

OLD DOMINION UNIVERSITY
BOARD OF VISITORS
ADMINISTRATION AND FINANCE COMMITTEE
September 24, 2015

MINUTES

The Administration and Finance Committee of the Board of Visitors of Old Dominion University met on Thursday, September 24, 2015, at 9:00 a.m. in the Board of Visitors Room of the Webb University Center on the Norfolk campus. Present from the Board were:

Robert M. Tata, Chair
Fred J. Whyte, Vice Chair
Ronald C. Ripley (*ex-officio*)
John F. Biagas (*ex-officio*)
Yvonne T. Allmond
Alton J. Harris
Ross A. Mugler
Donna L. Scassera
William D. Sessoms, Jr.
Charles Chiou, (*Student Representative*)

Also present were:

Bruce Aird	Elizabeth Kersey
John R. Broderick	Rich Le Moal
Leigh Comsudis	Richard Massey
Mary Deneen	Donna Meeks
Dale Feltes	Earl Nance
Dan Genard	Ellen Neufeldt
Giovanna Genard	September Sanderlin
Dillard George	Wood Selig
Scott Harrison	Scott Silsdorf
Etta Henry	Deborah Swiecinski
Todd Johnson	Rusty Waterfield
Martin Kaszubowski	

The Chair called the meeting to order at 9:10 a.m.

I. ACTION ITEM

- A. **Approval of the Minutes** – Mr. Mugler moved to approve the minutes of the June 11, 2015 meeting. Mr. Harris seconded the motion. The minutes were unanimously approved by all members present and voting. (*Allmond, Biagas, Harris, Mugler*)

II. PRESENTATIONS

- A. **Debt Management Annual Report** – Ms. Deborah Swiecinski, Associate Vice President for Financial Services, briefed the Committee on the University's compliance with the Board's Debt Management Policy. Associate Vice President Swiecinski reviewed the Annual Debt Management Report and noted that Old Dominion University's Fiscal Year 2015 projected annual debt will total approximately \$24.2 million. She added that Board Policy established a Debt Burden Ratio (annual debt service costs to total operating expenditures) which is projected to be 6.24%, \$24.2 million in debt service expenses to \$387.5 million in total operating expenses. The Policy guideline allows this ratio to exceed 7% in instances involving debt from revenue producing projects (for example, student residence halls, parking or dining facilities) when the debt is secured by income from the project.

Mr. Mugler asked which guidelines Old Dominion follows; Associate Vice President Swiecinski responded that the guidelines are set by SCHEV, and although the debt report notes the specific departments, SCHEV looks at the bottom line in terms of compliance.

- B. **Center for Enterprise Innovation Update** – Mr. Martin Kaszubowski, Executive Director of the Center for Enterprise Innovation (CEI) presented an update to the Committee on the activities of the Center. Mr. Kaszubowski briefed the Committee on the current business and entrepreneurial programs housed under the Business Gateway and discussed the CEI's efforts to establish and operate a network of Innovation Centers to execute a range of initiatives to help local government contractors refocus their businesses on new, non-government market opportunities.

It was asked how CEI interfaces with SWaM? Mr. Kaszubowski responded that Center helps companies become SWaM certified and after certification is achieved, they consult and network to help increase access to companies. It was also asked the size of the CEI team? Mr. Kaszubowski responded there are currently have approximately 20 employees, which include student interns that assist with social media and other things.

Mr. Mugler said he would like to hear more about MarketBridge at a future Committee meeting.

C. Administration & Finance/Human Resources Update:

Associate Vice President Deborah Swiecinski provided an update on the University's Bond Rating Renewal process and the rationale for Old Dominion University's long-term credit rating. She added that Old Dominion has met compliance terms of debt. She noted that Standard and Poor's Rating Services affirmed its "A+" issuer credit rating (ICR) for Old Dominion University on August 11, 2015. This rating reflects the University's stable enrollment, good revenue diversity, a recent history of increased State appropriation, strong financial performance in fiscal 2014 and projected for fiscal 2015, and moderate debt.

Mr. Todd Johnson, Assistant Vice President for Auxiliary Services, provided information on the contract renewal with Spectra (formerly Global Spectrum). The contract includes five additional years, with a five-year option. Highlights of the new contract include: Maintenance Fund of \$400,000, Fan Experience Fund of \$65,000, and Capital Fund of \$400,000.

Assistant Vice President Johnson then briefed the Committee on the opening of the Fall Semester. Dining Services showed a slight increase in meals plans and revenue; Transportation and Parking Services showed a 1% decrease in student permit sales and a 3% increase in parking meter revenue. SafeRide showed increases in both picked-up trips and picked-up passengers. The Bookstore showed a 10.32% increase in sales for July and August.

The Chair asked why the Bookstore increase for two months is so high. Assistant Vice President Johnson responded the increase is due to textbook sales and rentals, but it is also due to the addition of the Tech Store in the Bookstore, which was formerly part of Information Technology Services.

Mr. Rusty Waterfield, CIO and Associate Vice President for University Services, then briefed the Committee on the Fall Semester opening with the use of IT solutions aligned with University goals for student success. He highlighted the statistics for Technology Help Requests, Internet Bandwidth Utilization, ODU Wireless Network, myODU Portal Log-ins, Updated Directory Information, Tuition Payment Plans, and ODUMobile.

Mrs. September Sanderlin, Vice President for Human Resources, provided information on Old Dominion University's Service Standards Initiative. She informed the Committee that the Phase II rollout was completed in 2013 and that Phase III involves assessing strengths and challenges in demonstrating Service Standards and collaborating on recommendations to enhance continued service success. She added that President Broderick has taken the lead in this beginning with Koch Hall in 2015. The on-going process of assessment and improvement will be repeated throughout the campus community.

III. STANDING REPORTS

The Committee then received briefings on the following standing reports:

- A. **Capital Outlay Projects Status Report** – Mr. Dale Feltes, Director of Design and Construction presented information updates on the University’s projects.

The Chair asked what are the current design and construction projects. Mr. Feltes responded that there are currently two projects under construction and two that are being bid for construction. There are two in design; one of which Old Dominion will award the A/E contract soon, which is under evaluation; and another one is under study.

The Chair then asked Mr. Feltes to differentiate between the funding models. Mr. Feltes responded that E&G buildings are funded by the Commonwealth and all other projects are funded either through the University debt or by private sources.

- B. **Investment Report** – Mr. Richard Massey, Associate Vice President for Foundations, briefed the Committee on the University’s investments and endowments.

Mr. Whyte moved to adjourn the meeting. It was seconded and the meeting was adjourned at 10:35 a.m.