

# BOARD OF VISITORS

## BOARD MEETING

700 Park Avenue, Norfolk, VA 23504  
New Student Center Board Room, Suite 301  
September 10, 2010

### MINUTES

#### 1. Establish Quorum/Call to Order

Mr. Edward L. Hamm, Jr., Rector, called the meeting to order at approximately 9:15 a.m. and established that a quorum was present.

##### Board Members Present:

Mr. Edward L. Hamm, Jr., Rector  
Mr. Gary T. McCollum, Vice Rector  
Dr. Lauren R. Tucker, Secretary  
Mr. Willie L. Brown  
Ms. Teresa M. Gladney  
Mr. Stanley Green, Jr.  
Mr. Howard P. Kern  
Mrs. Christel L. Lewis  
Mr. Henry D. Light  
Mr. Wade W. Perry, Jr.

##### Board Members Absent:

Mr. Peter G. Decker, Jr.  
Mr. D. Mychael Dickerson  
Mr. Bobby Norris Vassar

##### Student Representative to the Board:

Mr. Juan B. Lascano, President, Student Government Association (*arrived during meeting*)

##### Members of the NSU Staff Present:

Dr. Kim Luckes, Acting President  
Dr. Deborah C. Fontaine, Chief of Staff  
Dr. Yatish T. Shah, Provost  
Mr. Ralph W. Johnson, Vice President, Finance and Business  
Mrs. Sharon B. Lowe, Vice President, Student Affairs  
Mr. Phillip D. Adams, Vice President, Univ. Advancement/NSUF Executive Director  
Dr. Joseph C. Hall, Vice President, Research & Economic Development  
Mr. Marty L. Miller, Athletics Director  
Mrs. Terricita E. Sass, Interim Executive Director, Enrollment Management  
Mrs. Sharon R. Hoggard, Interim Exec. Dir., Communications & Marketing (*arrived during meeting*)  
Ms. Paula C. Thompson, Legislative and Community Liaison  
Dr. William E. Ward, Legislative Liaison

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### Members of the NSU Staff Present (continued)

Ms. Paula Gentius, Assistant to the NSU Board of Visitors and to the President

Ms. Pamela F. Boston, University Counsel

Mr. Ernest M. Ellis, Internal Auditor

Dr. Clarence D. Coleman, Vice Provost, Academic Affairs

Dr. Sandra J. DeLoatch, Dean, College of Science, Engineering & Tech. (*arrived during meeting*)

Dr. Margaret G. Massey, Interim Dean, School of Extended Learning

Dr. Archie W. Earl, Faculty Senate President

Dr. Carl B. McGowan, Professor, School of Business (*arrived during meeting*)

Dr. James Walke, Assistant Director of Institutional Research

Ms. Regina Bynum, Registrar

Ms. Michelle D. Martin, Controller

Ms. Sheila A. Jones, Budget Director, Office of Planning and Budget

Ms. Karen D. Barrett, Director, Facilities Management

Mr. Kevin M. Holmes, Director, Recruitment and Admissions

Mr. Kevin Burns, Director, Financial Aid

Mr. William Ballinger, Director, Capital Planning and Improvements

Mr. Charles I. Thompson, Director, Environmental Health and Safety

Mr. Obie Smith, Operations Manager, OIT

Ms. Tanya S. White, Executive Assistant to Vice President for Finance and Business

Mrs. April T. Allbritton, Office Manager/Board Liaison

Mrs. Kimberly E. Gaymon, Financial Services Specialist I

### Others Present:

Ms. Shelvee Osborne, Norfolk State University Alumni Association

Mr. Al Steward, President, Norfolk Alumni Chapter

Ms. Debra Goode, Editor in Chief (*The Spartan Echo*)

Ms. Denise Batts, Writer, *The Virginian-Pilot* (*arrived during meeting*)

Commonwealth of Virginia Auditor of Public Accounts Representatives:

Tracy A. Surratt, Information Systems Development Senior Specialist

Lakisha Speller, Senior Audit Specialist - Higher Education

## **2. Welcome/Introductions**

Mr. Hamm asked members of the Board and others seated around the table, to provide their name, position and a brief background statement as a means of introduction, particularly for the new Board members present. Introductions were made.

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### 3. Rector's Report to the Board

Mr. Hamm provided the following statements as an update of business matters since the May 2010 Board of Visitors meeting:

- ▶ Dr. Meyers' transition from NSU went very smoothly. On the Board's behalf via the Rector, Dr. Meyers' was approved for a reasonable packing/moving expense and a little extra time to orderly vacate the President's house. *(Note: This moving expense was not in the President's contract but as a courtesy the Board was willing to provide this benefit. Also, Dr. Meyers' requested additional time to vacate.)*
- ▶ Dr. Luckes, by his personal observation, and from all other reports is doing a magnificent job.
- ▶ Dr. Luckes hired an assistant to replace the position of Mr. Earlie Horsey, who retired in June 2010.
- ▶ With Dr. Luckes' endorsement and with the approval of the Board of Visitors' Executive Committee, the Board has appointed a new Assistant to the Board and to the President, Ms. Paula Gentius.

Mr. Hamm stated that Ms. Gentius is an attorney who is an expert in policies and procedures. She has a master's degree in higher education from the University of Ohio and was an administrator at Hampton University for awhile.

*(From the introduction at the opening of the meeting - Ms. Gentius stated that she served with the Commonwealth of Virginia's Department of Minority Business Enterprise, where she handled policies and legislative issues. Prior to that, she worked in Detroit running a small regulatory agency addressing cable and telecommunications issues. She is an educator at heart, teaches online and taught at the University of Detroit Mercy School of Law.)*

Mr. Hamm stated that Ms. Gentius' initial duties will be to help the Board with issues between now and the hire of the next President. Ms. Gentius will work on items under review that have already been identified by the Board. She will independently brief the new President as to the status of the university following the review that is being conducted. Ms. Gentius will have no authority to effect any changes except any authority given by the President or the Board.

- ▶ Mr. Ralph Johnson, NSU's Vice President for Finance and Business recently offered his resignation to accept a similar position at another university out of this area. The Board thanks him for his important service to the university and wishes him well in

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his new position. Mr. Johnson will graciously stay at NSU through the end of September.

Mr. Hamm stated that he and the Acting President are in discussions regarding how to best fill the role of the Vice President of Finance and Business until the new President arrives. If Board members have any ideas or input on this matter, please feel free to share with the Rector between now and September 30, 2010, as to be in concert with any decision that is to be made. The Board may discuss this and possibly other personnel issues during Closed Session.

- ▶ Over the past quarter through August, the Rector and Vice Rector have discussed virtually every significant issue brought to the Board's attention. Both have been in complete agreement in responding prior to the Rector expressing any opinions or "guidance" in these matters. Mr. Hamm stated that he uses the term "guidance" very carefully. As well, the Rector also initiated talks with other individual Board members for recommendations. Please know that the Board is not acting in a vacuum between meetings.
- ▶ As the university makes ready for a new President, Mr. Willie Brown, Executive Committee member, will assist the Rector and the new Assistant to the Board of Visitors and to the President in tracking and working with Dr. Luckes in improving NSU's performance between Board meetings.
- ▶ Generally, the Presidential Search is progressing as anticipated. The Input Committee held an open forum last night and over the next month will prepare their considered recommendations to Mr. Green, Chair of the Presidential Search Committee. Mr. Green will brief the Board in more detail in Closed Session.

Mr. Hamm stated that in comparison, the turnout of open forums 8-10 years ago for ODU's search for a president is similar in number to what NSU is seeing now. He stated that the Committee is pleased with the number of individuals who attended, although reasonable, the group was smaller than anticipated. Input and comments from these individuals; however, were significant. As Rector, and as recommended by a senior member of staff, he did not attend NSU's open forum to allow the Search Committee to do its work.

