

MINUTES OF A MEETING OF THE EXECUTIVE COMMITTEE OF THE BOARD OF VISITORS
OF VIRGINIA COMMONWEALTH UNIVERSITY

August 3, 1981

A meeting of the Executive Committee of the Board of Visitors was held on Monday, August 3, 1981, at 12 noon in the Conference Room at 910 West Franklin Street.

Present were Mrs. Bemiss, Dr. Gayle and Mr. Ludeman. Absent were Messrs. Balfour and Grey; Dr. Nemuth and Mrs. Thalhimer. Also present were Drs. Ackell, Wilson and Woods; Messrs. Bruegman, Cribbs, Guerdon, and Johnson; Miss Cosby and Mrs. Price.

Dr. Ackell presented a request which would authorize Dr. John H. McGrath, Associate Dean of Graduate Studies, to sign grants and contracts for the Office of Research and Graduate Affairs during the month of August. Such authorization is needed because of the recent retirement of Miss Martha Bell Conway, Grants and Contracts Administrator, and the vacation schedule of Dr. John J. Salley, Vice President for Research and Dean of Graduate Studies. On motion made and seconded, Dr. John H. McGrath was authorized to sign grants and contracts during the month of August, 1981.

A proposed resolution in honor of Mrs. Anne P. Satterfield, former Rector of the VCU Board, was distributed. Mr. Ludeman requested members of the Committee to review this resolution and recommend changes or additions to him or Dr. Ackell.

Messrs. Bruegman and Cribbs were present to present the 1982-84 Budget Targets and Addenda. At Mr. Ludeman's request, Mr. Bruegman summarized the budget process for members of the Committee. He reported to the Committee that the budget targets issued by the State Budget Office in May were incorrect and had to be recalculated. Revised targets were reissued in June. VCU's General Fund target for Educational and General Programs increased \$4 million as a result of this process.

Mr. Bruegman summarized the revised 1982-84 targets as follows:

- . University's General Fund Appropriation for Educational and General programs was revised upward from \$134.8 to \$139 million, an increase of \$4.2 million over the May General Fund Target.
- . Represents 16.4% increase over 1980-82 appropriation compared to 12.9% received in May.
- . Increase reflects adjustments necessitated by technical errors in Appendix M formula computer model used to calculate targets.
- . Manpower "Employment Level" permitted to increase to 3,175 positions in 1982-83 from 3,164 this year.
 - a. Increase of only 11 positions compared to 51 in May target.
 - b. 37 additional positions added in 1983-84 compared to 24 in May target.
- . Most serious problem in Non general Fund Income.
 - a. Tuition and fees expected to increase 51% during next biennium (35% in 1982-83 and 16% in 1983-84).
 - b. Increases permitted to be phased over the two years of the biennium.
- . Hospital target not revised.
 - a. Increase in Hospital's General Fund Appropriation remains at 11.5% for biennium.
- . Capital Outlay not targeted.
- . Student Financial Aid General Fund revised target reduced modestly from \$2.445 million to \$2.401 million, or \$44,000 over biennium.

Mr. Bruegman indicated that the major problems with the targets are as follows:

University Target

1. Nongeneral funds' target requires:

51 % increase in Tuition and Fees over 1982-84 biennium.

University Target (continued)

1. Nongeneral Funds target requires (continued):
 - . Replacement of 70/30 Plan with 65/35 Plan where undergraduate Virginia residents pay 30% of cost and all others (except Medicine and Dentistry) pay 50%.
2. Nongeneral Funds target anticipates:
 - 50% increase in Community Education/Public Service revenue in first year of 1982-84 biennium to comply with 130% Plan.
 - 51% increase in Other Income in first year of 1982-84 biennium.
3. Manpower target allows for growth of only 11 positions in 1982-83 over current year.
4. Faculty salary increases budgeted at 4.5% per year.
5. Student Financial Assistance appropriations may not be adequate to cover loss of Federal Aid and increase in tuition. Enrollment projections could be adversely affected.

MCVH Target

1. Increase in General Fund appropriation of 11.5% is:
 - . Not adequate to cover hospital transition costs expected to be incurred during 1982-84 biennium.
 - . Not equivalent to level of support recommended in Bond Prospectus.

Mr. Bruegman reported that the recommended addenda for our 1982-84 Biennial

Budget are as follows:

University

1. Faculty Salary Increase. Additional increase in excess of 4.5% being recommended in target to improve low benchmark ranking.
2. Adjustment of Manpower Target. Increase Manpower Employment Level target by exempting positions supported by revenue from the Hospital.

3. Tuition. Seek relief from the 65/35 Plan by limiting tuition increases to 15% per year and by requesting a technical correction in the way indirect costs are calculated for Medicine and Dentistry.
4. Emergency Medicine. Request continuation of 1981-82 Appropriation.
5. Urban Services. Request support for a separate appropriation which recognizes urban services at the University.
6. Reclassification of Programs. Transfer the Welfare Program from Sponsored Programs to Educational and General funds.

MCVH

1. General Fund Equity. Seek additional General Fund support in excess of the 11.5% increase to cover transitional costs relating to occupancy of the new hospital facility.

On motion made, seconded and approved, the 1982-84 Biennial Budget Addenda were accepted by the Committee and will be recommended to the full Board for ratification in September.

On motion made, seconded and approved, the Board went into executive session to discuss certain personnel matters involving the performance of identifiable employees or faculty of VCU, and to discuss the investing of public funds as authorized by Section 2.1 - 344 a(1) and a(5) of the Virginia Freedom of Information Act.

Following the executive session, the Committee accepted the Audit Departmental Report and the Investment Report.

The meeting was adjourned at 2:30 p.m.


Harold I. Nemuth, Secretary

Approved:

S. H. Ludeman, Rector