbitrage Rebate**

There also are restrictions on the timing of the expenditure of bond proceeds. With few exceptions, proceeds must be spent within three years of bond issuance. If it appears that all proceeds will not be spent within a three-year period, bond counsel will be consulted.

The Tax Rules also require borrowers to calculate and pay or "rebate" to the U.S. Government any "excess arbitrage" earned on the investment of bond proceeds. Arbitrage compliance is governed by specific provisions of the Tax Rules in section 1.148. There are several "rebate exceptions" if bond proceeds are spent in accordance with the bond documents.

Excess arbitrage (as defined by the IRS) must be rebated to the federal government if certain spending benchmarks are not achieved in the two years after issuance of the bonds. As a general rule, the university will seek to finance projects when proceeds will be spent within two years, and attempt to meet the two-year spending rebate exception. The two-year spending exception requires that proceeds be spent as follows:

- 10% within 6 months of issue date;
- 45% within 12 months of issue date;
- 75% within 18 months of issue date;
- 100% (less "reasonable retainage") within 24 months of issue date.

Expenditures are to be reviewed between Treasury Services and FMD 30 days prior to the end of each six-month period to minimize the chance of forfeiting the rebate exception. The two-year exception applies only to transactions primarily to fund construction. Financings for non-construction typically have an 18-month exception with the following spending thresholds:

- 15% within 6 months of issue
- 60% within 12 months of issue
- 100% within 18 months of issue
Investment Proceeds
All tax-exempt bond proceeds will be invested in the Virginia State Non-Arbitrage Program ("SNAP"), unless approved in writing by the university’s Senior Vice President and CFO. The Virginia Treasury Board sponsors the SNAP to provide comprehensive investment management, accounting and arbitrage calculation services for the proceeds of tax-exempt financings of Virginia governments.

Periodically, SNAP advises the University of the amount required to be spent to achieve the spenddown benchmark by each semi-annual deadline. The Treasurer will monitor the compliance with periodic spending exceptions and the investment of bond proceeds. In cases when a rebate is owed (as calculated by the Arbitrage Rebate Consultant), any resulting liability will be paid and properly reported on the applicable IRS form(s).

Private Business Use
Section 1.141 of the Tax Rules limit the amount of Private Business Use or the amount of private payment or "security." The university complies with these provisions by limiting Private Business Use rather than private payment or security.

Private Business Use is the direct or indirect use of a tax-exempt financed facility in a trade or business carried on by any person other than a governmental unit. Pursuant to the Private Business Use test, the tax-exempt status of a governmental-issued bond is jeopardized if more than 10% of the proceeds are used for Private Business Use. Improper use of the bond financed facility is considered “bad use” of the proceeds of the bonds that financed the facility. Generally, most Private Business Use in a tax-exempt financed facility arises from the following types of arrangements:

- **Ownership:** A sale or transfer of ownership to a Non-Governmental Person (as defined by applicable tax law) of tax-exempt financed property. For 501(c) (3) bonds, no portion of the bond financed property can be owned by a private, for-profit entity.

- **Leases:** Any arrangement where the University leases a tax-exempt financed property to a Non-Governmental Person. Transactions that are not called lease transactions may be treated as a lease based on the level of control given to the Non-Governmental Person and whether the Non-Governmental Person bears the risk of loss.

- **Management Contracts:** A management contract is any arrangement whereby a Non-Governmental Person actively manages the operations of a facility. Management contracts include, for example, contracts for dining services (food courts), retail services, and facility management, or vivarium services (management of an animal facility). The basic rules for permitted management contracts are set forth in IRS Revenue Procedure 2017-13. As a general principle, the contract should not give the private party any of kind of profit sharing or "investment" in the undertaking, and the term of the contract is limited based on the type of compensation to the Non-Governmental Entity. All management contracts for bond-financed space should be reviewed by bond counsel.

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1 In the case of bonds that are "501(c)(3) bonds" rather than "governmental bonds," the maximum amount is 5% rather than 10%. While most bonds issued by the University are governmental bonds, bonds involving related foundations may be 501(c)(3) bonds.
**Sponsored Research Agreements:** Certain research that is sponsored by a Non-Governmental Person (including the federal government and its agencies). The basic rules for determining when sponsored research is not considered "bad use" are set forth in IRS Revenue Procedure 2007-47. Generally, qualifying research agreements must be for "basic research" and the rights of the sponsor to the results of the research must comply with the stated rules.

**Other Actual or Beneficial Use:** Any other arrangement that conveys special legal entitlements to a Non-Governmental Person for beneficial use of tax-exempt financed property, such as an arrangement that conveys priority rights to use a tax-exempt financed facility, will result in Private Business Use. Examples of such "special legal entitlements" include summer camps having the exclusive right to use an athletic facility, specially designed courses open only to one company, certain naming rights or use of a parking garage for a private event.

With the assistance of the Bond Compliance Community, Treasury Services will be responsible for ongoing private use monitoring.

Any contemplated change in a project’s use that includes Private Business Use must be reported to the Treasurer prior to the implementation of the proposed change in use to ensure compliance with applicable regulations.

**Tax and State Filings**

The University is required to provide the following filings:

- **Tax Forms** – Tax-exempt debt obligation issuers are required to file the appropriate 8038 IRS forms (8038, 8038-G, 8038-T, and 8038-R) in accordance with applicable federal law and as needed.
- **Statistics and filings** required to be sent to the State for any debt issued through a State authority for the benefit of the University.
- **Arbitrage Certificates** – At the earlier of full expenditure of bond proceeds or within 60 days after each fifth anniversary of the debt issue with unspent bond proceeds, the University must calculate any arbitrage on the debt and make any required rebate payment until full expenditure of the bond proceeds is completed.

The Treasurer is responsible for ensuring that such filings are made.

**Continuing Disclosure**

In connection with the issuance of the Bonds the university has signed several, substantially identical Continuing Disclosure Agreements ("CDAs"). These disclosures are not required by the Tax Rules, but rather by a rule of the United States Securities and Exchange Commission ("SEC Rule 15c2-12") that mandates the University's bond underwriters obtain a CDA from the university in connection with sale of bonds to the public. The CDAs require the university to file certain annual financial and operating information with the Electronic Municipal Market Access System ("EMMA.") maintained by the Municipal Securities Rulemaking Board. EMMA permits investors to access certain operating results and information about the University’s financial position. The CDAs also require the university make disclosures through EMMA about certain specified events ("event disclosure") such as bond defaults and rating changes and may be time sensitive in the requirement of those filings. Future CDAs for bond issues may require CDAs that require the filing of additional or different information.
The Treasurer is responsible for making all filings required by CDAs, and any events affecting such filings should be reported to Treasury Services. The Treasurer is responsible for responding to inquiries by investors, rating agencies and other outside parties relating to the status of projects, the financial condition of the University and any other events that may affect investors. All such inquiries should be referred to the Treasurer.

**Record Retention**

It is the university’s policy to retain all records relating to tax-exempt bond financings for the entire term of the bond issue, or refinancing issue, plus three years. This policy supersedes any other documented retention policies at the University or the Commonwealth.

Generally, records refer to all documents, reports, accounts and certifications relating to the:

- Issuance of tax-exempt bonds
- Investment of bond proceeds
- Expenditure and allocation of bond proceeds
- Use of debt-financed property
- Disclosure and other filing requirements

**Duties of the Bond Compliance Community**

Due to the decentralized nature of the university, specific departments are responsible for the following:

**Treasury Services** – is responsible to maintain records relating to the issuance of the university’s tax-exempt bonds (i.e., the bond transcripts and working documents), the investment of bond proceeds, the university’s annual continuing disclosure filings, final allocation of bond proceeds, responses to the annual Private Business Use Monitoring Questionnaire and the resultant annual PBU Tracking Tool summary. A database of projects financed with tax-exempt bonds will be maintained by Treasury Services. Annually, a Private Use Monitoring Questionnaire will be completed by an individual representing each university department responsible for such spaces. Using these annual responses from the Bond Compliance Community, Treasury Services will maintain the official record of the university’s total private business use, known as the PBU Tracking Tool. With the assistance as necessary from FMD, the Offices of Space Management, the Controller, Development and Alumni Relations, and Research and Innovation, Treasury Services will analyze questionnaire responses to: (i) determine whether taxable financing is appropriate for a particular capital project; (ii) identify impermissible Private Business Use in existing facilities to take corrective action; and (iii) collect information necessary for reporting purposes. If potentially impermissible Private Business Use is identified, the Treasurer will seek the advice of qualified bond counsel for remediation action.

**Contracts Team (in Procurement Services) and Capital Assets and Real Estate (CARE)** – are responsible for negotiating purchase contracts and real estate contracts, respectively, with third parties. The Contracts Team and CARE will work with Treasury Services and university departments to minimize contracts with private business by establishing terms under the allowable safe harbors, as possible. Notification of contracts which create PBU will be given by the Contracts Team or CARE to Treasury Services.

**The Office of the Controller** – is responsible to prepare and maintain the audited financial statements of the university, reports of any prior IRS examinations of VCU or bond financings, and the annual tax filings of the University including relevant foundation filings (including the Form 990).
The Facilities Management Division – is responsible to maintain records on the expenditure and allocation of bond proceeds including construction contracts, vendor invoices, payments and requisitions.

Development and Alumni Relations – is responsible for naming rights compliance and documentation of philanthropic purpose of gifts.

The Office of Research and Innovation – is responsible to maintain records relating to Sponsored Research Agreements (including the agreements themselves), collect information from departments and units on which building(s) the research takes place, flag such Sponsored Research Agreements as are likely to give rise to private business use, and provide Treasury Services with an annual report including awards, buildings and potential private business flags.

Space Management – is responsible to maintain square footage, gross and assignable, on all tax-exempt financed facilities and to be available to visit facilities and evaluate usable space.

The Office of University Counsel – is responsible to seek the appointment of qualified outside bond counsel, as necessary, as well as to opine on authorization of the bonds and compliance with University authorization, existing bond documents and similar restrictions.

University Personnel in Departments Responsible for Tax-Exempt Financed Space – are responsible to respond to the annual Private Business Use Monitoring Questionnaires, disclose any outside third-party ownership, leases or similar use, other outside actual or beneficial use, service contracts or use, parking use or agreements, and provide any and all such agreements to Treasury Services as required by the annual Private Business Use Monitoring Questionnaires.

Training
Treasury Services is responsible to develop and update training materials and to provide training for employees in the individual university departments impacted by this policy. These materials are provided to required staff engaged in private business use tracking as needed.

Forms
There are no forms associated with this policy and procedures.

Related Documents

1. VCU Debt Management Policy
2. VCU Policy for Sale of Goods and Services
3. VCU Maps of Tax-Exempt Financed Facilities
4. Treasury Board of the Commonwealth of Virginia: Post Issuance Compliance Policy for Tax-Exempt Qualified Obligations
5. IRS Publication 4077 – Tax-Exempt Bonds for 501(c)3 Charitable Organizations
6. IRS Publication 4079 - Tax-Exempt Governmental Bonds Compliance Guide
7. VCU Private Use Monitoring Questionnaire
8. KPMG’s “VCU Private Business Use Study” training materials (internal distribution only)
9. KPMG’s “VCU Tax-Exempt Financing Private Business Use Final Assessment Report”, dated January 18, 2018 (internal distribution only)
10. US Code: Title 26, Sections 103, 141, 145, 147, 148, 149, and 150
11. IRS Revenue Procedure 2017-13
12. IRS Revenue Procedure 2007-47
13. IRS Revenue Procedure 2014-67
14. IRS Revenue Procedure 2016-44, 2016-36 IRB 316

Updates or revisions to the Tax Rules and Revenue Procedures will be automatically incorporated to this policy as implemented by the IRS even without detailed listing above

Revision History

This policy supersedes the following archived policies:

February 9, 2012, New Policy VCU Tax-Exempt Debt Compliance Policy
October 21, 2014 Tax-Exempt Debt Compliance Policy
TBD Tax-Exempt Debt Compliance

FAQs

There are no FAQs associated with this policy and procedures.
Investment and Liquidity

Policy Type:  Board of Visitors
Responsible Office:  Treasury Services, Office of the Senior Vice President and Chief Financial Officer
Initial Policy Approved: 05/15/2009
Prior Revision Approved: 03/22/2017
Current Revision Approved: tbd

Policy Statement and Purpose

The purpose of this Investment and Liquidity Policy is to define the financial goals, objectives, and legal limitations for the investment and management of Virginia Commonwealth University’s funds and to articulate the responsibilities of the University, its investment managers, and its investment advisors, including performance measures and reporting requirements. This policy is subject to (a) applicable federal and state laws, rules and regulations, (b) resolutions and policies of the Board of Visitors or the Board’s designated Committee, and (c) restrictions imposed by donors, funding agencies or deeds of trust. Nothing in this policy should be construed to authorize activities that violate any of the above.

