VCU
Board of Visitors

VIRGINIA COMMONWEALTH UNIVERSITY
BOARD OF VISITORS
NEW MEMBER ORIENTATION
September 5, 2024
Scott House
909 West Franklin St.
Richmond, VA

MINUTES

DRAFT

BOARD MEMBERS PRESENT
Hon. Todd P. Haymore, *Rector*
Mr. Anthony Bedell
Dr. Siobhan Dunnavant
Dr. Kenneth Lipstock
Mr. Randolph Reynolds, Jr.
Mr. C.J. Sailor
Ms. Ellen Fitzsimmons, *virtual pursuant to Code Section 2.2-3708.3(B)(3) where the member's principal residence is over 60 miles from the meeting location - Walland, TN*

OTHERS PRESENT
Dr. Michael Rao, *President*
Dr. Fotis Sotiropoulos, *Provost and Senior Vice President for Academic Affairs*
Dr. Meredith Weiss, *Senior Vice President for Finance and Administration and CFO*
Dr. Marlon Levy, *Interim Senior Vice President for Health Sciences and CEO of the VCU Health System*
Ms. Stephanie Hamlett, *University Counsel*
Ms. Suzanne Milton, *Chief Ethics and Compliance Officer*
Ms. Karen Helderman, *Chief of Staff*
Ms. Ishneila Moore, *Assistant Chief of Staff*
Ms. Chelsea Gray, *Executive Director for Board and Executive Operations*
Staff from VCU
Members of the media

CALL TO ORDER
The Hon. Todd P. Haymore, Rector of the VCU Board of Visitors, called the meeting to order at 1:20 p.m. He welcomed everyone and provided brief introductions of the new VCU Board of Visitors members - Dr. Siobhan Dunnavant, Dr. Kenneth Lipstock, Mr. Randy Reynolds, Jr., and Mr. C.J. Sailor. He also welcomed guests in the room, including the media.

The Rector explained the university's mission and the board's role by emphasizing the importance of advancing the university and supporting students. He remarked that board members should focus on strategic oversight, not operational aspects of university management. He encouraged the new members to ask questions and learn about the university's complexities.

Next, the Rector welcomed current board member, Mr. Anthony Bedell, to speak to the new members about his experience serving on the VCU Board. He mentioned that in addition to Mr. Bedell's experience at VCU, he also has previous experience serving as the Rector of the Radford University Board of Visitors.

BOARD EXPERIENCE
Mr. Bedell spoke about board dynamics and best practices, and noted that the VCU Board is energetic, inclusive, and values transparency. The VCU Board is recognized as the most transparent university board in the Commonwealth. He advised the new members to read the materials in advance and to use the electronic board platform. It was also emphasized that statements on behalf of the board should come from the Rector. Along those lines, it was stated that Board members' social media - even personal accounts - should align with their roles. Mr. Bedell and the Rector encouraged the new members to work with Mr. Grant Heston, Vice President for Enterprise Marketing and Communications or the Rector for comments and statements. Mr. Bedell closed by acknowledging the leadership group and their service to the institution, as well as the importance of transparency and collaboration.

PRESIDENT'S REPORT
President Rao welcomed the new members and highlighted new board members' connections to the university. He emphasized the importance of the board's role in governance and accessibility of VCU, noting VCU's significant economic impact and job creation within the Commonwealth.

Dr. Rao then spoke about the university's priorities, drawing attention to increasing VCU's graduation rates, advancing the research mission, and increasing student professional experiences. He then emphasized VCU's strong performance in research funding and innovation. As an example, he spoke about the timeliness and innovation of VCU launching academic minors in AI, and offering a concentration in AI to all students.

President Rao reminded the members that the university and the health system are two separate entities. He then highlighted the life-saving research and work that is being done on both the academic and medical campuses.

BOARD MEMBER DUTIES AND RESPONSIBILITIES
Ms. Stephanie Hamlett, University Counsel, presented information about members' legal obligations to the university. She noted that the University Counsel's office at VCU shares resources with the state's Attorney General's office, noting that the University Counsel's office is ethically bound to the Commonwealth as well as the university.

She then outlined specific code provisions that should remain top of members' minds, including responsibilities such as bylaw changes, provisions pertaining to the Freedom of Information Act (FOIA) that should be understood in all written and verbal communication pertaining to Board business, and what conditions constitute an official meeting of members. She also provided information about the requirements that govern what can and cannot be discussed in closed session, what constitutes a public record (including email and social media activity) and the statutory exemptions that can be considered for certain types of records requests. In closing, she explained the separation of the legal entities of the university and the health system. A copy of Ms. Hamlett's presentation is attached hereto as ***Attachment A*** and is made a part hereof.

Next, Ms. Suzanne Milton provided an overview of the university's audit and compliance functions. She explained the organizational structure of the audit and compliance unit, and detailed the importance of managing audit and compliance obligations for the university, and importance of driving a culture of integrity at the institution. Ms. Milton then reviewed the Code of Conduct, reminding members that it is derived from the values in VCU's *Expectations of Ethical Conduct,* which is approved by the Board. She reviewed the office's oversight role and best practices. Ms. Milton also discussed conflicts of interest, including members' obligation to report their conflicts annually through the state's annual disclosure process, as well as specific types of conflicts to look out for and how to report them. In closing, she reviewed the university's conflict of interest policy. A copy of Ms. Milton's presentation is attached hereto as ***Attachment B*** and is made a part hereof.

ACADEMIC AFFAIRS
Dr. Fotis Sotiropoulos, Provost and Senior Vice President for Academic Affairs, provided an update on the academic enterprise of the university. He introduced the mission of the Provost's Office, and provided an overview of the leadership structure of the office as well as the colleges and schools on the academic and health sciences campuses. Dr. Sotiropoulos then discussed the academic priorities - including continuing to increase enrollment, student success and faculty recruitment and retention. He provided data about the student body, including how students at VCU are unique - noting that over a third of VCU students are first generation and Pell-eligible.

More than half are minorities (35% underrepresented minorities), over 91% are Virginia residents, and over 8% are 25 years or older. He then demonstrated how the university's student body breaks down by schools and colleges, and reviewed other demographics including international status and in-state versus out-of-state residents. He highlighted the anticipated 0.8% enrollment increase for fall 2024 as evidence of continued progress towards growing enrollment, which is an institutional priority.

Next, Provost Sotiropoulos reviewed VCU's undergraduate, graduate and certificate programs, as well as online offerings. He then reviewed the composition and tenure process for faculty, emphasizing the importance of their teaching and research efforts and the focus on recruiting and retaining quality faculty. He highlighted the fact that most VCU alumni stay in Virginia, and that the university positions its graduates well for social mobility and financial success.

He then reviewed the status of the university's graduation rates, emphasizing the importance of prioritizing being strategic and data-driven in order to increase VCU's graduation rates. VCU's six year graduation rate is 65%, which although higher than the national average, is lower than Virginia's average of 73%. VCU's participation in the University Innovation Alliance (a group of universities that share the same kind of access mission that VCU embraces) has provided access to resources that will help increase the graduation rate.

Lastly, Provost Sotiropoulos spoke about VCU's research priorities and demonstrated the success of research funding that the university's faculty has secured, increasing VCU's sponsored funding for research by 72% since 2018. He highlighted research successes such as the Rice Rivers Center, Massey Cancer Center, and work being performed in the College of Engineering and highlighted the success of start-ups. He encouraged board members to engage with Dr. Sriram Rao, Vice President for Research and Innovation.

In closing, Provost Sotiropoulos spoke about the future of higher education, noting VCU's significant acceleration in knowledge building through applications or technology and AI, emphasizing the importance of moving quickly to address global needs to prepare VCU students to be successful through providing opportunities to build experiential skills, engaging in research, educating entrepreneurs and innovators and acquiring lifelong skills to set them up for career success. A copy of Dr. Sotiropoulos' presentation is attached hereto as ***Attachment C*** and is made a part hereof.

HEALTH SCIENCES
Dr. Marlon Levy, Interim Senior Vice President for Health Sciences and CEO of the VCU Health System Authority (VCUHS), presented an overview of the health sciences academic schools. He began by noting the development and the significance of the health sciences campus, which includes six schools surrounding a major health system. He noted that the impact of the VCUHS

includes over 460,000 patient discharges and 1.3 million visits annually, and that the health system is anchored by multiple hospitals.

He continued by providing overviews of the health sciences schools, starting with the recently established School of Public Health. He noted that the school is currently looking for a new home from its current location, and noted that the school houses the epidemiology and biostatistics departments. Next, he spoke about the School of Nursing, which plans to increase its undergraduate enrollment by 120 students by 2025.

Dr. Levy provided an overview of VCU's highly ranked School of Pharmacy, which will soon need a new building to support its growth. Next, he provided an overview of the College of Health Professions, which includes programs like physical therapy and respiratory therapy, with plans to launch new programs soon. He then spoke about VCU's School of Medicine, which is the largest of the health sciences schools. He highlighted that the school has been recognized for the significant research funding it has brought in, and noted that the school trains both doctors and scientists.

Lastly, Dr. Levy spoke about the School of Dentistry, emphasizing that it is the only dental school in the Commonwealth. VCU's School of Dentistry is important for providing Medicaid dental care, and is focused on integrating dental care into primary care. Dr. Levy emphasized the uniqueness of where the health system is situated in the city, and the importance of the community that it serves. A copy of Dr. Levy's presentation is attached hereto as ***Attachment D*** and is made a part hereof.

UNIVERSITY BUDGET
Dr. Meredith Weiss, Senior Vice President of Finance and Administration and CFO, provided a finance and budget update. She provided an orientation on the board's role in financial matters, emphasizing the alignment of resources to drive success and value. Dr. Weiss highlighted the board's responsibilities, including reviewing debt, investments, financial statements, and efficiencies, as well as approving budgets, fees, contracts over $5M, new debt refinancing, the six-year plan, and financial policies.

She addressed the budget process, which involves prioritizing needs in the fall, followed by state budget processes, and significant board discussions in the spring to develop a balanced budget that is focused on accessibility and affordability. The Rector stated that it is the board's intention to begin the budget discussion at the start of each fiscal year, with no tuition increase.

Dr. Weiss explained the differences between the operating and capital budget. She explained that the operating budget covers day-to-day expenses, while the capital budget is designed for long-term expenses like buildings. The operating budget is $1.6B split between designated funds (52%) and education/general funds (40%). Dr. Weiss highlighted the importance of transparency

and the availability of detailed budget information online, and emphasized the value of understanding the different funding sources and their specific uses.

Dr. Weiss discussed the difference between designated funds, education and general (E&G) funds, and investments. Education and General funds are generated primarily from tuition, fees, and state funding. These funds support academic programs, faculty, and support services. She noted that the state funding increase has helped reduce tuition increases. Dr. Weiss noted that VCU Investment Management Company (VCIMCO) was established in 2015 to manage university investments. As a result, VCU's investment portfolio has grown significantly, delivering strong returns and supporting both the university and the health system.

She then discussed how finances are managed and the budget alignment at VCU, emphasizing the importance of state funds and the board's role in balancing the budget. She highlighted the impact of VCU degrees on students' earnings and the importance of accessibility and affordability, explaining that VCU graduates earn significantly more with updated data showing a 59% increase in earnings for bachelor's degree holders over those without an undergraduate degree.

Dr. Weiss emphasized the importance of keeping tuition increases below inflation, and how VCU has done this by examining and realigning resources, making strategic cuts, investing in financial aid, and launching innovative programs. She highlighted the efficiencies that VCU has leveraged to manage resources responsibly. Dr. Weiss demonstrated how VCU's priority to reduce student debt has stabilized after years of increase. She then spoke about how VCU compares to its peers in terms of managing efficiencies and operating with lean management. Dr. Rao provided the context of the additional resources that come from out-of-state tuition dollars which benefits the budgets of other Virginia institutions, but not VCU because most VCU students are in-state. It was emphasized that a tuition increase, has and is, the last lever that is considered in order to balance the budget annually.

She then provided an overview of the board's role in reviewing real estate plans and approving the strategic master plan, six-year capital plan and weighing in on capital projects. Dr. Weiss touched on the university's positive credit ratings with the rating agencies, and provided a status update on a number of capital projects that are in various stages of initiation, progress and completion – highlighting the cost savings that VCU has returned to the Commonwealth.

In closing, Dr. Weiss explained the cost that the university incurs as a result of the success of the Virginia Military Spouses and Dependents Education Program (VMSDEP) program at VCU. Noting that it is an unfunded state mandate, the budget impact has been aided by the strong support from the governor and the legislature during the last budget cycle. President Rao noted that VCU is very proud of the support the university has been able to provide to military families through this program and appreciated the state's continued investment in VMSDEP at VCU.

A copy of Dr. Weiss' presentation is attached hereto as ***Attachment E*** and is made a part hereof.

ADJOURNMENT
There being no further business, Rector Haymore adjourned the meeting at 4:18 p.m.

