



# VCU

VIRGINIA COMMONWEALTH UNIVERSITY

**VIRGINIA COMMONWEALTH  
BOARD OF VISITORS  
FINANCE, BUDGET AND INVESTMENT COMMITTEE**

**May 12, 2022**

**12:30 p.m.<sup>1</sup>**

**James Branch Cabell Library**

**901 Park Avenue – Room 303**

**Richmond, VA**

**&**

**Virtual**

**AGENDA**

**1. CALL TO ORDER**

**(12:30pm)**

**Mr. Stuart Siegel, Chair**

**2. ACTION ITEMS**

**(12:30-1:05pm)**

**Mr. Stuart Siegel, Chair**

a. Approval of Minutes – March 21, 2021

b. Approval of Amendments to the Six Year Plan:

i. Office of the Provost

ii. Hibbs Hall

iii. Technology Operations Center

**Dr. Meredith Weiss, Vice  
President for Administration**

c. Approval of Project Plans for the  
Technology Operations Center

**Dr. Meredith Weiss, Vice  
President for Administration**

d. Approval of Resolution for Capital Outlay  
Projects and Revision of Committee Charter

**Ms. Karol Kain Gray, Senior  
Vice President and CFO**

e. Proposed 2022-23 Tuition and Fees and  
University Budget Plan

**Ms. Karol Kain Gray, Senior  
Vice President and CFO**

**3. REPORT FROM SENIOR VICE PRESIDENT  
FOR FINANCE AND BUDGET**

**(1:05-1:10pm)**

a. SWaM Update

**Ms. Karol Kain Gray, Senior  
Vice President and CFO**

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<sup>1</sup> 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.

**4. REPORT FROM VICE PRESIDENT  
FOR ADMINISTRATION**

STEM Facility

**Dr. Meredith Weiss, Vice  
President for Administration**

**5. MISCELLANEOUS REPORTS:**

- a. For Informational Purposes Only:
- b. Sources and Uses Funding
- c. Revenue and Expense Summary
- d. VCU Health System and Financial Operations
- e. Treasurer's Report
- f. Capital Projects Update
- g. Dashboards

**Mr. Stuart Siegel, Chair**

**6. CLOSED SESSION – *Freedom of Information  
Act Section 2.2-3711 (A) (3), Relating to the Acquisition  
or Disposition of Real Property Adjacent to the Monroe  
Park Campus or the MCV Campus.***

**(1:15-1:25pm)**

**Mr. Stuart Siegel, Chair**

**7. RETURN TO OPEN SESSION  
AND CERTIFICATION**

**(1:26-1:29pm)**

**a. Action Item:**

Approval of items discussed in closed session if necessary

**Mr. Stuart Siegel, Chair**

**8. OTHER BUSINESS**

**Mr. Stuart Siegel, Chair**

**9. ADJOURNMENT**

**(1:30pm)**

**Mr. Stuart Siegel, Chair**





**BOARD OF VISITORS  
FINANCE, BUDGET AND INVESTMENT COMMITTEE  
MARCH 21, 2022  
MINUTES**

**DRAFT**

**COMMITTEE MEMBERS PRESENT:**

Mr. Stuart C. Seigel, chair  
Mr. Peter Farrell  
Mr. Todd P. Haymore, vice chair  
Mr. Edward L. McCoy  
Ms. Alexis Swann

**COMMITTEE MEMBERS ABSENT:**

Ms. Pamela El  
Mr. Andrew Florance

**OTHERS PRESENT:**

Dr. Michael Rao, President  
Ms. Karol Kain Gray, Senior Vice President for Finance and Budget and CFO  
Dr. Meredith Weiss, Vice President of Administration  
Staff and students from VCU and VCUHS  
Members of the Press

**CALL TO ORDER:**

Mr. Stuart Seigel, Chair of the Finance, Budget and Investment Committee, called the meeting to order at 11:18 a.m.

**APPROVAL OF MINUTES:**

Mr. Siegel asked for a motion to approve the minutes of December 10, 2021 meeting of the Finance, Budget and Investment Committee, as published. After motion duly made and seconded, the minutes for the Finance, Budget and Investment Committee meeting of December 10, 2021 were approved.

**OPEN SESSION ACTION ITEMS:**

Mr. Siegel began at by asking Dr. Weiss to present the proposal to approve the selection of PSH+ as the architect for the Technology Operations Center. At its October 29, 2021 meeting, the VCU Board of Visitors approved an amendment to the university's 2020-2026 Six-Year Capital Plan to construct a facility that will serve as VCU's Technology Operations Center. The \$22,575,000, 28,000 square foot facility will be located at 707 West Broad Street adjacent to the Technology Administration Building. The new facility will replace technology operations currently taking place at the state-owned Pocahontas building which is the proposed site for the Virginia Supreme Court Building. The university reviewed qualifications and availability of each term architect/engineer and determined that PSH+, previously Price Simpson Harvey, was the best match for this project. The firm has experience with VCU and in working on projects of this scale and scope. Comparable projects include the Dominion Energy Innovative Technology

Center, the James Madison University Steam Plant, and Centra Health's Information Technology Center and Community Access Network Clinic. The total project cost is \$22,575,000. Approximately \$1.7 million will be architecture fees. It will be funded with university debt.

On motion duly made and seconded, the A/E selection for the Technology Operations Center was approved for recommendation of approval to the full board.

**SENIOR VICE PRESIDENT'S REPORT FOR INFORMATION:**

Mr. Siegel asked Ms. Gray to present her report on the following:

SWAM Update -- Ms. Gray reviewed the proposed plan to increase spending in the SWAM categories from 7% currently to 15% by FY25. Ms. Gray also reported the dollars spent on diversity suppliers as well as the number of diversity supplies doing business with VCU.

FY21 Financial Statements Summary – Ms. Gray reviewed a summary of the FY21 Financials for which the university received an unmodified audit opinion. Investments and Endowments increased by \$142.2 million. Property, plant and equipment increased by \$18.9 million due to the construction of the STEM building and the School of Engineering Research expansion. Receivables increased by \$31.5 million and liabilities increased by \$35.2 million due to pension obligations. The University's net position increased by \$157.7 million due to gain on investments, capital projects, capital assets offset by lower debt, increased research funding and gains on quasi endowments for scholarships.

**VICE PRESIDENT FOR ADMINISTRATION'S REPORT FOR INFORMATION:**

Mr. Siegel asked Dr. Weiss to provide her ONEVCU Sustainability Report.

Dr. Weiss announced the development of the the first One VCU Sustainability Plan which will bring university and health system resources and exceptional expertise together to achieve VCU's mission more sustainably.. As a nationally prominent institution known for shaping and impacting human health, VCU plays a vital role in developing solutions to environmental challenges. Dr. Weiss provided an overview of recent accomplishments that the new plan will build upon. VCU was recently awarded a Gold STARS rating. AASHE's STARS is the most widely recognized framework in the world for publicly reporting a college or university's sustainability performance. While VCU has increased its square footage significantly over its 2008 baseline, through more efficient building design and better management, we have:

- Decreased energy use per square foot by 34%
- Reduced potable water use per unit of floor area by 58%
- Reduced the total waste generated per weighted campus user by 43%
- Currently has 21 buildings certified as LEED Silver or higher (1 platinum Inger and Walter Rice Education Center, 5 gold)

**Commented [MW1]:** This is true but I did not say it at the meeting.

Virginia Commonwealth University  
Finance, Budget and Investment  
March 21, 2022

- Reduced medical waste by nearly 3 million pounds annually
- Reduced hazardous medication disposal by over 60%

VCU engaged Integral Group, an internationally renowned consulting firm with extensive experience in sustainability and carbon planning for organizations of VCU's scale and distinction. The plan is scheduled to be presented in Spring of 2023.

**REPORTS FOR INFORMATIONAL PURPOSES:**

Mr. Siegel noted that there were several reports for informational purposes, specifically, the Sources and Uses of Funding, Revenue and Expense Summary, VCU Health System and Financial Operations, Treasurer's Report, Capital Projects Update, Finance and Administration Dashboards, VCU intercollegiate Athletics Programs for the year ended June 30, 2021, and the FY21 Financial Statements and Internal Control Report.

**ADJOURNMENT:**

There being no further business, Mr. Siegel adjourned the meeting at 11:33 a.m.

**Amendment to the 2020-2026 Six-Year Capital Plan**  
Office of the Provost, 901 West Franklin Street

**Background**

The building at 901 West Franklin Street is located within the Historic Franklin Street District and houses various units and programs of the Office of the Provost. The building is experiencing significant water intrusion issues and requires repairs to include repointing of mortar joints, repairs to head flashing at windows, repair/replacement of downspouts, gutters and site drainage systems, and repair/replacement of portions of the multi-roof system. The project also includes restoration, painting and sealing of windows.

**Considerations**

The repairs needed in 901 West Franklin Street meet the criteria for use of maintenance reserve funds. The Commonwealth of Virginia limits the use of state-appropriated maintenance reserve funds to \$2M or less for a single project, but provides an exception to the \$2M limit on a case-by-case basis. The university received approval of an exception for this project based on the \$2.3M estimated cost of work. Projects exceeding \$2M also require approval from VCU's Board of Visitors.

**Cost and funding source**

The estimated cost of the project is \$2.3M. Maintenance reserve funds will be used.

**Recommendation**

Approve amendment of the university's 2020-2026 Six-Year Capital Plan to undertake major repairs to 901 West Franklin Street using maintenance reserve funds at a cost not to exceed \$2.3M.

**Amendment to the 2020-2026 Six-Year Capital Plan**  
Hibbs Hall, 900 Park Avenue

**Background**

Hibbs Hall, located at 900 Park Avenue on the Monroe Park Campus, houses the Transfer Center, the Campus Learning Center and the Testing Center as well as large lecture halls and offices of the Department of English. Replacement of major components of the chilled water system serving this building is needed. The existing system is at the end of life and replacement of these components will improve energy efficiency and reliability.

**Considerations**

Replacement of the chilled water system equipment at Hibbs Hall meets the criteria for use of maintenance reserve funds. The Commonwealth of Virginia limits the use of state-appropriated maintenance reserve funds to \$2M or less for a single project, but provides an exception to the \$2M limit on a case-by-case basis. The university received approval of an exception for this project based on the \$2.025M estimated cost of work. Projects exceeding \$2M also require approval from VCU's Board of Visitors.

**Cost and Funding**

The estimated cost of the project is \$2.025M. Maintenance reserve funds will be used.

**Recommendation**

Approve amendment of the university's 2020-2026 Six-Year Capital Plan to replace the chilled water system equipment at Hibbs Hall using maintenance reserve funds at a cost not to exceed \$2.025M.



## **Amendment to the 2020-2026 Six-Year Capital Plan**

### **Technology Operations Center, 707 West Broad Street**

#### **Background**

The Technology Operations Center is a new six story facility being constructed at 705-707 West Broad Street. The 27,000 gross square foot facility will house VCU's computing center which is being relocated from its existing location in the Department of General Services' (DGS) Pocahontas Building. This site operates as the primary data center and network operations hub for VCU on both campuses, as well as serves as the telecommunications hub for VCU Health. As such, this facility directly or indirectly supports all of VCU's and much of VCU Health's critical operations. The upper floors of the facility will provide administrative space to support the services within the facility.

The VCU Board of Visitors approved funding for this project in October 2021 as part of the 2020-2026 Six-Year Capital Plan and, in March 2022, approved the architect selection for the project.

#### **Considerations**

Costs rose significantly since October, from an estimated cost of \$580 per square foot to an estimated \$970 per square foot. Contributing factors include an increase in scope identified during schematic design, material and labor increases, constricted site challenges, and expedited schedule escalation. The increase in project cost is consistent with market trends.

#### **Cost and funding source**

The total capital cost of the replacement facility is now estimated to be \$31,375,000, an increase of \$8.8M. It will be funded with university debt.

#### **Recommendation**

Authorize an amendment of the university's 2020-2026 Six-Year Capital Plan to increase the total project cost of the Technology Operations Center from \$22,575,000 to \$31,375,000.

## **Approval of Project Plans**

### **Technology Operations Center**

#### **Background**

The Technology Operations Center is a new six story facility being constructed at 705-707 West Broad Street. The 27,000 gross square foot facility will house VCU's computing center which is being relocated from its existing location in the Department of General Services' (DGS) Pocahontas Building. This site operates as the primary data center and network operations hub for VCU on both campuses, as well as serves as the telecommunications hub for VCU Health. As such, this facility directly or indirectly supports all of VCU's and much of VCU Health's critical operations. The upper floors of the facility will provide administrative space to support the services within the facility.

The VCU Board of Visitors approved funding for this project in October 2021 as part of the 2020-2026 Six-Year Capital Plan and, in March 2022, approved the architect selection for the project. VCU now seeks board approval for project plans, which illustrate the functional layout and adjacencies of the building. The project plans were developed collaboratively with the design architect, Technology Services and Facilities Management.

#### **Cost and Funding**

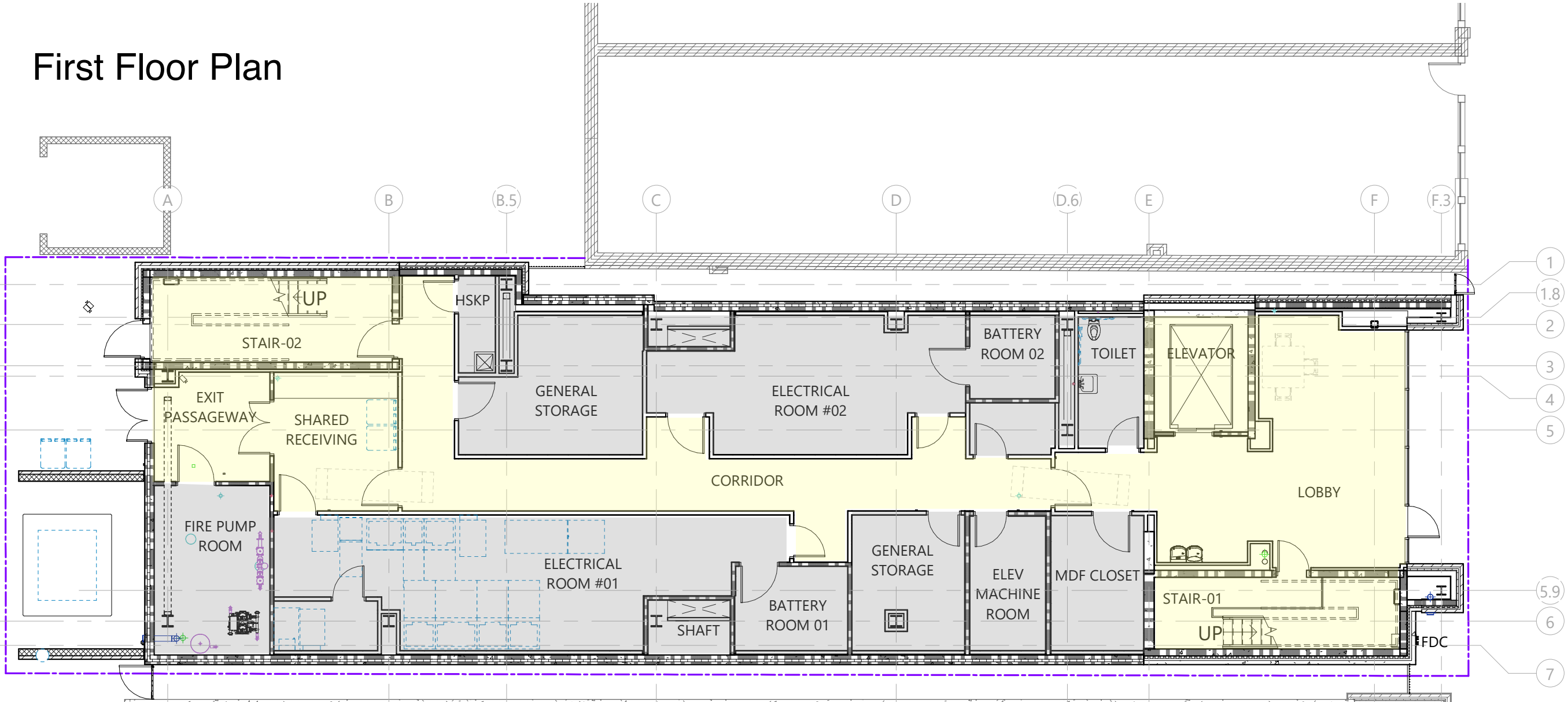
The total project cost for the Technology Operations Center is \$31,375,000 and is funded by university-supported debt.