This policy sets forth the parameters to be followed to maintain operating liquidity and invest university funds. The policy sets forth detailed asset strategies, permitted and prohibited investment options, and benchmarks for performance for operating, reserve and endowment funds. It also provides requirements of investment managers, and how investments managers should be monitored.

The University, by consultation with the Board of Visitors (the “Board”) or designated Committee, has the following responsibilities:

1. To comply with the Board’s asset allocation, diversification and quality guidelines for investment of funds as detailed in this policy;
2. To utilize approved qualified investment advisors, investment managers and consultants and to facilitate communication from these entities to the Board;
3. To ensure that the current spending requirements of the university are supported and the university’s daily cash flow demands are met;
4. To monitor and evaluate investment results and communicate the results to the Board or its designated committee; and
5. To ensure liquidity for operational purposes is achieved.
It is the policy of the University to invest its funds solely in the interest of the University and in a manner that will provide the highest investment return within the specified risk tolerance, and to ensure the university’s operating funds meet daily cash flow demands. In the investment of its funds, the University will conform to applicable federal and state laws and other legal requirements, including, but not limited to:

- that certain Management Agreement dated March 12, 2008 (as amended and renewed from time to time) between the Commonwealth of Virginia and the Board of Visitors (the “Board”) of the Virginia Commonwealth University, in order to provide the university flexibility to manage cash and investments, on its own behalf, under the State’s Restructured Higher Education Financial and Administrative Operations Act of 2005 including Exhibit F, Policy Governing Financial Operations and Management, thereto;
- the Security for Public Deposits Act, Chapter 44 (§ 2.2-4400 et seq.) of Title 2.2 of the Code of Virginia, as amended;
- the Investment of Public Funds Act, Chapter 45 (§ 2.2-4500 et seq.) of Title 2.2 of the Code of Virginia, as amended;
- the Uniform Prudent Management of Institutional Funds Act, Chapter 11 (§ 64.2-1100 et seq.) of Title 64.2 of the Code of Virginia, as amended; and
- § 23.1-2306 of the Code of Virginia, as amended, concerning the University’s investment of endowment funds, endowment income, and gifts.

The University shall maintain operating cash in accordance with this policy and with the Investment of funds in deposits as stipulated in § 2.2-4400 of the Code of Virginia, the Investment of Public Funds Act. The University shall invest its operating funds and operating reserves in accordance with this Act. Gifts, local funds, and non-general fund reserves and balances may be invested in accordance with the Uniform Prudent Management of Institutional Funds Act.

In the pursuit of its investment objectives, the University may engage the services of one or more investment advisors (each, an “Investment Advisor”) who, if authorized, may select investment managers (each, an “Investment Manager”) for the assets. All Investment Advisors and Investment Managers appointed by the university must agree to invest the university’s funds in accordance with this policy.

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.

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<th>Section</th>
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Who Should Know This Policy

- The Board of Visitors;
- The Investment Advisor;
- Investment Managers;
- The Senior Vice President and Chief Financial Officer;
- The Treasurer; and
- Administrative staff involved in the appointment of Investment Advisors or Investment Managers.

Definitions

Asset-Backed Securities (ABS)
Financial investment collateralized by a pool of receivables, including but not limited to loans/leases on automobiles, equipment, credit cards and device payment plans.

Central Bank
Internal management of funds to provide lending services for operating units.

Commercial Mortgage-Backed Securities (CMBS)
Fixed-income securities that are backed by mortgages on commercial and multifamily properties rather than residential real estate.

Commercial Paper
Commonly used type of unsecured, short-term debt instrument issued by corporations, typically used for the financing of payroll, accounts payable and inventories, and meeting other short-term liabilities. Maturities can range from overnight to 397 days but are rarely longer than 270 days. Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.
**Distribution (for an endowment)**
Based on presumptive guidance from a formula that is intended to provide budgetary stability by smoothing the impact of annual investment gains and losses. The formula's inputs reflect expectations about long-term returns and inflation rates.

**Duration**
Measure of a bond's sensitivity to changes in the interest rate. This is the time weighted present value of the cash flows from a bond. This is not “maturity” (see “Maturity”).

**Endowment**
Invested funds, typically received from a donor to generate earnings for two purposes: (a) distribution for use (see “Spending Policy”) and (b) growth in the remaining balance to preserve purchasing power and continue ongoing and permanent distributions. Typical endowment terms permit the expenditure of income but not principal, or limit on the percentage or amount of the fund that can be spent in any year.

**Illiquid Assets**
Drawdown private investment vehicles with a fixed fund life in excess of 7 years.

**Intermediate-Term**
A time horizon over 3 years to 10 years

**Liquidity**
The time within which an asset or security can be converted into ready cash without affecting its market price. The most liquid asset of all is cash itself.

**Long-Term**
A time horizon greater than 10 years.

**Maturity**
Defined point in time at which a financial instrument will legally cease to exist and the principal is repaid with interest.

**Mortgage-Backed Securities (MBS)**
Financial investment collateralized by an underlying pool of mortgages.

**Negotiable certificate of deposit**
A certificate of deposit (CD) with a minimum face value of $100,000, though typically $1 million or more. They are guaranteed by the issuing bank and can usually be sold in a highly liquid secondary market, but they cannot be cashed in before maturity. Also known as a jumbo CD.

**Non-negotiable Certificates of Deposit**
Investments between an investor and a financial institution. Unlike negotiable CDs, non-negotiable CDs cannot be transferred, sold, bought, or exchanged.

**Quasi Endowment**
Funds functioning as endowments which are typically used to report resources that the University, rather
than a donor, has determined are to be retained and managed like an endowment. Principal and income of these funds may be utilized at the discretion of the University.

**Residential Mortgage-Backed Securities (RMBS)**
Financial investment collateralized by an underlying pool of residential mortgages.

**Rule 144A**
A legal provision amending restrictions placed on trades of privately placed securities. This safe harbor loosens restrictions on qualified institutional buyers which were set forth by Rule 144 under Section 5 of the Securities Act of 1933 required for sales of securities by the Securities and Exchange Commission (SEC).

**Short-Term**
A time horizon under 3 years.

**Sinking Fund**
Funds set aside to pay off a debt or bond. Sinking funds are periodic payments of principal and interest that pay off the debt on a predetermined basis. The payments reduce the debt burden of a company over time.

**Contacts**

The Office of Treasury Services officially interprets this policy and is responsible for obtaining approval for any revisions as required by the policy Creating and Maintaining Policies and Procedures through the appropriate governance structures. Please direct policy questions to the Office of Treasury Operations, attention Treasurer.

**Policy Specifics and Procedures**

1. **Financial Objectives and Standard of Care**

The university maintains cash for operating purposes. As public and non-public funds may be initially indistinguishable, the university will treat all deposits as subject to Virginia Security for Public Deposits Act, Chapter 44 (§ 2.2-4400 et seq.) of Title 2.2 of the Code of Virginia, as amended, which, among other things, restricts deposits to FDIC insured limits or with institutions qualified by the Virginia Treasury Board to accept public deposits. These funds will be the first source of liquidity for the University and must remain immediately accessible. The Treasurer will strive to minimize uninvested cash balances for regular operating purposes.

The University’s investment funds are split between two tiers, a Short-Term Tier and a Long-Term Tier. Each Tier has financial objectives, structure, and investment guidelines. Investment activities for both Tiers shall be guided by the appropriate objectives. The objectives will be defined in the relevant sections below.

The Short-Term Tier consists of the University’s operating funds and operating reserves and shall be invested in accordance with the Investment of Public Funds Act.
The Long-Term Tier consists of gifts, local funds, and non-general fund reserves and balances that are endowments or have been designated by the Board to be treated as endowment ("quasi-endowments") or as part of the Central Bank. The Long-Term Tier shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act.

Investments made in sinking funds or with proceeds from tax-exempt borrowings are subject to other restrictions and are not included as “investments” in this policy.

All investments shall be made with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

2. Short-Term Tier

A. Fund Structure and Financial Objectives

The Short-Term Tier will be divided into two funds: the Primary Liquidity Fund and the Extended Duration Fund. As components of the Short-Term Tier, both the Primary Liquidity Fund and the Extended Duration Fund shall be invested in compliance with the Investment of Public Funds Act.

**Primary Liquidity Fund**: The Primary Liquidity Fund will be the first source of liquidity for the University (in concert with the University’s bank deposits). These funds must be readily available to meet the University’s operating needs, and as such, a portion of this fund shall be continuously invested in short-term investments such as money market mutual funds, bank deposits, or overnight repurchase agreements to ensure funds are readily available for the University’s obligations. Safety and liquidity are the primary objectives of this fund.

**Extended Duration Fund**: The remaining Short-Term Tier funds, collectively known as the Extended Duration Fund, will be a secondary source of liquidity for the University. These funds do not need to be continuously available to meet the University’s operating needs but may be called upon at some point during the University’s annual operating cycle. As such, they shall be invested in short- and intermediate-term investments. Preservation of capital and return are the primary objectives of this fund.

Both funds of the Short-Term Tier will consist of funds managed by external Investment Managers. Each fund and respective Investment Manager will have a specific mandate and related restrictions.

B. Investment Managers Under the Senior Vice President’s Purview

The Board delegates the management and investment of the Short-Term Tier to the senior vice president and chief financial officer (SVP & CFO), including the selection, hiring, monitoring, and termination of Short-Term Tier Investment Managers. The SVP & CFO in turn may delegate these responsibilities to an Investment Advisor, including the selection, hiring, monitoring, and termination of Short-Term Tier Investment Managers. Only firms meeting the requirements of the **Investment Manager Requirements for the Short-Term Tier** section below may serve as Short-Term Tier Investment Managers, and on an ongoing basis, Short-Term Tier Investment Managers must
comply with the duties outlined in both the Monitoring and Reporting for the Short-Term Tier and the Investment Manager Requirements for the Short-Term Tier sections below.

The SVP & CFO and the Investment Advisor shall act in good faith, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in (a) selecting Investment Managers; and (b) monitoring the Investment Manager’s performance and compliance with the scope and terms of this delegation.

C. Authorized Investments

Authorized investments for qualified public entities are set forth in the Investment of Public Funds Act of the Code of Virginia in § 2.2-4500 et seq. A qualified public entity is defined as any state agency having an internal or external public funds manager with professional investment management capabilities. The Investment of Public Funds Act authorizes qualified public entities to invest Short-Term Tier funds in the following securities:

1. **Treasury and Agency Securities**: Obligations issued or guaranteed by the U.S. Government, an agency thereof, or U.S. Government sponsored enterprises. This includes Agency Mortgage-Backed Securities. These securities can be held directly, in the form of repurchase agreements collateralized by such debt securities or in the form of registered money market or mutual funds provided that the portfolio is limited to such evidences of indebtedness (§ 2.2-4501.2).

