

DRAFT

Board of Visitors

**BOARD MEETING
President's Conference Room
December 12, 2003**

MINUTES

1. Establish Quorum/Call to Order

Mr. Jack Ezzell, Rector, called the meeting to order at 2:58 p.m. and established that a quorum was present.

Board Members Present:

Mr. Jack Ezzell, Rector
Mr. Colvin Gibson, Vice Rector
Mrs. Viola Madison-Foreman, Secretary
Mr. Michael Ball
Ms. Virginia Board
Mr. Willie Brown
Mrs. Teresa Carrington
Dr. Caspa Harris
Mr. Howard Kern
Dr. Jacquelyn Madry-Taylor
Mr. Donald Patterson
Mr. Rod Rodriguez
Mr. Bobby Vassar

Student Representative Present:

Mr. E'ryc Barnes, SGA President (arrived 3:30 p.m.)

Members of the NSU Staff Present:

Dr. Marie V. McDemmond, President
Dr. Alvin J. Schexnider, Executive Vice President, Acting Executive Director E2F
Mrs. Karla Johnson, Executive Assistant to the President and Agency Liaison
Dr. Elsie Barnes, Vice President for Academic Affairs
Mr. Kevin Appleton, Vice President, Student Affairs
Mr. Larry Curtis, Vice President for Student Affairs
Dr. Adebisi Oladipupo, Vice President for Research and Technology
Mr. Earlie Horsey, Executive Director, Planning and Budget
Mr. Patrick Kelly, General Counsel
Mr. Phillip Adams, Associate Vice President, Development
Mr. Ernest Ellis, Internal Auditor
Mrs. April Allbritton, Office Manager

Other(s) Present

Ms. Delceno Miles, Board Member, SCHEV
Mr. Chuck Steenburgh, Communications and Government Relations Director, SCHEV
Ms. Billie Sue Schulze, Consultant, Kresge Foundation
Mr. Nathaniel Watkins, SGA Vice President (arrived 3:30 p.m.)

2. Approval of Board Minutes

Mr. Ezzell asked for a motion to approve the Board minutes for August and October.

Mrs. Viola-Madison motioned, seconded by Mr. Ball and unanimously voted by the Board to approve the August 30, 2003 and October 9, 2003 Board minutes.

3. SCHEV Report – Delceno Miles

Mrs. Johnson distributed a handout from SCHEV. Mr. Ezzell introduced Delceno Miles, Board member, State Council of Higher Education for Virginia (SCHEV). He stated that she was first appointed in May 2000 and reappointed in July 2001. Ms. Miles is President and CEO of the Miles Agency, a niche marketing and public relations firm in Virginia Beach with offices in Richmond and San Diego.

Ms. Miles thanked the Board for allowing her be present as a member of SCHEV and also as Chair of SCHEV's Outreach Committee. She stated that SCHEV has already begun lobbying for its twenty-two initiatives. She stated that these needs are diverse and that SCHEV is aware that "one size does not fit all." Ms. Miles stated that the highest priorities include faculty salaries, base adequacy and student financial aid. She stated that SCHEV is an advocate for education and wants to partner with its institutions. SCHEV does not presume to know what is best for Norfolk State or any other institution. SCHEV would like to keep an open line of communication at all times. Ms. Miles stated that on the other hand, SCHEV will not be polite as it seeks financial commitment from legislators for support of these initiatives. She stated that, "Romance without finance has no chance."

Ms. Miles updated the Board on the vacant executive director position. The national firm, Korn/Ferry International, has been hired to assist in the search. She stated, hopefully, by this spring someone would be in place that is as committed to quality and excellence in higher education and as capable as Phyllis Palmiero. Ms. Miles stated that the search committee is open to suggestions for potential candidates. Please forward information to her or anyone at SCHEV. The search committee would like to have a vast and diverse pool of candidates from which to choose. All recommendations will be taken seriously.

