Business Affairs and Audit Committee

September 2022

RADFORD UNIVERSITY

Board of Visitors

RADFORD UNIVERSITY

Board of Visitors

BUSINESS AFFAIRS AND AUDIT COMMITTEE MEETING
10:15 A.M.**
SEPTEMBER 8, 2022
MARY ANN JENNINGS HOVIS MEMORIAL BOARD ROOM
RADFORD UNIVERSITY

DRAFT
AGENDA

- **CALL TO ORDER**   Mr. Marquett Smith, *Chair*

- **APPROVAL OF AGENDA**   Mr. Marquett Smith, *Chair*

- **APPROVAL OF MINUTES**   Mr. Marquett Smith, *Chair*
  o April 28, 2022

- **RECOMMENDATIONS AND ACTION ITEMS**
  - Recommendation to modify 403(b)   Ms. Stephanie Jennelle, *Interim Vice*
    Supplemental Retirement Plan Recordkeeper   *President for Finance and Administration*
                                                                      and Chief Financial Officer

  - Recommendation to approve the 2022-24   Ms. Stephanie Jennelle, *Interim Vice*
    Six-Year Plan Update   *President for Finance and Administration*
                                                                      and Chief Financial Officer

  - Review of 2021-22 Financial Performance   Ms. Stephanie Jennelle, *Interim Vice*
    Report and Recommendation to Approve   *President for Finance and Administration*
    2022-23 Operating Budget   *and Chief Financial Officer*

- **REPORTS**
  - University Auditor's Report   Ms. Margaret McManus,
                                                                      University Auditor

  - Capital Projects Update   Ms. Stephanie Jennelle, *Interim Vice*
                                                                      President for Finance and Administration
                                                                      and Chief Financial Officer

- **CLOSED SESSION**   Mr. Marquett Smith, *Chair*
  Virginia Freedom of Information Act
  §2.2-3711(A) (7) and (8)

- **2022 - 2023 GOALS**   Ms. Margaret McManus,
                                                                      University Auditor

Ms. Stephanie Jennelle, *Interim Vice President for Finance and Administration and Chief Financial Officer*

- **OTHER BUSINESS** Mr. Marquett Smith, *Chair*

- **ADJOURNMENT** Mr. Marquett Smith, *Chair*

**All start times for committees are approximate only. Meetings may begin either before or after the listed approximate start time as committee are ready to proceed

COMMITTEE MEMBERS
Mr. Marquett Smith, *Chair*
Mr. Robert A. Archer, *Vice Chair*
Ms. Jennifer Wishon Gilbert
Mr. Mark S. Lawrence
Ms. Lisa Throckmorton

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September 2022 Meeting Materials

RADFORD UNIVERSITY

Board of Visitors

Radford 403(b) Supplemental Retirement Plan

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Background

- The university provides employees the opportunity to save for retirement through a voluntary pre-taxed supplemental retirement 403 (b) plan.

- Investment of Employee Benefit Funds Policy adopted April 2021 provides direction and procedural guidelines for the selection, management, and ongoing monitoring of investment options with respect to the employee benefit plan.

- Retirement Administrative Committee established in April 2021 serves as the fiduciary responsible for the investment of the assets of the Plan.

- Annual updates will be provided to the Board highlighting key actions taken by the committee.

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Supplemental Retirement 403 (b) Plan

55%

23%

13%

9%
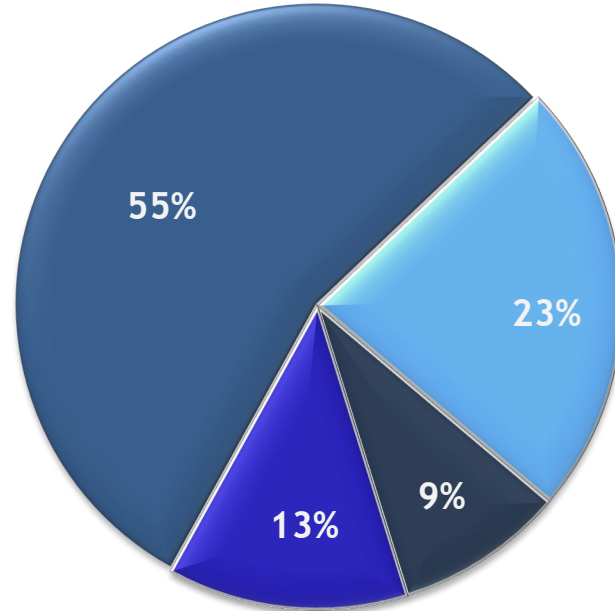
TIAA Equitable Ameriprise AIG/VALIC

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Driving Forces

Radford University undertook this project to benefit current employees, former employees, and retirees by:

- Supporting recruitment and retention of top talent
- Serving faculty and staff by providing education and means to pursue financial security in retirement
- Offering retirement programs in cost-effective, efficient, and compliant manner
- Providing the best plan, we can offer
- Lowering overall costs to employees
- Improving fund offerings
- Enhancing and broaden educational offerings
- Improving plan administration

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Current Challenges

- The 403(b) Plan currently offers over 200 different investment options across four vendors which can cause confusion when making investment decisions.

- Asset class gaps and asset class overlap is potentially confusing.

- Recordkeeping fees vary significantly ranging from .15% of assets to over 1.38% of the assets depending on the vendor.

- Each vendor has a unique and different approach to communicating and educating investors which can create an inconsistent message.

- While the plans are not subject to ERISA, there is greater industry scrutiny on retirement plans. Many public universities are using ERISA practices as a guide in the decision-making process.

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Comprehensive Review

In 2021, Radford retained CAPTRUST Financial Advisors to serve as an Independent Advisor and to assist the University in a comprehensive review to analyze:

- Current vendor structure
- Current fund menu design
- Investment and Administrative Fees
- Current communications and education offered
- Current trends in higher education

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Moving Forward

CAPTRUST recommended that the Retirement Administrative Committee select TIAA as the sole recordkeeper for the following reasons:

- Manages 65% of the assets and has 55% of the total plan participants.
- Offers access to open investment architecture
- Offered the lowest fee
- Provides significant cost savings from current structure on investment and administrative fees.
- Continued commitment to Higher Education and providing an onsite presence
- Supports a sustainable model that can adapt to changes.

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Future Menu Structure (in process)

Developing offerings for 4 styles of investing on the vendor/vendors platforms, offering a broad array of funds representing most asset classes (tiers I-III will be actively monitored by the Committee):

- Tier 1: Target Date Funds ("do it for me" investor)
- Tier 2: Passively Managed (Index) Core Funds (build your own portfolio for the "fee conscious or index" investor)
- Tier 3: Actively Managed Core Funds (covering major asset classes) (build your own portfolio using actively managed funds)
- Tier 4: Brokerage option for those who prefer funds/strategies not included in the investment menu

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Advantages of New Structure

Enhanced Engagement and Education

- University branded communication materials
- Increased education and communication opportunities for faculty/staff
- More emphasis on targeted participant education
- Ability to better monitor activities from single vendor

Investment Menu line-up Redesign

- Reduced administrative fees
- Simplified and easier to understand fund menu
- Access to lowest cost share classes
- Addition of self-directed brokerage window for expanded choice
- Better aligns with trends in other public university plans

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RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 8, 2022

Action Item
Adoption of Sole Recordkeeper for the Radford University Supplemental 403(b) Plan

Item:
Adoption of Sole Recordkeeper for the Radford University Supplemental 403(b) Plan.

Background:

The University currently offers employees access to invest in a voluntary supplemental deferred savings plan (403(b)) as a workplace benefit. The Investment of Employee Benefit Funds Policy, approved April 2021, for Radford University provides policy direction and procedural guidelines for the selection, management, and ongoing monitoring of investment options with respect to the employee benefit plan. Currently, this policy only applies to the Radford University Supplemental 403(b) Plan. Additionally, the Retirement Administrative Committee was established to serve as the investment fiduciary.

With the establishment of the policy and Committee, the University has taken a more proactive role in the management of the 403(b) Plan to ensure it meets the needs of employees. Management of the plan includes selecting and monitoring the investments and vendors (i.e. recordkeepers) offered to plan participants. The Committee, in partnership with CAPTRUST, an independent, objective retirement plan consultant, has been working to streamline vendors, while continuing to offer investment choices to plan participants.

CAPTRUST conducted a comprehensive review to analyze the current vendor structure, fund menu design, investment and administrative fees, education offerings and trends in higher education. Upon conclusion of the review, the Committee recommends for Board action the adoption of a sole recordkeeper for the Radford University Supplemental 403(b) Plan. Additionally, Teachers Insurance and Annuity Association of America (TIAA) is the recommended recordkeeper.

As the sole recordkeeper for active participants of the 403(b) plan, TIAA offers low fees, open investment architecture, and provides robust and engaged educational offerings. By offering one recordkeeper, the University is able to streamline administrative responsibilities and actively focus on ensuring employees are receiving necessary support and attention to address their retirement goals.

Action:
Radford University Board of Visitors adoption of Sole Recordkeeper, TIAA for the Radford University Supplemental 403(b) Plan.

Radford University Board of Visitors

RESOLUTION
Adoption of Sole Recordkeeper for the Radford University Supplemental 403(b) Plan
September 8, 2022

Adoption of Sole Recordkeeper for the Radford University Supplemental 403(b) Plan;

WHEREAS, the Board of Visitors of Radford University has overall responsibility with respect to the employee Supplemental 403(b) Plan sponsored by Radford University; and

WHEREAS, the Investment of Employee Benefit Funds Policy for Radford University (University) provides policy direction and procedural guidelines for the selection, management, and ongoing monitoring of investment options with respect to the employee benefit plan; and

WHEREAS, the Policy establishes the roles and responsibilities of the Retirement Administrative Committee as investment fiduciary and the Investment Consultant/Advisor who assists in the fulfillment of the Committee's duties; and

WHEREAS, the Retirement Administrative Committee recommends for Board approval the adoption of a sole recordkeeper, TIAA, for the Radford University Supplemental 403(b) Plan; and

NOW THEREFORE, BE IT RESOLVED that the Radford University Board of Visitors does hereby officially adopt TIAA as the sole recordkeeper for the Radford University Supplemental 403(b) Plan.

2022 Six-Year Plan Update

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Business Affairs and Audit Committee

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2022 Six-Year Plan Update

- **Process mandated through the "Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Act of 2011" (TJ21)**
  - Board action required by § 23.1-306 of the Code of Virginia

- **Timeline:**
  - April 30, 2022 – Instructions and template received
  - July 11, 2022 – Updated templates due to SCHEV
  - September 1, 2022 – Distribution of Op-Six comments
  - September 9, 2022 - Board Action
  - October 1, 2022 - Final Plans due to SCHEV

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Academic Plan Initiatives

1. Need-Based Student Financial Aid Increase

2. Elevate Student Success, Engagement, and Retention

3. Further Health Sciences Degree Offerings

4. Broaden University Outreach and Engagement

5. Enhance and Expand Online Academic Programs

Business Affairs and Audit Committee

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2022 Six-Year Plan Update

Tuition

Programmatic Support

General Fund Request

Business Affairs and Audit Committee

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RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 8, 2022

Action Item
Approval of Radford University's 2022 Six-Year Plan

Item:
Board of Visitors approval of Radford University's 2022 Six-Year Plan as required by § 23.1-306.

Background:
In response to the requirements outlined in § 23.1-306 of the Code of Virginia, attached is a copy of Radford University's updated 2022 Six-Year Plan (Part I and Part II) submitted to the State Council of Higher Education for Virginia (SCHEV) by the stated deadline of July 11, 2022.

The deadline for this submission has historically been July 1st, but due to timing of the approved 2022-24 State biennial budget the Six-Year Plan deadline was extended to July 11, 2022.

As a mandate established through the "*Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Act of 2011" (TJ21)* legislation, governing boards of each public institution of higher education shall develop and adopt biennially and amend or affirm annually a six-year plan for their institution. This requires the plans to be submitted to the State Council for Higher Education of Virginia by July 1 of each odd-numbered year and requires any amendments or affirmations to existing plans to be submitted by July 1 of each even-numbered year.

The instructions and template to complete the six-year plan are usually provided by SCHEV in late spring. Due to this timeline, the University has historically submitted the plan, to SCHEV by the July deadline and then presented to the Board for approval at the next scheduled meeting which is usually held in September. In July, State representatives will review the plans submitted by each institution and provide comments in early September for all institutions to respond with updates or revisions, as appropriate, by October 1st. This process was once again followed for the 2022 Six Year Plan submission.

The original strategies identified in the University's 2021 Six Year Plan and carried forward to the 2022 Six Year Plan were developed collaboratively with each division through the annual budget development cycle. It is further supported by the University's Strategic Plan: *Embracing the Tradition and Envisioning the Future*. The academic strategies related to programmatic growth were developed by the Provost through the respective academic unit.

The plan was updated to reflect actual revenue for FY 2022 and revised estimates for FY 2023 and FY 2024. The presented tuition and fee increases are reflective of approved rates for FY2023 and estimated increases for FY2024. Approval of tuition and fees is the responsibility of the Board of Visitors and may be adjusted based upon factors such as incremental general fund support, legislative requirements, projected enrollment growth, and prioritization of strategies to implement.

Radford University's 2022 Six-Year Plan was updated to reflect the status of existing strategies based on institutional priorities and legislative action during the 2022 General Assembly Session. Comments regarding the University's 2022 Six-Year Plan update are anticipated to be received in September 2022. Once received the institution will need to respond to any questions and resubmit the final plan to SCHEV by October 1, 2022.

Action:

Radford University Board of Visitors approval of the Radford University 2022 Six-Year Plan.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution

Approval of Radford University's 2022 Six-Year Plan
September 8, 2022

WHEREAS, the Higher Education Opportunity Act of 2011 became effective July 1, 2011, and requires each public institution of higher education in Virginia to develop and submit an institutional six-year plan; and

WHEREAS, § 23.1-306 of the Act requires, "*The governing board of each public institution of higher education shall (i) develop and adopt biennially in odd-numbered years and amend or affirm biennially in even-numbered years a six-year plan for the institution; (ii) submit a preliminary version of such plan to the Council, the General Assembly, the Governor, and the Chairmen of the House Committee on Appropriations, the House Committee on Education, the Senate Committee on Education and Health, and the Senate Committee on Finance no later than July 1 of each odd-numbered year; and (iii) submit preliminary amendments to or a preliminary affirmation of each such plan to the Council, the General Assembly, the Governor, and the Chairmen of the House Committee on Appropriations, the House Committee on Education, the Senate Committee on Education and Health, and the Senate Committee on Finance no later than July 1 of each even-numbered year*"; and

WHEREAS, Radford University prepared a six-year plan in accordance with the requirements of the Higher Education Opportunity Act of 2011 and guidelines provided by the State Council of Higher Education for Virginia; and

WHEREAS, the University submitted the six-year plan to the State Council of Higher Education for Virginia by the stated deadline of July 11, 2022 for the 2022 submission; and

WHEREAS, the 2022 Six-Year Plan must be approved by the Board of Visitors prior to the October 1 final submission;

THEREFORE, BE IT RESOLVED the Radford University Board of Visitors approves the Radford University 2022 Six-Year Plan as presented in the format provided by the State Council of Higher Education for Virginia; and

BE IT FURTHER RESOLVED, that the University is authorized to revise the 2022 Six-Year Plan as required by State officials for final submission by the stated deadline.