2. **Non-Negotiable Certificate of Deposits and Time Deposits**: Non-negotiable certificates of deposit and time deposits of Virginia banks and savings institutions federally insured to the maximum extent possible and collateralized under the Virginia Security of Public Deposits Act, § 2.2-4400 et seq. of the Code of Virginia, and having a maturity not greater than five years.

3. **Negotiable CD’s and Bank Deposit Notes**: Negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least two of the following: (a) for maturities of one year or less: A-1 by Standard & Poor's, P-1 by Moody's Investors Service or F1 by Fitch Ratings, Inc.; (b) for maturities over one year and not exceeding five years, a rating of at least AA by Standard & Poor's, at least Aa by Moody's Investors Service, or at least AA by Fitch Ratings, Inc. (§ 2.2-4509). This includes all levels of the “AA/Aa/AA” rating.

4. **Repurchase Agreements**: Repurchase Agreements collateralized by securities of the U.S. Treasury, an agency thereof, or U.S. Government sponsored enterprises (§ 2.2-4507). The collateral on overnight or one day repurchase agreements is required to be at least 100% of the value of the repurchase agreement. Longer-term repurchase agreements are required to have collateralization in excess of 100% and be marked-to-market on a daily basis.

5. **Banker's Acceptances**: Banker's Acceptances with major domestic banks and domestic offices of foreign banks (§ 2.2-4504) rated not lower than A-1 by Standard & Poor’s and P-1 by Moody's Investors Service.

6. **Commercial Paper**: Prime quality commercial paper issued by domestic corporations.
“Prime quality” shall be as rated by at least two of the following: A-1 by Standard & Poor’s, P-1 by Moody's Investors Service, or F-1 by Fitch Investor’s Services or by their respective corporate successors, provided that at the time of any such investment the corporation meets the criteria specified in the Code of Virginia § 2.2-4502.

7. **Money Market and Other Mutual Funds**: Money market and other open-end investment funds provided that they are registered under the Securities Act of the Commonwealth of Virginia (§ 13.1-501) or by the Federal Investment Company Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by qualified public entities within the Commonwealth of Virginia (§ 2.2-4508).

8. **Corporate Debt**: Corporate notes and bonds having a credit rating of at least A3/A- or equivalent by two nationally recognized rating agencies, one of which must be either Standard & Poor’s or Moody's Investors Service. This includes all levels of the “A” rating (§ 2.2-4510.B).

9. **Municipal Securities**: Taxable and tax-exempt municipal securities of the following provided that at the time of any such investment the municipal security meets the criteria specified in § 2.2-4501 of the Code of Virginia, including: (i) of any state of the United States, (ii) of any county, city, town, district, authority or other public body of the Commonwealth of Virginia, (iii) of any city, county, town or district situated in any one of the states of the United States provided that they are the direct legal obligations of the city, county, town, or district and the city, county, town, or district has power to levy taxes on the taxable real property therein for the payment of such obligations without limitation of rate or amount. (§ 2.2-4501) The municipal securities must be rated at least A3/A- or equivalent by two nationally recognized rating agencies, one of which must be either Standard & Poor’s or Moody's Investors Service. This includes all levels of the “A” rating.

10. **Asset-Backed and Mortgage-Backed Securities**: Asset-backed and Non-Agency mortgage-backed securities with a duration of no more than five years and rated no less than AAA/Aaa by at least two nationally recognized rating agencies, one of which must be either Standard & Poor’s, Moody's Investors Service or Fitch Ratings, Inc. (§ 2.2-4511). Authorized mortgage-backed investments include Commercial Mortgage-Backed Securities (CMBS), Non-Agency (private label) Mortgage-Backed Securities (MBS & RMBS) including pass-throughs, and Collateralized Mortgage Obligations (CMOs).

11. **International Bank for Reconstruction and Development, Asian Development Bank, and African Development Bank Obligations** (§ 2.2-4501): Dollar-denominated bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, by the Asian Development Bank, or by the African Development Bank having a maturity of no longer than five years and a credit rating of at least AAA by Standard & Poor’s and Aaa by Moody’s Investors Service.

Should a security be downgraded to a level that ceases to meet the credit quality guidelines above, the Investment Manager shall notify the Treasurer of the University in writing within one business day of the downgrade. Unless the SVP & CFO authorizes the retention of any such downgraded security in writing, such security must be sold within 30 calendar days.
D. Prohibited Investments or Actions

Investment securities not specifically authorized above are prohibited. For further clarification, the following securities are explicitly prohibited:

1. Inverse floaters, Credit Default Swaps (CDSs), Collateralized Debt Obligations (CDOs), Collateralized Loan Obligations (CLOs), and Interest Only (IO), Principal Only (PO) and Z-tranche securities.
2. Futures, options, options on futures, margin buying, leveraging and commodities. Forward trades are permitted as long as they are procured during normal “when issued” periods for individual markets and as long as cash is reserved or a security will mature to cover the purchase at the time of settlement.
3. Securities with the ability to defer interest and securities with the ability to convert to perpetual maturities.
4. Subordinated and convertible debt securities.

E. Asset Allocation Parameters and Short-Term Tier Constraints

Asset Allocation

The Primary Liquidity Fund is intended to provide for the day-to-day working capital requirements of the University in conjunction with the cash in bank balances, with the remaining balance of the Short-Term Tier being invested in the Extended Duration Fund.

Duration and Maturity Limitations

The maximum maturity may not exceed five years on any single non-negotiable certificate of deposit or time deposit of Virginia banks, negotiable certificate of deposit or bank deposit note. For any single asset-backed or mortgage-backed security, the maximum duration may not exceed five years at the time of purchase; in the event the duration subsequently exceeds this limit, the external Investment Manager shall notify the Treasurer of the University in writing within one business day, and the University, in consultation with the Investment Manager, shall decide the appropriate action.

The target duration for the Primary Liquidity Fund and Extended Duration Fund are as follows:

<table>
<thead>
<tr>
<th>Target Duration</th>
</tr>
</thead>
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<tr>
<td>Primary Liquidity Fund</td>
</tr>
<tr>
<td>Extended Duration Fund</td>
</tr>
<tr>
<td>Short Duration Portfolio</td>
</tr>
<tr>
<td>Intermediate Duration Portfolio</td>
</tr>
<tr>
<td>Long Duration Portfolio</td>
</tr>
</tbody>
</table>

Primary Liquidity Fund and Extended Duration Fund Investment Managers’ maximum duration is limited to +10% of the Target Duration or the Applicable Benchmark duration. For purposes of this section, duration shall be defined as the industry standard effective duration as calculated by...
Bloomberg or other well-established models available. In addition, for purposes of asset-backed securities and mortgage-backed securities, the prepayment assumptions to be used in the effective duration calculation will be the Bloomberg median prepayment assumptions or other well-established models available. In the absence of a median prepayment assumption available in Bloomberg, the assumption to be used shall be that which provides the greatest principal protection to the portfolio.

F. Performance Measures

In accordance with the performance measures by which the State Council of Higher Education for Virginia measures investment performance as published annually in the Commonwealth of Virginia’s Appropriations Act, the University should achieve a three-year average rate of return at least equal to the iMoney.net money market index fund.

Investment Managers should produce returns commensurate with the following benchmarks:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fund Benchmark(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Liquidity Fund</td>
<td>iMoney.net Money Market Index</td>
</tr>
<tr>
<td>Extended Duration Fund</td>
<td></td>
</tr>
<tr>
<td>Short Duration Portfolio</td>
<td>Bank of America Merrill Lynch (BofAML) 1-3 Year US Treasury Index, BofAML 1-3 year Govt/Corp Index, Barclays 1-3 Year Government Bond Index, or other benchmark(s) that more appropriately reflects the Investment Manager(s) style within this portfolio.</td>
</tr>
<tr>
<td>Intermediate Duration Portfolio</td>
<td>Barclays US Treasury Intermediate Index, Barclays US Intermediate Government Index, Barclays US Intermediate Gov/Credit Bond Index, or other benchmark(s) that more appropriately reflects the Investment Manager(s) style within this portfolio.</td>
</tr>
<tr>
<td>Long Duration Portfolio</td>
<td>Barclays US Aggregate Treasury Index, Barclays U.S. Aggregate Government Index, Barclays US Aggregate Bond Index, or other benchmark(s) that more appropriately reflects the Investment Manager(s) style within this portfolio.</td>
</tr>
</tbody>
</table>

**Diversification**

Each individual portfolio within the Primary Liquidity Fund and the Extended Duration Fund will be diversified with no more than 3% of the value of the respective portfolios invested in the securities or individual trusts of any single issuer. This limitation shall not apply to the U.S. Government, an agency thereof, or U.S. Government sponsored enterprises, securities fully insured and/or fully guaranteed by the U.S. Government, or money market funds.
At the time of purchase, the maximum percentage in each eligible security type for the Primary Liquidity Fund and the Extended Duration Fund shall be maintained as follows:

<table>
<thead>
<tr>
<th>Authorized Investments</th>
<th>Primary Liquidity Fund</th>
<th>Extended Duration Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Treasury and Agency Securities</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Agency Mortgage-Backed Securities</td>
<td>0%</td>
<td>50%</td>
</tr>
<tr>
<td>Asset-Backed Securities</td>
<td>0%</td>
<td>50%</td>
</tr>
<tr>
<td>Banker's Acceptances</td>
<td>40%</td>
<td>0%</td>
</tr>
<tr>
<td>Certificates of Deposit (CDs) (Negotiable) and/or Negotiable Bank Deposit Notes</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Certificates of Deposit (CDs) (Non-Negotiable)</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Collateralized Mortgage Obligations, Agency</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Commercial Mortgage-Backed Securities</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>35%</td>
<td>0%</td>
</tr>
<tr>
<td>Corporate Notes/Bonds</td>
<td>25%</td>
<td>40%</td>
</tr>
<tr>
<td>International Development Bank Obligations, Asian Development Bank, and African Development Bank Obligations</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Money Market Funds</td>
<td>35%</td>
<td>10%</td>
</tr>
<tr>
<td>Municipal Securities</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Repurchase Agreements, Overnight/Open, Non-Treasury/Non-Agency</td>
<td>50%</td>
<td>0%</td>
</tr>
<tr>
<td>Repurchase Agreements, Overnight/Open, Treasury/Agency</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Repurchase Agreements, Term</td>
<td>20%</td>
<td>0%</td>
</tr>
<tr>
<td>Residential Mortgage-Backed Securities, Private Label (including CMOs)</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Combined 144A Securities of allowed investments</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Combined Agency Mortgage-Backed Securities, Agency/Private Collateralized Mortgage Obligations, Commercial Mortgage-Backed Securities, Residential Mortgage-Backed Securities</td>
<td>0%</td>
<td>50%</td>
</tr>
</tbody>
</table>

G. Monitoring and Reporting for the Short-Term Tier

Quarterly, the Board will receive an investment report for the Short-Term Tier. At a minimum, this report will include the following information:

- Investment performance report (net of fees) for the Short-Term Tier as a whole, the Primary Liquidity Fund, and the Extended Duration Fund, versus the appropriate benchmarks above.
▪ Any investments that required management notification (such as credit downgrades or duration changes), along with management’s response to such notifications.
▪ A statement from each Investment Manager certifying compliance with the Virginia Investment of Public Funds Act.

Annually, the Board will receive the following information on the Short-Term Tier. At a minimum, this will include:
▪ Actual asset allocations of the Short-Term Tier as a whole, the Primary Liquidity Fund, and the Extended Duration Fund versus the allocation requirements above.
▪ A certificate showing compliance with the Investment Policy, specifically the Authorized Investments, the Prohibited Investments or Actions, and the Asset Allocation Parameters and Short-Term Tier Constraints sections above.