Mr. Hamm thanked everyone for their confidence in him and Board officers during this transitional period. He stated that the Board remains cognizant of its charge and is committed to not just maintaining but improving NSU as we go forward. Mr. Hamm asked everyone to be mindful that for improvement some changes in policy and staff may have to be made versus "status quo." He stated that there are two philosophies. One is to wait for the

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next President and allow that President to select his/her staff, etc., and obviously, the Board wants this to happen in as much as possible. However, the dichotomy of our situation to continue to operate and improve necessitates some changes with staffing in the interim. Mr. Hamm stated that he trusts that when this day is concluded, the status will illustrate that the Board is on course. He thanked everyone again.

Mr. Hamm asked Mr. McCollum to provide the Board's budget update.

### **4. Board Budget Report**

Mr. McCollum stated that the Board of Visitors' budget summary is completely in line with no issues.

### **5. President's Report**

Dr. Luckes stated she had an interesting, welcoming, wonderful and busy two months since July 1, 2010. She thanked the Board for the opportunity to serve as the Acting President and introduced the new staff member in the Office of the President as follows:

Dr. Deborah C. Fontaine assumed the position of Executive Assistant/Chief of Staff in the Office of the President on September 1, 2010. Dr. Fontaine comes to NSU from Thomas Nelson Community College, having served as the Director of Institutional Research, Planning and Assessment, as well as the Special Assistant to the President. She also served as an Assistant to the President at the University of the Virgin Islands. Dr. Luckes stated that she is pleased to have someone of her caliber in the President's Office to help the university to work on strategic planning and ascertain where we are as an institution. Dr. Fontaine brings a wealth of knowledge and experience to the position.

Mr. Hamm asked Dr. Fontaine if she also served as a Vice President at Elizabeth City State University. Dr. Fontaine responded yes, she served as the Vice Chancellor of Student Affairs at Elizabeth City for approximately eight years when Mr. Green (Board member) was there. She has been an instructor at the undergraduate and graduate levels at two institutions. She has corporate experience working with Centurion Management and Verizon Communications. Dr. Fontaine stated that she has done a lot of different things and hopes the experiences that she has developed will be a positive asset and benefit to NSU.

Mr. Hamm asked Dr. Fontaine about the type of work she did at Verizon. Dr. Fontaine stated she was at Verizon for approximately twelve years and was involved in planning and budget, served as part of a regulatory team and as an accounting witness. Dr. Fontaine stated that she has a Doctorate from Walden University, M.B.A. and B.A. from our rival institution.

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Dr. Luckes introduced the new SGA President, who would attend the meeting immediately following his 9:00 a.m. class. Dr. Luckes stated that she had an opportunity to meet and have a discussion with him this summer. She added that Mr. Lascano did an excellent job at Convocation yesterday and feels that he will be a great leader for the student body.

Dr. Luckes stated that she is glad to see two of our new Board members present this morning. Since Ms. Gladney has joined the Board, she has attended several events such as “An Evening with Nikki Giovanni and Sister Sonia Sanchez” on September 7, 2010 and Fall Convocation on September 9, 2010. Ms. Gladney also participated in the Run/Walk for Excellence. She was one of the fastest adults and raised the most funds for a participant in the event. Dr. Luckes stated this says much about Ms. Gladney’s commitment as an alumnus and as a Board member.

Dr. Luckes stated she has been engaged in meetings, lunches, banquets, golf tournaments and dinners. She has read everything that has shed any light on the nature of Norfolk State University and the kinds of issues that confront us, as well as the opportunities that exist for the university and the university community. She stated that in many of the meetings she attended, the discussion included declining funding and the rising expectations of Norfolk State University in light of the decline in state support. Additionally, the university has paid close attention to the “Grow by Degrees” report and the work of the Governor’s Commission on Higher Education, Reform, Innovation and Investment.

Dr. Luckes stated that the vice presidents, deans and several administrators participated in a mini two-day President’s Retreat in July 2010. Each presented strengths, weaknesses, opportunities and even possible threats in their respective units. Ultimately, from the discussions, five task forces were identified to address areas of concern. Those five task forces are as follows:

- 1) Processes  
Charge - To review, recommend modifications to critical administrative processes
- 2) Financial Resources/Strategy  
Charge - To define, prioritize items for critical funding and/or reallocation of resources
- 3) Academic Support Systems  
Charge - Evaluating, recommending strategies to monitor and improve retention, graduation rates, class attendance
- 4) Professional Development  
Charge - Studying, recommending professional development needs and retooling for faculty
- 5) New Funding Streams  
Charge - Creating and determining new funding streams for the institution

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Dr. Luckes stated that the task forces have already met and as of this week they have supplied their initial reports with some recommendations. At this stage, the appointment of additional faculty, staff and students will be made to the task forces to ensure institutional input and buy-in. By December, there will be additional recommendations.

Mr. Green asked who would work on the issues identified. Dr. Luckes stated that an individual or a group of individuals are assigned to a particular task. In addition, she meets with each one of the vice presidents on a weekly basis; and regularly with the President's Executive Cabinet to discuss and work through issues.

Mr. Green stated the Board is concerned that issues are identified, for example by faculty in the past, but it would seem that the outcome was that the issues were not sufficiently addressed. Dr. Luckes stated that she met with the Faculty Senate Executive Committee and currently there are about five items that have been brought to her attention. These items are being reviewed.

**Sesquicentennial** - Dr. Luckes reported that Governor McDonnell will be on campus to attend and bring opening remarks at the Virginia Sesquicentennial of the Civil War Signature Conference on September 24, 2010. Additionally, CSPAN and the History Channel will cover the event. The History Channel will do both pre and post interviews. There are over 1,600 persons registered for the conference. Ms. Cheryl Jackson, the Executive Director, Virginia Sesquicentennial of the American Civil War Commission, Division of Legislative Services, sent an email stating that the conference at NSU has really become quite a big production and exceeds even their expectations. Dr. Luckes stated that this will be a wonderful opportunity for NSU to showcase what it can do.

Dr. Tucker stated that she plans to attend and stressed her support of this very important conference. She stated that she is excited because this conference will provide such a great showcase for the university's intellectual talent and impart an understanding of the Civil War from a very different perspective.

Dr. Luckes stated that the committee and staff here have been working diligently to ensure that we are prepared for the event.

Mr. McCollum stated that he is excited as well about this event. He stated that he hopes that the NSU will take every opportunity and every video shot to really market the university. Dr. Luckes stated that signage will be placed on campus on the poles, signage of the new library at the construction site on the fence and also at the Student Center, and signage of course, at the pre- and post-interview site. Mr. McCollum suggested that NSU's video production be involved as well. Mr. Hamm stated that in the past, Cox Cable has been a good citizen of Hampton Roads covering a lot of events, and perhaps if it is not an

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exclusionary issue, Cox could work with NSU and others with taping and production suggestions.

Dr. Luckes stated that during a Council of Presidents' session with Governor McDonnell at the Governor's mansion, she had the opportunity to speak with the Deputy Secretary of Education, Ms. Laura Fornash. Ms. Fornash wanted the university to know that their office is extremely impressed with our Financial Aid operation, as it is one of the best in the Commonwealth. In fact, the university may receive a commendation for a job well done. Dr. Luckes thanked the Executive Director, Mrs. Sass, for her leadership, as well as Sass' staff. Mr. Hamm stated that this is great news, but there is always room to do a little better.

Dr. Luckes stated that on August 31, 2010, NSU received a license from the Department of Treasury to engage in travel related transactions in Cuba. As you may know, the Federal government is beginning to release some of what has occurred there between the two governments. As a part of this program, our students must be enrolled in an undergraduate or graduate degree program at the university to travel and study aboard in Cuba. The university is in the process of developing a collaboration agreement with Cosa Dell'osa Americus, which is an institution falling under the ministry of culture in Cuba. They promote, study, sponsor and grant awards to and publish the works of writers and artists, etc. The College of Liberal Arts and our International Program Office have been working diligently to move this Cuba Study Abroad project along. This program speaks volumes to where the university is going with Internationalization as an institution.