Six-Year Plans - Part I (2022): 2022-23 through 2027-28

Due: July 1, 2022

Institution: Radford University

Institution UNITID: 233277

Individual responsible for plan

Name:	Stephanie Jennelle
Email address:	sjennelle@radford.edu
Telephone number:	540-831-5411

Part 1: In-State Undergraduate Tuition and Mandatory Fee Increase Plans in 2022-24 Biennium
Radford University

Instructions: *Provide annual planned increases in in-state undergraduate tuition and mandatory E&G fees and mandatory non-E&G fees in 2022-24 biennium. The tuition and fee charges for in-state undergraduate students should reflect the institution's estimate of reasonable and necessary charges to students based on the mission, market capacity and other factors with the assumption of no new state general fund support.*

In-State Undergraduate Tuition and Mandatory E&G Fees

2021-22	2022-23		2023-24	
Charge (BOV approved)	Planned Charge	% Increase	Planned Charge	% Increase
$8,018	$8,499	6.0%	$9,009	6.0%

In-State Undergraduate Tuition and Mandatory E&G Fees

2022-23 (Revised)		2023-24 (Revised)	
Planned Charge	% Increase	Planned Charge	% Increase
$8,252	-2.9%	$8,497	3.0%

In-State Undergraduate Mandatory Non-E&G Fees

2021-22	2022-23		2023-24	
Charge (BOV approved)	Planned Charge	% Increase	Planned Charge	% Increase
$3,524	$3,630	3.0%	$3,739	3.0%

In-State Undergraduate Mandatory Non-E&G Fees

2022-23 (Revised)		2023-24 (Revised)	
Planned Charge	% Increase	Planned Charge	% Increase
$3,664	0.9%	$3,811	4.0%

Part 2: Tuition and Other Nongeneral Fund (NGF) Revenue
Radford University

Instructions: Based on assumptions of no new general fund, enrollment changes and other institution-specific conditions, provide total collected or projected to collect revenues (after discounts and waivers) by student level and domicile (including tuition revenue used for financial aid), and other NGF revenue for educational and general (E&G) programs; and mandatory non-E&G fee revenues from in-state undergraduates and other students as well as the total auxiliary revenue. DO NOT INCLUDE STIMULUS FUNDS.	Revised		

Items	2020-2021 (Actual)	2021-2022 (Estimated)	2022-2023 (Planned)	2023-2024 (Planned)	2021-22 (Est.)	2022-23 (Est.)	2023-24 (Planned)
	Total Collected Tuition Revenue	Total Collected Tuition Revenue	Total Projected Tuition Revenue	Total Projected Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue
E&G Programs							
Undergraduate, In-State	$57,151,732	$46,079,041	$46,906,336	$50,513,366	$47,159,743	$46,095,493	$46,258,146
Undergraduate, Out-of-State	$7,137,710	$6,302,280	$6,096,109	$6,427,604	$6,980,100	$6,767,110	$7,488,859
Graduate, In-State	$13,568,199	$10,990,318	$11,776,354	$12,807,612	$10,735,740	$11,234,409	$11,725,930
Graduate, Out-of-State	$4,452,524	$3,018,249	$3,124,819	$3,249,426	$3,167,131	$2,930,076	$3,191,649
Law, In-State	$0	$0	$0	$0	$0	$0	$0
Law, Out-of-State	$0	$0	$0	$0	$0	$0	$0
Medicine, In-State	$0	$0	$0	$0	$0	$0	$0
Medicine, Out-of-State	$0	$0	$0	$0	$0	$0	$0
Dentistry, In-State	$0	$0	$0	$0	$0	$0	$0
Dentistry, Out-of-State	$0	$0	$0	$0	$0	$0	$0
PharmD, In-State	$0	$0	$0	$0	$0	$0	$0
PharmD, Out-of-State	$0	$0	$0	$0	$0	$0	$0
Veterinary Medicine, In-State	$0	$0	$0	$0	$0	$0	$0
Veterinary Medicine, Out-of-State	$0	$0	$0	$0	$0	$0	$0
Other NGF	$1,925,951	$2,232,780	$2,232,780	$2,232,780	$2,259,349	$3,359,349	$2,259,349
Total E&G Revenue	$84,236,117	$68,622,668	$70,136,398	$75,230,788	$70,302,062	$70,386,437	$70,923,932

	2020-2021 (Actual)	2021-2022 (Estimated)	2022-2023 (Planned)	2023-2024 (Planned)	2021-22 (Est.)	2022-23 (Est.)	2023-24 (Planned)
Non-E&G Fee Revenue	Total Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue	Total Tuition Revenue	Total Fee Revenue	Total Fee Revenue	Total Fee Revenue
In-State undergraduates	$20,842,746	$22,930,741	$23,181,346	$24,311,762	$21,585,927	$22,227,284	$22,811,588
All Other students	$3,415,901	$3,745,033	$3,642,531	$3,715,446	$3,783,324	$4,448,512	$4,931,240
Total non-E&G fee revenue	$24,258,647	$26,675,774	$26,823,877	$28,027,208	$25,369,251	$26,675,796	$27,742,828
Total Auxiliary Revenue	$64,109,769	$69,371,374	$70,523,505	$72,719,603	$70,507,690	$69,012,895	$71,773,411

3A: Six-Year Plan for Academic and Support Service Strategies for Six-year Period (2022-2028)

Instructions for 3A: The Academic Plan should contain academic, finance, and support service strategies the institution intends to employ in meeting state needs/goals as found in the Virginia Plan. (Please see the main instructions sheet in this workbook for more detailed information about The Virginia Plan. Please provide short titles to identify institutional strategies. Provide a concise description of the strategy in the Description of Strategy column (column J). Within this column, provide a specific reference as to where more detailed information can be found in the Narrative document. Note the goal(s) with which the strategy is aligned with the Virginia Plan (in particular, the related priority areas) in the VP Goal column and give it a Priority Ranking in column A. Additional information for 2024-2028 should be provided in column K (Two Additional Biennia). Strategies for student financial aid, other than those that are provided through tuition revenue, should not be included on this table; they should be included in Part 4, General Fund Request, of the plan. **All salary information must be provided in section 3B. No salary information should be included in 3A.** Funding amounts in the first year should be incremental. **However, if the costs continue into the second year, they should be reflected cumulatively.** Please update total cost formulas if necessary. **Institutions should assume no general fund (GF) support in this worksheet. A separate worksheet (Part 4) is provided for institutions to request GF support. IF ANY STRATEGIES WILL BE FUNDED WITH STIMULUS FUNDS, PLEASE INCLUDE THOSE FUNDS IN THE REALLOCATION COLUMNS.**

Priority Ranking	Strategies (Short Title)	VP Goal	2022-2023			2023-2024			2022-2023 (Revised)			2023-2024 (Revised)			Description of Strategy — Concise Information for Each Strategy	Two Additional Biennia — Information for 2024- 2028
			Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue		
1	Need-Based Student Financial Aid Increase	2	$250,000	$0	$250,000	$500,000	$0	$500,000	$250,000	$250,000	$0	$500,000	$500,000	$0	Continued investment in Financial Aid from the State and University to address access and affordability. Details on page 4 of the narrative.	Continue to address affordability through strategic investments in financial aid.
2	Elevate Student Success, Engagement, and Retention	1, 3	$750,015	$615,317	$134,698	$1,504,829	$1,235,433	$269,396	$750,015	$750,015	$0	$1,504,829	$1,504,829	$0	Support student success through improved student advising engagment initiatives. Details on pages 4-8 of the narrative.	Continue to support student success through improved student advising engagment initiatives.
3	Further Health Sciences Degree Offerings	3	$737,007	$583,581	$153,426	$1,602,304	$1,295,452	$306,852	$737,007	$737,007	$0	$1,602,304	$1,602,304	$0	Further degree offerings in high-demand allied health professions through new program offerings. Details on pages 8-10 of the narrative.	Continue to provide support for new program offerings.
4	Broaden University Outreach and Engagement	1, 2	$431,836	$318,238	$113,598	$907,149	$679,953	$227,196	$431,836	$431,836	$0	$907,149	$907,149	$0	This investment will provide an expanded opportunity to promote the accessible, affordable, and world-class education, as well as the engaging, inclusive, and supportive experience provided at Radford with a specialized focus on signature programs as defined in the strategic plan. Details on pages 10-12 of the narrative.	Continue to invest in outreach and engagement opportunities.
5	Enhance and Expand Online Academic Programs	2, 3	$664,500	$664,500	$0	$1,064,000	$914,000	$150,000	$664,500	$664,500	$0	$1,064,000	$1,064,000	$0	Support foundational elements of the IMPACT program, as well as provide an initial investment in support of new online delivery partnership. Details on pages 12-13 of the narrative.	Further strategic online investment opportunities.
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		
	Total 2022-2024 Costs (Included in Financial Plan 'Total Additional Funding Need')		$2,833,358	$2,181,636	$651,722	$5,578,282	$4,124,838	$1,453,444	$2,833,358	$2,833,358	$0	$5,578,282	$5,578,282	$0		

Part 3: ACADEMIC-FINANCIAL PLAN
Radford University

3A: Six-Year Plan for Academic and Support Service Strategies for Six-year Period (2022-2028)

Instructions for 3A: The Academic Plan should contain academic, finance, and support service strategies the institution intends to employ in meeting state needs/goals as found in the Virginia Plan. (Please see the main instructions sheet in this workbook for more detailed information about The Virginia Plan. Please provide short titles to identify institutional strategies. Provide a concise description of the strategy in the Description of Strategy column (column J). Within this column, provide a specific reference as to where more detailed information can be found in the Narrative document. Note the goal(s) with which the strategy is aligned with the Virginia Plan (in particular, the related priority areas) in the VP Goal column and give it a Priority Ranking in column A. Additional information for 2024-2028 should be provided in column K (Two Additional Biennia). Strategies for student financial aid, other than those that are provided through tuition revenue, should not be included on this table; they should be included in Part 4, General Fund Request, of the plan. **All salary information must be provided in section 3B. No salary information should be included in 3A.** Funding amounts in the first year should be incremental. **However, if the costs continue into the second year, they should be reflected cumulatively.** Please update total cost formulas if necessary. **Institutions should assume no general fund (GF) support in this worksheet. A separate worksheet (Part 4) is provided for institutions to request GF support. IF ANY STRATEGIES WILL BE FUNDED WITH STIMULUS FUNDS, PLEASE INCLUDE THOSE FUNDS IN THE REALLOCATION COLUMNS.**

			ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR SIX-YEAR PERIOD (2022-2028)													Description of Strategy	Two Additional Biennia
			Biennium 2022-2024 (7/1/22-6/30/24)														
Priority Ranking	Strategies (Short Title)	VP Goal	2022-2023			2023-2024			2022-2023 (Revised)			2023-2024 (Revised)			Concise Information for Each Strategy	Information for 2024- 2028
			Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue		

3B: Six-Year Financial Plan for Educational and General Programs, Incremental Operating Budget Need 2022-2024 Biennium

Instructions for 3B: Complete the lines appropriate to your institution. As completely as possible, the items in the Academic Plan (3A) and Financial Plan (3B) should represent a complete picture of the institution's anticipated use of projected tuition revenues. For every strategy in 3A and every item in 3B of the plan, the total amount and the sum of the reallocation and tuition revenue should equal one another. Two additional rows, "Anticipated Nongeneral Fund Carryover" and "Nongeneral Fund Revenue for Current Operations" are available for an institution's use, if an institution cannot allocated all of its tuition revenue to specific strategies in the plan. Also, given the long standing practice that agencies should not assume general fund support for operation and maintenance (O&M) of new facilities, O&M strategies should not be included in an institution's plan, unless they are completely supported by tuition revenue. Please do not add additional rows to 3B without first contacting Jean Huskey. **All salary information should be included in this section. No salary information should be included in 3A.**

Assuming No Additional General Fund	2022-2023			2023-2024			2022-2023 (Revised)			2023-2024 (Revised)		
Items	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue
Total Incremental Cost from Academic Plan[1]	$2,833,358	$2,181,636	$651,722	$5,578,282	$4,124,838	$1,453,444	$2,833,358	$2,833,358	$0	$5,578,282	$5,578,282	$0
Increase T&R Faculty Salaries ($)	$0	$0	$0	$1,539,608	$0	$1,539,608	$2,437,696	$975,078	$0	$4,997,423	$1,960,869	$38,101
T&R Faculty Salary Increase Rate(%)[2]	0.00%		0.00%	3.00%		3.00%	5.00%		5.00%	5.00%		5.00%
Increase Admin. Faculty Salaries ($)	$0	$0	$0	$760,946	$0	$760,946	$1,315,114	$526,045	$0	$2,695,961	$1,057,830	$20,554
Admin. Faculty Salary Increase Rate (%)[2]	0.00%		0.00%	3.00%		3.00%	5.00%		5.00%	5.00%		5.00%
Increase Classified Staff Salaries ($)	$0	$0	$0	$635,260	$0	$635,260	$1,098,339	$439,336	$0	$2,251,568	$883,461	$17,166
Classified Salary Increase Rate (%)[2]	0.00%		0.00%	3.00%		3.00%	5.00%		5.00%	5.00%		5.00%
Increase University Staff Salaries ($)	$0	$0	N/A	$0	$0	N/A	$0	$0	N/A	$0	$0	N/A
University Staff Salary Increase Rate (%)[2]	N/A		N/A	N/A		N/A	N/A		N/A	N/A		N/A
Increase Number of Full-Time T&R Faculty($)[3]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bonus	N/A		N/A	N/A		N/A	$978,053	$412,936	$0	$978,053	$412,936	$0
O&M for New Facilities	$0	$0	$0	$0	$0	$0	$0	$0	$0	$471,768	$178,329	$0
Addt'l In-State Student Financial Aid from Tuition Rev	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Addt'l Out-of-State Student Financial Aid from Tuition Rev	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Anticipated Nongeneral Fund Carryover	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Nongeneral Fund for Current Operations (Safety & Security; Fringe	$607,733	$0	$607,733	$1,701,127	$0	$1,701,127	$566,600	$482,225	$84,375	$953,535	$482,225	$471,310
Library Enhancement	$122,733	$0	$122,733	$250,705	$0	$250,705	$122,733	$122,733	$0	$197,472	$122,733	$74,739
Utility Cost Increase	$131,542	$0	$131,542	$267,031	$0	$267,031	$0	$0	$0	$135,489	$135,489	$0
Total Additional Funding Need	$3,695,366	$2,181,636	$1,513,730	$10,732,959	$4,124,838	$6,608,121	$9,351,892	$5,791,711	$84,375	$18,259,552	$10,812,154	$621,870

Notes:
(1) Please ensure that these items are not double counted if they are already included in the incremental cost of the academic plan.
(2) If planned, enter the cost of any institution-wide increase.
(3) If planned, enter the cost of additional FTE faculty.

Auto Check (Match = $0)			
Match Incremental Tuit Rev in Part 2		If not matched, please provide explanation in these fields.	
2022-2023 (rev)	2023-2024 (rev)	2022-2023	2023-2024
$0	$0		

Part 4: General Fund (GF) Request
Radford University

Instructions: Indicate items for which you anticipate making a request for state general fund in the 2022-24 biennium. The item can be a supplement to a strategy or item from the academic and financial plan or it can be a free-standing request for which no tuition revenue would be used. If it is a supplement to a strategy or item from the academic and financial plan, use the same title used in Part 3 and place it in bold print to draw attention to it's connection to Part 3. Also, describe in the Notes column how additional general fund will enhance or expand the strategy. Requests for need-based financial aid appropriated in program 108 should be included here. If additional rows are added, please update the total costs formulas.

Priority Ranking	Strategies (Match Academic-Financial Worksheet Short Title)	VP Goal	Initiatives Requiring General Fund Support								Notes
			Biennium 2022-2024 (7/1/22-6/30/24)								
			2022-2023		2023-2024		2022-2023 (Revised)		2023-2024 (Revised)		
			Total Amount	GF Support	Total Amount	GF Support	Total Amount	GF Support	Total Amount	GF Support	
1	**Need-Based Student Financial Aid Increase**	2	$1,667,260	$1,417,260	$3,476,246	$2,976,246	$1,667,260	$1,417,260	$2,167,260	$0	Additional FY2024 general fund support from Chapter 2 2022 Special Session I Virginia Acts of Assembly covers requested FY2024 SFA needs.
2	**Re-establish Base Operations Support**	2	$2,000,750	$1,800,750	$4,486,500	$3,601,500	$2,000,750	$1,800,750	$4,486,500	$3,601,500	Additional general fund support of essential University operations. Details for FY2024 on page 15 of the narrative. This request is in addition to affordable access funding provided for in Chapter 2 2022 Special Session I Virginia Acts of Assembly.
3	**O&M for New Facilities**	2							$471,768	$293,439	Additional general fund support of new Center for Adaptive and Innovative Creative, a 60,000 sf space coming online January 2024.
			$3,668,010	$3,218,010	$7,962,746	$6,577,746	$3,668,010	$3,218,010	$7,125,528	$3,894,939	

Part 5: Financial Aid Plan
Radford University

Instructions: *Provide a breakdown of the projected source and distribution of tuition and fee revenue redirected to financial aid. To ensure compliance with the state prohibition that in-state students not subsidize out-of-state students and to provide the review group with a scope of the strategy, projections must be made for each of the indicated categories. Please be aware that this data will be compared with similar data provided by other institutional offices in order to ensure overall consistency. (Please do not alter shaded cells that contain formulas.)*

"*Other Discounts and Waiver* " *means the totals of any unfunded full or partial tuition waiver reducing the students' charges, including Virginia Military Survivors and Dependent Education Program and the Senior Citizens Tuition Waiver. Do not include the tuition differential for the tuition exceptions.*

Note: If you do not have actual amounts for *Tuition Revenue for Financial Aid* by student category, please provide an estimate. If values are not distributed for *Tuition Revenue for Financial Aid* , a distribution may be calculated for your institution.