#### **Recommendation**

Approve project plans for the Technology Operations Center.

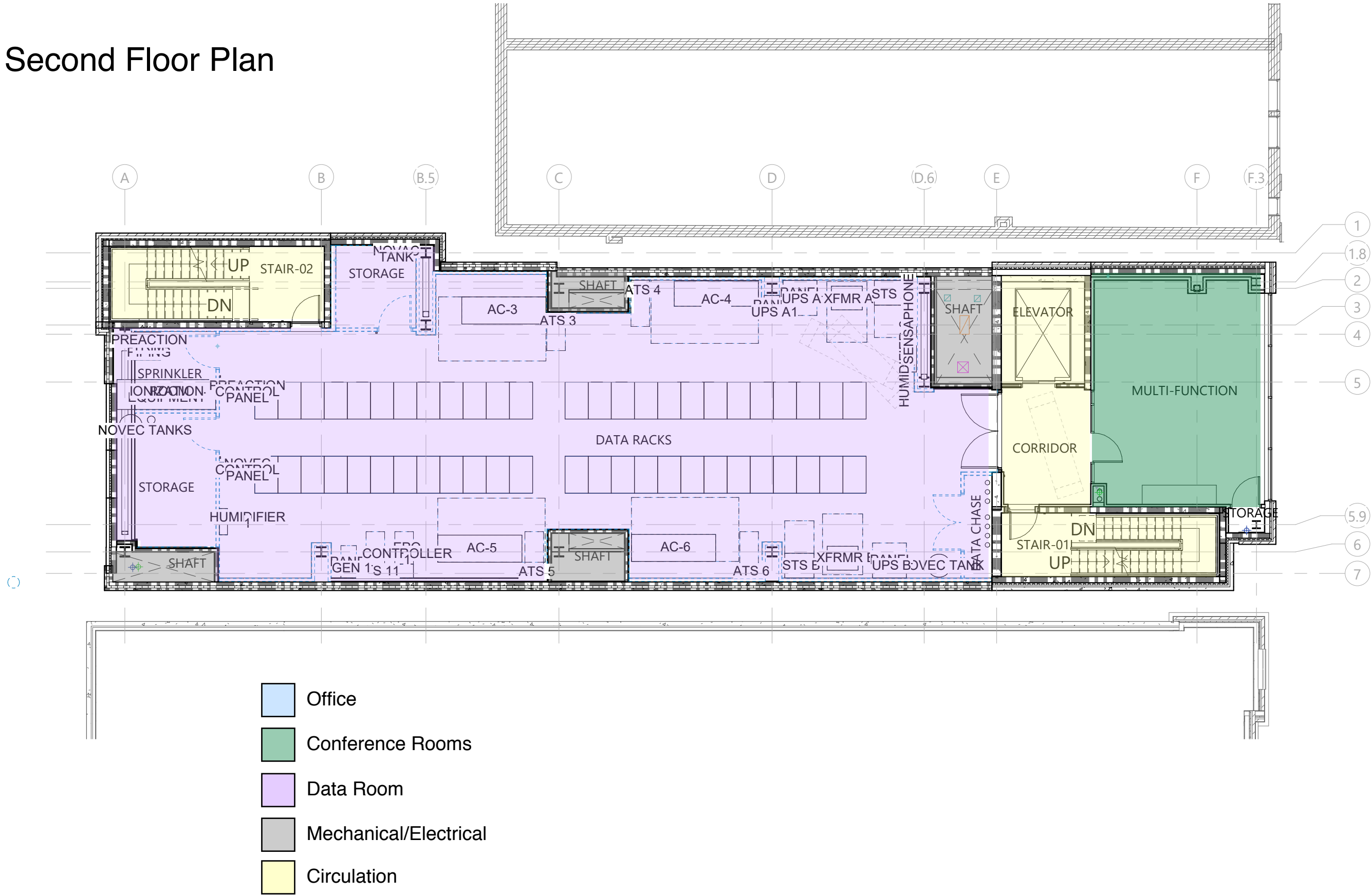


# First Floor Plan

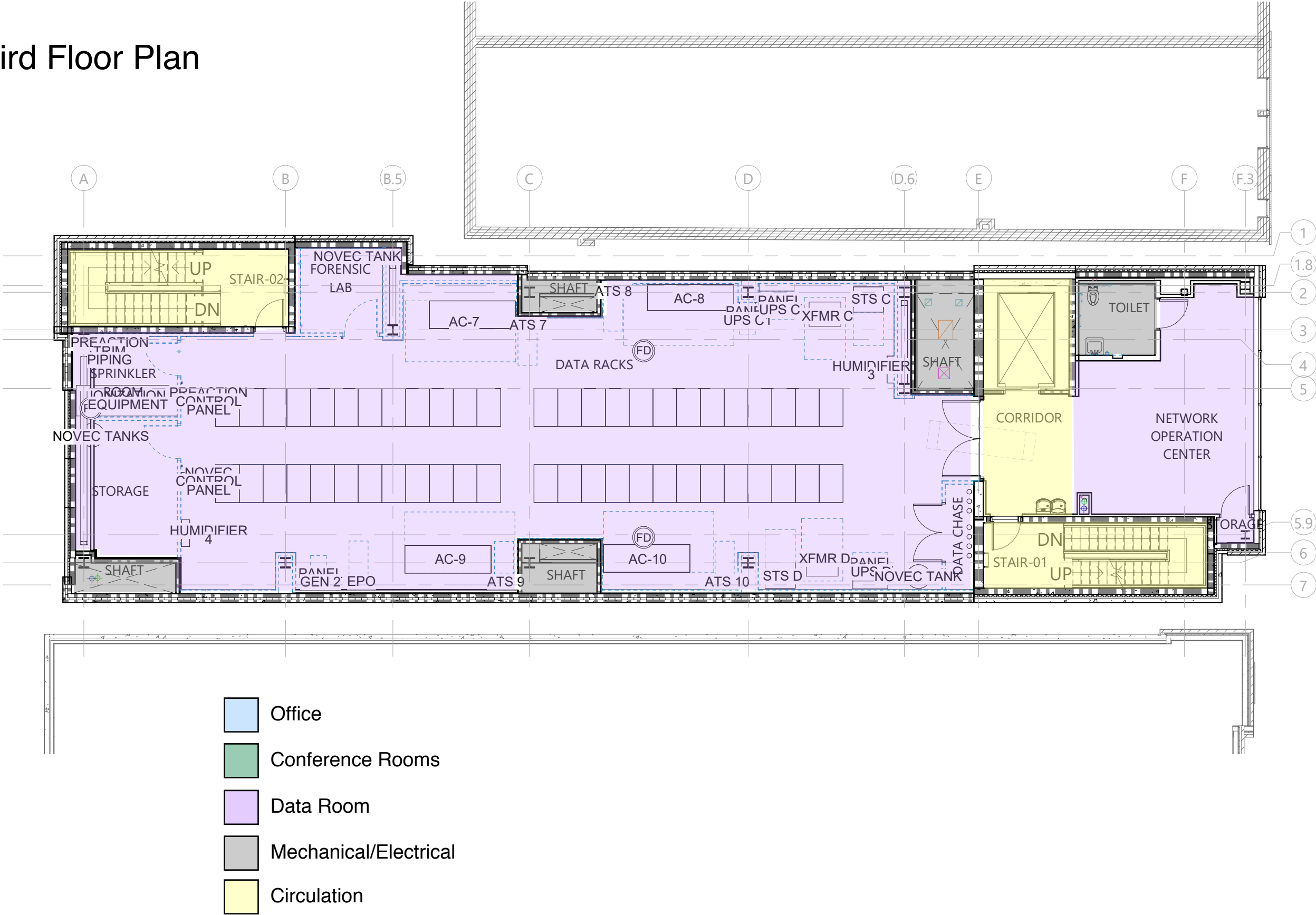


- Office
- Conference Rooms
- Data Room
- Mechanical/Electrical
- Circulation

# Second Floor Plan

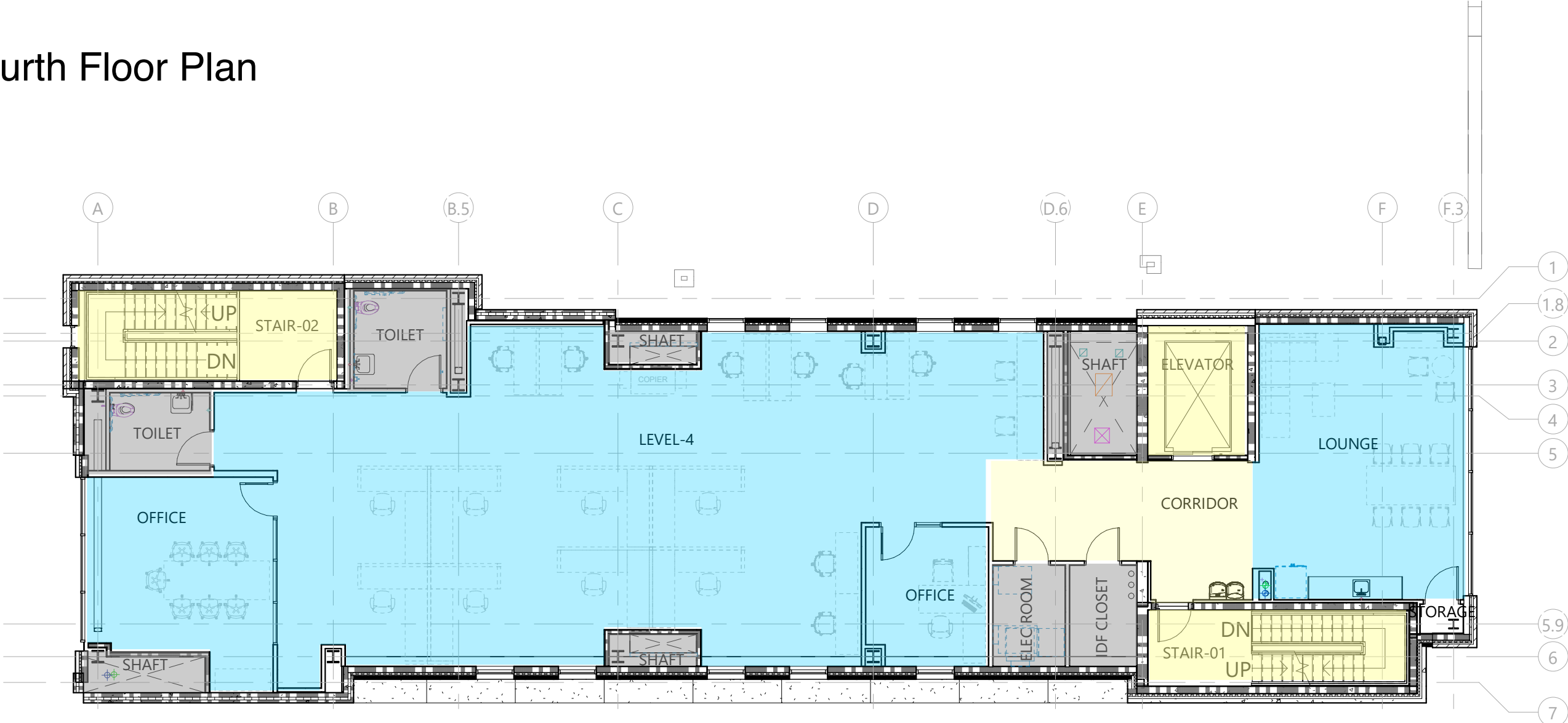


# Third Floor Plan



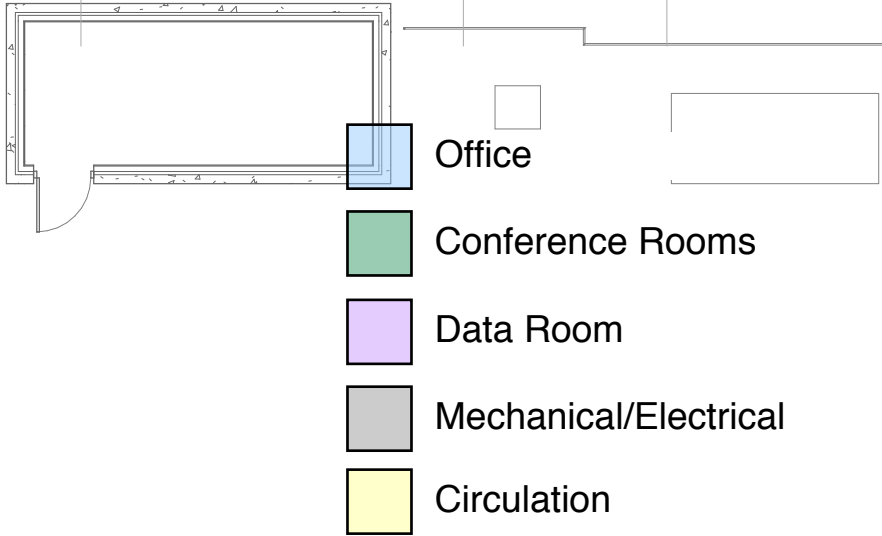
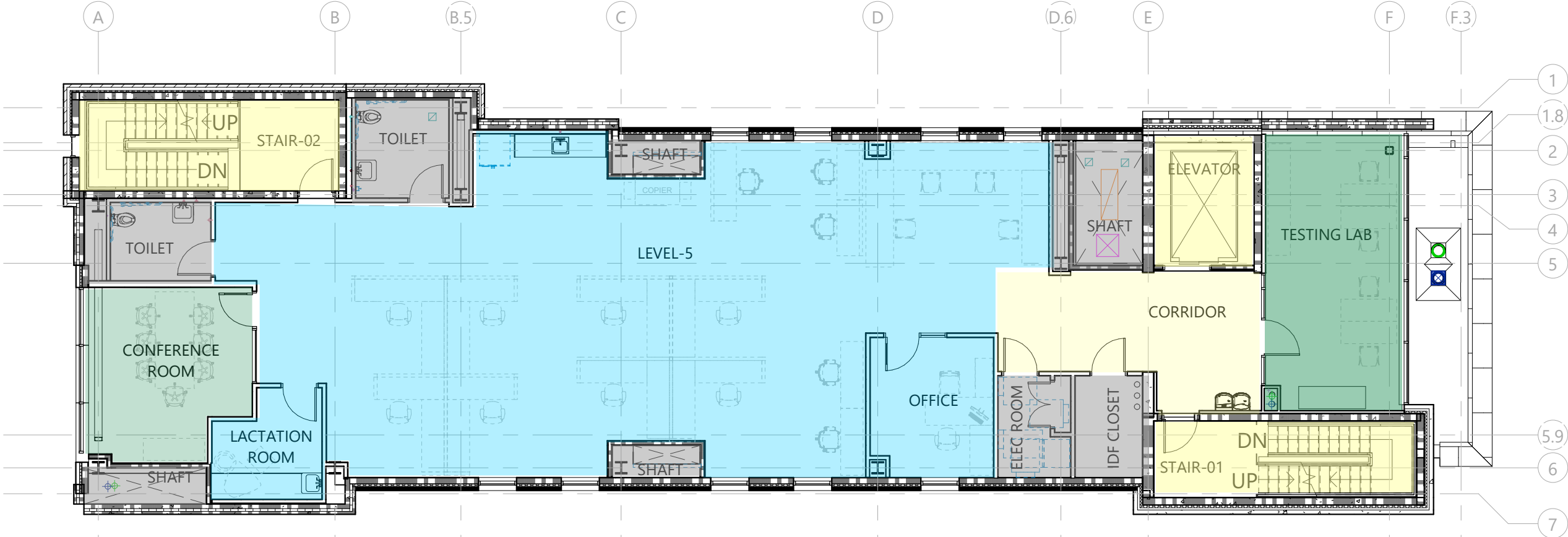
- Office
- Conference Rooms
- Data Room
- Mechanical/Electrical
- Circulation

