

**BOARD OF VISITORS
STRATEGIC FINANCE COMMITTEE MEETING
TUESDAY, SEPTEMBER 21, 2021**

MINUTES

1. Call to Order/Established Quorum

Mr. Fulton, Chair, called the Strategic Finance Committee meeting to order at approximately 2:05 p.m. A quorum was established with a 5-0 Roll Call vote. Below is a list of individuals who attended.

Participants – Committee Members

Mr. BK Fulton, Chair
Mr. Dwayne B. Blake
The Honorable James W. Dyke, Jr.
Mr. Larry A. Griffith (Webinar)
Mr. Delbert Parks
Ms. Joan G. Wilmer (Absent)

Participant - Counsel

Ms. Pamela F. Boston, University Counsel and Senior Assistant Attorney General

Participants – NSU Administrators and Staff

Dr. Javaune Adams-Gaston, President
Dr. Justin L. Moses, Vice President for Operations and Chief Strategist for Institutional Effectiveness
Dr. Gerald E. Hunter, Vice President/CFO, Finance and Administration
Dr. Dawn Hess, Chief Compliance Officer
Mr. Clifford Porter, Vice President, University Advancement
Ms. Karla Amaya Gordon, Assistant Vice President, Finance and Administration/University, Controller
Interim Chief of Police Brian Covington, University Police Department
Mr. Dennis Jones, Executive Director, Planning and Budget
Mr. Anton Kashiri, Associate Vice President Facilities
Ms. Michelle Marable, Dean of Students
Ms. Sandra Faye Monroe-Davis, Chief Information Officer
Dr. Karen H. Pruden, Associate Vice President, Human Resources
Mr. Cory Wolfe, Staff, University Counsel's Office
Mr. Rasool A. Shabazz, Project Engineer, Office of Information Technology
Mrs. Inda Walker, Office Manager/Board Liaison
Mrs. Martha M. Wilson, Executive Assistant, Finance and Administration

Observers – NSU Administrators and Staff

Dr. Andrew Carrington, Assistant Vice President, Finance & Administration
Mr. Michael Wallace, Investigator

2. **Recommend Approval of Electronic Participation for Board Member Larry Griffith**
Mr. Fulton motion, and seconded by the Committee to recommend approval of Electronic Participation for Board Members Larry Griffith
3. **Recommended Approval of the Committee Minutes**
Mr. Fulton motioned, seconded by the Committee with a 5-0 Roll Call vote approved the April 16, 2021 Finance Committee Minutes.
4. **Discussion Items**

Enrollment Projections/Assumptions - Dr. Gerald E. Hunter welcomed everyone and asked the Board of Visitors and attendees to review the Enrollment Projections PowerPoint for 2021-22, 2022-23; and 2023-24 being presented is a conservative estimate influence by the COVID-19 Pandemic. Dr. Hunter stated that everything is trending in a good direction. He turned the questions over to Dr. Juan Alexander as it relates to the enrollment projections and assumptions. Dr. Alexander reported that although 5,200 students were projected for incoming fall 2021, a total of 5,458 enrolled. He stated that the enrollment goals are to increase enrollment by 2% each year over a six-year period, which will bring next year's Fall 2022 enrollment to 6,144. He stated that the way to do this includes partnerships with Academic Affairs and Student Affairs. Dr. Alexander stated that an analysis was completed on students coming to the institution from high school that had GPA's below 2.6 are not successful here at the institution their first year; it is not based on geographic areas but high schools period. Example: Students with 2.5 GPA at end of their freshman gained a 2.7 GPA at end of their freshman year. Students with a GPA lower than 2.5 at end of their freshman year come out at end of freshman at least with a 2.5 GPA. From a retention standpoint, NSU needs to look at increasing its admission criteria but not to the point that we are no longer competitive or trying to compete at a higher criteria but providing a middle ground for retention. Lastly, continue partnerships with community colleges with the passport programs such as we have with Tidewater Community College. Dr. Gaston-Adams stated that we need to continue to give students the tools for success.

Level II Authority By 2022 Update: Dr. Hunter reported that the goal for the institution to achieve Level II in 2022 will be achieved through the leaderships of Mrs. Ruby Spicer, Procurement Services Director; and Mrs. Faye Monroe-Davis, Information Technology Director, as well as Dr. Moses. Dr. Hunter stated that Level I is the lowest level and requires the greatest amount of oversight that exists. Level III is the highest level (University of Virginia, Virginia Tech, and George Mason) achieved, which allows them a tremendous amount of autonomy to run an institution. Dr. Adams-Gaston thanked Mr. Dyke also for his encouragement from the beginning of her term to make Level II a priority in achieving the status.