Allocation of Tuition Revenue Used for Student Financial Aid

*2020-21 (Actual) Please see footnote below

T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)	Compliance with § 4-5.1.a.i
Undergraduate, In-State	$57,151,732	$0	%	$1,428,372	$3,089,222	$1,115,970	$61,356,924	-$1,428,372 Compliant
Undergraduate, Out-of-State	$7,137,710	$1,907,471	26.7%	$479,099	$385,848	$6,258	$7,529,816	
Graduate, In-State	$13,568,199	$0	%	$0	$408,818	$107,182	$14,084,199	
Graduate, Out-of-State	$4,452,524	$0	%	$0	$46,543	$0	$4,499,067	
First Professional, In-State	$0	$0	%	$0	$0	$0	$0	
First Professional, Out-of-State	$0	$0	%	$0	$0	$0	$0	
Total	$82,310,166	$1,907,471	2.3%	$1,907,471	$3,930,431	$1,229,410	$87,470,007	

2021-22 (Estimated)

T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)	Compliance with § 4-5.1.a.i
Undergraduate, In-State	$46,079,041	$0	%	$1,716,724	$3,444,809	$1,115,970	$50,639,820	-$1,716,724 Compliant
Undergraduate, Out-of-State	$6,302,280	$1,907,471	30.3%	$190,747	$430,261	$6,258	$6,738,799	
Graduate, In-State	$10,990,318	$0	%	$0	$408,818	$107,182	$11,506,318	
Graduate, Out-of-State	$3,018,249	$0	%	$0	$46,543	$0	$3,064,792	
First Professional, In-State	$0	$0	%	$0	$0	$0	$0	
First Professional, Out-of-State	$0	$0	%	$0	$0	$0	$0	
Total	$66,389,888	$1,907,471	2.9%	$1,907,471	$4,330,431	$1,229,410	$71,949,729	

2021-22 (Actual)

T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)	Compliance with § 4-5.1.a.i
Undergraduate,	$47,159,743	$0	%	$1,323,449	$3,711,084	$1,286,802	$52,157,630	-$1,323,449 Compliant
Undergraduate,	$6,980,100	$1,907,471	27.3%	$394,461	$1,399,650	$0	$8,379,750	
Graduate, In-St	$10,735,740	$0	%	$0	$428,043	$110,831	$11,274,613	
Graduate, Out-	$3,167,131	$0	%	$0	$47,089	$0	$3,214,220	
First Profession	$0	$0	%	$0	$0	$0	$0	
First Profession	$0	$0	%	$0	$0	$0	$0	
Total	$68,042,714	$1,907,471	2.8%	$1,717,910	$5,585,866	$1,397,632	$75,026,212	

2022-23 (Planned)

T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)	Compliance with § 4-5.1.a.i
Undergraduate, In-State	$46,906,336	$0	%	$1,716,724	$3,667,050	$1,115,970	$51,689,356	-$1,716,724 Compliant
Undergraduate, Out-of-State	$6,096,109	$1,907,471	31.3%	$190,747	$458,020	$6,258	$6,560,387	
Graduate, In-State	$11,776,354	$0	%	$0	$408,818	$107,182	$12,292,354	
Graduate, Out-of-State	$3,124,819	$0	%	$0	$46,543	$0	$3,171,362	
First Professional, In-State	$0	$0	%	$0	$0	$0	$0	
First Professional, Out-of-State	$0	$0	%	$0	$0	$0	$0	
Total	$67,903,618	$1,907,471	2.8%	$1,907,471	$4,580,431	$1,229,410	$73,713,459	

2022-23 (Estimate)

T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)	Compliance with § 4-5.1.a.i
Undergraduate,	$46,095,493	$0	%	$1,716,724	$3,933,326	$1,286,802	$51,315,621	-$1,716,724 Compliant
Undergraduate,	$6,767,110	$1,907,471	28.2%	$190,747	$1,427,408	$0	$8,194,519	
Graduate, In-St	$11,234,409	$0	%	$0	$428,043	$110,831	$11,773,282	
Graduate, Out-	$2,930,076	$0	%	$0	$47,089	$0	$2,977,165	
First Profession	$0	$0	%	$0	$0	$0	$0	
First Profession	$0	$0	%	$0	$0	$0	$0	
Total	$67,027,089	$1,907,471	2.8%	$1,907,471	$5,835,866	$1,397,632	$74,260,587	

2023-24 (Planned)

T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)	Compliance with § 4-5.1.a.i
Undergraduate, In-State	$50,513,366	$0	%	$1,716,724	$4,111,534	$1,115,970	$55,740,870	-$1,716,724 Compliant
Undergraduate, Out-of-State	$6,427,604	$1,907,471	29.7%	$190,747	$513,536	$6,258	$6,947,398	
Graduate, In-State	$12,807,612	$0	%	$0	$408,818	$107,182	$13,323,612	
Graduate, Out-of-State	$3,249,426	$0	%	$0	$46,543	$0	$3,295,969	
First Professional, In-State	$0	$0	%	$0	$0	$0	$0	
First Professional, Out-of-State	$0	$0	%	$0	$0	$0	$0	
Total	$72,998,008	$1,907,471	2.6%	$1,907,471	$5,080,431	$1,229,410	$79,307,849	

2023-24 (Estimate)

T&F Used for Financial Aid	Total Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid	Unfunded Scholarships	Other Tuition Discounts and Waivers	Gross Tuition Revenue (Cols. B+F+G)	Compliance with § 4-5.1.a.i
Undergraduate,	$46,258,146	$0	%	$1,716,724	$4,155,568	$1,286,802	$51,700,515	-$1,716,724 Compliant
Undergraduate,	$7,488,859	$1,907,471	25.5%	$190,747	$1,455,167	$0	$8,944,025	
Graduate, In-St	$11,725,930	$0	%	$0	$428,043	$110,831	$12,264,803	
Graduate, Out-	$3,191,649	$0	%	$0	$47,089	$0	$3,238,738	
First Profession	$0	$0	%	$0	$0	$0	$0	
First Profession	$0	$0	%	$0	$0	$0	$0	
Total	$68,664,584	$1,907,471	2.8%	$1,907,471	$6,085,866	$1,397,632	$76,148,082	

* Please note that the totals reported here will be compared with those reported by the financial aid office on the institution's annual S1/S2 report. Since the six-year plan is estimated and the S1/S2 is "actual," the numbers do not have to match perfectly but these totals should reconcile to within a reasonable tolerance level. Please be sure that all institutional offices reporting tuition/fee revenue used for aid have the same understanding of what is to be reported for this category of aid.

2022 SIX-YEAR PLAN NARRATIVE - UPDATE (Part II)

INSTITUTION: Radford University

July 11, 2022

<u>**OVERVIEW**</u>

The totality of the six-year plan should describe the institution's goals as they relate to state goals found in the *Pathways to Opportunity: The Virginia Plan for Higher Education*; the Higher Education Opportunity Act of 2011 (TJ21); and the Restructured Higher Education Financial and Administrative Operations Act of 2005.

The instructions under institutional mission and alignment to state goals, below, ask for specific strategies, in particular related to equity, affordability and transformative outcomes. Other sections will offer institutions the opportunity to describe additional strategies to advance institutional goals and state needs. ***Please be as concise as possible with responses and save this narrative document with your institution's name added to the file name.***

<u>**SECTIONS**</u>

Section A. Pandemic Impact: Briefly discuss, in one to two paragraphs, how the pandemic has impacted your institution. What things did your institution already have in place that proved helpful? What lessons were learned? What short-term changes have been made? What long-term changes will be made? What are the concerns moving forward?

<u>**RESPONSE:**</u>

As any institution could attest, the impact of COVID-19 on higher education was unexpected and unprecedented. The swift and vast changes that have occurred over the last 15 months have been a true testament of the commitment and resiliency of our students, faculty, staff, and administrators. The largest initial and longstanding impacts to the University relate to shifts in course modality and enrollment. While the University was well positioned to adapt to the necessary changes in course delivery as a result of existing online technologies and experience in modifying delivery methods, the time in which it was conducted was no small feat. Additional resources were realigned and dedicated to assist faculty in transitioning all in-person course content to a virtual format. The University's Strategic Plan called for growth in the number of online/hybrid course offerings from a baseline of 10 percent to 20 percent by 2023. During the pandemic the target was surpassed, however it is expected to stabilize around the 20 percent level.

Like most Universities, Radford University experienced lower than normal attendance for the fully remote summer 2020 sessions, but higher than anticipated fall and spring attendance given the hybrid environment and continued uncertainty related to the pandemic. While enrollment for 2020-21 was below pre-pandemic estimates, the University continues to make strides in diversifying program offerings to mitigate an

already declining undergraduate student population. The University must remain resilient, adaptable, and responsive to the evolving needs of the Commonwealth and nation as a whole. While the institution returns to a 'new normal', much attention will be given to expectations established from the pandemic and ensure strategies of the University align with the changes higher education has incurred. The strategies provided within this narrative are reflective of the impacts of the pandemic and the focal points necessary to remain a premier, innovative, student-centered university in the Commonwealth and beyond.

Section B. Institutional Mission, Vision, Goals, Strategies, and Alignment to State Goals: Provide a statement of institutional mission and indicate if there are plans to change the mission over the six-year period.

Provide a brief description of your institutional vision and goals over the next six years, including numeric targets where appropriate. Include specific strategies (from Part 3 – Academic-Financial Plan and Part 4 – General Fund Request) related to the following state themes and goals:

- **Equitable:** Close access and completion gaps. Remove barriers to access and attainment especially for Black, Hispanic, Native American and rural students; students learning English as a second language; students from economically disadvantaged backgrounds; and students with disabilities.
- **Affordable:** Lower costs to students. Invest in and support the development of initiatives that provide cost savings to students while maintaining the effectiveness of instruction.
- **Transformative:** Expand prosperity. Increase the social, cultural and economic well-being of individuals and communities within the Commonwealth and its regions. This goal includes efforts to diversify staff and faculty pools.

Strategies also can cross several state goals, notably those related to improved two-year and four-year transfer, and should be included here. If applicable, include a short summary of strategies related to research. The description of any strategy should be one-half page or less in length. Be sure to use the same short title as used in the Part 3 and Part 4 worksheets. If federal stimulus funds will fund activities and are included in Part 3 as reallocations, please note how they will be used.

RESPONSE:

Radford University's mission statement was originally approved by the Board of Visitors on May 10, 1991, and then revised by the Board of Visitors on May 7, 1999. As part of the University's recent strategic planning efforts, a mission, vision, and core values team was assembled and worked to review and update these important institutional elements. On December 8, 2017, based on this group's yearlong effort, the Board of Visitors approved an update to the mission statement along with the University's 2018-2023 strategic plan, *Embracing the Tradition and Envisioning the Future*. The mission statement was again updated by the Board of Visitors on October 3, 2018, in light of the University's proposed merger with Jefferson College of Health Sciences. Prior to this change, the mission statement indicated that Radford University empowered students "...from the baccalaureate to the doctoral level..." The Board of Visitors agreed that changing the wording from "baccalaureate" to "undergraduate" would allow the mission to

encompass the students from Jefferson College of Health Sciences' three associate's degree programs. These programs were temporarily transferred to Radford University in order to appropriately teach out and then transfer the programs to Virginia Western Community College upon their attainment of regional and program accreditation. There are no plans to alter the mission of the University at this time.

Radford University Vision:

Radford University aspires to be the premier, innovative, student-centered university in the Commonwealth of Virginia and beyond with a keen focus on teaching, research and service.

Radford University Mission:

As a mid-sized, comprehensive, public institution, dedicated to the creation and dissemination of knowledge, Radford University empowers students from diverse backgrounds by providing transformative educational experiences, from the undergraduate to the doctoral level, within and beyond the classroom. As an inclusive university community, we specialize in cultivating relationships among students, faculty, staff, alumni and other partners and in providing a culture of service, support and engagement. We embrace innovation and tradition and instill students with purpose and the ability to think creatively and critically. We provide an educational environment and the tools to address the social, economic and environmental issues confronting our region, nation and the world.

Radford University Core Values:

➢ *Student Empowerment and Success — We engage and support our students in the discovery and pursuit of their own unique paths.*
➢ *Excellence — We expect our community to strive for the highest standards.*
➢ *Inclusiveness — We are committed to a spirit of cooperation and collaboration, embracing and honoring the diversity of our community.*
➢ *Community — We foster relationships and a culture of service within and beyond our university community.*
➢ *Intellectual Freedom — We encourage and defend a fearless exploration of knowledge in all its forms.*
➢ *Innovation — We inspire and support creativity in research, scholarship, pedagogy and service.*
➢ *Sustainability — We are committed to integrating sustainable practices into all aspects of our operations and engage students across the curriculum to learn, discover and contribute to positive current and future environmental solutions.*

Strategy 1:   Need-Based Student Financial Aid Increase.

SSP Alignment: 2 – Affordable

The increasing cost of higher education continues to be a concern for University leadership, students, and their parents as well as representatives in Richmond. Providing additional need-based financial aid has proven to be the most prudent approach to offsetting this cost. This is especially critical at Radford University where over 64% of students apply and are eligible for financial aid.

According to SCHEV data, the partnership funding model indicates a need of $32,890,008 in state support for the University in 2021-22; however, the actual support is anticipated at $14,172,602 or 43.1% of total need. The State has continued to invest in programs such as the Commonwealth Grant supporting 1,872 students in 2021-22 at a cost of $8,176,207 and the Virginia Guaranteed Assistance Grant (VGAP) supporting 447 students at a cost of $2,539,248. Additionally, given the increases in enrollment from traditionally underserved populations, the University anticipates calculated need under the partnership funding model, or whatever model will replace the existing model, will continue to grow for the foreseeable future.

Radford University has historically relied on a low cost and low institutional aid model; however, in recent years the University has made significant investment in the amount of institutional aid provided to students. This investment allows the University to remain market competitive as well as to make strategic investments in the most financially disadvantaged students. This is done by providing additional aid for students who have remaining need after the VGAP and Commonwealth funding have been applied. The University has limited resources available for institutional financial aid due to its high percentage of in-state undergraduate students (93 percent in Fall 2020). However, the University will continue the Highlander Grant financial aid initiative at a cost of $1,907,471 annually as well as make planned investments to the University's need and ability grant program. Established in 2020-21, the Highlander Distinction Program infused an additional $3.2 million in institutional aid for students demonstrating strong need and ability. This has been a difficult but necessary investment in students in light of tuition realignment limitations. Maintaining student affordability and investing in students to ensure financial access is not a barrier in achieving their higher education goals is of utmost importance to the University. The general fund request included in this submission will be impactful in ensuring financial accessibility for Virginia students.

Strategy 2:   Elevate Student Success, Engagement, and Retention.

SSP Alignment: 1 – Equitable
                       3 – Transformational

This strategy is at the core of the University's mission to provide transformative educational experiences that allow students to be successful while also pursuing degrees

that meet the changing needs of society. Though the University has worked diligently to improve retention rates, there was a decline in fall to fall retention reflective of the challenging environment during the COVID-19 pandemic. It is of critical importance that the University ensures appropriate support services are available to all students in order to bolster their success, strengthen engagement, and increase overall retention.

The institution has identified four areas of focus for the Six-Year Plan to improve retention, engagement, and academic success.

a. REAL Curriculum General Education Model:

In fall 2021, the University will embark on a shift in approach to general education that focuses on increased student autonomy and choice, credentialing of student expertise and skill, and transference of knowledge. The program is the outcome of a faculty-driven, multi-year planning effort to re-envision general education. The program recognizes that study in any area builds competencies students need for lifelong learning and success and gives students general education credit for those competencies. With this in mind, the REAL Curriculum incorporates general education seamlessly and invisibly into the entirety of a student's career at Radford University.

The four fundamental learning areas of the REAL model address: scientific and quantitative **R**easoning, humanistic or artistic **E**xpression, cultural or behavioral **A**nalysis, and applied **L**earning. In this model, students develop a four-year program of study that combines majors and minors that develop learning in those four areas. Foundational requirements in writing and math are added to ensure academic success. Existing degree programs at Radford University thoroughly cover at least one of the fundamental learning areas although most cover two. This level of flexibility increases student choice, ensures depth of knowledge, and credentials the learning students engage in.

The University is excited to unveil this engaging program that strives to not only increase student success, but also student satisfaction. REAL fulfills general education requirements within a traditional 120 credit hour bachelor's degree. Rather than a menu of courses, students fulfill REAL requirements as they complete majors and minors in the four fundamental learning areas. Given the additional flexibility to the student and the ability to have course credit count in multiple areas it is expected that time to degree completion and the associated costs can be reduced as well.

b. Academic Success Center Operation:

Historically, academic advising at Radford University has utilized a decentralized model where most students are advised by a mix of professional and faculty advisors in their respective college advising centers and only a few special

populations, such as undeclared students, are advised in the Pre-major Advising Center. This approach has led to a need for increased consistency, uniformity, and intentionality in the advising process across all of the University's academic colleges.

In the fall of 2020, in response to the University's Strategic Plan goal of intentionally leading "students from their transition into Radford University through graduation toward their unique path in life", the Academic Success Center opened with the mission of providing students with a centralized, holistic suite of services to support their academic success, enhance their engagement across the campus and within the community, and facilitate a sense of belonging as a member of the Highlander family. The creation of the Center demonstrated the University's strengthened commitment to the engagement and retention of students by focusing on the areas of re-enrollment and first-year student success through the utilization of a case management approach to enhance service delivery and expand program offerings.

The Center is charged to review and analyze predictive data related to first-year retention and persistence; utilize data to inform program development, outreach and intervention; share best practices while collaborating with stakeholders and partners across campus; and identify barriers to first-year student success as well as make recommendations and implement solutions for future improvements. This cross-divisional, unique approach to advising assigns dedicated resources to enhance student engagement and success with a formalized "one-stop shop" configuration to more effectively serve students. While the Center was opened in the fall of 2020 on a limited basis, the complete phase in and scale up of this University wide initiative will take several years. With increased investment, the University's advising approach will have a personal touch with the appropriate level of resources and a centralized channel of communication. The University will continue to identify operating needs of the Academic Success Center ensuring optimal student support services are provided to increase student success, engagement, and retention.

c. Academic Leadership Fellowship Program:

The Academic Leadership Fellowship Program was designed to strategically and intentionally connect faculty within academic units to other departments and divisions that are directly tied to student recruiting, retention and success. Faculty currently operate within silos dedicating all of their attention and energy into their specific academic demands. This program breaks down these silos by expanding the level of support faculty traditionally provide. The program supports the ongoing need to foster student success in order to ensure persistence and retention while building and maintaining a culture of faculty engagement and collaboration. The program identifies faculty fellows to serve as representatives for undergraduate academic disciplines supporting student recruitment, new student onboarding, and ongoing student persistence and success. A central part of the program involves

these fellows facilitating effective student engagement with students as they navigate the REAL Curriculum (as noted above) as well as supporting and serving in an advisory role within the Academic Success Center.

