

Board of Visitors Meeting June 19, 2009

The Board of Visitors of Christopher Newport University met on June 19, 2009, in the Board Room of the David Student Union with Rector Claude S. Hornsby, III presiding.

Present from the University

President Paul Triple

Ms. Cynthia Perry, Chief of Staff

Mr. William L. Brauer, Executive Vice President

Dr. Mark Padilla, Provost

Mr. Maurice J. O'Connell, Vice President of Student Services

Dr. Elizabeth Taraski, Vice President University Advancement

Mr. William Thro, University Counsel

Dr. Peter Carlson, President of the Faculty Senate

Mr. Scott Millar, President of the Alumni Society

Ms. Beverley Mueller, Executive Assistant

Other

Ms. Cathy Grimes, Daily Press Reporter

Rector Hornsby welcomed everyone and called for a motion to approve the minutes of the April 14, 2009 meeting. Mr. Wilson noted that a request had been made for a SWAM report with goals and benchmarks at that last meeting and Rector Hornsby said that would be provided as part of the Finance Committee Report. With that notation, Mr. Hornsby moved that the minutes be approved and Ms. Hoinkes provided a second and the minutes passed by unanimous vote of the Board.

Rector Hornsby called for a motion to ratify the by-laws changes discussed at the previous meeting with one additional amendment in Section II, 2.c.9 Tenure changing the words “sole judgment of the Board of Visitors” to “judgment of the Board of Visitors. Rector Hornsby called for a motion to approve the changes to the by-laws as amended and the motion was provided by Ms. Crittenden and seconded by Mr. Allen and passed by unanimous vote of the Board.

President's Report

President Tribble expressed his appreciation for the service and leadership and many contributions of Rector Hornsby and Ms. Budlong whose Board terms end on June 30th. President Tribble expressed his hope that Mr. Mike Martin would be reappointed to the Board of Visitors for another four-year term.

He told the Board that over 1200 freshmen have been on campus with their families for Setting Sail Orientation and said that this is the strongest class of freshmen to enter CNU. The President's Leadership Students will be invited to the President's House over several evenings for dessert receptions and all the remaining freshmen will be invited for desserts in August. President Tribble also told the Board that retention and graduation rates are increasing. This year CNU will retain as many as 84% of the freshman class which places CNU in the ranks of the finest schools in country. The graduation rate this year will be 60% compared to 27% a decade ago and it is anticipated the graduation rate next year will be 70% or higher.

He told the Board of the three new capital projects underway. The new McMurran Hall is under construction and will be completed and ready for use in January 2010. The construction of the integrated science center is scheduled to begin in a few weeks and the expansion of the Freeman Center will begin in the summer.

Because of the current economic crisis and shortfall in state funding, the university has undertaken a full review of all academic and administrative programs. The Provost put together a faculty committee who have made a number of recommendations in order to save money while continuing to contribute to the quality of the academic experience. Also, a group of administrators have met to review the administrative programs and have made a number of recommendations as well.

He reported that the athletic programs continue to achieve great success. Once again CNU won the award for the most successful athletic program in the USA South Athletic Conference. CNU is ranked 31 st in the nation in the among 420 schools in Division III. He told the Board that CNU honors the athletes twice a year who make the Deans List and encouraged the Board to attend athletic events on campus.

President Tribble once again thanked Rector Hornsby for his service on the Board. He also thanked all the Board members for their financial contributions to the University stating that 100% of the Board members have made a contribution.

Rector Hornsby then called on Vice-Rector Joseph for the Finance and Audit Committee Report.

Finance and Audit Committee Report

Vice Rector Joseph stated that the main business of the Committee was to review and recommend to the full Board adoption of the Budget and there are a total of five Resolutions recommended for approval.

The year to date numbers through April, were in order with similar variances as reflected at the last Board meeting and the Board has been assured by the administration that the budget will balance at year end. He referred the Board to the SWAM report which compares CNU to the state and to educational agencies. CNU numbers have improved but are still behind in some categories. Also included is a list of actions that CNU is taking to improve these numbers. This report will be included in each Board notebook going forward.

Vice Rector Joseph then asked Ms. Perry to review the proposed budget for 2009-2010. Ms. Perry noted that several factors are relevant in planning the budget for the upcoming year. The state appropriation for the budget presented includes a 15% general fund reduction which is \$4.3 million and is a permanent reduction to the General Fund support to the University. The American Recovery and Reinvestment Act of 2009 will offset that reduction for the next fiscal year using \$3.4 million in federal funds for the

E&G budget but those funds are not available in 2011-2012. The Governor also announced the expectation of another round of cuts in July or August. Ms. Perry reviewed the initiatives being taken by the administration in order to identify efficiencies and make recommendations for savings.

Ms. Perry reviewed the Executive Summary outlining the proposed budget for fiscal year 2009-2010. A total budget of \$112,353,386 was presented representing \$51,259,218 in Educational and General Programs, \$4,114,950 in Student financial assistance; \$52,827,123 in auxiliary enterprises; \$3,627,095 for sponsored programs and \$525,000 in unrestricted contributions. Mr. Joseph complimented the administration for the initiatives to cut costs while protecting the core mission of the university of instructing students. Mr. Joseph noted that RESOLUTION 1: Budget for Fiscal Year 2009-2010 comes to the Board at the recommendation of the Finance and Audit Committee and moved for approval. Following discussion and questions, Mr. Allen seconded the motion and the Budget passed by unanimous vote of the Board.

Vice-Rector Joseph then asked Mr. Brauer to present the next two Resolutions. He explained that these resolutions are reimbursement resolutions which allow CNU to spend its own funds to be reimbursed by tax exempt debt at a later date. RESOLUTION 2: Declaration of Official Intent to Reimburse Expenditures of Capital Project from the Proceeds of 9(d) Bonds pertains to the purchase of land that comes available to the university and RESOLUTION 4: Declaration of Official Intent to Reimburse Expenditures for Capital Project is a similar resolution for expenditures related to the construction of the Luter School of Business.

Vice Rector Joseph then presented the following two resolutions. RESOLUTION 3: Authorization to Issue Debt for Capital Construction which will allow the university to purchase properties as they become available and to be reimbursed. This is land within the CNU footprint and part of the master site plan. President Tribble noted that the General Assembly has given its approval for these actions but Board action is required. Vice Rector Joseph explained that these Resolutions come to the full Board at the recommendation of the Finance and Audit Committee and called for approval. Resolutions 2, 3 and 4 passed by unanimous vote of the Board.

RESOLUTION 5: Policy on University Related Foundations. Vice Rector Joseph said that there are three foundations associated with the University – the Real Estate Foundation, Education Foundation and Ferguson Center for the Arts Foundation. This Resolution defines in detail the relationship between the foundations and the University. The policy defines, among other things, foundations roles, establishes guidelines for fundraising, investment of funds, personnel. This policy has been modeled after UVA and University Counsel Mr. Thro has reviewed and approved the policy. Mr. Joseph explained that a review of the by-laws of each foundation had been undertaken and changes had been made to insure that the governance was consistent. Board members serve on each foundation along with the President and other university administrators. There were questions and discussion among the Board. Ms. Hoinkes noted that there were several non-substantive changes that needed to be made in the policy. Vice Rector Joseph asked for adoption of Resolution 5 with the approval for non-substantive changes to be made. Ms. Crittenden seconded the motion as presented and the Resolution passed by unanimous vote of the Board.

Academic Affairs Committee Report

Ms. Hoinkes said the Committee had only one Resolution to recommend to the Board – RESOLUTION 7: Sabbatical Leaves for 2009-2010 for four faculty members. Rector Hornsby called for discussion and questions and called for a second. Mr. Allen seconded the motion and it passed by unanimous vote of the Board.

Student Life Committee Report

Vice President Maury O'Connell reported that the committee was briefed on the freshman class and the Setting Sail Orientations taking place. There was a discussion of the average debt of students upon graduation from college. CNU students fall below the state and national averages, however, in this economic climate there are an increasing number of families asking for special consideration due to a change in their current income status. He stated that the Dr. Ed Brash attended the committee meeting and spoke of his experiences teaching in Canada and how that compares to his very favorable teaching experiences at CNU.

Faculty Senate Report

Rector Hornsby called on Faculty Senate President Dr. Peter Carlson who stated how honored he was to represent the faculty this year and expressed the faculty's

appreciation to the Provost and President for the process used when the Social Work program was under review. Dr. Carlson said he looks forward to working with the Board this year.

Alumni Society Report

Rector Hornsby asked Alumni Society President Scott Millar to report on recent Alumni activities. Mr. Millar reported that Richmond and Northern Virginia Alumni Chapters are being developed and will be officially chartered this fall. The Society is also in the process of developing alumni chapters on the Peninsula and Virginia Beach . He said that they voted to authorize a contribution of \$2,500 to the alumni house campaign. In May there was an alumni reunion which was a great success and this will become an annual event. The alumni society was very honored to participate in CNU's honor code ceremony and present the outstanding teaching award. An alumni newsletter is being sent by email and they continue to work hard on Homecoming weekend. Mr. Millar told the Board that he was pleased to be asked to serve another year.

Development Committee Report

Vice Rector Joseph presented to the Board RESOLUTION 6: Acceptance of Real Property which allows the university to accept property for the benefit of the university. The Resolution comes to the Board at the recommendation of the Committee. Rector Hornsby called for discussion and questions and the Resolution then passed by unanimous vote of the Board.

Vice President Elizabeth Taraski then briefed the Board on current fundraising statistics, accomplishments and expectations. She thanked the Board for their 100% financial contribution to the University and thanked Scott Millar for his good efforts on behalf of the Alumni Society.

President Tribble encouraged the Board to attend the commencement activities in May. He also told the Board that salaries for CNU employees will not increase for the second year and in recognition of their hard work and commitment, he was granting recognition leave for Fridays in July. He then asked the Board to review the appointments of full-time salaried faculty and administrative faculty and called for any discussion or questions.

Rector Hornsby noted that this was his last Board meeting as well as that of Ms. Budlong and officers would need to be elected. He appointed Bill Heath as Chair of the Nominating Committee and appointed Ms. Luter, Mr. Holloman, Ms. Frank and Mr. Allen as members of the committee. A slate of officers will be presented at the next Board meeting.

Rector Hornsby thanked the Board and the CNU staff for their hard work and dedication and expressed his appreciation for the time served on the Board.

Rector Hornsby called for any other business or discussion and there being none, the meeting was adjourned.