

**APPROVED BY COMMITTEE – DECEMBER 4, 2014**

**OLD DOMINION UNIVERSITY  
BOARD OF VISITORS**

**ADMINISTRATION AND FINANCE COMMITTEE  
September 18, 2014**

**MINUTES**

The Administration and Finance Committee met on Thursday, September 18, 2014, at 10:30 a.m. in the Board of Visitors Conference Room in the Webb University Center on the Norfolk Campus. Present from the Board were:

Robert M. Tata, Chair  
Ronald C. Ripley, Vice Chair  
Fred J. Whyte (*ex-officio*)  
Alton J. Harris  
Ross A. Mugler  
William D. Sessoms, Jr.  
Judith O. Swystun  
John Lombard (*Faculty Representative*)  
Rodin Ndandula (*Student Representative*)

Absent were: John F. Biagas  
Barry Kornblau

Also present were:

David Harnage	Rich LeMoal
Bruce Aird	Rick Massey
Leigh Comsudis	Donna Meeks
Jane Dane	Sue Mitchell
Dale Feltes	Earl Nance
Velvet Grant	Ellen Neufeldt
Dillard George	September Sanderlin
Scott Harrison	Don Stansberry
Todd Johnson	Deb Swiecinski
Michael Joseph	Rusty Waterfield

The meeting was called to order at 10:35 AM, with the Chair welcoming new members to the Administration and Finance Committee.

The Chair then called on Chief Operating Officer David Harnage to provide a brief overview of the responsibility of this Committee for the benefit of the new members. COO Harnage noted that this Committee is set up under the By-Laws for governance in the administrative functions of the institution. He provided several items of interest and also noted, in addition to other responsibilities, the Board structure is set up to deal with the following Committees:

- Academic
- Student Affairs
- Fund Raising and Endowment
- Administrative Functions
- Audit

## I. ACTION ITEMS

A. **Approval of Minutes** – Mr. Mugler moved to approve the June 12, 2014 minutes as written and Ms. Swystun seconded the motion. The minutes were unanimously approved by all members present and voting. (*Harris, Mugler, Ripler, Sessoms, Swystun*)

B. **Financing Resolution** – COO Harnage noted that resolutions and reports are provided on an annual basis and brought to the Board for their review and approval. The Committee then heard information from Ms. Deb Swiecinski, Associate Vice President for Administration and Finance, on the Financing Resolution for the Virginia College Building Authority Financing Authorization in the amount of \$31,315,000 in 9(d) bond financing for the Powhatan Sports Center, Campus Dining Facility, and Webb University Center Capital Projects.

Mr. Mugler moved to approve the Resolution as proposed and Mr. Sessoms seconded the motion. The resolution was unanimously approved by all members present and voting. (*Harris, Mugler, Ripler, Sessoms, Swystun*)

C. **Reimbursement Resolution** – Ms. Deb Swiecinski, Associate Vice President for Administration and Finance, reported on the Reimbursement Resolution for the University, which is declaring the intention to reimburse the cost of certain expenditures totaling \$150,000 for the Powhatan Sports Center Capital Project.

Ms. Swystun moved to approve the resolution as presented and Mr. Harris seconded the motion. The motion was unanimously approved by all members present and voting. (*Harris, Mugler, Ripler, Sessoms, Swystun*)

## II. PRESENTATIONS

- A. **Debt Management Annual Report** – COO Harnage informed the Committee that the Board of Visitors has an official policy on managing the debt of the University, the policy guidelines allow this ratio to exceed 7% in instances involving debt from revenue producing projects (i.e., student residence halls, parking or dig facilities) when the debt is secured by income from the project.

Associate Vice President Swiecinski then reviewed the Annual Debt Management Report, noting that Old Dominion's Fiscal Year 2014 projected annual debt will total approximately \$24.2M. She also mentioned that the Board policy regarding the Debt Burden Ratio (annual debt service costs to total operating expenditures) which is projected to be 6.81%; with \$24.2M in debt service expenses to \$270.3M in total operating expenses. She informed the Committee that there are three objectives for debt management:

1. To insure that any debt we use meets the goals of the University's Strategic and Capital Plans.
2. To insure the current debt structure has sufficient resources to back it.
3. To insure that the debt capacity does not exceed the debt threshold that is established within the policy.

Associate Vice President Swiecinski said the debt ratio over the next 12 years will stay within the threshold. There was some discussion on this topic; some questions were raised regarding why the Bookstore debt interest rate appears high, and if it will be refinanced. COO Harnage responded that the institution is looking into that on the Real Estate Foundation side. He added that the Real Estate Foundation is working on financing and operating plans to minimize that cost burden.

It was also asked whether or not the bond can be refinanced. COO Harnage responded that the Real Estate Foundation Board can do things differently, including different terms (i.e., 30 years), and they also have more refinance options available. He noted the Real Estate Foundation has skilled members from the financing community and said they manage the cost burden well.

- B. **Chief Operating Officer's Report** – COO Harnage first shared with the Committee his pleasure to have the opportunity to work closely with the Administration and Finance Committee again. He added that he will assume the responsibilities of the Vice President of Administration and Finance, resulting from Bob Fenning's departure. COO Harnage asked the Committee to keep him informed if they feel things are not presented in a clear and thorough manner and he will ensure the appropriate information is shared with the Committee as requested.

He then presented his report on University's Fall Semester opening. This included utilization and the associated revenues from Dining Services, Transportation and Parking,

the Bookstore and Safety Initiatives. COO Harnage noted that there are now a total of 1,500 cameras on campus as part of the new safety initiatives.

The Chair asked if the increased cameras have helped deter crime on campus. COO Harnage responded that the new signage about the cameras has been beneficial already throughout the campus. He added that the camera images are stored for 30 days and that all cameras on campus are active.

COO Harnage then noted that additional strategic improvements for making the campus work even better will be brought to the Committee in the future.

### **III. STANDING REPORTS**

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

The meeting was adjourned at 11:30 AM.