


June 2, 2014

MEMORANDUM

TO: Members of the Administration and Finance Committee
Jeffrey W. Ainslie '83, Chair
Ronald C. Ripley '72, Vice Chair
Fred J. Whyte (*ex-officio*)
Barry M. Kornblau '71 (*ex-officio*)
John F. Biagas
Jodi S. Gidley '94
Luke M. Hillier '94
Marc Jacobson
Judith O. Swystun
Robert M. Tata '86
John Lombard (*Faculty Representative*)

FROM: Robert L. Fenning 
Vice President for Administration and Finance

SUBJECT: Meeting of the Committee – June 12, 2014

The Administration and Finance Committee will meet on Thursday, June 12, 2014, from Noon 9:00 to 12:30 p.m. in the Board Room of Webb University Center. Enclosed for your review are the agenda and supporting documents.

The Board as a whole will meet from 9:30 a.m. to Noon to receive presentations on the 2014-2015 Tuition & Fees and the 2014-2015 Operating Budget, and will be asked at that time to consider approval of both.

I. ACTION ITEMS

- A. Approval of Minutes – The Committee will consider a motion to approve the minutes of the Administration and Finance Committee meeting held on April 24, 2014.
- B. Approval of FY15 SWAM Plan – Vice President Fenning and Mr. Rick Berry, Executive Director of Construction and Procurement Services, will provide information on the University's SWAM performance and present the enclosed proposed FY2014-2015 SWAM Plan for approval.

Administration and Finance Committee
June 2, 2014
Page Two

II. STANDING REPORTS

- A. Capital Outlay Projects Status Report (Enclosed)
- B. Investment Report (Enclosed)

RLF/dwm
Encl.

**RESOLUTION TO APPROVE THE UNIVERSITY'S
SWAM PROCUREMENT PLAN FOR FISCAL YEAR 2014**

RESOLVED, that upon the recommendation of the Administration and Finance Committee, the Board of Visitors approves the University's proposed SWaM Procurement Plan for Fiscal Year 2015.



**SWaM Procurement Plan
Fiscal Year 2015**

PURPOSE:

I.

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Emergency

Subcontractors

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V. Internal Monitoring Mechanisms

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Purchasing Major Proj. Tw 1.528



ATTACHMENT A

A. Goods and Services – Quarterly Reports:

- i. **DMBE Certified subcontractors**
 - (a)
 - (b)
 - (c)
 - (d)
 - (e)

- ii. **Non-DMBE Certified subcontractors – Contracts >\$200,000:**
 - (a)
 - (b)
 - (c)
 - (d)
 - (e)

B. Construction:

- i. ***DMBE Certified* subcontractors**
 - (a)
 - (b)
 - (c)
 - (d)
 - (e)
 - (g)

Note: *Contractor(s) may be deemed in “breach of contract” for failure to provide the required subcontractor data and reports as specified above, and the contract and/or purchase order may be cancelled. Additionally, the University may withhold payment(s) for any and all services provided and invoiced during the period, and those same services will remain unpaid until such data and reports are provided.*

Good faith SWaM owned business participation efforts

Minority Owned Business Enterprise

Minority Individual

Asian Americans:

Eskimos and Aleuts:

PROGRESS REPORT ON CAPITAL OUTLAY PROJECTS
(As of June 12th, 2014)

PROJECTS UNDER DESIGN

The Department of Planning and Budget (DPB) released construction funding for the Oceanography Mechanical Systems Replacement project to the University this summer. Construction funding for the New Education Building is included in this fall's Virginia College Building Authority bond sale. The University expects DPB to release funds upon completion of the sale.

