

MINUTES OF A REGULAR MEETING OF THE
BOARD OF VISITORS OF
VIRGINIA COMMONWEALTH UNIVERSITY
May 16, 1997

A regular meeting of the Board of Visitors of Virginia Commonwealth University was held on Friday, May 16, 1997, at 9 a.m. in the University Meeting Center.

Present were Messrs. Siegel (Rector), Flippen, Marcus, Markel, Smith, Townes, and Weinberg; Drs. Perkinson, Smith, Vaughan and White; and Ms. Powell. Dr. Wootton; Messrs. DeRusha and Rigsby; and Ms. Vaughan were absent. Also present were Drs. Trani, Dewey, Harris, Hiley, Jones, Long and Rhone; Messrs. Bunce, Gehring, Ross, Timmreck and Wyeth; and Mesdames Messmer, Newman and Price.

Mr. Siegel called the meeting to order and introduced members of the press.

The President's report followed:

Ms. Susan Samuel, the recipient of the Board of Visitor Scholarship, was introduced. Ms. Samuel is a senior majoring in religious studies and a pre-med student accepted into the eight-year guaranteed program for medicine. Ms. Samuel's academic record is outstanding and includes Dean's List honors, membership to the National Honor Society, and membership in the Golden Key Honor Society. Ms. Samuel is a senator in the Student Government Association and a volunteer at Metropolitan Hospital.

The BOV Teaching Fellows were introduced. Dr. Cliff Edwards, Professor of Philosophy and Religious Studies and Director of Religious Studies, has earned numerous awards for excellence as a faculty member including, among others, the 1995 SCHEV Outstanding Faculty Award, the 1995 VCU Excellence in Teaching Award, the 1994 College of Humanities and Sciences Excellence in Teaching Award, and the 1993 Inaugural

Presidential Award for Multicultural Enrichment. An expert on Van Gogh, Asian religions, and religious diversity, Dr. Edwards also contributes to the community through teaching assignments and presentations. Dr. Edwards is also a prolific scholar and writer. Dr. Russell A. Blinder, Professor of Radiology and Chairman of the Division of Radiology Education and of Graduate Medical Education, has extensive research background, which boasts more than 85 papers as well as several book chapters and reviews. Dr. Blinder has given numerous lectures and presentations to lay and specialist audiences alike. As outstanding teacher, Dr. Blinder teaches honors modules on "Humanistic Medicine" and Acquiring the Art of Healing" for students in VCU's Honors Programs. Dr. Blinder also teaches other courses including, "Should Physicians Learn Business."

Dr. Steve Long, Administrative Associate in the President's Office for the spring semester, returns to the position of Assistant Professor of Anesthesiology and Director of the Acute Pain Service. Dr. Long's role includes a major commitment to clinical care, resident supervision, and other teaching responsibilities. Dr. Long has been an asset to the President's Office.

1997 marks the final year for Mr. Stuart C. Siegel tenure on the Board. Mr. Siegel joined the Board in 1989 and was twice elected to serve as Rector for the 1995-96 and 1996-97 terms. Mr. Siegel has served on a number of committees that have produced significant recommendations for VCU such as the establishment of VCU's School of Engineering, the Virginia Biotechnology Research Park, and the legislation that established the MCV Hospitals Authority. Mr. Siegel is perhaps as famous for endowing the operations of a vision on Broad Street that is quickly becoming reality: The Stuart C. Siegel Center. Through Mr. Siegel's commitment, VCU is continuing to have a major impact on the quality of life of the community, and VCU and the Richmond community owe Stuart undying gratitude. VCU bids farewell to Mr. Siegel as a member of the Board but looks forward to a continuing relationship.

Ms. Sandra A. Vaughan, Mr. Clarence L. Townes and Mr. Jay M. Weinberg terms expire July 1, 1997. VCU is hopeful that the Board members will be reappointed by the Governor.

The Staff Senate was created as part of the Strategic Plan to involve staff in the decisions of the University, recognizing that the staff's voice is as necessary to the progress of VCU as that of the faculty, students, and administration. The Staff Senate will allow the University to establish better channels of communication and to draw upon the best ideas of all employees.

Commencement will be held at 10 a.m. on Saturday, May 17, 1997, at the Richmond Coliseum.

The 1997-98 Revised Budget Plans for the University and the Medical College of Virginia Hospitals Authority was presented. On motion made and seconded, the Revised 1997-98 University and the Medical College of Virginia Hospitals Authority Budget Plans were approved.