Dr. Luckes stated that the university has begun discussions with the Tema Africa Sister City Committee, which is part of the Norfolk Sister City Association. During the week of October 25, 2010, there will be a "Twinning Week of Events" between Norfolk and Tema, Ghana. Based on our discussions, the delegation may visit campus with city officials, local cultural organizations and other higher education institutions. The visit would include a tour of campus and discussions on modeling and simulation, which is a hot topic in light of JFCOM being removed from the area. Everyone is looking at what institutions can do with modeling and simulation. Dr. Luckes stated the university is happy to be a part of the delegation's work, as it is yet another avenue for NSU as it strives to provide outgrowth and internationalization for our students.

Dr. Luckes stated that her chart of activities is provided at Tab 4 of the Board book. This chart describes the activities she has been engaged in over the past couple of months. Dr. Luckes asked if there were any questions about the chart.

Mr. Hamm asked Dr. Luckes to comment a little bit more on her meetings or work with the community. He mentioned the meeting with City of Norfolk officials, Dr. Luckes and himself, scheduled for later this month. Mr. Hamm stated that it is important to know if NSU

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is out there more than before. Dr. Luckes stated that the meeting with City of Norfolk will include a Light Rail discussion and where NSU fits into the City's short and long range plans. Dr. Luckes stated that she has attended meetings of the Greater Norfolk Corporation where they discussed "Grow by Degrees" and other aspects that affect Hampton Roads regionally and not just Norfolk. She also met with ODU's President, John Broderick, to see where the two universities could possibly collaborate. She attended Nauticus and other local board meetings. Dr. Luckes stated that she has traveled to Richmond at least three times. She met with Mr. Scott Sandridge, State Analyst and also met with representatives of the Senate Finance Committee. Dr. Luckes stated that it has been a whirlwind of meetings but the objective is to fill the seat at the table that is held for NSU. If she is not available, she will ensure that someone from the university will be there to represent NSU.

Mr. McCollum stated that Dr. Luckes attended the Hampton Roads Partnership Board meeting, which he is a member. It was very nice to see NSU represented at this important meeting, as this Board is in touch with the community and the issues that we all are facing. Mr. Hamm asked if there were observations on our representation. Mr. McCollum stated that there were very favorable comments. Mr. Hamm stated that this is a fresh change for NSU to have this involvement. He thanked Dr. Luckes for attending these types of meetings as it is quite time-consuming. Equally important are the churches and local groups around the university. He asked that Dr. Luckes and staff continue to be out and about to elevate the university.

Mr. Hamm asked Dr. Luckes, along with Board members Mr. Perry and Mr. Brown, to meet to talk about the Afr'Am Fest to determine whether it is important to our community and if NSU should have a role. As you may know, the Afr'Am Fest has been canceled. Mr. Hamm stated that this request came after input to him from an important member of our larger community in Norfolk and reflecting on comments from one of our City Council members. Mr. Hamm stated that he is neutral on this subject and only providing the request as posed. As well, the City is not promoting or discouraging the Afr'Am Fest. It is a request being made by certain individuals who are concerned. Mr. Hamm stated that since Norfolk State's role is becoming or being more involved in our larger community, we should at least be present in the discussions. Mr. Brown stated that the university should be involved in the discussions. He has had heard similar comments throughout the city. Mr. Hamm stated that if there are other organizations or individuals that should be involved, we would like their input as well. He will take the comments back through the city channels.

### **6. Finance and Business**

**State Auditors' Report** – Mr. Hamm asked Mr. Johnson to proceed with the Auditors' Presentation. Mr. Johnson introduced Ms. Tracy A. Surratt and Ms. Lakisha Speller from the Auditors of Public Accounts' Office in Richmond, and stated that they would go over their

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audit for the university for the year ending June 30, 2009. As mentioned before, given the APAs' work schedules, this is usually the time the State Auditors come before the Board of Visitors to present the audit. Please note that there is a lag in time, as this is the previous year's audit. Information provided at Tab 5 of the Board book.

Ms. Surratt thanked the Board for the opportunity to present. She stated that the Statement of Auditing Standards No. 114 requires us (state auditors) to communicate information regarding the results of the audit to the Board of Visitors who provide oversight for the university.

Ms. Surratt stated the following:

- ▶ An unqualified opinion has been issued on NSU's financial statements for the fiscal year ended June 30, 2009. Although these opinions are nearly 15 months old, it is important to note that very few adjustments were required. Two statements were initially presented to the Board, therefore the decisions that the Board have made throughout the year have been based on sound financial statements.
- ▶ The audit was completed in June but not in time for the last Board meeting. The auditors will try to speed up the process in the future so that the statement will be received on a more timely basis.
- ▶ Ms. Surratt was in communication with Mr. Hamm while performing the audit. There was a phone conversation to inform him of the audit progress, as well to conduct a fraud interview which is a requirement from the Statement on Auditing Standards 99. In addition to the financial statement opinion, a separate report on Internal Controls was issued (copy provided in binder).
- ▶ The auditors did not identify any matters that are considered to be material weaknesses, however, noted two significant deficiencies:
  - Improve Information Security Program
  - Strengthen Clearing Procedures Over Separated Employees
- ▶ In addition, the auditors noted two instances of noncompliance, relating to:
  - Promptly Calculate and Return Title IV Funds
  - Compliance with Federal Regulations for Exit Counseling
- ▶ The auditors found no indications of fraudulent activity or illegal acts.

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- ▶ The auditors performed agreed upon engagement to assist the university in complying with NCAA Bylaws (a separate report on this agreed-upon procedure has already been distributed).

To conclude, Ms. Surratt stated that the Board should be reminded that they will be back in December to do an entrance for the next fiscal year audit for 2010 (fiscal year just ending). Now and anytime between December, is a great opportunity to let the auditors know if the Board has questions or concerns or things they would like for the auditors to address during the audit. Ms. Surratt stated that Ms. Speller is typically onsite here at NSU doing the audit test work and leading the team for 3-5 months depending on the situation. Ms. Surratt asked if there were any questions?

Mr. Hamm made the observation that the deficiencies are significant in the “management context” and clearly should not occur. Please ensure that the personnel department is doing what it needs to do. Mr. Hamm added that Ms. Francine Johnson is a great professional and has grown to be a professional friend in the last year; however, the findings should be made right.

Mr. Hamm noted from the audit report for the year ending 2009, the university generated \$126M in revenue and expended approximately \$128M. In terms of management information, can you explain if there is any significance to the difference in these numbers (revenue not matching the expenditure, see page 10).

Ms. Speller stated that this is nothing out of the ordinary. The difference is the decrease in NSU’s appropriation. The Controller, Ms. Michelle Martin, stated that it was the money that the Commonwealth gave the university up front but later requested it back. Mr. Johnson stated the reduction of \$2.3M was requested during the mid-year timeframe. There was a capital (maintenance and reserve projects) reversion as the Commonwealth needed funds and the funding was returned. The fluctuation is from the capital appropriations. This has put several of the smaller universities in the same situation. Ms. Speller stated that the books and numbers are good. She added that “there’s nothing funny going on.” “Items are reviewed with a fine tooth comb and several auditors review the information.”

Mr. Hamm stated that the Board is attempting to be more vigilant in understanding the financial reports opposed to just listening to perfunctory reports. What you are doing is great but the Board needs to be a little more engaged. Ms. Speller assured the Board that any concerns would be brought to their attention. This concluded their report but the auditors elected to remain through Mr. Johnson’s presentation.

Mr. Johnson made the Board aware that the university’s response to the auditors’ findings and action items are included in the Board books as well. He stated that the university has

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already taken steps to strengthen the processes in response to the recommendations made by the auditors in order that these items not become repeat findings. For the Title IV finding, there is a training module that Enrollment Management has been able to place online as a refresher course for faculty and staff to identify the items that would trigger a refund.

**Financial Statements** - Mr. Johnson reported that for the fiscal year ending June 30, 2009, the university had a reduction in net assets of \$2.3M. Again, the Commonwealth's reversion request caused several agencies to face the same type of reduction in net assets for that time period. For example, Virginia State had an \$18M reduction and Radford had a \$2M reduction. Mr. Johnson stated that last year was one of those tough years where there were no capital appropriations across the Commonwealth.