Ms. Miles brought greetings on behalf of SCHEV's Chairman, Dr. Carl Kelly, who is recovering from surgery, and she introduced Mr. Chuck Steenburgh as the Director of Communications and Government Affairs.

Mr. Steenburgh asked the Board to refer to the first inside panel of the brochure that lists all twenty-two initiatives and the general fund dollars associated with each. On the inside four panels there is a quick summary of SCHEV's initiatives as they relate to the three goals of the system-wide strategic plan, as well as the overarching goals of "Access and Affordability." He stated that underlining the entire financial situation of higher education in Virginia is the issue of base adequacy which is addressed in the bottom panel.

Mr. Steenburgh stated that one of the strengths of our system of higher education is the tremendous diversity in terms of the types of institutions within the state. And as such, it is very difficult to adopt system-wide proposals that meet the needs of every institution.

Dr. Harris asked if the real basis for requesting faculty increases is the fact that Virginia is losing good faculty to other states. Mr. Steenburgh stated that there is a lot of antidotal evidence to support this. There is clear evidence, not just in terms of losing faculty but also of losing grant proposals for lack of adequate facilities to conduct research. Mr. Steenburgh stated that we are losing out on students who chose to go to institutions that are better funded than Virginia's. He added that there is no question that what we are seeing is an erosion of quality due to lack of funding for faculty salaries in retaining and attracting the best faculty.

Dr. Harris stated that this argument could really hold up if SCHEV would say, "Look at the statistics as compared to other state institutions across the country." He stated that Virginia wants to be known as the educational state.

Michael Ball asked what would the average increase in tuition look like across the state for institutions to reach full base adequacy. Mr. Steenburgh stated that it would require 8% a year for four years on top of the 46% that has already been seen. He stated that SCHEV is not recommending that the base adequacy shortfall be made up solely through tuition. SCHEV approved this recommendation to allow flexibility of individual boards to make tuition decisions; thereby not having Richmond dictate what the appropriate tuition level should be. The other reason was to provide a contrast to show "what the adequacy shortfall through tuition would really mean." Mr. Steenburgh stated that, "It is as much to paint a picture to the General Assembly as to say that their policies have failed to meet the basic needs of institutions, and what this is going to mean for our students." He stated that tuition increases and the base adequacy situation is one of those areas that Norfolk State doesn't quite fit easily into the equation. He stated that State Council is willing to look at ways to make the state-wide system meet Norfolk State's needs just as it will have to do for many of the other campuses that are unique in their mission, student bodies or particular situations.

Ms. Miles stated that the Council is in discussions with its staff to look at non-traditional ways of closing the gap other than just tuition increases. Mr. Ball stated that the way it is written in the brochure, it appears to mean that the budget gap should be closed by raising tuition. If that is not what SCHEV means, than the wording should be corrected. He stated that legislators are going to read the statement and think that is what SCHEV wants.

Mr. Steenburgh stated that this is a new era and that SCHEV is working with institutions and the Commonwealth to develop a greater understanding of things. He stated that he hopes that this will be the first of many such visits to campus; and, hopefully, that SCHEV will have the opportunity to work with institutional representatives in Richmond during upcoming legislative session and other occasions throughout the year.

Mr. Ezzell thanked Ms. Miles and Mr. Steenburgh for coming and excused them from the meeting.

4. Rector's Report

Mr. Ezzell stated that this has been a busy and challenging year for the university. There have been financial challenges but very visible accomplishments. Those accomplishments include the RISE groundbreaking, progress made on acquisition of the hospital, and the new academic programs that have been established. All of these have gotten public acknowledgements. Mr. Ezzell stated that the Board recognizes that there are a lot of challenges ahead and one being the perception that the university is very well-funded. The Board will address this issue today. Mr. Ezzell thanked the Board members for supporting him as Rector and for their great and active involvement.