# Fourth Floor Plan



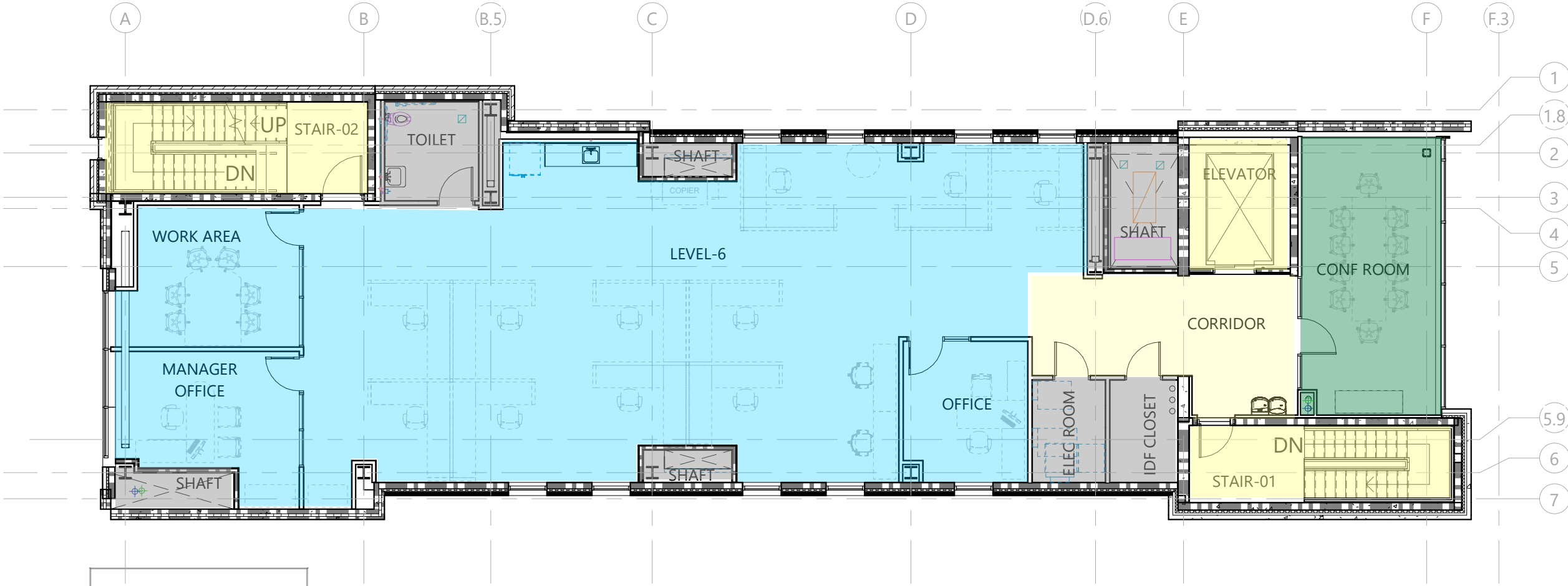
- Office
- Conference Rooms
- Data Room
- Mechanical/Electrical
- Circulation

# Fifth Floor Plan





# Sixth Floor Plan



- Office
- Conference Rooms
- Data Room
- Mechanical/Electrical
- Circulation

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

**ADOPTED MAY 13, 2022**

The Board of Visitors, consistent with the full and ultimate authority and accountability provided for in its Management Agreement with the Commonwealth of Virginia acting through the Governor and the General Assembly pursuant to the Restructured Higher Education Financial and Administrative Operations Act (Chapter 4.10 of Title 23.1 of the Code of Virginia), does hereby revise the threshold for defining a "Capital Project" as a 'Major Capital Project' to projects costing \$3 million or more. Therefore, more specifically, the term 'Major Capital Project' is hereby defined in Section II (Definitions) of Exhibit A of the Management Agreement (Policy Governing Capital Projects) as follows: 'Major Capital project means the acquisition of any interest in land, including improvements on the acquired land at the time of acquisition, new construction of 5,000 square feet or greater or costing \$3 million or more, improvements or renovations of \$3 million or more, and Capital Leases.' The Board hereby directs that the FBI Charter and all other relevant University policies and processes be revised accordingly.

**NOW, THEREFORE, BE IT RESOLVED** that, upon approval, this action shall take effect immediately.

# VIRGINIA COMMONWEALTH UNIVERSITY BOARD OF VISITORS

## FINANCE, BUDGET, AND INVESTMENT COMMITTEE CHARTER

### I. PURPOSE

The primary purpose of the Finance, Budget, and Investment Committee (“Committee”) is to assist the Board of Visitors (BOV) in fulfilling its objectives and fiduciary responsibilities related to applicable policies and oversight of:

- University finances and investments
- University policies on debt management
- University facilities planning, design, construction and renovation.
- University purchase and divestiture of land, including any easements.

The Committee is responsible for reviewing financial statements, budgets, debt, investments, cash management, six-year financial operating and capital plans, and make corresponding recommendations to the ~~Board of Visitors~~ BOV all for the purpose of maintaining a sound fiscal standing. In addition and contributing to fiscal standing, the Committee is responsible for reviewing the University’s tuition and fee charges for each year. The Committee directly oversees the investment of the cash management pool and reviews the financial activities of any foundation or organization established to benefit the University, including foundations, partnerships, or other affiliated entities.

The Committee also recommends, for approval by the BOV, Major Capital Projects as defined in the BOV’s Management Agreement, as well as the es selection of engineers and architects for such projects, University construction capital projects exceeding \$52 million, approves the renovation or replacement of outdated facilities and equipment, and approves project plans for construction projects exceeding \$52 million, approves the acquisition of all property, and the sale and demolition of University-owned property.

University management is responsible for day to day operation of the University within the established authorities, under the governance of the Committee.

### II. COMPOSITION AND INDEPENDENCE

The Committee will be comprised of three or more Visitors. In addition to complying with the Commonwealth of Virginia’s Conflict of Interest laws and any University policies, each member must be free from any financial, family or other material personal relationship that, in the opinion of the Board or the Committee members, would impair their independence from management and the University. Committee members should also refrain from activities that a reasonable person would view as unethical or contrary to the institutional mission.

### III. RESPONSIBILITIES

In performing its oversight responsibilities, the Committee shall:

#### A. **General:**

1. Adopt a formal written charter that specifies the Committee's scope of responsibility. The charter should be reviewed annually and updated as necessary.
2. Maintain minutes of open session meetings.
3. Report Committee actions to the Board of Visitors with such recommendations as the Committee may deem appropriate.
4. Consistent with state law, the Committee may meet in closed session (with or without members of senior management present) with the external auditors and/or the Vice President for Finance and Administration to discuss matters that the Committee or any of these groups believe should be discussed privately.
5. Become well acquainted with all of the information and pertinent facts under the purview of the Committee.
6. Implement best practices across the institution for financial management.
7. Ensure that the institution is operating efficiently, effectively and appropriately with regard to the use of public and other funds to support its stated mission.

#### B. **Financial Policy and Investments:**

1. Review recommendations of the Administration concerning new or revised financial policy and make appropriate recommendations to the Board of Visitors.
2. Review financial assumptions upon which budgets are based.
3. Review and recommend approval of the six-year financial plan and operating budget.
4. Review and recommend approval of the six-year capital outlay plan and capital outlay budget, and all amendments to the plan.
5. Review periodically and compare financial operating results with appropriate budgets and benchmarks.
6. Approve major design changes to the VCU Optional Retirement Plan.
7. Review annual financial statements and supporting schedules and report to the Board the results of that review.
8. Serve, with the advice of the Investment Advisory Subcommittee, as an investment committee and oversee University investment policies and activities including direct management of the University's cash investment pool and monitoring of the policies and activities of the University-related private foundations.
9. Review annually the BOV Fund.
10. Review quarterly the University Efficiencies.
11. Review quarterly the F&A Dashboard.

C. **Facilities Planning and Debt Management:**

1. Review and recommend approval of the master site plan.
2. Review and recommend approval of plans for ~~new construction and major renovation projects~~ Major Capital Projects (as defined in the BOV's Management Agreement) in accordance with Board-approved procedures.
3. Review and recommend approval of the six year capital outlay program and amendments thereto.
4. Review and recommend to the Board all debt issuance and review debt management policies.
5. Review and recommend approval of property acquisition or disposition of real estate and other interests therein.
- ~~5-6.~~ Review and recommend approval of the demolition of any University-owned property.
- ~~6-7.~~ Consider such other matters relating to the maintenance and security of the University's buildings and grounds and the care and preservation of the University's furnishings and equipment as may warrant its consideration.

D. **Emergency Preparedness:**

1. Review and recommend approval of plans pertaining to emergency preparedness and campus security.

E. **Administration:**

1. Review and approve the Committee charter annually and any significant updates to the charter.
2. Review and approve the annual Committee work plan and any significant changes to the plan.
3. Review the qualifications of the Committee members, staff and the level of staffing by the institution as needed.
4. Review annually the Deficit Disclosure.
5. Annual Investment Conflict of Interest Disclosure Statement.
6. Review annually all Investment Policy Statements – specifically asset allocations.
7. Review reports of the Financial Integrity and Stewardship Committee as needed.
8. Review annually Agency Risk Management and Internal Control Standards (ARMICS)

F. **Tuition and Fees:**

1. Review and recommend tuition and fee charges if needed to provide guidance to the Board.

IV. **MEETINGS**

The Committee will meet at least four times annually. Additional meetings may occur more frequently as circumstances warrant. The Committee Chair should communicate with the

| Senior Vice President and CFO of Finance and Administration prior to each Committee meeting to finalize the meeting agenda and review the matters to be discussed.

Dear Members of the Board of Visitors,

The slides that were provided as part of your pre-read packet will be presented at the May 12th and 13th meeting of the Board of Visitors requesting your approval of the proposed FY2022-23 budget.

The presentation highlights the financial aid (\$19M), inflationary costs (\$6.5M), new initiatives (\$2.3M) along with faculty, adjunct, and staff salary increases (\$24M). To balance these new needs, VCU must rely on growth in state funding and tuition revenue. While a final state budget is still in conference with the legislature, VCU is anticipating an increase in general operating support of \$9.7 to \$17M along with salary support related to the 5% state increase. To balance the budget an increase in tuition revenue is needed, resulting in a modest proposal of a 3% tuition increase.

We will be seeking your approval for all proposed tuition rates at this meeting (a summary of all proposed tuition and fee actions can be found on slide 20). This year's budget development process included two student forums to gather input regarding the tuition rate changes as well as in-depth meeting with the student ambassadors and submission of online comments.

In addition to approval of the Education and General fund (E&G) and tuition rates, the May meeting is also where the Board of Visitors is asked to approve the university's budget for all the additional funds outside of E&G including Sponsored Research and Overhead (slide 24), Student Financial Assistance (slide 25), and Auxiliary Enterprises (slide 26). A summary of all funds detailing the \$1.XB budget proposed for FY2023 is included on slides 30 and 31. Should there be significant changes from an approved university budget as a result of a final state budget or other factors, the leadership team will return this fall with an update on the revised university financial plan.

This presentation will be discussed in detail with the Finance, Budget & Investment Committee on May 12th with a summary discussion to the full Board on May 13th. As always, our thanks for your extensive time and review of this important material. Please feel free to reach out to my office with any questions or comments about this presentation in advance of our meeting.

Sincerely,

Karol Kain Gray



# **VCU Board of Visitors Finance, Budget and Investments**

**KAROL KAIN GRAY**  
Senior Vice President & CFO

**May 12, 2022**



# AGENDA

**01** Three Years of Flat Tuition

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**02** 2023 Educational and General Budget

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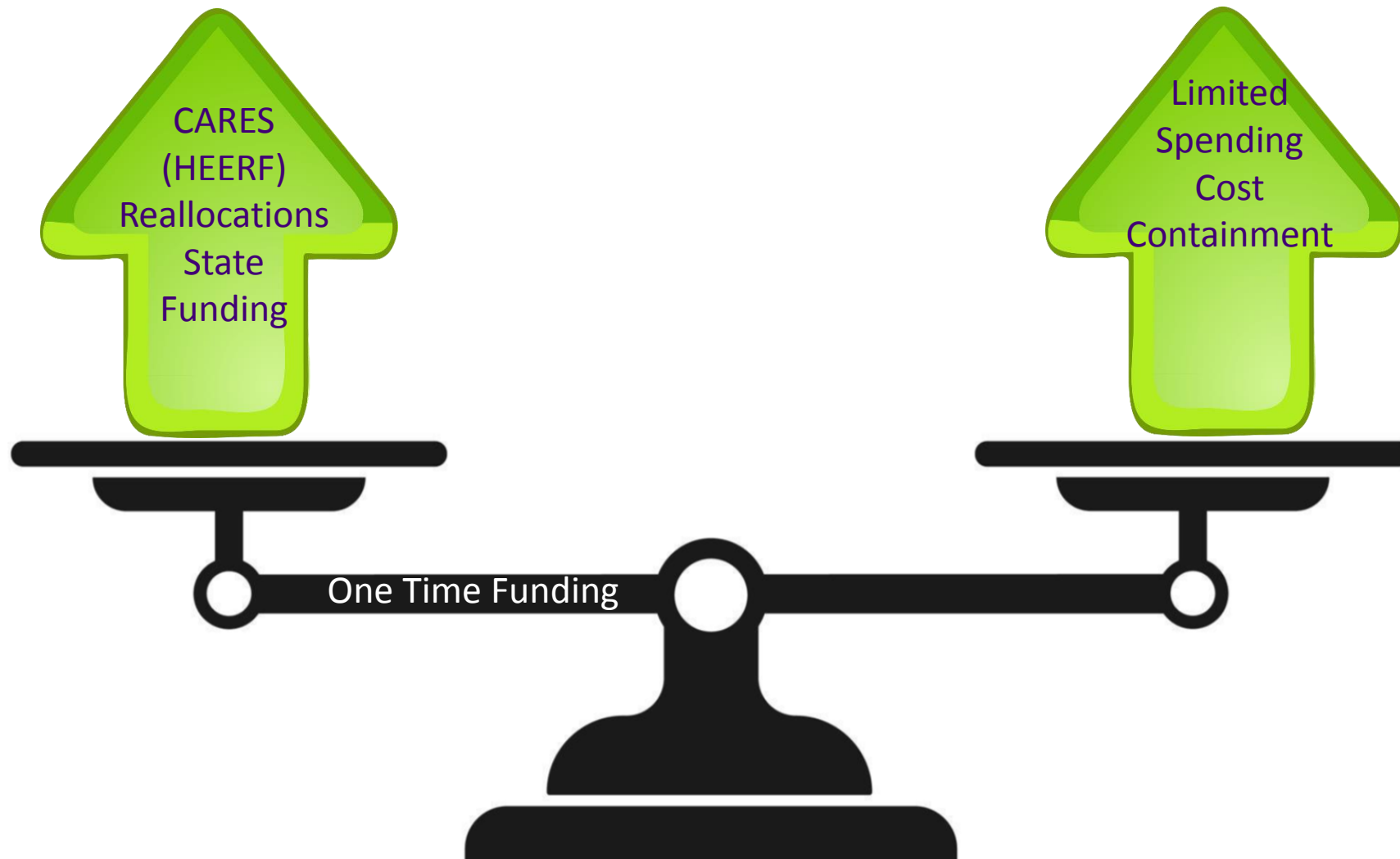
**03** 2023 All Funds Budget