This program will directly benefit enrollment growth through increased student success and retention. Engaging with and developing individual faculty as leaders in all academic programs, enables the recruiting staff to create intentional connections and relationships through the fellows as liaisons with whom prospective students can connect to and communicate with about program opportunities. These faculty are intended to be the most first-year student friendly faculty, committed to student success and support, who can share opportunities with students and help Admissions highlight the outstanding academic opportunities offered at the University. Connecting a faculty liaison from each undergraduate program at the University is the first step to ensure enrolled students have a consistent and readily available link between their academic interests, goals and opportunities to increase engagement. This program fosters a culture of collaboration where academic departments can rally around the goal of retention and make a difference on at the campus-wide level.

d. Center for Opportunity and Social Mobility:

At Radford University, 30% of main campus undergraduates self-identify as first-generation students, meaning the student is among the first in their family to attend college. First-generation students have a well-documented need for enhanced support, guidance, and mentorship. A structure for success targeting 30% of the student body will certainly have an impact on the overall retention and completion rates for this population. Additionally, the pandemic and "enrollment cliff" have highlighted that this group needs a compelling reason to choose college.

A comprehensive approach to first-generation student support will include creation of the Center for Opportunity and Social Mobility, the first of its kind for the University. The Center will provide staffing, peer mentoring, faculty engagement, and programming dedicated solely for the University's first-generation population. In fall 2021, the Center will launch a structured, integrated plan for first-generation student success. This plan will integrate events and interventions already in place and will amplify support, faculty engagement, and student connections. These measures directly support the Strategic Plan Key Performance Indicators of enrollment growth and student success.

With first-generation students making up one-third of every academic college and representing 45% of all students with a GPA from 1.00 to 1.99, it is critical to provide specialized programming and enhanced engagement opportunities to ensure their academic success. Through tailored student focused events (e.g. welcome events, educational programming, National First Gen Celebration, and college connections with Deans and faculty) as well as specific family events (e.g.

family weekend luncheons, tours, faculty engagement, and online family courses) the University will be well-positioned to further serve this important segment of campus.

Strategy 3:   Further Health Sciences Degree Offerings.

SSP Alignment: 3 – Transformative

The University strives to continually advance the opportunities for allied health programs in the Commonwealth. The establishment of Radford University Carilion (RUC) created a platform to accelerate high-demand health sciences degree program offerings and provides an opportunity for substantial growth in graduates.

The institution is focused on expanding allied health offerings at RUC by focusing on three fields that have projected growth for the Commonwealth between 17% and 20% by 2029. Each program has the potential to produce additional graduates in these high-demand fields with minimal investment of time and resources.

a. Occupational Therapy Assistant (OTA) to Master of Occupational Therapy (MOT) Bridge Program:

The development of an Occupational Therapy Assistant to Master of Occupational Therapy Weekend Bridge Program (OTA-MOT Bridge) will allow licensed Occupational Therapy Assistants (OTA/L) who wish to advance their career in the field of Occupational Therapy to obtain a Master of Occupational Therapy (MOT) degree and become a licensed Occupational Therapist (OT/L). OTAs graduate with a two-year Associate's degree from a community college or technical school. After several years of industry practice, many wish to further their education and career opportunities to become Occupational Therapists.

There are currently only 15 OTA-MOT Bridge Programs located across the country. Thirteen of these programs are at private universities with significantly higher cost than Radford University. There are no OTA-MOT Bridge programs in Virginia, which will make Radford University's OTA-MOT Bridge program the program of choice for Occupational Therapy Assistants in the Commonwealth.. The average salary for an OTA in Virginia is $53,000, whereas an Occupational Therapist with a graduate degree makes $74,500 and has greater opportunities for career advancement and stability. Also notable is that the Bureau of Labor Statistics reports that the national demand for Occupational Therapists is expected to grow 16 percent by 2029. The financial and professional potential growth makes returning to college desirable for many OTAs; however, there are currently limited opportunities to do so.

The OTA-MOT Bridge program at RUC will be a non-traditional, full-time weekend program that will target practicing OTAs who wish to continue to work full-time during the week and attend graduate school on the weekends.

b. Respiratory Therapy Program (RETH) Online Degree Advancement:

The development of an online Degree Advancement program in Respiratory Therapy will allow individuals with an Associate Degree in Respiratory Therapy (ASRT) to obtain a Bachelor's Degree in Respiratory Therapy (BSRT) utilizing a totally online platform. The Respiratory Therapy Program located at RUC is one of only two baccalaureate programs in the Commonwealth. Each year over 6,000 students graduate from Committee on Accreditation of Respiratory Care (CoARC) accredited programs from across the United States. These graduates include approximately 100 graduates annually from the five Virginia Community College System (VCCS) programs and the two baccalaureate programs.

Associate Degree programs have served as the backbone for the Respiratory Therapy (RT) professions for many years and make up the majority of programs across the country at just over 340 accredited schools. However, between 2014 and 2017 the American Association for Respiratory Care (AARC), CoARC, and the Coalition for Baccalaureate and Graduate Respiratory Therapy Education (CoBGRTE) recognized the need to elevate the entry level for the profession. Effective January 1, 2018, CoARC made the policy decision to not accept any new associate degree programs for accreditation. The intention behind this policy is to move to a baccalaureate degree for entry to the profession.

Currently, there are 70 entry level baccalaureate programs in the United States, two in Virginia, including Radford University Carilion. Additionally, there are 23 respiratory therapy associate degree to baccalaureate degree online programs (degree advancement) nationally with only one in Virginia, at Liberty University. These baccalaureate degree completion programs are accredited for 50 – 200+ students per year. Accreditation is not required for degree completion programs; however, it is advantageous from a marketing perspective. It is estimated that demand will increase by 19% for Respiratory Therapist by 2029, and could be even higher given the uncertainties surrounding the COVID-19 pandemic and long-term care of survivors. There are currently 135,800 employees in the profession with projected annual job openings of 9,200 nationally.

Degree Advancement programs are designed specifically for Respiratory Therapists who have already completed an accredited Respiratory Therapy Care program, hold the Registered Respiratory Therapy (RRT) credential, and wish to obtain advanced education in Respiratory Care. Radford University is uniquely positioned to fill this need for the Commonwealth and beyond.

c. Public Health and Healthcare Leadership Online Graduate Programs:

According to the Bureau of Labor Statistics, "Employment in healthcare occupations is projected to grow 15 percent from 2019 to 2029, much faster than the average for all occupations, adding about 2.4 million new jobs." In response to

the ever growing demand for healthcare, professional degree programs at Radford University Carilion (RUC) must be maximized to full capacity.

At RUC, the Department of Public Health and Healthcare Leadership (PHHL) has significant opportunity to seize increased growth. PHHL is one of the newest departments at RUC, as it was created just before the merger. Currently, the department offers three online, in-demand graduate programs. In order to promote enrollment growth, investment will be made to provide additional operating support for three programs: the Master of Healthcare Administration; the new Master of Science in Health Sciences with a concentration in Clinical Research Administration; and the Doctor of Health Sciences with concentrations in Healthcare Administration, Community and Public Health, and Education and Academia. Enhanced promotion and marketing of these offerings at a program level creates an opportunity to increase enrollments in these highly sought-after programs.

Each program also offers new dual-degree tracks where students are able to complete degree programs at an accelerated pace while being offered entirely online, flexible and convenient formats with no residency requirements. These programs are targeted for adult learners and working health professionals. There are approximately 47,000 Healthcare Administration jobs currently open nationally. These RUC programs are well poised to fulfill the need for the increased national demand

Strategy 4:   Broaden University Outreach and Engagement.

SSP Alignment: 1 – Equitable
                    2 – Transformative

The University has a rich history of Highlander Spirit as reflected in the institutional values of being Responsive, Resilient, and Real. In the current climate, it is more important than ever to effectively communicate those values to the surrounding community and prospective students. It is also imperative that students are encouraged to engage in opportunities that bridge student learning with real world experience.

The institution has identified three areas of focus for the Six-Year Plan to expand the University's outreach and engagement.

a. Virtual Campus Visits:

Historically, on-campus visits for parents and students have been a hallmark of the University's recruiting activities. However, the onset of COVID-19 in spring 2020 dramatically restricted the University's ability to host prospective students and their families to showcase the campus and offerings. The unforeseen changes that had to be made in traditional recruiting efforts had the potential to significantly impact

incoming freshman enrollment. Additionally, the population shifts away from Southwest Virginia have only increased the University's need to attract students from the northern and eastern parts of the state. While the University did have an existing virtual student tour, it was found to be ineffective and outdated. During the pandemic, the University's marketing and enrollment management teams moved quickly to deploy an internally developed tour for prospective students and families. Although the effort was successful, and the end product certainly met the immediate need, it was not a long-term solution for the University.

It is critical to provide an effective virtual campus experience in the current and projected post pandemic environment. Therefore, the University will be partnering with an external provider to routinely compile and update virtual imagery and experiences to ensure an up-to-date modernized virtual tour is maintained by the University. The initial photography and videography efforts were completed in 2020-21. While on-campus tours have resumed and remain central to attracting new and transfer students, a sustained investment in virtual experiences will be important moving forward to enhance recruiting activities.

b. Program Marketing Expansion:

Over the last five years, University-wide branding has been a strong strategic focus. Initiating, creating, and implementing a comprehensive brand guide that accurately reflects the mission of the University has laid a strong foundation that properly markets the University as a whole. Within this foundation, the University has identified an expanded marketing need at the academic program level.

For the 2020-21 recruitment cycle (new students starting in Fall 2021), the divisions of Enrollment Management, Academic Affairs, and University Relations partnered in developing customized recruiting initiatives related to academic programs. Marketing expansion at the academic program level will help in bringing awareness to University programs in the current challenging and competitive student recruitment environment. This strategy is directly integrated with the Academic Leadership Fellowship Program as faculty engagement in student recruiting is a primary focus of that initiative. Faculty assistance in the recruitment and marketing efforts is needed and crucial to attract potential students to their programs and to the institution itself. The University will continue to build and enhance program marketing capabilities to further engage prospective students at the academic program level.

c. Venture Lab:

Founded in 2019, the Venture Lab (Lab), is the new home for student entrepreneurship at Radford University. The Lab was made possible through the conversion of a previously unfinished and unoccupied space on the lower level of the Davis College of Business and Economics. The Venture Lab operates as the institutional home of all student-based entrepreneurship activities and a bridge

between idea formations to concept launch. The Lab was recently assigned to the leadership of the Davis College Dean but is designed to work with students from all disciplines who have an interest in entrepreneurship. This is accomplished through the oversight of the Entrepreneurship Living Learning Community, the Truist Innovation Challenge and other student-focused programming that enable them to map and facilitate the pathway from initial thoughts to market fruition.

With the growth of a MakerSpace ecosystem and entrepreneurial activity by students, the goal is to provide students with a way to discover and grow "Value in Their Ideas." The Venture Lab is designed to counsel students as they formalize, develop, and strengthen innovation efforts and thus foster an entrepreneurial mindset among Radford students. The University continues to invest resources, both personnel and non-personnel (i.e., operating expenses), to further develop this student-centric space and further experiential entrepreneurship opportunities to students across all academic disciplines.

Strategy 5: Enhancement and Expansion of Online Academic Programs.

SSP Alignment: 2 – Affordability
3 – Transformative

In January 2021, the University launched a new initiative to expand and enhance delivery of three highly sought-after, accelerated (fast-track), and affordable online degree programs to meet current market needs in the Commonwealth and nationally. Partnering with an external vendor, the initiative supports delivery of existing high capacity programs in an expanded online format, beginning with Bachelor of Science in Nursing (RN to BSN), Master of Science in Nursing Administration, and Master of Business Administration degrees. These programs were selected due to the capacity for program expansion as well as market demand. Given the demand, initial planning suggests that each program has the ability to more than triple enrollment within the first five years of the reconfigured fast-track structure. In addition to the revised program structure of eight-week rolling terms, the initiative focuses on providing an integrated marketing approach, dedicated enrollment management, robust student services, and precise academic support services.

Additionally, under this initiative the University will also expand its outreach of the Vinod Chachra IMPACT Lab by offering the cybersecurity and geospatial intelligence certificates to new markets. The IMPACT Lab has functioned exclusively on a business-to-business (B2B) model, but is now also incorporating a business-to-consumer (B2C) model due to increasing success and demand. This allows these certificates to be offered more broadly and supports the IMPACT Lab's ability to assist individuals in accelerating their careers in technology.

Additional certificate programs are planned in the future to meet the expanding workforce demands of Virginia.

The expanded programs will also help combat the impact of COVID-19 on the economy by providing working adults with affordable and easily accessible degree programs in critical, high-growth fields. These programs are designed to meet the demands of an adult online learner such as the desire to have a 100% online and asynchronous delivery, an accelerated path for completion, and frequent and multiple program start dates. The enhancement and expansion of these programs directly supports the University's strategic plan enrollment goals by attracting adult learners through enhanced programs and innovative pathways.

Section C. In-state Undergraduate Tuition and Fee Increase Plans: Provide information about the assumptions used to develop tuition and fee information the institution provided in the Excel workbook Part 1. **The tuition and fee charges for in-state undergraduate students should reflect the institution's estimate of reasonable and necessary charges to students based on the institution's mission, market capacity and other factors.**

RESPONSE:

Substantial consideration is given to any prospect of increasing in state and/or out-of-state tuition and fee rates. This analysis includes a thorough understanding of legislative actions by the General Assembly, enrollment projections, mandatory cost increases, divisional programmatic growth, overall institutional priorities, and the broader macro-economic outlook. The three percent rate increase included for each year of the plan are based on generating the resources necessary to execute the strategies contained within. This process equates to a demonstration of the level of non-general fund revenue necessary to achieve the Academic and Support Service Strategies within the current environment. Therefore, it is important to acknowledge the financial projections contained herein are provided as a scenario and, as is required under the Code of Virginia, final authority for any tuition and/or fee increase ultimately resides with the Board of Visitors.

In addition, before any institutional programmatic initiatives can be entertained for funding as are contained within the six-year plan, the University must address unavoidable cost increases. These costs include sharing in the financial burden of state employee salary increases, mandated fringe benefit and health insurance rate changes, promotion and tenure compensation adjustments, safety and security, contractual escalators, technology support, and the operating and maintenance facilities. In past years, these factors have had a significant impact on the decision to increase tuition and are expected to continue. Projected tuition and fee rate increases will change in order to cover state operational mandates and the amount of funding available to address programmatic strategies will be reevaluated as required.

Section D. Tuition and Other Nongeneral Fund (NGF) Revenue: Provide information about factors that went into the calculations of projected revenue, including how stimulus funds may mitigate tuition increases.

RESPONSE:

Revenue projections utilize estimated enrollment for FY2023 and FY2024 to calculate projected tuition revenue. The FY2024 modeled tuition rate, which includes an increase for in-state undergraduate tuition, is reflective of a planning scenario only and has neither been recommended to nor approved by the board.

Stimulus funds have served, and continue to serve, a vital role in assisting in offsetting unexpected costs, providing additional student financial need, and supplementing lost revenue incurred as a result of the pandemic. Given the time requirements in which to utilize the available funds, the University is hesitant to plan to rely on such funding in FY2023 and beyond. Therefore, stimulus funds were not considered in the calculation, but would be used to fill the gap and offset tuition increases in FY2023 and FY2024 if available and allowable.

Section E. Other Budget Items: This section includes any other budget items for which the institution wishes to provide detail. Descriptions of each of these items should be one-half page or less.

RESPONSE:

1. **Increase Faculty and Staff Salaries:**

   The University has included a five percent salary increase and a $1,000 per employee bonus for FY2023. There is also a five percent increase included in FY2024. Given the institution's reliance on general funds, the illustrated increase will require a significant investment from the University without state support.

2. **Library Enhancement:**

   Academic libraries play a critical role in the educational experience both on- and off-campus. Unfortunately, the costs associated with providing these resources continue to increase as the University reframes the support offered by the library. While it is still necessary to fund traditional print media, the focus has turned to digital technology and increased student learning resource support. Within the McConnell Library, the University has invested in repurposed student support through a new writing center, the Harvey Knowledge Center, and an assessment resource center. The University must continue to evaluate student resources offered by the library and be ready to invest in areas that improve student success.

3. **Utility Cost Increases:**

   Radford University has long-term contracts related to utility operations, such as natural gas, electricity, and the boiler plant. As a conservative estimate, the University is planning for an increase consistent with the Consumer Price Index (CPI).

4. **NGF for Current Operations:**

Increases in nongeneral fund costs associated with current operations relate to contractual escalations in base operating expenses. Facilities Management and Information Technology contracts often contain cost escalators that must be funded annually. Promotion and Tenure guidelines govern advancement of Teaching and Research Faculty within the University. This salary escalation is a cost that must be funded annually. The amounts included in the Six-Year Plan are estimates of future year escalators based on historical investments. The actual amounts necessary for operations are adjusted annually according to final need.