5. President's Report

Dr. McDemmond thanked Mr. Ezzell on his first full year as Rector. She stated that he has brought a lot of organization and openness to the Board and the administration.

Dr. McDemmond stated that she, as well as three other presidents (Casteen, Steiger, Trani), were appointed to the advisory board for the search for SCHEV's executive director. She stated that Korn/Ferry has already contacted her and that she would be volunteering some of her time in January to the search.

Dr. McDemmond stated that she has joined the Board of Directors of Governor Warner's initiative, the Alliance for Virginia Students. She stated that institutions are being asked through their foundations to contribute money as well as other resources to this project. Dr. McDemmond will speak to the Board more on this in the future. Judy Peachy Ford will head this initiative.

Dr. McDemmond gave an update on the Research and Innovations to Support Empowerment (RISE) Center. She stated that since the groundbreaking, a great deal of time has been spent between then and now finalizing the rendering that is located in both conference rooms (daytime and nighttime versions). She stated that this building would be a state building and have the look of Norfolk State with some futuristic direction. She also gave the locations of entrances and building connects for RISE II. RISE is scheduled to be completed by late Fall of 2005. Solicitations for the contract to build the second building will start soon.

Dr. McDemmond stated that the RISE concept is part of a larger academic vision and vision for the university. This center will enable our research programs to have the strong niches to help draw more research dollars as well as enhance private fundraising. She discussed the focus of the Governor's Research Summit and our efforts in keeping with Virginia's goal to increase funding from federal entities by over \$1 billion in less than 10 years (currently at \$750 million). The focus of the summit was to seek out specialty projects among Virginia universities and determine how state government could help with those specialties. Virginia is not getting the kinds of federal dollars like states such as Texas and Florida. She stated that Norfolk State had four specialties that emerged. One in particular was very, very positive. Dr. McDemmond quoted the panel's response on NSU's crystal growth project through its Masters in Materials Science, Chemical Physics as follows

"With such prominence in quality already available in this area of crystal growth, the Commonwealth of Virginia would be well-served in this area of activity fostered at Norfolk State University, primarily in the form of developing opportunities to hire and attract world-class faculty and numerous courses that would train minority students that could be easily hired by many Fortune 500 companies. The panel felt that a high profile candidate should be sought and brought to Norfolk State University to lend leadership and vision to achieving the goal of this university."

Dr. McDemmond stated that this type of research could spin-off from the RISE Center in establishing Endowed Chairs in materials science as well as optical engineering.

Lastly, Dr. McDemmond reported that the graduation rate was up from 19.6% to 27.1% last year. This year's graduation rate is 28.3%. She stated that Dr. Barnes would report shortly on the number of graduates for tomorrow's Commencement.

6 Standing Committee Reports

Mr. Ezzell asked University Advancement to report first in order that the presenter could leave in a timely fashion.

University Advancement – Mr. Brown thanked his Committee for their endurance of an extended special meeting on December 11, as well as a lengthy Committee meeting today. He stated that many things were accomplished, and he also thanked the Board and Committee members who provided comments. In the future, he plans to minimize the meeting as much as possible. Mr. Brown asked Dr. McDemmond to introduce the special guest who would report to the Board and also to provide a background on the second guest who was present at the Advancement Committee meeting.

Dr. McDemmond stated that Ms. Liz Rountree, who attended the meeting this morning, has about fifteen years of experience in fundraising and marketing as well as worked in private banking in the Norfolk area. She stated that Ms. Rountree offered her services as a potential consultant to look at how Norfolk State could increase fundraising opportunities by reaching more people in the Hampton Roads area.

Dr. McDemmond introduced Ms. Billie Sue Schulze as a private consultant from the Kresge Foundation. She stated that Ms. Schulze's history in higher education fundraising spans majority institutions as well as historically black colleges and universities (HBCUs). Ms. Schulze has worked at the University of Missouri and most notably as the Director of Development at Spelman College where she raised the largest single gift at an HBCU as well as raised over \$113M in the capital campaign for Spelman. At Kresge, Ms. Schulze is in charge of a very unique program that has established \$18 million to help HBCUs build an infrastructure for development. Ms. Schulze was asked to come forward to present on the lessons learned from this project and how they are applicable to Norfolk State University.