OCEANOGRAPHY MECHANICAL SYSTEMS REPLACEMENT

General Project Information: The FY-13 budget included this project to replace the rooftop HVAC and mechanical systems for the Oceanography/Physics Building which have been a continuing maintenance problem with equipment failures and excessive vibrations that affect ongoing research and the ability to properly control temperatures in the building. The project will remove the two containerized packaged HVAC units on the roof that are in poor condition and install new roof mounted air handlers and exhaust fans. The new system will tie into the District Chiller Plant across Elkhorn to provide chilled water and connect to the mechanical room in the adjacent Physical Sciences Building for hot water. A third chiller will be installed in the District Plant as part of the project as well as several modular boilers installed in the mechanical room of the Physical Sciences Building. Both the Chiller Plant and Physical Sciences Building mechanical room provide greater efficiency of operations as part of a larger system and redundancy that the current systems do not have. The University selected DJG, Inc. of Williamsburg, Virginia to design the project.

Project Design: DJG, Inc. (Williamsburg, VA)

Funding Source: Pool Funded Project, Chapter 3 (2012 - 2014)

<i>Project Budget:</i>	a) Construction:	\$3,555,463
	b) Architect/Engineer Fee (thru Preliminary):	\$403,175
	c) Project Inspection:	\$28,770
	d) Equipment:	\$0
	e) Construction Contingency:	\$150,260
	f) Other:	\$52,533
	Total Project Budget:	\$4,190,201

Status: The contractor mobilized after Commencement on 5/12/14 and work is underway. Over the Summer, work that is most disruptive to the campus and building occupants will be completed

the season that has the lowest cooling requirements which will allow maintaining the building temperature control with reduced air flow. In the Spring, roof repairs will be made and the new system commissioned. Close coordination with building occupants will be maintained throughout the project, since this work will be completed in an occupied building. All work is scheduled to be complete by Summer, 2015.

NEW EDUCATION BUILDING

General Project Information: The New Education Building was the University's first priority in the 2012 to 2018 Six-Year Capital Plan submission. The budget requested for this 127,000 gsf project is \$45,977,000 which, as noted below, was reduced by the Commonwealth to \$42,575,927 at preliminary design. The project consists of two parts: construction of a new building of approximately 120,000 gsf for the College of Education and renovation of approximately 7,000 gsf of the existing Child Study Building.

Project Design: SHWGROUP (Charlottesville, VA)

Funding Source: Chapter 806 VCBA Pooled Projects Bonds

Project Budget:	a) Construction:	\$34,138,447
	b) Architect/Engineer Fee:	\$3,315,360
	c) Project Inspection:	\$974,232
	d) Equipment:	\$1,250,000
	e) Construction Contingency:	\$682,769
	f) Other:	\$2,215,119
	Total Project Budget:	\$42,575,927

Status: The University received authority to proceed to preliminary drawings for this project utilizing institutional funds in mid-2011. These institutional funds were reimbursed upon release of design/construction funding. The University selected SHWGroup to perform preliminary planning taking the building design to 35%. The firm, with offices in Charlottesville, Detroit and Dallas, concentrates its practice on higher education facilities and has completed 12 colleges of education buildings at various universities over the last ten years.

Design work began with user meetings in November, 2011, and BCOM approved the revised schematic design submission in November, 2012. The University submitted preliminary drawings to BCOM in early February, 2013, and BCOM made final approval of the drawings that August. Based on this approval, the University completed selection of the Construction Manager-at-Risk with award of contract for pre-construction services to S.B. Ballard Construction Company in late 2013

Concurrent with approval of preliminary drawings, the Department of General Services issued its project funding report based on BCOM's cost estimate of the preliminary submission. This report established a project budget of \$42.6M, inclusive of FF&E, and funds were made available to the University in early Fall, 2013. Working drawings were submitted in late April of this year and the first set of comments received the week of June 2nd. Responses will be submitted to BCOM by the third week of June and contract award and construction mobilization are anticipated in take place mid-to-late July.

RESIDENTIAL DINING FACILITY

General Project Information: The New Dining Facility project will construct a new 44,148 gsf state-of-the-

BASKE

L.R. HILL SPORT CENTER EXPANSION

General Project Information: This project will enlarge the facility and relocate the 6,000 gsf weight training facility which currently exists in the LR Hill Sports Center using the remaining debt funding available in the Powhatan Sports Complex umbrella project.