Re-establish Base Operations Support: The University has worked diligently over the last decade to position the institution for continued success in providing a low-cost, high-quality education option for Southwest Virginia. Part of that roadmap plotted an anticipated change in overall student demographics for the University. With the predicted "enrollment cliff" coming into frame, a decrease in the pool of undergraduate students is clearly in sight. To offset any potential future enrollment declines, the university expanded its non-traditional offerings through the Competency Based Education programs (IMPACT Lab), initiated the merger with Jefferson College of Health Sciences that created Radford University Carilion (RUC), and invested in additional graduate offerings both on main campus and at RUC. While those measures have been successful in preserving the overall University enrollment, the decline in in-state undergraduate students has changed the overall structural enrollment composition.

While the University is extremely grateful for the generous investments made by the Commonwealth in support of lowering tuition and fees at RUC, the University is still challenged to meet the continued demands created by inflationary factors and mandatory cost increases. In reviewing the University's general funds per in-state undergraduate FTE, the University ranked 10th out of 15 four-year institutions in the Commonwealth in 2010-11 at $6,772 per FTE. Unfortunately, even with the change in demographics and less in-state undergraduate students, the University's ranking slipped to 11th out of 15 in 2018-19 at $8,738 per FTE, which is the latest information available from IPEDS. It is important to maintain the current buying power of the University's general fund E&G base budget, which provides a stable resource to allow for effective resource planning and implementation of strategic initiatives. It is also important to have adequate resources to effectively hire and maintain high quality staff in the local area. The University has felt increasing pressure of wage competitiveness for several years given the limited pool of skilled employees and higher compensated positions in the immediate area.

This current funding level for Radford University has proved challenging as the University focuses on maintaining low-cost options. The general fund request included in this submission will help offset potential future tuition increases and ensures the University remains a strong higher education provider for the Commonwealth.

Section F. Enrollment Projections: Include in this section information about how your institution developed its enrollment projections, whether your institution is concerned about future enrollment trends, and, if so, what planning is underway to address this concern. How have enrollment plans been impacted by the pandemic? For example, does your institution plan on enrolling more online students?

RESPONSE:

Radford University develops enrollment projections through analysis of previous year's enrollment data, engaging enrollment management administrators on emerging application trends, and thoughtful consideration of the overall higher education landscape. Retention data is examined for each cohort to identify patterns of returning students (by class level) registering for the upcoming fall term. Retention leadership is consulted to compare the estimates of returning students with what the support staff have been hearing from students regarding fall registration. Graduate enrollments for prior years are analyzed by program because graduate education can vary greatly between colleges and departments. Feedback provided from graduate administrators is beneficial to confirm or adjust the preliminary estimates.

Any nontraditional programs such as online courses and programs for workforce competency based micro-credentials, are also included in the process. Budget and financial planning officers review the preliminary estimates and advise on any areas for adjustment to ensure the enrollment projections and budgeting schedules are aligned.

For several years, the University has been looking ahead to the anticipated enrollment cliff expected in the mid to late 2020s. In addition to looming population changes, growing concern about the cost of higher education, and high school graduates' bypassing college and entering straight into the workforce, the pandemic has also impacted current and future enrollment trends. Historically, the foundation of University enrollment has been the traditional population of students entering college directly from high school. While this still represents the majority of students, Radford is growing other categories of students through expansion and generating more online learners. In recent years these strategies have included the merger with Jefferson College of Health Sciences and the establishment of the Vinod Chachra IMPACT Lab to offer competency based education. Additional strategies being pursued this cycle include the online program expansion through the enhanced collaboration with Academic Partnerships (AP) and the Community College Bridge Program. At the core of the AP relationship is the market expertise that will help the University to recruit and retain more online students in selected traditional and competency based programs. The Community College Bridge program between New River Community College (NRCC) and Radford University has been developed to allow students, whose academic performance falls below the criteria for admission to Radford University, to take classes at NRCC while living on campus at Radford. Following a year-long period, these Bridge students may transfer from NRCC into Radford's academic programs. This opportunity yields a new pipeline of enrollment for students who may have otherwise attended elsewhere or nowhere at all.

Section G. Programs and Instructional Sites: Provide information on any new academic programs, including credentials and certificates, new instructional sites, new schools, or mergers supported by all types of funding, that the institutions will be undertaking during the six-year period. Note that as part of the revised SCHEV program approval process, institutions will be asked to indicate if a proposed new program was included in its six-year plan. Also, provide information on plans to discontinue any programs.

RESPONSE:

Following Radford University's merger with Jefferson College of Health Sciences, Radford University and Radford University Carilion are positioned to meet the goal of increasing Health Science graduates in the Commonwealth, specifically increasing nursing graduates by 35% over the next five years.

The University is developing degree programs and certificates that serve a variety of business and industry in the Commonwealth, the nation, and the world. The primary focus will be in the area of health science and other industry related needs. Programs will be versatile and responsive to job market trends and professional needs including delivery mode. Radford University is working with Carilion Clinic to ensure the current slate of offerings is sufficient to meet current demands.

Programs under consideration:

BS in Respiratory Therapy (online degree advancement)

OTA to MOT bridge program for Occupational Therapy (online/hybrid)

MS in Health Sciences in Population Health

Certificate in Health Science Education

BS in Sonography

DMSc in Physician Assistant Studies

MFA in Graphic Design

BFA in Musical Theater

BS in Creative Media Studies

BS in Economics (online degree completion track)

Post graduate certificate in nursing education

Post graduate certificate in nursing informatics

Post graduate certificate in health science education

Section H. Financial Aid: Discuss plans for providing financial aid, not including stimulus funds, to help mitigate the impact of tuition and fee increases on low-income and middle-income students and their families, including the projected mix of grants and loans. Virginia's definitions of low-income and middle-income are based on HHS Poverty Guidelines. A table that outlines the HHS guidelines and the definitions is attached.

RESPONSE:

Radford University strives to maintain affordability and access for low- and middle-income students through many different avenues. As one of the most affordable Universities in the Commonwealth, Radford University strives to set reasonable tuition and fee rates to lessen the impact on students while employing the use of state general funds and institutional resources to provide student financial assistance to need-based undergraduates. The University also provides work opportunity programs through the institutionally-funded Work Scholarship Program that employs restrictions similar to the Federal Work Study program. The Work Scholarship Program provides students with employment opportunities to help defray the cost of their education. Currently, the University has just under 700 student positions available to gain real-world experience while earning wages to assist with their educational costs. Additionally, the University's dining and bookstore contractors offer over 190 permanent and seasonal positions for which students can apply.

Another way to support student financial need is through private support. The University recently increased efforts related to private giving and has received over $17.5 million in pledged contributions over the last twenty-four months earmarked to support student scholarships.

The University's engaged faculty continue to openly support the use of Open Educational Resources (OER) and have increased offerings of electronic materials for use in the University's general education curriculum at no charge to students. In addition, a number of major-specific courses have offered alternatives to traditional textbooks with open-sourced materials. These are distributed in either print, e-book, or audio formats and may be purchased at little or no cost. Decisions like these can significantly reduce students' cost of supplies and other course materials.

Effective for the fall 2020 class, Radford University also introduced the Highlander Distinction Program (HDP). The HDP is a comprehensive award program that will provide an additional $14 million over each cohort of students in their four years, thereby greatly reducing out-of-pocket costs. For the 2020-21 school year, approximately 547 needy students received $1.67 million in aid under the HDP.

As a result of the passage of Coronavirus Aid, Relief and Economic Security (CARES) Act, a funding source was established for the Higher Education Emergency Relief Fund. Radford University awarded over $2.47 million to approximately 2,700 Pell Eligible students in 2019-20.

Finally, the University continues to evaluate and employ all strategies to assist low- and middle-income students with defraying the total cost of attendance. With such a large in-state undergraduate population (93 percent as of fall 2020), the University continues to be heavily reliant upon state support to assist with low- and middle-income populations.

Section I. Capital Outlay: Discuss the impact, if any, that the pandemic has had on capital planning, such as decreasing the need for space or other aspects. Provide information on your institution's main Education and General Programs capital outlay projects, including new construction as well as renovations that might be proposed over the Six-Year Plan period that could have a significant impact on strategies, funding, student charges, or current square footage. Do not include projects for which construction (not planning) funding has been appropriated. *Special Note: The requested information is for discussion purposes only and inclusion of this information in the plans does not signify approval of the projects.*

RESPONSE:

The capital planning process during the last year included significant emphasis on the requirement for flexibility of existing and repurposed spaces for both academic and administrative needs. This need for flexibility was highlighted by the pandemic, through the requirement for more robust information technology delivery equipment and components, and the necessity for multiple uses of many conventional spaces and furnishings. Existing building program spaces and infrastructure are severely lacking in the ability to easily transform to accommodate these needs, as historic planning and construction was typically based on specific use scenarios.

The capital plan includes an emphasis on existing building renovations as opposed to new footprint. These renovations will be designed to create more efficient and flexible use of existing spaces and allow the University to reduce the use of leased spaces and remove end-of-life support spaces from the campus inventory.

McConnell Library Renovation:

The footprint that forms the McConnell Library consists of an original 14,000 square foot building built in 1931, a 47,500 square foot addition built in 1965, and a 46,444 square foot addition built in 1995. Both the 1965 addition and the 1995 addition, which represent approximately 90 percent of the library's square footage and operations, remain in their original configuration with building systems and equipment that have far exceeded their expected useful life. Building security systems are inconsistent and not in line with current technology, and the outdated HVAC system requires full replacement to provide proper ventilation for the structure.

The remaining existing mechanical components do not operate with current efficiencies such that energy consumption in the building is well above the campus average. The electrical secondary distribution systems and components are original in many parts of the building, which does not provide adequate support for today's academic power needs, and data systems and components have likewise been inconsistently assembled over time. The proposed renovation will replace all of the aged and inefficient building systems and equipment with modern efficient solutions.

The building in its current state also does not provide proper accessibility systems and components. The various additions have brought a confusing layout and inefficient overall footprint. There are also portions of the building that contain hazardous materials, such as asbestos and lead-based paint, that will require remediation. These areas have been mitigated in a somewhat piecemeal fashion as projects have been undertaken over the decades. Last, the renovation will allow a complete replacement of the overall building fire alarm system and components to be consistent with the overall campus fire alarm environment.

The renovation will also incorporate repurposing and space changes to provide amenities found and expected within modern libraries. With the increasing move to electronic resources and culling of print collections, the University plans to repurpose print storage space for alternative configurations. Spaces targeted for repurposing are home to some of the library's print collection along with Archives and Special Collections. The print collection located in these areas is in the process of being thinned and the remaining books moved to compact storage.

The culling and relocation of existing collections will also create the necessary space for the Radford University Innovation Lab (RU iLab). Reflective of current library trends, this space will include learning commons, breakout rooms, interdisciplinary presentation spaces and classrooms, and multiple maker-spaces. This move will rebrand the library as a hub for innovation and productivity. In particular, the RU iLab will create the infrastructure for students to engage in collaborative, interdisciplinary thinking to confront present-day needs and pressing future problems. The renovated space will also include student support areas for group study, provide technology-emphasized rooms for both instruction and information retrieval, incorporate student service functions such as tutoring and writing instruction, and incorporate the Innovation Learning Lab space.

Health Sciences Space:

Radford University's 2019 merger with the Jefferson College of Health Sciences, Virginia created Radford University Carilion (RUC). RUC's operations are housed in Carilion Roanoke Community Hospital (CRCH), an active health care facility, which is part of the Carilion Clinic, a not-for-profit health care provider in southwest Virginia. CRCH is a 10-story, 408,000 square-foot hospital, providing a variety of health care services. RUC leases approximately 171,000 square feet in CRCH, including administrative, academic, laboratory, and other associated activities.

In today's environment, both RUC and Carilion have identified the need for expanded facilities to provide for both anticipated academic program growth and increased need for regional health care services. RUC's enrollment has grown over the last two years, and the demand for nursing and health sciences program graduates is very strong. RUC's current space in CRCH allows little to no flexibility to serve potential academic program growth, while future Carilion health care capital demands will likely require reclaiming of current RUC space. RUC's current programs benefit greatly from the immersive nature of the academic spaces within a working hospital; however, there are some basic

academic and administrative needs which might be better served in a more flexible environment outside of the hospital proper.

The continued growth of health sciences initiatives in Roanoke offers unique opportunities to provide students with classroom, research, and real-world clinical education settings only a few steps away from one another. Along with the increased concentration of educational offerings will come the need for various student services. In January 2021, a Master Planning Committee was established that consists of members from both Carilion Clinic and Radford University and will work collaboratively with the Virginia Tech Carilion (VTC) Master Planning Committee to ensure potentially mutually beneficial approaches are identified to define desired growth areas of education and research offerings, the layout of Roanoke health sciences campus, and facility needs both now and in the next 3 to 5 years. Initial findings highlight the shared desire for increased academic space, expansion of student health and wellness space, as well as providing additional student housing and dining options. Additional priorities also include the need for expanded research and innovation space to support the cross pollination and collaboration of evolving activities and needs supported by Carilion Clinic, RUC, and VTC.

Section J. Restructuring: Provide information about any plans your institution has to seek an increased level of authority, relief from administrative or operational requirements, or renegotiation of existing management agreements.

RESPONSE:

Radford University continues to evaluate restructuring options, but is not requesting changes to the current level of authority, relief from administrative operational requirements, or renegotiation of existing management agreements at this time.

Section K. Evaluation of Previous Six-Year Plan: Briefly summarize progress made in strategies identified in your institution's previous six-year plan. Note how additional general fund support and reallocations were used to further the strategies.

RESPONSE:

1. **Improve Student Outcomes through the Reimagined First-Year Experience:**

The Development of the REAL Curriculum: Radford University initiated a thorough review regarding the general education curriculum that led to the development of a refined model that allows for each student to have personalized educational possibilities. The program was designed to recognize that degree programs build competencies in the areas students need for lifelong learning and success and allows students to cross credit those competencies with general education areas. The newly developed model incorporates

general education seamlessly into the entirety of the student's educational career. Students are able to meet area requirements through majors and minors and foundation requirements are added to promote academic success. The model turns from the antiquated process of selecting from a menu of courses and instead allows the student to fulfill REAL requirements as they complete credentials in four areas of knowledge (reasoning, expression, analysis, and applied learning). Over the last year, academic programs have reviewed courses to meet REAL requirements as well as derived program level assessment of learning goals and outcomes. As stated previously, the REAL curriculum will be implemented in fall 2021.

The Creation of the Academic Success Center: The starting formation of the Academic Success Center was initiated on fall 2020.This center designed to co-locate academic advising, new student and family programs, and student success and retention. The Center is designed to strengthen the University's commitment to engagement and retention of students by focusing on the areas of re-enrollment management and first-year student success management through the utilization of a case management approach to enhance service delivery and expand program offerings. As further documented above, the Center is continuing to implement its strategic objectives and finalize the complete co-location of all related staff to formalize the one-stop shop configuration to best serve students as efficiently and effectively as possible.

2. **Improve Affordability through Additional Student Financial Aid:**

Radford University received an additional $2.5 million in state-supported financial aid for low- and middle-income students over the 2020-22 biennium. The aid has been used to reduce the impact of previous tuition and fee increases. The University maintains its commitment as a low-cost institution; however, the University recognizes the need for additional aid for low- and middle-income students. The University also continues to offer the Highlander Grant at $1.9 million annually. In addition, with the federal GEERF funding received for the 2020-21 school year, 498 students were awarded need-based aid.

3. **Further Educational Opportunities for Healthcare Professions and the Roanoke Valley through Radford University Carilion:**

On July 1, 2019, Jefferson College of Health Sciences became an integrated part of Radford University with the establishment of Radford University Carilion. The merger followed more than 18 months of collaboration and planning. The merger would not have been possible without support from the Commonwealth and the expertise and support of Carilion Clinic. Carilion officials continue to be collaborative and strategic partners in healthcare education and research efforts. 2019-2020 marked the first academic year with an official one-year anniversary on July 1, 2020. RUC is nearing completion of its second academic year.

From Fall 2019 to Fall 2020, overall enrollment at RUC increased from 1,046 students to 1,101 students. This 6.3 percent increase is especially important given the global health

pandemic, which had adverse impacts on many institutions with regard to enrollment. Currently, RUC is on track for another year of enrollment growth based on applications, admissions, and confirmations for the 2021-2022 academic year. As part of the 2021-22 budget, the University received a $10 million investment to support affordability for essential allied health programs by enabling the University to align in-state undergraduate tuition and fee rates between Radford main campus and RUC.

At RUC, there is a bold commitment to ensure there are capable and dedicated healthcare workers to fill the jobs of both today and tomorrow. Southwest Virginia is currently experiencing a healthcare workforce crisis, which will continue in the coming years. Over the last five years, approximately 86% of RUC nursing students accepted placements to work in Southwest Virginia hospital and healthcare settings after graduation. The University remains sharply focused on growing the pipeline of nursing graduates to serve the employment needs in the local region, the Commonwealth of Virginia, and beyond.

4. **Establish an Innovative Transfer Partnership with New River Community College:**

A unique partnership between New River Community College and Radford University, the Bridge Program is a rigorous and supportive residential program that provides an opportunity for participants to enhance their academic preparedness before fully enrolling at Radford University. Bridge students live at Radford and engage in all aspects of campus life, but take classes at New River Community College. The inaugural class of 54 students in the Bridge Program was welcomed in fall 2020, surpassing the goal of 50 students. For the second class, in the fall 2021, the University has already surpassed last year's incoming class with 60 current student commitments for fall 2021. While inaugural enrollment in this innovative program was impacted by the COVID-19 pandemic, it was clearly successful with 20 students from the initial cohort transferring into Radford University for the fall 2021 semester.