Mr. Flippen reported for the Academic Policy Committee. The B.S. in Biomedical Engineering was presented. The purpose of establishing the new undergraduate program in biomedical engineering is to allow VCU to join the major universities offering undergraduate degrees in biomedical engineering (becoming the first in Virginia to offer the degree). The mission of the program is to provide a state-of-the-art education in biomedical engineering building on the strengths of the University in the medical/health sciences and maximizing opportunities for careers in biomedical industry, medicine and allied health fields for VCU's graduates. The first class of 50 students would enter in the Fall, 1998.

The B.A. in African-American Studies was presented. The African-American Studies program at VCU has offered a minor for 20 years. During that time, the program has developed a strong potential to become a degree granting program. The mission of the program is to increase scholarly understanding of the historic and contemporary experiences of people of African ancestry. VCU's location in Richmond provides an ideal vantage point for the program. The major represents an interdisciplinary faculty and curriculum with rigorous academic requirements.

A Strategic Plan Update was presented. The goal of Phase II of the Strategic Plan for the Future of VCU is to refocus the planning process on strategic themes in light of the third-year implementation report. Steering committees have been established for each strategic theme, and a first draft of the plan has been developed and distributed widely throughout the University for comment.

A Report on Grants, Contracts and Intellectual Property was presented. As part of the annual reporting system for the Academic Policy Committee of the Board of Visitors, the 1997 Report on Grants, Contracts, and Intellectual Property of Virginia Commonwealth University indicates that VCU continues to exceed in all criteria to maintain prestigious recognition as a Research University I. Faculty members were awarded \$96 million in external funds for fiscal year 1996, surpassing all levels of funding in previous years.

A report on the Trends in Instructional Faculty Age and Separations, 1990-1996 was presented. The report presented a profile of the VCU faculty, showing the effects of retirement incentive programs and other factors during a seven-year period.

A report on the gift financial aid funds (non-loan funds) that are available to students at VCU was presented. The funds include a total for incoming freshmen of almost 4 million dollars. The relationship of loans, grants, and gift dollars was discussed, noting that additional gift dollars could aid in recruiting additional high quality students as well as decreasing the loan debt for the majority of VCU's students.

Mr. Smith reported for the Advancement Committee. The External Relations Report was presented. VCU has released a Request for Proposals for "Events '98." The request will be an effort by the University to appropriately market the positive impact of projects that will be opening in 1998, including the Siegel Center, the School of Engineering and the Broad Street Parking Deck.

VCU is expanding local government activities to Northern Virginia to make sure elected officials in the areas are aware of VCU's programs and educational opportunities.

University News Services has generated positive media interest in Addie Briggs, a fourth-year medical student who overcame great personal challenges and cancer to become a doctor. Ms. Briggs has been interviewed by the *Richmond Times-Dispatch* for an upcoming profile and *Black Issues in Higher Education* will interview Ms. Briggs for a special summer graduation issue. Among the national media expressing interest in Ms. Briggs story are "Oprah," which has done a preliminary telephone interview with Ms. Briggs, and *Essence Magazine*, which is considering Ms. Briggs for a 1998 Essence Award, given to people who have made a difference in the black community.

Mr. Markel reported for the Finance and Investment Committee. The Request for Proposals for Banking Services was presented for information. The RFP solicits responses from banking institutions for banking services to assist the University in managing the cash transactions. The MCV Hospitals Authority (MCVHA) may negotiate with the selected banking institution for a service level and structure which meets MCVHA's banking needs. The University and

MCVHA anticipate leveraging the combined service needs to obtain volume discounts for specific services required by both institutions. The contract terms for the selected bank must fulfill the obligations described below:

- The selected bank must have a full service branch in the City of Richmond. A Branch located close to the MCV and Academic campuses is desirable.
- The selected bank must have an account for receiving deposit transfers for the Treasurer of Virginia from the University.
- The selected bank must be Federally insured under the Federal Depository Insurance Corporation and not on the FDIC "problem list."
- The selected bank must be in good standing and an approved depository under the Virginia Security for Public Deposits Act. All funds deposited by the University are collateralized under the Virginia Security for Public Deposits Act.

The March 31, 1997, quarterly budget performance report for the University was reviewed. The University expects to end the year with revenues in excess of expenditures of \$2.5 million, primarily in auxiliary enterprises and university funds.

