



**RADFORD UNIVERSITY
BOARD OF VISITORS
BUSINESS AFFAIRS & AUDIT COMMITTEE MEETING
BOARD ROOM – MARTIN HALL
9:00 A.M.
MAY 8, 2014
RADFORD, VIRGINIA**

DRAFT

MINUTES

COMMITTEE MEMBERS PRESENT

Mr. Matthew B. Crisp, Chair
Mr. Michael A. Wray, Vice Chair
Mr. Michael S. Hurt
Ms. Georgia Anne Snyder-Falkinham
Ms. Linda K. Whitley-Taylor, Rector
Ms. Mary W. Campbell, Vice Rector

COMMITTEE MEMBERS ABSENT

Mr. Stephan Q. Cassaday

BOARD MEMBERS PRESENT

Ms. Callie Dalton
Dr. Kevin R. Dye
Mr. Milton C. Johns
Mr. Randy J. Marcus
Ms. Alethea “A.J.” Robinson
Mr. Steve A. Robinson
Ms. Ruby W. Rogers
Dr. Jerry M. Kopf, non-voting faculty advisory representative

OTHERS PRESENT

President Penelope W. Kyle

Mr. Richard Alvarez, Vice President for Finance & Administration and Chief Financial Officer
Mr. Joe Carpenter, Vice President for University Relations and Chief Communications Officer
Mr. Danny M. Kemp, Vice President for Information Technology and Chief Information Officer
Dr. Sam Minner, Provost and Vice President for Academic Affairs
Dr. Mark Shanley, Vice President for Student Affairs
Ms. Margaret McManus, University Auditor
Ms. Lisa H. Ridpath, Associate Vice President for Finance & Administration

Mr. Ronald C. Forehand, Senior Assistant Attorney General, Commonwealth of Virginia
Mr. Mike F. Melis, Assistant Attorney General, Commonwealth of Virginia

Dr. James Burke, Performance Management Group
Ms. Linda Pierce, Performance Management Group

Ms. Michele N. Schumacher, Secretary to the Board of Visitors

CALL TO ORDER

Mr. Matthew B. Crisp, Chair, called the meeting to order at 9:00 a.m. in the Board Room in Martin Hall on the campus of Radford University.

APPROVAL OF AGENDA

Mr. Crisp asked for a motion to approve the May 8, 2014 meeting agenda as published. Mr. Michael A. Wray, Vice Chair, made the motion and Ms. Georgia Anne Snyder-Falkinham seconded the motion and the motion carried unanimously.

APPROVAL OF MINUTES

Mr. Crisp asked for a motion to approve the minutes of the January 10, 2014, and the February 3, 2014 meetings of the Business Affairs & Audit Committee, as published. Mr. Wray made the motion and Ms. Snyder-Falkinham seconded the motion, and the motion carried unanimously.

REPORTS AND RECOMMENDATIONS

Report from the University Auditor

Ms. Margaret McManus, University Auditor, presented an oral report on the University's Discretionary Fund for the quarter ended March 31, 2014. She noted that one hundred percent of expenditures were reviewed and all were found in compliance with the Board of Visitors' guidelines. Ms. McManus also presented a quarterly audit and status report and an audit report. A copy of the Follow-Up Audit Status Report is attached hereto as *Attachment A* and are made a part hereof. Ms. McManus also informed the Committee that she will be working on the Audit Plan for the 2014-2015 fiscal year and would be seeking feedback from each Committee member on the proposed Audit Plan.

Mr. Crisp thanked Ms. McManus for her report.

Report on Capital Projects

Mr. Richard Alvarez, Vice President for Finance & Administration and Chief Financial Officer, provided the Committee with an update on the University's Capital Projects, and referred the

Committee to the Capital Project Update found in their Committee materials. A copy of the Capital Project Update is attached hereto as **Attachment B** and is made a part hereof.

Mr. Crisp thanked Mr. Alvarez for his report.

Report on the 2014 General Assembly Legislative Update

Ms. Lisa H. Ridpath, Associate Vice President for Finance & Administration, provided a summary of the 2014 Session of the Virginia General Assembly Session legislative actions. This summary is attached hereto as **Attachment C** and is made a part hereof.