Ms. Schulze gave a brief history of what was considered fundraising for most HBCUs. This included the fact that most HBCUs, as well as some public institutions, were late coming to the market of raising private dollars. She stated that at HBCUs until very, very recently, most of the fundraising efforts were directed to sponsored research and special programs. HBCUs mostly sought categorical funding, meaning set aside dollars that a foundation might have for a specific purpose such as retention.

Ms. Schulze spoke on the \$18 million initiative that Kresge implemented after two years of research. Five HBCUs out of seventy-three were selected for funding to develop an internal infrastructure for fundraising. She noted that most HBCUs had minimal staff in this area and some only have a staff of one. The research also indicated that the marketing area did not co-exist with the development area as needed for success; and to prevent continuous turnover of vice presidents or chief development officers, institutions needed to look at those individuals with strategic direction skills and supplement to build on their weaknesses. She stated that trustee involvement is critical. The most successful campaign includes enthusiastic and involved Board members. A good rate of return is \$2 for each dollar spent and institutions on average should spend 4% of their operating base for fundraising. She added that with the rise of African Americans to wealth, it has been learned over time that this group prefers "face-to-face" contact as opposed to receiving a letter.

In conclusion, Ms. Schulze stated that Norfolk State was on track and inline with its campaign goals. She noted that among the results of the Kresge initiative, there was only one seven-figure donation for any of the institutions. She stated that institutions should also continue an annual fund campaign.

Dr. Schexnider asked Ms. Schulze to comment on remarks made by another consultant that, "There is a different way to raise money at HBCUs." Ms. Schulze stated that she agrees and disagrees, summarizing that each institution in America is different and should be approached differently. She reiterated that the "face-to-face" contact is the better approach to receive funds from African Americans.

Mr. Ezzell and Mr. Brown thanked Ms. Schulze for her presentation and she was excused from the meeting.

Mr. Brown presented a diagram drawn by Mr. Patterson showing the correlation between the annual fund and the major gifts campaign. Mr. Brown asked Board members to contribute to the annual fund of no less than \$1,000. He noted that those that have given at higher levels of up to \$10,000 should by all means continue at this level. Mr. Brown stated that he would like to see Board members actively involved in the capital campaign as donors as well as solicitors of donations and contacts. He

stated that the Advancement Committee would seek approval in Closed Session of its "Initiative for the Future" campaign plan.

Dr. McDemmond stated that NSU's development costs are around 2% of our base, opposed to the 4% that is recommended. She stated that it is critical to have the staff for this campaign. The investment does pay off.

Academic Affairs – Dr. Madry-Taylor stated that the Committee received a very interesting and detailed report from Dr. Barnes. She stated that Dr. DeLoatch, the Dean of Science and Technology, presented on the DNIMAS program and cited the number of graduates that are going on to receive graduate degrees. Dr. Madry-Taylor stated that Dr. Barnes' reported on the Board's role in SACS and presented action items for new certificate programs and the discontinuance and separation of others. She asked Dr. Barnes to elaborate.

Dr. Barnes stated that SACS' expectation is that Board members, as well as faculty, staff and administrators, will have input into the quality enhancement plan. The Board's input would include the determination of an appropriate topic for the plan. The time for developing a topic varies from institutions is up to two years. Dr. Barnes stated that the Board would be provided more information on the plan as it becomes available.

Dr. Barnes briefed the Board on the new certificate programs. She also briefed the Board on the discontinuance of programs that were recommended in SCHEV's productivity report as low productivity programs.