Legal Duties & Responsibilities

September 5, 2024

Stephanie Hamlett, University Counsel – Office of University Counsel

Office of University Counsel

Jake Belue
Kristen Calleja
Thomas Cantone
Stephanie Hamlett
Sarah Johns
Bill Norris

University Counsel Services

► Represent Virginia Commonwealth University on:

- Contracts and Business Transactions
- Development/Foundations
- Labor and Employment
- FOIA
- Research Compliance
- Intellectual Property Issues
- Student and Faculty Issues
- Civil Rights (all the "Titles")
- Litigation

► We can only handle legal matters related to University business

► While there are matters of common interest with the VCU Health System where we might work with their counsel, University Counsel does not represent the VCU Health System

Legal and Compliance Challenges for Higher Education

- Accounting
- Accreditation
- Affirmative Action
- Athletics
- Campus Safety
- Conflicts of Interest
- Copyright and Fair Use
- Disabilities and Accommodation
- Donor and Gifts
- Environmental Health and Controls
- Export Controls
- Financial Aide
- Foundations
- Governance
- Grant Management

- Health Care and Insurance
- HEOA Obligations
- Human Resources
- Immigration
- Information Technology
- Intellectual Property and Technology Transfer
- International Programs
- Lobbying and Political Activities
- Privacy/Records
- Program Integrity Rules
- Research
- Sexual Misconduct
- Tax Compliance
- Telecommunication

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What does the law say?
Board Powers and Duties

- **§ 23.1-2305**

- Appoint all teachers, staff members, and agents, fix their salaries, and prescribe their duties

- Generally direct the affairs and business of the University

- Confer degrees, including honorary degrees

- Receive gifts

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What does the law say?
Executive Committee Responsibilities

- **§ 23.1-1306**

- Organize working processes and recommend best practices for governance

- Review the board's bylaws and recommend amendments

- Advise board on committee structure, appointments, and meetings

- Develop orientation and continuing education process

- Develop and monitor compliance with a code of ethics for board members

- Develop a set of qualifications and competencies for membership

Code of Virginia – Educational Requirements

- **§ 23.1-1304**

- SCHEV delivers annual educational programs for governing boards

- New members must attend at least once within first two years

- Nineteen elements of educational program

Code of Virginia – Educational Requirements

- **Term and Conduct**

  - Two full terms, then waiting period of four years

  - Board Policy on Ethical Leadership

  - Process for removal without sufficient cause for absence

- **Removal for:**

  - Failure to attend meetings for one full year

  - Failure to attend SCHEV orientation in first two years

  - Malfeasance, misfeasance, incompetence, or gross neglect of duty

VA Freedom of Information Act (FOIA)

- What Every BOV Member Absolutely *Must* Know about FOIA:

  - All **meetings** must be open

  - All **records** must be available to the public – the format or medium does not matter

Importance of Compliance

- BOV records have become a target of interest to:

  - o Faculty & Students

  - o Press

  - o Alumni

  - o General Assembly and other Elected Officials

- Meetings not handled appropriately = Board actions could be challenged

- Negative publicity for the university

- Perceived violation of public trust

- Possible fines for deliberate actions

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Meetings

- All meetings of public bodies must be open with public access permitted *unless there is a specific statutory exemption*

- What is a meeting?
  - When three or more members are gathered, <u>and</u>
  - Public business is discussed

- It doesn't have to be a "Meeting" to be a meeting (social events, unplanned conversation at coffee shop)

Requirement for a Legal Meeting

- Meetings Must Be "Noticed"

- Three *working days'* notice

- Posted in 4 specific public places

- Public has the right to attend

- Agenda materials must be available at the same time they become available to the board members

- Minutes must be recorded and posted on VCU website

Meetings: *What does this mean to me?*

- Cocktail parties and golf games?

- Avoid discussion of Board or Board Committee business between *three or more* members

- - in person

- - telephone

- - internet chat **or email**

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Electronic and Telephone Meetings

- Generally, meetings in person are preferred and more productive

- BOV may have limited number of electronic meeting and a policy reviewed annually to do so is required (VCU policy adopted March 23, 2023 and will be considered at the September 2024 meeting)

- Also, there are circumstances that allow BOV members may call in when a quorum of the BOV is physically present

- The notice required for electronic meetings is 3 working days –same as for all forms of meetings

- Very specific requirements exist for electronic meetings and meetings in which individual BOV members participate electronically

Electronic and Telephone Meetings In A State of Emergency Exception

- If the Governor has declared a State of Emergency in accordance with Va. Code § 44-146.17, a board may meet without a quorum in one location if:

1. The catastrophic nature of the declared emergency makes it impracticable or unsafe to assemble a quorum in a single location; and

2. The purpose of the meeting is to provide for the continuity of operations of the public body or the discharge of its lawful purposes, duties and responsibilities

- Additional notice, comment, and access requirements apply to these meetings

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Closed Meetings

- Common exemptions for closed meetings

- Legal advice on specific legal matters/probable litigation

- Discussion of contract negotiations

- Discussion of certain items related to VCU Health System Authority 2.2-3711(A)(23)

- Discussion of *identifiable* employees or applicants

- Discussion of *identifiable* students or student discipline matters

Requirements for Closed Meeting

- **Motion for closed session must include three elements:** (i) citation to the statutory exception; (ii) general topic (e.g. personnel); (iii) specific matter to be discussed (e.g. evaluation of the President)

- Board/Committee may discuss **only matters identified in the motion** to go into closed meeting – even if subject would otherwise qualify for a closed meeting discussion

- **Certification** required after closed meeting

- Any action the BOV wishes to take as a result of discussion in closed session must be **voted on in open session**

Closed Meetings: *What does this mean for me?*

- Remember the stated purpose of closed meetings, and do not stray from that discussion

- Gently remind others if discussion strays

- Cast a truthful certification vote

- Legal counsel cannot play "FOIA cop" but should be relied upon for guidance

- There are no *legal* prohibitions to BOV members discussing *most* closed session items outside of the meeting. BOV members should consider their obligations to the Commonwealth and VCU in doing so

- Closed items not to be discussed would typically involve those that are privacy related such as student records (FERPA) or personnel matters

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Public Records

- <u>All</u> public records not subject to a specific exclusion/exception must be made available to the public upon request

- Public records - *anything* that records *any* public business

- - letters or other documents

- - handwritten notes

- - video/audio recordings

- - emails

- - text messages

- Location doesn't matter (at the University, home, office, personal devices, etc.)

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What is a "FOIA Request"?

- Any request from any eligible person (Virginia citizen or certain media)

- Does not have to be a written request – oral is fine

- Need not reference "FOIA"

- Five workdays to initially respond

- Can charge reasonable fees, but this rarely covers actual costs

- Report any records request *immediately* to the Rector and Board staff, even if you are not certain if it is a FOIA request

Records: What does this mean for me?

- Be thoughtful about what you write in email, notes, memos

- Favor telephone over email

- Use your official VCU email for VCU business; or keep all VCU business communications in a separate folder if you use a personal or business account

- Do not trash or delete official messages/documents - state law requires preservation of records for certain time periods

Records: What does this mean for me?

- Expect that some communications will come to you from legal counsel to maintain confidentiality/privilege

- If you share a privileged communication with someone else, privilege may be lost – ask counsel before sharing

- If you need to communicate regarding a difficult issue via email, work with the Rector and copy legal counsel for review/advice

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Email and social media can be a record and a meeting!

- Simultaneous e-mail or texting can easily result in discussion between "more than two members" = *Illegal* meeting

- Social media interactions may result in a meeting (e.g. "liking" posts)

- Recommendation

- - Use the telephone when possible!

- - Avoid e-mail to more than one member when possible

- - *Never* use REPLY ALL

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Questions?

Audit and Compliance Services

Orientation for Board of Visitors
September 2024
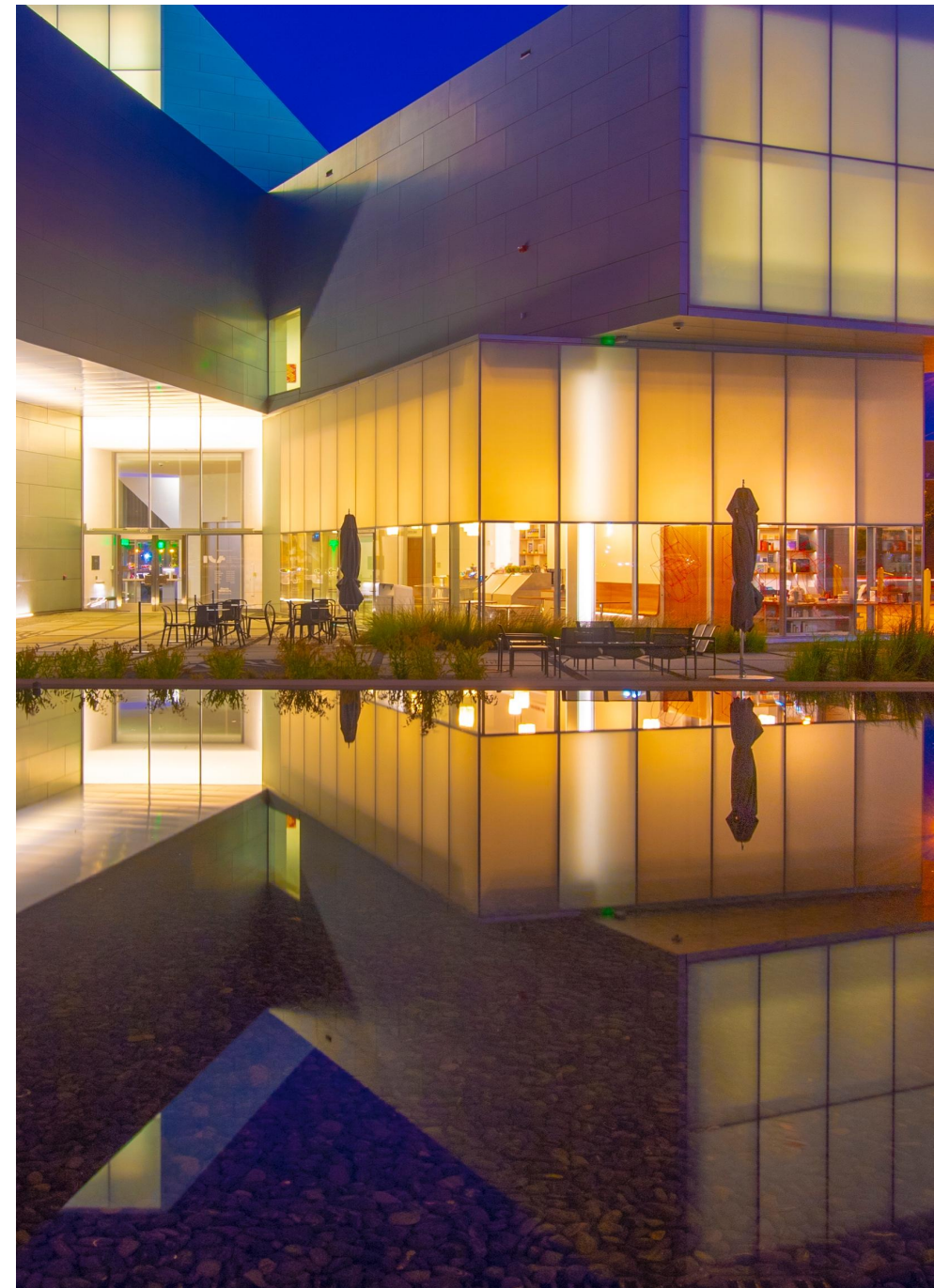
Audit and Compliance Services

- University and Health System Responsibilities

- Reports to both Boards (BOV and BOD)

  - ☐ Provides audit, integrity and compliance operations on behalf of the Boards

  - ☐ Executive Director is accountable to the Boards through their respective audit and compliance committees

- University Functions

  - ☐ University Audit and Management Services (Internal Audit)

  - ☐ Integrity and Compliance Office

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WE ARE THE UNCOMMON.

University Audit and Management Services (Internal Audit)

- Institute of Internal Auditor's *International Standards for the Professional Practice of Internal Auditing*

- Risk-based audits of information systems, financial and compliance controls

- Investigative reviews, special requests, advisory services

- Audit reports provided in Audit, Integrity and Compliance Committee materials

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Integrity and Compliance Office

- Oversees VCU's Compliance and Ethics Program

- Utilizes/coordinates compliance partners throughout the University

- Case management system tracks and provides visibility into reports of concern

- Provides leadership guidance on creating an ethical, "speak up" culture

- Compliance Program based on Chapter 8 of the US Department of Justice *Federal Sentencing Guidelines* – Eight Elements of an Effective Compliance Program

8 Elements of an Effective Ethics/Compliance Program

- <u>Standards & Procedures</u> – Code of Conduct, written policies and procedures

- <u>Oversight</u> – designated compliance officer and Board compliance committee

- <u>Education & Training</u> – education program on policies and expectations

- <u>Reporting</u> – methods to communicate, investigate concerns without fear of retaliation

- <u>Monitoring & Auditing</u> – track policy updates, analyze trends, survey employees, test controls

- <u>Enforcement and Discipline</u> – enforce standards by taking appropriate action

- <u>Response and Prevention</u> – analyze violations, refine or adopt policies and controls, provide additional training

- <u>Risk Assessment</u>-analyze and mitigate risks, ensure program is focused on organization's risks, continuous updating

Code of Conduct

The Code of Conduct articulates the ethical standards expected of all employees. Failing to meet these standards, whether intentional or inadvertent, can result in misconduct that requires disciplinary action

The Code of Conduct derives from VCU's Expectations of Ethical Conduct Policy, which is approved by the Board of Visitors

- Respect – respect individuals, diversity and the rights of others
- Honesty – act and communicate honestly and candidly; do not mislead others
- Excellence – strive for excellence in all that we do
- Responsibility and Accountability – responsible and accountable for our decisions and actions
- Stewardship – good stewards of the resources entrusted to VCU
- Compliance – understand and comply with codes, laws, regulations, policies and procedures

Typical Oversight Questions

- How does VCU's compliance program compare to its peers?

- What are our most significant risks and how are we mitigating them?

- How are we monitoring and responding to misconduct?

- Are we effectively communicating our ethics and compliance commitment?

- How do senior leaders determine which risks to report to the Board?

- How is the Board assured that controls for key risks are working?

- How does VCU measure or assess organizational culture, and how do we drive improvement?

Sources of Board Oversight Best Practices

Caremark - applies to corporate boards, but good standard for public boards

Oversight duty:

    i.   confirm information and reporting is adequately designed to ensure the Board is timely informed of appropriate information

    ii.   sufficiently monitor and oversee operations to be informed of risks and problems requiring attention – also referred to as "red flags"

Sources of Board Oversight Best Practices

Department of Justice – Federal Sentencing Guidelines Chapter 8 – Effective Compliance and Ethics Program

Board must be knowledgeable about the organizations compliance and ethics program and exercise reasonable oversight regarding its effectiveness

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Sources of Board Oversight Best Practices

Association of Governing Boards of Universities and Colleges (AGB)

Knowledge Center provides information about Board member roles and responsibilities, including questions Board members should ask in fulfilling their fiduciary duty

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Conflicts of Interest

VCU Board of Visitors Bylaws

ARTICLE IV CONFLICT OF INTEREST COMPLIANCE

Each member of the Board shall comply with state statutes regulating conflict of interest which may include filing an annual financial disclosure statement and completion of required conflict of interest training.

Conflicts of Interest

A Conflict of Interest (COI) occurs when outside interests or relationships (financial, personal, or other) create a risk that professional judgment or actions regarding university interests will be, or may appear to be, unduly influenced by a secondary or personal interest. Conflicts can occur in fact or appearance.

Some relevant state statutes:

- You shall not have a personal interest in a contract with VCU (2.2-3106 A.)

- You shall not have a personal interest in any contract with any other state agency unless the contract is competitively awarded (2.2-3106 B.)

