



VCU Health™

VCU Health System Authority

VIRGINIA COMMONWEALTH UNIVERSITY HEALTH SYSTEM AUTHORITY FINANCE COMMITTEE

Benjamin J. Lambert, III Board Room

Tuesday, September 15, 2026

9:30 a.m. - 12:00 p.m.

AGENDA

OPEN SESSION

Call to Order

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| 1. Minutes of a Meeting held June 3, 2026 (Action Item) | Mr. Randolph Reynolds, Jr. 3 minutes |
| 2. FY2026 Preliminary Financial Report | Mr. James Siegel 5 minutes |

CLOSED SESSION

Investment / Debt Update

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| 3. Investment Performance Update | Mr. Chris Nordberg/Mercer Team 20 minutes |
| • VCIMCO | |
| • Brockenbrough | |
| 4. Investment Policy Statement (Action Item) | Mr. Chris Nordberg 5 minutes |
| 5. Plan of Finance | Mr. Chris Nordberg 15 minutes |

Strategic Finance Update and Transactions

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| 6. Strategic Financial Update | Mr. James Siegel 20 minutes |
| 7. Medical Office Building (Action Item) | Dr. Michael Elliott/Dr. Jalana McCasland 20 minutes |
| 8. Children's Brook Road Project (Action Item) | Mr. Elias Neujahr 20 minutes |
| 9. Real Estate Purchase (Action Item) | Ms. Nina Hobcroft 15 minutes |

Updates

- | | |
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| 10. Fredericksburg Strategy | Mr. Elias Neujahr 20 minutes |
| 11. Strategic Project Updates: | |
| • Pauley Heart Center | |

- Cardiogenic Shock
- AOP - Ophthalmology
- Downtown Strategy
- Chesterfield Community Hospital
- Chesterfield Pavilion (ASC/MOB)

OPEN SESSION

12. Resolution of Certification (**Action Item**)

Mr. Randolph Reynolds, Jr. 2 minutes

Mission:

We preserve and restore health for all people of Virginia and beyond through innovation in service, research and education.

Vision:

We lead the nation in quality, affordability and impact as a trusted and preferred academic health system.

Values:

Service

We provide exceptional service by putting the needs of the patient first.

Trust

We earn trust from those we serve and from those with whom we work by our commitment to safety, privacy and accountability.

Attitude

We display a positive attitude through kindness, compassion and empathy to those in our care and with whom we interact.

Respect

We respect the dignity of each individual and celebrate the diversity of the communities we serve.

Board Member Expectations for VCU Health System and Affiliates

The Fundamental Duty of Oversight

Under the laws of most states, the board of directors of a non-profit organization is the party responsible for the organization. The board must supervise and direct its own officers and govern the organization's efforts in carrying out its mission. The duties of care, loyalty, and obedience describe the manner in which the directors are required to carry out their fundamental duty of oversight.

Duty of Care

Duty of Care requires board members to have knowledge of all reasonably available and pertinent information before taking action. This may include asking for additional information or clarification that a board member may find necessary or pertinent. The board member must act in good faith, with the care of an ordinarily prudent businessperson in similar circumstances, and in a manner he or she reasonably believes to be in the best interest of the organization.

Duty of Loyalty

Duty of Loyalty requires board members to candidly discharge their duties in a manner designed to benefit only the hospital or health system, not the individual interests of the board member. It incorporates the duty to disclose situations that may present a potential for conflict with the organization's mission, as well as a duty to avoid competition with the organization.

Duty of Obedience

Duty of Obedience requires board members to ensure that the organization's decisions and activities adhere to its fundamental corporate purpose and charitable mission, as stated in its articles of incorporation and bylaws.

Each board member is also entrusted with individual responsibilities as a part of his or her board membership. The obligations of board services are considerable; they extend well beyond the basic expectations of attending meetings or participating in hospital events. Individual board members are expected to meet higher standard of personal conduct on behalf of the organization than what is usually expected of other types of community volunteers.

Yet, despite all of these "special" responsibilities, board members as individuals have no special privileges, prerogatives, or authority. They must meet in formal sessions to negotiate and make corporate decisions.

Meetings

The board only exists, in both legal and functional sense, when it meets. Consequently, board meetings are the center of governance. The way they are planned and conducted – in addition to the dynamics that emerge in them – significantly influence the quality of governance. Therefore, individual board members are expected to:

- Prepare for board and committee meetings, including appropriate organizational activities.

- Participate in board and committee meetings with forethought, courtesy, critical thinking and analyses, and attention to results.
- Ask timely and substantive questions at board and committee meetings consistent with the board member's conscience and convictions, while at the same time supporting the majority decision on issues decided by the board.
- Maintain confidentiality of the board's executive sessions, and speak for the board or organization only when authorized to do so.
- Suggest agenda items periodically for board and committee meetings to ensure that significant, policy-related matters are addressed.

Conflict of Interest

Conflict of interest, confidentiality, disclosure – these concepts figure prominently in the understanding of governance responsibilities. They do not tell a board, or an individual director, how to govern; rather, they imply a code of conduct and ethical behavior. In order to prevent using the power, position, or information derived from their situations to influence organizational activities and decisions, individual board members must:

- Fully understand what it means to be an independent director and when to recuse him/herself, and therefore be aware of his/her independence status and limitations to participate in business ventures with those that directly compete with the organization.
- Serve the organization as a whole rather than any special interest group or constituency. The board member's first obligation is to recognize that he or she represents only the organization's best interests.
- Disclose any possible conflicts to the board in a timely fashion.
- Maintain independence and objectivity and act with a sense of fairness, ethics, and personal integrity, even though you may not be required to do so by law, regulation, or custom.
- Never offer or accept favors or gifts to or from anyone who does business with the organization.

Core Responsibilities

As a health system board member you must fulfill certain core or fundamental responsibilities in overseeing the efforts of the organization. These responsibilities cluster around six major areas:

- Financial Oversight
- Quality Oversight
- Setting Strategic Direction/Mission Oversight
- Self-Assessment & Development
- Management Oversight
- Advocacy