

**FINANCE COMMITTEE
OF THE BOARD OF VISITORS
EASTERN VIRGINIA MEDICAL SCHOOL
MARCH 21, 2023
Waitzer Hall Board Room – 11th Floor
11:00 A.M.**

PRESENT

Robert J. Bianchi, Rear Adm (Ret), SC, USN, Chair
G. Robert Aston, Jr.
Conrad M. Hall
Hon. S. Chris Jones
W. Ashton Lewis, Sr
Bruce D. Waldholtz, MD, Ex-officio (Voting)
George A. Faatz (Non-Voting)
Hon. Blythe A. Scott, Esq. (Non-Voting)

ABSENT

Guy R. Friddell, III, Esq.
Hon. Daun S. Hester
T. Richard Litton, Jr., Esq.
Keith H. Newby, Sr., MD
Mary C. Rubino, MD
Preston M. White

EX OFFICIO MEMBERS PRESENT (NON-VOTING)

Alfred Z. Abuhamad, MD
Barry Strasnick, MD

STAFF PRESENT

Tammy A. Chrisman
Brant M. Cox
Victoria C. Dean
Helen S. Heselius
Brian T. Mansfield
Linda S. Speers
Joel B. Hilton

CALL TO ORDER

Admiral Robert Bianchi, Chair, opened the meeting at 11:02 a.m.

APPROVAL OF MINUTES

Upon a motion made and seconded, the minutes of the December 13, 2022 Finance Committee meeting were approved as distributed.

FINANCE REPORT

January 2023

Mrs. Tammy Chrisman reported that through January 31, 2023 there is an overall net deficit of \$2.0 million, which is \$1.1 million better than budget. The Core net excess of \$754,000 is mostly due to salary and fringe savings from vacant positions. She stated that the salary savings negated the need for all of the budgeted Core operating transfer from EVMS Reserves. Investment income is \$1.1 million more than budget due to budgeting conservatively last year due to the market. The Clinical Enterprise 20% support, Foundation support and facilities and administrative cost

recoveries remain under budget. The Clinical Enterprise operating margin is \$6.5 million which is \$3 million less than budget. Department Reserves have a net deficit of \$3.1 million and is over budget by \$1.8 million, mainly due to timing of expenses which included large transfers to Property, Plant and Equipment for renovation costs. EVMS Reserves has a net deficit of \$4.2 million which is in line with the budget.

Mrs. Chrisman reported that all bond covenants were met.

BUDGET TIMELINE – FY 2024

Mrs. Helen Heselius reviewed the timeline for the development of the FY 2024 budget. She stated that this will be another challenging year. Management is looking at all expenses closely to determine any and all cost savings, but will need to use accumulated reserves again this year. Mrs. Heselius advised the Committee that there will be a special Finance Committee meeting on May 23, 2023 at 9:00 a.m., at which time the preliminary budget will be reviewed in detail. Any changes to the budget between that meeting and the June meeting will be discussed at the June 20, 2023 meeting. At that meeting, the Finance Committee will be asked to approve the FY 2024 proposed budget and recommend that the Board of Visitors approve it at their meeting later that day.

EVMS MEDICAL GROUP UPDATE

Mr. Brant Cox reported that through January 31, 2023, the Medical Group has a net excess of \$5.5 million which is \$3 million less than budget. There are many factors that contributed to this but mainly the growth projection has not been realized due to slow faculty recruitment along with a decrease in faculty productivity. He stated that the positions are still being actively recruited and that they are seeing some progress in the second half of the year.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 11:25 a.m. The next meeting will be held on Tuesday, May 23, 2023 at 9:00 a.m. in the Waitzer Hall 11th Floor Boardroom.

Linda S. Speers

Linda Speers
Recording Secretary