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Prohibited Conduct (Code of Va § 2.2-3103)

- Solicit or accept money or other thing of value for your Board services, except the expenses paid by VCU
- Offer or accept any money or other thing of value for or in consideration of:
  1. obtaining employment, appointment, or promotion of any person
  2. using your Board position to obtain a contract for any person or business
- Use for your own economic benefit or that of another party confidential information that you have acquired from your Board position and which is not available to the public
- Accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence you in the performance of your Board duties;
- Accept any business or professional opportunity when you know there is a reasonable likelihood that the opportunity is being afforded you to influence you in the performance of your official duties;
- Accept any honoraria for any appearance, speech, or article in which you provide expertise or opinions related to the performance of your Board duties
- Accept a gift from a person who has interests that may be substantially affected by your Board duties under circumstances where the timing and nature of the gift would cause a reasonable person to question your impartiality in the matter affecting the donor.
- Accept gifts on a basis so frequent as to raise an appearance of using your Board position for private gain.
- Use your Board position to retaliate or threaten to retaliate against any person for expressing views on matters of public concern or for exercising any right that is otherwise protected by law

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Conflicts of Interest

- You are expected to disclose conflicts to protect you, to be compliant with Board bylaws and state statutes, and to protect VCU

- Conflicts are not inherently bad

- Disclosing potential conflicts, both in fact or appearance, early allows you to work with Chelsea, legal and others to assess and manage it and reduce risk

- VCU will be proactive with reminders when a Board topic may present conflicts

- You should complete the annual Ethics Council disclosure and report additional potential conflicts to Chelsea as they occur throughout the year.

Virginia Conflict of Interest and Ethics Advisory Council

- Annually file a financial disclosure between 1/1 and 2/1
- All disclosures are maintained on a public facing website
- Disclosure includes:
  - Businesses that compensate you (employment, officer payments)
  - Business interests with value in excess of $5,000
  - Real estate except your principal residence ($5,000)
  - Businesses you represent before any state agency where you were compensated ($5,000)
  - Businesses where someone with whom you have a close financial association represented before any state agency where they were compensated ($5,000)
  - Virginia businesses in which you provided services and received compensation ($5,000)
  - Sources from which you received lodging, transportation, money or anything of value in excess of $100 in connection to a meeting or event in your official capacity with VCU

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VCU Conflict of Interest Policy

- VCU employees shall not engage in prohibited conduct (Code of VA)

- VCU employees in a <u>position of trust</u> must disclose conflicts as they arise, and also annually. Items requiring disclosure:
  - Outside professional activities, such as consulting
  - Situations (relationships, financial or employment activity) that conflicts with their work at VCU

- <u>Position of trust</u> includes senior academic/administrative position, teaching and research faculty, institutional review board members, police professionals, audit and compliance staff, buyers, contract administrators, individuals with signatory authority

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Questions?

VCU Board of Visitors

Orientation | September 5, 2024

Fotis Sotiropoulos, Provost and Senior Vice President for Academic Affairs

Mission

The Office of the Provost is dedicated to ensuring:

A high-quality and engaged learning experience for all students.

The recruitment and retention of excellent and diverse faculty.
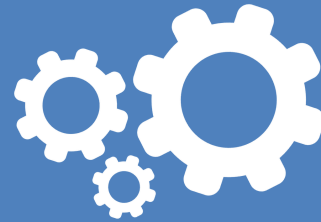
The availability of resources to ensure world-class teaching, scholarship, research and creative expression.

A strong commitment to the global engagement of students, faculty and staff that transforms lives and communities.

Provost's Leadership Team

Fotis Sotiropoulos
Provost and Senior Vice President for Academic Affairs

Hernan Bucheli
Vice President for Strategic Enrollment Management and Student Success

Aaron Hart
Vice President for Student Affairs

Andrew Arroyo
Senior Vice Provost for Academic Affairs

William Nelson
Senior Vice Provost for Academic Administration and Operations

Mangala Subramaniam
Senior Vice Provost for Faculty Affairs

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Academic Leadership

Fotis Sotiropoulos
Provost and Senior Vice President for Academic Affairs

Carmenita Higginbotham
Dean, School of the Arts

Manu Gupta
Dean, Graduate School

Andrew Arroyo
Interim Dean, University College

Brian Brown
Interim Dean, School of Business

Catherine Ingrassia
Dean, College of Humanities and Sciences

Irene Herold
Dean, VCU Libraries

Kathleen Rudasill
Interim Dean, School of Education

Scott Breuninger
Dean, Honors College

Rima Franklin
Interim Vice Provost for the Life Sciences and Research

Azim Eskandarian
Dean, College of Engineering

Susan Gooden
Dean, Wilder School of Gov't & Public Affairs

Gary Cuddeback
Interim Dean, School of Social Work

Marion Levy
Interim Senior Vice President for Health Sciences, CEO VCU Health

Lyndon Cooper
Dean, School of Denistry

Patricia Kinser
Interim Dean, School of Nursing

Amy Darragh
Dean, College of Health Professions

KC Ogbonna
Dean, School of Pharmacy

Art Saavedra
Dean, School of Medicine

Vanessa Sheppard
Founding Dean, School of Public Health

VCU

4

Academic Affairs Priorities

Students

Enrollment

Student success

Retention

Graduation

Beyond

Academics

Transformative Learning Experiences

Relevant and dynamic degree programs

Microcredentials

Curricular innovation

Online opportunities

Curricular/course transformation

Faculty

Faculty Recruitment and Retention

Professional/Career development

Teaching innovation

Compensation

Collaborations across disciplines

Shared governance

VCU

VCU Students by the Numbers

Total Enrollment 28,594

Undergraduate
21,548

First Professional
1,496
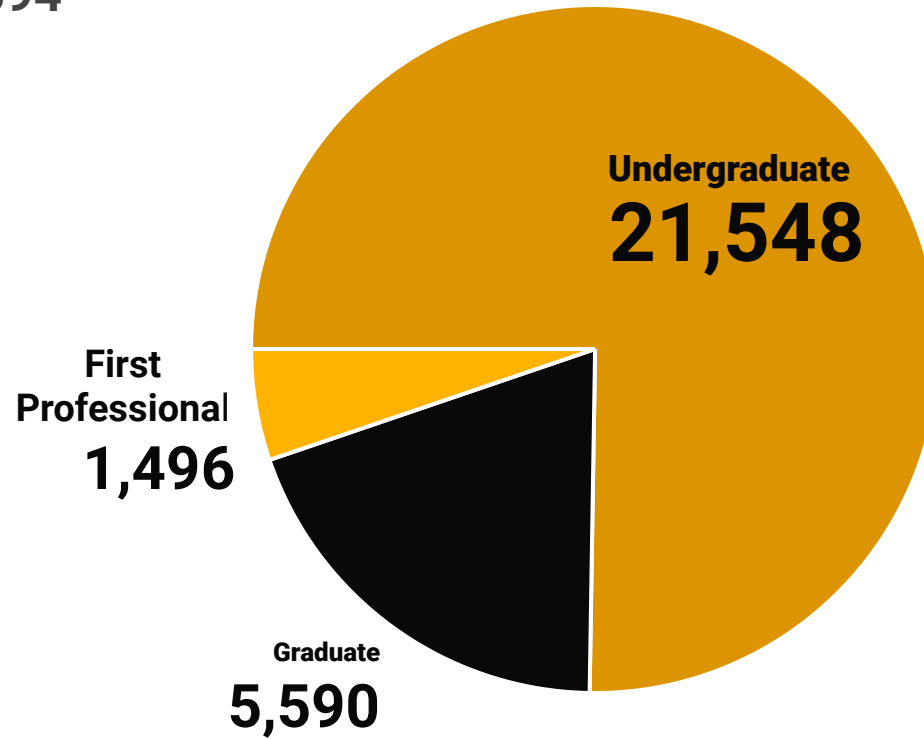
Graduate
5,590

VCU Undergraduates, Fall 2023

36.5%	32.5%	91.4%	55.6%	8.2%
First Generation Freshmen	Pell-Eligible	Virginia Residents	Minority	25 yrs. or older

Enrollment by College/School Fall 2023

0.4% Public Health

3% Education

8% Engineering

2% Dentistry

12% Arts

4% Health Professions

4% Social Work

2% Life Sciences

4% Medicine

37% Humanities and Sciences

13% Business

3% Nursing

1% University College

4% Wilder School

1% Pharmacy

VCU

Source: Census 2, Fall 2023
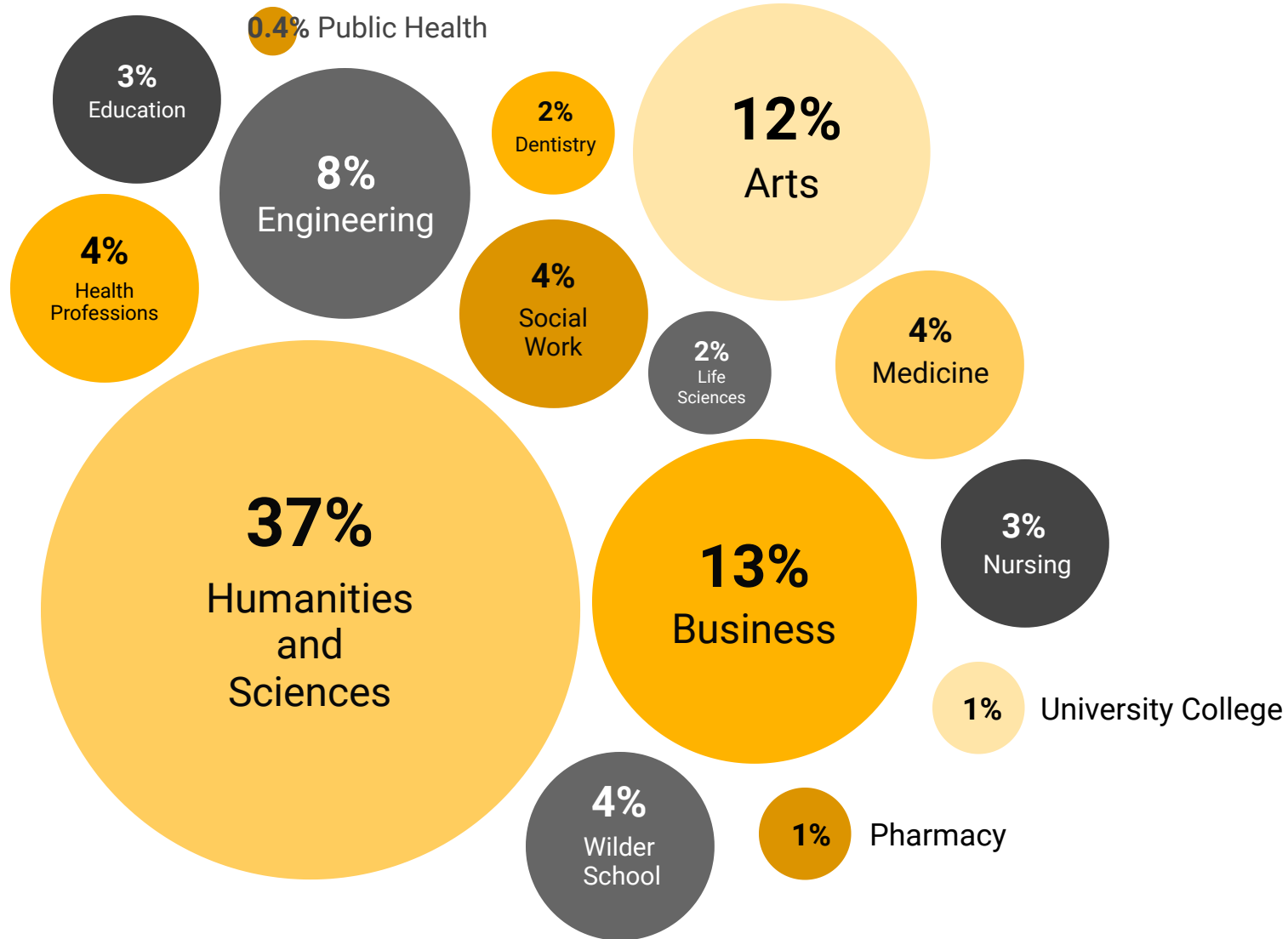
Enrollment

*Updated - Census I (9-3-24)

91%
undergraduate
Virginia residents

International students from
34
countries

4,309
First-year freshmen*

Out-of-state students from
31
states + D.C.