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Mr. Dyke motioned, seconded by Mr. Blake, with a 5-0 Roll Call vote, the BOV Strategic Finance Committee recommends to the Full Board approval of the Resolution to Approve Online Tuition and Fees for Academic Year 2021 – 2022

Financial Update: – Dr. Hunter introduced Mrs. Amaya Gordon, University Controller who presented the financial updates. Selective comments included:

- The Financial Report Ending June 30, 2021, includes Authorized revenues of that total \$196,478; revised budget \$197,288, actuals at \$221,915 with a percentage of budget collected at 112%. Expenses authorized budget totaled \$194,177 with a revised budget at \$196,987; actuals totaled \$192,759 with a percentage of the budget spent at 98%.
- The Source of Funds included actuals through June 30, 2021 which includes appropriations of \$55,29,728; FY2020 Carryforward of \$4,139,642, E&G – Tuitions of \$48,169,119, Auxiliary Enterprises at \$35,196,450, Sponsored Programs at \$44,552,136, Student Financials Assistant (State) \$18,147,039, and Local Funds at \$16,411,804, which brings the total revenue to \$221,914,918.
- The Use of Funds included Instruction, Research, Public Service, Academic Support, Student Services, Institutional Support, Ops and Maintenance, Student Financial Assistance, Sponsored Programs, Auxiliary Enterprises, and Local Funds that totaled \$192,759,748 in revenues.
- Fixed Cost vs. Variable Cost included University expenditures for FY2021 were 79% fixed and 21% variable cost. Fixed Cost included the following categories: Salaries, wages, benefits, utilities, bank charges, insurance, student financial assistance, student financial assistant loans, state service charges, debt obligations, equipment, and building rentals.
- HEERF Funding received from the Federal Government and State of Virginia. The institution received three separate awards. The total received was \$102 million from the federal government that included student aid, which was distributed directly to the students. The university just acts as a pass-through. The students received \$6.9 million; another \$10 million that will be distributed to students in the fall and spring semester. The next award is Institutional Aid, which the federal government gave to help defray the cost of the pandemic, PPE and lost revenues with not having students on campus. As of June 30, 2021, we spent \$9.5 million to reimburse the institution for refunds that were given to the students; and it was also used to assist with student debt. Mrs. Amaya Gordon stated that the institution is doing what Mr. Griffith suggested and that is using the government funds in order to have flexibility. Additionally, Mrs. Amaya Gordon stated that the University received \$3.1 million from the state of Virginia, which brought the total award to \$105 million.

Fall NSU New On-line Tuition and Fees Recommendation – Dr. Hunter presented the proposed Full Year Tuition and Fees for students.

- The Projected Tuition Revenue is \$45,396,614 and the approved budget is \$44,453,964 with a difference of \$858,650.
- The Projected Mandatory Fees are \$17,636,172 and the approved budget is \$17,816,321 with a difference of (\$180,149).
- The Projected Capital Outlay Fee Revenue is \$956,650 and the approved budget is \$458,766 with a difference of \$497,884.

The recommendation to the Strategic Finance Committee is to present to the Board of Visitors the New On-line tuition and fees for FY2022.

Mr. Blake motioned, seconded by Mr. Griffith, with a 5-0 Roll Call vote, the BOV Strategic Finance Committee recommends to the Full Board approval of the Resolution to Approve Online Tuition and Fees for Academic Year 2021 – 2022

Crisis and Emergency Management Plan (CEMP) – Interim Chief Brian Covington presented the report, which included the following:

- CEMP was reorganized to a usable reference and source document format.
- Emergency response departments/areas responsibilities are better defined with identified support agencies external to the University.
- Emergency Support Functions (ESFs) for each emergency response area are identified and defined.
- University leadership and support roles, including the succession of leadership, are designated and defined.
- Draft CEMP was validated during a Zoom Meeting via a detailed tabletop exercise that included all areas/departments/offices of the University with emergency response responsibilities.

Mr. Blake motioned, seconded by Mr. Dyke, with a 5-0 Roll Call vote, the BOV Strategic Finance Committee recommends to the Full Board approval of the Resolution to Approve the Crisis and Emergency Management PLAN (CEMP).

Six-Year Plan - Strategies for the Six-Year Plan was presented by Dr. Hunter and included the following:

- Expanding the Academic Advising Model.
- Enhancing academic success through curriculum development.
- Maintaining no increase in tuition for the last three academic years.
- Mitigating some of the financial impact of the COVID-19 pandemic with new financial resources from Commonwealth and Federal government.
- Providing access to a high-quality education for students of varying economic backgrounds.

Mr. Griffith motioned, seconded by the Ms. Parks, with a 5-0 Roll Call vote, the BOV Strategic Finance Committee recommends to the Full Board approval of the Resolution to Approve the 2021 Six-year Plan.

2021 Legislative Priorities – Presented by Dr. Hunter for Recommended Approval.

- Schedule of 2022 – 2024 Biennium Funding Requests
- Six-Year Capital Outlay Plan

Mr. Dyke motioned, seconded by the Mr. Griffith, with a 5-0 Roll Call vote, the BOV Strategic Finance Committee recommends to the Full Board approval of the Resolution to Approve the 2021 Legislative Priorities.

- **Human Resources Update** – Presented by Dr. Karen Pruden – Dr. Prudent stated the following:
 - Cardinal full upgrade representation
 - Move towards digital Human Resources forms (HR1 forms) with the assist of the Information Technology department.
 - Recruitment effort is on the radar

Information Technology Update – Ms. Faye Monroe-Davis presented the following report.

- Two-factor Authentication
- Spartan Innovation Academy with upgrade to VX Rail Systems
- Infrastructure & Personnel
- Innovation Distribution on way

Special Notes:

Revenue Diversification, due to time constraints, was moved to the next Strategic Finance Committee meeting.

Facilities Update, due to time constraints, was moved to the next Strategic Finance Committee meeting.

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5. Adjournment

There being no further business, the meeting was adjourned at 4:03 p.m.

Respectfully submitted,

Gerald E. Hunter, Committee Lead
Vice President for Finance and Administration

BK Fulton, Chair
Strategic Finance Committee