Dr. Madry-Taylor motioned, seconded by Dr. Harris and unanimously voted by the Board to approve the discontinuance of the following four degree programs: B.S. Administrative Systems Management, B.S. Consumer Services, M.A. Communications and B.S. Personnel & Industrial Relations.

Dr. Madry-Taylor motioned, seconded by Mr. Brown and unanimously voted by the Board to approve four new certificate programs as follows: African Diasporan Studies, Not-for-Profit Accounting, Logistics Management and Paraprofessional Education.

Dr. Madry-Taylor motioned, seconded by Ms. Board and unanimously voted by the Board to approve the separation of Exercise Science from Physical Education.

Dr. Madry-Taylor motioned, seconded by Ms. Board and unanimously voted by the Board to approve Physical Education for independent status. **Dr. Barnes stated that the university would also have to seek approval from SCHEV for independent status of this program.**

Dr. Madry-Taylor asked Dr. Barnes to report on the First Year Experience Proposal. Dr. Barnes stated that an office for the First Year Experience has been established through the realignment and reallocation of several offices that are currently established. This office will assist students in making the transition to Norfolk State as well as assist with student retention, persistence and success rates. The director of this office will report directly to Academic Affairs. Since this is an academic support service for students, other services of like functions under Student Affairs will be transferred to Academic Affairs. Dr. Barnes stated that an advisory council would also be established for the First Year Experience. **Mrs. Carrington asked Dr. Barnes to invite the members of the advisory council to the next Board meeting.**

Dr. Madry-Taylor stated that the Faculty Senate President, Mr. Chinedu Okala, was unable to make the Committee meeting; however, she asked Board members to read his report that is included in the Board book.

Buildings and Grounds – Mr. Rodriguez stated that Mr. Tom Dawes provided an update on the Master Plan and the new residential hall. Details are provided under Tab 7 of the Board book. Mr. Rodriguez stated that Mr. Dawes also gave a brief update on the light rail project. If approved, light rail will be of benefit to students and faculty at some point in the future. He stated that RISE is NSU's major project and that Mr. Terry Stokes, the Program Manager, was on hand to present to the Committee. Mr. Rodriguez stated that members of the E2F Foundation, as well as he and Mr. Stokes, interviewed five contractors in November. This number has been narrowed down to four that will report by mid January, specifically on a plan laid out by this committee, with a selection also to be made by mid January.

Mr. Ezzell thanked Mr. Rodriguez for bringing his expertise to the selection of a contractor for RISE I.

Mrs. Madison-Foreman asked if there was a crossover to connect RISE to Wilson Hall. Dr. McDemmond stated that it was part of the concept; however, the cost is nearly as much as the building itself. Mrs. Johnson stated that the Transit Authority is considering a crossover for the light rail project; however, NSU would have to pay to connect on our side of the street.

Finance – Dr. Harris stated that the Finance Committee had one action item to designate a FEMA representative for the university to act on behalf of disaster relief from the hurricane.

Dr. Harris motioned, seconded by Mr. Brown, and unanimously voted by the Board to designate Mr. Kevin Appleton, Vice President for Finance & Business, as the FEMA representative for Norfolk State University.

Dr. Harris stated that Mr. Appleton reported on the Energy Savings Contract. This contract is still under consideration. Dr. Harris stated that the budget is favorable but has not been audited. He stated that a new crew of state auditors are coming on board and will require time to become acclimated to the university. Dr. Harris stated that Ms. Fannie Dixson, the NSUAEOP President, gave a report on their activities and accomplishments.

Dr. Harris stated that he also chaired the Audit Committee and that the audit report was presented in Closed Session and that he would report the information in the Closed Session of the Board if requested.

Mr. Ball asked if the funding for boilers for Twin Towers was authorized. Mr. Appleton stated that the boilers have been purchased and the project is underway and will be completed by the end of the month. Mr. Curtis stated that it should be completed by next Wednesday.

