

**OLD DOMINON UNIVERSITY
BOARD OF VISITORS
Administration and Finance Committee**

**April 18, 2024
MINUTES**

- A. **Approval of Minutes** – P. Murray Pitts moved to approve the minutes of the November 30, 2023, meeting. Bruce Bradley seconded the motion. The minutes were unanimously approved by all members present and voting. (H)

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- B. **Campus Master Plan** – Chad A. Reed, Vice President for Administration & Finance.

Vice President Chad A. Reed introduced the Committee to Neal Kessler, Principal-in-Charge & Lead Planner and Jon Hoffman, Project Manager and Campus Planner from SmithGroup who provided an update on the Campus Master Plan. Mr. Reed also recognized Steve Harrison and Mike Holliday. Mr. Harrison is Old Dominion University's Deputy Chief Facilities Officer who is serving as our Project Manager and is the day-to-day representative for the Master Plan. Mr. Holliday is Old Dominion University's Assistant Vice President for Facilities & Management Construction who is also contributing a great deal to the Master Plan.

Mr. Kessler from the SmithGroup began the presentation and emphasized that there is a pretty large planning group behind them assisting with this project that include people with specialties from landscape to parking and transportation and storm water management just to name a few. He mentioned that they are making certain that the Campus Master Plan is aligned with the Strategic Plan and that the alignment is forward-focused and a comprehensive plan for the entire campus. Mr. Kessler went onto explain the components of the plan. The components include not only land use and building but also open spaces, connectivity, infrastructure, quantity and quality of space, mobility that includes how things move on campus and in between campuses, parking, campus context and phasing and implementation. The SmithGroup has not only given ODU a vision but also how this process will be phased and implemented. Norfolk Main Campus is the primary focus, but the SmithGroup visited and toured the regional centers to elicit feedback and wrapping EVMS into this master plan as well. There are three phases of the planning process, Understand, Explore, and Realize. The SmithGroup just completed the Understand phase of the planning process recently where data was collected, interviews completed, and issues were discussed in order to know what to focus on in the Explore phase. SmithGroup will bring back different ideas to ODU in the Explore phase and the university will decide what are the good ideas of those presented and in the Realize phase they will bring back great illustrations to garner excitement in the campus community and discuss the strategy of how we implement this plan. Mr. Kessler shared the schedule of the Campus Master Plan with the Board.

An important part of the Campus Master Plan is engagement. Mr. Kessler explained the committee structures and the engagement the SmithGroup has had has been outstanding. He discussed the types of engagement that include focus groups, open forums and pop-up sessions and each one was well attended by the campus community. Feedback included what needed to be preserved, what could be enhanced and what should be transformed. The SmithGroup also created an

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needs to make certain they are providing the very best in person experience as you can for the students that are here but we also have to make certain we understand the needs of the online students and that sometimes they may come to campus and need a place to land but also understand that we have technology we need to upgrade to make sure we can deliver the education to them in a meaningful way and making sure our classrooms are outfitted to make that happen. A follow-

auxiliaries are Athletics, which consumes about 31% of those expenditures, and Housing and Residence Life which uses about 31%, Each of those use about \$35 million apiece. Our other student services include, administration of the auxiliaries, vending, the bookstore, the planetarium, and our distance learning operation.

Mr. Reed noted fees are assessed by the per credit hour at Old Dominion University. The University also has per semester charges that go to the E & G which are the General Service Fee, the Student Health Fee, the Transportation Fee, and the ID Card Fee. He then shows the comparison of in-state and out-of-state student tuition and mandatory fees for both undergraduate (based on 30 credit hours) and graduate students (24 credit hours). Mr. Reed then explained the different rates that students are charged and included the special rates to Old Dominion which are Undergraduate Active-Duty Military Rate and the Technology-Delivered Courses outside of VA (Digital Learning) rate. Old Dominion is the fourth lowest total cost university in the state and the lowest research cost of any research institution in the Commonwealth. For out-of-state students, things are a little different. Currently, Old Dominion is in the middle of the pack, but our enrollment is lower than those universities that currently sit above us. Our annual tuition and mandatory fees rate increase is 3.3%. Mr. Reed explained that from 2018/2019 through 2023, our students were charged approximately \$7,047 for tuition and mandatory fees so student cost remained mostly the same throughout those years. In 2023 there was a small increase of \$210. The Board approved an increase, but the University rebated it, so there was no effect to the student. Last year there was a 4.8% tuition increase taking the tuition and fees rate from \$7,047 to \$7,608.

Mr. Reed noted that it is also important to understand how all of our resources come together and what that means and what makes Old Dominion University unique in comparison to all of our peers. To understand that we need to look at a couple of things. First, is state service. When you are educating the students of the Commonwealth, the University is engaged in state service. Students that are raised here in Virginia desire to go to an institution in the Commonwealth and 91.3% of our undergraduates are in state. Old Dominion is one of the largest schools to serve in-state undergraduates. However, that means that the University is much more reliant on what happens in Richmond, because we do not have the benefit from the out-of-state dollars. Mr. Reed noted that the University is also very sensitive to our tuition rates from an affordability standpoint.