5. **Increase Degree Completion and Adult Learners through Competency-Based Education (CBE):**

Radford University has seen significant enrollment growth since the launch of IMPACT, a competency-based education, or CBE, program targeting the adult student population with an initial focus on cybersecurity and geospatial intelligence, which was later expanded to include K-12 professional development. This unique learning platform has allowed the University to diversify its program offerings in light of declining undergraduate enrollment trends.

The growth and success of the Vinod Chachra IMPACT Lab is directly tied to strong relationships built with a diverse cross section of business and industry companies and leaders. To date, the lab has a total of 32 corporate partners and enrollment has grown from 488 in Fall 2018 to 2,062 in Fall 2020. The IMPACT Lab's business model in FY2020 and FY2021 functioned on a business-to-business (B2B) model, but starting in FY2022

it will incorporate a business-to-consumer (B2C) component due to increasing success and demand.The future of the Vinod Chachra IMPACT Lab will be made possible through further expansion in both programmatic and delivery approaches as discussed within Strategy 5: Enhancement and Expansion of Online Academic Programs.

6. Enhance Student Experiential Learning Opportunities:

Venture Lab Initial Opening and On-Going Operation: In fall 2019, the Venture Lab was unveiled as a renovated and dedicated space for would-be student entrepreneurs, from any discipline, to develop and test business concepts, to breathe life into them and construct a bridge that will connect developed ideas of value to the first sale of their product or service. The creation of the space was only the first step in providing students with the necessary resources to learn, discover, adjust, test and pivot from idea generation to providing value. Continued investment in the lab is further discussed as part of Strategy 4: Broaden University Outreach and Engagement.

7. Strengthen Workforce and Economic Development Efforts:

Creation of Highlander Hotel and Conference Center: Over the last 15 years, Radford University has struggled with the lack of lodging and conference space available in the local area given the aging facilities of local providers. As part of the 2020 Master Space Plan, meeting space was identified as a critical need for the University. The University partnered with the Radford University Foundation to identify a solution, and in collaboration with the City of Radford, is bringing an upscale, full-service hotel to the area. Following more than a year of planning, construction has officially begun to make way for The Highlander that will be located in close proximity to the University's main campus.

The Highlander, with 125 rooms, is designed to reflect the local region and its rich history, as well as Radford University's tradition of hard work. In addition, it will provide amenities not available at current area hotels, such as a rooftop steakhouse that will overlook campus with a backdrop of the Blue Ridge Mountains. A highlight of the $31 million structure will be a 4,000-square-foot conference space that will accommodate 250-300 people, allowing the University to host large-scale events, such as business expos and conferences.

The hotel will provide around 32 full-time jobs and bring in 46,000 visitors to the area annually, adding approximately $410,000 in new city room and meals tax to Radford City in its first year of operation and $35.5 million over the next 50 years. The new hotel will also benefit Radford University through internship opportunities with the Recreation, Parks and Tourism program (RCPT), and will provide a Radford University Visitor's Center within the hotel. The Highlander is expected to open in late 2022.

Section L. Diversity, Equity and Inclusion (DEI) Strategic Plan: Provide an update on the completion status of your institution's plan that is being coordinated with the Governor's Director of Diversity, Equity and Inclusion. If a copy of the plan is available, please include it when your institution submits its initial plan. If a copy of the plan is not available for July 1 or if changes are made, please provide a copy with your institution's final plan submission on October 1.

RESPONSE:

Please see accompanying DEI submission document.

Section M. Economic Development Annual Report: Provide a copy of any report your institution has produced about its economic development contributions.

RESPONSE:

Please see accompanying Strategic Plan update document.
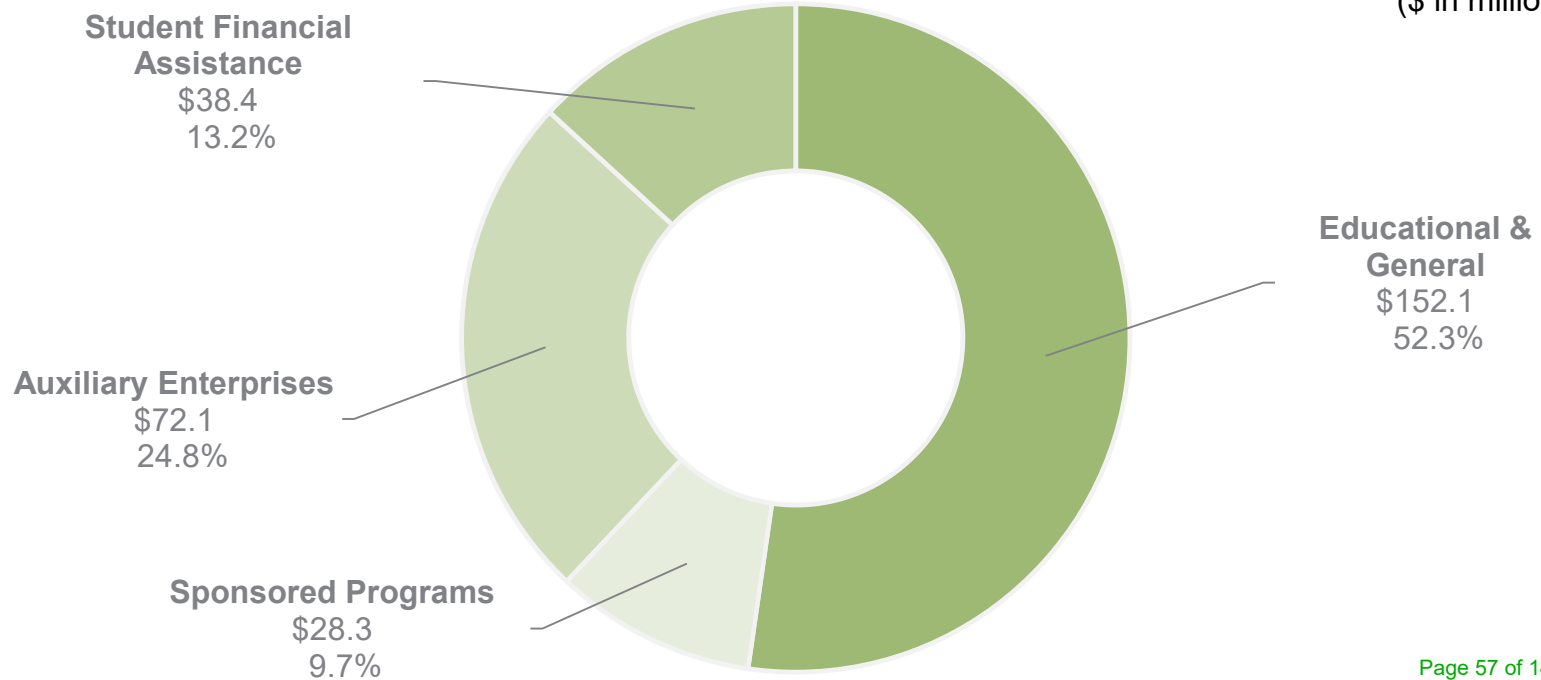
2021-22 Financial Performance Report

RADFORD
UNIVERSITY

RADFORD UNIVERSITY

2021-22 Financial Performance Summary

	Budget ($ in Thousands)			Actual ($ in Thousands)		
	Revenue	**Expense**	**Surplus/(Deficit)**	**Revenue**	**Expense**	**Surplus/(Deficit)**
University Operating						
Education & General	$153,801	($153,801)	$0	$152,130	($151,961)	$169
Student Financial Assistance	40,198	(40,198)	0	38,368	(32,772)	5,596
Sponsored Programs	30,624	(30,624)	0	28,324	(27,685)	638
Auxiliary Enterprise	78,046	(62,308)	15,738	72,124	(54,231)	17,893
Total University	**$302,669**	**($286,930)**	**$15,738**	**$290,945**	**($266,649)**	**$24,296**

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2021-22 Actual Revenue: All Programs & Funds

($ in millions)

Student Financial Assistance
$38.4
13.2%

Educational & General
$152.1
52.3%

Auxiliary Enterprises
$72.1
24.8%

Sponsored Programs
$28.3
9.7%

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2021-22 E&G Actual Revenue: General v. Nongeneral Split

($ in millions)

Nongeneral Fund
$75.2
49.4%

General Fund
$76.9
50.6%

Business Affairs and Audit Committee

RADFORD UNIVERSITY
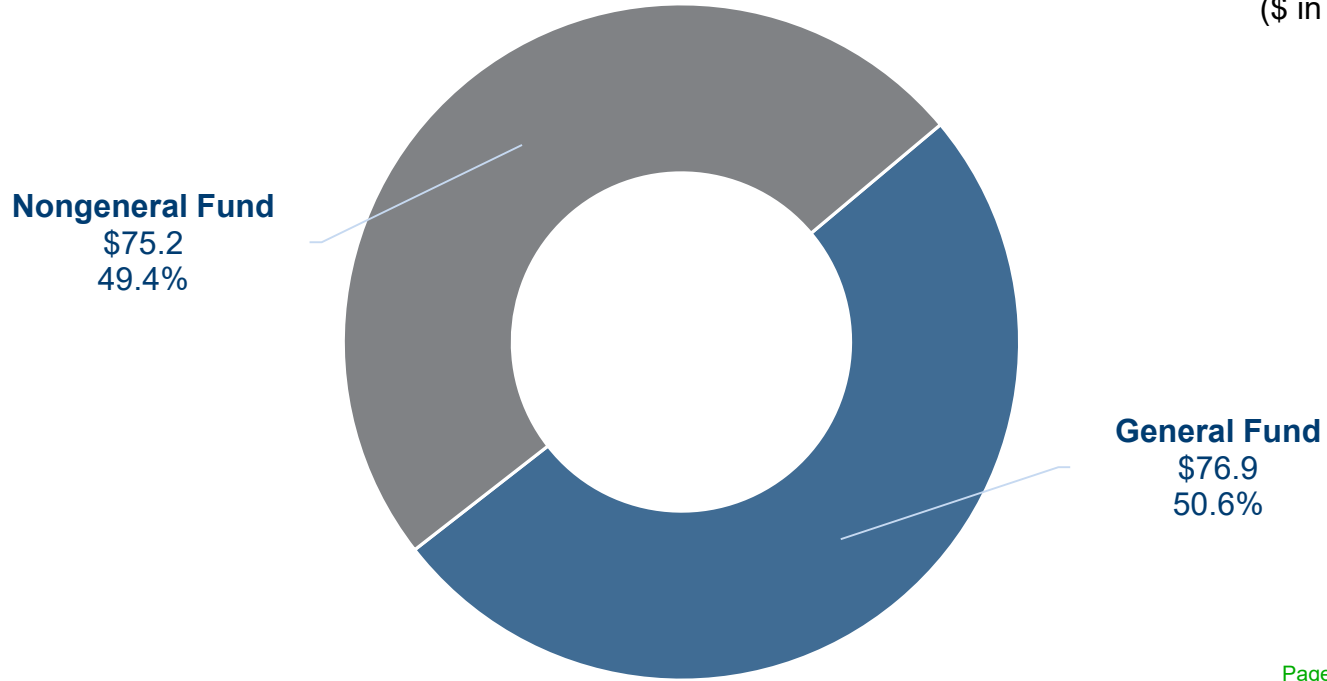
2021-22 Actual Revenue: Auxiliary Enterprise

($ in millions)

Dining Services
$17.6
24.4%

Residential Services
$17.2
23.9%

Student Activities, Union, Recreation, & Health
$9.0
12.5%

Intercollegiate Athletics
$13.3
18.5%

Other
$14.9
20.7%

Business Affairs and Audit Committee

RADFORD UNIVERSITY
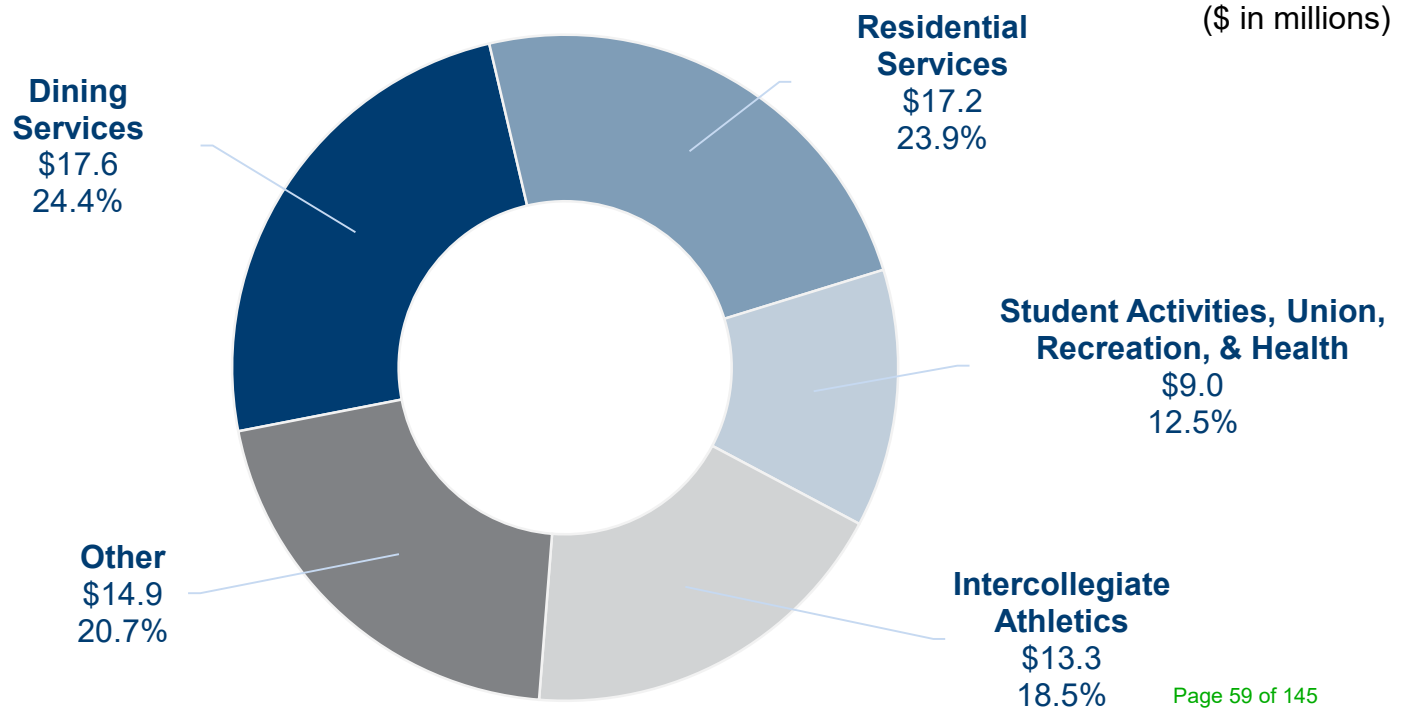
2021-22 Percent of Revenue Expended
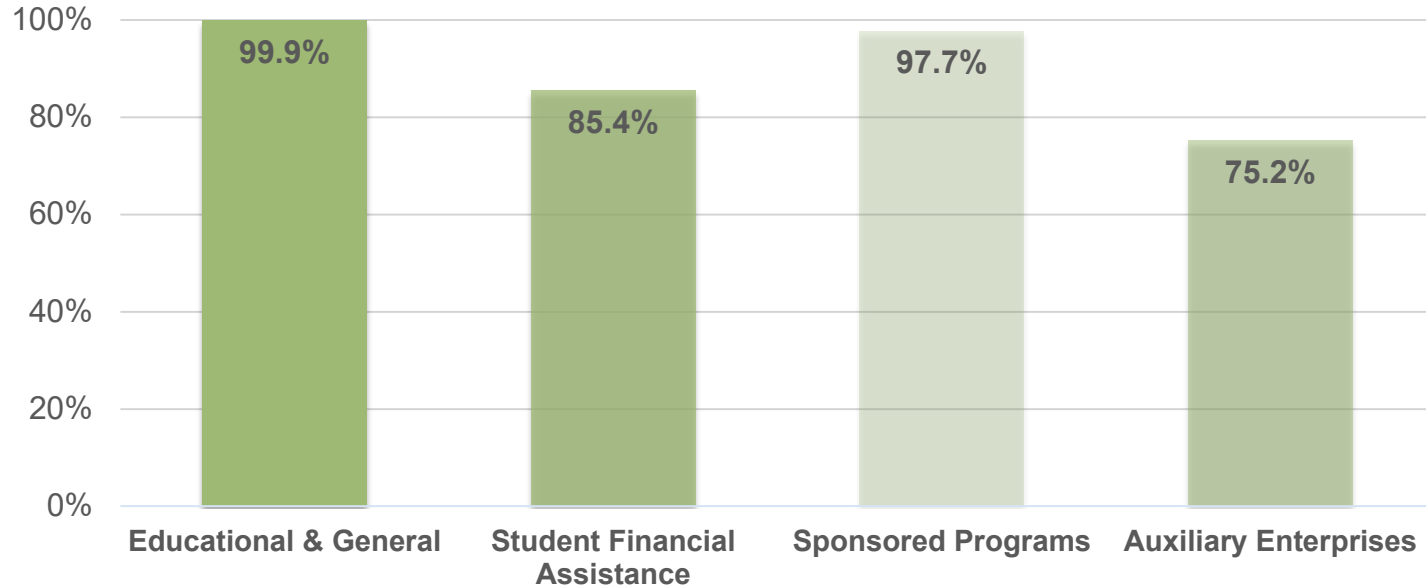
Bar chart showing percent of revenue expended by category:
- Educational & General: 99.9%
- Student Financial Assistance: 85.4%
- Sponsored Programs: 97.7%
- Auxiliary Enterprises: 75.2%

Business Affairs and Audit Committee

RADFORD UNIVERSITY

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 8, 2022

Information Item
Financial Performance Report and Write Off of Past Due Accounts Update for the Year Ending June 30, 2022

Item 1: Summary of fiscal year 2021-22 revenue and expenditures as of June 30, 2022.