H. Investment Manager Requirements for the Short-Term Tier

Before an organization can provide investment management services for the Short-Term Tier, it must confirm in writing that it has received, reviewed, and is able to comply with this Investment Policy. Investment Managers are not permitted to deviate from their specifically announced investment strategy and may utilize discretion only as approved by the Board or its designee. Only firms having the following qualifications may serve as Short-Term Tier Investment Managers:
▪ Registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940 or exempt from registration;
▪ Must have provided to the University an annual updated copy of Form ADV, if applicable;
▪ Must be registered to conduct business in the Commonwealth of Virginia; and,
▪ Must have proven experience in providing investment management services under the Virginia Investment of Public Funds Act.

Short-Term Tier Investment Managers shall have the following duties:
▪ Accept assets as directed by the University, and invest those assets in strict adherence to the Investment Policy and applicable laws;
▪ Reconcile all transactions, market values, security holdings, and cash flows with the custodian within 30 days of each month-end;
▪ Calculate monthly performance against the appropriate benchmark and provide a written report within 35 days of each month-end;
▪ Calculate quarterly performance against the appropriate benchmark and provide a written report within 35 days of each quarter-end;
▪ Provide written quarterly reports concerning investment strategy, including quantitative performance attribution based on interest rate risk, sector allocation and security selection;
▪ Provide a written economic and investment outlook report within 30 days of each month-end;
▪ Meet as required to review portfolio and investment results;
▪ Issue prospectuses, annual reports and other pertinent information on a timely basis;
▪ Notification in advance of potential material changes in fund and/or firm operations under consideration or about to be implemented, including organizational or strategy changes that may impact asset management;
▪ Notification of any non-compliant securities as further outlined above; and,
• Provide a written quarterly statement attesting to compliance with the Investment Policy.

3. Long-Term Tier

A. Fund Structure
The Long-Term Tier shall consist of endowments and Board-designated quasi-endowment funds. As the Long-Term Tier consists of gifts, local funds, and non-general fund reserves and balances designated for long-term investment, it shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act. The primary objective for the Long-Term Tier is to maximize long-term real returns commensurate with the University’s risk tolerance.

B. Financial Objectives
The funds invested in the Long-Term Tier shall be treated as long-term assets managed to maintain the purchasing power of those assets in the future while being mindful of the cash flow and liquidity requirements of both the University and the endowed funds. The objective of the Long-Term Tier is to achieve a rate of return in excess of inflation, CPI + 5%, at an acceptable level of risk.

The university does not expect that this investment objective will be achievable every year and, as a result, investment performance over rolling three-, five-, and ten-year periods will carry greater significance. The university also recognizes that some level of investment risk, including volatility and illiquidity, is necessary to achieve the long-term investment objectives of the Long-Term Tier.

The overall return will be evaluated against a policy portfolio benchmark consisting of the sum of different asset class benchmarks weighted in accordance with the long-term policy targets designed to meet the Long-Term Tier objective.

C. Long-Term Tier Investment Managers Under the Investment Advisor’s Purview
The Board has delegated the management and investment of the Long-Term Tier to the Investment Advisor, including the selection, hiring, monitoring, and termination of Investment Managers.

The Investment Advisor shall act in good faith, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in: a) selecting Investment Managers; b) monitoring the Investment Manager’s performance and compliance with the scope and terms of the delegation.

D. Authorized Investments
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.

Note: Investment Managers or the Investment Advisor are to vote shareholders’ proxies. Such voting is to be solely in the best interest of the university’s investment funds, given their stated
policies, goals, and objectives. Where Investment Managers or fund vehicles have their own terms regarding proxy voting, such terms will be an attribute to be considered by the Investment Advisor in selecting and monitoring Investment Managers and investment vehicles.

E. Strategic Asset Allocation and Performance Measures

In developing and implementing the Long-Term Tier’s Strategic Asset Allocation, the university will consider the risks associated with each asset class. Based upon the university’s risk tolerance together with capital market risk and return estimates, the Board sets a strategic asset allocation designed to achieve the objectives stated in this Investment Policy Statement. The Strategic Asset Allocation shall be prudently diversified across asset classes. The Investment Advisor will invest the Long-Term tier in keeping with the parameters of the Strategic Asset Allocation below. The Strategic Asset Allocation specifies risk controls in the form of ranges and targets for Fund asset allocations as well as liquidity targets. The ranges help to ensure adequate diversification, define acceptable degrees of tactical tilts, and constrain absolute risk. Extraordinary market conditions may lead to deviations outside the specified ranges, which will be reported to the Investment Committee with a plan to return to the specified ranges.

Benchmark indices are selected to represent the desired risk and return profile of the Long-Term Tier. The Investment Advisor should produce returns commensurate with the blended benchmark indices noted below. Key considerations in selecting benchmark indices include broad market coverage, ability to passively invest, transparency of index construction, and objectivity of the index provider.

**Strategic Asset Allocation Risk Control Targets and Ranges:**

<table>
<thead>
<tr>
<th>Net Exposure (%)</th>
<th>Range</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>40-80</td>
<td>65</td>
</tr>
<tr>
<td>Real Assets</td>
<td>0-20</td>
<td>5</td>
</tr>
<tr>
<td>Credit</td>
<td>5-45</td>
<td>10</td>
</tr>
<tr>
<td>Government Bonds</td>
<td>0-25</td>
<td>5</td>
</tr>
<tr>
<td>Cash/Residual</td>
<td>0-25</td>
<td>15</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Regional Exposures (%)</th>
<th>North America</th>
<th>Europe</th>
<th>Asia</th>
<th>Rest of World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Ranges</td>
<td>25-75</td>
<td>0-50</td>
<td>0-40</td>
<td>0-20</td>
</tr>
<tr>
<td>Cash &amp; Currency Ranges</td>
<td>50-100</td>
<td>0-30</td>
<td>0-30</td>
<td>0-20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liquidity Measure (%)</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly liquidity</td>
<td>20</td>
</tr>
<tr>
<td>Illiquid Assets (&gt; 7 years)</td>
<td>25</td>
</tr>
</tbody>
</table>
### Long-Term Tier Benchmark

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Weighting (%)</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>70</td>
<td>MSCI All Country World Equity</td>
</tr>
<tr>
<td>Fixed Income &amp; Cash</td>
<td>30</td>
<td>Barclays Aggregate Bond Index</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
<td>Blended Benchmark</td>
</tr>
</tbody>
</table>

### Annual Review

Annually, the University and the Investment Advisor shall informally review and assess the Strategic Asset Allocation. Should the University and the Investment Advisor recommend changes to the Strategic Asset Allocation, such proposed changes will be brought to the Board for consideration.

### Rebalancing Guidelines

The Strategic Asset Allocation reflects targets for exposures to various asset classes as described above. The purpose of rebalancing is to maintain the risk/reward relationship implied by the stated long-term Strategic Asset Allocation targets adopted by the Board. The actual asset mix may diverge from the target allocations as a result of either market fluctuations or explicit tactical decisions. The role of the ranges within the Strategic Asset Allocation is to allow for these short-term fluctuations, and to provide limits for tactical investing.

Under stable market conditions, should actual asset allocations reside outside of allowable Strategic Asset Allocation ranges, unless otherwise directed by the Board, the Investment Advisor will rebalance the Long-Term Tier without prior Board discussion or approval. Cash flows to, from, or within the Long-Term Tier will be used to rebalance the portfolio and may be allocated to or from the underlying Investment Managers within the Long-Term Tier.

The Board recognizes that under distressed market conditions, a less static approach to rebalancing could provide the University with increased flexibility and a more productive rebalancing process. Should the Investment Advisor believe that such distressed market conditions exist, the Investment Advisor shall: (a) immediately notify the Senior Vice President and CFO; (b) provide the Senior Vice President and CFO with recommended intermediate-term deviations from the Strategic Asset Allocation; and, (c) provide the Senior Vice President and CFO with a recommended timeline for rebalancing the Long-Term Tier. After reviewing these three items with the Investment Advisor, the Senior Vice President and CFO may authorize intermediate-term deviations from the Strategic Asset Allocation targets, and shall provide the recommended deviations and recommended rebalancing timeline for the Board’s review at its next meeting.

### F. Investment Restrictions

The Strategic Asset Allocation specifies risk controls in the form of ranges for Long-Term Tier asset allocations. The ranges help to ensure adequate diversification, define the permissible magnitude of tactical asset allocation, and constrain both absolute and relative risk. Risk control ranges express the acceptable variation from target asset allocations in normal market and economic
circumstances. The Investment Advisor shall adopt risk controls principally considering the Tier’s tolerance for volatility, but also to ensure adequate liquidity.

It is understood that the Long-Term Tier must maintain a certain minimum level of liquidity that is sufficient to fund annual programmatic activities, as well as to fund ongoing expenses, including capital calls. The Investment Advisor shall monitor on an ongoing basis the liquidity of the Long-Term tier.

G. Spending Guidelines
The Spending Policy is meant to maintain the purchasing power of the Long-Term Tier, with the goal of providing a predictable and sustainable level of income. This policy reflects industry best practices. Under this policy, spending for a given year equals the trailing average three-year quarter-end market values of the Long-Term Tier multiplied by the long-term spending rate of 4.5%. An additional 1% administrative fee is distributed concurrently.

Annual payouts are assumed, and distributions are to be made on or before September 30. The University will communicate an estimate of the distribution to the Investment Advisor approximately 120 days in advance, and the Advisor will confirm receipt of the notification to the University within five business days. The final amount shall be determined at least 5 days before the distribution date, or earlier as agreed upon with the Investment Advisor. The Advisor is responsible for wiring funds as directed.

Payouts under this Spending Policy may exceed spending needs. At the discretion of the Senior Vice President and CFO, the University may elect to reinvest any portion of the annual distribution back into the Long-Term Tier. Each year, the Senior Vice President and CFO will prepare a report for the Board showing the current spending rate and allocating distributions made under this Spending Policy between those funds spent to meet University needs and those funds reinvested into the Long-Term Tier.

If the market value of the investment funds fall below the restricted amount, the payout and distribution shall be in compliance with Virginia's Uniform Prudent Management of Institutional Funds Act (§ 64.2-1100 et seq., "UPMIFA"), determining what portion of investment funds is appropriate for expenditure or accumulation as the University and Investment Advisor determine is prudent for the uses, benefits, purposes, and duration for which the investment funds were established.

H. Monitoring and Reporting for the Long-Term Tier
Quarterly, the Board will receive the following information on the Long-Term Tier. At a minimum, this report will include:

▪ Investment performance (net of fees) for the Long-Term Tier versus the appropriate benchmarks above.
▪ Actual asset allocations of the Long-Term Tier versus the Strategic Asset Allocations above.

Annually, the Board will receive the following information on the Long-Term Tier. At a minimum, this report will include:

▪ A report showing compliance with the Investment Policy, specifically the Authorized
I. Investment Advisor Requirements for the Long-Term Tier

The Investment Advisor shall prudently select Investment Managers, acting in good faith, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. Investment Managers are not permitted to deviate from their specifically announced investment strategy and may utilize discretion only as approved by the Investment Advisor.

The Investment Advisor shall have the following duties:

- Accept assets as directed by the University, and invest those assets in strict adherence to the Investment Policy and applicable laws;
- Reconcile all transactions, market values, security holdings (as applicable), and cash flows with the Investment Managers;
- Calculate performance against the appropriate benchmarks and provide regular, written reports to the University;
- Provide written reports to the University concerning investment strategy, including quantitative performance attribution;
- Meet as required with the University to review portfolio and investment results;
- Issue investment reports and other pertinent information on a timely basis to the University;
- Notify the University of potential material changes in fund and/or firm operations under consideration or about to be implemented, including organizational or strategy changes that may impact asset management;
- Notify the University of any non-compliant investments; and,
- Provide a written quarterly statement attesting to compliance with the Investment Policy.