Project Design: Clark-Nexsen Architecture & Engineering

Funding Source: VCBA 9D Bonds

Project Budget:	a) Construction:	\$2,362,500
	b) Architect/Engineer Fee:	\$410,000
	c) Project Inspection:	\$28,688
	d) Equipment:	\$94,500
	e) Construction Contingency:	\$94,500
	f) Other:	\$508,812
	Total Project Budget:	\$3,500,000

Status: University released a Request for Proposals (RFP) for architectural services to conduct a pre-schematic study in early February. The primary goal of the study is to study options for relocating and enlarging the existing training room under the capital project as well as identify options for reconfiguring the current training room space, enlarging locker and shower rooms, adding staff offices and improving team meeting spaces.

Four firms responded to the RFP for the pre-schematic study:

- Clark-Nexsen
- McMillan Pazda Smith
- Moseley Architects
- S3 Design

After evaluation of proposals the University awarded the study contract to Clark-Nexsen Architecture & Engineering with Eller.0024(k 28()(l)-1C /P 328()(c)(k4(k 28()(t)-12l)-1C ()7[(A)80(E)-9C/P.

PROJECTS UNDER CONSTRUCTION

These projects have received funding for design and construction from various tax-exempt bond financing programs, General Funds and private donations. Contracts have been awarded to general contractors and their progress is monitored daily by the University's project managers and construction inspectors.

CONSOLIDATED ARTS COMPLEX

General Project Information: In August 2012, the Department of Planning and Budget (DPB) approved restructuring this project into three sub-projects: construction of the New Art Building to include the Jean Outland Chrysler and Hofheimer Libraries; demolition of the existing Art Studio Building and construction of a New Art Studio Building along with selected renovation of the existing Visual Arts Building. Project budget remains the same while project square footage now totals 84,000 gsf, with 39,000 gsf for the New Art Building, 26,000 gsf for the New Art Studio Building and 19,000 gsf for selected renovation of the Visual Arts Building. Selective renovation of the Visual Arts Building, meanwhile, will provide needed faculty office and classroom space. The University contracted with the firm of Tymoff + Moss to design the project. The Commonwealth released \$12,318,606 for construction of the New Arts Building.