Background:
The Financial Performance Report includes Schedules A and B which provides a summary of unaudited revenue and expenditure activity for the year ending June 30, 2022. The Financial Performance Report is generated from annual budget projections and actual accounting data recorded in Banner Finance that has been reconciled with the Commonwealth's Accounting System (Cardinal). The actual accounting data is recorded using a modified accrual basis of accounting which recognizes revenue when received rather than when earned and expenditures when posted rather than when payment is issued.

The Original Budget was approved by the Board of Visitors at the September 2021 meeting. The Revised Budget is inclusive of any technical adjustments made throughout the year, as well as the board approved 2021-22 third quarter adjustment to account for revenue shortfalls associated with reduced service levels and have been offset by institutional cost saving strategies as well as Federal and State relief programs initiated to support Institutions of Higher Education during this unprecedented time.

For the year ending June 30, 2022, revenues and expenditures were at projected levels. Schedule A provides a summary of revenue and expenditure activity by major program. Schedule B provides a summary of revenue, expenditure and reserve draw/(deposit) by major auxiliary enterprise unit. Footnotes are included in each schedule to explain variances between the Original Budget, Revised Budget, and year-end Actuals.

Contributions to the auxiliary reserve came in stronger than projected due to lower than anticipated contract vendor payments and scholarship awards, the timing of expenditures, and greater than anticipated turnover and vacancy savings. The contribution to the auxiliary reserve is required to meet the State Council of Higher Education for Virginia (SCHEV) guidelines for on-going operations, equipment renewal and replacement, and future capital projects.

Item 2: Summary of all past due accounts written off as of June 30, 2022.

Background:
The Virginia Department of Accounts Commonwealth Accounting Policies and Procedures (CAPP) Manual, Topic 20505, *Accounts Receivable*, states that delinquent accounts should be written off an agency's financial accounting records when all collection procedures, including those procedures required by the Office of the Attorney General (OAG), have been conducted

without results and management deems the accounts uncollectible. Accounts are deemed uncollectible if the collection account is over one year old and no payments have been received. The OAG accounts are deemed uncollectible if no payment has been made in one year from the time it is placed with the OAG. Accounts are written off effective the last day of the quarter in which this time period applies.

When accounts are written off, they are removed from an agency's financial accounting records. Writing off the debt for accounting purposes does not discharge the debt. The debt is still owed to the Commonwealth, but is no longer reported on the agency's books as a receivable. Eligible written off receivables must continue to be submitted to the Commonwealth's debt setoff program.

In 2006, the Radford University Board of Visitors delegated authority to write off uncollectible accounts under the amount of $25,000 per quarter to the Vice President for Finance and Administration and Chief Financial Officer. To meet financial reporting standards in a timely manner, the Board of Visitors revised the write-off delegation in 2014 to authorize the Vice President for Finance and Administration and Chief Financial Officer to write off all uncollectible accounts meeting State and University guidelines at the end of the reporting quarter, regardless of amount and provide an annual report of the previous year-ending activity at the September Business Affairs and Audit Committee meeting.

Below is a summary of the accounts written off by type of charge that have been returned by one of the University's third-party collection agencies as uncollectible, or referred to the OAG, and were deemed uncollectible during the fiscal year ending June 30, 2022:

Classification	Quarter Ending 9/30/2021	Quarter Ending 12/31/2021	Quarter Ending 3/31/2022	Quarter Ending 6/30/2022	FY 2022 Total $	FY 2022 Total #
Tuition & Fees	$79,992	$59,925	$22,186	$29,993	$192,095	130
Parking & Fines	6,893	3,770	6,800	5,054	22,517	277
Residential Life	208	45	90	498	841	12
Returned Items	225	200		70	495	8
Discharged Litigation Cost	699	777			1,477	2
Total Approved Write-offs	**$88,017**	**$64,717**	**$29,076**	**$35,615**	**$217,425**	**429**

Summary:
No action required; information item only.

Radford University
Financial Performance Report
For the Period Ending June 30, 2022

Dollars in Thousands

	Annual Budget for 2021-22			July 1, 2021 to June 30, 2022	
	Original (a)	**Adjustments** (b)	**Revised** (c)	**Actuals** (d)	**Variance**
Educational and General Programs					
Revenues					
General Fund	$76,526	$0	$76,526	$76,945	(419)
Tuition and Fees	67,184	8,318	75,502 (1)	79,324	(3,821) (6)
All Other Income	1,757	16	1,773	(4,139)	5,912 (7)
Total Revenues	$145,468	$8,334	$153,801	$152,130	$1,671
Expenditures					
Instructional & Academic Support	($93,771)	($5,958)	($99,729) (2)	($99,636)	($93)
Public Service Programs	(750)	0	(750)	(288)	($462) (8)
All Other Support Programs	(50,946)	(2,375)	(53,322) (1), (2)	(52,037)	($1,285) (9)
Total Expenses	($145,468)	($8,334)	($153,801)	($151,961)	($1,840)
Reserve Draw (Deposit)	0	0	0	(169)	$169 (10)
NET	**$0**	**$0**	**$0**	**$0**	**$0**
Student Financial Assistance					
Revenue	$16,080	$24,118	$40,198 (3)	$38,368	$1,830
Expenditures	(16,080)	(24,118)	(40,198) (3)	(32,772)	(7,426) (11)
Reserve Draw (Deposit)	0	0	0	(5,596)	5,596 (11)
NET	**$0**	**$0**	**$0**	**$0**	**$0**
Sponsored Programs					
Revenue	$8,962	$21,662	$30,624 (4)	$28,324	$2,300 (12)
Expenditures	(8,962)	(21,662)	(30,624) (4)	(27,685)	(2,938) (12)
Reserve Draw (Deposit)	0	0	0	(638)	638 (12)
NET	**$0**	**$0**	**$0**	**$0**	**$0**
Auxiliary Enterprises					
Revenues	$69,973	$8,073	$78,046 (5)	$72,124	$5,922 (6)
Expenditures	(64,097)	1,789	(62,308) (5)	(54,231)	(8,076) (6)
Reserve Draw (Deposit)	(5,876)	(9,862)	(15,738)	(17,893)	2,154
NET	**$0**	**$0**	**$0**	**$0**	**$0**
Total University					
Revenues	**$240,482**	**$62,186**	**$302,669**	**$290,945**	**$11,724**
Expenses	**(234,606)**	**(52,324)**	**(286,930)**	**(266,649)**	**(20,281)**
Reserve Draw (Deposit)	**(5,876)**	**(9,862)**	**(15,738)**	**(24,296)**	**8,557**
NET	**$0**	**$0**	**$0**	**$0**	**$0**

Notes:

(a) Original Budget - Reflects the projected 2021-22 Operating Budget as of July 1, 2021 which was approved by the Board at the September 2021 meeting. Both recurring and one-time operating budgets are included.

(b) Adjustments - Reflects changes that have been made to the 2021-22 Operating Budget between July 1, 2021 and June 30, 2022. Both recurring and one-time operating budgets are included.

(c) Revised Budget - Reflects the current 2021-22 Operating Budget as of June 30, 2022. Both recurring and one-time operating budgets are included.

(d) Actuals - Reflects actual activity through June 30, 2022.

Radford University
Financial Performance Report - Notes
For the Period Ending June 30, 2022

1) The Tuition & Fee revenue budget and the All Other Support Program expense budget were increased by $8.3 M as part of the third quarter Board approved budget adjustment. The revenue increase was attributable to several factors including: $10.3 M in HEERF funding offset by a $2.0 M decline in traditional student levels. The expense budget was also adjusted as part of this adjustment to account for the General Assembly's permission to waive the auxiliary indirect charges for the current fiscal year.

2) Instructional and Academic Support expense budgets were increased to account for one-time Faculty Early Retirement Program (FERP) participant costs and Carilion contractual obligations, which were offset by a reduction to the Instructional and Academic Support budgets due to turnover and vacancy savings temporarily reallocated to the All Other Support Programs.

3) The Student Financial Assistance revenue and expense budgets were primarily adjusted to account for appropriation increases for VA Military Survivors & Dependents Program, the Two-Year Commonwealth Transfer Grant Program, GearUp Initative, Higher Education Emergency Relief Fund (HEERF), American Rescue Plan Act (ARPA), the Governor's Emergency Education Relief Fund (GEERF), and deferred undergraduate, as well as graduate financial aid funding.

4) The Sponsored Programs revenue and expense budget was increased for the University's portion of the Higher Education Emergency Relief Fund (HEERF II and HEERF III) for institutional need.

5) The budget adjustments and projection variances are detailed in the Auxiliary Enterprises section of this report.

6) Tuition and Fees revenue was more than projected as a result of lower than anticipated student waivers, as well as higher than anticipated revenue from the IMPACT Lab and the FastTrack program.

7) The All Other Income is less than projected due to an institutionally planned E&G reserve contribution of $.5 M, an E&G carry forward of $7.1 million, offset by the reimbursement of fiscal year 2021's Equipment Trust Fund.

8) Public Service expenditures were lower than budgeted due to timing of activities and the recovery of programs post COVID-19.

9) The expenses in All Other Support Programs are less than projected due lower than expected utility costs, greater than anticipated turnover and vacancy, and the timing of the campus renovation projects.

10) The Reserve Deposit in the E&G Programs budget is reflective of the Insurance Recoveries, Surplus Property, and Recycling Proceeds surpluses.

11) The Reserve Deposit in the Student Financial Assistance Programs budget is reflective of the carry forward of the American Rescue Plan Act (ARPA) relief funding and deferred undergraduate, as well as graduate financial aid funding.

12) The Sponsored Programs revenue and expense budget is based on authorized state appropriation and is not necessarily reflective of anticipated fiscal year activity. Externally sponsored programs are initiated and finalized on an individual basis without fiscal year consideration, thus the actual fiscal year activity will vary from the projected revenue and expense budgets. The Reserve Deposit reflects the timing of expense reimbursements from the grantor.

Radford University
Auxiliary Enterprise
For the Period Ending June 30, 2022

Dollars in Thousands

	Annual Budget for 2021-22			July 1, 2021 to June 30, 2022	
	Original (a)	Adjustments (b)	Revised (c)	Actuals (d)	Variance
Residential & Dining Programs					
Revenues	$35,182	4,228	$39,410 (1)	$34,839	$4,571 (5)
Expenditures	(33,261)	2,599	(30,663) (3)	(28,736)	($1,926) (6), (7)
Reserve Draw (Deposit)	(1,921)	(6,827)	(8,748)	(6,103)	($2,645)
NET	$0	$0	$0	$0	$0
Bookstore					
Revenues	$285	0	$285	$122	$163 (8)
Expenditures	(272)	7	(265) (3)	(41)	($224) (9)
Reserve Draw (Deposit)	(13)	(7)	(20)	(81)	$61
NET	$0	$0	$0	$0	$0
Parking & Transportation					
Revenues	$1,839	(129)	$1,710 (2)	$1,771	($60)
Expenditures	(1,898)	176	(1,722) (2), (3)	(844)	($878) (10)
Reserve Draw (Deposit)	59	(47)	12	(927)	$938
NET	$0	$0	$0	$0	$0
Telecommunications					
Revenues	$560	0	$560	$535	$25
Expenditures	(505)	50	(455) (3)	(454)	($1)
Reserve Draw (Deposit)	(55)	(50)	(105)	(82)	($23)
NET	$0	$0	$0	$0	$0
Student Health Services					
Revenues	$2,901	(309)	$2,592 (2)	$2,664	($72)
Expenditures	(2,747)	240	(2,507) (2), (3)	(2,395)	($113) (6)
Reserve Draw (Deposit)	(154)	69	(85)	(269)	$185
NET	$0	$0	$0	$0	$0
Student Programming					
Revenues	$6,696	(398)	$6,298 (1), (2)	$6,364	($66)
Expenditures	(6,543)	(237)	(6,779) (2), (3)	(5,393)	($1,386) (6)
Reserve Draw (Deposit)	(153)	635	482	(971)	$1,453
NET	$0	$0	$0	$0	$0
Building & Facilities					
Revenues	$3,778	(494)	$3,285 (2)	$3,414	($129)
Expenditures	(1,800)	(85)	(1,885) (2), (3)	(1,458)	($427) (6)
Reserve Draw (Deposit)	(1,978)	578	(1,400)	(1,955)	$555
NET	$0	$0	$0	$0	$0
Other Enterprise Functions					
Revenues	$7,324	3,297	$10,621 (1), (2)	$9,083	$1,537 (11)
Expenditures	(6,061)	(1,123)	(7,184) (2), (3), (4)	($4,501)	($2,683) (6), (12)
Reserve Draw (Deposit)	(1,263)	(2,174)	(3,437)	(4,583)	$1,146
NET	$0	$0	$0	$0	$0
Intercollegiate Athletics					
Revenues	$11,408	1,878	$13,285 (1), (2)	$13,332	($47)
Expenditures	(11,010)	161	($10,848) (2), (3)	(10,410)	($438) (6)
Reserve Draw (Deposit)	(398)	(2,039)	(2,437)	(2,922)	$485
NET	$0	$0	$0	$0	$0
Total Auxiliary Enterprise					
Revenues	**$69,973**	**$8,073**	**$78,046**	**$72,124**	**$5,922**
Expenses	**(64,097)**	**1,789**	**(62,308)**	**(54,231)**	**(8,076)**
Reserve Draw (Deposit)	**(5,876)**	**(9,862)**	**(15,738)**	**(17,893)**	**2,154**
NET	**$0**	**$0**	**$0**	**$0**	**$0**

Notes:

(a) Original Budget - Reflects the projected 2021-22 Operating Budget as of July 1, 2021 which was approved by the Board at the September 2021 meeting. Both recurring and one-time operating budgets are included.

(b) Adjustments - Reflects changes that have been made to the 2021-22 Operating Budget between July 1, 2021 and December 31, 2021. Both recurring and one-time operating budgets are included.

(c) Revised Budget - Reflects the current 2021-22 Operating Budget as of June 30, 2022. Both recurring and one-time operating budgets are included.

(d) Actuals - Reflects actual activity through June 30, 2022.

Radford University
Auxiliary Enterprise - Notes
For the Period Ending June 30, 2022

1) Auxiliary revenue budgets were increased by $11.3 M for Higher Education Emergency Relief Fund (HEERF) funding.

2) The Comprehensive Fee revenue budgets were reduced by $3.0 M as part of the third quarter Board approved budget adjustment related to account for actual fall and spring enrollment levels.

3) Auxiliary expense budgets were decreased by $5.5 M as part of the third quarter Board approved budget adjustment to account for the waiving of the auxiliary indirect charges.

4) Other Enterprise Functions expense budgets were increased by $1.9M to account for the Strategic Investment Awards as part of the third quarter Board approved budget adjustment.

5) The Residential and Dining Program revenues were lower than anticipated due to less than projected revenue for housing assignments and dining meal plan sales.

6) Auxiliary expense budgets were lower than anticipated due to higher than projected turnover and vacancy savings.

7) The Residential and Dining Program expenses were lower than anticipated due to lower than projected campus housing furniture replacement costs.

8) The Bookstore revenues were lower than anticipated due to less than projected textbook sales.

9) The Bookstore expenses were lower than anticipated due to scholarship savings.

10) The Parking and Transportation expenses were less than anticipated due to due to a grant received by the Radford City to mitigate pandemic related costs.

11) The Other Enterprise revenues were lower than anticipated due to a decrease in auxiliary interest income.

12) The Other Enterprise expenses were lower than anticipated due to lower than projected scholarship activity.

E&G Reserve Guidelines

§ 4-1.05 REVERSION OF APPROPRIATIONS AND REAPPROPRIATIONS
GENERAL FUND OPERATING EXPENSE:

1. c) To improve the stability in institutional planning and predictability for students and families to prepare for the cost of higher education, public higher education institutions are encouraged to employ the financial management strategy of establishing an institutional reserve fund supported by any unexpended education and general appropriations of the institution at the end of the fiscal year.

Up to 6% of the general fund appropriation

RADFORD UNIVERSITY

E&G Reserve Summary

Annual Contributions	
2019	$ 1,237,885
2020	2,284,692
2021	9,431
2022	453,397
Total	$ 3,985,404

FY 2022 Calculation	Reserve (6%)
$ 66,423,407	$ 3,985,404

Business Affairs and Audit Committee

RADFORD UNIVERSITY

Auxiliary Reserve Summary

A reserve is an undivided or unidentified portion of the net assets of an institution, in a stated amount, held for a special purpose.

There are three categories of auxiliary enterprise reserves that are related to different expenditures or budgets.