Overall Enrollment Growth*
0.8%⬆

Source: SEMSS/ERE Point-in-time enrollment

Degrees offered

249
Programs

73
Baccalaureate
degrees

70
Master's
degrees

44
PhD degrees

59
Certificates

3
First professional

7,276 Degrees Awarded
2022-2023

Masters
21%

First Professional
5%

Doctoral
5%

Certificate
4%

Baccalaureate
65%

VCU

9
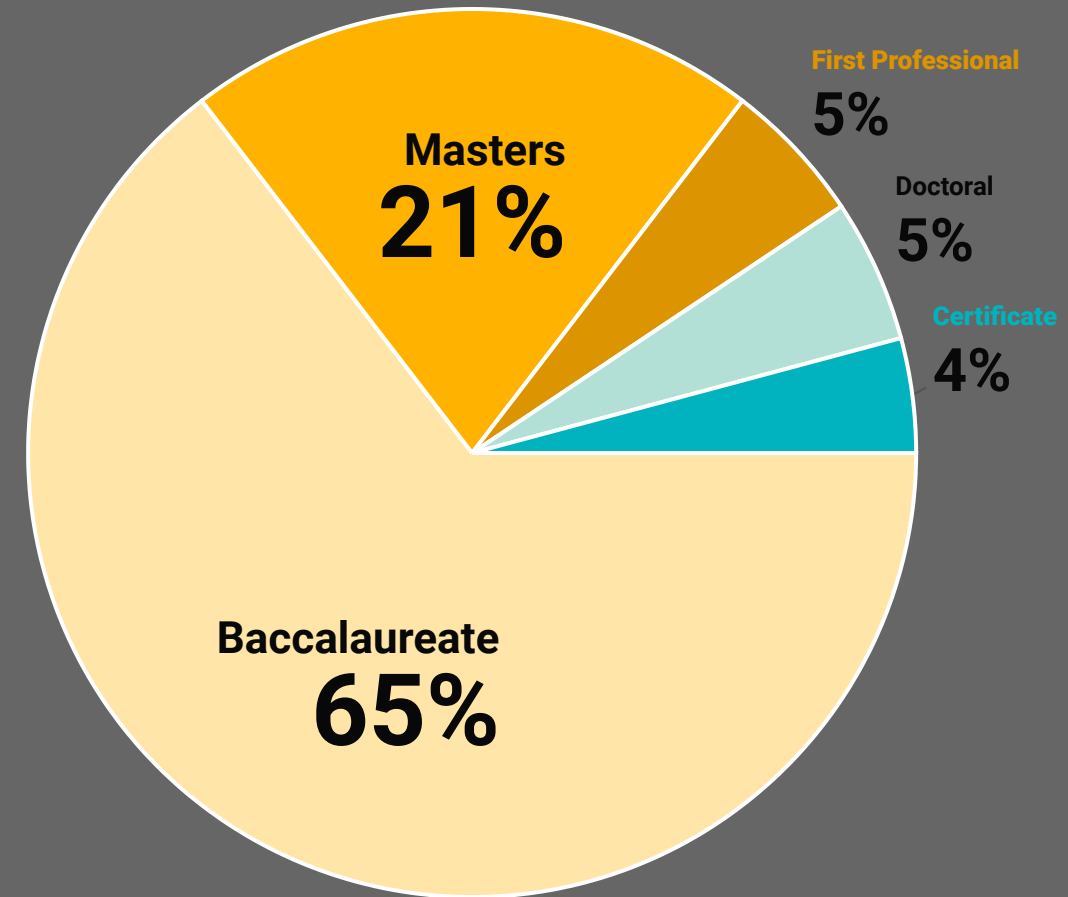
VCU Online

1,542 Students enrolled*

08 Bachelor's degree programs

17 Graduate degree programs

14 Certificates

VCU
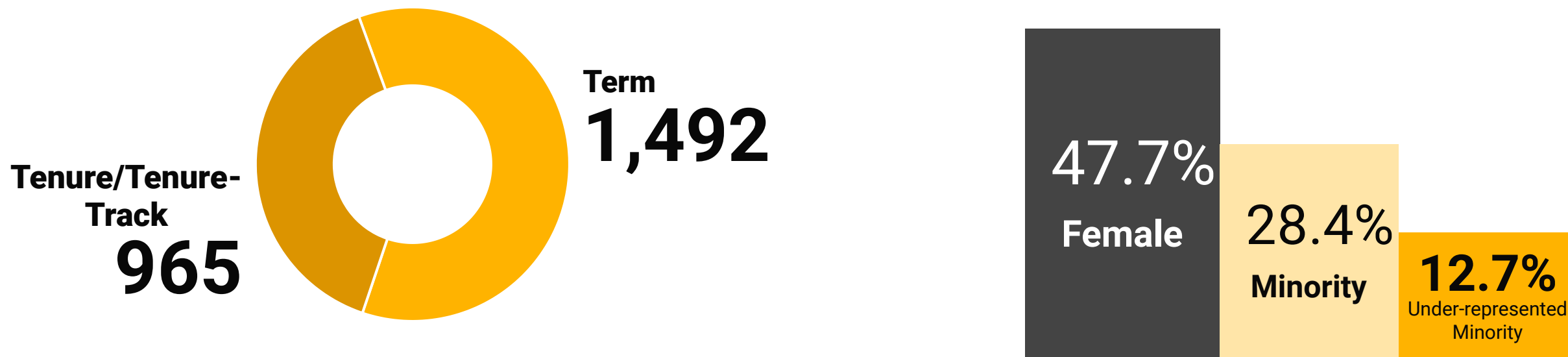
Educating Virginia's workforce: driving prosperity and economic development

Living VCU Alumni
226,868

VCU Alumni living in Virginia
66%

VCU Alumni living in RVA
35%

Ranked
#2
social mobility
Among Virginia R1 universities

BEST COLLEGES
U.S.News
RANKINGS

Median Earnings
$58,128
midpoint for 4-yr schools: $53,617
collegescorecard.ed.gov (8-16-24)

VCU

VCU Strategic Research Initiatives

VCU Research External Sponsored Funding

VCU is classified as "R1: Doctoral universities – Very high research activity" – Carnegie Classification of Higher Education

72% Increase

Year	Funding (*in millions)
2018	$271
2019	$310
2020	$335
2021	$363
2022	$405
2023	$464

*in millions
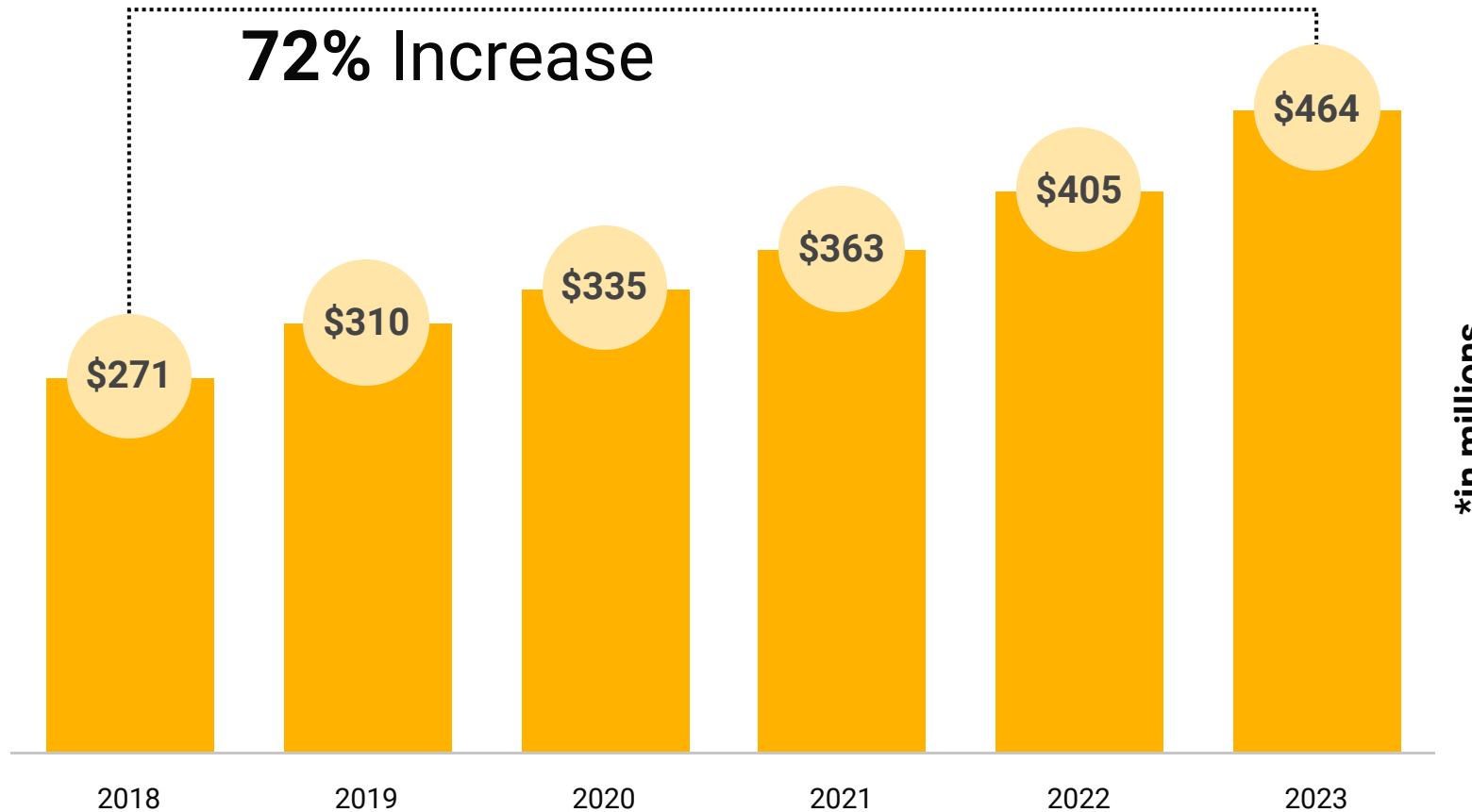
VCU Ranked

#47

among US public research universities

by the NSF's HERD FY2022 Survey

VCU

Diverse Research Focus

Tackling the nation's defense challenges

Bringing together scientists and engineers to solve pressing defense challenges for the United States.

Rice Rivers Center

Restoring Virginia's aquatic ecosystems and sustaining the environment

Massey Comprehensive Cancer Center

Funded by NIH, Public and private (NCI Cancer Center)

VCU Medicines for All

Funded by Bill and Melinda Gates Foundation, federal grants and industry

AI Futures Lab

Examining AI technologies and their impacts on the world.

VCU Research drives innovation to the marketplace

VCU Start-ups over the past 10 years
~60+ Startups | ~$80M Funding | 8 Products from startups

ST. TERESA MEDICAL INC. VIRTUS RESPECTUS

Weave

WINGSPAN Strengthening Children's Skills For Life

PEG LLC

PERFUSION MEDICAL

Sanyal BIOTECHNOLOGY

data blueprint

LightSwitchBio

InterLeukin COMBINATORIAL THERAPIES, INC

CTS

Teclison QUENCH MEDICAL

GLOBALLYME DIAGNOSTICS

CLINICAL MEDIA LLC
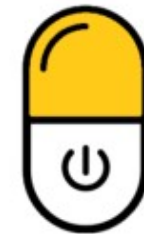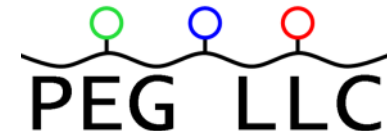
VCU's Economic Impact

Impact on Virginia	Impact on Richmond Region	Impact on the city of Richmond
$9.5 billion	**$6.3 billion**	**$3.9 billion**
Total economic impact	Total economic impact	Total economic impact
58,000 jobs	44,000 jobs	33,000 jobs

Source: Transformative Innovation: 2022 VCU Economic and Social Impact Study

Investing in the UNSTOPPABLE

INSIGHT Into Diversity
HIGHER EDUCATION EXCELLENCE IN DIVERSITY AWARD
2023
Diversity Champion

CARNEGIE CLASSIFICATION
R1
VERY HIGH RESEARCH ACTIVITY

BEST COLLEGES
U.S. News & WORLD REPORT
MOST INNOVATIVE
2024

Top 50
NSF
National Science Foundation

MASSEY
COMPREHENSIVE CANCER CENTER
VCU

Aligning resources to drive VCU's success and value

How do we prepare our students for the future of work in a world where new knowledge and technology grow exponentially?

1900 Knowledge doubling every century

1945 Knowledge doubling every 25 years

1982 Knowledge doubling every 12 months

2020 IBM predicts knowledge doubling every 12 hours

Top 10 Business Skill Priorities for 2027

Source: World Economic Forum, Future of Jobs Report 2023

1. Analytical Thinking

2. Creative Thinking
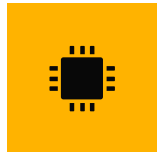
3. AI and Big Data

4. Leadership and Social Influence

5. Resilience, Flexibility, and Agility

6. Curiosity and Lifelong Learning

7. Technological Literacy

8. Design and User Experience

9. Motivation and Self-awareness

10. Empathy and Active Listening

VCU

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Integrating AI into the curriculum

AI for Specialists

- Artificial Intelligence minor (Target: Engineering students)
- Data Science minor (Target: Computer Science and Math/Statistics students)
- MS, Data Science
- BA, BS, MS, Ph.D., Computer Science

Practical AI for all students

- Ethics and Philosophy of AI microcreditional
- Mixed and Immersive Reality Studies minor
- Practical AI minor
- Master of Interdisciplinary Studies, Practical Artificial Intelligence focus (in development)

Introductory AI in General Education

- ENGR 125 Practical Artificial Intelligence (Engineering)
- PHIL 202 Ethics of Artificial Intelligence (Philosophy)
- CMSC 225 Essentials of Artificial Intelligence (Computer Science)

VCU

Meeting our students' needs in a rapidly changing world

Transformative learning experiences (TLE) for **ALL VCU students** bridging the gap between the classroom and the REAL world

By 2026 ALL Undergraduate Programs and Concentrations will **require** at least one TLE for graduation

Work-based Experiential Skills

Research Skills: Every Ram's a Researcher

Educating entrepreneurs & innovators

Lifelong Learning Skills

VCU

Six-year Graduation Rate

+8 pp

57%

VCU
2013

65%

VCU
2024

63%

National

4-yr.

Publics

73%

Virginia
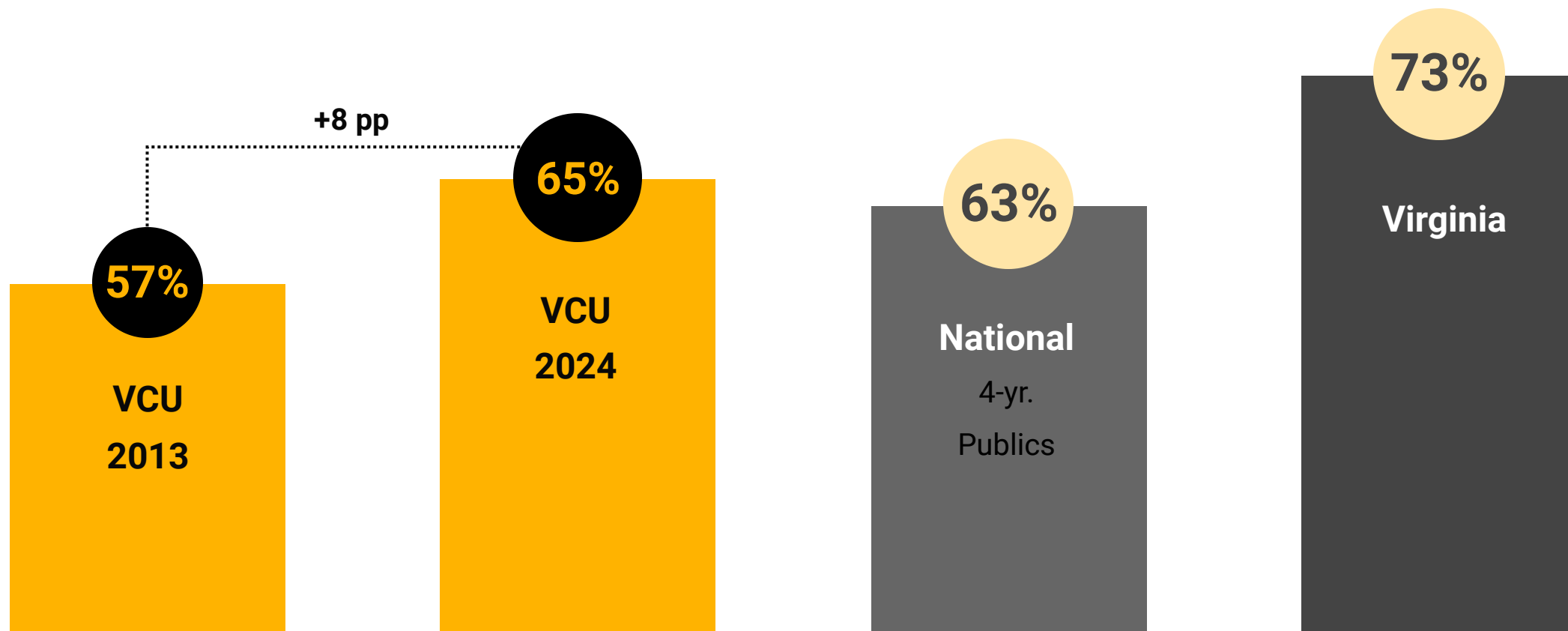
Source: IPEDS, VCU Data Portal.

