

MEETING SUMMARY

Executive Advisory Council (EAC)
College of Business and Public Administration
Old Dominion University
October 26, 2005

EAC Chair Bruce Bradley opened the meeting by telling the group that this and future EAC meetings would follow the popular format of the last session; with the core of each meeting devoted to a presentation on faculty research and a solicitation of each members' opinion on specific College programs and outreach efforts.

Addressing the success of the College's Constant Hall Partners' Program (which funds support for faculty and staff development as well as student activities), Mr. Bradley stated that contributions by the EAC as a group last year totaled nearly \$8,000. He asked all members to participate again this year, with a contribution in the range of \$100 to \$1,000. Pledge forms were included in the meeting packet. Plaques on the wall of the high traffic area lobby of Constant Hall recognize each business donor with the name and logo of the company. A special EAC plaque on the opposite wall lists the names of all EAC members for each academic year.

Next on the agenda, Chairman Bradley asked for the group to approve a change in the bylaws which will allow the Chair of each of the College's Center and Departmental Advisory Councils to serve as ex officio members of the EAC. The motion received unanimous approval.

The Chair presented the names of nine proposed new EAC members:

- John Canfield, SVP, Mitsubishi Chemical American
- James T. Carroll, III, Executive Director of the Hampton Roads Small Business Development Center
- Nancy Grden, CEO of AMERIVANTAGE Specialty Products Group
- Luke Hillier, CEO of Mythics, Inc. and ADS, Inc.
- Kevin Larking, SVP, Bank of America
- Steven Lynch, Director of Economic Development for Portsmouth, VA.
- Kara Moore, Vice President of Underwriting for Value Options
- Howard Rodman, VP with UBS Financial Services
- Jenna Virga, Director of Development with Children's Hospital of the Kings Daughters

All the nominees were unanimously approved for membership in the EAC. The five College Advisory Council Chairs added to EAC membership through the bylaws change are:

- Robert Fuqua – Accounting Advisory Council
- J.J. Keever, Deputy Executive Director, Virginia Port Authority – Port and Maritime Institute Advisory Council
- Steven Herbert, City Manager for Suffolk, Va. – Urban Studies and Public Administration Advisory Council

- Joyce Hartman, Sperry Van Ness Commercial Real Estate services – E.V. Williams Center for Real Estate and Economic Development Advisory Council
- Charles Cralle, SVP, USI Insurance Services, Center for Insurance and Financial Services Advisory Council

Dean Nancy Bagranoff introduced the College's Career Center Management Director, Judy White, to present an overview of the College's internship program and introduce three students who have successfully completed that program.

Ms. White opened her remarks by announcing that 129 of the College's students had internships or co-op placements during the past academic year (an internship lasts one semester, a co-op is more in depth and lasts for more than one semester). She described each as a three way academic partnership between the employer, the student and the University. Employers are asked to complete an online evaluation of the student at the end of the internship or co-op.

Three students gave brief overviews of their intern experiences. Caroline Knight, Katherine Bucher, and Courage Gumbanjera interned at Northrop Grumman, Norfolk Southern and Cox Communications, respectively. Each student described the practical and enriching experiences they had. Gumbanjera, an accounting major, also did an internship at Ernst and Young to determine if he wanted to pursue public or private accounting.

Summarizing, Ms. White stated that employers had to invest training time in interns, but it was a cost effective method or recruiting. Going around the room, many EAC members reported positive experiences with interns and several said they would look into utilizing the program at their companies.

Next on the agenda, Professor Otto Martinson presented an update on the Sarbanes-Oxley Act, which he referred to as the most significant legislation to impact accounting since 1933-34 and the Securities Exchange Act. Signed into legislation in 2002, following the collapse of Enron, the Sarbanes-Oxley Act reformed financial disclosures and corporate governance of public companies. The act created the Accounting Oversight Board, which oversees the public accounting profession. It requires auditor independence, including rotating lead auditors every five years. The Act requires the Board of Directors' Audit Committee to be comprised of independent Board members. The Audit Committee will retain and provide oversight to the independent auditor. Most importantly, the Act requires the CEO and the CFO to certify the company's financial statements filed with the SEC.