Mr. Johnson stated for fiscal year ending 2010, NSU will have the benefit of receiving capital appropriations. He stated that he just looked at a very preliminary unaudited financial statement for June 30, 2010, and at this point there is a projected increase of approximately \$7M. Please note that the capital appropriations will always be the fluctuating number in regards to whether the university would have a reduction or increase in net assets. For capital projects this year, funding will be received for the New Student Center addition, as well as preliminary funding received for the library so there will be a turnaround in this year's audit.

Mr. McCollum stated that in his business they use a concept of broken forecast where the budget is regularly updated to provide a rolling budget so that there are no surprises. Is there such a process at NSU? Mr. Johnson stated the university looks at its expenses and revenues over the last two years and takes the average of those numbers and that gives the university an idea of when we are going to incur certain expenses throughout the year. From that, on a monthly basis, Finance and Business updates the actual expenses so that we are able to look at the budget and have an idea of where we are at any given point in time throughout the year. Needed adjustments are made. He stated that last year the university did not know that some additional reductions were going to be made given the Commonwealth's appropriations reduction.

Mr. McCollum asked if guidance is being provided to individual departments when adjustments have to be made based on "actuals." Mr. Johnson stated that he presents the information to the President and the President's Executive Cabinet, who in turn disseminate to their various departments.

Mr. Green asked for a library construction update. Mr. Johnson stated that the library project is moving forward and is currently on schedule even though there was a slight delay due to utilities having to be moved. The basic foundation has been laid and all the pile drivings are

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complete. Facilities has a real good working relationship with the general contractor, Mr. Steve Ballard. The construction is on track with a completion date of December 2011.

**Current Fiscal Year Budget Update** – Mr. Johnson asked the Board to refer to the handout titled “Budget 2010-2011 Summary Revenue and Expense Table.” Mr. Johnson stated that the budget the Board approved in May was based on a headcount of 7,300 students (see first column). The 7,300 headcount would have generated an estimated tuition revenue of \$35.8M. What was approved as expenses under this 7,300 headcount was \$81M in total E&G expenses and the operating expense being approximately \$70M of that total. He pointed out the \$3.9M in Stimulus Funding is included in our funding for this fiscal year. Mr. Johnson stated that with the Stimulus Funding, NSU has enough funding to cover all of its anticipated expenses of \$80M.

Mr. Johnson asked the Board to look at column three listed with a headcount of 7,000. The 7,000 headcount column provides a better idea of where the university currently stands because a 7,000 headcount is closer to our actual number at this time. With a 7,000 headcount, the estimated tuition revenue that would be generated is \$34.3M and the total E&G Revenues would be approximately \$80M. In comparison, the difference in revenue from the 7,300 headcount and the 7,000 headcount is \$1.5M. Mr. Johnson stated that using the same anticipated expenses of \$80M there would be a potential funding gap of \$1.1M. He stated that there is approximately \$5M in funding (salaries and associated fringes) for vacant positions (administrative faculty, teaching faculty and classified staff) that is available to cover the funding gap. There has been a freeze on hiring since the university began dealing with the reductions and the university will continue to monitor any additional hires with the President having final approval of positions to be posted.

Mr. Hamm stated that using this summary all the headcounts list the total budget as \$146M but the reports from the auditors show the actual budget around \$130M. He stated that it is hard for the Board to visualize adjustments on the budget if the Board is not adjusting the budget that it approved for the year. Mr. Johnson stated that the \$146M budget is the one the Board approved in May 2010 for the 2010-2011 fiscal year. This \$146M amount is stipulated by the Commonwealth. It is the amount that the university is allowed to generate, so it is not an appropriation in the sense that NSU receives or has this amount of money.

Mr. Johnson pointed out to the Board that the university does not allocate the funds in the “Unallotted Budget Authority” category of \$1.7M. This fund category is used as a cushion for emergencies.

Mr. Hamm asked if the university has to report any of the adjustments to Richmond? Mr. Johnson stated that this is all done as part of internal management.

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Mr. Hamm stated that the Board does not micromanage but it has a fiscal responsibility to the Governor and wants to be sure which budget amount it is dealing with. The Board wants to base the budget on what will be generated. If the revenue is going to be \$130M, then the Board would be better able to equate the expenses against this total. He asked if the Board would be updated on the \$130M budget opposed to the \$146M. It would be easier for the Board to have the "actual" operating budget. Mr. McCollum stated that it sounds like Finance and Business is doing a rolling forecast but it would be more beneficial to the Board to have the rolling forecast with the real-time numbers. Mr. Johnson stated that he would send the report to the Rector.

Mr. Light stated that there seemed to always be a \$5M cushion in vacant positions. Does the university continue to hire? Mr. Johnson stated that hiring is closely monitored and dependent upon the position and situation, some positions are approved for hire. Mr. Light asked what portion of this amount is faculty vs. administrative? Mr. Johnson stated that he did not have the percentage but the majority of the positions are in faculty. Mr. Johnson stated that at this time, he has provided the Acting President with a list of all vacant positions campus-wide.

Mr. Johnson stated that in like manner, the second sheet outlines the auxiliary revenues and expenses with a slight gap in funding. He concluded by stating that he would send the requested report to Mr. Hamm. Also, he stated that his concern has been making sure that the university is prepared for next year (2011-2012) when the Stimulus money of \$3.9M is not available. Mr. Johnson stated that he has shared a budget reduction plan with the Acting President that would serve as a good starting point to prepare for the 2011-2012 fiscal year.

Mr. Hamm stated the Board commends Mr. Johnson for reminding them at every opportunity of the evaporation of Stimulus funding which will significantly impact the budget. He stated that he hopes that contingencies for the reduction will be done during the transition. Mr. Hamm stated that the Board may need to contact Mr. Johnson after his departure to ensure that none of the strategies are lost. Mr. Johnson stated that he has informed the Acting President that he would remain available if need be.

Mr. Hamm asked Mr. Johnson if he was comfortable that the university would get through this year just fine. Mr. Johnson responded yes. Mr. Hamm stated that the university will work through the 2011-12 funding issue before the new president arrives.

Mr. Johnson stated that he is leaving at the end of September and he wanted to take the time to thank all of the Board members for their wisdom, guidance and knowledge during his tenure as Vice President. He appreciated and valued their input. Mr. Johnson stated that it was a tough decision to decide to leave but working with all of you made his job easier. He publically thanked his staff for the work that they have done.

## **BOARD OF VISITORS**

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Mr. Hamm stated that he appreciates Mr. Johnson's forbearance in working with him and the Board. If he needs a reference, he would receive a good one from the university.

**Resolutions** – Mr. Johnson stated that the first two resolutions deal with debt that the university will be issuing for the completion of the student center project. This is a \$40M two phase project. He stated that we are sitting in Phase 1 and Phase 2 involves the demolition of the Godwin Center and the construction of the addition that is currently going up right outside the window. This whole project was funded through 9D Bonds issued by the Commonwealth. In order to issue the Bonds through the Treasury Board, a resolution has to be approved by the Board of Visitors stating that the Board is aware that the university will be issuing these bonds and that the university also has the revenue associated to cover the debt on those bonds. The revenue for the bonds has been generated via a student fee that was approved by the student body some time ago. This fee will continue until the payment is complete. Mr. Johnson stated that the Commonwealth sells these bonds once a year during the October/November timeframe. The university had the first half of the bonds of \$20M already completed but there is another \$20M in bonds that have to be issued for the completion of the project. The university is seeking approval today in order to meet the deadline when the College Building Authority sells the bonds to purchase debt obligation for participating institutions.

Mr. Johnson stated that the third resolution is the Legislative Priorities that have been established for the university. This document is self-explanatory. The document speaks to what Dr. Ward and Ms. Thompson will seek from the General Assembly in regards to operating and capital priorities for the university.

Mr. Hamm asked if there were any questions on these resolutions. No questions were posed by the Board.

The Board took a 15 minute break.

### **7. Business – Standing Committee Written Reports**

**Academic Affairs** – Mr. Perry stated that Dr. Shah would explain the merger. Dr. Shah stated that in order to be administratively efficient and to build academic synergy, the university is requesting the merger of Early Childhood and Elementary Education with Special Education for the following reasons:

- 1) Both Early Childhood and Elementary Education teachers are now required to have some understanding of Special Education.
- 2) The university needs to revitalize the decline in enrollment in Special Education.