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# Enabling Flat Tuition for 3 Years



# Balancing 3 Years of Flat Tuition



# 2023 Educational & General Budget



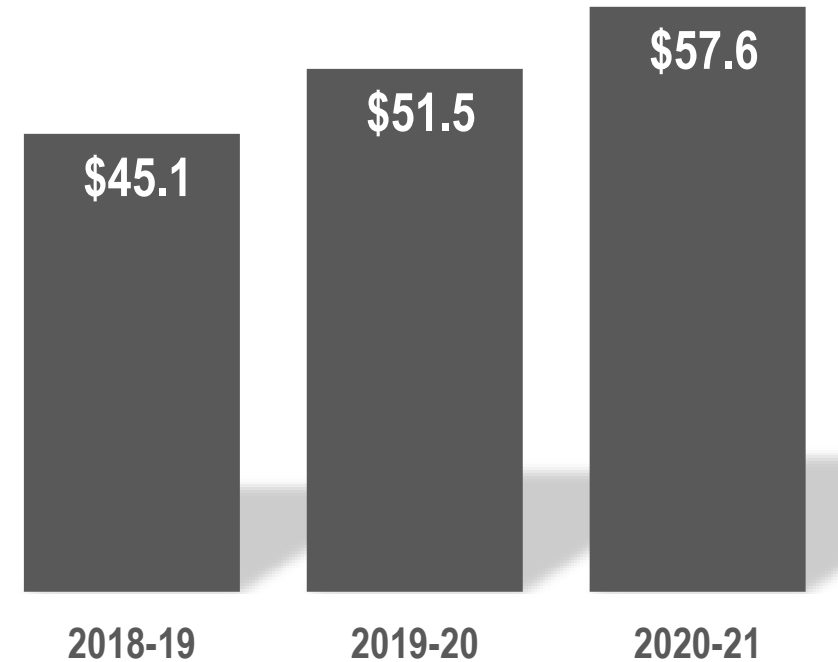


# Growth in Financial Aid

## Focusing on Affordability

- The 2023 Budget Will
  - Continue higher levels of student aid implemented over the past two years
  - Offset impact of tuition rate changes for those receiving aid
- Aid paid from E&G now at historic levels

Total Institutional Aid Paid (in millions)



\$5M

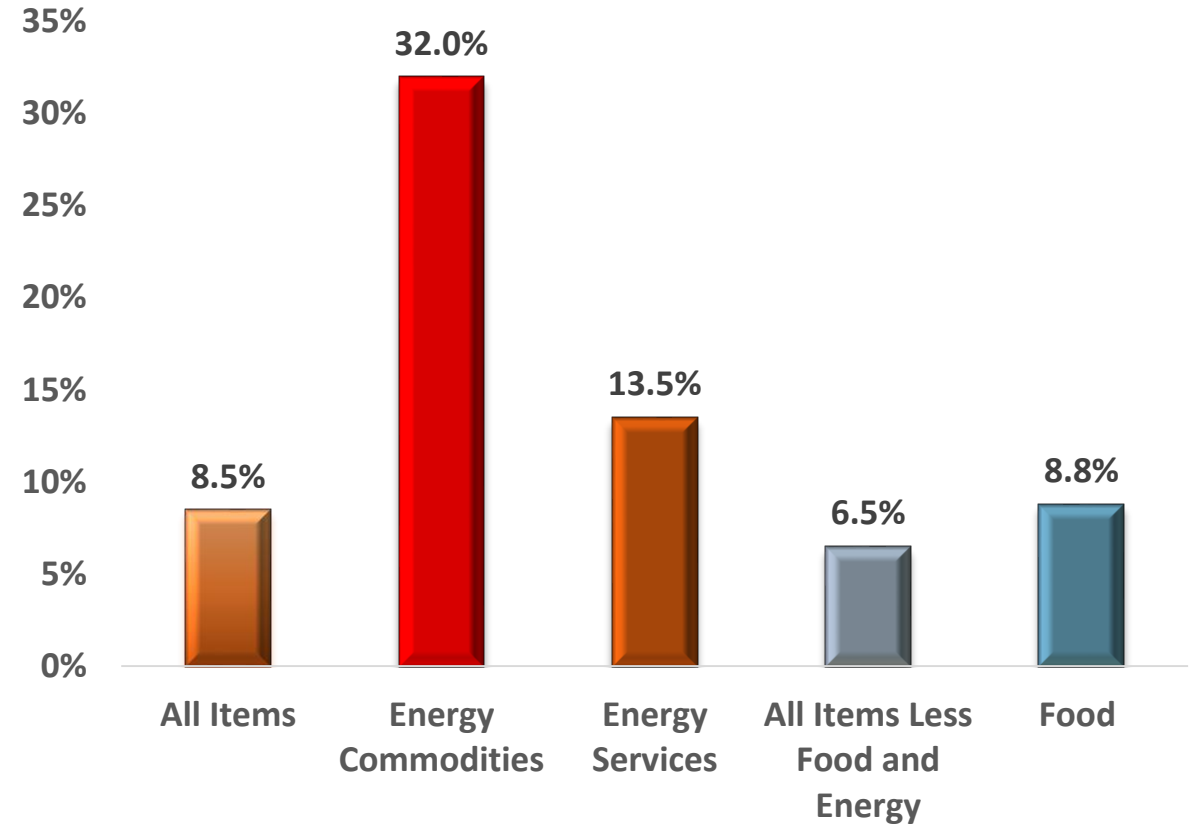
**FY23 New  
Undergraduate  
Financial Aid From VCU  
and State**

# Manage Inflationary Costs

## Supporting technology and facilities

- Supporting
  - IT cost and contract increases
  - Utility rate increases
  - Rise in the cost for maintenance and supplies

12-month % Change, Consumer Price Index, Selected Categories, March 2022 Not Seasonally Adjusted



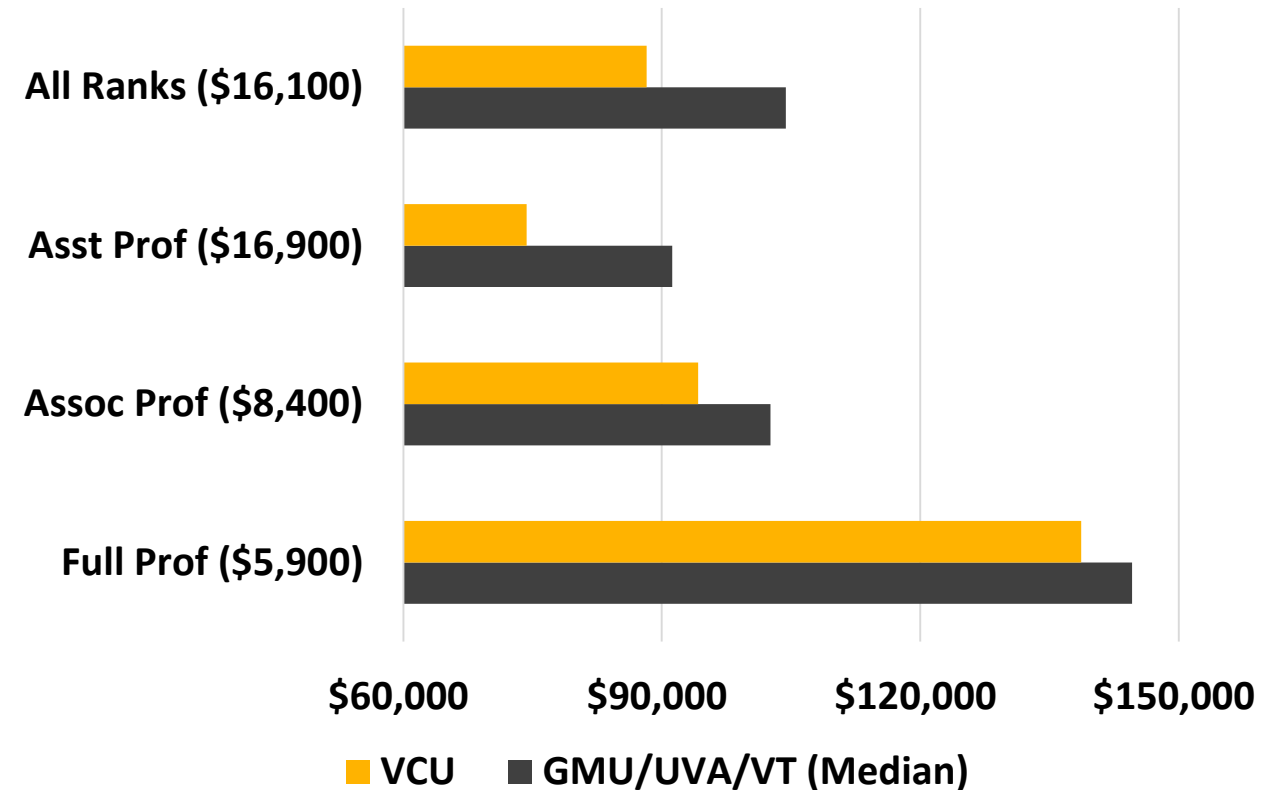
\$4.9M

**FY23 Maintenance, IT,  
Utility Increases, Debt &  
University Relations**

# Compete For and Retain the Best Faculty

## Continued Focus on Competitive Salaries for Faculty

- 5% increase in FY 2022
- Proposed 5% increase in FY 2023
- Focus on Faculty Promotion and Tenure for Recruitment and Retention (\$1.5M per year)



\$2.5M

FY23 Faculty Promotion and Tenure & salary inequities

\$22M

FY23 5% Faculty & Staff Salary Increases

\$2.4M

FY23 Faculty hires, Ph.D. student support

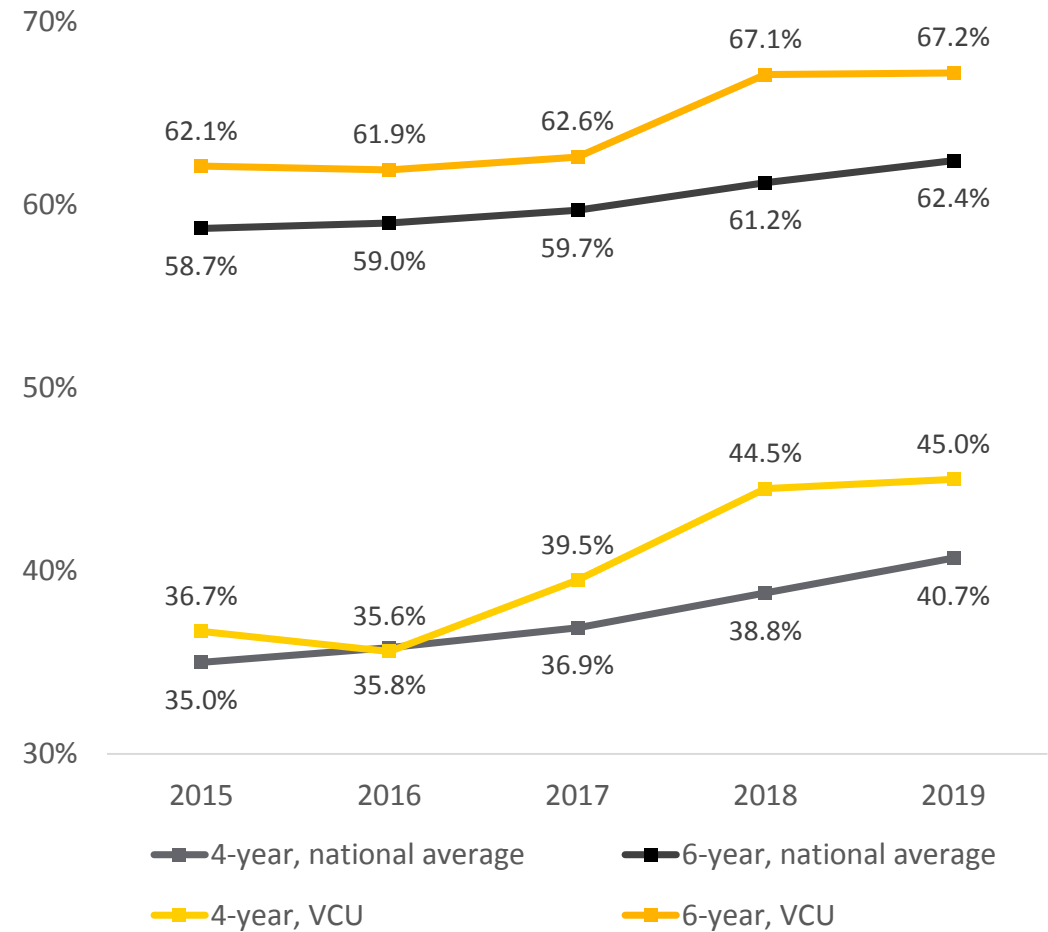


# Focus on Continued Student Success

## Maintaining Momentum with Student Success

- Technology and staffing to support access to
  - Counseling Services
  - Student Learning Services
  - REAL Initiative
  - Engaging online courses and support
  - Academic Advising
- Sustaining higher levels of financial aid
- Increase 4 to 6 Year Graduation Rates