Mr. Gibson asked if the university has the separateness needed in light of Dr. McDemmond's service as Chair, Dr. Schexnider's service as Acting Executive Director and the Rector as a member of the E2F Board. He stated that he wants to ensure that this does not create problems. Dr. Harris stated he would refer this matter to legal counsel, Mr. Kelly, to be discussed in Closed Session.

Mr. Gibson raised the question with respect to page 11 of the budget report about the reversion of a half million dollars back to the Commonwealth. Dr. Harris stated that the university has very little control over this item since Virginia operates on a "cash on hand" basis while the university is on an accrual base. He elaborated that the funding consists mainly of vendors who have not processed invoices for goods or services. He stated that in many instances we may get the funding back the next year as an option to buy down any budget cuts.

Dr. McDemmond was excused momentarily from the meeting.

Research & Technology – Mr. Vassar stated that the Committee had a very informative and colorful presentation by Dr. Oladipupo. He stated that, "We are at "Star Wars" and right on the cuff of leadership relative to some very exciting technologies and developments for the university." Mr.

Vassar asked Dr. Oladipupo to brief the Board on discussions and the report on Sponsored Programs.

Dr. Oladipupo extended gratitude to faculty who are doing an excellent job in research and securing grants and proposals. NSU has increased funding by 50% since 2000 and is rated second in the Commonwealth with the highest level of growth in this area. Dr. Oladipupo discussed the two top proposals that the Technology Panel recommended to the Governor. He stated that the Committee discussed the research agenda in concept with RISE, in advance materials research, and more importantly, received marching orders to work closely with other Committees, particularly Advancement, to raise money for Norfolk State.

Student Affairs – Mrs. Madison-Foreman stated that there were no action items. She stated that the students are grateful for Mr. Curtis' service as Vice President and asked him to briefly update the Board on the Committee meeting.

Mr. Curtis asked for a moment of silence for Ms. Kishma Burnes, a work-study student in Financial Services that was found deceased in her off-campus apartment earlier this week. It was later determined that she had been murdered. A memorial service was held earlier today on campus. Dr. McDemmond stated that she left the meeting to talk with the relatives and friends of the student who were from the Virgin Islands. Tragically, Ms. Burnes' mother was also murdered at a young age. Ms. Burnes' remains will be taken back to St. Thomas for burial.

Mr. Barnes, SGA President, gave a brief update on the activities and success that Student Government is experiencing. He handed out a copy of their recent newsletter that is also on the website, and provided gifts to the Board. He updated the Board on the Habitat for Humanity fundraiser with students from NSU, Old Dominion, Eastern Virginia Medical School, Tidewater Community College and Virginia Wesleyan. To-date, \$30,000-\$35,000 has been raised with a goal of \$55,000. The administration and the Board are welcomed to make donations.

Mr. Curtis stated that Captain Walker was on hand to update the Committee on security issues. A security plan has been developed, certain gates have been closed, and officers have been put on bike and foot patrol. The university plans to hire additional officers and upgrade salaries of others. Mr. Curtis stated that the university passed its recent fire inspection. He stated that the data for Fall enrollment is located behind Tab 5 of the Board book. He stated that the numbers are looking good and the number of transfers for the Spring has also increased. He shared a post card that would be sent to over 125,000 potential students and mentioned the Japanese student who wrote a book on her experiences at NSU, was on campus recently. She brought seven top students with her and has opened a gateway for recruitment of Japanese students. In response to this, the university is looking at ways of offering English as a second language.

Mrs. Madison-Foreman stated that Mr. Moss presented the Athletics report and assured the Committee that they are recruiting big, strong and tall guys for football. Basketball is off to a slow but good start.

Mrs. Madison-Foreman stated that she approached Dr. McDemmond and Dr. Barnes about extending an honorary degree to Mr. Andre Kearney who died in his senior year during a heart transplant. The student, despite extended stays in the hospital, was able to maintain a high average. Dr. McDemmond showed the Board the Honorary Posthumous Certificate that would be presented to his family at Commencement.