VCU

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Six-Year Graduation Rates
University Academic Alliance Partner Universities

University of Colorado Denver	47%
University of New Mexico	50%
Georgia State University	54%
North Carolina A&T State University	55%
University of Illinois Chicago	60%
VCU	**65%**
University of Utah	66%
Arizona State University	69%
UMBC - University of Maryland Baltimore County	70%
Oregon State University	70%
University at Buffalo	73%
Iowa State University	75%
University of Central Florida	75%
University of California Riverside	77%
Michigan State University	83%
Purdue University	84%
The Ohio State University	88%

UNIVERSITY
INNOVATION
ALLIANCE

The University Innovation Alliance is the leading national coalition of public research universities committed to increasing the number and diversity of college graduates in the United States.

Source: UIA

VCU

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Thank you!

Health Sciences

Overview

September 2024

① School of Public Health

② School of Nursing

③ School of Pharmacy

④ College of Health Professions

⑤ School of Medicine

⑥ School of Dentistry-existing

⑦ School of Dentistry-future

WE ARE THE UNCOMMON.

College of Health Professions

Faculty: 79 Full-time, 49 Part-time

Enrollment (Fall 2023): 1,271

Total extramural funding (FY24): $6,541,656
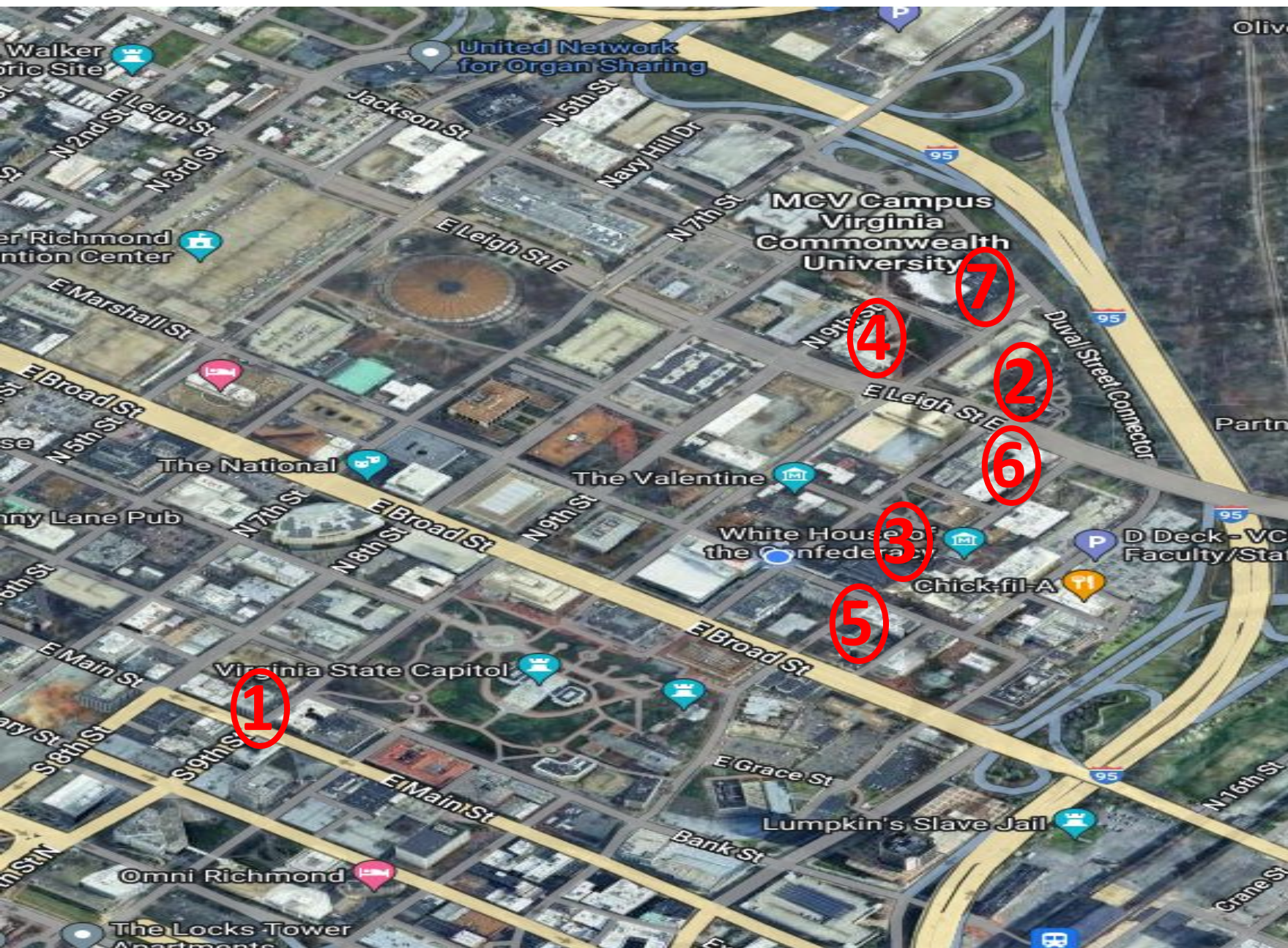
Total degrees conferred (AY23-24): 400
- Bachelor's: 106
- Master's: 108
- Doctoral: 167
- Certificate: 19

Important needs
- Enhanced marketing/visibility
- Faculty in hard-to-recruit areas (e.g. Nurse Anesthesia)
- Several expansion opportunities

Key takeaways
- Five top-ranked programs (Health Administration #3, Nurse Anesthesia #6, Rehabilitation Science #6, Occupational Therapy #14, Physical Therapy #26)
- Strong enrollment due to the BS in Health Services growth
- Extramural funding and annual fundraising continue to grow year over year. FY24 was the highest year-to-date for both.
- Planned growth (Radiation Sciences, Ultrasonography, Medical Lab Sciences)
- Planned New Programs (Perfusion Sciences, Optometry, Respiratory Therapy)

Certificate	Aging Studies	5
	Health Care Financial Management	8
	Health Equity	1
	Patient Counseling	5

Bachelor's	Clinical Radiation Sciences	38
	Health Services	42
	Medical Laboratory Sciences	26

Master's	Gerontology	9
	Health Administration	52
	Medical Laboratory Sciences	9
	Patient Counseling	3
	Rehabilitation & Mental Health Counseling	35

Doctoral	Health Related Sciences	5
	Health Services Organization & Research	1
	Nurse Anesthesia Practice	56
	Occupational Therapy	49
	Physical Therapy	55
	Rehabilitation & Movement Sciences	1

VCU

School of Dentistry

Faculty: 90 Full-time, 63 Part-time

Enrollment (Fall 2023): 508

Total extramural funding (FY24): $6,574,936

Total degrees conferred (AY23-24): 140
- Bachelor's: 16
- Master's: 16
- Doctoral: 3
- DDS: 105

Important needs
- New building (planning underway) to enable growth in enrollment, research, and patient care
- Additional scholarships to enhance recruitment of top students
- Increased opportunities for faculty development

Key takeaways
- Expanding access to care by adapting to become the Commonwealth's largest provider of Dental Medicaid Services, creating an adult special needs clinic, expanding emergency care, and adding an Advanced Education in Prosthodontics Residency Program in 2025
- Good financial position due to the development of a strong clinical revenue model without marked tuition/fee increases over the past 5 years

Bachelor's	Dental Hygiene	16
Master's	Advanced Ed	16
Doctoral	Oral Health Research	3
DDS	Dental Surgery	105

School of Medicine

Faculty: 900 Full-time, 77 Part-time

Enrollment (Fall 2023): 1,012

Total extramural funding (FY24): $127,729,539

Total degrees conferred (AY23-24): 258
- Master's: 38
- Doctoral: 11
- Certificate: 34
- MD: 175

Important needs
- Recruitment package dollars for Depart. Chairs, esp. in basic health sciences
- Laboratory and office space for current and future faculty
- Teaching dollars for the LCME-required team-based sessions

Key takeaways
- Full accreditation by LCME
- Strong philanthropic and research funding
- Faculty productivity (now greater than 50%) and dollars saved above budget ($50 million in practice plan) compare very favorably to previous years

Master's		
	Addiction Studies	7
	Anatomy & Neurobiology	4
	Biochemistry	2
	Genetic Counseling	11
	Human Genetics	5
	Medical Physics	2
	Microbiology & Immunology	2
	Pharmacology & Toxicology	4
	Physiology & Biophysics	1

Doctoral		
	Biochemistry	2
	Human Genetics	1
	Medical Physics	1
	Microbiology & Immunology	2
	Neuroscience	2
	Pharmacology & Toxicology	1
	Physiology & Biophysics	2

MD	Medicine	175

Certificate		
	Addiction Studies	4
	Clinical Genetics	5
	Medical Physics	2
	Pre-Med Grad Health Sciences	23

VCU

Research Strengths - SOM

- Neurosciences
  - Powerhouse in addiction science
    - #8 of all U.S. medical schools in funding from the National Institute on Alcoholism and Alcohol Abuse
    - #16 in National Institute of Drug Abuse funding
  - Pioneer in unraveling complex genetics of depression and other mental health disorders
- Cancer
  - Massey Cancer Center achieved Comprehensive Cancer Center status from the National Cancer Institute, a distinction achieved by only the top cancer research and clinical care centers in the U.S.
- Cardiovascular and metabolic
  - Led by Pauley Heart Center and Stravitz-Sanyal Liver Institute
- Physical Medicine & Rehabilitation
  - Ranked #19 in the U.S. (we are the only hospital in Virginia ranked in the top 50)
- Family Medicine & Population Health
  - Ranks 14th in its category among the top 25 departments in the country

VCU

School of Nursing

Faculty: 54 Full-time, 37 Part-time

Enrollment (Fall 2023): 932

Total extramural funding (FY24): $6,755,155

Total degrees conferred (AY23-24): 299
- Bachelor's: 204
- Master's: 67
- Doctoral: 25
- Certificate: 3

Important needs
- New (additional) faculty and staff to grow enrollment, addressing existing faculty compensation disparities
- Commitment from VCU Health to guarantee and prioritize clinical placements for students
- Adequate instructional space to accommodate projected enrollment growth

Key takeaways
- Addressing workforce needs by partnering with VCU Health to offer guaranteed admission to all associate-degree prepared nurses
- Adding a new cohort of BS students (n=60) beginning AY 24-25
- VCU is ahead of national trends by engaging in innovative updates to all academic programs

Bachelor's	Nursing	204
Master's	Nursing	67
Doctoral	Nursing Practice	25
Certificate	Health Care Innovation	3
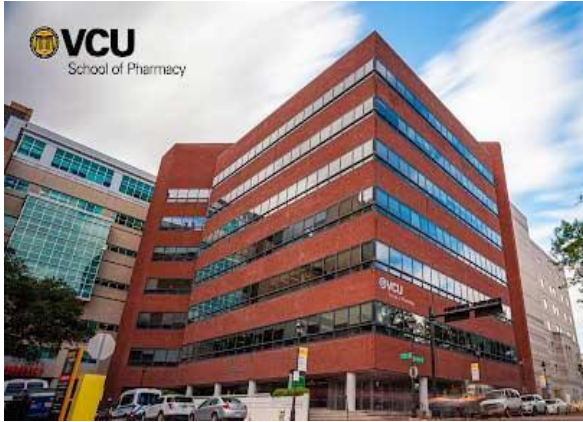
School of Pharmacy

Faculty: 60 Full-time, 3 Part-time

Enrollment (Fall 2023): 416

Total extramural funding (FY24): $10,318,354

Total degrees conferred (AY23-24): 118
- Master's: 4
- Doctoral: 12
- PharmD: 102

Master's	Pharmaceutical Sciences	4
Doctoral	Pharmaceutical Sciences	12
PharmD	Pharmacy	102

Important needs
- New building to meet the current and future needs for research and enrollment growth
- Funding to meet the expanding demand for, and accelerated growth in, the new BS in Pharmaceutical Sciences
- Expanded support for student success in the areas of housing, dining, transportation, and recreation

Key takeaways
- The School is on track to contribute significantly to the pharmaceutical corridor in terms of workforce and manufacturing capabilities
- Recent declines in PharmD enrollment have plateaued and future growth is expected at all degree levels
- The BS in Pharmaceutical Sciences begins this fall and is experiencing higher than expected interest

School of Public Health

Faculty: 50 Full-time, 5 Part-time

Enrollment (Fall 2023): 106

Total extramural funding (FY24): $9,456,525

Total degrees conferred (AY23-24): 35
- Master's: 26
- Doctoral: 9

Important needs
- Dedicated space/building to address future capacity for undergraduate students
- Funding for program development and growth; human resources for development of new programs and new teaching responsibilities (strategic hires in epidemiology and other areas)
- Philanthropic plan that includes targets, dedicated support, and effort with short-term and long-term goals

Key takeaways
- Growth in all programs since the creation of the School, including doubled enrollment in the MPH program
- Outstanding success in developing infrastructure and other notable accomplishments within a short time frame and with limited resources (e.g., progress in the accreditation submission process, launch of new online programs)
- High-impact research across Health Sciences and a large focus on community engagement

Master's	Biostatistics	5
	Public Health	21

Doctoral	Biostatistics	3
	Epidemiology	1
	Healthcare Policy & Research	3
	Social & Behavioral Sciences	2

VCU

VCU Board of Visitors

Orientation | September 5, 2024

Meredith Weiss, Senior Vice President for Finance & Administration, CFO

Investing in the UNSTOPPABLE

Aligning resources to drive VCU's success and value

Board oversight: Finance

Reviews

- Debt
- Investments
- Performance metrics
- Financial statements
- University efficiencies

