

WILLIAM & MARY

BOARD OF VISITORS
COMMITTEE ON FINANCIAL AFFAIRS
DRAFT MINUTES
NOVEMBER 18, 2022
ALUMNI HOUSE – HUNTER HALL

COMMITTEE MEMBERS PRESENT

Mr. James A. Hixon, Chair
Mr. Kendrick F. Ashton, Jr.
Mr. John P. Rathbone

Ms. Laura Keehner Rigas
Dr. John B. Gilmour, faculty representative
Mr. Owen R. Williams, student representative

COMMITTEE MEMBERS ABSENT

Ms. Anne Leigh Kerr, Vice Chair

OTHER BOARD MEMBERS PRESENT

Mr. S. Douglas Bunch
Ms. Cynthia E. Hudson
Mr. Stephen J. Huebner
Ms. Barbara L. Johnson
Hon. John E. Littel
Hon. Charles E. Poston, Rector
Mr. J. E. Lincoln Saunders

Dr. Karen Kennedy Schultz
Ms. Ardine Williams
Mr. Brian P. Woolfolk
Mr. David Armstrong, Faculty Representative
Dr. Shannon H. White¹, GIS Certificate
Coordinator

OTHERS PRESENT

Dr. Katherine A. Rowe, President
Dr. Peggy Agouris, Provost
Ms. Jackie Ferree, Interim Chief Operating Officer
Ms. Carrie S. Nee, University Counsel
Dr. Virginia M. Ambler, Vice President for Student Affairs
Dr. W. Fanchon Glover, Chief Diversity Officer
Dr. Matthew T. Lambert, Vice President for University Advancement
Dr. Jeremy P. Martin, Chief of Staff to the President
Mr. Brian D. Mann, Director of Athletics
Mr. Brian W. Whitson, Chief Communications Officer
Dr. K. Scott Swan, Vice President of the Faculty Assembly
Ms. Pamela W. Carroll, Executive Assistant to the Chief Operating Officer
Mr. Colin Smolinsky, Chief of Staff to the Chief Operating Officer
Mr. Sean Hughes, Executive Director of W&M Real Estate Foundation
Mr. Dan Pisaniello, Director of Faculties, Planning, Design and Construction
Mr. Jeff Turner, Executive Vice President of Brailsford & Dunlavey
Mr. Terry Gilbride, Partner at Hodgson Russ LLP
Mr. Michael J. Fox, Secretary to the Board of Visitors
Ms. Jessica L. Walton, Deputy Secretary to the Board of Visitors
Members of the President's Cabinet
W&M Staff and Faculty

¹ Attended on behalf of the Staff Liaison to the Board, Mr. Marc Kelly

INTRODUCTORY REMARKS

Mr. James A. Hixon, Chair, called the Committee on Financial Affairs to order at 9:44 a.m.

APPROVAL OF MINUTES

Mr. Hixon requested a motion to approve the Committee on Financial Affairs minutes of the September 23, 2022 meeting, and the April 22, 2022 minutes of the Investments Subcommittee meeting. Motion was made by Ms. Laura Keehner Rigas, seconded by Mr. John P. Rathbone, and approved by voice vote.

Mr. Hixon introduced Dr. Katherine A. Rowe, President. President Rowe provided an overview of the Administrative Reports section of the agenda and then introduced Dr. Jeremy P. Martin, Chief of Staff to the President.

ADMINISTRATIVE REPORTS

Dr. Martin gave a presentation on the Key Components of Quality at William & Mary. He began by providing an overview of the university's mission, and followed up by identifying elements (Inputs, Educational Experience, and Outputs) of the mission. Dr. Martin presented data related to aspects of each element. A discussion ensued during Dr. Martin's presentation regarding graduation rate performance and social mobility.

At 10:13 a.m., the following breakout groups convened to discuss which components, if any, are non-negotiable.

- Table 1: Peggy Agouris, S. Douglas Bunch (reporter), John Gilmour, Barbara L. Johnson, Laura Keehner Rigas
- Table 2: Virginia M. Ambler, James A. Hixon, Cynthia E. Hudson, John E. Littel (reporter), K. Scott Swan, Owen Williams
- Table 3: David Armstrong (reporter), W. Fanchon Glover, Charles E. Poston, J.E. Lincoln Saunders
- Table 4: Matthew T. Lambert, Karen Kennedy Schultz, Shannon H. White, Ardine Williams (reporter), Brian P. Woolfolk
- Table 5: Kendrick F. Ashton, Jr., John Cho, Stephen J. Huebner, Brian D. Mann, John P. Rathbone (reporter)

At 10:25 a.m. each group reported out on the components of quality they identified as non-negotiable. The following were consistently identified by multiple groups: caliber of students attending William & Mary; quality of faculty; close mentoring and collaboration; student/faculty ratio, and quality of support staff. However, the consensus was none of the key components presented should be taken off the table, all were considered essential.