Dr. White reported for the Health Affairs Committee. The Hospital Financials were presented for the nine-months ending March 31, 1997. Operating revenues: budgeted reductions in Medicare have not yet occurred, and the increased inpatient volume and improved rate adjustments in contracts over what was budgeted, contribute to additional revenue of \$3.1M or 1.1% for the period. The Hospitals continues efforts to work with Medicare intermediary to determine the appropriate Medicare liability. Operating expenses: the Hospitals continue departmental expense controls and expenses are within 1.0% of the budget even with the increase in the inpatient census for the nine-month period.

The Statistics for the ten-months ending April 1997 were presented. Inpatient days for nine-months ending April 30, 1997, continue to exceed the budget by 11,992, while admissions are only above the budget by 365. Emergency room visits are (12,439) below budget while system outpatient visits are above budget by 15,943. The operating revenue is \$323.7M compared to a budget of \$319.0M, for a positive variance of \$4.7M. Continued expense monitoring for the ten-month period result in total expenses for the period of \$314.5M which compares to a budget of \$311.3M, for a negative variance of (\$3.2M). The expense variance results from an adjustment to accrued leave, increased cost of group life insurance, reagents and minor equipment purchases and equipment repairs.

The MCV Care at Home was presented. An orientation to the MCV Care at Home program was reviewed. The hospital-based home health program of MCVH consists of a Medicare home health program, a physician home visit program, and a home infusion therapy program, which serves adults and children in the greater Richmond area.

The Increased MCVH Mainframe Computer Capacity was presented. MCV Hospitals requires increased computer processing capacity. The agreement on existing mainframe computer components expired in September 1996. At the May, 1996, Health Affairs Committee meeting, approval was given to submit Request for Proposals (RFP) with an expenditure target of \$5 million. The RFP bid process has been completed with two bids presented.

The CT/MRI Maintenance Service Agreement was presented. The Radiology Department has requested a service agreement for the following equipment: (a) Magnetom Vision; (b) Magnetom Impact; (c) Magnetom Open; (d) Somatom Plus 4 -CT; (e) Somatom Plus 4 - ACC; (f) Somatom Plus 4 -ER; and the (g) Somatom Plus 4 - CT2. On motion made and seconded, \$2,166,273 was approved for MCV Hospitals to engage in a five-year service agreement with Siemens for radiology equipment.

Mr. Weinberg reported for the Property Committee. The Project Plans for the Track and Soccer Center were presented. The Center will be located between the Boulevard and Hermitage Road directly adjacent to The Diamond. The Center will be owned and operated by VCU with shared use determined by a joint operation agreement with Virginia Union University, the City of Richmond and a private sponsor. The construction budget for the project is \$3,244,000 with a total project cost of \$4,000,000.

The Occupancy Agreements for Biotech One were presented. Under the terms of the Master Lease Agreement between VCU and the Virginia Biotechnology Research Park Authority, VCU wishes to lease approximately 3,016 square feet of space in Biotech One for use by two VCU Institutes, the VCU Institute for Clinical Trials and the VCU Institute for Outcomes Research.

The Revised Occupancy Agreement for Biotech One with American Brain Injury Consortium was presented. Under the terms of the Master Lease Agreement between VCU and the Virginia Biotechnology Research Park Authority,

VCU wishes to lease approximately 5,675 square feet of space in Biotech One for use by the American Brain Injury Consortium.

The Revised Space Lease for Biotech One with Modern Medical Technologies, Inc. was presented. Under the terms of the Master Lease Agreement between VCU and the Virginia Biotechnology Research Park Authority, VCU wishes to lease approximately 1,827 square feet of space in Biotech One for use by Modern Medical Technologies, Inc.

The Space Lease and Resolution for Biotech One with Star Tobacco and Pharmaceuticals, Inc. was presented. Under the terms of the Master Lease Agreement between VCU and the Virginia Biotechnology Research Park Authority, VCU wishes to lease approximately 1,477 square feet of space in Biotech One for use by the Star Tobacco and Pharmaceuticals, Inc..

The 1998-2000 State Capital Budget Submission was presented. As part of the biennial budget process, the State Department of Planning and Budget requested a six-year projection of the University's capital outlay needs. The initial submission of information is a listing, in priority order, of anticipated capital projects for 1998-2000, 2000-2002, and 2002-2004. The development of the project listing included consideration of the approved Master Site Plan; the Ten-Year Capital Plan prepared for the State Council of Higher Education in 1995; and the previous Six-Year Capital Plan.

The Acceptance of Gifts of Real Estate was presented.

The Virginia Biotechnology Research Park Leasing Report was presented for information.