Approves

- Budget
- Tuition & fees
- Contracts over $5M
- New debt and refinancing
- Six year plan
- Financial policies including the university investment policy

Budget timeline

1 Prioritization (Oct.-Nov.)
VCU submits funding priorities

2 State budget process begins (Dec.)
Announcement of Governor's budget

3 General Assembly convenes (Jan.)
State legislators weigh in and advance the budget

4 Final state budget (Feb.- Jun.)
State finalizes budget, setting new funding levels including salary increases

5 University budgeting (Feb. - Mar.)
VCU develops balanced budget, addressing accessibility, affordability and investments

6 Board review (Feb. - Mar.)
VCU presents balanced budget scenarios to the board; public comment

7 Board decides tuition, fees & budget (May-Jun.)
Public comment; tuition and fees are set and budget is approved; 30 day notice provided in accordance with § 23.1-307

★ Students, faculty and staff governance engaged

VCU FY2025 all funds operating budget

Designated funds
52%

Designated funds are ***designated*** to support specific VCU operations

$1.6B

Education and General (E&G) funds
48%

E&G funds are ***committed*** to academic programs and support services

about.finance.vcu.edu
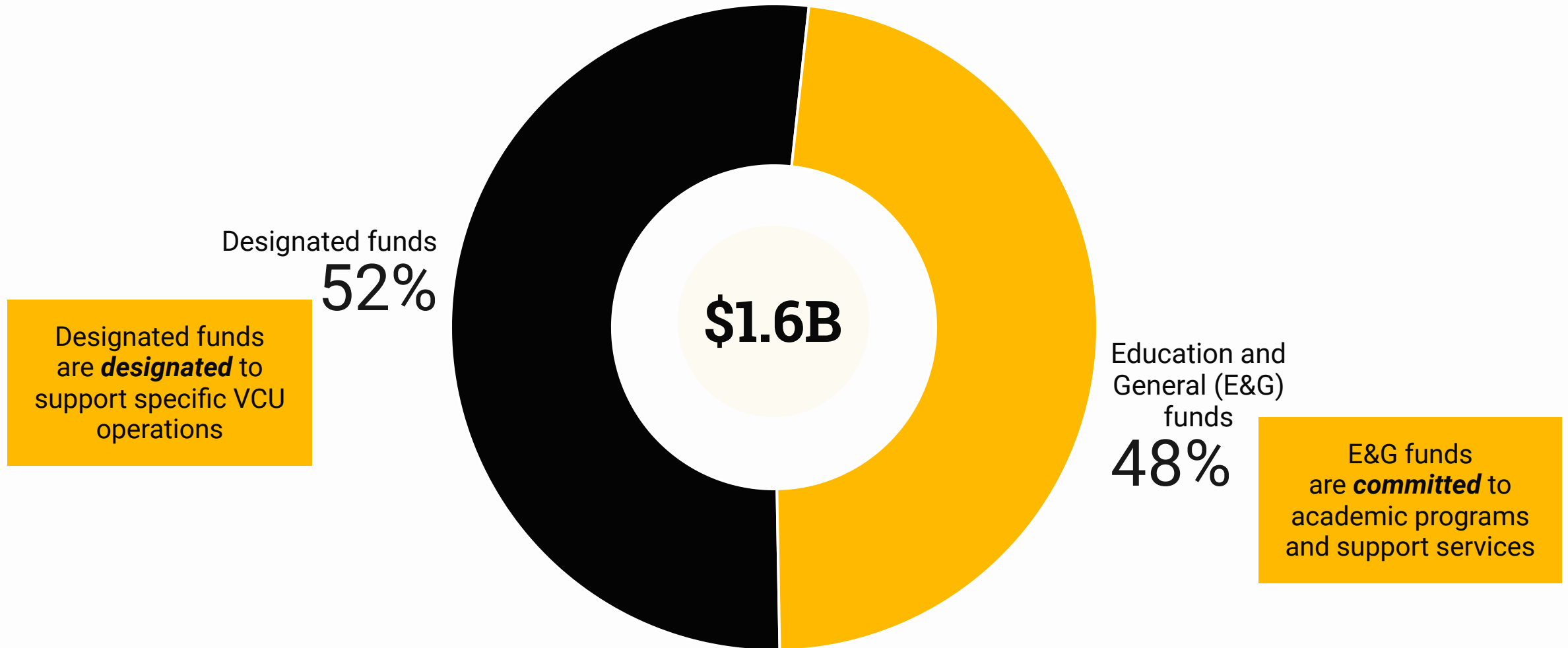
FY2025 designated funds - 52%

Designated funds are *designated* to **support specific VCU operations**

52%

Auxiliary programs
21%

Student financial assistance
13%

University funds
10%

Services to VCU Health
7%

Qatar
5%

Sponsored programs
44%
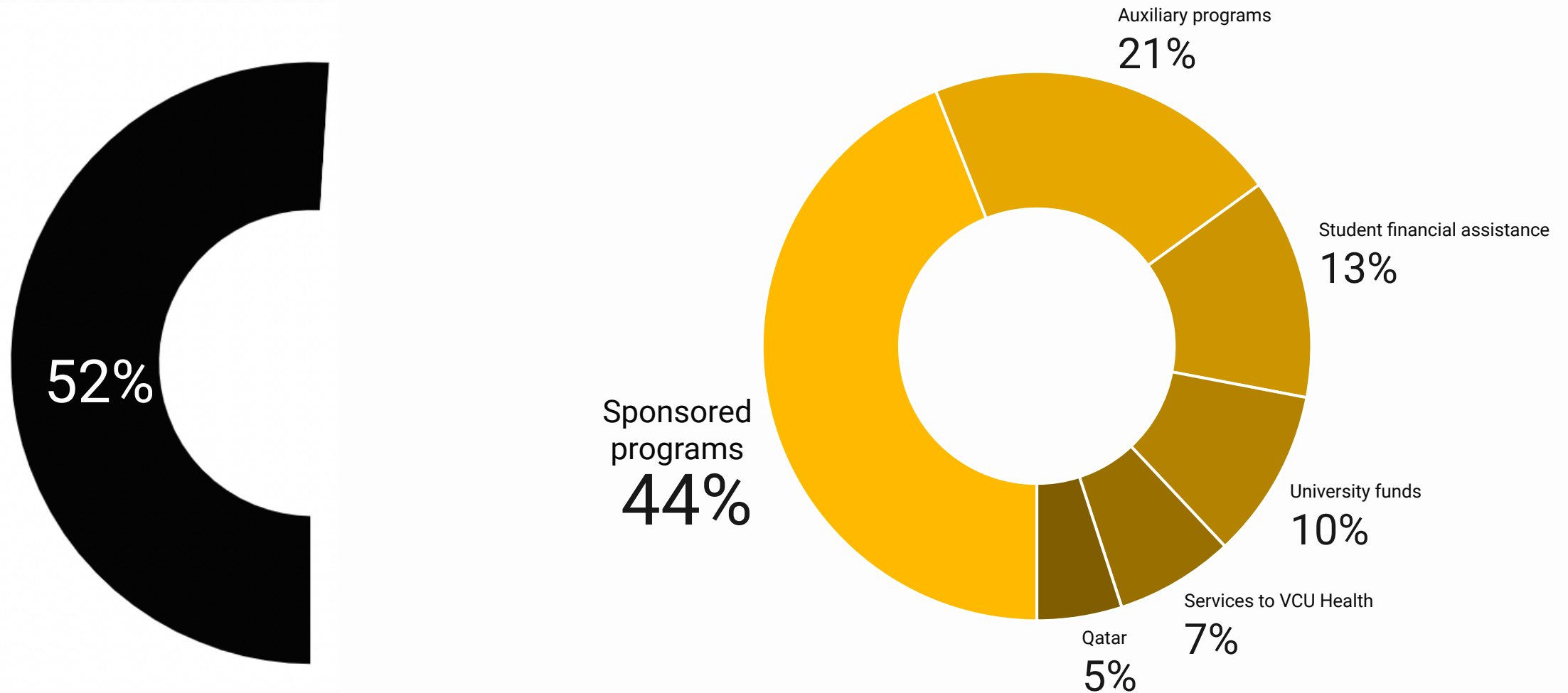
2015

VCU INVESTMENT MANAGEMENT COMPANY (VCIMCO) FOUNDED

Serves and supports VCU by investing endowment and other assets with the long-term goal of enhancing financial strength.

$2.036B

TOTAL VCIMCO ASSETS UNDER MANAGEMENT (as of June 30, 2024)

$1.196B of which is
VCU Health System

9.2%

DELIVERING STRONG RESULTS

Annualized return over the last five years

Top quartile performance FY23 and FY24

Education & General (E&G) funds - 48%

E&G funds are *committed* to **academic programs and support services**

Tuition and fees (58%), state funding (39%), other (3%)

Scholarships
8%

Contracted services
7%

Supplies
5%

Personnel
74%

Maintenance & repairs
2%

Other
1%

Insurance & utilities
3%

48%
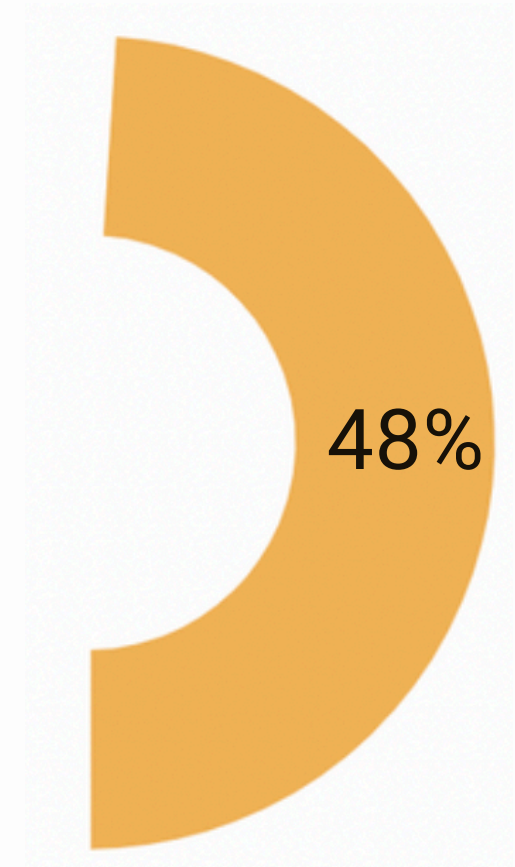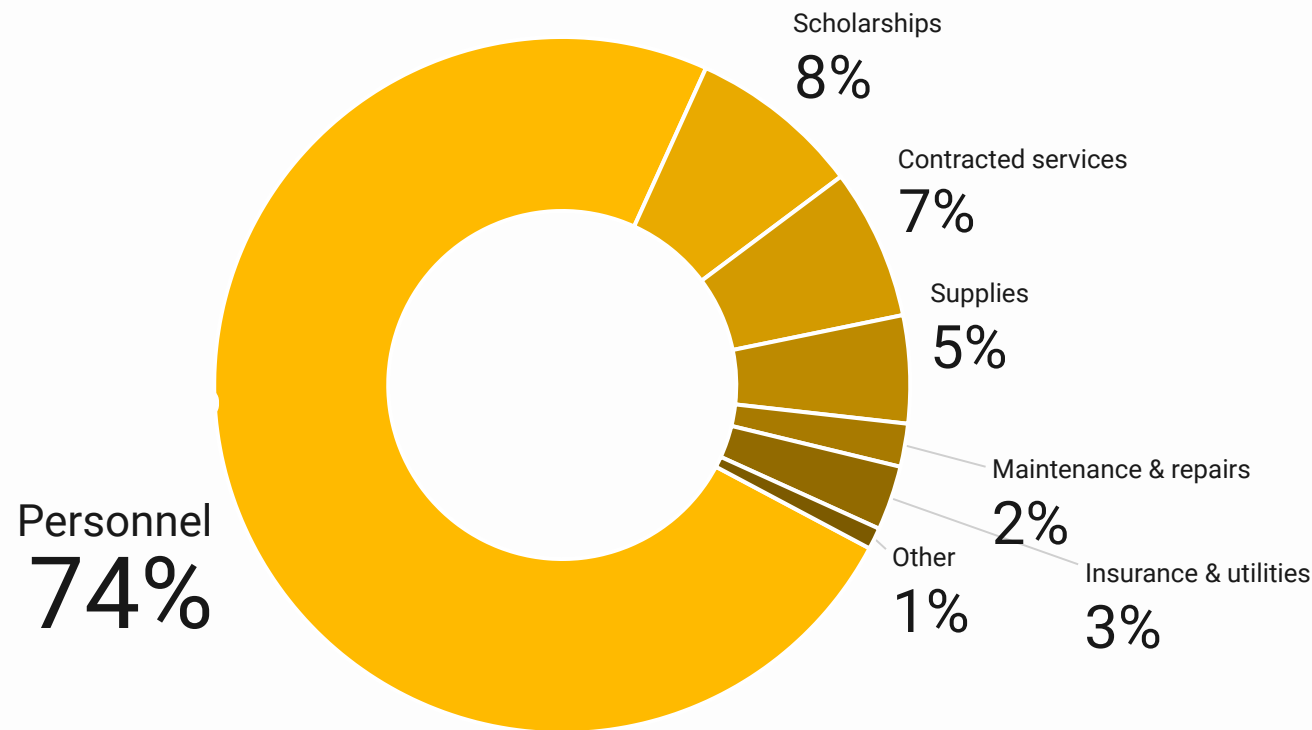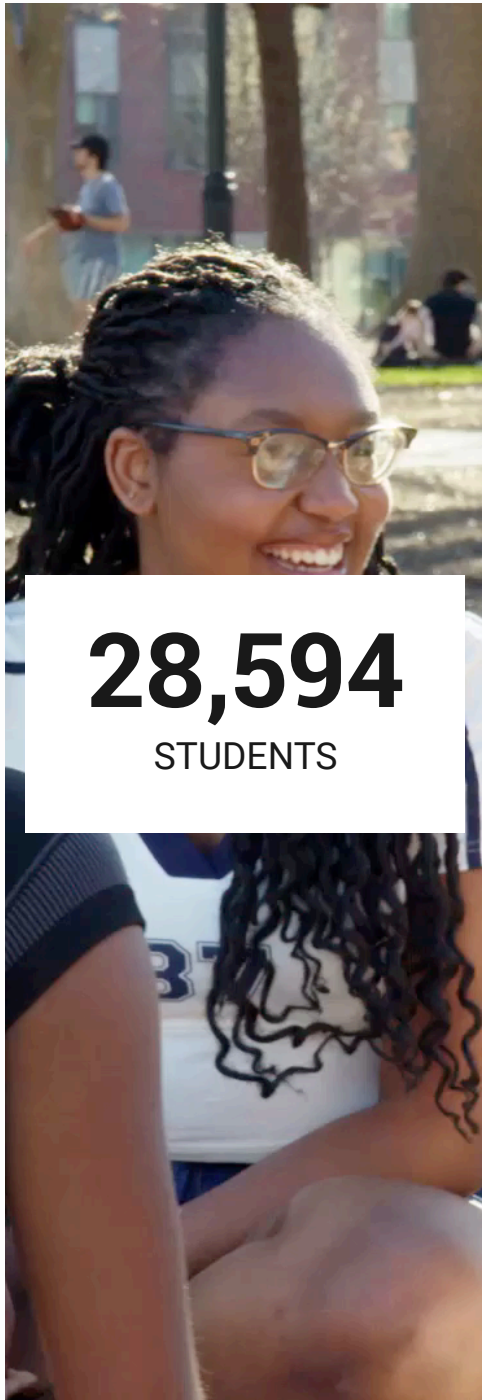
Our students