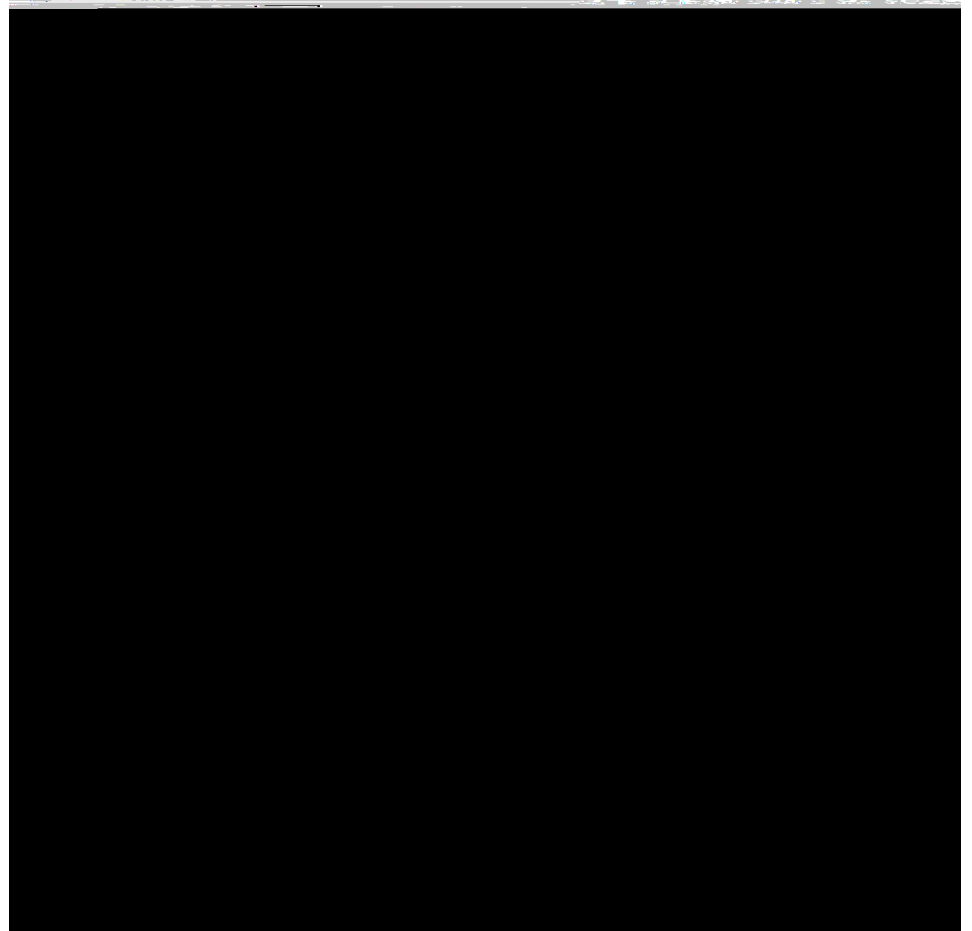
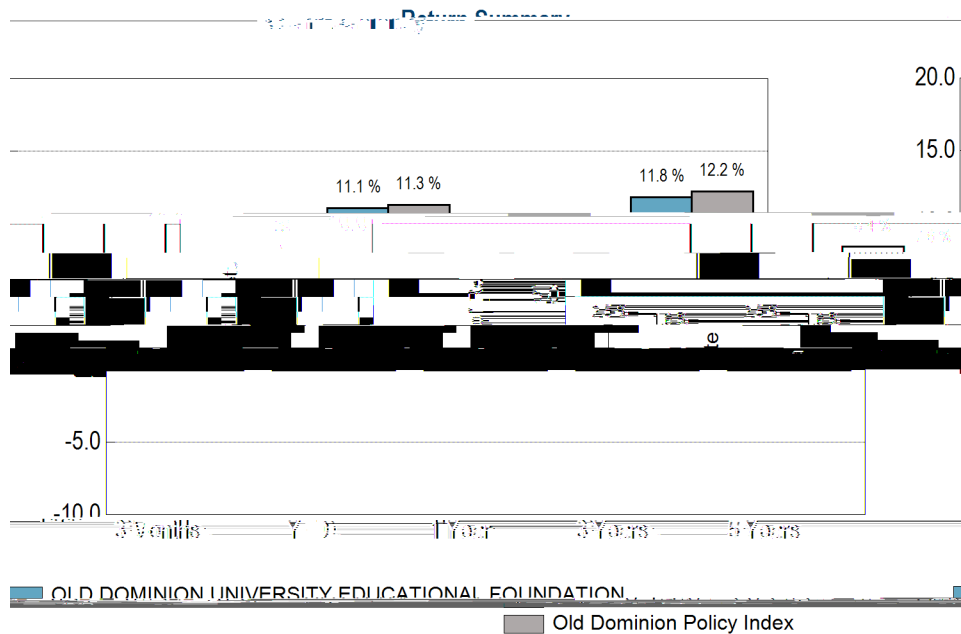
Project Design:

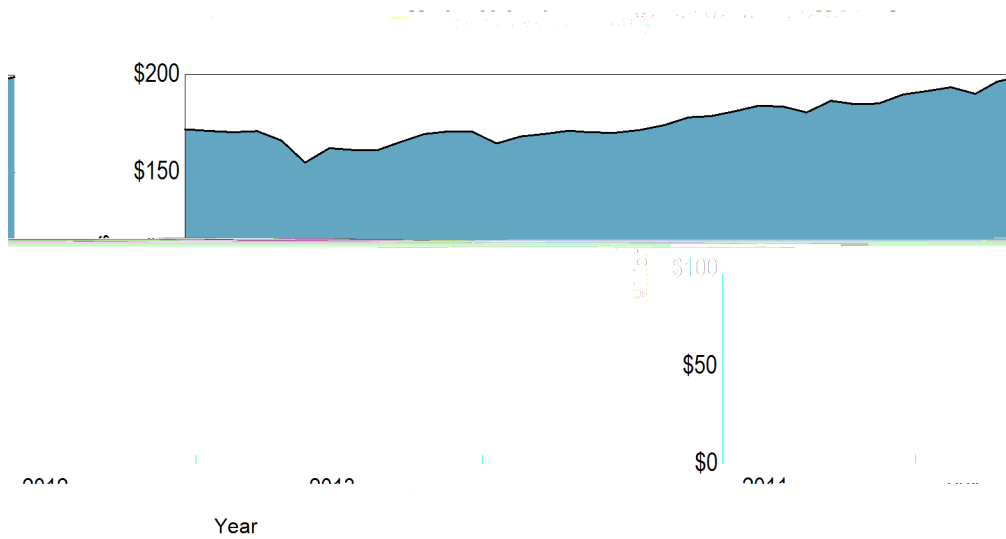
Tymoff + Moss Architects (Norfolk, VA)

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OBJECTIVE: The goal for the portfolio is to achieve 7.5% per year over the long term. The current portfolio has a long term expected return of 8.9%. Over a ten year time horizon, the portfolio is expected to return 7.7%. The standard deviation of this portfolio is plus/minus 13.7% over any one year, with the lowest one year likely return being -23.4%.

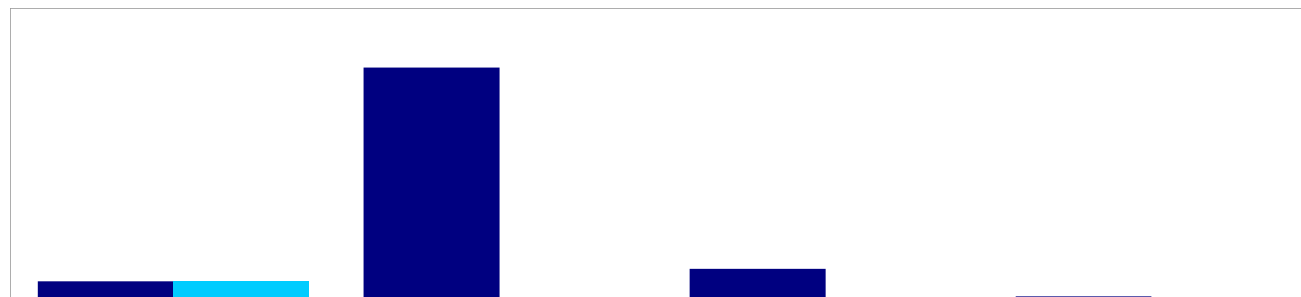
Sources of Portfolio Growth	Last Three Months	One Year
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Asset Allocation on March 31, 2014

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OLD DOMINION UNIVERSITY EDUCATIONAL FOUNDATION

Quarterly Report for March 31, 2014

Performance Summary

	Assets Under Management (\$ mil)	Investment Objective	Duration	Ending March 31, 2014						Inception	
				Actual Return	Market Return	Market %	Market Beta	Market Alpha	Market Volatility	Fund Return	Start Date
OLD DOMINION UNIVERSITY EDUCATIONAL FOUNDATION	198,996,192	1000	1000	25	25	11.1	84	11.8	63	5.4	Jul-99
<i>Old Dominion Policy Index</i>				<u>1.9</u>	<u>1.9</u>	<u>11.3</u>	<u>7.6</u>	<u>12.2</u>	<u>65</u>	<u>4.9</u>	<i>Jul-99</i>
Cj Yf# bXYf				\$**	\$**	!\$&	\$,	!\$(!\$&	\$)	
70/30 S&P 500 Barclays Aggregate				1.9	1.9	15.0	11.5	16.3	6.8	5.0	<i>Jul-99</i>
OLD DOMINION MARKETABLE SECURITIES*	147,747,459	74.2	-	1.0	1.0	9.7	7.3	12.4	-	7.1	Sep-08
<i>Old Dominion Marketable Security Policy Index</i>				<u>1.1</u>	<u>1.1</u>	<u>10.2</u>	<u>6.1</u>	<u>12.5</u>	-	<u>6.7</u>	<i>Sep-08</i>
Cj Yf# bXYf				!\$%	!\$%	!\$)	%&	!\$%		\$(
TOTAL EQUITY	346,743,651	44.4	43.03	0.9	0.9	15.1	9.6	18.0	7.7%	9.4	May-03
MSCI ACWI				<u>1.1</u>	<u>1.1</u>	<u>16.6</u>	<u>8.6</u>	<u>17.8</u>	<u>7.0</u>	8.7	<i>May-03</i>
Cj Yf# bXYf											