J. The Central Bank

With the exceptions of reporting, distributions and liquidity requirements, investments made for the Central Bank are managed under the same requirements of the Long-Term Tier. These funds shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act. The primary objective for the Central Bank is to meet the obligations of the scheduled debt service payments out of the bank while generating liquidity and debt capacity for the University. Specific liquidity considerations will apply to the Central Bank to meet scheduled obligations in lieu of annual distributions.

Distributions for the principal and interest payments of the Central Bank must be available for timely payment, as scheduled. Additional distributions from the Bank for internal loans will be scheduled as needed, with the goal of minimizing distributions in order to provide for the Bank’s growth. The investment of these funds will focus on providing this scheduled liquidity under the investment policy herein.

An annual report will be provided to the Board of Visitors to detail deposit amounts, payments and account balances for the various funds of the Bank.
4. Establishing a Prudent Split Between the Short-Term and Long-Term Tiers

The Short-Term and Long-Term Tiers have markedly different liquidity, risk, and volatility profiles. It is the responsibility of the Office of the Senior Vice President and CFO to perform ongoing analysis and monitoring to recommend to the Board a prudent split between the Short-Term and Long-Term Tiers.

5. Procedures

No changes to this policy may be implemented without the approval of the Board or its designated committee.

6. Violations

**Passive Violations:** A passive violation occurs when a portfolio breaches a prescribed policy limit as the result of changing market or credit conditions, with the exception of the procedures outlined under the Rebalancing Guidelines for the Long-Term Tier. Other than the routine rebalancing of the Long-Term Tier under stable market conditions as described in the Rebalancing Guidelines above, the university will report any violations to the Board and will remedy the violation within 90 days of the violation or prepare a written action plan that must be approved by the Board to extend the cure period beyond 90 days. The Investment Advisor and Investment Managers will continuously monitor the portfolio for any Passive Violations and will promptly notify the university as they occur.

**Active Violations:** An active violation is caused by entering into an agreement or investment that breaches a limit at inception or thereafter through failure to monitor. In this case, a thorough analysis of controls will ensue and be reported to the Board, as soon as practical. The Investment Advisor will seek to remedy the violation when possible. In instances where the costs of immediate remedies are prohibitive, the Investment Advisor will develop a corrective action plan that will be submitted to the university within a reasonable time after the violation occurs, not to exceed 15 days, depending on the nature and complexity of the investment holding and transactions needed to remedy the violation. The Board will be apprised of the violation at its next regularly scheduled meeting along with the corrective action plan.

7. Legal and Other Considerations

The university will, in accordance with law, consider the present and anticipated financial requirements of the university, the expected total returns on investments, the capital markets environment and general economic conditions.

The Code of Virginia § 64.2-1102, the Virginia Uniform Prudent Management of Institutional Funds Act, sets forth specific factors that, if relevant, must be considered in managing and investing the Long-Term Tier. These factors are:

1. The duration and preservation of the Long-Term Tier funds;
2. The purposes of the institution and the Long-Term Tier 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.

Upon request, the university will present an analysis of these factors to the Board to assist its decisions regarding managing and investing the Long-Term Tier.

8. **Conflicts of Interest**

Virginia Commonwealth University will take reasonable measures to assess the independence of Investment Advisors and Investment Managers. Annually and prior to the approval of an Investment Advisor or Investment Manager, all personnel listed in “Who Should Know This Policy” must disclose any conflicts of interest on in the form of Exhibit A.

**Forms**

There are no forms associated with this policy and procedures.

**Related Documents**

1. VCU Policy: Debt Management
2. *Code of Virginia, Title 2.2, Chapter 44 (§ 2.2-4400 et seq.), as amended, Security for Public Deposits Act*
3. *Code of Virginia, Title 2.2, Chapter 45 (§ 2.2-4500 et seq.), as amended; Investment of Public Funds Act*
4. *Code of Virginia, Title 23.1, Chapter 23 (§ 23-2306), as amended, concerning the University’s investment of endowment funds, endowment income, and gifts*
5. *Code of Virginia, Title 64.2, Chapter 11 (§ 64.2-1100 et seq.), as amended; Uniform Prudent Management of Institutional Funds Act*
6. Management Agreement dated March 12, 2008 (as amended and renewed from time to time) between the Commonwealth of Virginia and the Board of Visitors of the Virginia Commonwealth University

**Revision History**

This policy supersedes the following archived policies:

<table>
<thead>
<tr>
<th>Approval/Revision Date</th>
<th>Title</th>
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</thead>
<tbody>
<tr>
<td>05/15/2009</td>
<td>VCU Operating Pool Investment Policy</td>
</tr>
<tr>
<td>09/19/2013</td>
<td>VCU Investment Policy</td>
</tr>
<tr>
<td>04/25/2016</td>
<td>VCU Investment Policy – Interim</td>
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<tr>
<td>03/22/2017</td>
<td>VCU Investment Policy</td>
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<tr>
<td>03/05/2019</td>
<td>Investment Policy (minor revision to clarify</td>
</tr>
</tbody>
</table>

Approved: MM/DD/YYYY
preexisting Strategic Asset Allocation and Performance Measures)

FAQ

There are no FAQ associated with this policy and procedures.
Exhibit A

Annual Investment Conflict of Interest Disclosure Statement

[List of current and/or proposed investment advisor(s) and investment manager(s) – to be provided by staff]

Except for the relationships and investments set forth below, I hereby certify to the best of my knowledge that neither I, nor any of my household family members, has a material ownership interest in, or is directly employed by, any investment advisor or investment manager engaged or to be engaged by the University and listed above. I hereby certify that I have received a copy of the University’s current Investment Policy, have read and understand the policy, and agree to abide by its provisions pertaining to Conflicts of Interest.

Signature: ____________________________
Print Name: ____________________________
Title: ____________________________
Date: ____________________________

Please list any exceptions below:
Investment and Liquidity

Policy Type: Board of Visitors  
Responsible Office: Treasury Services, Office of the Senior Vice President and Chief Financial Officer  
Initial Policy Approved: 05/15/2009  
Prior Revision Approved: 03/22/2017  
Current Revision Approved: tbd

Policy Statement and Purpose

The purpose of this Investment and Liquidity Policy is to define the financial goals, objectives, and legal limitations for the investment and management of Virginia Commonwealth University’s funds and to articulate the responsibilities of the University, its investment managers, and its investment advisors, including performance measures and reporting requirements. This policy is subject to (a) applicable federal and state laws, rules and regulations, (b) resolutions and policies of the Board of Visitors or the Board’s designated Committee, and (c) restrictions imposed by donors, funding agencies or deeds of trust. Nothing in this policy should be construed to authorize activities that violate any of the above.

This policy sets forth the parameters to be followed to maintain operating liquidity and invest university funds. The policy sets forth detailed asset strategies, permitted and prohibited investment options, and benchmarks for performance for operating, reserve and endowment funds. It also provides requirements of investment managers, and how investments managers should be monitored.

The University, by consultation with the Board of Visitors (the “Board”) or designated Committee, has the following responsibilities:

1. To comply with the Board’s asset allocation, diversification and quality guidelines for investment of funds as detailed in this policy;
2. To utilize approved qualified investment advisors, investment managers and consultants and to facilitate communication from these entities to the Board;
3. To ensure that the current spending requirements of the university are supported and the university’s daily cash flow demands are met;
4. To monitor and evaluate investment results and communicate the results to the Board or its designated committee; and
5. To ensure liquidity for operational purposes is achieved.
It is the policy of the University to invest its funds solely in the interest of the University and in a manner that will provide the highest investment return within the specified risk tolerance, and to ensure the university’s operating funds meet daily cash flow demands. In the investment of its funds, the University will conform to applicable federal and state laws and other legal requirements, including, but not limited to:

- that certain Management Agreement dated March 12, 2008 (as amended and renewed from time to time) between the Commonwealth of Virginia and the Board of Visitors (the “Board”) of the Virginia Commonwealth University, in order to provide the university flexibility to manage cash and investments, on its own behalf, under the State’s Restructured Higher Education Financial and Administrative Operations Act of 2005 including Exhibit F, Policy Governing Financial Operations and Management, thereto;
- the Security for Public Deposits Act, Chapter 44 (§ 2.2-4400 et seq.) of Title 2.2 of the Code of Virginia, as amended;
- the Investment of Public Funds Act, Chapter 45 (§ 2.2-4500 et seq.) of Title 2.2 of the Code of Virginia, as amended;
- the Uniform Prudent Management of Institutional Funds Act, Chapter 11 (§ 64.2-1100 et seq.) of Title 64.2 of the Code of Virginia, as amended; and
- § 23.1-2306 of the Code of Virginia, as amended, concerning the University’s investment of endowment funds, endowment income, and gifts.

The University shall maintain operating cash in accordance with this policy and with the Investment of funds in deposits as stipulated in § 2.2-4400 of the Code of Virginia, the Investment of Public Funds Act. The University shall invest its operating funds and operating reserves in accordance with this Act. Gifts, local funds, and non-general fund reserves and balances may be invested in accordance with the Uniform Prudent Management of Institutional Funds Act.

In the pursuit of its investment objectives, the University may engage the services of one or more investment advisors (each, an “Investment Advisor”) who, if authorized, may select investment managers (each, an “Investment Manager”) for the assets. All Investment Advisors and Investment Managers appointed by the university must agree to invest the university’s funds in accordance with this policy.

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.

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Investment and Liquidity - 2 - Approved: MM/DD/YYYY
**Who Should Know This Policy**

- The Board of Visitors;
- The Investment Advisor;
- Investment Managers;
- The Senior Vice President and Chief Financial Officer;
- The Treasurer; and
- Administrative staff involved in the appointment of Investment Advisors or Investment Managers.

**Definitions**

**Asset-Backed Securities (ABS)**
Financial investment collateralized by a pool of receivables, including but not limited to loans/leases on automobiles, equipment, credit cards and device payment plans.

**Central Bank**
Internal management of funds to provide lending services for operating units.

**Commercial Mortgage-Backed Securities (CMBS)**
Fixed-income securities that are backed by mortgages on commercial and multifamily properties rather than residential real estate.

**Commercial Paper**
Commonly used type of unsecured, short-term debt instrument issued by corporations, typically used for the financing of payroll, accounts payable and inventories, and meeting other short-term liabilities. Maturities can range from overnight to 397 days but are rarely longer than 270 days. Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.
Distribution (for an endowment)
Based on presumptive guidance from a formula that is intended to provide budgetary stability by smoothing the impact of annual investment gains and losses. The formula's inputs reflect expectations about long-term returns and inflation rates.

Duration
Measure of a bond's sensitivity to changes in the interest rate. This is the time weighted present value of the cash flows from a bond. This is not “maturity” (see “Maturity”).

Endowment
Invested funds, typically received from a donor to generate earnings for two purposes: (a) distribution for use (see “Spending Policy”) and (b) growth in the remaining balance to preserve purchasing power and continue ongoing and permanent distributions. Typical endowment terms permit the expenditure of income but not principal, or limit on the percentage or amount of the fund that can be spent in any year.

Illiquid Assets
Drawdown private investment vehicles with a fixed fund life in excess of 7 years.

Intermediate-Term
A time horizon over 3 years to 10 years

Liquidity
The time within which an asset or security can be converted into ready cash without affecting its market price. The most liquid asset of all is cash itself.

Long-Term
A time horizon greater than 10 years.

Maturity
Defined point in time at which a financial instrument will legally cease to exist and the principal is repaid with interest.

Mortgage-Backed Securities (MBS)
Financial investment collateralized by an underlying pool of mortgages.