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Dr. Shah stated that if the university combines the departments, we will be able to reduce administrative cost and build the strong academic synergy that is needed between the areas.

Mr. Hamm asked Dr. Luckes and Mr. Perry if there were any concerns regarding this merger. Dr. Luckes responded no. Mr. Perry stated that Academic Affairs is trying to be as efficient as possible and this would reduce some cost and at the same time not scarify any quality.

Mr. Perry commended Enrollment Management for working extremely hard as staff in the eleventh hour did yomens' work to reach its goal (just a little shy of the total). Considering all the things that were against them, Enrollment did a fabulous job. Mr. Perry personally thanked Mrs. Sass and her department for working so hard, as well as Dr. Luckes in working with Mrs. Sass to get that accomplished.

Mr. Hamm stated that Convocation was held yesterday and there was significant improvement in attitude, responsiveness and spirit for this year's class over last year's class. This class is consistent in what is expected given the adjustments in how the Board carried out its policies with regards to Admissions. The university was able to retain more students than in years' past. The Board would expect that Enrollment Management to get started with recruitment by the end of this month. He noted that last year, due to uncertainty in policy, this department did not get started in earnest until late December or so.

Mrs. Sass responded that they have already started recruiting for the upcoming year. Mr. Hamm stated that we expect another good class and thanked Mrs. Sass and her staff for admitting good students and raising the bar.

**Research and Technology** – Mr. Light stated that Research and Technology met this morning and talked about the Sponsored Programs' results, which look pretty good at approximately \$70M plus. He stated that we will expend about 99% of the total. This amount is up from 74%, which comes from increased oversight. Mr. Light stated that the Committee also talked about the interest rate swap. The rate shows up on the books of E2F as a liability. The interest rate swaps are complicated; however, they are part of the finances for Spartan Suites which committed to financing being done with a variable rate financing which is lower cost financing. This is a normal process which was explained to the Committee. It is an amount in which the liability changes with the interest rates as the interest rates go up the liability goes down and vice versus. The liability evaporates as the bonds are paid down and at the end of the bond period there is no liability.

The Committee also talked a lot about the relationship between NSU and E2F and how we can better use E2F as a technology foundation. It is well understood what the issues are and what needs to be done to have that happen. Mr. Light stated that the discussion this morning was a good step on the way to use this resource in a better and more intelligent plan. He

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stated that the Committee is having discussions with Mr. Maurice Kelly, E2F Chair, who is working on a business plan to help E2F to get into position to do some of the things the university needs it to be able to do.

Mr. Hamm stated that the relationship between E2F and NSU is still an issue we are trying to understand and improve. The Acting President is working with the Board and E2F through her staff to ensure the relationship improves. One challenge is not to have students in hotels when there are rooms available at Spartan Suites. He noted that 70 students were in the hotels temporary while there was space in Spartan Suites albeit Spartan Suites has its own guidelines. All of this will take some work but next year the Board would not like to see this circumstance. No excuses next year regarding this issue. Dr. Luckes stated that she would make sure it does not happen again.

**University Advancement** – Mr. Brown stated that there are no University Advancement items on the Consent agenda. Advancement's report is at Tab 10 of the Board book. Last year's goal for giving was \$3M and year-to-date \$2.1M has been received. He stated that each year the Board is asked to contribute. Ten out of thirteen members made contributions.

Mr. Hamm encouraged the Advancement Office to contact and keep Board members who have transitioned off the Board involved financially and in other ways. He will continue to remind Board members to contribute to the Foundation to help fund the Presidential Search to minimize the impact on Foundation funds. Anything extra you can do, please send.

Mr. Hamm stated that he would like to formally recognize Mr. Lascano, SGA President. He stated that he had the pleasure of talking with Mr. Lascano in some detail yesterday and learned that he plans to go into medicine. He asked Mr. Lascano if there were any hot issues for students. Mr. Lascano stated that the only major concern that has been brought to his attention is the amount of housing on campus, which he responded that other new dorms may be in the works but it is not something that can happen overnight. Mr. Lascano stated that as he receives information he relays the information to the student body so that they will not be so pressed about the situation.

Mr. Hamm stated that Mr. Perry is interfacing with some local developers who are approaching the Board with regards to their desire to build student housing adjacent to or in close proximity to the university. He stated the Board will review housing to see what makes sense in that regard. Please know that the Board is mindful of this situation and will be more mindful given the comments and concerns of students.

Dr. Tucker asked Mr. Lascano, as the student liaison to the Presidential Search Input Committee, to be sure to utilize his connections to gather input from the students. There were some really good comments made by students at the forum but please let the Committee

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know if there is anything it can do to get additional comments. Mr. Green stated that the students who did attend the forum expressed themselves well. Mr. Lascano stated that he missed the forum due to a mandatory study session. He stated that he was disappointed to learn that there were very few students in attendance. For the next forum, he will ensure greater participation.

Dr. Tucker stated that younger people use the technologies like text messaging, emailing, etc. Perhaps a digital town hall or billboards may provide better flexibility for student participation. Mr. Lascano stated that this would be a great way to go as students could use the “MyNSU” portal to convey opinions. It is like a mini “Facebook” for the institution and the SGA will have its own website on this portal.

Ms. Gentius stated that she spoke to Dr. Tucker relative to electronic communications in support of the Presidential Search. She will work on the electronic communications and with Mr. Lascano.

Mr. Brown stated that he was proud to see that the Wilder Center was full to capacity for the Nikki Giovanni and Sister Sonia Sanchez event on Tuesday. He hopes that the interest shown by students for this event will carry over to the Presidential Search.

**Student Affairs** – Mrs. Lowe invited the Board to attend the first pep rally today at noon, downstairs outside the front entrance. Five hundred T-shirts have been purchased that will allow the students to spell out 75 as part of the 75<sup>th</sup> anniversary just prior to the NSU vs. VSU game while the Spartan Legion is playing “Behold.” The Spartan Legion received much praise for their performance at Rutgers with over thirty emails from faculty, alumni, etc.

Mr. Miller stated that he is extremely proud of the academic performance of athletes. NSU was recognized this summer as one of the schools with the highest academic progress rate for this past year. Mr. Miller stated that the 2010 AAU Junior Olympics held on campus this summer was a great success. There were youth athletes from all of the country with 11,806 participating at NSU and a total of 15,000 in the Tidewater area. From all the comments, this event was considered one of the best operating events that the AAU has ever had. This has enhanced the image of NSU’s athletic program. In fact, it was so successful that the AAU is thinking about coming back to NSU.

### **Business - Consent Agenda**

Mr. Hamm listed the items on the Consent Agenda and asked for a motion to approve.

- ▶ May 9, 2010 Board Minutes
- ▶ July 28, 2010 Executive Committee Minutes

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- ▶ Ratify Executive Committee Approval of Revised NSU's Enrollment Projections and Institutional Performance Standards' Targets to SCHEV
- ▶ Recommend Approval of the Resolution to Merge the Departments of Early Childhood/Elementary Education and Special Education, Changing the Name of the Newly Merged Departments to the Department of Early Childhood/Elementary Education and Special Education
- ▶ Recommend Approval of Resolution Declaring the Intention to Reimburse the Cost of Certain Expenditures for the New Student Center Addition
- ▶ Recommend Approval of Virginia College Building Authority Resolution Providing Authority for Financing through the Public Higher Education Financing (Pooled-9D) Program
- ▶ Recommend Approval of Legislative Priorities Resolution

Mr. Brown motioned, seconded by Mr. Perry and unanimously voted by the Board to approve the all of items listed above on the Consent Agenda.