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Cj Yf# bXYf				\$)	\$)	!&\$	' "+	+"		&\$	
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Citi WGBI				27	27	1.4	-	-	-	-02	Oct-11
Cj Yf# bXYf				!%-	!%-	\$(-				*"(-	
JP Morgan GBI EMDiversified				1.9	1.9	-7.1	-	-	-	1.3	Oct-11
TOTAL CASH	1,830,275	09	1.3	00	00	03	07	09	21	20	May-03
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Fund	Inception	Commitment	Capital Called	Remaining Commitment	Distributions	Capital Account Balance	Last Capital Account Statement	Capital
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Fund	Inception	Commitment	Capital Called	Remaining Commitment	Distributions	Capital Account Balance	Last Capital Account Statement	Capital Account Plus Distributions	Multiple of Invested Capital	Net IRR
Metropolitan Real Estate III	2005	1,000,000	987,500	12,500	278,723	599,239	9/30/2013	877,962	0.89	-2.06%
RREEF America REIT III	2005	2,000,000	2,000,000	-	387,807	1,054,196	3/31/2014	1,442,003	0.72	-3.76%
HRJ Global Real Estate Fund III	2007	2,500,000	2,425,000	75,000	-	1,260,657	12/31/2013	1,260,657	0.52	-9.97%
Berkshire Multifamily Value Fund II	2007	2,500,000	2,500,000	-	762,765	2,719,413	12/31/2013	3,482,178	1.39	9.72%
Quinlan Private European Strategic Property Fund	2007	2,500,000	2,273,510	226,490	81,540	449,035	12/31/2013	530,575	0.23	-24.36%
Beacon Capital Strategic Partners VI	2008	2,750,000	1,773,750	976,250	412,649	1,767,930	12/31/2013	2,180,579	1.23	14.47%
Inland American Real Estate Trust, Inc	2011	63,761	63,761	-	-	64,934	3/31/2014	64,934	1.02	0.78%
Berkshire Multifamily Value Fund III	2013	2,500,000	2,500,000	-	-	2,731,314	12/31/2013	2,731,314	1.09	14.26%
<i>Real Estate</i>		<i>15,813,761</i>	<i>14,523,521</i>	<i>1,290,240</i>	<i>1,923,484</i>	<i>10,646,718</i>		<i>12,570,202</i>	<i>0.87</i>	<i>-3.33%</i>
Mineral Acquisition Partners 2001	2001	250,000	250,000	-	570,920	630,346	12/31/2013	1,201,266	4.81	22.92%
Mineral Acquisition Partners 2003	2003	250,000	250,000	-	423,027	478,538	12/31/2013	901,565	3.61	21.19%
Mineral Acquisition Partners 2004	2004	500,000	500,000	-	269,896	643,275	12/31/2013	913,171	1.83	9.77%
Canaan Natural Gas IX	2005	1,986,302	1,738,288	248,014	570,175	1,605,325	12/31/2013	2,175,500	1.25	4.13%
Quantum Resources	2006	2,500,000	2,325,370	384,132	1,543,799	1,072,141	9/30/2013	2,615,940	1.12	3.54%
Mineral Acquisition Partners 2006	2006	750,000	750,000	-	167,202	914,222	12/31/2013	1,081,424	1.44	7.84%
Commonfund Natural Resources VII	2006	2,500,000	2,197,500	302,500	929,072	2,283,291	12/31/2013			

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