Negotiable certificate of deposit
A certificate of deposit (CD) with a minimum face value of $100,000, though typically $1 million or more. They are guaranteed by the issuing bank and can usually be sold in a highly liquid secondary market, but they cannot be cashed in before maturity. Also known as a jumbo CD.

Non-negotiable Certificates of Deposit
Investments between an investor and a financial institution. Unlike negotiable CDs, non-negotiable CDs cannot be transferred, sold, bought, or exchanged.

Quasi Endowment
Funds functioning as endowments which are typically used to report resources that the University, rather
than a donor, has determined are to be retained and managed like an endowment. Principal and income of these funds may be utilized at the discretion of the University.

**Residential Mortgage-Backed Securities (RMBS)**
Financial investment collateralized by an underlying pool of residential mortgages.

**Rule 144A**
A legal provision amending restrictions placed on trades of privately placed securities. This safe harbor loosens restrictions on qualified institutional buyers which were set forth by Rule 144 under Section 5 of the Securities Act of 1933 required for sales of securities by the Securities and Exchange Commission (SEC).

**Short-Term**
A time horizon under 3 years.

**Sinking Fund**
Funds set aside to pay off a debt or bond. Sinking funds are periodic payments of principal and interest that pay off the debt on a predetermined basis. The payments reduce the debt burden of a company over time.

**Contacts**

The Office of Treasury Services officially interprets this policy and is responsible for obtaining approval for any revisions as required by the policy *Creating and Maintaining Policies and Procedures* through the appropriate governance structures. Please direct policy questions to the Office of Treasury Operations, attention Treasurer.

**Policy Specifics and Procedures**

1. **Financial Objectives and Standard of Care**

The university maintains cash for operating purposes. As public and non-public funds may be initially indistinguishable, the university will treat all deposits as subject to Virginia Security for Public Deposits Act, Chapter 44 (§ 2.2-4400 et seq.) of Title 2.2 of the Code of Virginia, as amended, which, among other things, restricts deposits to FDIC insured limits or with institutions qualified by the Virginia Treasury Board to accept public deposits. These funds will be the first source of liquidity for the University and must remain immediately accessible. The Treasurer will strive to minimize uninvested cash balances for regular operating purposes.

The University’s investment funds are split between two tiers, a Short-Term Tier and a Long-Term Tier. Each Tier has financial objectives, structure, and investment guidelines. Investment activities for both Tiers shall be guided by the appropriate objectives. The objectives will be defined in the relevant sections below.

The Short-Term Tier consists of the University’s operating funds and operating reserves and shall be invested in accordance with the Investment of Public Funds Act.
The Long-Term Tier consists of gifts, local funds, and non-general fund reserves and balances that are endowments or have been designated by the Board to be treated as endowment ("quasi-endowments") or as part of the Central Bank. The Long-Term Tier shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act.

Investments made in sinking funds or with proceeds from tax-exempt borrowings are subject to other restrictions and are not included as “investments” in this policy.

All investments shall be made with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

2. Short-Term Tier

A. Fund Structure and Financial Objectives

The Short-Term Tier will be divided into two funds: the Primary Liquidity Fund and the Extended Duration Fund. As components of the Short-Term Tier, both the Primary Liquidity Fund and the Extended Duration Fund shall be invested in compliance with the Investment of Public Funds Act.

**Primary Liquidity Fund**: The Primary Liquidity Fund will be the first source of liquidity for the University (in concert with the University’s bank deposits). These funds must be readily available to meet the University’s operating needs, and as such, a portion of this fund shall be continuously invested in short-term investments such as money market mutual funds, bank deposits, or overnight repurchase agreements to ensure funds are readily available for the University’s obligations. Safety and liquidity are the primary objectives of this fund.

**Extended Duration Fund**: The remaining Short-Term Tier funds, collectively known as the Extended Duration Fund, will be a secondary source of liquidity for the University. These funds do not need to be continuously available to meet the University’s operating needs but may be called upon at some point during the University’s annual operating cycle. As such, they shall be invested in short- and intermediate-term investments. Preservation of capital and return are the primary objectives of this fund.

Both funds of the Short-Term Tier will consist of funds managed by external Investment Managers. Each fund and respective Investment Manager will have a specific mandate and related restrictions.

B. Investment Managers Under the Senior Vice President’s Purview

The Board delegates the management and investment of the Short-Term Tier to the senior vice president and chief financial officer (SVP & CFO), including the selection, hiring, monitoring, and termination of Short-Term Tier Investment Managers. The SVP & CFO in turn may delegate these responsibilities to an Investment Advisor, including the selection, hiring, monitoring, and termination of Short-Term Tier Investment Managers. Only firms meeting the requirements of the Investment Manager Requirements for the Short-Term Tier section below may serve as Short-Term Tier Investment Managers, and on an ongoing basis, Short-Term Tier Investment Managers must
comply with the duties outlined in both the **Monitoring and Reporting for the Short-Term Tier** and the **Investment Manager Requirements for the Short-Term Tier** sections below.

The SVP & CFO and the Investment Advisor shall act in good faith, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in (a) selecting Investment Managers; and (b) monitoring the Investment Manager’s performance and compliance with the scope and terms of this delegation.

### C. Authorized Investments

Authorized investments for qualified public entities are set forth in the Investment of Public Funds Act of the *Code of Virginia* in § 2.2-4500 et seq. A qualified public entity is defined as any state agency having an internal or external public funds manager with professional investment management capabilities. The Investment of Public Funds Act authorizes qualified public entities to invest Short-Term Tier funds in the following securities:

1. **Treasury and Agency Securities**: Obligations issued or guaranteed by the U.S. Government, an agency thereof, or U.S. Government sponsored enterprises. This includes Agency Mortgage-Backed Securities. These securities can be held directly, in the form of repurchase agreements collateralized by such debt securities or in the form of registered money market or mutual funds provided that the portfolio is limited to such evidences of indebtedness (§ 2.2-4501.2).

2. **Non-Negotiable Certificate of Deposits and Time Deposits**: Non-negotiable certificates of deposit and time deposits of Virginia banks and savings institutions federally insured to the maximum extent possible and collateralized under the Virginia Security of Public Deposits Act, § 2.2-4400 et seq. of the *Code of Virginia*, and having a maturity not greater than five years.

3. **Negotiable CD's and Bank Deposit Notes**: Negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least two of the following: (a) for maturities of one year or less; A-1 by Standard & Poor's, P-1 by Moody's Investors Service or F1 by Fitch Ratings, Inc.; (b) for maturities over one year and not exceeding five years, a rating of at least AA by Standard & Poor's, at least Aa by Moody's Investors Service, or at least AA by Fitch Ratings, Inc. (§ 2.2-4509). This includes all levels of the “AA/Aa/AA” rating.

4. **Repurchase Agreements**: Repurchase Agreements collateralized by securities of the U.S. Treasury, an agency thereof, or U.S. Government sponsored enterprises (§ 2.2-4507). The collateral on overnight or one day repurchase agreements is required to be at least 100% of the value of the repurchase agreement. Longer-term repurchase agreements are required to have collateralization in excess of 100% and be marked-to-market on a daily basis.

5. **Banker's Acceptances**: Banker's Acceptances with major domestic banks and domestic offices of foreign banks (§ 2.2-4504) rated not lower than A-1 by Standard & Poor's and P-1 by Moody's Investors Service.

6. **Commercial Paper**: Prime quality commercial paper issued by domestic corporations.
“Prime quality” shall be as rated by at least two of the following: A-1 by Standard & Poor’s, P-1 by Moody’s Investors Service, or F-1 by Fitch Investor’s Services or by their respective corporate successors, provided that at the time of any such investment the corporation meets the criteria specified in the Code of Virginia § 2.2-4502.

7. **Money Market and Other Mutual Funds:** Money market and other open-end investment funds provided that they are registered under the Securities Act of the Commonwealth of Virginia (§ 13.1-501) or by the Federal Investment Company Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by qualified public entities within the Commonwealth of Virginia (§ 2.2-4508).

8. **Corporate Debt:** Corporate notes and bonds having a credit rating of at least A3/A- or equivalent by two nationally recognized rating agencies, one of which must be either Standard & Poor’s or Moody’s Investors Service. This includes all levels of the “A” rating (§ 2.2-4510.B).

9. **Municipal Securities:** Taxable and tax-exempt municipal securities of the following provided that at the time of any such investment the municipal security meets the criteria specified in § 2.2-4501 of the Code of Virginia, including: (i) of any state of the United States, (ii) of any county, city, town, district, authority or other public body of the Commonwealth of Virginia, (iii) of any city, county, town or district situated in any one of the states of the United States provided that they are the direct legal obligations of the city, county, town, or district and the city, county, town, or district has power to levy taxes on the taxable real property therein for the payment of such obligations without limitation of rate or amount. (§ 2.2-4501) The municipal securities must be rated at least A3/A- or equivalent by two nationally recognized rating agencies, one of which must be either Standard & Poor’s or Moody’s Investors Service. This includes all levels of the “A” rating.

10. **Asset-Backed and Mortgage-Backed Securities:** Asset-backed and Non-Agency mortgage-backed securities with a duration of no more than five years and rated no less than AAA/Aaa by at least two nationally recognized rating agencies, one of which must be either Standard & Poor’s, Moody’s Investors Service or Fitch Ratings, Inc. (§ 2.2-4511). Authorized mortgage-backed investments include Commercial Mortgage-Backed Securities (CMBS), Non-Agency (private label) Mortgage-Backed Securities (MBS & RMBS) including pass-throughs, and Collateralized Mortgage Obligations (CMOs).

11. **International Bank for Reconstruction and Development, Asian Development Bank, and African Development Bank Obligations** (§ 2.2-4501): Dollar-denominated bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, by the Asian Development Bank, or by the African Development Bank having a maturity of no longer than five years and a credit rating of at least AAA by Standard & Poor’s and Aaa by Moody’s Investors Service.

Should a security be downgraded to a level that ceases to meet the credit quality guidelines above, the Investment Manager shall notify the Treasurer of the University in writing within one business day of the downgrade. Unless the SVP & CFO authorizes the retention of any such downgraded security in writing, such security must be sold within 30 calendar days.
D. Prohibited Investments or Actions

Investment securities not specifically authorized above are prohibited. For further clarification, the following securities are explicitly prohibited:

1. Inverse floaters, Credit Default Swaps (CDSs), Collateralized Debt Obligations (CDOs), Collateralized Loan Obligations (CLOs), and Interest Only (IO), Principal Only (PO) and Z-tranche securities.
2. Futures, options, options on futures, margin buying, leveraging and commodities. Forward trades are permitted as long as they are procured during normal “when issued” periods for individual markets and as long as cash is reserved or a security will mature to cover the purchase at the time of settlement.
3. Securities with the ability to defer interest and securities with the ability to convert to perpetual maturities.
4. Subordinated and convertible debt securities.

E. Asset Allocation Parameters and Short-Term Tier Constraints

Asset Allocation

The Primary Liquidity Fund is intended to provide for the day-to-day working capital requirements of the University in conjunction with the cash in bank balances, with the remaining balance of the Short-Term Tier being invested in the Extended Duration Fund.

Duration and Maturity Limitations

The maximum maturity may not exceed five years on any single non-negotiable certificate of deposit or time deposit of Virginia banks, negotiable certificate of deposit or bank deposit note. For any single asset-backed or mortgage-backed security, the maximum duration may not exceed five years at the time of purchase; in the event the duration subsequently exceeds this limit, the external Investment Manager shall notify the Treasurer of the University in writing within one business day, and the University, in consultation with the Investment Manager, shall decide the appropriate action.