It is important to remember, going back to that 67/33% split, that there is no guarantee if we, for example, received 500 new in-state undergraduates there is no allocation in Richmond that the University will receive more money for those students. There is no general fund component to that, so when you take the University's allocation, and you divide it by our undergraduate population we have about \$13,574 per so tion, new inthe

those numbers up, Old Dominion is in reality second from the bottom, above only James Madison.

Mr. Bradley asked do you know what why we get so much less than support than Virginia Commonwealth University (VCU) in-state? Mr. Reed answered that VCU has the Health Science Mission and that has been a longer focus for them and they have received additional support over the years for that. President Hemphill also added that when the University does not raise tuition for four years when everyone else is raising tuition that's generating revenue that they can invest back in their students of course but then also when you look at the with the possibility of just what investments have been coming into the institution from the state and once you did this particular level you have to get significant investment to move up in terms of investment per student so therefore you have a budget that has challenges and things that are funded on soft dollars and so on and find yourself continually in this place. Mr. Reed agreed and added that with the limitations that the University has faced and our mission it has made this difficult to get caught up. The University is more reliant on in-state tuition and the general fund.

Mr. Pitts asked about the Norfolk State infusion and was that because they needed it or was it something they did? Mr. Reed answered that with the

For an undergraduate student, we are recommending a 2.77% tuition increase for an in-state student and a 3.06% increase for an out-of-state student. Similarly for graduate students the recommended increase is 2.83% for in-state and 3.04\$ for an out-of-state student. A 5.7% increase on our auxiliary fees, 100% general services fee increase, and a 6.25% increase in the student health fee. Also, we are also recommending a 3.5% increase in both Housing and Meal Plan Rates. JaRena Whitehead-Cooper was asked to distribute the action item in print and Mr. Reed asked the Committee to consider the hard copy revision which allows the Board to revisit tuition increases pending the outcome of the special session. He explained that if something happens in the special session that provides some flexibility to the University that would enable us to come back and revise these rates, we would like the ability to have that flexibility. President Hemphill further explained that if the Governor's budget goes through and we increase the tuition by 3% the University sill still need \$5 to \$6 million in one-time funds to make the budget match. One of the Board Members asked if there was undue pressure to keep the increase at 3% or less, then noted that was an unfair question and it was not answered. The resolution that was provided will allow us to come back to the Board because if the budget introduced is significantly less that what has been projected, the 3% will not work under any circumstances. That is why we want to reserve the right to come back to the Board pending the outcome of the budget. The Committee Chair, E.G. (Rudy) Middleton, III moved to vote on the 2.77% tuition increase with the caveat that if the current budget comes back approved or it gets reduced again, it will come back to

2. Capital Projects Report - Chad A. Reed, Vice President for Administration and Finance

The University has many capital projects and Vice President Reed stated he was not going to give an overview of all of them. The Engineering and Arts buildings and project initialization is our newest building. We are very excited about that and it just came through the legislature. There was a lot of work done by the President to get that project for the University. Old Dominion will expand the University Theatre as well as expanding some much-needed space for our Engineering Program. We are currently working through the initial planning exercises for that building. The Health Sciences building is coming together, it is mostly appointed, and the opening ceremony will be scheduled soon, probably in August. The Health and Wellness building is nearly complete. There was an open house and dedication on March 28th. The Biology building is back on track. It was delayed for six months, and the anticipation completion is the summer of 2027. Construction is slated to begin in the fall with demolition planned for the summer for the Alfriend Chemistry Building, the Pretlow Planetarium and Kaplan. Baseball will play in their current stadium this year and will spend next year away. It is University and Donor funded and its completion is expected in the summer of 2025. Rollins Hall is a very small project but will help our ROTC units to utilize Rollins Hall for training. The pool will be filled, capped, and the space will be weatherproofed so the ROTC can use it as an indoor training space during inclement weather.

3. Investment Report – Mike LaRock, Assistant Vice President for Foundations

Assistant Vice President Mike LaRock provided an update on the Educational Foundation Investment. Mr. LaRock noted that the Committee has been very busy meeting in January, February, and April. During these meetings, the Committee reviewed the current market as well as portfolio position and performance. They also reviewed the Investment Policy Statement as well as our Outsourced Chief Investment Office JP Morgan, which we have been very happy with. The Committee also reviewed and approved a commitment to a private credit opportunity. Mr. LaRock then presented t wical A3 () TJ-27.0IE6 (T)5 (C) entey wch33f16R" B6 - E5A-3JAC-D@% 2%

enforcement department around the cities in Hampton Roads are ranging between a 10 and 40% vacancy rate.