The Sarbanes-Oxley legislation also provides for internal controls, a code of ethics and the inclusion of a financial expert on the Board's Audit Committee. The Securities and Exchange Commission enforces the act and to date they have collected \$4.8 billion in fines from corporations. In 2003, a total of 323 companies had to restate their financial reports, and in 2004 there were 414 more companies restating their reports.

Dr. Martinson outlined the benefits of the Act to include:

- The elimination of duplication in internal processes and the adoption of internal controls into companies' cultures
- The elevation of good corporate governance
- An improvement in Board of Directors' knowledge and involvement

Dr. Martinson sees the act as having a ripple effect on private companies as CFOs realize the importance of control of accounting practices and CEOs are influenced to examine their governance practices. He feels it has served to strengthen companies' codes of conduct and ethics practices. Going forward, Professor Martinson sees companies integrating internal controls into employees' daily activities. He sees a more effective incorporation of risk assessment, and more emphasis on education and training. In addition, he feels that management will communicate with their auditors earlier and with increased frequency. Given some time, the changes resulting from the Act will be viewed as good business practices.

Due to time constraints, Dean Bagranoff deferred a discussion on student site visits to a future meeting. She gave an overview of her annual State of the College, which was formally presented this past August. The Dean used a scorecard to illustrate the College's progress with its strategic plan goals and objectives:

Improve Student Quality

The College's undergraduate admissions are presently required to mirror those of the University. EAC Chair Bruce Bradley and Vice Chair John Matson have met with the Provost on this issue. On the graduate level, GMAT scores and GPA have generally increased since 2000/01.

Improve Placement of Graduates

We have not tracked this as closely as we would like in the past. The College's Career Management Center is now surveying graduates via e-mail approximately three months after graduation. It was noted that internships have increased.

Increase Funding Through Development

The College's capital campaign is at \$9.34 million against a \$10 million goal. This accomplishment is due, in part, to the E. V. Williams gift to the University.

Increase Profitability and Programs in the Executive Development Center

The last EAC meeting had a discussion period devoted to increasing business and referrals for the center. The advice of EAC members is being followed.

Maintain or Increase High Quality Classroom Instruction

A difficult goal to gauge, the College has been hiring additional tenure track faculty. Associate Dean, Dr. Ali Ardalani, has been managing the CBPA's assessment processes. Future reports will detail achievement against specified learning goals.

Increase High Quality Research

Professor Wayne Talley continues to assist with port security issues. In general, the number of faculty journal articles, books published and research papers presented is good. The quality of this work is being stressed by College Administration

Increase Service to the Profession and the Community

The Dean has revived the Recruitment, Retention and Placement faculty committee and charged them with recruiting better students. A student advisory board has been established and meets with the Dean twice a semester. The faculty holds five national academic professional service positions and the College hosted the 41st annual meeting of the Eastern finance Association.

Align Curriculum and Centers with CBPA Mission

The College's mission is to support economic development in Hampton Roads and beyond. The recent Real Estate Market review, hosted by the E.V. Williams Center for Real Estate and Economic Development, drew 650 real estate professionals to campus this year. The faculty is proposing a new undergraduate major in maritime supply chain management.

Increase Opportunities for Faculty and Staff Development

The Dean cited examples of faculty and staff who had attended enrichment programs and seminars.

Ending the meeting, Dean Bagranoff announced that student focus groups would again be conducted this spring on April 4 and 6 and EAC members interested in being moderators were asked to contact Mary Beth Dale in the Dean's Office (mdale@odu.edu). She also said that EAC members would be receiving invitations to upcoming basketball games, Executive in Residence Presentations and a recruitment night for Constant Hall Partners.

The meeting ended at 10 a.m.

The next EAC meeting will be held on **Wednesday, April 19.**