Report on the 2013 Write-Offs Report

Ms. Ridpath also delivered to the Board the write-offs report which is required to be done annually. The report documents compliance with the delegated authority to write-off up to \$25,000 per quarter. A copy of the write-offs report is attached hereto as **Attachment D** and is made a part hereof.

Mr. Crisp thanked Ms. Ridpath for her reports.

ACTION ITEMS

Recommendation to the Board of Visitors of Approval of the Radford University 2015 Small Women and Minority-Owned (SWaM) Plan

Ms. Ridpath delivered the report on the Radford University SWaM Plan (“Plan”) noting that the University’s five-year SWaM Plan includes a provision for annual review and evaluation to determine if stated goals need to be revised to realign targets with state and university goals, to ensure continued compliance with state requirements (e.g. Institutional Performance Measures), and based upon projected discretionary spend. She stated that a current review of the Plan indicated that during the first two years of the five year SWaM Plan, fiscal years (FY) 2012 and 2013, the University achieved the total SWaM goals; however, FY 2014 was trending downward as discretionary spend was increasing due to the capital projects underway. Based upon this review the University is proposing revisions to the FY 2015 SWaM Plan as set forth in the Committee materials. Mr. Crisp called for a recommendation of a Resolution to Recommend Approval of the Radford University 2015 Small Women and Minority-Owned (SWaM) Plan to the Board of Visitors. On a motion by Ms. Snyder-Falkinham and seconded by Mr. Michael S. Hurt, the recommendation was unanimously approved. A copy of the Committee materials on the SWaM Plan together with the proposed Resolution is attached hereto as **Attachment E** and is made a part hereof.

Recommendation to the Board of Visitors of Approval of the Tuition and Fees for 2014-2015

The Committee heard a presentation from Richard Alvarez, Chief Financial Officer and Vice President for Finance & Administration concerning the proposed 2014-2015 Tuition and Fees, and provided background information on the statutory authority for Board of Visitors to set the tuition and fees, and reviewed various trends affecting tuition and fees, as well as comparative data for the University and the other institutions of higher education in the Commonwealth of Virginia. He also reviewed the 2011 Higher Education Opportunity Act (Top Jobs Legislation – TJ21) and the

University's Six-Year Plan Directives. Mr. Alvarez then presented the Tuition and Fee recommendations for the Committees consideration.

The Committee after a lengthy discussion, proposed revisions to the University's 2014-2015 Tuition and Fee recommendation by slightly increasing the University's proposed increase of 3.57 percent for in-state undergraduate tuition and fees and the 2.57 percent increase for out-of state undergraduate tuition and fees to an increase of 4.28 percent for both in-state and out-of-state undergraduate tuition and fees, as well as a 4.28 percent increase in tuition and fees for standard in-state and out-of-state graduate students. Mr. Crisp noted that the Committee revised and increased the tuition and fees from that originally recommended by the University so that the additional funds could be used for three categories of spending: programs of distinction, financial aid, and the branding and marketing initiative that is underway, assuming the proposed increase in state general fund support is authorized at least at the level projected.

Mr. Crisp called for a Resolution to recommend to the Radford University's Board of Visitors approval of Radford University's in-state undergraduate and out-of-state undergraduate tuition and fees for 2014-2015 as amended by the Committee. Ms. Georgia Anne Snyder-Falkinham so moved and it was seconded by Mr. Wray, and the recommendation was unanimously passed. Mr. Crisp then called for a Resolution recommending that the Board of Visitors approve a 4.28 percent increase in tuition and fees for standard in-state and out-of-state graduate students. Mr. Michael S. Hurt so moved and Mr. Michael A. Wray seconded, and the motion was unanimously adopted. A copy of the report, as amended by the Committee, and the Resolution "Approval of 2014-15 Tuition and Fees" is attached hereto as *Attachment F* and is made a part hereof.

ADJOURNMENT

With no further business to come before the Committee, Mr. Crisp, Chair, adjourned the meeting at 4:06 p.m.

Respectfully submitted,

Michele N. Schumacher
Secretary to the Board of Visitors