The target duration for the Primary Liquidity Fund and Extended Duration Fund are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Target Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Liquidity Fund</td>
<td>9 months or less</td>
</tr>
<tr>
<td>Extended Duration Fund</td>
<td></td>
</tr>
<tr>
<td>Short Duration Portfolio</td>
<td>Per Applicable Benchmark</td>
</tr>
<tr>
<td>Intermediate Duration Portfolio</td>
<td>Per Applicable Benchmark</td>
</tr>
<tr>
<td>Long Duration Portfolio</td>
<td>Per Applicable Benchmark</td>
</tr>
</tbody>
</table>

Primary Liquidity Fund and Extended Duration Fund Investment Managers’ maximum duration is limited to +10% of the Target Duration or the Applicable Benchmark duration. For purposes of this section, duration shall be defined as the industry standard effective duration as calculated by
Bloomberg or other well-established models available. In addition, for purposes of asset-backed securities and mortgage-backed securities, the prepayment assumptions to be used in the effective duration calculation will be the Bloomberg median prepayment assumptions or other well-established models available. In the absence of a median prepayment assumption available in Bloomberg, the assumption to be used shall be that which provides the greatest principal protection to the portfolio.

F. Performance Measures

In accordance with the performance measures by which the State Council of Higher Education for Virginia measures investment performance as published annually in the Commonwealth of Virginia’s Appropriations Act, the University should achieve a three-year average rate of return at least equal to the iMoney.net money market index fund.

Investment Managers should produce returns commensurate with the following benchmarks:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fund Benchmark(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Liquidity Fund</td>
<td>iMoney.net Money Market Index</td>
</tr>
<tr>
<td>Extended Duration Fund</td>
<td></td>
</tr>
<tr>
<td>Short Duration Portfolio</td>
<td>Bank of America Merrill Lynch (BofAML) 1-3 Year US Treasury Index, BofAML 1-3 year Govt/Corp Index, Barclays 1-3 Year Government Bond Index, or other benchmark(s) that more appropriately reflects the Investment Manager(s) style within this portfolio.</td>
</tr>
<tr>
<td>Intermediate Duration Portfolio</td>
<td>Barclays US Treasury Intermediate Index, Barclays US Intermediate Government Index, Barclays US Intermediate Gov/Credit Bond Index, or other benchmark(s) that more appropriately reflects the Investment Manager(s) style within this portfolio.</td>
</tr>
<tr>
<td>Long Duration Portfolio</td>
<td>Barclays US Aggregate Treasury Index, Barclays U.S. Aggregate Government Index, Barclays US Aggregate Bond Index, or other benchmark(s) that more appropriately reflects the Investment Manager(s) style within this portfolio.</td>
</tr>
</tbody>
</table>

Diversification

Each individual portfolio within the Primary Liquidity Fund and the Extended Duration Fund will be diversified with no more than 3% of the value of the respective portfolios invested in the securities or individual trusts of any single issuer. This limitation shall not apply to the U.S. Government, an agency thereof, or U.S. Government sponsored enterprises, securities fully insured and/or fully guaranteed by the U.S. Government, or money market funds.
At the time of purchase, the maximum percentage in each eligible security type for the Primary Liquidity Fund and the Extended Duration Fund shall be maintained as follows:

<table>
<thead>
<tr>
<th>Authorized Investments</th>
<th>Primary Liquidity Fund</th>
<th>Extended Duration Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Treasury and Agency Securities</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Agency Mortgage-Backed Securities</td>
<td>0%</td>
<td>50%</td>
</tr>
<tr>
<td>Asset-Backed Securities</td>
<td>0%</td>
<td>50%</td>
</tr>
<tr>
<td>Banker's Acceptances</td>
<td>40%</td>
<td>0%</td>
</tr>
<tr>
<td>Certificates of Deposit (CDs) (Negotiable) and/or Negotiable Bank Deposit Notes</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Certificates of Deposit (CDs) (Non-Negotiable)</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Collateralized Mortgage Obligations, Agency</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Commercial Mortgage-Backed Securities</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>35%</td>
<td>0%</td>
</tr>
<tr>
<td>Corporate Notes/Bonds</td>
<td>25%</td>
<td>40%</td>
</tr>
<tr>
<td>International Development Bank Obligations, Asian Development Bank, and African Development Bank Obligations</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Money Market Funds</td>
<td>35%</td>
<td>10%</td>
</tr>
<tr>
<td>Municipal Securities</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Repurchase Agreements, Overnight/Open, Non-Treasury/Non-Agency</td>
<td>50%</td>
<td>0%</td>
</tr>
<tr>
<td>Repurchase Agreements, Overnight/Open, Treasury/Agency</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Repurchase Agreements, Term</td>
<td>20%</td>
<td>0%</td>
</tr>
<tr>
<td>Residential Mortgage-Backed Securities, Private Label (including CMOs)</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Combined 144A Securities of allowed investments</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Combined Agency Mortgage-Backed Securities, Agency/Private Collateralized Mortgage Obligations, Commercial Mortgage-Backed Securities, Residential Mortgage-Backed Securities</td>
<td>0%</td>
<td>50%</td>
</tr>
</tbody>
</table>

G. Monitoring and Reporting for the Short-Term Tier

Quarterly, the Board will receive an investment report for the Short-Term Tier. At a minimum, this report will include the following information:

- Investment performance report (net of fees) for the Short-Term Tier as a whole, the Primary Liquidity Fund, and the Extended Duration Fund, versus the appropriate benchmarks above.
▪ Any investments that required management notification (such as credit downgrades or duration changes), along with management’s response to such notifications.
▪ A statement from each Investment Manager certifying compliance with the Virginia Investment of Public Funds Act.

Annually, the Board will receive the following information on the Short-Term Tier. At a minimum, this will include:
▪ Actual asset allocations of the Short-Term Tier as a whole, the Primary Liquidity Fund, and the Extended Duration Fund versus the allocation requirements above.
▪ A certificate showing compliance with the Investment Policy, specifically the Authorized Investments, the Prohibited Investments or Actions, and the Asset Allocation Parameters and Short-Term Tier Constraints sections above.

H. Investment Manager Requirements for the Short-Term Tier

Before an organization can provide investment management services for the Short-Term Tier, it must confirm in writing that it has received, reviewed, and is able to comply with this Investment Policy. Investment Managers are not permitted to deviate from their specifically announced investment strategy and may utilize discretion only as approved by the Board or its designee. Only firms having the following qualifications may serve as Short-Term Tier Investment Managers:
▪ Registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940 or exempt from registration;
▪ Must have provided to the University an annual updated copy of Form ADV, if applicable;
▪ Must be registered to conduct business in the Commonwealth of Virginia; and,
▪ Must have proven experience in providing investment management services under the Virginia Investment of Public Funds Act.

Short-Term Tier Investment Managers shall have the following duties:
▪ Accept assets as directed by the University, and invest those assets in strict adherence to the Investment Policy and applicable laws;
▪ Reconcile all transactions, market values, security holdings, and cash flows with the custodian within 30 days of each month-end;
▪ Calculate monthly performance against the appropriate benchmark and provide a written report within 35 days of each month-end;
▪ Calculate quarterly performance against the appropriate benchmark and provide a written report within 35 days of each quarter-end;
▪ Provide written quarterly reports concerning investment strategy, including quantitative performance attribution based on interest rate risk, sector allocation and security selection;
▪ Provide a written economic and investment outlook report within 30 days of each month-end;
▪ Meet as required to review portfolio and investment results;
▪ Issue prospectuses, annual reports and other pertinent information on a timely basis;
▪ Notification in advance of potential material changes in fund and/or firm operations under consideration or about to be implemented, including organizational or strategy changes that may impact asset management;
▪ Notification of any non-compliant securities as further outlined above; and,
- Provide a written quarterly statement attesting to compliance with the Investment Policy.

3. Long-Term Tier

A. Fund Structure
The Long-Term Tier shall consist of endowments and Board-designated quasi-endowment funds. As the Long-Term Tier consists of gifts, local funds, and non-general fund reserves and balances designated for long-term investment, it shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act. The primary objective for the Long-Term Tier is to maximize long-term real returns commensurate with the University’s risk tolerance.

B. Financial Objectives
The funds invested in the Long-Term Tier shall be treated as long-term assets managed to maintain the purchasing power of those assets in the future while being mindful of the cash flow and liquidity requirements of both the University and the endowed funds. The objective of the Long-Term Tier is to achieve a rate of return in excess of inflation, CPI + 5%, at an acceptable level of risk.

The university does not expect that this investment objective will be achievable every year and, as a result, investment performance over rolling three-, five-, and ten-year periods will carry greater significance. The university also recognizes that some level of investment risk, including volatility and illiquidity, is necessary to achieve the long-term investment objectives of the Long-Term Tier.

The overall return will be evaluated against a policy portfolio benchmark consisting of the sum of different asset class benchmarks weighted in accordance with the long-term policy targets designed to meet the Long-Term Tier objective.

C. Long-Term Tier Investment Managers Under the Investment Advisor’s Purview
The Board has delegated the management and investment of the Long-Term Tier to the Investment Advisor, including the selection, hiring, monitoring, and termination of Investment Managers.

The Investment Advisor shall act in good faith, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in: a) selecting Investment Managers; b) monitoring the Investment Manager’s performance and compliance with the scope and terms of the delegation.

D. Authorized Investments
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.

Note: Investment Managers or the Investment Advisor are to vote shareholders’ proxies. Such voting is to be solely in the best interest of the university’s investment funds, given their stated
policies, goals, and objectives. Where Investment Managers or fund vehicles have their own terms regarding proxy voting, such terms will be an attribute to be considered by the Investment Advisor in selecting and monitoring Investment Managers and investment vehicles.

E. Strategic Asset Allocation and Performance Measures
In developing and implementing the Long-Term Tier’s Strategic Asset Allocation, the university will consider the risks associated with each asset class. Based upon the university’s risk tolerance together with capital market risk and return estimates, the Board sets a strategic asset allocation designed to achieve the objectives stated in this Investment Policy Statement. The Strategic Asset Allocation shall be prudently diversified across asset classes. The Investment Advisor will invest the Long-Term tier in keeping with the parameters of the Strategic Asset Allocation below. The Strategic Asset Allocation specifies risk controls in the form of ranges and targets for Fund asset allocations as well as liquidity targets. The ranges help to ensure adequate diversification, define acceptable degrees of tactical tilts, and constrain absolute risk. Extraordinary market conditions may lead to deviations outside the specified ranges, which will be reported to the Investment Committee with a plan to return to the specified ranges.

Benchmark indices are selected to represent the desired risk and return profile of the Long-Term Tier. The Investment Advisor should produce returns commensurate with the blended benchmark indices noted below. Key considerations in selecting benchmark indices include broad market coverage, ability to passively invest, transparency of index construction, and objectivity of the index provider.

Strategic Asset Allocation Risk Control Targets and Ranges:

<table>
<thead>
<tr>
<th>Net Exposure (%)</th>
<th>Range</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>40-80</td>
<td>65</td>
</tr>
<tr>
<td>Real Assets</td>
<td>0-20</td>
<td>5</td>
</tr>
<tr>
<td>Credit</td>
<td>5-45</td>
<td>10</td>
</tr>
<tr>
<td>Government Bonds</td>
<td>0-25</td>
<td>5</td>
</tr>
<tr>
<td>Cash/Residual</td>
<td>0-25</td>
<td>15</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regional Exposures (%)</th>
<th>North America</th>
<th>Europe</th>
<th>Asia</th>
<th>Rest of World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Ranges</td>
<td>25-75</td>
<td>0-50</td>
<td>0-40</td>
<td>0-20</td>
</tr>
<tr>
<td>Cash &amp; Currency Ranges</td>
<td>50-100</td>
<td>0-30</td>
<td>0-30</td>
<td>0-20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liquidity Measure (%)</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly liquidity</td>
<td>20</td>
</tr>
<tr>
<td>Illiquid Assets (&gt; 7 years)</td>
<td>25</td>
</tr>
</tbody>
</table>
### Long-Term Tier Benchmark

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Weighting (%)</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>70</td>
<td>MSCI All Country World Equity</td>
</tr>
<tr>
<td>Fixed Income &amp; Cash</td>
<td>30</td>
<td>Barclays Aggregate Bond Index</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></td>
<td><strong>Blended Benchmark</strong></td>
</tr>
</tbody>
</table>

### Annual Review

Annually, the University and the Investment Advisor shall informally review and assess the Strategic Asset Allocation. Should the University and the Investment Advisor recommend changes to the Strategic Asset Allocation, such proposed changes will be brought to the Board for consideration.

