

MINUTES OF A REGULAR MEETING OF THE  
BOARD OF VISITORS OF  
VIRGINIA COMMONWEALTH UNIVERSITY  
November 17, 1994

A regular meeting of the Board of Visitors of Virginia Commonwealth University was held on Thursday, November 17, 1994, at 9 a.m. in the University Meeting Center.

Present were Messrs. Whitworth (Rector), Arenstein, Flippen, Framme, Meador and Siegel; Drs. Gilmer, Johnson, Smith, Vaughan and Wootton; and Mesdames Teig and Vaughan. Absent were Messrs. Townes and Weinberg; and Dr. Dombalis. Also present were Drs. Trani, Dewey, Harris, Jones and Schexnider; Messrs. Bruegman, Bunce, Ross and Wyeth; and Mesdames Burnside, Messmer and Price.

Mr. Whitworth called the meeting to order and introduced members of the press that were present. The President's Report followed.

Dr. Trani introduced the following individuals:

**Cathaleen Bryant** received the Board of Visitors Scholarship Award presented for distinguished scholastic achievement and outstanding leadership and service to the University and the Richmond community. Cathaleen is a Senior majoring in Political Science, SGA President and President of the Prelaw society.

**Kume Smith** received the Dean's Scholarship Award presented for distinguished scholastic achievement. Kume is a sophomore majoring in English/Education. Kume is Co-President of the English Club and Co-President Writers' Corner.

**Clifton Davis** received the Jane Jones Thornton Award presented for outstanding performance as a Resident Assistant at VCU and the Emerging Student Leader Award presented for providing distinguished service in Clifton's first leadership role at VCU

and for demonstrating a potential for continued leadership. Clifton is a junior majoring in accounting and is a SGA Senator.

**Holly Morris** received the Presidential Scholarship Award presented for distinguished scholastic achievement; the Schering Scholarship presented for scholastic achievement; and the Crockett Award presented for receiving the highest grade point average in Holly's second year of Pharmacy. Holly is presently a 5th year Pharmacy student.

**James Lee Wright** received the Kinloch Nelson Scholarship presented for leadership and scholarship and the Virginia Primary Care Scholarship, 1992-93, 1993-94. James is a senior medical student, a member of the MCV Honor Council, Student Curriculum Council, MCV Generalist Initiative Executive Committee and class president James' third and fourth year.

**Theodore J. McCaskey**, VCU's Student Representative to the Board, received the School of Dentistry Academic Scholarship. Ted is a third year dental student and is president of the Dental School Class of 1996.

Two students who were fulfilling a class assignment were introduced. **Ms. Pat Brown** and **Ms. Jennifer Uram** are attending the meeting as a requirement for a class in Public School Administration.

**Ms. Brown** is a post-graduate student working towards certification in the School of Education; **Ms. Uram** is a graduate student in the School of Education working on a masters.

Mr. Meador reported for the Academic Policy Committee. The Policy for Endowed Faculty Positions was presented. The Strategic Plan for the Future of Virginia Commonwealth University calls for the promotion of scholarly activities of the University community, with the establishment of University Professorships and endowed chairs. The proposed policy and set of guidelines support University efforts to generate more funding for endowed posts, ensure flexibility for donors in the creation of faculty

endowments, and preserve the integrity of established endowed posts through a planned review and reappointment process. The proposed Policy for Endowed Faculty Positions has been reviewed and endorsed by the Deans' Council, the President's Council and approved by the University Council.

Mr. Framme reported for the Advancement Committee. The Legislative Update was presented. Board members were encouraged to meet with State legislators to provide updates on hospital issues and information on the MCVH budget amendment. The Office of Governmental and Community Relations plans meetings for the President and others with as many State legislators as possible before the 1995 legislative session begins to prepare the MCVH budget amendment for discussion.

Dr. Johnson reported for the Finance and Investment Committee. The Revision of Investment Objectives, Policies and Guidelines for the Operating Pool was presented. Investments allowed in the pool are based on the requirements of the Code of Virginia. Due to a change in the Code, the language relating to investments in corporate notes and asset-backed securities had to be revised.

Dr. Gilmer reported for the Health Affairs Committee. The Contract for Cardiac Implants was presented. The Hospitals will solicit proposals for manufacturers of cardiac implants with the intent to establish term contracts with multiple but a limited numbers of vendors.

Currently annual costs of cardiac implants are approximately \$2,6000,000.