28,594
STUDENTS

37%
Fall freshman who are 1st generation college students

33%
Undergraduates who are Pell grant eligible

91%
of students are Virginia residents

59%
VCU graduates with a bachelor's degree earn 59% more than VA high school graduates

103%
VCU graduates with a master's degree earn 103% more than VA high school graduates

66%
of VCU's 226,800 alumni live in Virginia

Accessibility and affordability is a priority

Borrowing per student has remained flat

Family Income	FY18 Net Price	FY22 Net Price	$ Change	% Change
$0-$29.9k	$14,264	$14,188	-$76	-.5%
$30k-$47.9k	$18,411	$15,435	-$2,976	-16%
$48k-$74.9k	$21,559	$18,675	-$2,884	-13%
$75k-$109.9k	$24,597	$23,433	-$1,164	-5%
$110k and above	$27,310	$28,236	$926	3%
Tuition & mandatory fees	$13,624	$15,028	$1,404	10%
Financial aid (Federal, state & institution per UG student)	$9,846	$12,965	$3,119	32%
Mean reported debt at graduation	$30,272	$30,435	$163	0.5%

Accessibility, affordability & innovation

VCU's financial strategy

Keeping tuition and fee increases below higher education & consumer price indexes

Cuts & realignment to address priorities, inflation & state mandates (e.g., salary increases and military waivers)

Investments in financial aid

Launch innovative programming

Tuition and fees lag inflation

Consumer Price Index (CPI) & Higher Education Price Index (HEPI)

Fiscal year	Consumer Price Index (CPI)	Higher Education Price Index (HEPI)	VCU % Tuition & fee increase	VCU $ Tuition & fees
2019-20	1.6%	1.9%	0.7%	14,596
2020-21	2.3%	2.7%	0.8%	14,710
2021-22	7.2%	5.2%	2.2%	15,028
2022-23	6.3%	4.0%	4.1%	15,642
2023-24	3.0%	3.4%	3.8%	16,233
Avg. increase	**4.1%**	**3.4%**	**2.3%**	

HEPI & CPI as of June 2024

State support & tuition revenue trend

Legend: ● State support ● Tuition

Year	State support	Tuition
1990	74%	26%
2000	65%	35%
2010	37%	63%
2020	31%	69%
2021	32%	68%
2022	36%	64%
2023	38%	62%
2024	37%	63%
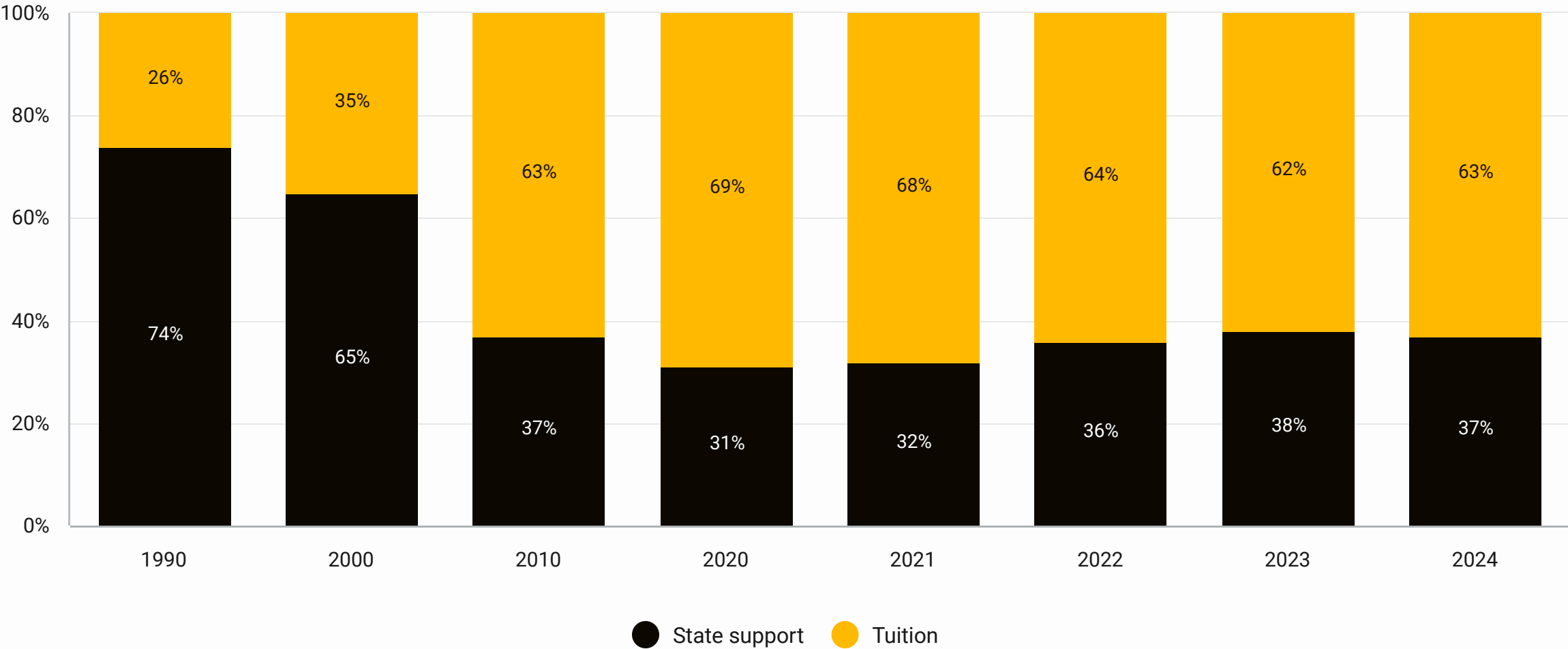
Source: Virginia Department of Planning and Budget and VCU financial information

Cuts & realignments

	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Fiscal year	$4M	$4M	$5M	$1M		$5M	$24M		$21M	$25M	$6.2M
Cumulative total		$4M	$8M	$13M	$14M	$14M	$19M	$43M	$43M	$64M	$89M

$95.2M

● Cumulative total   ● Fiscal year
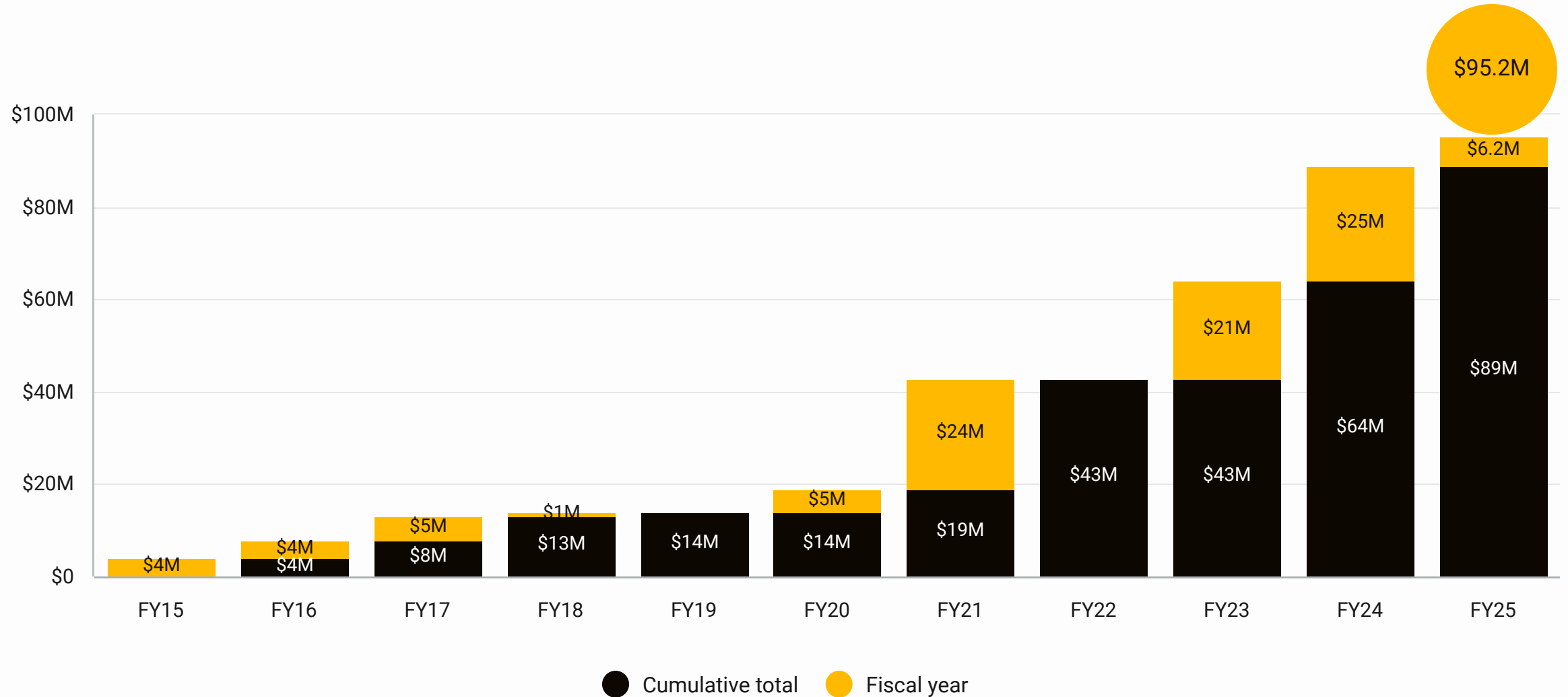
Lean management

Administrative efficiencies

Peer universities	% Management employees (FTE)/all employees
University of Alabama at Birmingham	5%
Virginia Commonwealth University	**6%**
George Mason University	6%
University of Louisville	12%
University of Cincinnati (Main Campus)	13%
University of Virginia	13%
University of South Carolina (Columbia)	16%
Mean	**11%**
Median	**12%**

Align and grow Educational & General funds to further advance the value of a VCU degree

Enrollment growth & retention

1% = $4.5M
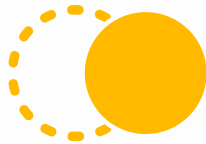
Realignment & efficiency

1% E&G cut = $6.2M
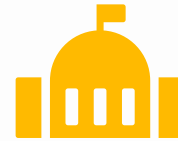
State support

1% State = $3.1M

Tuition

1% = $4.5M

Build on momentum
Invest in the value of a VCU degree

$11.6M
FY25 value investment

Drive academic & research excellence

Innovative academic programs

World-class faculty

Transform applied learning

Every Ram's a researcher!

Every Ram is career ready!
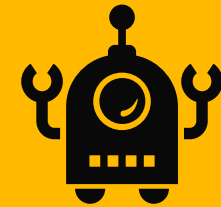
Champion AI in teaching & learning

Convergence Labs @ VCU

Board oversight: Facilities & real estate

Reviews

- Strategic real estate plan
- Building & grounds reports
- Capital projects progress

Approves

- Master plan
- Six-year capital plan (projects exceeding $3M)
- Contracts over $5M
- Capital project initiation
- Real estate transactions
- Project plans

Capital projects timeline

Board of Visitors Approvals

Start

1 ONE VCU Master Plan
BOV approves a strategic master plan (last approved March 2019)

2 Six-Year Capital Plan
BOV approves prioritized projects biennially and approves amendments as needed (last approved May 2023); projects are state funded (requests submitted to the Governor) or university funded (e.g., debt or public-private partnership)

3 Project initiation
BOV approves initiation of major capital projects exceeding $3M

4 Contracts & real estate
BOV approves architect/engineer, design and construction contracts exceeding $5M, as well as all real estate transactions, including capital leases

5 Project plans & construction
BOV reviews and approves project plans prior to the start of construction

Complete

masterplan.vcu.edu

Total debt

All current outstanding long-term debt has been used to fund major capital and real estate projects.

$400.7M

Current outstanding long-term debt (as of June 30, 2024)

FY25 fiscal debt payment: $39.7M

Credit ratings

Credit ratings reflect financial health. Maintaining a strong credit rating is essential for keeping borrowing costs low and accessing capital.

A rating from a national rating agency of AA- or better is required to obtain Tier III status* (per the Restructuring Act of 2005).