Dr. McDemmond stated that she would like to thank Mr. E'Ryc Barnes for his representation on the statewide student lobbying effort entitled, "Virginia 21."

Dr. McDemmond reported that 418 students would graduate depending on how many can pay by 5:00 p.m. today.

Mr. Ball asked if the current Student Center would be torn down and the new building constructed at that location to conserve green space. He stated that he hates to give up green space. Mr. Curtis stated that the university would renovate the old building and erect the new building. Dr. McDemmond stated that with the two student centers, this would provide the university with only the average square footage needed for services. Dr. McDemmond stated that she hates to give up green space also.

7. Report of Other Committees

Ad-Hoc Bylaws Committee – Ms. Board thanked Mr. Kelly for his work on the Bylaws. She stated the Board should review this working draft and provide comments and recommendations for the March meeting. The Bylaws would be finalized at the May meeting. Ms. Board stated that the major changes include:

- Establishing the recognition of past Board members as Board Emeritus
- Providing the Rector the right and authority to select Committee chairs and constitute a Nominating Committee
- Consolidating the number of Standing Committee from eight to five
- Changing the term of Board officers to serve one additional term in office if elected
- Providing the Vice-Rector the oversight of Board of Visitors' operating budget and serving as Parliamentarian for the Board

Commission on Strategic Planning (CSP) – Dr. Schexnider stated that he reported to the Board that the CSP was an 18-month process; however, the university has compressed that. A draft will be available to the Board at the May meeting. He stated that CSP is currently reviewing the first draft of the environmental scan that is a critical part of the process. The scan itself is based on strengths, weakness, threats and opportunities. The scan is very, very helpful as it identifies eight critical success factors. The top three factors are as follows:

- Maintaining strong academic programs and prioritizing programs
- Ensuring that RISE succeeds

The third critical factor, Dr. Schexnider read word for word as follows:

“Norfolk State’s facilities need maintenance and the overall attractiveness of the grounds needs to be improved. In a competitive environment well-maintained facilities and attractive grounds are not a nice luxury to have, they are a necessity.”

Dr. Schexnider stated that the information from the scan will be rolled out to the entire university on January 5 at Opening Session.

8. Old Business

Ad-Hoc Government Relations – Mr. Brown stated that the Legislative Handbook was revised and a final version has been provided to the Board. He stated that when the legislative committees are announced, a replacement page would be sent to the Board. Mr. Brown stated that the Governor will announce his budget on Wednesday, December 17 at 9:30 a.m.

Mrs. Johnson stated that a summary of the budget will be placed on the website as well as a copy of the Legislative Handbook. Mrs. Johnson stated that the handbook was not printed in color because it was too expensive. Board members may print color copies from the website. She stated that she included a contact sheet from the Board members who have responded. Please review and provide names of legislators you would be comfortable contacting during the General Assembly session to her by the end of the month. She stated that she would email weekly updates on the legislative session to Board members during the session. These updates will also be posted to the website. Also

included in the Legislative Handbook is an Overview of the Governor's Proposed Tax Reform. Mrs. Johnson asked Board members to consider doing "Op Ed" pieces if they support the tax reform package. She stated that she will provide talking points if needed. Lastly, a statement on Base Adequacy is included in the Board book behind Tab 10. She asked Mr. Horsey to elaborate.

Mr. Horsey stated that the summary showed how each school stacked up against the formula. There are unresolved issues with the formula such as the tuition policy and fund split. The bottom line is that the university is \$1.9M under-funded by the state if all of the OCR funding is not deducted, and \$2.5M under-funded if all of the OCR money is deducted from the base. Dr. McDemmond stated that the university was authorized to collect \$33M in tuition; however, it only collected \$21M in 2001-2002. This critical fact alone makes up for the \$15M difference that is being reported in the newspapers by SCHEV. SCHEV's calculations had been replaced by a more accurate formula by JLARC. Mr. Horsey pointed out that NSU is below the average support provided to all institutions of 46%.