The Contract for Contrast Media Non-Ionic and Low Osmolarity with Sanofi Winthrop was presented. The contract is valued at \$4,022,866 for the three year period for use by MCV Hospitals. The contract with Sanofi Winthrop will result in an estimated savings of \$652,495 over the current Squibb contract for the three year period.

The Hospital Finances were presented. Financial statistics for the three months ending September 30, 1994, were reviewed. Consistent with changes occurring to inpatient volume in the health care industry, the Hospitals experienced continued decreases in patient days and admissions for the period. Excess of revenues over expenses was \$1.0M compared to a budget of \$4.7M. The Hospitals efforts to reduce expenses were not fully realized for the three month period; anticipated expense controls during the remainder of the year will more appropriately match expenses to the lower patient volume. The Hospitals will curtail anticipated capital funding for 1994-95 as the budget is being balanced.

Financial statistics for the four months ending October 31, 1994, show a continued decrease in patient volume, translating into total operating income of \$124.0M compared to the budget of \$128.2M and total expenses of \$121.7M compared to a budget of \$124.2M. The hospitals has been proactive in attempting to balance the budget and in

April 1994, eliminated 150 positions and implemented a hiring freeze in July 1994. In addition, all temporary personnel and overtime require approval by the Hospital Director or Director of Finance, resulting in expense savings in October 1994. Personnel expense is under budget by \$1.1M and non-personnel by \$1.4M for a total favorable expense variance of \$2.5M.

Mr. Arenstein reported for the Property Committee. The Request for Proposals Authorization for the University Bookstores was presented. VCU is seeking to privatize the operation and management of the Academic Campus Bookstore when relocating to Broad Street as part of the new parking deck. Privatization of the bookstore on the MCV Campus as well as the Dental Store also will be considered. The intent is to establish a community-oriented superstore operated by a national college bookstore. The RFP evaluation process will be sensitive to contractors' pricing policies in order to keep the cost to students for textbooks as low as possible.

The Request for Proposals Authorization for Printing Services was presented. VCU is seeking to improve the delivery of duplicating, printing, and related reprographic services for the University through the privatization of the University Printing Services unit. The purpose of the Request for Proposals is to establish a contract for the delivery of services.

Mr. Arenstein reported for the Student Affairs Committee. The Quality of Life Task Force Report was presented. In accordance with the Strategic Plan for the Future of Virginia Commonwealth University, a task force was appointed to address the quality of student life. A progress report on the implementation of the recommendations of the task force was presented by Dr. Henry G. Rhone, Interim Vice Provost for Student Affairs, and Ms. Jean Yerian, Associate Dean for Student Affairs.

The Annual Security Report for 1993-94 was presented. As an extension of the Quality of Life Task Force Report, the report was presented in a discussion on campus crime and safety issues at VCU. Mr. Dan Dean, the Director of Campus Police, discussed the 1993-94 Annual Security Report and highlighted the fact that the crime figures in the VCU report are inflated substantially by the fact that the crimes committed by non-VCU students, the incidence of which is especially high in the hospitals, are included in the totals. In reality, only 43 VCU students were arrested last year. The crime figures for the entire city of Richmond are often reported in the media and give an extremely negative perception of the University. Security prevention programs and enhancements were described. Recommendations were made for the University to work with the media and also address in the recruitment materials the actual facts to try to counteract some of the misguided perceptions. A follow-up plan and report will be presented at the January

meeting of the Student Affairs Committee. Also requested for a later meeting was a report on alcohol and alcohol-related crime.

The Report on Athletics was presented. Several issues critical to the integrity of intercollegiate athletic programs are emerging throughout the nation, including conference affiliation, gender equity, and stricter initial eligibility requirements. Each of the issues will have a major impact on VCU's athletic program as well as the new Convocation and Recreation Center. The Report on the Strategic Plan for the School of Business was presented.

On motion made and seconded, the following items from the Consent Agenda were approved with Ms. Teig abstaining on the Virginia Electric and Power Company Easement for the Medical Sciences Building and the Virginia Electric and Power Company Easement for the Virginia Biotechnology Research Park - Biotech Center.

