Agreement between Virginia Commonwealth University and the Virginia Commonwealth University Real Estate Foundation and the resolution.

The Ground Lease at 1100 West Broad Street was presented. The lease is for approximately 1.636 acres of land at 1100 West Broad Street to be used for the purpose of constructing a student housing facility. The purpose of the ground lease is to secure the site on which an apartment-style facility containing approximately 396 beds will be constructed for student housing to meet the needs of Virginia Commonwealth University’s increasing enrollment. The transaction will provide for a ground lease for a forty-year term with two five-year renewals.

The Finance, Investment and Property Committee recommended to the full Board the approval of the Ground Lease at 1100 West Broad Street.

The Occupancy Agreement at Biotech One for the Institute for Drug and Alcohol Studies was presented. Under the terms of the Master Lease Agreement between Virginia Commonwealth University (VCU) and the Virginia Biotechnology Research Park Authority (VBRPA), VCU wishes to occupy 4,120 square feet of space in Biotech One for use by the VCU Institute for Drug and Alcohol Studies. The initial term of the proposed agreement would be one year beginning January 1, 2000, and the annual rental rate would be $148,320. The Finance, Investment and Property Committee recommended to the full Board the approval the Occupancy Agreement at Biotech One with the Institute for Drug and Alcohol Studies.

A Request for Proposals for Printing and Copying Services was presented. The purpose of the Request for Proposals (RFP) is to establish a con-
tract with one or more contractors to furnish all labor, materials, supplies and equipment necessary to facilitate University printing and copying operations. The anticipated annual contract amount is $2,000,000 - $4,000,000. The Finance, Investment and Property Committee recommended to the full Board the approval of the Request for Proposals for Printing and Copying Services.

The Changes in Board Approval Levels for the Finance, Investment and Property Committee were presented. The suggested changes include increasing the required approval levels from $500,000 to $1,000,000 for selection of architects and plans for construction and renovation (the Committee will receive notification of the projects). In addition, the changes increase the required approval levels for leases to an annual cost of $250,000 or greater or a term of five years or greater. The Finance, Investment and Property Committee recommended to the full Board the approval of the Changes in Board Approval Levels.

The Notification of Contract Award for the Academic Campus Housekeeping Services was presented for information. The contract is for facilities management contracts for full service housekeeping services in 39 University buildings on the Academic Campus comprising 1,343,678 square feet. The contract is for an initial two-year period with three subsequent annual renewals. The contract has been awarded to Clola Enterprises, Inc. (CEI) at a two-year cost of $2,118,512 effective December 1, 1999.

An Analysis of Auxiliary Enterprise Budgets was presented. The analysis entailed a discussion of auxiliary enterprise fund balances and approval of two changes and one addition to the 2000-2002 State budget request previously
submitted to the Department of Planning and Budget, all of which will result in smaller increases in student fees. The Finance, Investment and Property Committee recommended to the full Board the approval of the changes and addition to the 2000-2002 State budget requests.

The following items were presented for information to the Finance, Investment and Property Committee:

- Two presentations regarding Foundations: Board oversight of foundations and sources and uses of related foundation funds.
- The University’s unaudited financial statements for the year ended June 30, 1999.
- Annual reports for the Medical College of Virginia Foundation, the VCU Real Estate Foundation and the VCU Foundation for fiscal year 1998-99.
- The University Quarterly Budget Performance Report as of September 30, 1999.
- Investment Performance for the VCU Operating Pool, the VCU Foundation and the Medical College of Virginia Foundation; and

Mr. Gresham report for the Student Affairs Committee. The Committee met with a group of students from both campuses and several different program areas. Student concerns discussed were:

- communicate events better – students would like a better system in place for finding out about events (Web, increased coverage in the student newspaper, etc.) including the ability to link on the VCU Web page from the front page to the activities page
- lack of a support network for freshmen on the MCV Campus
- use of shuttles for off-campus locations on weekends (including shopping in Carytown, cultural events, skating, laser tag, etc.) and for transportation to VCU events at the Siegel Center and the Sports Backers’ Stadium and Diamond
• concerns about lack of food choices at the University Student Commons
• concern about lack of free flu shots for MCV Campus students (due to the interaction with patients)
• arrange discounted tickets for community cultural events (symphony, ballet, opera, etc.) for students
• more focus on on-campus weekend events (besides sporting events)
• use e-mail as a fast way to communicate information to students
• develop sense of school spirit and pride; sense of community

A report on the Proposed Changes to the University Substance Abuse Policy was presented. The University Substance Abuse Committee submitted to the Student Affairs Committee several revisions to the Virginia Commonwealth University Drug Free Schools and Workplace Policy, including a provision for parental notification concerning students under the age of 21 found guilty of violating alcohol and/or other drug laws or policies while on campus or at university activities. The original policy had been approved by the Board of Visitors in September 1991. The Student Affairs Committee recommended to the full Board the approval of the proposed changes to the Virginia Commonwealth University Drug Free Schools and Workplace Policy.

The Final Report on Fall Enrollment was presented. The Vice Provost for University Outreach presented the Final Enrollment Report, which showed a Fall 1999 headcount enrollment of 23,481.

An Update on Student Housing was presented. The Vice Provost for Student Affairs presented a report on planned student housing to include 396 addi-
tional beds for students at 1100 West Broad Street within the University’s Master Site Plan area.

A Retention Plan was presented. The Vice Provost for Student Affairs reported on VCU’s retention efforts during the 1999-2000 academic year. VCU’s retention efforts are directed toward helping students meet graduation goals. Six major areas of focus were discussed: 1) transition to college, 2) instruction-linked programs and academic skills enhancement, 3) advising and faculty development, 4) environmental conditions, including facilities, 5) opportunities for students to connect with VCU, and 6) assessment questions.

On motion made and seconded, the following items on the Consent Agenda were approved:

- **Board of Visitors**
  - Minutes of a Meeting held August 12, 1999
- **Academic and Health Affairs Policy Committee**
  - Minutes of a Meeting held August 12, 1999
  - Proposal to Create Graduate Program in Engineering and Award M.S. and Ph.D. Degrees in Engineering
  - Divisional Realignment – Department of Pathology – School of Medicine
  - Resolution: VCU Health System (see Resolution below)
- **Advancement and External Relations Committee**
  - Minutes of a Meeting held August 12, 1999
- **Audit Committee**
  - Minutes of a Meeting held August 12, 1999
- **Finance, Investment and Property Committee**
  - Minutes of a Special Meeting held August 12, 1999
  - Minutes of a Meeting held August 12, 1999
  - Architect/Engineering Selection for Business Building
  - HVAC Repairs
  - Architect/Engineering Selection for Gladding Residence Addition
  - Project Plans for West Broad Street Student Housing
  - Project Plans for Sports Backers Stadium, Phase III
  - Student Housing Support Agreement
WHEREAS, the Board of Visitors of Virginia Commonwealth University previously supported the establishment and creation, by the General Assembly of Virginia, of the Medical College of Virginia Hospitals Authority; and

WHEREAS, pursuant to and following the establishment of the Medical College of Virginia Hospitals Authority, the teaching hospital and related functions of the former Medical College of Virginia Hospital Division of Virginia Commonwealth University were transferred to the Medical College of Virginia Hospitals Authority under the governance of its Board of Directors; and

WHEREAS, the Board of Visitors similarly wishes to support an expansion of the role and function of the Medical College of Virginia Hospitals Authority under the identity of the "VCU Health System Authority"; and

WHEREAS, in its expanded role, the VCU Health System Authority, in addition to its responsibility for existing hospital and related operations, would assume responsibility and oversight for the clinical operations performed by Virginia Commonwealth University School of Medicine faculty physicians and other providers of health care services, which services currently are provided under the auspices of MCV Physicians; and

WHEREAS, the Board of Visitors, therefore, wishes to support the recommended legislative changes and amendments and related activities that will be necessary to accomplish the aforementioned objective of integrating and bringing together all institutional and professional clinical services and support components of the VCU Health System within an integrated governance structure; and

WHEREAS, under the proposed integrated structure, the redefined VCU Health System Authority would provide, among other things, for the inclusion of VCU faculty physician representation on the Board of Directors of the VCU Health System Authority, the confirmation that the President of Virginia Commonwealth University would serve as the permanent chairperson of the Board of Directors of the VCU Health System Authority and the confirmation that the VCU Vice Presi-
dent for Health Sciences also would serve as President of the VCU Health Sys-
tem; and

WHEREAS, the Board of Visitors, therefore, wishes to authorize the President of Virginia Commonwealth University and other officials of the University as may be designated by the President to present to the General Assembly of Virginia, during its 2000 Session, the legislative changes that will be necessary to accomplish the aforementioned objectives of creating the VCU Health System Authority;

NOW, THEREFORE, Be It Resolved by the Board of Visitors of Virginia Com-
monwealth University, that the Board of Visitors supports and approves the goal of creating the VCU Health System Authority and supports the necessary legisla-
tive changes and other necessary actions related to the achievement of that goal.

Student Housing Resolution for Support Agreement Modifications

WHEREAS, the Industrial Development Authority of the City of Richmond, Virginia (the "Authority"), has agreed to issue its revenue bonds (the "Bonds") in an amount not to exceed $19,000,000, to finance the construction, equipping and furnishing of student housing facilities of approximately 152,000 square feet to be located on an approximately 1.6-acre site in the City of Richmond, Virginia (the "Project"), and to be owned by the Virginia Commonwealth University Real Es-
tate Foundation (the "Foundation"); and

WHEREAS, the Project will provide needed housing for the students of Virginia Commonwealth University (the "University"); and

WHEREAS, the land on which the Project will be constructed is expected to be leased to the Foundation pursuant to a Ground Lease Agreement (the "Lease") from the University to the Foundation; and

WHEREAS, the University is expected to manage the Project pursuant to a management contract between the University and the Foundation; and

WHEREAS, to enhance the marketability of the Bonds and yield lower interest costs and lower housing costs, the University is expected to enter into a support agreement with the Foundation (the "Support Agreement"); and

WHEREAS, the plans for the Project and the expected contents of the Lease and the Support Agreement (collectively, the "University Documents") have been pre-
tented to this meeting of the Board of Visitors; and

WHEREAS, the Board of Visitors (the "Board") of the University desires to authorize and approve the general terms and conditions of the University Docu-
ments and to delegate to certain officers of the University the authority to ap-
prove the final terms and conditions of the University Documents;
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF
VIRGINIA COMMONWEALTH UNIVERSITY:

1. The Board hereby approves the Project and authorizes the President
and the Vice President for Finance and Administration, either of whom may act,
to approve or authorize the terms and conditions of the University Documents
and any other agreement with the Foundation in relation to the Bonds and the
Project. The officers of the University are authorized and directed to execute and
deliver the University Documents and such other agreements to the Foundation.

2. The appropriate officers and employees of the University, any of whom
may act, are hereby authorized to take all such actions as may be necessary or
convenient in connection with the planning, construction and financing of the
Project. The appropriate officers of the University are hereby authorized and di-
rected to approve, execute and deliver all certificates, documents, agreements
and other instruments, as they may consider necessary or desirable in connec-
tion with the Project.

3. All other acts of the officers of the University that are in conformity with
the purposes and intent of this resolution and in furtherance of the Project are
hereby approved, ratified and confirmed.

4. The President or the Vice President for Finance and Administration
shall report to the Board at its next meeting regarding any material changes to
the University Documents or the Project.

On motion made and seconded, the Board accepted the Consent Agenda
information items.

On motion made and seconded, the Board convened into closed session to
discuss certain personnel matters and matters relating to the performance of
identifiable employees and faculty of VCU and to discuss the performance of de-
partments or schools of VCU where such matters regarding such individuals
might be affected by such evaluations, including issues related to the President
in his official capacity and to discuss the evaluation of his performance, and in-
cluding the Faculty Appointments and Changes in Status and other Personnel
Actions, Continuing Faculty Salaries and Executive Salaries; to discuss the con-
dition, acquisition or use of real property for public purpose, or of the disposition of publicly held property, or of plans for the future of a state institution of higher education which could affect the value of property owned or desirable for ownership by such institution, including the acquisition and disposition of property on or adjacent to the Academic Campus; and to consult with legal counsel pertaining to actual and probable litigation, and other specific legal matters requiring the provision of legal advice by counsel, including the Report of the General Counsel; to discuss matters relating to gifts, bequests, and fundraising activities, including the approval of the Named Funds Report and Facility Naming Recommendations, and an update on the development activities; and to discuss matters relating to honorary degrees and special awards, including the Report of the Special Awards Committee, as authorized by Section 2.1-344 a(1), a(3), a(7), a(8) and a(10) of the Virginia Freedom of Information Act.

Following closed session, on motion made and seconded, the following resolution was approved by roll call vote:

Virginia Commonwealth University hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session meeting were heard, discussed or considered by the Board of Visitors of Virginia Commonwealth University.

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<thead>
<tr>
<th>Roll Call Vote</th>
<th>Ayes</th>
<th>Nays</th>
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<tbody>
<tr>
<td>Dr. H. George White, Jr., Rector</td>
<td>X</td>
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<tr>
<td>Ms. Yvonne E. R. Benner</td>
<td>X</td>
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<td>Mr. William C. DeRusha</td>
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<td>Mr. Edward L. Flippen</td>
<td>X</td>
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<td>Mr. Timothy L. Gresham</td>
<td>X</td>
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<td>Mr. Steven A. Markel</td>
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<tr>
<td>Roll Call Vote</td>
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<td>Ms. Angela Miles</td>
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<td>Dr. W. Baxter Perkinson, Jr.</td>
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<td>Ms. Diane Linen Powell</td>
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<tr>
<td>Mr. Harold Y. Pyon</td>
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<tr>
<td>Mr. Robert E. Rigsby</td>
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<tr>
<td>Dr. Lindley T. Smith</td>
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<tr>
<td>Mr. Ted L. Smith</td>
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<tr>
<td>Mr. Clarence L. Townes, Jr.</td>
<td>X</td>
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<tr>
<td>Mr. Jay M. Weinberg</td>
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<tr>
<td>Dr. Percy Wootton</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Vote:

Ayes: 13
Nays: 0

ABSENT DURING MEETING: 3
ABSENT DURING VOTING: 3

On motion made and seconded, the Board accepted the Report of the President; approved the recommendations of the Special Awards Committee; approved the Faculty Appointments and Changes in Status and other personnel actions; approved the Named Funds Report and Facility Naming Recommendations; approved the Continuing Faculty Salaries; approved the Acquisition/Exchange of Property on or adjacent to the Academic Campus; accepted the Closed Session Committee Reports; accepted the Report of the General Counsel; approved the Executive Salaries; accepted the Report of the Presidential Evaluation Committee; and approved the President’s Compensation.

The meeting was adjourned at 1:30 p.m.

H. George White, Jr., Rector

Lindley T. Smith, Secretary