## VCU vs. Public Institutions



Source: IPEDS

\$0.3M

Counseling, Rams in Recovery, and Academic Integrity

\$16M

FY23 Sustaining current support for Financial Aid

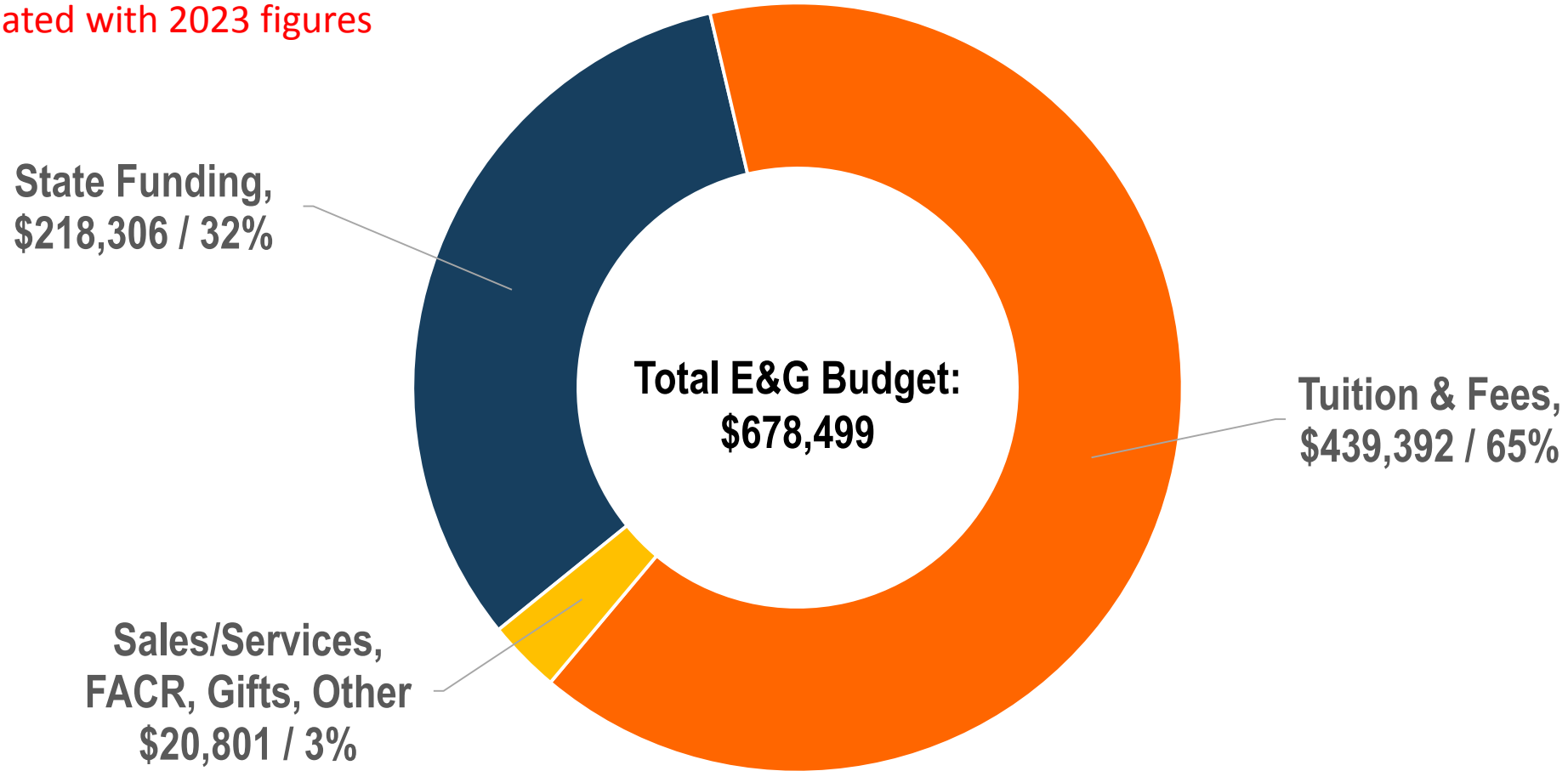
# FY2023 E&G Overview

	Proposed Tuition Increase	
<b>Proposed FY2023 Tuition Rate Increase</b>	<b>3.0%</b>	<b>3.0%</b>
<b>State Budget Range</b>	<b>High</b>	<b>Low</b>
<b>FY2023 Projected Revenue Growth</b>		
Tuition & Enrollment Change	\$ 11,960	\$ 11,960
Change in State Support (W/ Salary Support)	29,015	21,215
<b>Total Revenue Growth</b>	<b>40,975</b>	<b>33,175</b>
<b>Proposed FY2023 Projected Needs</b>		
Proposed New Expense Needs (W/ 5% Salary)	(54,815)	(54,815)
<b>University Net Position</b>	<b>\$ (13,840)</b>	<b>\$ (21,640)</b>
Reallocations (1.6% with High & 3.4% with Low)	13,840	21,640
<b>Revised University Net Position</b>	<b>\$ 0</b>	<b>\$ 0</b>

# FY 2023 Revenue Components of E&G

*(numbers in thousands, 000's)*

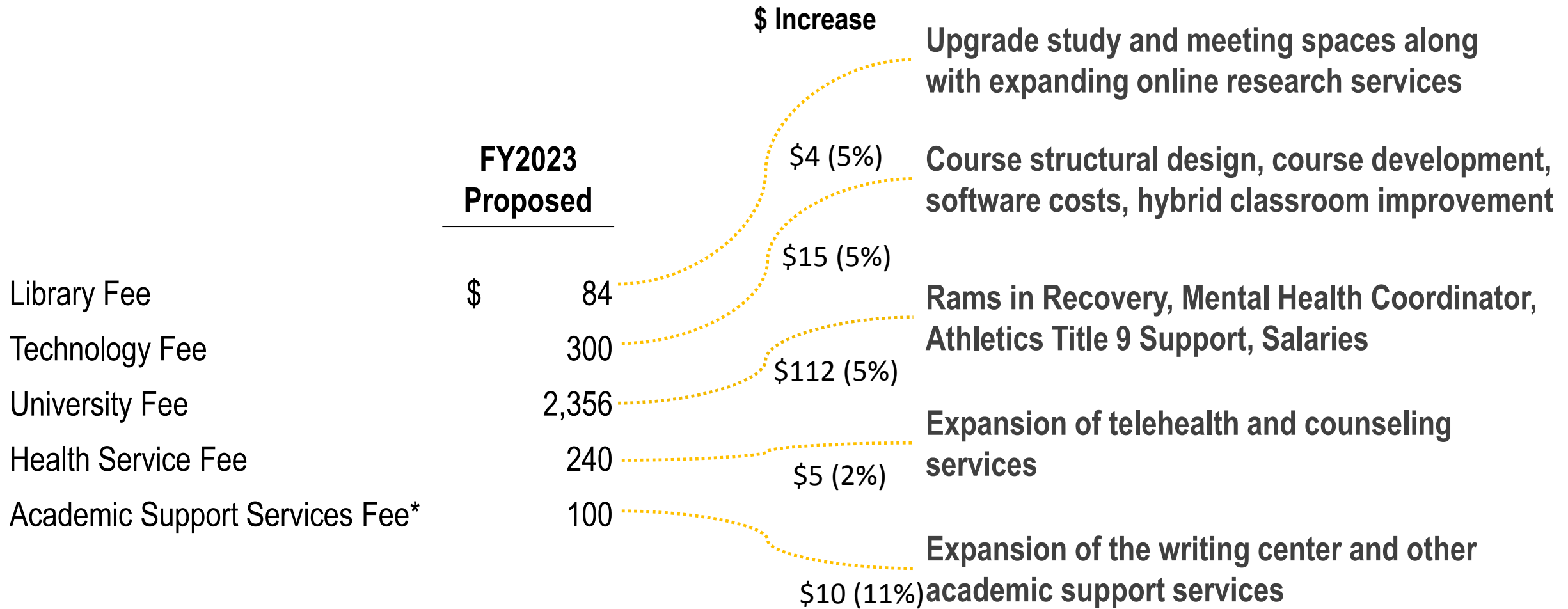
To be updated with 2023 figures



# Recommended Tuition and Fees, 2023



# Proposed Increase for Mandatory Fees



\*Expanded to include Seniors and Graduate Students

# Annual Proposed Undergraduate Tuition & Fees

## Resident

	<u>FY2022</u>	<u>FY2023</u>
<b>Tuition Increase %</b>		3.0%
<b>Fee Increase %</b>		4.8%
<b>Overall Increase %</b>		<b>3.5%</b>
<b>Tuition - 15 Credit Hours</b>	<b>12,094</b>	12,472
<b>Mandatory Fees</b>	<b>3,024</b>	3,170
<b>Total Tuition &amp; Fees</b>	<b>\$ 15,118</b>	<b>\$ 15,642</b>
<b>Total Proposed Increase</b>		<b>\$ 524</b>

## Non-Resident

	<u>FY2022</u>	<u>FY2023</u>
<b>Tuition Increase %</b>		3.0%
<b>Fee Increase %</b>		3.9%
<b>Overall Increase %</b>		<b>3.1%</b>
<b>Tuition - 15 Credit Hours</b>	<b>32,742</b>	33,728
<b>Mandatory Fees</b>	<b>3,714</b>	3,860
<b>Total Tuition &amp; Fees</b>	<b>\$ 36,456</b>	<b>\$ 37,588</b>
<b>Total Proposed Increase</b>		<b>\$ 1,132</b>

# Room and Board Comparison for Annual Plan Rates

	Housing Rates <sup>+</sup>			Dining Rates*
	Traditional Double	Traditional Single	Apt Two Bedroom	Least Cost On Campus Plan
<b>George Mason University</b>	\$ 7,810	\$ 10,510	\$ 9,800	\$ 5,010
<b>Old Dominion University</b>	6,997	8,856	11,053	5,398
<b>College of William and Mary</b>	9,433	9,156	9,158	5,246
<b>Virginia Tech</b>	6,038	9,022	N/A	4,828
<b>University of Virginia</b>	7,080	7,630	14,368	5,680
<b>Virginia Commonwealth University</b>	7,301	7,458	8,432	4,662

+ Prices shown are estimated 2023 annual rates. Most universities have ranges for room types and quality levels (i.e. corner room). Rates shown is the lowest rate for the lowest level of room.

\* Prices shown 2022 annual rates. Prices represent the least cost required Freshman dining plan for on campus residency that may be selected at each university.

# Dining Plan Rates Per Semester

	FY2022	FY2023 Proposed	\$ Increase	% Increase
Premium Swipes w/ \$225 per semester <sup>(1)</sup>	\$ 2,910	\$ 3,084	\$174	6.0%
250 Swipes w/ \$225 per semester <sup>(1)</sup>	\$ 2,570	\$ 2,725	\$155	6.0%
200 Swipes w/ \$225 per semester <sup>(1)</sup>	\$ 2,331	\$ 2,469	\$138	5.9%

<sup>1</sup>All students residing in University Housing, other than graduate students or VCU apartment residents, are required to purchase a residential dining plan. Residential dining plans are indicated above with a (1).



# Housing Rates

	FY2022	FY2023 Proposed	\$ Increase	% Increase
Traditional Double (Rhoads & Johnson Hall)	\$6,953	\$7,301	\$348	5.0%
Traditional Single (Rhoads & Johnson Hall)	\$7,836	\$8,228	\$392	5.0%
Apt. Two Bedroom (Cary & Belvidere Apts. )	\$9,454	\$9,927	\$473	5.0%

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# Parking Rates

**Parking Rates: Average increase of 2%** due to expenses related to maintenance and camera upgrades and installation to enhance security in parking facilities.

# Annual Undergraduate Resident Inclusive of Room and Board

	FY2022	FY2023
<b>Tuition Increase %</b>		3.0%
<b>Fee Increase %</b>		4.7%
<b>Room and Board Increase %</b>		5.0%
<b>Overall Increase %</b>		<b>4.1%</b>
Annual Tuition - 15 Credit Hours	\$ 12,094	\$ 12,472
Mandatory Fees	3,024	3,170
<b>Total Tuition and Fees</b>	<b>\$ 15,118</b>	<b>\$ 15,642</b>
Room	6,953	7,301
Board	4,662	4,938
<b>Total Tuition, Fees, Room &amp; Board</b>	<b>\$ 26,733</b>	<b>\$27,881</b>
Tuition and Fee Change		\$ 524
Tuition, Fees, Room & Board Change		\$ 1,148

*Room and Board rates are projected using 200 swipes w/ \$225 per semester*

# Summary of FY2023 Proposed Rates - Annual

Student Classification	Tuition \$ Increase	Tuition % Increase	Fee \$ Increase	Fee % Increase	Total \$ Increase
Resident Undergraduate	\$ 378	3.0%	\$ 145	4.8%	\$ 523
Non-Resident Undergraduate	986	3.0%	145	3.9%	1,131
Resident Masters	396	3.0%	145	4.8%	541
Non-Resident Masters	792	3.0%	145	3.9%	937
Resident Doctoral	324	3.0%	145	4.8%	469
Non-Resident Doctoral	684	3.0%	145	3.9%	829
Resident Medicine	675	2.0%	135	4.0%	810
Non-Resident Medicine	1,133	2.0%	135	3.3%	1,267
Resident Pharmacy	573	2.0%	121	3.6%	694
Non-Resident Pharmacy	826	2.0%	121	3.0%	947
Resident Dentistry	-	0.0%	913	5.2%	913
Non-Resident Dentistry	-	0.0%	913	5.0%	913

*Tuition \$ Increase is annual increase for full time enrollment*

**46¢**

State Faculty and Staff Salary  
Increases

**5¢**

Faculty hires, Ph.D. Health Support,  
Expansion of Education UG Programs

For Each  
New  
Dollar of  
Tuition...



**37¢**

New and Continuing  
Financial Aid

**12¢**

Inflation Related Maintenance,  
IT, Utility, Debt & One VCU  
Communication Support

An aerial night photograph of a city, likely Richmond, Virginia, showing a dense cluster of buildings. The city lights are visible, and the sky is dark. A large white rectangular area covers the left side of the image, serving as a background for the text. The text is in a bold, black, sans-serif font. The overall scene is a mix of urban architecture and natural light from the city.

# 2023 All Funds Budget

To be distributed once developed....