- Ad Hoc Committee on Joint Venturing
  - Minutes of a Meeting held September 21, 1994
- Board of Visitors
  - Minutes of a Meeting held September 22, 1994
- Academic Policy Committee
  - Minutes of a Meeting held September 21, 1994
  - Policy for Endowed Faculty Positions
- Advancement Committee
  - Minutes of a Meeting held September 21, 1994
- Audit Committee
  - Minutes of a Meeting held September 22, 1994
- Executive Committee
  - Minutes of a Meeting held October 19, 1994
- Finance and Investment Committee
  - Minutes of a Meeting held September 21, 1994
  - Revision: Investment Objectives, Policies and Guidelines for the Operating Pool
- Health Affairs Committee
  - Minutes of a Meeting held September 21, 1994
  - Contract for Cardiac Implants

Contract for Contrast Media Non-Ionic and Low  
Osmolarity  
Property Committee  
Minutes of a Meeting held September 21, 1994  
Request for Proposals - Authorization for  
the University Bookstores  
Request for Proposals - Authorization for  
Printing Services  
Virginia Electric and Power Company Easement  
for Medical Sciences Building  
Virginia Electric and Power Company Easement  
for Virginia Biotechnology Research  
Park - Biotech Center  
Special Award Committee  
Minutes of a Meeting held October 13, 1994  
Student Affairs Committee  
Minutes of a Meeting held September 21, 1994

The Strategic Plan for the Future of Virginia

Commonwealth University recommended that the School of Business undertake a strategic planning process. The Business Council of the School of Business developed a plan that covers a 5-year period with fourteen strategic directives that address national recognition, curriculum, reward structures, quality of student and faculty life, the physical and technological environment, and the School's role in the various communities. Key issues related to restructuring and downsizing, opportunities for new initiatives, and plans for moving into the new informational era are also addressed in the plan. Consideration was given to diversity, assessment, the School's ethical environment, and the need for a global orientation to business. The report was endorsed by the Academic Policy Committee after discussion of projected enrollments and the need for ongoing financial planning in relation to the plan. On motion made and



seconded, the Board accepted the strategic plan for the School of Business.

The Architectural Guidelines for the Broad Street Corridor were presented by the consultants, Richard Ford of Dewberry & Davis, and Michael Dennis of Michael Dennis & Associates. The major recommendations made by the consultants were:

1. VCU and the City should co-develop the section of Broad Street between Belvidere and Harrison as a multi-use, tree-lined boulevard that would function as a gateway to the VCU Academic Campus.
2. The intersection of Broad and Harrison Streets should be emphasized as the northwest corner of the Academic Campus.
3. The intersection of Broad and Shafer Streets should be developed as a formal entrance to the University.
4. A major-use VCU building should be located on the Old Universal Ford site on the north side of Broad Street. The Physical Plant Facilities which currently occupy the site should be relocated to a less central location.
5. The intersections of Belvidere and Broad Streets should be reconfigured to become a major urban node and mark the northeast corner of the VCU district.

On motion made and seconded, the Architectural Guidelines for the Broad Street Corridor were approved.

On motion made and seconded, the following Policy was approved:

**BOARD OF VISITORS' POLICY ON  
APPOINTMENT OF ACTING PRESIDENT**

It is the policy of the Board of Visitors of Virginia Commonwealth University that the President of Virginia Commonwealth University at all times shall serve and act as

the Chief Executive Officer of the University, subject only to specific prospective action by the Board of Visitors to appoint an Acting President of the University necessitated by the disability or extended absence of the President or the designation by the President of a temporary Acting President for periods of temporary absence from the President's duties. In the event of anticipated extended absence of the President, the President shall recommend to the Board of Visitors the appointment of a specific individual to serve as Acting President in the President's absence. Under most circumstances, the President would recommend the appointment of the Provost and Vice President for Academic Affairs to serve in this capacity. In the event of the disability of the President, the Board of Visitors shall convene as soon as practicable at the initiation of the Rector to identify and name an Acting President. Appointment of an Acting President by the Board of Visitors shall be pursuant to terms and for such periods of time as the Board in its discretion may deem appropriate.

On motion made and seconded the following Resolution was approved:

WHEREAS, the Board of Visitors of Virginia Commonwealth University previously has adopted a policy which speaks to the issue of the appointment of an Acting President of Virginia Commonwealth University in the event of the disability or extended absence of the President of the University; and

WHEREAS, the Board of Visitors has approved a period of absence for independent study for the President of the University which shall commence on June 15, 1995, and extend through September 1, 1995; and

WHEREAS, the President of the University has recommended to the Board of Visitors that the Provost and Vice President for Academic Affairs be appointed as Acting President for the period of his extended absence from his duties as President of the University; and

WHEREAS, the Board of Visitors concurs in the recommendation of the President of the University in this respect and desires to appoint the Provost and Vice President for Academic Affairs as Acting President in his absence;

NOW THEREFORE, be it RESOLVED by the Board of Visitors that the Provost and Vice President for Academic Affairs, and the present incumbent in that position, Dr. Grace E. Harris, be and hereby is appointed as Acting President of Virginia Commonwealth University for the period commencing June 15, 1995, and ending September 1,

1995, subject to such additional terms and conditions as the Board of Visitors may hereafter specify.