Current rating: Aa3

Rating scale: Aaa to C

Current rating: AA-

Rating scale: AAA to D

*Provides financial and administrative operational authority and financial benefits

Capital projects

Status of Board of Visitors approvals for active projects

	Start	**1** ONE VCU Master Plan	**2** Six-Year Capital Plan	**3** Project initiation	**4** Contracts & real estate transactions	**5** Project plans	Construction status **Complete**
CoStar Center for Arts & Innovation		✔	✔	✔ 05/2019	✔	✔	Under construction
Founders Hall rehabilitation			✔	✔ 09/2021			On time/budget
Technology Operations Center			✔	✔ 10/2021	✔	✔	Construction complete
VCU Dentistry Center		✔	✔	✔ 03/2023			
Athletic Village Phase I		✔	✔	✔ 05/2023			
Scherer Hall renovations			✔	✔ 03/2024	N/A	✔	
Athletic Village Phase II		✔	✔				
Johnson Hall renovation		✔	✔				
Research Building		✔	✔				
Student Housing - Honors Undergraduate		✔	✔				
Transformative Learning Space & Laboratory Building		✔	✔				
West Grace Street Housing		✔	✔				

Savings on capital projects

- ## STEM Building
  $4.5M returned to the state

- ## College of Health Professions
  $1.65M returned to the state

- ## College of Engineering Research Building
  $4.46M returned to the state

- ## Raleigh Building renovation
  $166K returned to the state
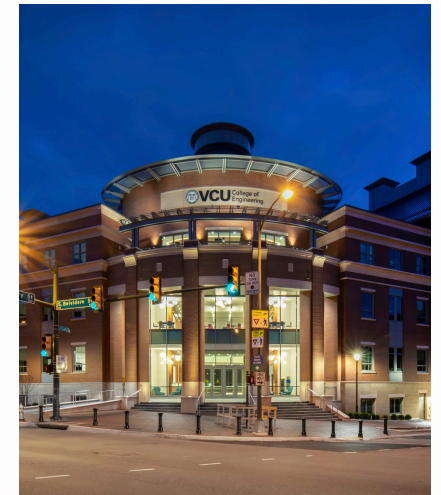
Board oversight: VCU Administration

Reviews

- Human resources updates
- Safety & security updates
- Technology updates
- Enterprise risk management updates

Approves

- Emergency management plans
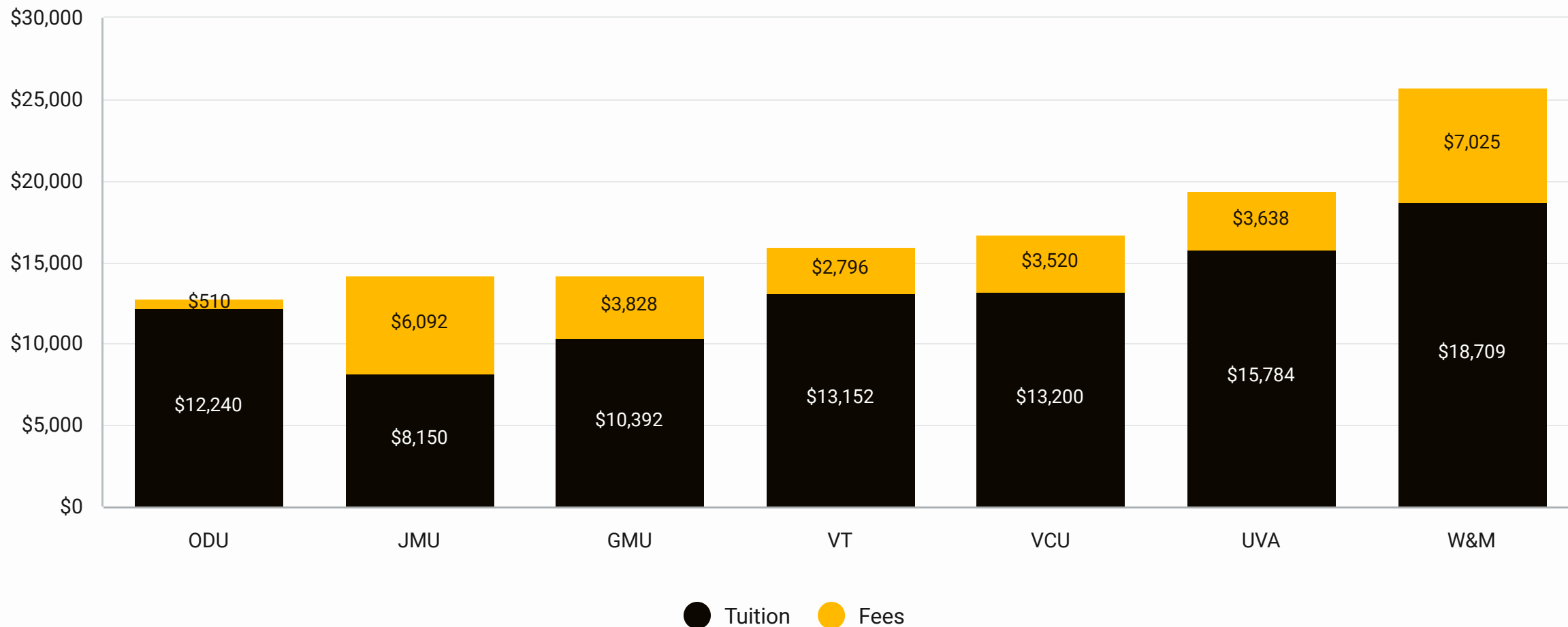- Changes to insurance plans

Appendix

2024-25 Budget sources & summary

(in thousands)

FY24-25 SOURCES	Tuition, Fee, & State Funds E&G Programs	Grants and Contracts (Sponsored Programs)	Auxiliary Enterprises (Housing & Dining)	Qatar Hospital Univ. Funds	Student Financial Assistance	Total University
State General Funds						
Direct Appropriations	$ 305,224	$ 26,763	$ -		$ 61,664	$ 393,651
Nongeneral Funds						
Student Tuition and Fees	460,799	-	68,240	$ -	-	529,039
Grants and Contracts		368,988	-	-	52,078	421,066
Gifts and Investment Earnings	100	-	5,551	72,000	-	77,651
Sales and Services	6,410	-	102,551	115,829	-	224,790
Other Sources	2,448	-	150	13,590	-	16,188
Total Nongeneral Funds	469,757	368,988	176,492	$ 201,419	52,078	1,268,734
Transfers in (out)	14,034	(14,034)	-	-	-	-
Total University Sources	$ 789,015	$ 381,717	$ 176,492	$ 201,419	$ 113,742	$ 1,662,385
FY24-25 USES						
Instruction	$ 283,076	$ 40,650	$ -	$ 49,710	$ -	$ 373,436
Research	34,771	330,569	-	36,171	-	401,511
Public Service	6,923	-	-	3,095	-	10,018
Academic Support	199,044	489	-	16,358	-	215,891
Student Services	17,968	107	-	1,038	-	19,113
Institutional Support	103,268	2,745	-	6,905	-	112,918
Operation and Maintenance of Plant	80,136	3,201	-	1,712	-	85,049
Scholarships and Fellowships	51,822	1,716	-	15,189	113,742	182,469
Auxiliary Enterprises	-	-	176,492	-	-	176,492
Hospital Services	-	-	-	71,241	-	71,241
Reallocations 5%	-			-		-
Subtotal Uses	777,008	379,477	176,492	201,419	113,742	1,648,138
Contingencies and Reserves	12,007	2,240	-	-	-	14,247
Total University Uses FY 2025	$ 789,015	$ 381,717	$ 176,492	$ 201,419	$ 113,742	$ 1,662,385

Virginia resident tuition & mandatory fees 2024-25

Virginia R1 and Tier III institutions

Institution	Tuition	Fees
ODU	$12,240	$510
JMU	$8,150	$6,092
GMU	$10,392	$3,828
VT	$13,152	$2,796
VCU	$13,200	$3,520
UVA	$15,784	$3,638
W&M	$18,709	$7,025

● Tuition   ● Fees

VCU serves a high percentage of resident students

Total student undergrad FTE by residency

	W&M	UVA	VT	JMU	GMU	ODU	VCU
Non-resident	35%	34%	33%	22%	16%	9%	9%
Resident	65%	66%	67%	78%	84%	91%	91%

● Resident   ● Non-resident

Total undergraduate tuition revenue
net of waivers per student FY23

Virginia R1 and Tier III institutions
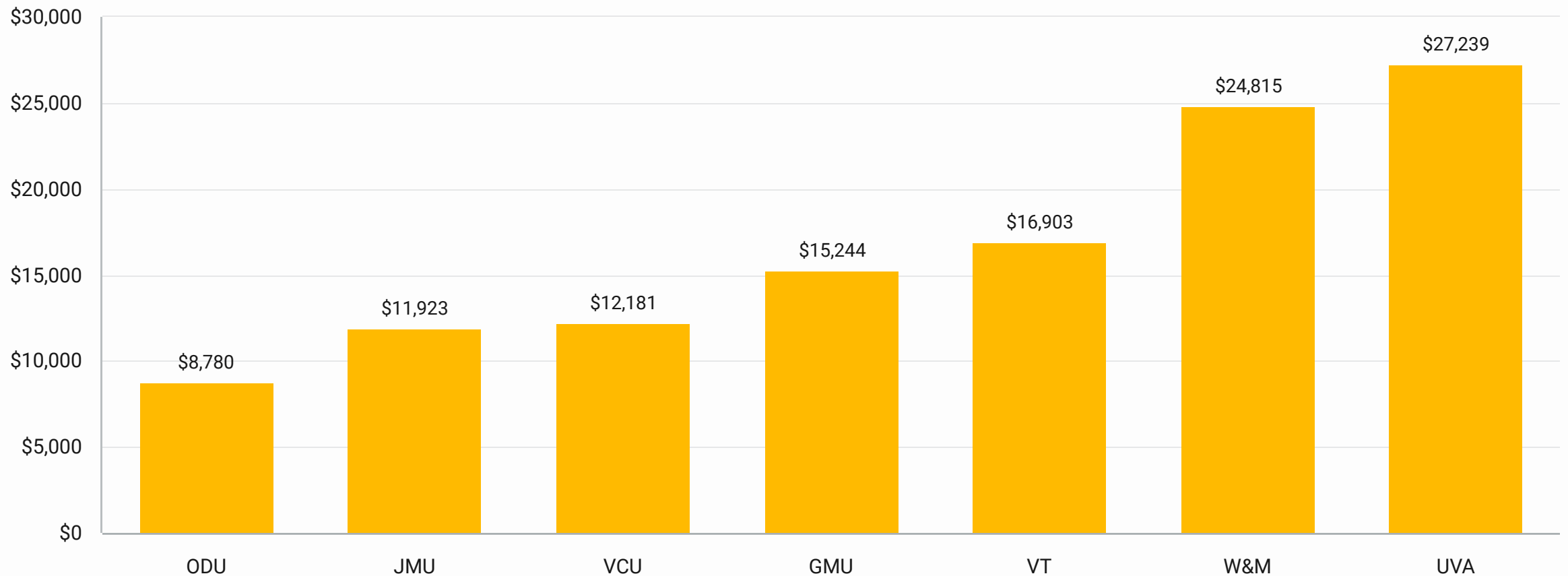
ODU	$8,780
JMU	$11,923
VCU	$12,181
GMU	$15,244
VT	$16,903
W&M	$24,815
UVA	$27,239

FY25 resident & non-resident undergrad tuition & mandatory fees

	W&M	UVA	VCU	VT	GMU	JMU	ODU
In-state	25.7k	19.4k	16.7k	16.0k	14.2k	14.0k	12.8k
Out-of-state	51.0k	58.1k	39.9k	37.8k	38.7k	31.3k	33.8k

● In-state tuition & mandatory E&G fees   ● Out-of-state tuition & mandatory E&G fees

Source: State Council for Higher Education of Virginia. *Higher Ed Data Center*.
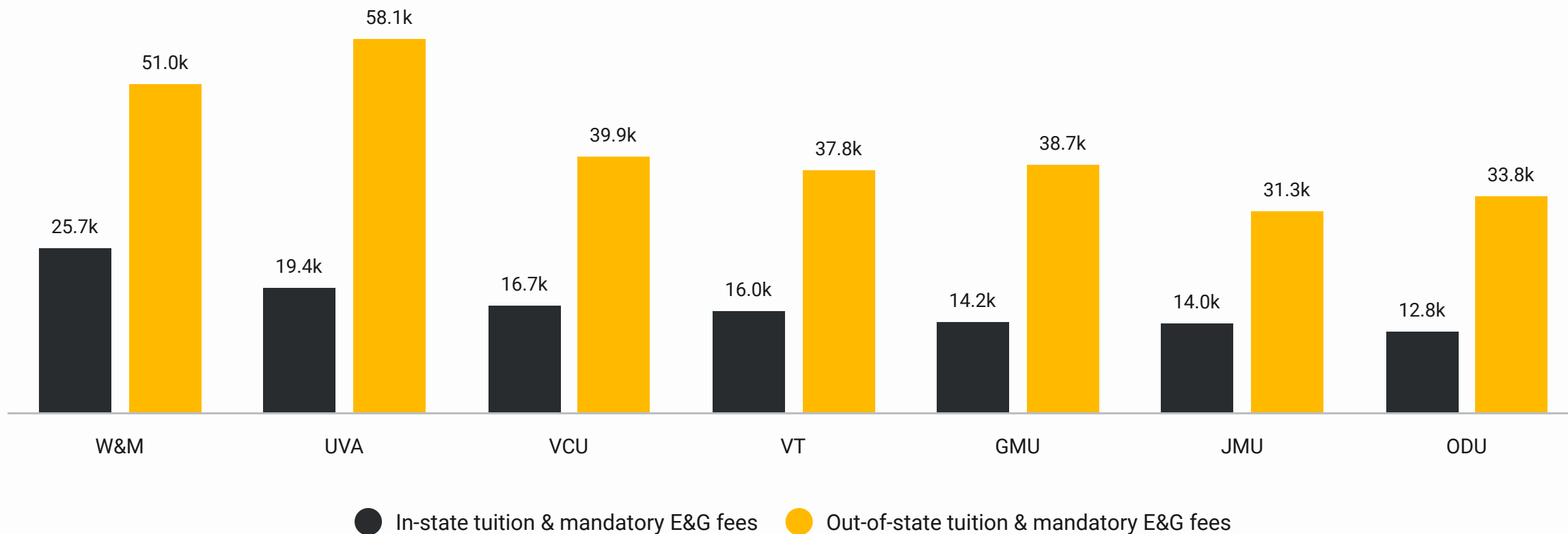
General fund support lags for higher cost academic programs

FY23 General fund support (raw vs. adjusted amounts)

- Amounts are adjusted for 1st professional programs and dedicated allocations, research and public service.

- The table presents an adjusted state budget for schools of Veterinary Medicine, Medicine, Pharmacy and Dentistry. Law Schools are excluded as they are often expected to be self-supported.

- Other first professional programs as defined by SCHEV are not included: chiropractic, osteopathic medicine (VT's program is a 501 c(3)), rabbinical and Talmudic studies, podiatry, divinity and ministry programs. Currently no other R-1s have these programs.

	W&M	ODU	UVA	VCU	VT	GMU
State general fund	12.0k	10.1k	11.3k	10.7k	8.3k	8.0k
State general fund adjusted for first professionals	11.8k	10.1k	8.8k	8.3k	7.9k	7.9k

● State general fund   ● State general fund adjusted for first professionals

Source: VA House of Representatives Finance Presentation. 2023.