### **8. Old Business**

Mr. Hamm stated that the Academic Affairs Committee has been looking to enhance the university's summer program. Mr. Perry stated that the university has had a great deal of success in retention with students that enter our Summer Bridge Program. As we work hard to increase our enrollment and to improve the quality of students that attend NSU, we look forward at perhaps utilizing the Summer Bridge Program even more so than we have in the past. He stated that the university made a great leap last summer as compared to the summer before but is looking at doing more. The Summer Bridge Program is not unique to NSU, there is one at Morehouse College and North Carolina Central. These institutions also have a Summer Bridge Program for eleventh graders (shorter, not as intense). This program introduces students to campus and campus life and helps them to understand the expectations of what the institution is looking for as far as incoming freshmen. We want students to feel at home here and to be welcomed by individuals like Mrs. Lowe, "super mother to students." Mr. Perry stated that he looks forward to working with the administration and staff to see what additions can be made in the Summer Bridge Program as it has been very good for enrollment. Hopefully, the university can continue to put the resources behind this program.

Mr. Hamm stated that he has asked Mr. Perry to look at a policy in regard to admissions for students that do not normally meet all of our admissions criteria but once they complete the Summer Bridge Program it might count as having met the criteria. Are we able to do that? Mrs. Sass stated that the State's standard is that the university has to use the high school GPA to provide to Richmond.

## **BOARD OF VISITORS**

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Mr. Perry stated that the Academic Affairs Committee is continuing to work on Post-Tenure Review. He has received from the Faculty Senate, their "Definitive Statement" as they call it on Post-Tenure Review. Post-Tenure Review should not be looked at as punitive but as excellence in teaching, research and service. If Post-Tenure Review does not speak to ensuring excellence in those three critical areas, it is not quite what we are looking for. Mr. Perry stated that he informed Dr. Earl that perhaps the Faculty Senate should submit a revision as maybe the question was not posed in the right way. He will ask a better question like what is their perspective and how can we address their issues as well as the deans and the rest of the administration. The Board needs a statement that ensures quality and be affluent in ever aspect. Mr. Perry will meet with Dr. Luckes, Dr. Shah and the Faculty Senate to develop a statement that is a little less myopic than their most recent Definitive Statement on Post-Tenure Review.

Mr. Hamm stated that he has been briefed on this issue and is in agreement with Mr. Perry on this perspective. He trusts that the Committee is also in general agreement with that perspective and hopefully when the Board meets in December we will have a document that speaks to the spirit of what the Board would like to see in this area. Mr. Hamm asked Dr. Luckes to work with the Faculty Senate to get this done.

### **9. New Business**

Mr. Hamm asked if there was any New Business. There was no New Business.

### **10. Closed Session**

Mr. McCollum 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 §2.2-3711.A.1, 2, 3, 4, 7 and 8 of the Code of Virginia, for the specific purpose of discussing promotion and tenure consideration, internal auditor's report, evaluation of performance of departments, presidential search update, report on current/potential litigation and university legal matters, light rail discussion with legal counsel, personnel matters and real estate matters.

The Board went into Closed Session at approximately 11:05 a.m.

### **11. Open Session**

The Board reconvened in Open Session at approximately 2:25 p.m.

The Norfolk State University Board of Visitors having reconvened in open session, took a 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

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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.

A roll call vote was taken for Board members who certified the motion:

Brown.....yes	Decker ..... ( <i>absent from meeting</i> )
Dickerson .....( <i>absent from meeting</i> )	Gladney ..... yes
Green.....yes	Hamm..... yes
Kern.....yes	Lewis..... yes
Light.....yes	McCollum ..... yes
Perry .....yes	Tucker ..... yes
Vassar.....( <i>absent from meeting</i> )	

Mr. Perry motioned, seconded by Mr. Brown and unanimously voted by the Board to approve the Resolution Awarding Tenure and Rank of Professor to Dr. Paul Douglas Yoder with a hire date of January 2011.

**12. Adjournment**

There being no further business, Mr. Brown motioned, seconded by Mr. Perry and unanimously voted by the Board to adjourn the meeting at approximately 2:30 p.m.

Respectfully submitted,

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April T. Allbritton, Board Liaison

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Dr. Lauren R. Tucker, Secretary  
Board of Visitors

**RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010**

**RESOLUTION RECOMMENDING APPROVAL OF NORFOLK STATE UNIVERSITY'S  
REVISED ENROLLMENT PROJECTIONS AND INSTITUTIONAL PERFORMANCE  
STANDARDS (IPS) TO THE STATE COUNCIL OF HIGHER  
EDUCATION OF VIRGINIA (SCHEV)**

**WHEREAS**, the State Council of Higher Education for Virginia (SCHEV) makes higher education public policy recommendations to the Governor and General Assembly in such areas as capital and operating budget planning, enrollment projections, institutional technology needs, student financial aid, and Institutional Performance Standards (IPS); and

**WHEREAS**, as part of SCHEV's plan for access for Virginians, Norfolk State University may submit revised projections every two years and IPS measures every year as needed; and

**WHEREAS**, Norfolk State University is committed to recruiting, retaining and graduating an academically talented and diverse student body in its growth efforts; and

**WHEREAS**, budget reductions, economic challenges, changes in financial aid lending practices and the high financial aid need of NSU students may impact enrollment and Institutional Performance Standards (IPS); and

**WHEREAS**, Norfolk State University desires to modify its submitted projections to permit flexibility in its growth planning strategy,

**THEREFORE, BE IT RESOLVED** that upon the recommendation of the Norfolk State University administration and the Academic Affairs Committee of the NSU Board of Visitors, the Executive Committee of the Board of Visitors approves the revised University's proposed SCHEV IPS targets attached and the Enrollment Projections as listed below for the fall of 2010 to the fall of 2015 with the understanding that these projections and/or targets may be revised as necessary.

Term	Total Headcount
FALL 2010	7,030
FALL 2011	7,054
FALL 2012	7,110
FALL 2013	7,212
FALL 2014	7,342
FALL 2015	7,497

Resolution Adopted by the NSU Executive Committee of the Board on July 28, 2010

**RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010**

**RESOLUTION APPROVING THE MERGER OF THE DEPARTMENTS OF  
EARLY CHILDHOOD/ELEMENTARY EDUCATION AND SPECIAL EDUCATION,  
CHANGING THE NAME OF THE NEWLY MERGED DEPARTMENTS TO THE  
DEPARTMENT OF EARLY CHILDHOOD/ELEMENTARY EDUCATION AND  
SPECIAL EDUCATION**

**WHEREAS**, the merging of the Department of Early Childhood/Elementary Education and Special Education will reduce duplications of administrative tasks and will allow for a more cohesive sharing of the workload among a single, larger pool of faculty, while having no impact on degree offerings; and

**WHEREAS**, the merger of the two academic departments into one would include the transitions in faculty and staff personnel and the curricula of the early childhood, elementary education and special education and certificate programs; and

**WHEREAS**, the faculty and staff of both departments are unanimously supportive of this merger; and

**WHEREAS**, there has been no opposition to the merger proposal from the Student Government Association or Classified Employees Association; and

**WHEREAS** Dr. Margaret Knight, Professor, is presently serving as Department Chair of both departments; and

**WHEREAS**, the faculty and staff of these departments have requested the name of the newly formed department be changed to the Department of Early Childhood/Elementary Education/Special Education to reflect this merger; and

**WHEREAS**, the request for this name change has been approved by the Dean of the School of Education (SOE), the SOE academic department heads and other members of the SOE management staff, the Provost and the President of Norfolk State University;

**THEREFORE, BE IT RESOLVED** that upon the recommendation of the Norfolk State Academic Affairs Committee, the Board of Visitors approves that the departments of Early Childhood/Elementary Education and Special Education be merged into one and the name of the newly merged departments be entitled the Department of Early Childhood/Elementary Education/Special Education.

**RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010**

**RESOLUTION OF THE BOARD OF VISITORS OF  
NORFOLK STATE UNIVERSITY  
DECLARING THE INTENTION TO REIMBURSE  
THE COST OF CERTAIN EXPENDITURES**

**WHEREAS, NORFOLK STATE UNIVERSITY** (the “Institution”) has undertaken the construction of its **Expansion of New Student Center** (the “Project”); and


**WHEREAS,** the Institution has made or will make expenditures (the “Expenditures”) in connection with the Project; and

**WHEREAS,** the Institution may determine that the funds advanced and to be advanced to pay Expenditures will be reimbursed to the Institution from the proceeds of one or more obligations to be issued by or on behalf of the Institution (the “Indebtedness”), provided that, pursuant to federal Treasury Regulations Section 1.150-2(c), any such reimbursement generally must be made no later than 18 months after the date on which any expenditure is made.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF THE INSTITUTION:**

1. The Board of Visitors of the Institution hereby adopts this declaration of official intent under Treasury Regulations Section 1.150-2 and declares that the Institution intends to reimburse itself, in accordance with such Section 1.150-2, with the proceeds of Indebtedness for Expenditures made on, after or within 60 days prior to the date of the adoption of this Resolution with respect to the Project, except that Expenditures made more than 60 days prior to the date hereof may be reimbursed as to certain *de minimis* or preliminary expenditures described in Treasury Regulations Section 1.150-2(f) and as to other expenditures permitted under applicable Treasury Regulations.
2. The maximum principal amount of Indebtedness expected to be issued for the Project is **\$ 19,598,250**.
3. This Resolution shall take effect immediately upon its adoption.

Adopted: **September 10, 2010**

  
Secretary of the Board of Visitors

**RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010**

**RESOLUTION OF THE  
BOARD OF VISITORS OF  
NORFOLK STATE UNIVERSITY**

**WHEREAS**, pursuant to Chapter 3.2, Title 23 of the Code of Virginia of 1950, as amended (the “Act”), the General Assembly of Virginia has authorized the Virginia College Building Authority (the “Authority”) to develop a pooled bond program (the “Program”) to purchase bonds and other debt instruments issued by public institutions of higher education in the Commonwealth of Virginia (the “Institutions”) to finance or refinance the construction of projects of capital improvement specifically included in a bill passed by a majority of those elected to each house of the General Assembly of Virginia (the “Projects”);

**WHEREAS**, the Authority intends to issue from time to time under the Program its Educational Facilities Revenue Bonds (Public Higher Education Financing Program) (the “Bonds”) to finance the purchase of notes and other debt instruments issued by the Institutions to finance or refinance the Projects, all in the furtherance of the purposes of the Act and the Program;

**WHEREAS**, the Board of Visitors of **NORFOLK STATE UNIVERSITY** (the “Board”) may from time to time wish to finance or refinance Projects of **NORFOLK STATE UNIVERSITY** (the “Participating Institution”) through the Program;

**WHEREAS**, if the Participating Institution wishes to finance or refinance a Project through the Program, it will be necessary for the Participating Institution to enter into a Loan Agreement (a “Loan Agreement”) between the Authority and the Participating Institution and, to evidence the loan to be made by the Authority to the Participating Institution pursuant to the Loan Agreement, to issue the Participating Institution’s promissory note (the “Note”), and pursuant to Section 23-19 of the Code of Virginia of 1950, as amended, and the Loan Agreement, the Authority will agree to issue its Bonds and to use certain proceeds of the Bonds to purchase the Note issued by the Participating Institution, and the Participating Institution will agree to use the proceeds of the Bonds received from the Authority to finance or refinance the construction of the Project and to make payments under the Loan Agreement and the Note in sums sufficient to pay, together with certain administrative and arbitrage rebate payments, the principal of, premium, if any, and interest due on that portion of the Bonds issued to purchase the Note;

**WHEREAS**, the Participating Institution now proposes to sell to the Authority the Participating Institution’s Note (the “2010 Note”) to be issued under a Loan Agreement (the “2010 Loan Agreement”) to finance or refinance from all or a portion of the proceeds of certain new money Bonds issued by the Authority in 2010, with appropriate series designation depending on their issuance date, (the “2010 Bonds”) a portion of the costs of construction and/or improvements of the **Expansion of New Student Center** ([collectively,] the “2010 Project”), which has been authorized for bond financing by the General Assembly; and

**WHEREAS**, it is the desire of the Board to delegate to such Authorized Officers (as hereinafter defined) of the Participating Institution the authority to approve, on behalf of the Board, the forms of the 2010 Loan Agreement and the 2010 Note and, similarly, to authorize

## **RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010**

such Authorized Officers of the Participating Institution to execute, deliver and issue in the name of and on behalf of the Participating Institution, the 2010 Loan Agreement, the 2010 Note and any and all documents necessary or desirable to effectuate the financing or refinancing of all or a portion of the costs of the 2010 Project through the Program with the Authority and to facilitate the purchase of the 2010 Note by the Authority.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE PARTICIPATING INSTITUTION:**

**Section 1.** The 2010 Project is hereby designated a Project to be undertaken and financed or refinanced by the Authority and, accordingly, the **BOARD OF VISITORS** of the Participating Institution (collectively, the “Authorized Officers”), are each hereby delegated and invested with full power and authority to approve the forms of the 2010 Loan Agreement and 2010 Note, and any pledge to the payment of the 2010 Note of the Participating Institution’s total gross university sponsored overhead, unrestricted endowment income, tuition and fees, indirect cost recoveries, auxiliary enterprise revenues, general and nongeneral fund appropriations and other revenues not required by law or by previous binding contract to be devoted to some other purpose, restricted by a gift instrument for another purpose or excluded from such pledge as provided in the 2010 Loan Agreement, and such approval is hereby authorized, subject to the provisions of Section 3 hereof.

**Section 2.** Subject to the provisions of Section 3 hereof, the Authorized Officers are each hereby individually delegated and invested with full power and authority to execute, deliver and issue, on behalf of the Board, (a) the 2010 Loan Agreement and the 2010 Note with the approval of such documents in accordance with Section 1 hereof by any such officer evidenced conclusively by the execution and delivery of the 2010 Loan Agreement and 2010 Note, respectively, and (b) any and all other documents, instruments or certificates as may be deemed necessary or desirable to consummate the financing or refinancing of all or a portion of the costs of the 2010 Project through the Program, the construction of the 2010 Project and the Participating Institution’s participation in the Program, and to further carry out the purposes and intent of this Resolution. The Authorized Officers are directed to take such steps and deliver such certificates prior to the delivery of the 2010 Note as may be required under existing obligations of the Participating Institution, including bond resolutions relating to the Participating Institution’s outstanding general revenue pledge bonds.

**Section 3.** The authorizations given above as to the approval, execution, delivery and issuance of the 2010 Loan Agreement and the 2010 Note are subject to the following parameters: (a) the principal amount to be paid under the 2010 Note allocable to each Project constituting part of the 2010 Project, together with the principal amount of any other indebtedness with respect to such Project, shall not be greater than the amount authorized for such Project by the General Assembly of Virginia, plus amounts needed to fund issuance costs and other financing expenses, including capitalized interest, or any other increase permitted by law, (b) the aggregate principal amount of the 2010 Note shall in no event exceed **\$19,598,250**, as the same may be so increased, (c) the interest rate payable under the 2010 Note shall not exceed a “true” or “Canadian” interest cost more than 50 basis points higher than the interest rate for “AA” rated securities with comparable maturities, as reported by Delphis Hanover, or another comparable service or index, on the date that the interest rates on the 2010 Note are

## RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010

determined, taking into account original issue discount or premium, if any, (d) the weighted average maturity of the principal payments due under the 2010 Note shall not be in excess of 20 years, (e) the last principal payment date under the 2010 Note shall not extend beyond the period of the reasonably expected average weighted economic life of the 2010 Project, and (f) subject to the foregoing, the actual amount, interest rates, maturities, and date of the 2010 Note shall be approved by an Authorized Officer, which approval will be evidenced by the execution of the 2010 Note.

**Section 4.** The Board acknowledges, on behalf of the Participating Institution, that if the Participating Institution fails to make any payments of debt service due under any Loan Agreement or Note, including the 2010 Loan Agreement and the 2010 Note, the Program authorizes the State Comptroller to charge against the appropriations available to the Participating Institution all future payments of debt service on that Loan Agreement and Note when due and payable and to make such payments to the Authority or its designee, so as to ensure that no future default will occur on such Loan Agreement or Note.

**Section 5.** The Board agrees that if the Authority determines that the Participating Institution is an "obligated person" under Rule 15c2-12 of the Securities and Exchange Commission with respect to any issue of Bonds, the Participating Institution will enter into a continuing disclosure undertaking in form and substance reasonably satisfactory to the Authority and the Participating Institution and will comply with the provisions and disclosure obligations contained therein.