# **Public Comment Period**

# Board of Visitors

Finance, Budget and Investment Committee  
May 12, 2022





# Virginia Commonwealth University Supplier Diversity Update

Karol Kain Gray, Senior Vice President & CFO

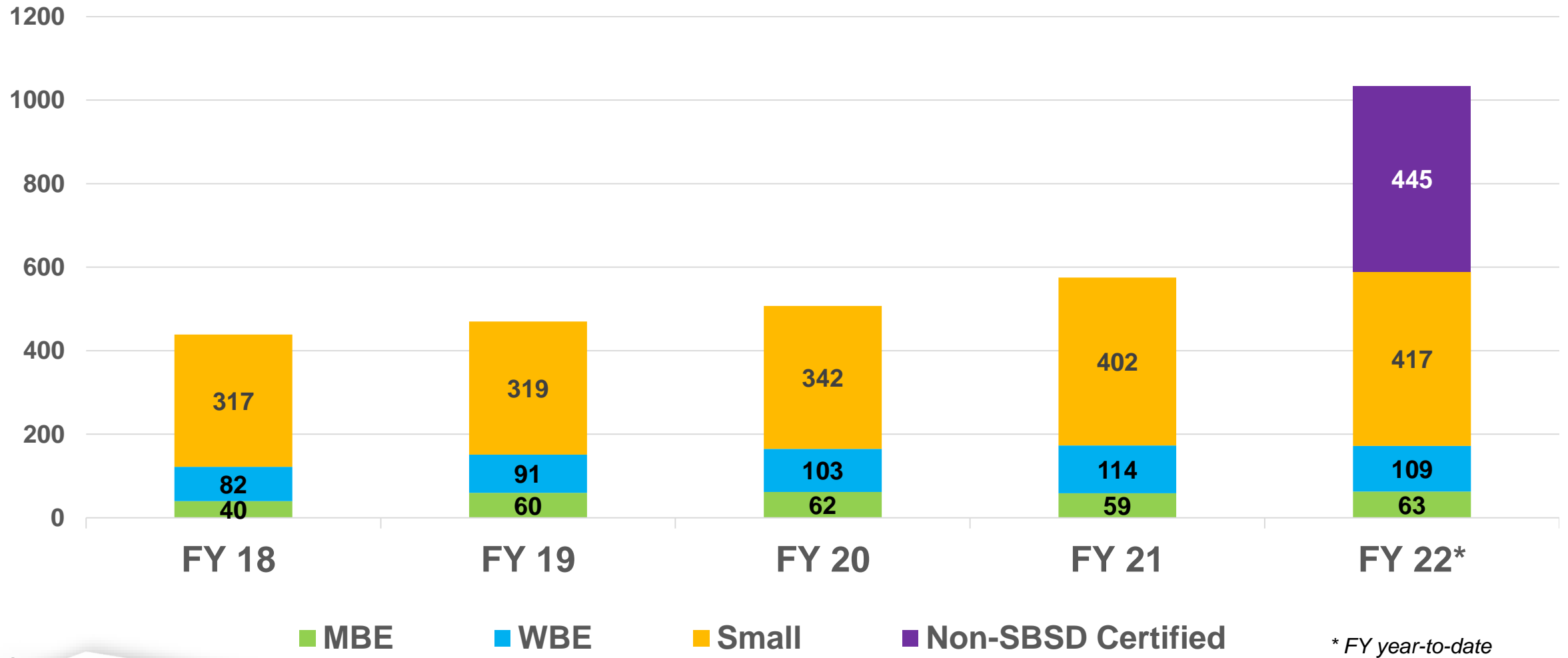
May 12, 2022



**VCU**

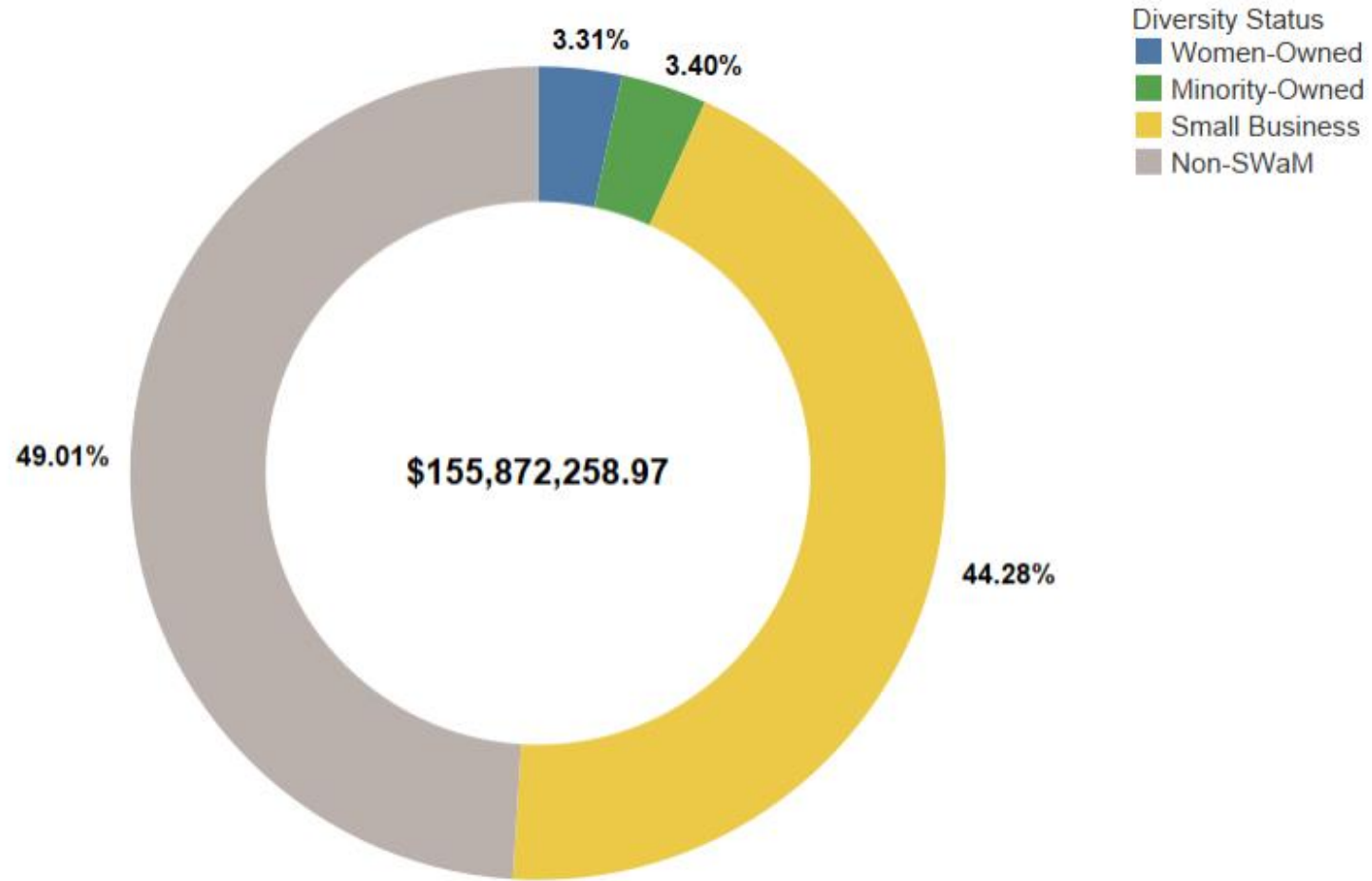
# NUMBER OF DIVERSE SUPPLIERS

*Year-over-year comparison*



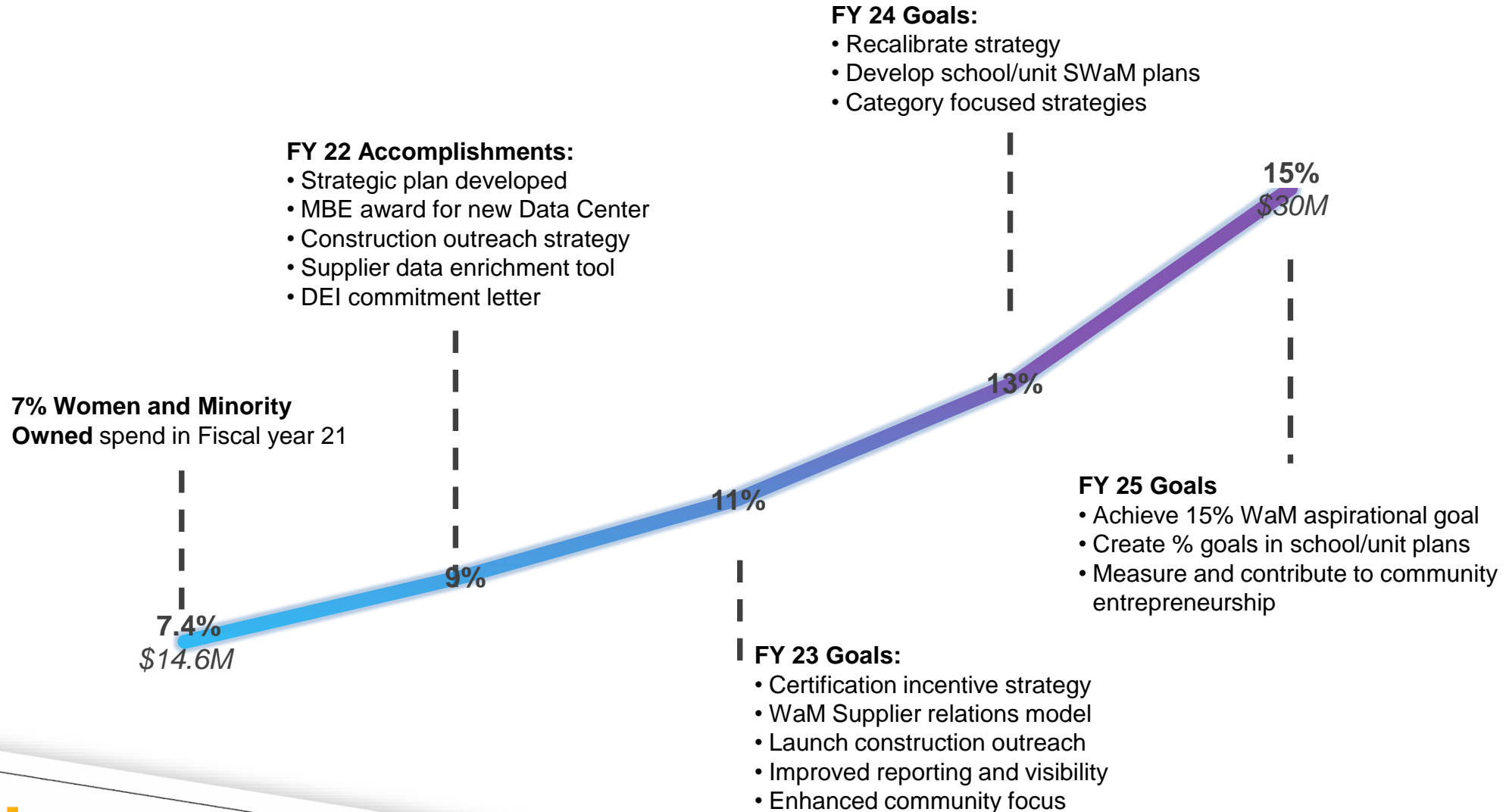
# ALL DIVERSE SUPPLIERS

*Spend with all certified diverse suppliers*



# Women and Minority-Owned Supplier Enhancement

*Intentional & Focused*



# Virginia Commonwealth University 2021-2022 University Budget Plan Sources Summary (in thousands)

FY 2021-2022 Sources	Educational	Sponsored Programs			Qatar	University	Student	Hospital	Total
	& General Programs	Direct Costs	Facilities & Admin. Costs	Auxiliary Enterprises					
<b>State General Fund</b>									
Direct Appropriations	\$ 218,306	\$ 19,013	\$ -	\$ -	\$ -	\$ -	\$ 39,834	\$ -	\$ 277,153
Central Transfers	-	-	-	-	-	-	-	-	\$ -
<b>State General Fund</b>	<b>\$ 218,306</b>	<b>\$ 19,013</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,834</b>	<b>\$ -</b>	<b>\$ 277,153</b>
<b>Nongeneral Funds</b>									
Student Tuition and Fees	439,392	-	-	61,825	-	-	-	-	501,217
Grants and Contracts	140	334,139	45,000	-	-	-	62,089	-	441,368
Gifts and Investment Earnings	100	-	-	5,662	-	44,750	-	-	50,512
Sales and Services	6,815	-	-	84,641	39,989	-	-	41,861	173,306
Other Sources	3,110	-	-	1,647	-	11,615	-	-	16,372
<b>Total Nongeneral Funds</b>	<b>449,557</b>	<b>334,139</b>	<b>45,000</b>	<b>153,775</b>	<b>39,989</b>	<b>56,365</b>	<b>62,089</b>	<b>41,861</b>	<b>1,182,776</b>
Transfers in (out)	10,635	-	(10,635)	-	-	-	-	-	-
<b>Total University Sources</b>	<b>\$ 678,498</b>	<b>\$ 353,152</b>	<b>\$ 34,365</b>	<b>\$ 153,775</b>	<b>\$ 39,989</b>	<b>\$ 56,365</b>	<b>\$ 101,923</b>	<b>\$ 41,861</b>	<b>\$ 1,459,929</b>

# Virginia Commonwealth University

## 2021-2022 University Budget Plan

### Sources Summary (in thousands)

FY 2021-2022 Uses	Educational	Sponsored Programs			University	Qatar	Student	Hospital	Total
	& General Programs	Direct Costs	Facilities & Admin. Costs	Auxiliary Enterprises					
Instruction	\$ 323,688	\$ -	\$ -	\$ -	\$39,989	\$ 5,378	\$ -	\$ -	\$ 369,055
Research	20,666	353,152	25,034	-	-	11,425	-	-	410,277
Public Service	4,406	-	-	-	-	2,068	-	-	6,474
Academic Support	120,190	-	729	-	-	13,324	-	-	134,243
Student Services	17,349	-	-	-	-	763	-	-	18,112
Institutional Support	84,419	-	1,660	-	-	10,657	-	-	96,736
Operation and Maintenance of Pl:	63,478	-	3,201	-	-	1,279	-	1,000	68,958
Scholarships and Fellowships	35,733	-	1,716	-	-	11,471	97,295	-	146,215
Auxiliary Enterprises	-	-	-	152,158	-	-	-	-	152,158
Hospital Services	-	-	-	-	-	-	-	40,861	40,861
<b>Subtotal Uses</b>	<b>669,929</b>	<b>353,152</b>	<b>32,340</b>	<b>152,158</b>	<b>39,989</b>	<b>56,365</b>	<b>97,295</b>	<b>41,861</b>	<b>1,443,089</b>
Transfers in (out)	-	-	-	(4,628)	-	-	4,628	-	-
Contingencies and Reserves	8,569	-	2,025	6,245	-	-	-	-	16,839
<b>Total University Uses</b>	<b>\$ 678,498</b>	<b>\$353,152</b>	<b>\$ 34,365</b>	<b>\$ 153,775</b>	<b>\$39,989</b>	<b>\$ 56,365</b>	<b>\$ 101,923</b>	<b>\$41,861</b>	<b>\$1,459,928</b>

**Quarterly Report**  
**FY2022 3<sup>rd</sup> Quarter Report**  
*Dollars in Thousands*

	<u>Actuals</u>				<u>Budget</u>	<u>Actuals</u>	<u>Pro-Rated</u>
	<u>FY21 Q3</u>	<u>FY22 Q3</u>	<u>\$ Change</u>	<u>% Change</u>	<u>BoV Book</u>	<u>FY21 YE</u>	<u>YE</u>
<b>1 Revenue</b>							
2 Tuition and Fees E&G	405,363	402,917	(2,446)	-0.6%	439,392	406,295	403,844
3 State General Fund E&G	155,705	161,420	5,715	3.7%	218,306	205,143	212,672
4 Other Income E&G	48,898	63,689	14,791	30.2%	60,790	94,602	123,218
<b>5 Educational and General Programs</b>	<b>609,966</b>	<b>628,026</b>	<b>18,060</b>	<b>3.0%</b>	<b>718,488</b>	<b>706,040</b>	<b>726,945</b>
6 University and Student Health Fee	54,080	56,464	2,385	4.4%	61,825	56,933	59,444
7 Other Auxiliary Income	53,197	73,790	20,594	38.7%	91,950	62,163	86,228
<b>8 Auxiliary Enterprises</b>	<b>107,276</b>	<b>130,255</b>	<b>22,978</b>	<b>21.4%</b>	<b>153,775</b>	<b>119,096</b>	<b>144,606</b>
9 Sponsored Programs	176,448	223,252	46,804	26.5%	353,152	261,658	331,065
10 FACR	24,095	26,553	2,458	10.2%	34,365	35,106	38,687
11 University Funds	51,845	47,543	(4,302)	-8.3%	56,365	90,624	83,104
12 Student Financial Assistance	72,161	78,351	6,190	8.6%	101,923	87,103	94,575
13 Hospital Services and COVID Relief Funds	63,531	31,733	(31,798)	-50.1%	41,861	67,728	33,830
<b>14 Total Revenue</b>	<b>1,105,321</b>	<b>1,165,712</b>	<b>60,391</b>	<b>5.5%</b>	<b>1,459,929</b>	<b>1,367,356</b>	<b>1,452,812</b>
<b>15 Expenses</b>							
16 Academic Programs E&G	310,661	323,073	12,412	4.0%	376,603	398,030	413,933
17 Support Programs E&G	238,812	230,065	(8,747)	-3.7%	341,885	300,978	289,954
<b>18 Educational and General Programs</b>	<b>549,473</b>	<b>553,138</b>	<b>3,665</b>	<b>0.7%</b>	<b>718,488</b>	<b>699,008</b>	<b>703,671</b>
19 Auxiliary Enterprises	89,327	104,109	14,782	16.5%	153,775	109,191	127,260
20 Sponsored Programs	165,099	204,588	39,489	23.9%	353,152	249,988	309,781
21 FACR	26,063	24,268	(1,795)	-6.9%	34,365	18,351	17,086
22 University Funds	47,828	48,866	1,038	2.2%	56,365	62,507	63,863
23 Student Financial Assistance	76,818	86,866	10,048	13.1%	101,923	87,091	98,483
24 Hospital Services and COVID Relief Funds	56,283	27,519	(28,764)	-51.1%	41,861	65,134	31,847
<b>25 Total Expenses</b>	<b>1,010,891</b>	<b>1,049,354</b>	<b>38,463</b>	<b>3.8%</b>	<b>1,459,929</b>	<b>1,291,270</b>	<b>1,351,991</b>
<b>26 Net</b>	<b>94,430</b>	<b>116,358</b>	<b>21,927</b>	<b>23.2%</b>	<b>-</b>	<b>76,086</b>	<b>100,821</b>