Dr. McDemmond stated it has been difficult trying to explain to the Department of Planning and Budget (DPB) and to the Secretary of Education that they cannot elect to exclude part of the OCR funding (for example exclude \$7M from the base but not exclude the other \$3 M). The university may need to take an open position on this funding.

Mr. Ezzell asked for a five-minute break at 5:13 p.m. before going into Closed Session.

9. NEW BUSINESS

The meeting reconvened at 5:20 p.m.

Closed Session – Mr. Colvin Gibson motioned, seconded by Mr. Brown and unanimously approved by the Norfolk State University Board of Visitors to move to adjourn and reconvene in closed session, as permitted by Section 2.2-3711.A.1, A.3 and A.8 of the Code of Virginia, for the specific purpose of discussing and evaluating the performance of the President, the Executive Vice President, major gifts and fundraising activities, and the purchase and disposition of real property for a public purpose.

The Rector asked the Board, President and the Executive Vice President to remain for the Closed Session. Everyone else was excused from the meeting.

The Board reconvened in Open Session at 6:26 p.m.

The Norfolk State University Board of Visitors having reconvened in open session, took roll call vote on certification that (i) only public business matters lawfully exempted from open meeting requirements, and (ii) only such public business matters as were identified in the motion by which the Board of Visitors closed meeting was convened were heard, discussed or considered in the meeting by the Board. Any member of the Board who believed that there was a departure from the requirements as stated above, was asked to so state prior to the vote, indicating the substance of the departure that in his or her judgment has taken place.

Board members who certified the motion:

Ball.....	yes	Board.....	yes
Brown.....	yes	Carrington.....	yes
Ezzell.....	yes	Harris.....	yes
Gibson.....	yes	Kern.....	yes
Madison-Foreman.....	yes	Madry-Taylor.....	yes
Patterson.....	yes	Rodriguez.....	yes
Vassar.....	yes		

Conflict of Interest Forms - Mr. Ezzell reminded Board members to complete the forms and return them to the university by January 15.

10. Action Items

Mr. Brown motioned, seconded by Mr. Ball to approve the recommendation of the University Advancement Committee to adopt the Campaign for Norfolk State University: Initiative for the Future Campaign Plan as presented.

Dr. Harris motioned, seconded by Mrs. Madison-Foreman and unanimously voted by the Board to approve the Sabbatical Request of the President as outlined and the appointment of the Executive Vice President as Acting President during the Presidential Sabbatical with the recommended salary adjustment.

11. Adjournment

Ms. Board announced that Dominion Virginia Power would honor Dr. McDemmond as one of the Strong Men and Women recipients for 2004 as part of its Excellence in Leadership Series. The event is scheduled for January 22, 2004 at the Richmond Marriott Hotel at 7:00 p.m. Ms. Board will present awards for students honored for essays. Board members are invited to attend and would receive an invitation in the mail. She stated that the Governor, Lt. Governor, as well as many of the legislators, are expected to attend. Dr. McDemmond asked Ms. Board to thank Dominion Virginia Power for this honor. It is indeed an honor and a privilege

Mr. Vassar stated that Dr. Oladipupo has informed him that all of the dorms (at least on the ground floor) would be set for wireless capacity for the Internet by end of the month.

Mrs. Madison thanked Mrs. Johnson for all of the hard work that she had done for the Board and asked the Board to give her a hand of applause. Dr. McDemmond stated that Mrs. Johnson and Mrs. Allbritton make a great team. The Board concurred.

Dr. McDemmond announced that the Commencement Breakfast starts at 7:45 a.m.

There being no further business the meeting adjourned at approximately 6:42 p.m.

Respectfully submitted,

Karla C. Johnson, Executive Assistant
to the President and Agency Liaison

Viola Madison-Foreman, Secretary
Board of Visitors