### Rebalancing Guidelines

The Strategic Asset Allocation reflects targets for exposures to various asset classes as described above. The purpose of rebalancing is to maintain the risk/reward relationship implied by the stated long-term Strategic Asset Allocation targets adopted by the Board. The actual asset mix may diverge from the target allocations as a result of either market fluctuations or explicit tactical decisions. The role of the ranges within the Strategic Asset Allocation is to allow for these short-term fluctuations, and to provide limits for tactical investing.

Under stable market conditions, should actual asset allocations reside outside of allowable Strategic Asset Allocation ranges, unless otherwise directed by the Board, the Investment Advisor will rebalance the Long-Term Tier without prior Board discussion or approval. Cash flows to, from, or within the Long-Term Tier will be used to rebalance the portfolio and may be allocated to or from the underlying Investment Managers within the Long-Term Tier.

The Board recognizes that under distressed market conditions, a less static approach to rebalancing could provide the University with increased flexibility and a more productive rebalancing process. Should the Investment Advisor believe that such distressed market conditions exist, the Investment Advisor shall: (a) immediately notify the Senior Vice President and CFO; (b) provide the Senior Vice President and CFO with recommended intermediate-term deviations from the Strategic Asset Allocation; and, (c) provide the Senior Vice President and CFO with a recommended timeline for rebalancing the Long-Term Tier. After reviewing these three items with the Investment Advisor, the Senior Vice President and CFO may authorize intermediate-term deviations from the Strategic Asset Allocation targets, and shall provide the recommended deviations and recommended rebalancing timeline for the Board’s review at its next meeting.

### F. Investment Restrictions

The Strategic Asset Allocation specifies risk controls in the form of ranges for Long-Term Tier asset allocations. The ranges help to ensure adequate diversification, define the permissible magnitude of tactical asset allocation, and constrain both absolute and relative risk. Risk control ranges express the acceptable variation from target asset allocations in normal market and economic
circumstances. The Investment Advisor shall adopt risk controls principally considering the Tier’s tolerance for volatility, but also to ensure adequate liquidity.

It is understood that the Long-Term Tier must maintain a certain minimum level of liquidity that is sufficient to fund annual programmatic activities, as well as to fund ongoing expenses, including capital calls. The Investment Advisor shall monitor on an ongoing basis the liquidity of the Long-Term tier.

G. Spending Guidelines
The Spending Policy is meant to maintain the purchasing power of the Long-Term Tier, with the goal of providing a predictable and sustainable level of income. This policy reflects industry best practices. Under this policy, spending for a given year equals the trailing average three-year quarter-end market values of the Long-Term Tier multiplied by the long-term spending rate of 4.5%. An additional 1% administrative fee is distributed concurrently.

Annual payouts are assumed, and distributions are to be made on or before September 30. The University will communicate an estimate of the distribution to the Investment Advisor approximately 120 days in advance, and the Advisor will confirm receipt of the notification to the University within five business days. The final amount shall be determined at least 5 days before the distribution date, or earlier as agreed upon with the Investment Advisor. The Advisor is responsible for wiring funds as directed.

Payouts under this Spending Policy may exceed spending needs. At the discretion of the Senior Vice President and CFO, the University may elect to reinvest any portion of the annual distribution back into the Long-Term Tier. Each year, the Senior Vice President and CFO will prepare a report for the Board showing the current spending rate and allocating distributions made under this Spending Policy between those funds spent to meet University needs and those funds reinvested into the Long-Term Tier.

If the market value of the investment funds fall below the restricted amount, the payout and distribution shall be in compliance with Virginia's Uniform Prudent Management of Institutional Funds Act (§ 64.2-1100 et seq., "UPMIFA"), determining what portion of investment funds is appropriate for expenditure or accumulation as the University and Investment Advisor determine is prudent for the uses, benefits, purposes, and duration for which the investment funds were established.

H. Monitoring and Reporting for the Long-Term Tier
Quarterly, the Board will receive the following information on the Long-Term Tier. At a minimum, this report will include:

- Investment performance (net of fees) for the Long-Term Tier versus the appropriate benchmarks above.
- Actual asset allocations of the Long-Term Tier versus the Strategic Asset Allocations above.

Annually, the Board will receive the following information on the Long-Term Tier. At a minimum, this report will include:

- A report showing compliance with the Investment Policy, specifically the Authorized
Investments, Strategic Asset Allocation and Performance Measures, and Investment Restrictions sections above;

- The report specified under the Spending Policy section above; and
- A liquidity measurement analysis.

I. Investment Advisor Requirements for the Long-Term Tier

The Investment Advisor shall prudently select Investment Managers, acting in good faith, and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. Investment Managers are not permitted to deviate from their specifically announced investment strategy and may utilize discretion only as approved by the Investment Advisor.

The Investment Advisor shall have the following duties:

- Accept assets as directed by the University, and invest those assets in strict adherence to the Investment Policy and applicable laws;
- Reconcile all transactions, market values, security holdings (as applicable), and cash flows with the Investment Managers;
- Calculate performance against the appropriate benchmarks and provide regular, written reports to the University;
- Provide written reports to the University concerning investment strategy, including quantitative performance attribution;
- Meet as required with the University to review portfolio and investment results;
- Issue investment reports and other pertinent information on a timely basis to the University;
- Notify the University of potential material changes in fund and/or firm operations under consideration or about to be implemented, including organizational or strategy changes that may impact asset management;
- Notify the University of any non-compliant investments; and,
- Provide a written quarterly statement attesting to compliance with the Investment Policy.

J. The Central Bank

With the exceptions of reporting, distributions and liquidity requirements, investments made for the Central Bank are managed under the same requirements of the Long-Term Tier. These funds shall be invested in accordance with the Uniform Prudent Management of Institutional Funds Act. The primary objective for the Central Bank is to meet the obligations of the scheduled debt service payments out of the bank while generating liquidity and debt capacity for the University. Specific liquidity considerations will apply to the Central Bank to meet scheduled obligations in lieu of annual distributions.

Distributions for the principal and interest payments of the Central Bank must be available for timely payment, as scheduled. Additional distributions from the Bank for internal loans will be scheduled as needed, with the goal of minimizing distributions in order to provide for the Bank’s growth. The investment of these funds will focus on providing this scheduled liquidity under the investment policy herein.

An annual report will be provided to the Board of Visitors to detail deposit amounts, payments and account balances for the various funds of the Bank.
4. Establishing a Prudent Split Between the Short-Term and Long-Term Tiers

The Short-Term and Long-Term Tiers have markedly different liquidity, risk, and volatility profiles. It is the responsibility of the Office of the Senior Vice President and CFO to perform ongoing analysis and monitoring to recommend to the Board a prudent split between the Short-Term and Long-Term Tiers.

5. Procedures

No changes to this policy may be implemented without the approval of the Board or its designated committee.

6. Violations

Passive Violations: A passive violation occurs when a portfolio breaches a prescribed policy limit as the result of changing market or credit conditions, with the exception of the procedures outlined under the Rebalancing Guidelines for the Long-Term Tier. Other than the routine rebalancing of the Long-Term Tier under stable market conditions as described in the Rebalancing Guidelines above, the university will report any violations to the Board and will remedy the violation within 90 days of the violation or prepare a written action plan that must be approved by the Board to extend the cure period beyond 90 days. The Investment Advisor and Investment Managers will continuously monitor the portfolio for any Passive Violations and will promptly notify the university as they occur.

Active Violations: An active violation is caused by entering into an agreement or investment that breaches a limit at inception or thereafter through failure to monitor. In this case, a thorough analysis of controls will ensue and be reported to the Board, as soon as practical. The Investment Advisor will seek to remedy the violation when possible. In instances where the costs of immediate remedies are prohibitive, the Investment Advisor will develop a corrective action plan that will be submitted to the university within a reasonable time after the violation occurs, not to exceed 15 days, depending on the nature and complexity of the investment holding and transactions needed to remedy the violation. The Board will be apprised of the violation at its next regularly scheduled meeting along with the corrective action plan.

7. Legal and Other Considerations

The university will, in accordance with law, consider the present and anticipated financial requirements of the university, the expected total returns on investments, the capital markets environment and general economic conditions.

The Code of Virginia § 64.2-1102, the Virginia Uniform Prudent Management of Institutional Funds Act, sets forth specific factors that, if relevant, must be considered in managing and investing the Long-Term Tier. These factors are:

1. The duration and preservation of the Long-Term Tier funds;
2. The purposes of the institution and the Long-Term Tier 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.

Upon request, the university will present an analysis of these factors to the Board to assist its decisions regarding managing and investing the Long-Term Tier.

8. Conflicts of Interest

Virginia Commonwealth University will take reasonable measures to assess the independence of Investment Advisors and Investment Managers. Annually and prior to the approval of an Investment Advisor or Investment Manager, all personnel listed in “Who Should Know This Policy” must disclose any conflicts of interest on in the form of Exhibit A.

Forms

There are no forms associated with this policy and procedures.

Related Documents

1. VCU Policy: Debt Management
2. Code of Virginia, Title 2.2, Chapter 44 (§ 2.2-4400 et seq.), as amended, Security for Public Deposits Act
3. Code of Virginia, Title 2.2, Chapter 45 (§ 2.2-4500 et seq.), as amended; Investment of Public Funds Act
4. Code of Virginia, Title 23.1, Chapter 23 (§ 23-2306), as amended, concerning the University’s investment of endowment funds, endowment income, and gifts
5. Code of Virginia, Title 64.2, Chapter 11 (§ 64.2-1100 et seq.), as amended; Uniform Prudent Management of Institutional Funds Act
6. Management Agreement dated March 12, 2008 (as amended and renewed from time to time) between the Commonwealth of Virginia and the Board of Visitors of the Virginia Commonwealth University

Revision History

This policy supersedes the following archived policies:

<table>
<thead>
<tr>
<th>Approval/Revision Date</th>
<th>Title</th>
</tr>
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<tbody>
<tr>
<td>05/15/2009</td>
<td>VCU Operating Pool Investment Policy</td>
</tr>
<tr>
<td>09/19/2013</td>
<td>VCU Investment Policy</td>
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<tr>
<td>04/25/2016</td>
<td>VCU Investment Policy – Interim</td>
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<tr>
<td>03/22/2017</td>
<td>VCU Investment Policy</td>
</tr>
<tr>
<td>03/05/2019</td>
<td>Investment Policy (minor revision to clarify)</td>
</tr>
</tbody>
</table>
There are no FAQ associated with this policy and procedures.
Exhibit A

Annual Investment Conflict of Interest Disclosure Statement

[LIST OF CURRENT and/or PROPOSED INVESTMENT ADVISOR(S) AND INVESTMENT MANAGER(S) – TO BE PROVIDED BY STAFF]

Except for the relationships and investments set forth below, I hereby certify to the best of my knowledge that neither I, nor any of my household family members, has a material ownership interest in, or is directly employed by, any Investment Advisor or Investment Manager engaged or to be engaged by the University and listed above. I hereby certify that I have received a copy of the University's current Investment Policy, have read and understand the policy, and agree to abide by its provisions pertaining to Conflicts of Interest.

Signature: ____________________________
Print Name: ____________________________
Title: ____________________________
Date: ____________________________

PLEASE LIST ANY EXCEPTIONS BELOW: