The Resolution for the Broad and Belvidere Student Housing Project was presented. The Finance, Investment and Property Committee recommended to the full Board the approval of the following resolution:

**VIRGINIA COMMONWEALTH UNIVERSITY**

**Resolution Authorizing the Issuance of General Revenue Pledge Bonds for Broad and Belvidere Student Housing Project and Related Actions**

**WHEREAS,** Chapter 6.1, Title 23 of the Code of Virginia of 1950, as amended (the "Virginia Code"), creates Virginia Commonwealth University (the "University"), which is governed by a Board of Visitors (the "Board") vested with the supervision, management and control of the University; and

**WHEREAS,** Chapter 3, Title 23 of the Code (the "Act"), empowers the University, with the consent and approval of the General Assembly of the Commonwealth of Virginia and the Governor of the Commonwealth, to build, construct, reconstruct, erect, extend, better, equip and improve any building, facility, addition, extension or improvement of a capital nature required by or convenient for the purposes of the University and to borrow money and make, issue and sell bonds of the University for any of such purposes, including the refinancing of any such facilities, such bonds to be issued and sold through the Treasury Board of the Commonwealth; and

**WHEREAS,** the Act further authorizes the University to pledge to the payment of the principal of and the interest on such bonds any moneys available for the use of the University, including, but not limited to, moneys appropriated to the University from the general fund of the Commonwealth of Virginia or from nongeneral funds, without regard to the source of such moneys, and which are not required by law or by previous binding contract to be devoted to some other purpose; and

**WHEREAS,** the Board has determined to finance, through the issuance of one or more series of general revenue pledge bonds of the University, costs of the acquisition, construction and equipping of a student housing project to be located at Broad and Belvidere Streets (the "Project"), with the Project to be constructed and owned by the Virginia Commonwealth University Real Estate Foundation (the "Foundation") and to be managed by the University as part of its student housing system; and

**WHEREAS,** there has been presented to this meeting a plan of finance (the "Plan of Finance") for the issuance of general revenue pledge bonds (the "Bonds") to finance the cost of acquiring, constructing and equipping the Project; and
WHEREAS, the ability of the University to market the Bonds at the lowest possible interest cost will be enhanced if the University is able to set the terms of the Bonds and to provide for related covenants and undertakings at the time the Bonds will be marketed in order to take advantage of then current market conditions and to maximize the acceptability of the Bonds to investors and bond rating agencies; and

WHEREAS, the University's flexibility in accomplishing such purposes will be substantially enhanced by the delegation to the University's Senior Vice President for Finance and Administration (the "Senior Vice President for Finance and Administration") the authority to set the terms of the Bonds and to provide for related covenants and undertakings within certain enumerated parameters; and

WHEREAS, under the Plan of Finance, the University is expected to execute a Project Development and Support Agreement (the "Project Agreement") between the University and the Foundation, providing for the construction of the Project by the Foundation and obligating the Foundation to pay debt service on the Bonds and providing that the University undertake certain obligations to promote the financial viability of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF VISITORS OF VIRGINIA COMMONWEALTH UNIVERSITY:

1. The Board hereby authorizes the appropriate officers of the University to execute and deliver the Bonds pursuant to the terms of a bond resolution (the "Bond Resolution") in substantially the form utilized for previous general revenue pledge bonds. The Bonds shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, and be payable at such time or times as may be approved by the Senior Vice President for Finance and Administration. The Senior Vice President for Finance and Administration is hereby authorized to approve the final terms and conditions of the Bonds, including maturities, interest rates and sinking fund and redemption provisions, including redemption premiums; provided, however, that the principal amount of the Bonds shall not exceed $21,000,000, no Bond shall mature later than July 1, 2033, and no Bond shall bear interest at a rate greater than 6.00%. The Bonds shall be in the form previously utilized for general revenue pledge bonds with such completions, additions, omissions and changes not inconsistent with this Resolution as may be approved by the appropriate officers of the University executing such Bonds, the execution of the Bonds by such officers to constitute conclusive evidence of the approval of such completions, additions, omissions and changes by such appropriate officers.

2. The Plan of Finance is hereby approved with such changes, alterations, amendments and modifications as may be approved by the Senior Vice President for Finance and Administration and counsel to the University; provided, however,
that any such change, alteration, amendment or modification must be in conformity with the parameters set forth in paragraph 1 hereof.

3. The Board authorizes the Senior Vice President for Finance and Administration to select one or more underwriters for the purchase and sale of the Bonds (the "Underwriters") and to authorize the Underwriters to distribute the Preliminary Official Statement in form deemed "near final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), to prospective purchasers of the Bonds, with such completions, omissions, insertions and changes as may be approved by the Senior Vice President for Finance and Administration. Such distribution shall constitute conclusive evidence of the approval of the Senior Vice President for Finance and Administration as to any such completions, omissions, insertions and changes and that the University has deemed the Preliminary Official Statement to be near final as of its date.

4. The Senior Vice President for Finance and Administration is authorized and directed to approve such completions, omissions, insertions and other changes to the Preliminary Official Statement necessary to reflect the terms of the sale of the Bonds, determined as set forth in paragraph 1, and the details thereof, and appropriate to complete it as an official statement in final form (the "Official Statement") and to execute and deliver the Official Statement to the Underwriters. The Underwriters are authorized to distribute the Official Statement to each potential investor requesting a copy of the Official Statement and to each person to whom the Underwriters initially sell Bonds. Execution of the Official Statement by the Senior Vice President for Finance and Administration shall constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes and that the Official Statement has been deemed final by the University as of its date within the meaning of Rule 15c2-12.

5. The Senior Vice President for Finance and Administration and the other officers of the University are authorized to execute a continuing disclosure agreement permitting compliance with Rule 15c2-12.

6. The Senior Vice President for Finance and Administration and the other officers of the University are authorized to approve, execute and deliver, as appropriate, all such documents, instruments and certificates (including the Bonds) as are necessary or convenient in connection with the issuance of the Bonds and the financing of the Project and that are consistent with the terms of this Resolution, including without limitation, one or more bond purchase agreements; provided, however, that the compensation paid to the Underwriters under any such bond purchase agreement shall not exceed 1.00% of the principal amount of the Bonds sold.

7. The Senior Vice President for Finance and Administration and the other officers of the University are authorized to approve and execute the Bond Resolution and the Project Agreement with such terms and provisions consistent
with this Resolution as may be approved by the officer executing such document, such execution to evidence such officer's approval of such changes, and to execute and deliver such other agreements and documents necessary or desirable to provide for the issuance of the Bonds and complete the arrangements between the University and the Foundation with respect to the Project, including without limitation leases or other conveyances of real estate.

8. In the absence of the Senior Vice President for Finance and Administration, the President or the Provost and Vice President for Academic Affairs of the University may exercise all powers delegated by this Resolution to the Senior Vice President for Finance and Administration.

9. This Resolution shall be effective immediately.

The Amendments to the Guidelines for University-Related Foundations and Other Affiliated Organizations was presented. The Finance, Investment and Property Committee recommended to the full Board the approval of the amendments to the Guidelines for University-Related Foundations and Other Affiliated Organizations.

The Architect Engineer Selection for the Academic Campus Parking Deck IV was presented. The project will add a four-level parking deck for approximately 700 vehicles, and approximately 14,000 GSF of occupied space at ground floor. The project is located on the Academic Campus at the intersection of Cary and Harrison Streets. The ground floor will include administrative space. The parking deck design shall be compatible with architecture in the immediate vicinity and shall fit in as part of the University's Master Site Plan. The construction budget is for $8,840,398 with a total budget of $11,035,000. The firm recommended was Baskervill and Son. The Finance, Investment and Property Committee recommended to the full Board the approval of the firm
Baskervill and Son as the architect engineer selection for the Academic Campus Parking Deck IV.

The Architect Engineer Selection for Rhoads Hall II was presented. The project will add approximately 600 beds to the University's housing inventory. The new high-rise building will be located to the west of Rhoads Hall. The existing three-story west wing of Rhoads Hall will be demolished to make way for the new building. The high-rise will be designed to blend compatibly with the existing architecture in the vicinity, which includes the high-rise buildings of Johnson Hall and the Prestwould apartments. The construction budget is $16,690,000 with a total budget of $22,000,000. The firm recommended was Einhorn-Yaffee-Prescott Architecture & Engineering, P.C. The Finance, Investment and Property Committee recommended to the full Board the approval of the firm Einhorn-Yaffee-Prescott Architecture & Engineering P.C. as the architect engineer selection for the Rhoads Hall project.

The following items were presented for information: Virginia Commonwealth University Health System Financial Statement Summary Fiscal Year 2002 - Eleven Months Ending May 31, 2002 and Financial Statement for June 30, 2002; University Quarterly Budget Performance Report: June 30, 2002; Update on the Financial, Operational and Administrative Practices Framework; Notification of Contract Award for the Student Commons Addition; the Virginia Biotechnology Research Park Authority Summary of Occupancy/Lease Intent and the Capital Project Status Report.
Dr. Long reported for the Student Affairs Committee. Board members, faculty, staff and students were introduced. A brief overview of the purpose of the Student Affairs Committee was presented by the Chair. The Enrollment Reports for the Summer Studies and Fall were presented. The Summer 2002 headcount enrollment at VCU was 9,309 students, which is 630 higher than the Summer 2001 enrollment of 8,679. On-campus enrollments increased by 510 students among undergraduates and by 102 graduate students. First professional enrollments decreased by three students. Overall, on-campus enrollments increased by 609. For the Fall 2002, VCU has received more than 11,700 undergraduate applications. Undergraduate applications have increased 8 percent over 2001 (or approximately 900 applications), and by 90 percent since 1995. Based on offers accepted by students, VCU has already achieved the goal of 2,900 freshmen and anticipates a freshman class size for Fall 2002 between 3,050 and 3,100. Currently, the number of incoming out-of-state, undergraduate students is up 67 students, a 20 percent increase over the same time period in 2001. The state showing the largest increase is New York, increasing from 26 to 40 students. The number of freshmen planning to attend VCU in the Fall has increased among all minorities. Accepted offers are up 8 percent among African-Americans, 9 percent among Asians, and 12 percent among Hispanics.

The Provost and Vice President for Academic Affairs reviewed a letter sent to the Board of Visitors by the Center for Equal Opportunities. VCU plans
on responding to the letter and the Committee asked that the Rector of the Board join the President and Provost in signing the response.

The Chair recognized Sue Ann Messmer, Chief of Staff, Office of the President, and Vice President for University Outreach, for Ms. Messmer's past accomplishments in the area of University Admissions. Vice Provost Henry Rhone will be assuming responsibility for admissions.

A report on the Honor System was presented. A detailed report was presented to the Committee concerning the number of students involved in honor violations in 2001 and the types of charges. The Dean of Students on the MCV Campus reported on steps VCU has taken to ensure the revised Honor System, approved by the Board in May 2002, is implemented as the Board intended. Samples of pledge cards and letters to the students and teaching faculty emphasizing the importance of the honor system to the University were distributed.

A report on Housing, VCU Police and Safety including an article in Style Weekly featuring the VCU Police Department, and VCU Dining Services were presented for information.

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

Board of Visitors
Minutes of a Meeting held May 17, 2002
Minutes of a Joint Meeting of the Board of Visitors of Virginia Commonwealth University and the Board of Directors of the VCU Health System Authority held May 30, 2002
Resolution Supporting the General Obligation Bond Bill
Academic and Health Affairs Policy Committee
Minutes of a Meeting held May 16, 2002
VCU Faculty Early Retirement Incentive Program (FERIP)

Advancement and External Relations Committee
Minutes of a Meeting held May 16, 2002

Audit Committee
Minutes of a Meeting held May 16, 2002

Finance, Investment and Property Committee
Minutes of a Meeting held May 16, 2002
Lease for School of Social Work (NOVA)

VCU Qatar Financial and Administrative Policies and Procedures
  a. Resolution Authorizing Modifications to VCU Qatar Financial and Administrative Policies and Procedures
  b. Tuition and Fee Rates for the 2002-03 Academic Term

Resolution for VCBA Bonds for Bowe Street Parking Deck;
  Gladding Residence Hall and West Grace Street Housing

Investment Policy Changes
Resolution for the Broad and Belvidere Student Housing Project
Amendment to Guidelines for University Related Foundations and other Affiliated Organizations

Architect Selection for Academic Deck IV
Architect Selection for Rhoads Hall II

Student Affairs Committee
Minutes of a Meeting held May 16, 2002

On motion made and seconded, the Consent Information items were accepted.

