

MINUTES OF A MEETING OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF VISITORS OF VIRGINIA COMMONWEALTH UNIVERSITY
April 16, 1987

A meeting of the Executive Committee of the Board of Visitors of Virginia Commonwealth University was held on Thursday, April 16, 1987, at 10 a.m. in the University Meeting Center.

Present were Mesdames Abady, Bemiss and Epps; Messrs. Farinholt (Rector), Gregory, Lipman and Morris; and Dr. Holland. Absent were Mrs. Whittemore; and Messrs. Berry and Wurtzel. Also present were Drs. Ackell, Connell, Sparks and Wilson; Messrs. Brown, Bruegman, Cribbs, Fischer, Johnson and Ross; and Mrs. Price.

Mr. Farinholt called the meeting to order. A contract for advertising and marketing support services at the Hospital was presented. The purpose of this contract is to provide professional assistance to the Hospital in changing its public perception and image. It is recommended that this contract be awarded to Ford & Westbrook. The total value of this contract for the two-year period will be approximately \$1 million. This contract has been endorsed by the Hospital Committee. On motion made and seconded, the contract with Ford & Westbrook was approved with Mr. Morris abstaining.

The 1987-88 Budget Plan was presented. This is the first time a consolidated Budget Plan has been developed. The plan includes all fund sources and uses for both the University and Hospital. Total revenues for 1987-88 will approximate \$472 million. The Hospital will account for 51.5% of total revenues and the University will account for 48.5%. Educational and General Programs will account for 30.1% of

total revenues. No other fund group accounts for more than 10%. Patient revenues dedicated to Hospital functions will account for the single largest revenue source with \$172 million, or 36.5%. State General Funds which support Educational and General Programs, Student Financial Assistance and the University Hospitals will total \$168 million, or 35.5% of total revenues. Tuition and fees which support Educational and General Programs, Auxiliary Enterprises and University Funds will account for \$44 million, or 9.4% of revenues. Grants and Contracts which support Sponsored Programs and Student Financial Assistance will total \$40 million, representing 8.4% of revenues. The highlights of each Budget Plan were reviewed.

To support this Budget Plan, a proposed Tuition and Fees Schedule was presented for 1987-88. Total charges (tuition, fees, housing and board for full-time in-state undergraduates) are recommended to increase to \$5,335 for 1987-88, a 5.9% increase. Total charges for full-time out-of-state undergraduates would increase to \$8,335 in 1987-88, an 8.8% increase. Tuition and fees charges for full-time in-state graduate students will increase by 9.3% to \$2,641 under the proposed rate structure. Tuition and fees charges for full-time out-of-state graduate students would increase by 14.8% to \$5,301. In-state medical students would pay \$6,288, an 8.2% increase, while tuition and fees charges for out-of-state medical students would be \$12,283 or a 7.6% increase over last year. Dental students with in-state status will pay \$5,538 in tuition and fees under the recommended plan, an 8.3% increase. Out-of-state dental students will pay \$10,673, a 7.7%

increase. A separate student health fee of \$85 is being recommended beginning in 1987-88. This fee will provide for health services for all full-time students. The University Fee will remain at \$390 for a full-time student. The Academic Campus Student Activity Fee is recommended to remain at \$40 for full-time undergraduates and \$26 for full-time graduate students. The MCV Student Government Association recommends an increase in the Health Sciences Campus fee to \$28. Housing and board charges for 1987-88 will increase by 3.0% and 3.1% respectively. These low increases will keep total student costs down. Following a discussion, on motion made and seconded, the 1987-88 Consolidated Budget Plan and the Proposed Tuition and Fees Schedule were approved as submitted.

A proposed contract for the Student Loan Billing Service was presented for approval. This service will provide maintenance, billing, cash collection and reporting for loan accounts maintained by the University. This program also helps the University ensure full compliance with federal guidelines associated with these loan programs. It is recommended that a three-year contract for these services be awarded to Wachovia Services, Inc., at an approximate cost of \$273,000. On motion made and seconded, the contract with Wachovia Services, Inc., for the Student Loan Billing Service was approved.

A program to refinance the University's U.S. Department of Education College Housing Loans was discussed. In 1986, the Department of Education announced its intention to sell its College Housing and Academic Facilities loan portfolios to private investors. Prior to the

public offering of these portfolios, the Department of Education is allowing institutions with loans which were originated prior to September 30, 1982, to prepay the outstanding principal balance at a discounted value. The University has two loans that qualify for this program. In February, 1987, based on the approval of the Treasurer of the Commonwealth of Virginia, the University notified the U.S. Department of Education of its intent to participate in this project subject to approval of the Board of Visitors. The administration is seeking financing in the amount of \$2.2 million to repay the outstanding principal amount of \$4.62 million. Should the University seek external financing for this program, it would be subject to the University obtaining an interest rate which will provide positive or at least break-even present value savings and would be subject to final approval of the Board. On motion made and seconded, the Committee recommended refinancing of the U.S. Department of Education College Housing Loans as stipulated above.

On motion made and seconded, the Committee convened into executive session to discuss certain personnel matters involving the performance of identifiable employees or faculty of VCU, and to discuss the evaluation of performance of departments or schools of VCU where such matters regarding such individuals might be affected by such evaluation, and to discuss the condition, acquisition or use of real property, and to protect the privacy of individuals in personal matters not related to public business, and to discuss the investing of public funds, and to discuss matters relating to gifts, bequests, and fund-raising activi-

ties and to discuss special awards as authorized by Section 2.1-344 a(1), a(2), a(3), a(5), a(7) and a(8) of the Virginia Freedom of Information Act.

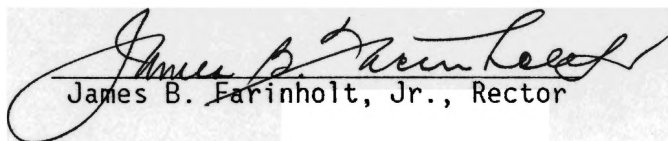
Following executive session, on motion made and seconded, the Committee approved the naming of the David G. Williamson, Jr., Institute for Health Studies in the Department of Health Administration; approved the Statement of Policy for the Solicitation, Acceptance and Administration of Contributions; approved the proposed recipient of the Board of Visitors' Award; and approved the Report on Special Awards for the 1987 Commencement Ceremonies.

The meeting was adjourned at 12:20 p.m.



Margaret Bemiss, Secretary

Approved:


James B. Farinholt, Jr., Rector