

**FINANCE COMMITTEE  
OF THE BOARD OF VISITORS  
EASTERN VIRGINIA MEDICAL SCHOOL  
SEPTEMBER 19, 2023  
Waitzer Hall Board Room – 11<sup>th</sup> Floor  
11:00 A.M.**

**PRESENT**

Robert J. Bianchi, Rear Adm (Ret), SC, USN, Chair  
G. Robert Aston, Jr.  
Timothy A. Faulkner  
Hon. S. Chris Jones  
W. Ashton Lewis, Sr.  
Preston M. White  
Craig S. Derkay, MD, Faculty Senate  
Hon. Daun S. Hester, Ex-officio (Voting)

**ABSENT**

Guy R. Friddell, III, Esq.  
Conrad M. Hall

**EX OFFICIO MEMBERS PRESENT (NON-VOTING)**

Alfred Z. Abuhamad, MD  
Po Y. Chou

**STAFF PRESENT**

Tammy A. Chrisman  
Brant M. Cox  
Victoria C. Dean  
Helen S. Heselius  
Karen L. James  
Brian T. Mansfield  
Joshua M. Sill, MD  
Linda S. Speers  
Joel B. Hilton

**GUEST**

Jason H. Sussman, Kaufman Hall

**CALL TO ORDER**

Admiral Robert Bianchi, Chair, opened the meeting at 11:02 a.m. by introducing and welcoming two new Committee members. Mr. Tim Faulkner, new member of the EVMS Board of Visitors, is President & Chief Executive Officer at the Breeden Company. Mr. Po Chou is the new Chief Executive Officer of the EVMS Medical Group.

**APPROVAL OF MINUTES**

Upon a motion made and seconded, the minutes of the March 21, 2023, May 23, 2023 and June 20, 2023 Finance Committee meetings were approved as distributed.

**FINANCE REPORT**

**June 2023 (Unaudited)**

Mrs. Tammy Chrisman reported that through June 30, 2023 there is an overall net excess of \$24.9 million. Of that, \$2.5 million is from institutional funds (Core and EVMS Reserves) and \$22.4 million is from committed funds (Department Reserves, Property, Plant and Equipment and

Sponsored Programs). Unbudgeted increases came from the Sentara Affiliation agreement and additional Sentara support, the sale of Smith Rogers Hall, and investment income that was significantly higher than budgeted. The Core net excess is \$498,000 mostly due to positive variances in salary and fringe savings from vacant positions and better than expected investment income. She stated the budget included a \$6.1 million draw on EVMS Reserves that was not needed because of the positive variances. Management was also able to transfer an additional \$1.05 million to EVMS Reserves due to a one-time increase in tuition as a result of an adjustment in the billing cycle for 3<sup>rd</sup> year medical students. She stated that EVMS Reserves has a net excess of \$2.0 million. This is mainly due to funding received from Sentara and the year-end transfer from Core, net of transfers for startup packages and renovations. The Department Reserves net excess of \$9.6 million is mostly due to transfers from EVMS Reserves for startup packages, net of expenses including large transfers to Property, Plant and Equipment for departmental renovations. She reported that Property, Plant and Equipment has a net excess of \$12.5 million mostly due to funding from EVMS and Department Reserves for renovation support and the sale of Smith Rogers Hall. Sponsored Programs expenses were \$5.1 million higher than budgeted due to non-Conrad awards that were not budgeted. She reported that the Clinical Enterprises operating margin is \$16.2 million which is \$41,000 less than budget. This includes a one-time infusion of PSPP funding to the EVMS Medical Group. The Balance Sheet included cash and investment increase of \$34.8 million, mostly due to cash from operations. Mrs. Chrisman reported that all bond covenants were met.

### **July 2023**

Mrs. Chrisman reported that through July 31, 2023 there is an overall net excess of \$8.2 million. The Core net excess of \$58,000 is mostly due to positive variances in salary and fringe savings from vacant positions and timing of supplemental pay to faculty. The positive savings negated the need to transfer the full budgeted Core operating transfer from EVMS Reserves. Mrs. Chrisman stated that the current enrollment numbers indicate tuition and fees are expected to be under budget due to Health Professions enrollment. Management is working with Health Professions to address mitigation options and will provide an update at the next meeting. She reported that the EVMS Reserves has a net excess of \$8.7 million, mostly due to one-time support provided by Sentara and savings from not transferring all of the Core operating support.

### **EVMS MEDICAL GROUP UPDATE**

Mr. Po Chou presented an update on the EVMS Medical Group discussing his areas of focus during his first 90 days and planned future activities. Mr. Chou updated the Committee on June revenue variances and initial results for July.

### **ADJOURNMENT**

With no further business to discuss, the meeting was adjourned at 11:50 a.m. The next meeting will be held on Tuesday, December 5, 2023 at 11:00 a.m. in the Waitzer Hall 11<sup>th</sup> Floor Boardroom.

***Linda S. Speers***

Linda Speers  
Recording Secretary