President Rowe presented on long-term planning with multiple hypothetical four-year undergraduate tuition scenarios. In addition, she presented the compounding reduction to the educational mission, of revenue growth, and continuing investments and potential impacts of holding tuition flat. President Rowe also provided an overview of state support of the past 25 years and the compounding reduction to the educational mission for each subsequent hypothesis.

At 10:50 a.m. the same breakout groups convened for 10 minutes to discuss what additional topics would be helpful for the Board to see in April regarding a potential four-year tuition plan.

CLOSED SESSION

Mr. Hixon moved the William & Mary Committee on Financial Affairs convene into closed session pursuant to Va. Codes §2.2-3711.A.1 for discussion of the assignment of operational employees and the evaluation of the performance of departments where the discussion will necessarily involve evaluation of specific individuals; §2.2-3711.A.6 for discussion of the investment of public funds where competition is involved, and, if made public initially, the financial interest of the governmental unit would be adversely affected; §2.2-3711.A.29 for discussion of the terms or scope of a public contract for services where discussion in open session would adversely affect the bargaining position or negotiating strategy of the university; and §2.2-3711.A.8 for consultation with legal counsel regarding W&M regulatory and legal compliance. The motion was seconded by Mr. Kendrick F. Ashton, Jr. and approved by roll call vote – 4-0 – conducted by Mr. Michael J. Fox, Secretary to the Board of Visitors. Ms. Anne Leigh Kerr was absent from the meeting.

At that time Committee and Board members, President, Provost, University Counsel and members of the President’s Executive Leadership Team entered the closed session meeting at 11:05 a.m. At 11:32 a.m. the Executive Director of W&M Real Estate Foundation, Director of Facilities, Planning, Design and Construction, Executive Vice President of Brailsford & Dunlavey, and Partner at Hodgson Russ LLP entered the closed session.

RECONVENED OPEN SESSION

Following the closed session, Committee members and others returned to open session at 11:45 a.m. Mr. Hixon moved that the Committee certify by roll call vote that, to the best of each member’s knowledge, only matters lawfully exempted from the open meeting requirements under the Freedom of Information Act were discussed, and only matters identified in the motion to have the closed session were discussed. Motion was seconded by Mr. Ashton and approved by roll call vote – 4-0 – conducted by Mr. Fox. Ms. Anne Leigh Kerr was absent from the meeting.

INTERIM CHIEF OPERATING OFFICER REPORT

Ms. Jackie Ferree, Interim Chief Operating Officer, provided a brief overview of the FY22 Unaudited Consolidated Financials Report, FY22 Unaudited Intercollegiate Athletics Report, and the proposed Graduate and Professional Tuition Increases.

ACTION ITEM

Mr. Hixon brought forth **Resolution 11**, Receipt of the FY22 Unaudited Financial Statements, and **Resolution 12**, Receipt of the FY22 Unaudited Athletics Financial Statements, and asked for a motion. Motion was made by Mr. Ashton, seconded by Ms. Laura Keehner Rigas, and approved by voice vote.

Mr. Hixon brought forth **Resolution 13**, FY24 Graduate and Professional Programs Tuition, and asked for a motion. Motion was made by Mr. Ashton, seconded by Mr. Rathbone, and approved by voice vote.

Mr. Hixon brought forth **Resolution HC-3 (appended)**, Authorize Execution of Predevelopment Agreement, and asked for a motion. Motion was made by Mr. Rathbone, seconded by Mr. Ashton, and approved by voice vote.

ADJOURNMENT

There being no further business, Mr. Hixon adjourned the meeting at 11:49 a.m.

November 17-18, 2022

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**WILLIAM & MARY
AUTHORIZATION OF THE EXECUTION
OF PREDEVELOPMENT AGREEMENT**

WHEREAS, at its April 2022 meeting the Board of Visitors endorsed the university's Housing & Dining Comprehensive Facilities Plan and authorized the President and Chief Operating Officer to pursue alternative financing structures in the execution of the plan;

WHEREAS, at its September 2022 meeting the Board of Visitors received an update in closed session from the Chief Operating Officer on the status of the competitive procurement process being used to identify a preferred developer for Phase 1 of the Housing & Dining Comprehensive Facilities Plan ("the Project");

WHEREAS, the Board of Visitors at its September 2022 meeting approved William & Mary's 2022 - 2023 Capital Plan which included non-general fund support for Phase 1 projects of the Housing & Dining Comprehensive Facilities Plan;

WHEREAS, the university determined that Balfour Beatty Campus Solutions, LLC provided the proposal that best served the needs of the university for development of the Project and engaged in negotiations on the terms of a predevelopment agreement to enable the parties to pursue permitting approvals, site preparation and consideration of financing arrangements in support of the Project; and

WHEREAS, the predevelopment agreement contemplates that the parties will work together to develop definitive agreements that provide for the design, construction, financing, operation, maintenance, and management of the Project and that the definitive agreements will require further approval from the Board;

THEREFORE, BE IT RESOLVED, the President and Chief Operating Officer are hereby authorized to execute the predevelopment agreement with Balfour Beatty Campus Solutions, LLC on substantially the same terms as provided to the Board of Visitors at its November 2022 meeting.