On motion made and seconded, the following revision to the Board of Visitors' Bylaws was approved:

4.02. Rector.

(a) Election. The Board of Visitors, at the last regular meeting of the Board ~~next preceding the annual meeting of the Board,~~ of each fiscal year shall elect a Rector who shall take office ~~immediately upon election~~ effective July 1 and shall serve for a term of one year, or until his or her successor has been elected and qualified. The Rector may be reelected for two additional terms but may serve no more than three full terms.

On motion made and seconded, the Board 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 including an Update on Strategic Activities, a Report on Patient Care Providers and the Faculty Appointments and Changes in Status and Other Personnel Actions, Full and Consultative Hospital Privileges, the School of Medicine Faculty Salaries and the Quarterly Safety and Risk Management Report, and to discuss legal matters and probable litigation with its attorney including the aforementioned Audit Reports as may be necessary, and to discuss the condition, acquisition and use of real property for public purpose, or of the disposition of publicly held property, or of plans for the future of a state institution of higher education which could affect the value of property owned or

desirable for ownership by such institution including a discussion and/or consideration of contractual or other legal relationships involving MCV Hospitals, and to discuss matters relating to gifts, bequests, and fundraising activities including the Development Report with a review of a Volunteer Leadership Model and a review of the Nucleus Fund Projects, and the approval of the Named Funds Report and to discuss matters relating to honorary degrees and special awards as authorized by Section 2.1-344 (a)1, (a)3, a(7), a(8) and a(10) of the Virginia Freedom of Information Act.

Following executive session, on motion made and seconded, the following Resolution was approved by Roll Call Vote:

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 executive session meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the executive session meeting were heard, discussed or considered by the Board of Visitors of Virginia Commonwealth University.

<u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>
Mr. F. Dixon Whitworth, Jr., Rector	X	
Mr. Richard A. Arenstein	X	
Rev. Constantine N. Dombalis	Absent	
Mr. Edward L. Flippen	X	
Mr. Lawrence W. Framme, III	X	
Dr. Robert D. Gilmer		Left before voting
Dr. Harry I. Johnson, Jr.	X	
Mr. Richard L. Meador		Left before voting
Mr. Stuart C. Siegel	X	
Dr. Lindley T. Smith	X	
Ms. Eva S. Teig		Left before voting
Mr. Clarence L. Townes, Jr.	Absent	
Dr. David A. Vaughan	X	
Ms. Sandra Adair Vaughan		Absent
Mr. Jay M. Weinberg		Absent
Dr. Percy Wootton		Left before voting

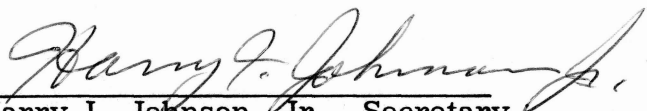
## VOTE:

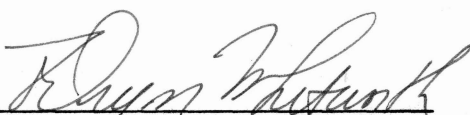
Ayes: 8  
Nays: 0

ABSENT DURING MEETING: 4  
ABSENT DURING VOTING: 8

On motion made and seconded, the Board accepted the Report of the President; approved the Faculty Appointments and Changes in Status and Other Personnel Actions, the Full and Consultative Hospital privileges; the Medical School Faculty Salaries; accepted the Named Funds Report; the Report of the Special Awards Committee, the Report of the General Counsel, the Executive Session Committee Reports and the Quarterly Risk Management and Safety Report; and authorized the establishment of joint ventures between MCV Hospitals and the MCV/VCU Hospitality House, Inc., for the use and operation of the Hospital Hospitality House facility; and with MCV Associated Physicians, Inc. for the development of a physician-hospital organization to include at least primary care and a management service organization, the Board of which organization will include two members appointed by the Board of Visitors, one of whom shall be representative of the minority community; and directed that specific fund transfers will require the prior approval of the Board of Visitors.

The meeting was adjourned at 12:30 p.m.

  
Harry I. Johnson, Jr., Secretary

  
F. Dixon Whitworth, Jr, Rector