FY 2022 Financial Report for the  
Nine Months Ending March 31, 2022



# VCUHS Preliminary Consolidated Balance Sheet

(\$ in thousands)

March 31, 2022

	<u>March 31, 2022</u>	<u>June 30, 2021</u>
<b>ASSETS &amp; DEFERRED OUTFLOWS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 33,342	\$ 192,939
Patient accounts receivable, net	442,928	446,822
Other current assets	<u>2,242,078</u>	<u>164,403</u>
	\$ 2,718,348	\$ 804,164
<b>ASSETS WHOSE USE IS LIMITED &amp; LT INVESTMENTS</b>		
<b>CAPITAL ASSETS</b>		
OTHER ASSETS	1,839,576	2,077,187
DEFERRED OUTFLOWS	<u>1,713,289</u>	<u>1,446,738</u>
	78,661	92,578
	<u>37,430</u>	<u>38,939</u>
	<u>\$ 6,387,304</u>	<u>\$ 4,459,606</u>
<b>LIABILITIES, DEFERRED INFLOWS &amp; NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt and leases	\$ 22,846	\$ 9,782
Settlements due to third parties	128,479	72,285
Trade accounts payable	86,093	85,735
Accrued salaries, wages, and fringe benefits, leave	123,849	150,779
Other current liabilities	<u>2,105,872</u>	<u>171,001</u>
	\$ 2,467,139	\$ 489,582
<b>OTHER LIABILITIES</b>		
Long-term debt and capital leases, less current portion	\$ 673,649	\$ 652,658
Other liabilities	<u>124,380</u>	<u>155,313</u>
	\$ 3,265,168	\$ 1,297,553
DEFERRED INFLOWS	\$ 17,497	\$ 13,727
NET POSITION	<u>\$ 3,104,639</u>	<u>\$ 3,148,326</u>
	<u>\$ 6,387,304</u>	<u>\$ 4,459,606</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; NET POSITION</b>		
	<u>\$ 6,387,304</u>	<u>\$ 4,459,606</u>

## Key Changes:

- Cash is down from PY due to planned capital spend, repayment of Medicare Accelerated Payments (MAP), Epic go-live impacts and operational spend
- Capital costs \$350.7M thru 3/31/22
- Total Assets increased \$1.9B. This is attributed to \$1.9B in Other Current Assets and Other Current Liabilities related to due to/due from related organizations which offset.
- Increases of ~ \$43M in Other Assets and Current and LT Debt due to change in Lease Accounting
- Remaining Health System MCR MAP balance in current and other liabilities is ~ \$77.5M

# VCUHS Preliminary Consolidated Income Statement

(\$ in thousands)

March 31, 2022, FYTD (9 months)

	<i>Percent</i>	<b>FYTD 2022 Actual</b>	<b>FYTD 2022 Q3 Plan</b>	<b>FYTD 2021 Actual</b>	<i>Variance Percent</i>
<b>OPERATING REVENUE</b>					
Net patient service revenue	2.8%	\$ 2,038,425	\$ 1,983,531	\$ 1,825,768	11.6%
Contract and Other revenue	16.4%	50,580	43,445	40,656	24.4%
<b>Total Operating Revenues</b>	3.1%	<b>\$ 2,089,005</b>	<b>\$ 2,026,976</b>	<b>\$ 1,866,424</b>	11.9%
<b>OPERATING EXPENSES</b>					
Salaries, Wages and Benefits	-1.1%	\$ 1,127,680	\$ 1,115,383	\$ 1,053,757	-7.0%
Medical claims expense	-10.3%	11,418	10,350	6,694	-70.6%
Purchased services	-16.7%	209,608	179,619	143,410	-46.2%
Supplies	-7.7%	238,558	221,437	239,539	0.4%
Drugs	-12.6%	225,929	200,597	167,094	-35.2%
Other expenses	7.3%	170,391	183,763	138,754	-22.8%
	-3.8%	\$ 1,983,584	\$ 1,911,149	\$ 1,749,248	-13.4%
<b>OPERATING EBIDA</b>					
<i>EBIDA (%)</i>	-9.0%	\$ 105,421	\$ 115,827	\$ 117,176	-10.0%
		5.0%	5.7%	6.3%	
Interest, Taxes, Depreciation and Amortization	-7.6%	\$ 113,185	\$ 105,165	\$ 85,309	-32.7%
Total Operating Expenses	-4.0%	2,096,769	2,016,314	1,834,557	-14.3%
<b>TOTAL OPERATING EXCESS/ (LOSS)</b>					
<i>Operating Margin (%)</i>		\$ (7,764)	\$ 10,662	\$ 31,867	
		-0.4%	0.5%	1.6%	
<b>NONOPERATING REVENUE AND EXPENSES</b>					
Investment income	-165.2%	\$ (52,274)	\$ 80,150	\$ 304,872	-117.1%
Other non-operating income(expense)	-68.8%	17,645	56,584	26,646	33.8%
		\$ (34,629)	\$ 136,733	\$ 331,518	
<b>EXCESS OF REV. OVER EXP. BEFORE TRANSFERS</b>					
<i>Total Margin (%)</i>		\$ (42,393)	\$ 147,395	\$ 363,385	
		-2.1%	7.0%	16.5%	

## Highlights:

- Volumes were high in March and expenses continued to exceed plan.
- \$52.2M of Cares Act funding received for FY20/FY21 expense are included in FY21 revenue.
- \$15.3M in Cares Act Funding recognized in FY22

## Key Performance Indicators (YTD as of March 31, 2022)

### Debt Service Coverage Ratio

**3.7** ▲  
As of 03/2022

**3.3**  
FY21 Target

### Expenses per Day

**\$7,316** ▼  
As of 03/2022

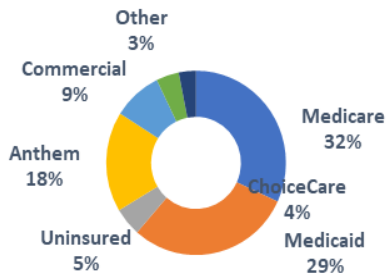
**\$7,125**  
FY22 Target

### Return on Assets

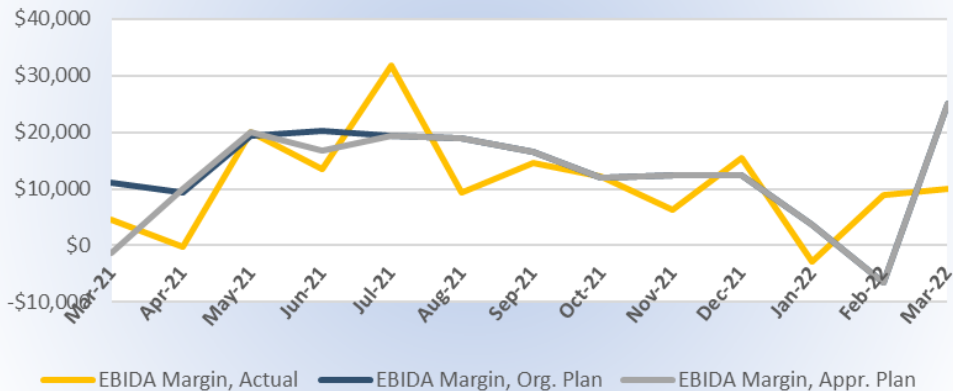
**-1.3%** ▲  
As of 03/2022

**5.4%**  
FY21 Target

### SYSTEM PAYER MIX



### VCU Health System EBIDA Margin, by Month



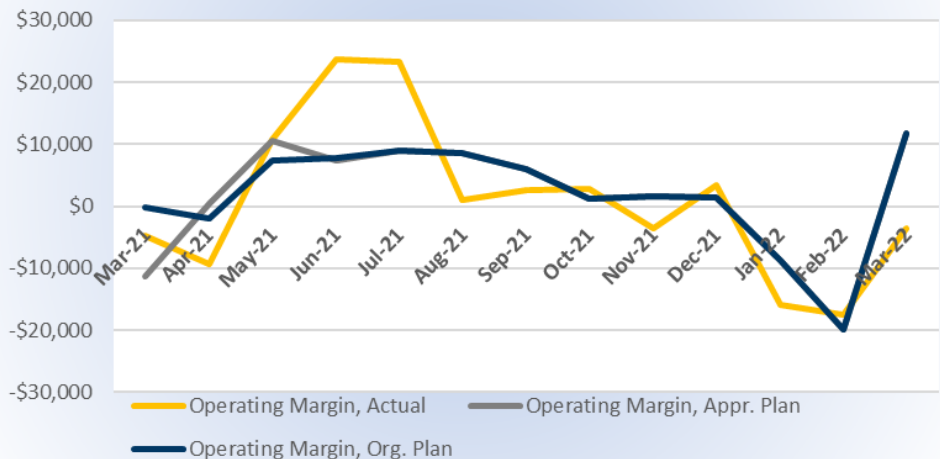
### Operating Margin

**-0.4%** ▲  
FY22 Target 1.9%

### EBIDA Margin

**5.0%** ▲  
FY22 Target 9.2%

### VCU Health System Operating Margin, by Month



### Days' Cash on Hand

**248.0** ▲  
FY22 Target: 286.7

**Small arrows indicates desired trend**

# Treasurer's Report

## As of March 31, 2022

Finance, Budget and Investment Committee

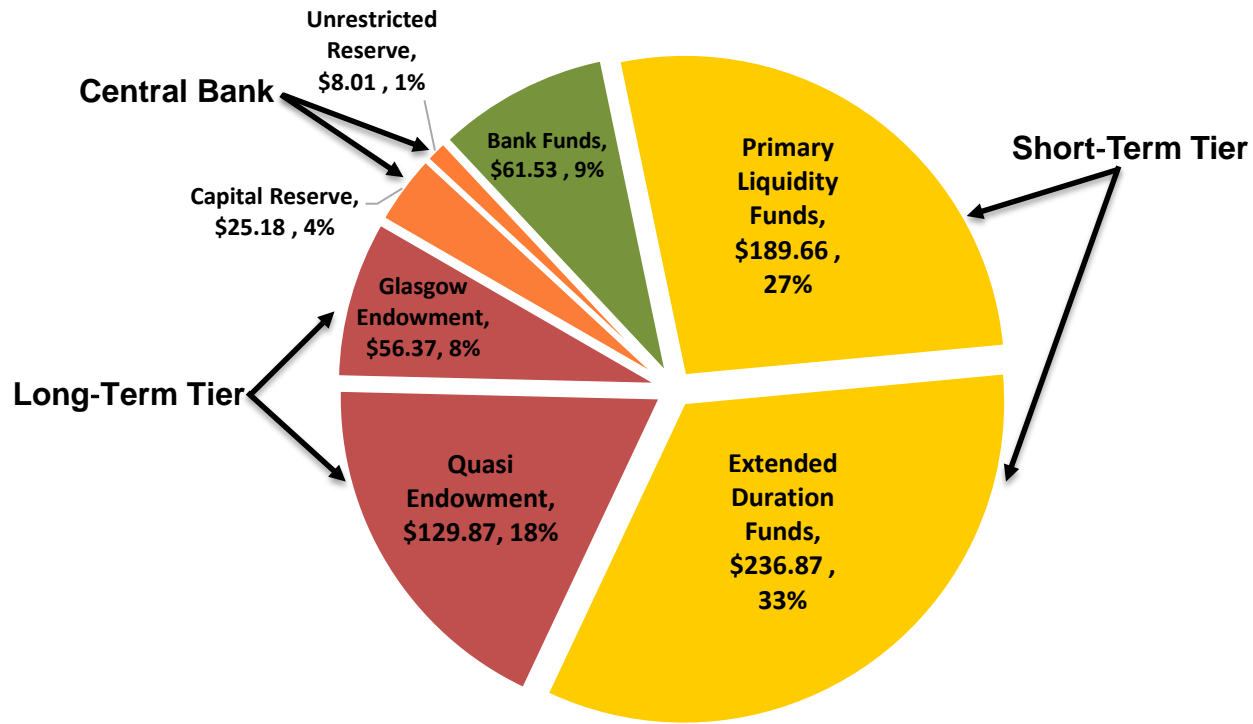
Karol Kain Gray

May 13, 2022



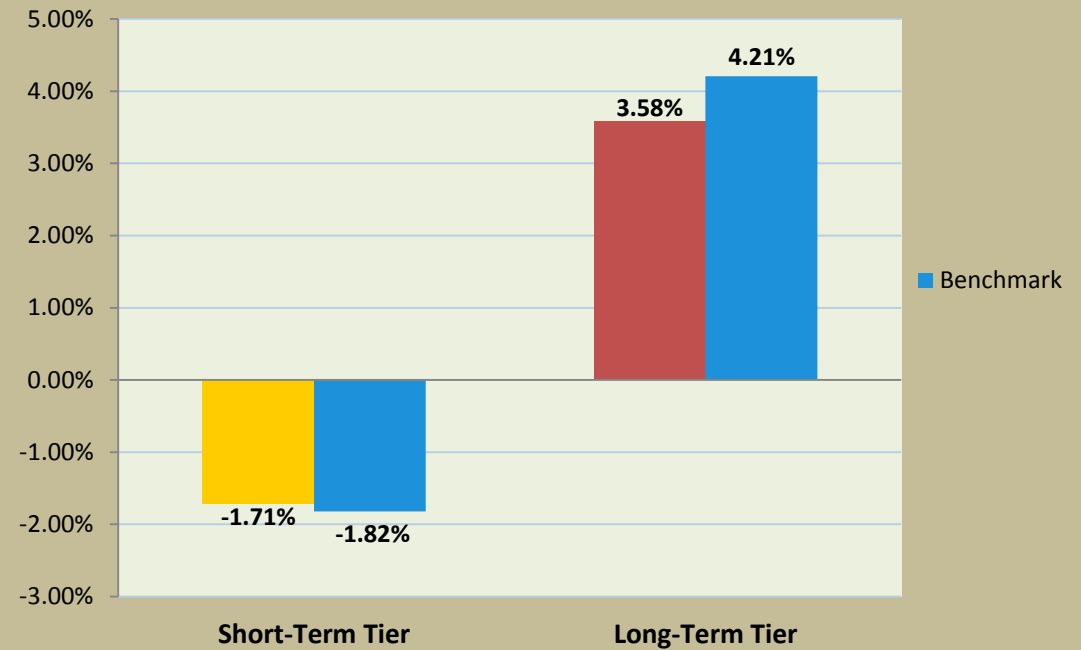
# Total University Funds Overview for the Period Ending March 31, 2022