**Section 6.** This resolution shall take effect immediately upon its adoption.

Adopted: September 10, 2010



Secretary

**Board of Visitors of  
Norfolk State University**

## **RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010**

### **RESOLUTION APPROVING THE 2010-2011 LEGISLATIVE PRIORITIES**

**WHEREAS**, the proposed 2010-2011 legislative priorities have been carefully reviewed by the Norfolk State University Administration; and

**WHEREAS**, after due consideration and careful review, the University administration has determined that the proposed 2010-2011 legislative priorities reflect the higher priority needs and initiatives of the University and are aligned with the mission of the University;

**THEREFORE, BE IT RESOLVED** that upon the recommendation of the Norfolk State University Administration and the Board of Visitors' Finance and Business Committee, the Norfolk State University Board of Visitors approves the 2010-2011 legislative priorities as presented and outlined in the attached exhibit with the authority to implement it in line with General Assembly action and appropriations.



Norfolk State University  
Preliminary List of Budget Amendment Requests  
Governor's Budget 2011

***Operating Budget Amendments***

Priority #	Amend #	Amendment Title	Dollars	FTE
1		Provide additional funds to Ph.D. in Materials Science/Engineering	\$250,000	0.00
2		Provide funding for campus safety and security upgrades	\$470,000	0.00
3		Provide additional funding for utility rate increases	\$615,000	0.00

***Capital Projects***

Priority #	Project Title	Dollars	FTE
1	Addition/Renovation Fine Arts Building (Note: Estimated Construction Cost \$46,157,000)	(Pre-planning) \$1,800,000	N/A
2	Signage, Roads and Campus Site Improvements, Phase I (Note: Estimated Construction Cost \$8,380,000)	(Pre-planning) \$1,000,000	N/A

Paula C. Thompson, Legislative and Community Liaison  
*Revised August 31, 2010*



Norfolk State University  
Preliminary List of Capital and Operating Amendments  
For 2011 Budget

**Capital Priorities**

**Renovation/Expansion of Fine Arts Building:**

This renovation addresses disability access limitations, inadequate storage, lack of sound proof music rooms, and poorly ventilated art classrooms and hallways. The renovation/expansion will support the existing arts program, permit the existing band program to expand, and bring the facility into building code compliance.

This facility is 63,400 square feet of classroom, special instruction, and faculty office spaces. Constructed in 1971, the building supports the music and arts programs in addition to several administrative functions. The existing Band Room is inadequate for the size of the expanding band program. Current band space is designed for approximately 125 persons, while the average number of band personnel currently ranges from 250 to 300. Unassigned space is not available, and, therefore, additional space of 65,000 square feet must be constructed. The estimated construction cost is \$46,157,000. **The estimated pre-planning cost is \$1,800,000.**

**Signage, Roads and Campus Site Improvements, Phase I:**

This project provides for a comprehensive campus signage/information system. A new road will also be constructed to connect Presidential Parkway and Jordon Way to improve vehicular circulation and eliminate the need to use city streets.

Information and gateway infrastructure improvements are needed to guide people visiting the campus and control access during hours of non-academic instruction/activity. A comprehensive signage/information system is required. As an urban institution, public transportation access points/facilities are required.

This project includes paving all asphalt parking lots and roadways campus wide. Heaving, subsiding, spaulding and cracked sidewalks will be replaced. This project will provide improved pedestrian links between new houses on the Norfolk Community Hospital site, existing housing and the campus academic core. There are two types of pedestrian corridors: general pathways connecting building entrances to and paralleling roadways and more formal corridors that include shade tree plantings, improved lighting, seating areas and gathering spaces. Landscape improvement along vehicular and pedestrian corridors is also included within this project. Of particular importance is effective landscape treatment of Presidential Drive from Park Avenue to Dick Price Stadium, Jordan Drive and the campus entrance.

Campus site lighting is incapable of providing the minimum site illumination level demonstrated to increase security. It will eliminate the temporary lighting which has been provided on

building parapets that do not adequately address lighting safety issues. The estimated construction cost is \$8,380,000. **The estimated pre-planning cost is \$1,000,000.**

## **Operating Priorities**

### **Ph.D. in Materials Science (Critical Need Program Offering - Reinstatement):**

This Ph.D. program proposal addresses the nation's critical need for highly trained technical professionals in the area of advanced nano-structured materials and engineering for the next generation photonic, electronic, and magnetic materials and devices, and for clean renewable energy generation and energy conservation. Norfolk State University proposes to address these needs through the expansion of the successful Master of Science (M.S.) degree program in Materials Science to a Doctorate degree in Materials Science and Engineering with emphasis in quantum and nano-structured materials. This innovative program will address the unique technical issues associated with these advanced materials as well as prepare students and technical professionals with the knowledge necessary to employ these materials and devices in commercial applications. This program is approved by SCHEV. **The estimated cost is \$250,000. (An additional \$250,000 is requested to meet the original amount sought [\$970,420] by the University. The University received \$500,000 in 2009/10 and \$250,000 in 2010/11.)**

**Improve Campus Safety and Security:** This request was developed from the recommendations of the University's Task Force on Campus Safety and Security. Among the items addressed in the request are funds to install an audible alert system and enhance the call-box network. **The estimated cost is \$470,000.**

**Funding for utilities and insurance rate increases:** This request will support the increased costs related to inflationary adjustments to utility and insurance rates. Over the past two years, the costs associated with energy related services and insurance rates have increased sharply. The causes are varied, but most can be attributed to the past weather events which affected the U.S. Gulf coast. **The estimated cost is \$615,000.**

# **RESOLUTION ADOPTED BY THE NSU BOARD ON SEPTEMBER 10, 2010**

## **RESOLUTION AWARDING TENURE AND RANK OF PROFESSOR**

**WHEREAS**, on July 28, 2010, the Executive Committee of the Norfolk State University (NSU) Board of Visitors reviewed and considered the credentials provided for the successful candidate for the appointment as Associate Professor and Chair of Engineering; and

**WHEREAS**, after due consideration in Closed Session of the qualifications of the candidate for potential Tenure based upon the recommendation of the Administration, President and the Academic Affairs Committee, the Executive Committee approved, subject to the ratification of the full Board of Visitors on September 10, 2010, the award of tenure and appointment to the rank of Associate Professor for Dr. Paul Douglas Yoder in the event that he is hired by Norfolk State University; and

**WHEREAS**, the Administration, President and the Academic Affairs Committee has further clarified and recommended that **Dr. Paul Douglas Yoder** is scheduled to be hired in January 2011 and would be eligible for appointment to the rank of Professor;

**NOW, THEREFORE, BE IT RESOLVED** that based upon the above recommendations, the Norfolk State Board of Visitors awards tenure and approves the appointment to the rank of Professor **Dr. Paul Douglas Yoder** subject to his being hired by Norfolk State University in January 2011.

### **PROFILE**

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Department of Engineering  
Hire Date: January 2011

University of Illinois at Urbana-Champaign  
Urbana-Champaign, IL  
**Ph.D., Electrical Engineering, 1993**

Cornell University, Ithaca, NY  
**B.S.E.E., Electrical Engineering, 1990**  
Honors: *Magna Cum Laude*

University of Illinois at Urbana-Champaign  
Urbana-Champaign, IL  
**M.S., Electrical Engineering, 1991**

Dr. Yoder has stellar academic credentials, including graduating magna cum laude with a B.S. in electrical engineering from Cornell University. During his tenure at Georgia Institute of Technology, he developed a strong program in Computational Electronics from the ground up with external funding from both governmental and industrial sources. Dr. Yoder has published research in premiere journals and books. He has also presented his research at numerous conferences. Dr. Yoder has made notable research contributions in the area of semiconductor photonic and electronic devices and has earned three patents. He brings a wealth of knowledge from industry as well by holding previous positions at Swiss Federal Institute of Technology, Bell Laboratories and Agere Systems. Dr. Yoder was also awarded tenure at Georgia Tech for his teaching, research and service.