Dr. Perkinson reported for the Nominating Committee for Officers and the Executive Committee. Members of the Committee were: Dr. W. Baxter Perkinson, Jr., Chair; Messrs. Gresham, Plymale and Rigsby; and Ms. Riddick. The following slate of officers and executive committee members were presented: Mr. Steven A. Markel, Vice Rector; Mr. Robert E. Rigsby, Secretary; Mr. Ralph L. “Bill” Axselle, Member-at-Large; and Mrs. Anne P. Petera, Member-at-Large. On motion made and seconded, the slate of officers and executive committee members were approved as presented.
Dr. Perkinson appointed the following Board members to serve on the Presidential Evaluation Committee: Mr. Steven A. Markel, Chair; Mr. Robert E. Rigsby; Mr. Ralph L. "Bill" Axselle; Mrs. Anne P. Petera; and Dr. W. Baxter Perkinson, Jr.

Dr. Perkinson appointed the following Board members to serve on the VCU Health System Board: Mr. Steven A. Markel, Mrs. Anne P. Petera, and Mr. Robert E. Rigsby.

On motion made and seconded, the Board of Visitors convened into closed session to discuss certain personnel matters and matters relating to the appointment, promotion, performance and salaries of identifiable employees and faculty of VCU, including the Faculty Appointments and Changes in Status and other Personnel Actions, a Resolution regarding Faculty Bonus Payments and Continuing Faculty Salaries, and the Incentive Payments for the School of Medicine Faculty; and to discuss the evaluation of performance of departments or schools of VCU where such evaluations necessarily involve discussion of the performance of specific individuals, including Audit Reports of individually identified departments and/or schools; and to consult with legal counsel and receive briefings from staff members regarding certain legal matters and actual or probable litigation relating to the aforementioned Audit Reports, where such consultation or briefings in open session would adversely affect the negotiating or litigating position of VCU; to discuss the acquisition or use of real property for public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or
negotiating strategy of VCU, including the acquisition 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 or counsel, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of VCU, including the Report of the General Counsel; to discuss matters relating to gifts, bequests, and fund-raising activities, and grants and contracts for services or work to be performed by such institution including consideration of the Named Funds Report and Facility Naming Recommendations, and an update on the development activities as authorized by Section 2.2-3711 A(1), A(3), A(7) and A(8) 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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<th>Roll Call Vote</th>
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<th>Nays</th>
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<tr>
<td>Dr. W. Baxter Perkinson, Jr., Rector</td>
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<td>Mr. Ralph L. &quot;Bill&quot; Axselle, Jr.</td>
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<td>Mr. David G. Baldacci</td>
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<td>Dr. Stephen P. Long</td>
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<td>Mr. Steven A. Markel</td>
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<td>Ms. Laura R. McMichael</td>
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<td>Mrs. Anne P. Petera</td>
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Roll Call Vote

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<td>Ms. E. Janet Riddick</td>
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<td>Mr. Robert E. Rigsby</td>
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<td>Dr. Michele A. Romano</td>
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<td>Mr. Thomas G. Rosenthal</td>
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<td>Mr. G. Bryan Slater</td>
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<td>Mr. Philip Thompson, Sr.</td>
<td>X</td>
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Vote:

Ayes: 12
Nays: 0

ABSENT DURING MEETING: 1
ABSENT DURING VOTING: 4

On motion made and seconded, the Board accepted the Report of the President; approved the Faculty Appointments and Changes in Status and other Personnel Actions; approved the Named Funds Report and Facility Naming Recommendations; approved the Incentive Payments for the School of Medicine Faculty; approved the Resolution Regarding Faculty Bonus Payments and Continuing Faculty Salaries; approved the acquisition of Property Adjacent to the Academic Campus; and approved the Resolution the Regarding Qatar Foundation Contract.

The meeting was adjourned at 12:30 p.m.

W. Baxter Perkinson, Jr., Rector

Robert E. Rigsby, Secretary