University Funds  
Market Value (Millions)



Total University Funds  
\$707.49M

1-Year Investment Funds Performance



## Short-Term Tier Performance Summary As of March 31, 2022

### Performance Summary (Net of Fees)

	Market Value (M)	Current Allocation	1 Month	QTD	1 Year	Annualized		
						3 Years	5 Years	Since 7/2009
<b>Primary Liquidity Funds / Payden &amp; Rygel</b>	<b>\$189.7</b>	<b>44.5%</b>	<b>-0.03%</b>	<b>-0.09%</b>	<b>-0.17%</b>	<b>0.80%</b>	<b>1.12%</b>	<b>0.57%</b>
<i>iMoneyNet MM All Taxable</i>			<i>0.00%</i>	<i>0.01%</i>	<i>0.01%</i>	<i>0.57%</i>	<i>0.86%</i>	<i>0.36%</i>
<b>Extended Duration Funds / Merganser</b>	<b>\$236.9</b>	<b>55.5%</b>	<b>-1.20%</b>	<b>-2.45%</b>	<b>-2.70%</b>	<b>1.10%</b>	<b>1.39%</b>	<b>1.42%</b>
<i>BofA ML US Corp &amp; Govt 1-3 Year Blended<sup>1</sup></i>			<i>-1.42%</i>	<i>-2.58%</i>	<i>-2.95%</i>	<i>1.02%</i>	<i>1.27%</i>	<i>3.85%</i>
<b>Total Operating Funds</b>	<b>\$426.5</b>	<b>100.0%</b>	<b>-0.68%</b>	<b>-1.57%</b>	<b>-1.71%</b>	<b>1.29%</b>	<b>1.49%</b>	<b>1.17%</b>
<i>Short-Term Tier Composite<sup>2</sup></i>			<i>-0.79%</i>	<i>-1.61%</i>	<i>-1.82%</i>	<i>1.15%</i>	<i>1.33%</i>	<i>1.37%</i>

<sup>1</sup> BofA ML US Corp & Gov 1-3 Year Blended Index = Citi 6-Month T-Bill 7/31/2009 to 2/28/2010; BofA ML US Corp & Govt 1-3 Year AAA-A 3/31/2010 to 4/30/2016; BofA ML Treasury 1-5 Year 5/31/2016 to 3/31/2017, BofA ML US Corp & Govt 1-3 year 4/30/2017 to present

<sup>2</sup> Short-Term Tier Composite = Weighted Average of iMoneyNet MM All Taxable/BofA ML US Corp & Gov 1-3 Year Blended Index

## Long-Term Tier Performance Summary Estimated as of March 31, 2022

VCU Long-Term Tier									
Estimated March 31, 2022	Mkt Value (M)	% Allocation	Since Inception			1 Year	CYTD	FYTD	3 Mos
			4/30/2016	5 Years	3 Years				
<b>VCIMCO Funds</b>	<b>\$185.4</b>	<b>100.0%</b>	<b>8.32%</b>	<b>8.33%</b>	<b>11.24%</b>	<b>3.62%</b>	<b>-5.04%</b>	<b>-3.77%</b>	<b>-5.04%</b>
<i>Long-Term Policy Benchmark<sup>1</sup></i>			<i>9.00%</i>	<i>8.87%</i>	<i>9.89%</i>	<i>4.21%</i>	<i>-5.50%</i>	<i>-1.77%</i>	<i>-5.50%</i>
<b>Equity</b>	<b>\$121.3</b>	<b>65.4%</b>	<b>11.33%</b>	<b>10.55%</b>	<b>13.18%</b>	<b>1.43%</b>	<b>-9.10%</b>	<b>-7.98%</b>	<b>-9.10%</b>
<i>MSCI All Country World</i>			<i>12.10%</i>	<i>11.64%</i>	<i>13.74%</i>	<i>7.28%</i>	<i>-5.36%</i>	<i>-0.11%</i>	<i>-5.36%</i>
<b>Credit and Absolute Return</b>	<b>\$42.7</b>	<b>23.1%</b>	<b>6.50%</b>	<b>5.42%</b>	<b>11.32%</b>	<b>13.61%</b>	<b>6.48%</b>	<b>10.36%</b>	<b>6.48%</b>
<i>Barclays US Corporate High Yield</i>			<i>5.44%</i>	<i>4.69%</i>	<i>4.58%</i>	<i>-0.66%</i>	<i>-4.84%</i>	<i>-3.31%</i>	<i>-4.84%</i>
<b>Real Assets</b>	<b>\$7.7</b>	<b>4.1%</b>	<b>-0.09%</b>		<b>-2.30%</b>	<b>11.30%</b>	<b>2.59%</b>	<b>4.44%</b>	<b>2.59%</b>
<i>MSCI All Country World Real Estate</i>			<i>6.13%</i>		<i>4.87%</i>	<i>9.48%</i>	<i>-5.51%</i>	<i>1.03%</i>	<i>-5.51%</i>
<b>Treasuries</b>	<b>\$0.0</b>	<b>0.0%</b>	<b>-0.04%</b>	<b>0.21%</b>	<b>-0.21%</b>	<b>-5.70%</b>	<b>-2.47%</b>	<b>-3.30%</b>	<b>-2.47%</b>
<i>Barclays US Treasury</i>			<i>1.73%</i>	<i>2.35%</i>	<i>2.39%</i>	<i>-1.07%</i>	<i>-3.03%</i>	<i>-2.77%</i>	<i>-3.03%</i>
<b>Cash and Equivalents</b>	<b>\$13.7</b>	<b>7.4%</b>							
<b>VCU Long-Term Tier</b>	<b>\$186.2</b>		<b>8.23%</b>	<b>11.14%</b>	<b>11.14%</b>	<b>3.58%</b>	<b>-4.97%</b>	<b>-3.68%</b>	<b>-4.97%</b>

Total VCU Long-Term Tier includes residual investments held by JP Morgan.

JP Morgan valuation is based on manager reporting. Totals may not sum due to rounding. Past performance is not predictive of future results.

Returns for periods greater than one year are annualized. Performance is estimated based on best available data as of April 7, 2022.

Performance includes reporting by 30 of 41 underlying private investments, which, with cash, represent 79.7% of Ram Private Assets Fund's net asset value as of December 31, 2021.

<sup>1</sup> As of 7/1/2021, 70% MSCI All Country World, 30% Bloomberg US Aggregate; prior to 7/1/2021, 65% MSCI All Country World, 25% Bloomberg US Aggregate, 10% MSCI All Country World Real Estate. This assumes revised weights will be adopted in FY 2021-22.

## Monitoring Report as of April 30, 2022 (Preliminary)

Cash and Investments			
	Quarter Ended	(in millions)	
	3/31/2022	As of	As of
		4/22/2022	4/30/2022
<b>Bank Funds</b>			
Bank of America Checking	\$ 39.23	\$ 37.93	\$ 44.19
Wells Fargo Checking	11.06	10.89	10.83
Restricted Cash Funds	27.56	34.16	29.03
Unspent Bond Proceeds	1.56	1.56	1.56
Less: Outstanding Checks - Bank of America <sup>A</sup>	(13.08)	(10.38)	(9.92)
Less: Outstanding Checks - Wells Fargo <sup>A</sup>	(4.81)	(4.43)	(3.60)
<b>Total Bank Funds</b>	<b>\$ 61.53</b>	<b>\$ 69.73</b>	<b>\$ 72.08</b>
<b>Short-Term Tier</b>			
Primary Liquidity Fund (Payden & Rygel)	\$ 189.66	\$ 169.45	\$ 149.45
Extended Duration Fund (Merganser)	236.87	234.20	234.38
<b>Total Short-Term Tier (VCIMCO)</b>	<b>\$ 426.53</b>	<b>\$ 403.65</b>	<b>\$ 383.84</b>
<b>Long-Term Tier <sup>B</sup></b>			
Ram Fund + PA Fund + JP Morgan	\$ 129.87	\$ 129.87	\$ 129.87
Central Bank Capital Reserve (VCIMCO)	25.18	25.18	25.18
Central Bank Unrestricted (VCIMCO)	8.01	8.01	8.01
<b>Total Long-Term Tier (VCIMCO)</b>	<b>\$ 163.06</b>	<b>\$ 163.06</b>	<b>\$ 163.06</b>
<b>Glasgow Endowment <sup>B</sup></b>			
<b>Total Glasgow Endowment (VCIMCO)</b>	<b>\$ 56.37</b>	<b>\$ 56.37</b>	<b>\$ 56.37</b>
<b>Total University Funds:</b>	<b>\$ 707.49</b>	<b>\$ 692.81</b>	<b>\$ 675.35</b>
	Quarter Ended	As of	As of
Comparative Federal Interest Rate:	3/31/2022	4/22/2022	4/30/2022
1-year	1.63	2.06	2.10
10-year	2.32	2.90	2.89

<sup>A</sup> At FYE, the Controller's Office also adjusts the University's cash position with additional current year cash accruals.

<sup>B</sup> Balances updated monthly.



## Monitoring Report as of April 30, 2022 (Preliminary- continued)

Debt			
	As of FY 2021	Quarter Ended 3/31/2022	As of 4/30/2022
<b>VCU Long-Term Debt:</b>			
Outstanding Bonds	\$ 418,147,118	\$ 406,987,118	\$ 400,050,676
VCBA 9d	88,705,000	80,885,000	80,885,000
VCBA 9d balances covered by Financing Agreements	4,520,000	3,525,000	3,525,000
VCU 9c	49,359,531	49,359,531	47,721,716
VCU 9d	198,580,000	198,580,000	195,865,000
VCU 9d balances covered by Financing Agreements	76,982,587	74,637,587	72,053,960
Capital Leases and Installment Obligations	3,186,027	3,186,027	3,186,027
	<b>\$ 421,333,145</b>	<b>\$ 410,173,145</b>	<b>\$ 403,236,703</b>
<b>Debt Ratio:</b>			
Audited Debt Ratio (as of 6/30/2021)	2.93%		
Estimated Unaudited Debt Ratio	3.20%	2.90%	2.90%
		(in millions)	
	As of	Quarter Ended	As of
	FY 2021	3/31/2022	4/30/2022
<b>VCU Commercial Paper (JP Morgan):</b>			
Current Outstanding:			
Institute for Contemporary Art (ICA), Tax-Exempt CP A-1 Balance	\$4.44	\$4.23	\$0.00
ICA, Parking Sunoco, Tech Ops Tax-Exempt CP A-2 Balance	-	\$4.81	\$9.41
REF Broad & Belvidere Renovation, Taxable CP Balance	-	\$3.48	\$4.27
Athletics Village #3 - Bourne, Taxable CP Balance	-	\$7.41	\$7.55
Subtotal	\$4.44	\$19.94	\$21.23
Anticipated Future Draws (FY 2022)	-	-	\$9.70
Commercial Paper Program Authorization:	\$75.00	\$75.00	\$75.00
Projected Available Commercial Paper Balance:	\$70.56	\$55.06	\$44.07
Next Tax-Exempt Commercial Paper Put Date :			6/1/2022
Tax-Exempt Effective Interest Rate Rate <sup>C</sup> :			0.18%
Next Taxable Commercial Paper Put Date :			5/3/2022
Taxable Effective Interest Rate Rate <sup>C</sup> :			0.53%
<sup>C</sup> Total cost of CP program also includes \$193K for ongoing standby liquidity facility, rating agency surveillance, and paying agent fees.			

**Virginia Commonwealth University  
May 2022 Summary of Major Capital Projects**

Project	Funding		Final Completion	Comments
	Amount	Source		
<b>Completed Projects:</b>				
Trani Life Sciences Roof & HVAC Replacement	\$7,114,000	State-Supported Debt	March 2022	All work in contractor's scope is complete. Additional testing continues to ensure systems are in working order.
	\$7,114,000	Total		
<b>Construction Underway:</b>				
STEM Teaching Laboratory Building	\$113,505,000	State-Supported Debt	Spring 2023	Construction remains on time and within budget, despite challenging supply chain delays. Anticipated final completion and occupancy in Spring 2023.
	\$10,967,000	General Fund		
	\$124,472,000	Total		
<b>Planning Underway:</b>				
Arts Innovation and Academic Building (AIAB)	\$6,809,000	University Funds	Winter 2026	Design and cost estimating is underway. A preconstruction services contract valued at \$75,000 is awarded to Hourigan Construction to participate in the planning phase of the project.
	\$6,809,000	Total		
Founders Hall - Building Envelope Rehabilitation	\$3,200,000	Maintenance Reserve	TBD	The completion of the design phase is anticipated in time to support a midsummer start of construction.
	\$3,200,000	Total		
Technology Operations Center	\$31,375,000	University Debt	Jun 2023	Design and cost estimating is underway. A preconstruction services contract valued at \$20,000 is awarded to Mark Turner Construction to participate in the planning phase of the project. This project continues at an expedited effort to support the need for VCU to vacate the Pocahontas Building in FY24.
	\$31,375,000	Total		
On Schedule	Delay		Significant Delay	



To be updated FY23 budget - \$xxB; xx% increase over prior year



Showcased 6 WaM catalogs; 5 WaM coaching contracts



3.58% 1 year long-term investment return (4.21% benchmark)



\$17M anticipated in additional state funding in FY23



\$7M savings from use of cooperative contracts (over 3 years)



-1.71% 1 year short-term investment return (-1.82% benchmark)



0% increase in tuition FY20-22; proposed 3% for FY23



Processed payroll for over 10,000 employees



2,220 active sponsored awards



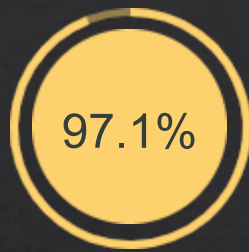
Quasi-endowment balance \$129.9M as of March 31; generated payout of \$23.2M (since inception)



23 dining locations; 2 new in FY22



Staff hires in 2021 from an underrepresented racial or ethnic minority.



VCU community reports feeling “safe” or “very safe.”



VCU’s FY21 Energy Use Intensity (EUI). Lower than the national median for colleges and universities (180.6 kBTU per square foot).



Estimated annual savings due to VCU HR’s executive search team.



Total meetings conducted on VCU Zoom in 2021 (5.7 million participants, 170 countries and 335 million meeting minutes).



## ACCIDENT RATES

% down from 2017 to 2021



The compa-ratio for staff indicating “at-market” salary rates.



VCU buildings certified as LEED Silver or higher.



39% (police)



Acres of land acquired or under contract for future Athletics Village.



Square feet added or renovated under President Rao’s leadership.



33% (facilities)



62% (labs)



## **RESOLUTION OF CERTIFICATION**

The Chair of the Finance, Budget, and Investment Committee of the Board of Visitors of Virginia Commonwealth University will entertain a motion of certification that Virginia Commonwealth University hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session meeting were heard, discussed or considered by the Finance, Budget and Investment Committee of the Board of Visitors of Virginia Commonwealth University.