

**FINANCE COMMITTEE
OF THE BOARD OF VISITORS
EASTERN VIRGINIA MEDICAL SCHOOL
MARCH 19, 2024
Waitzer Hall Board Room – 11th Floor
11:00 A.M.**

PRESENT

Robert J. Bianchi, Rear Adm (Ret)
G. Robert Aston, Jr.
Conrad M. Hall
Hon. S. Chris Jones
W. Ashton Lewis, Sr.
Marta A. Ambrozewicz, MD, PhD, Faculty Senate
Bruce Waldholtz, MD, Ex-Officio (Voting)
Hon. Daun S. Hester, Ex-Officio (Non-Voting)

EX OFFICIO MEMBERS PRESENT

Alfred Z. Abuhamad, MD
Po Y. Chou

GUEST

Brian O. Hemphill, PhD, ODU

CALL TO ORDER

Admiral Robert Bianchi, Chair, opened the meeting at 11:00 a.m. by introducing and welcoming Dr. Brian Hemphill, ODU President, and Dr. Marta Ambrozewicz, the new Faculty Senate representative to the Finance Committee.

APPROVAL OF MINUTES

Upon a motion made and seconded, the minutes of the December 5, 2023 Finance Committee meeting were approved as distributed.

FINANCE REPORT

January 2024

Mrs. Tammy Chrisman reported that through January 31, 2024 there is an overall net excess of \$25 million, which is \$28 million better than budget. The Core net excess is \$1.6 million, mostly due to positive variances in salary and fringe savings from vacant positions, shifting of faculty to grant support, and better than expected investment income. She stated the salary savings

ABSENT

Timothy A. Faulkner
Guy R. Friddell, III, Esq.
Preston M. White

STAFF PRESENT

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

negated the need for all of the budgeted core operating transfer from EVMS Reserves. Mrs. Chrisman reported the Clinical Enterprise operating margin is \$7.5 million which is \$300,000 less than budget. The Department Reserves has a net excess of \$4.4 million which is \$6.7 million better than budget mainly due to timing of transfers for clinical program support from Sentara. The EVMS Reserves has a net excess of \$15.7 million which is \$19.5 million more than budget mostly due to one-time, unbudgeted revenue from Sentara. She reviewed the Budget Variances Greater than 5% and the Balance Sheet with the Committee. Mrs. Chrisman reported that all bond covenants were met.

BUDGET – FY 2025

Admiral Bianchi stated that due to the integration timeline, the BOV will be asked for approval to give the Finance Committee authority to authorize salary increases at the May meeting in order to meet budget deadlines. Admiral Bianchi stated this will not come as a formal motion from Finance.

Mrs. Helen Heselius reviewed the Budget Timeline, stating that the FY 2025 budget preparation is underway. The normal procedure is for the Finance Committee to review the preliminary budget in May, and in June recommend that the BOV approve the proposed budget at their meeting later that day. However, due to July 1st integration, management needs time to prepare payroll files to provide to ODU. Management is requesting the BOV authorize the Finance Committee to approve the FY 2025 salary increases at the May 21st Finance Committee to be ratified by the BOV at their June 11th meeting.

NEW DEPARTMENTS

Admiral Bianchi stated that per policy, requests to establish new departments are to go through the Finance and Academic Affairs committees and then to the BOV for approval. Once Dr. Alfred Abuhamad reviews two new proposals, Admiral Bianchi stated that he would then call for a motion for approval.

Dr. Abuhamad reviewed two proposals for new departments.

- The first proposal is to consolidate three Basic Science departments into a single department, with several concentrated research divisions and one education division. He reviewed the benefits and costs of consolidating these departments.
- The second proposal is to establish a new Podiatry Department. He stated the current Podiatry Department resides under Family and Community Medicine. He reviewed the benefits, objectives and costs of establishing an independent department.

Admiral Bianchi asked for a motion to approve the establishment of two new departments. Upon a motion made and seconded, the Finance Committee recommends the following:

ACTION: The Finance Committee does hereby approve the creation of the consolidated Department of Basic Sciences and a new Podiatry Department, as presented.

EVMS MEDICAL GROUP UPDATE

Mr. Po Chou reviewed the EVMS Medical Group Financial Performance through January 2024 stating they are deploying different strategies to grow revenue and lower expenses. He reviewed new programs they are deploying and provided an operational update.

NEW BUSINESS

Special Meeting

Admiral Bianchi reminded the Finance Committee of the special meeting on **May 21, 2024 at 9:00 a.m.** to review the preliminary FY 2025 operating budget. The Finance Committee will be asked to vote on salary increases at that meeting, therefore it will be very important to have a quorum present.

ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 12:02 p.m.

Linda S. Speers

Linda Speers
Recording Secretary