Operating
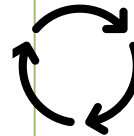
Renewal & Replacement
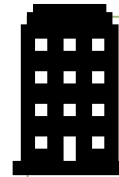
Major Renovation, Acquisition, and Plant or Program Expansion

Business Affairs and Audit Committee

RADFORD UNIVERSITY

Auxiliary Reserve Summary

	2018	2019	2020	2021	2022
Dining	$ 15,132	$ 16,345	$ 18,196	$ 17,352	$ 18,811
Bookstore	4,130	4,209	4,292	4,736	4,442
Residential	22,436	25,615	25,795	31,376	32,204
Parking/Transportation	5,601	6,023	6,916	7,933	8,860
Telecommunications	1,256	1,295	1,453	1,582	1,664
Student Health	3,973	4,496	5,027	5,103	5,373
Student Programming	11,022	11,702	12,928	15,042	15,755
Other Auxiliaries	33,285	32,352	38,100	36,813	43,045
Athletics	2,465	1,852	2,467	2,453	5,801
Total	$ 99,297	$ 103,889	$ 115,173	$ 122,389	$ 135,956
Yr to Yr Change ($)	$ 7,132	$ 4,592	$ 11,284	$ 7,217	$ 13,567
Yr to Yr Change (%)	7.74%	4.62%	10.86%	6.27%	11.08%

($) in thousands

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2022-23 Proposed Operating Budget

RADFORD
UNIVERSITY

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2022-23 Resource Allocation: Revenue

	2022-2023
	Proposed
	Total
REVENUE	
General Fund Changes	
2022-23 Affordable Access	$2,661,000
2022-23 Salary Increase (Est.)	2,759,951
2022-23 Minimum Wage (Est)	240,556
2022-23 Fringe/Central System Changes	552,781
2022-23 Affordable Access - Additional	1,400,000
Total GF Changes	**$7,614,288**
Nongeneral Fund Changes	
Tuition Alignment	($4,766,434)
Tuition Rate Change	1,585,524
Total NGF Changes	**($3,180,910)**
Total Revenue Changes	**$4,433,378**

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2022-23 Resource Allocation: Expense

	2022-2023
	Proposed
	Total
EXPENSES	
Non-Discretionary Cost Increases	
Compensation Adjustments (Est.)	
2022-23 Salary Increase	$5,119,241
2022-23 Adjunct Increase	163,800
2022-23 Graduate Teaching Increase	76,526
2022-23 Minimum Wage	360,487
Fringe Adjustments	
2022-23 Fringe Rate Changes	328,433
Central Cost Commitments	
Promotion and Tenure	191,260
Contracts & Compliance	261,035
University Wage Adjustment	1,200,000
Recurring General Fund 2021-22*	1,330,500
Total Non-Discretionary Cost Increases	**$9,031,282**

*No new expense ~~budget to illustrate~~ one-time funding from FY 2022

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2022-23 Resource Allocation: Expense (cont.)

	2022-2023
	Proposed
	Total
SAVINGS STRATEGIES	
Faculty Early Retirement Program	($1,416,781)
Strategic Reductions	($3,181,123)
Total Savings Strategies	**($4,597,904)**
Total Base Budget	**$4,433,378**
RECURRING SURPLUS/(DEFICIT)	**($0)**

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2022-23 Resource Allocation: One-Time

Revenue	
NGF Carry Forward	$7,105,692
Equipment Trust Fund	1,744,463
Statewide Bonus	561,694
UG Tuition Increase Offset	(1,161,275)
Total Revenue	$8,250,574

Expenses	
Strategic Investments	$3,189,628
IMPACT Lab	1,800,000
Equipment Trust Fund	1,744,463
Statewide Bonus	1,123,387
Recruitment/Retention	393,096
Total Expenses	$8,250,574

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2022-23 Proposed Budget Summary

	Revenue ($ in Thousands)			Expense ($ in Thousands)		
	Base	One-Time	Total	Base	One-Time	Total
University Operating						
Education & General	$148,450	$8,251	$156,702	($148,450)	($8,251)	($156,702)
Student Financial Assistance	17,758		17,758	(17,758)		(17,758)
Sponsored Programs	8,962		8,962	(8,962)		(8,962)
Auxiliary Enterprise	68,517		68,517	(65,797)	(704)	(66,501)
Total University	**$243,688**	**$8,251**	**$251,939**	**($240,967)**	**($8,956)**	**($249,922)**

RADFORD UNIVERSITY

2022-23 Proposed Budget Summary by Major Program

($ in Thousands)	Proposed Revenue	Proposed Expenditure	Proposed Cont/(Draw)
University Operating			
Education & General	$156,702	$156,702	$0
Student Financial Assistance	17,758	17,758	0
Sponsored Programs	8,962	8,962	0
Auxiliary Enterprise	68,517	66,501	2,016
Total University	**$251,939**	**$249,922**	**$2,016**

RADFORD UNIVERSITY

2022-23 Projected Total Operating Revenue

Using projected revenues, Radford University's proposed **total annual operating revenue budget is** **$251.9 million**

Other E&G
$3.4
1.3%

Auxiliary Enterprises
$68.5
27.2%

Tuition & Fees
$60.9
24.2%

Tuition & Fees - SFA
$1.9
0.8%

Sponsored Programs
$9.0
3.6%

Non-General Fund - Carry Forward
$7.1
2.8%

General Fund
$83.4
33.1%

General Fund - SFA
$17.8
7.0%
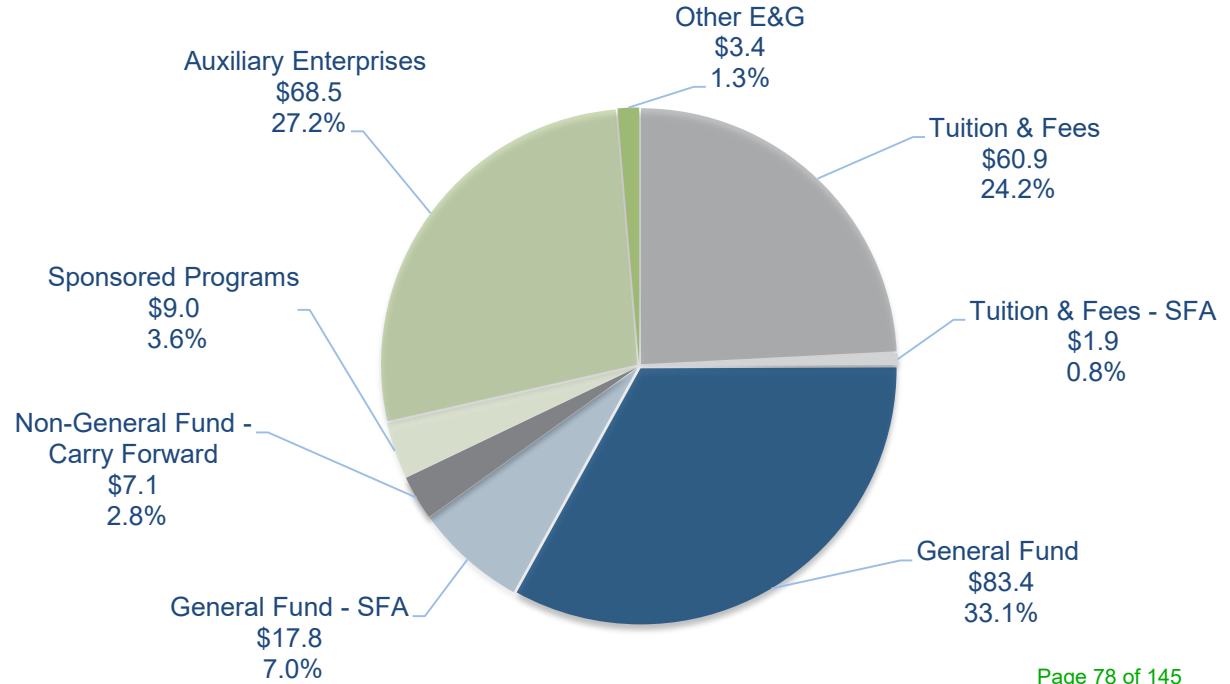
Notes:
- $ in millions
- SFA-Student Financial Assistance

RADFORD UNIVERSITY

2022-23 Projected Total Operating Expenditures

Using projected expenditures, Radford University's proposed **total annual operating expenditure budget is** **$249.9 million**

($ in millions)

Student Financial Assistance
$17.8
7.1%

Educational & General
$156.7
62.7%

Auxiliary Enterprises
$66.5
26.6%

Sponsored Programs
$9.0
3.6%

Business Affairs and Audit Committee

RADFORD UNIVERSITY
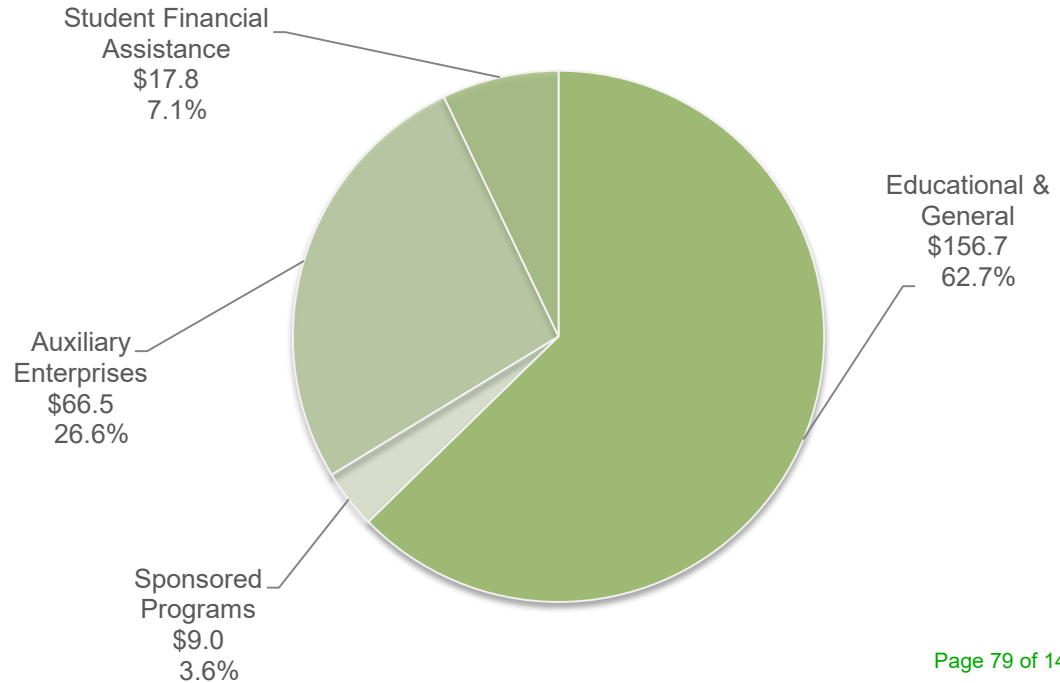
2022-23 Proposed Budget Summary by Auxiliary Subprogram

($ in Thousands)	Proposed Revenue	Proposed Expenditure	Proposed Cont/(Draw)
Dining Services	$15,343	$15,087	$256
Bookstore	285	273	12
Residential Serivces	19,452	18,936	516
Parking & Transportation	1,833	1,841	(8)
Telecommunications	585	567	18
Student Health Services	2,795	2,859	(64)
Student Union & Recreation	6,246	6,547	(300)
Student Activities	1,065	1,065	0
Other Auxiliary	9,520	7,940	1,580
Intercollegiate Athletics	11,393	11,386	7
Total Auxiliary	**$68,517**	**$66,501**	**$2,016**

Business Affairs and Audit Committee

RADFORD UNIVERSITY

2022-23 E&G Reserve Capacity

E&G Total	
FY 2023 Appropriation	$79,053,662
Reserve (6%)	$ 4,743,220
Current Balance	$ 3,985,404
Additional Capacity	$ 757,815

RADFORD UNIVERSITY

2022-23 Enrollment: Potential Impact
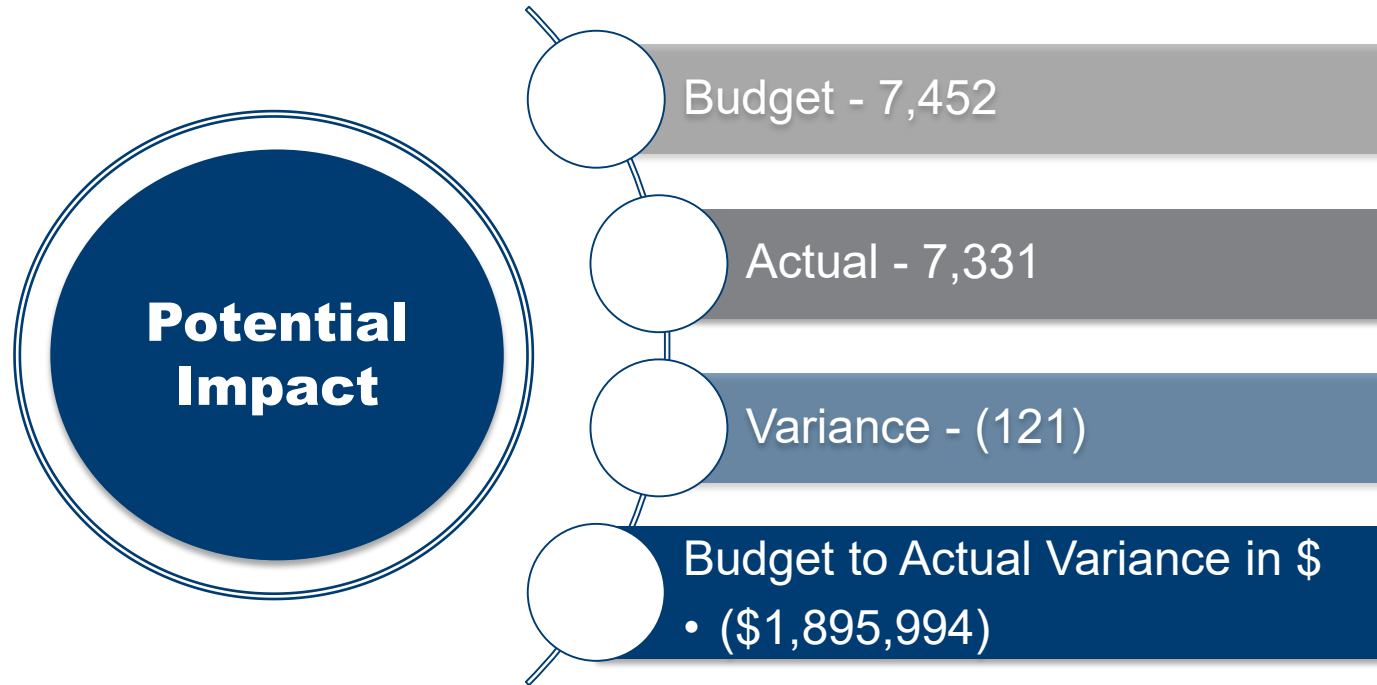
Potential Impact

Budget - 7,452

Actual - 7,331

Variance - (121)

Budget to Actual Variance in $
- ($1,895,994)

Includes tuition and program fee estimates.

Business Affairs and Audit Committee

RADFORD UNIVERSITY

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 8, 2022

Action Item
Approval of the Radford University 2022-23 Operating Budget

Item:

Board of Visitors approval of the Radford University 2022-23 operating budget.

Executive Summary:

Each year, the Vice President for Finance and Administration & Chief Financial Officer is responsible for presenting Radford University's projected annual operating budget to the Board of Visitors for the upcoming fiscal year. The 2022-23 operating budget was developed in consideration of projected enrollment levels, actions taken by the Governor and General Assembly during the 2022 session, Board-approved tuition and fee rates, the strategic goals of the University, and the economic outlook.

Since the rollout of the 2018-2023 Strategic Plan: *Embracing the Tradition and Envisioning the Future*, a conscious effort has been underway to align institutional resources in support of strategic plan objectives. The collaborative process of budget development has helped provide the framework for which all divisions review operating priorities and align their actions with strategic goals of the University. The information collected during this process is also instrumental in the development of the University's Six-Year Plan submission to the Commonwealth and further helps to frame the strategic direction of the institution.

The budget development process continues to be mindful of the impact on enrollment and services as the University transitions from a pandemic to endemic stage of COVID-19. While the unprecedented challenges of the pandemic are mostly behind, the University is cautiously mapping the path forward and remains focused on providing an environment for students to learn and engage safely in programs that prepare them for the future.

The Commonwealth's revenue forecast has remained strong, providing the Governor the ability to include significant investments to address funding for: tax relief for Virginian families, increase funding for law enforcement, support the development of lab schools, and multiple higher education initiatives, including increased funding for undergraduate financial aid and institution specific funding in the 2022 legislative session. Given the current stability of the Commonwealth's fiscal outlook, the amended 2022-23 biennial budget includes nearly a half billion in compensation increases, including a five percent pay raise for eligible state employees that was effective July 10, 2022. The budget also included a $1,000 bonus for each eligible state employee effective November 1, 2022.

In 2022-23, the University will receive $4.0 million to increase affordability. These investments are critical to ensure Virginia students have affordable access to education in high demand careers in the Commonwealth.

Giving full consideration to the aforementioned items, the 2022-23 operating budget demonstrates a conservative use of University resources. The proposed budget identifies key operating efficiencies that help to address mandatory and unavoidable cost increases while maximizing funding opportunities for strategic plan initiatives.

Six-Year Planning Processes and 2022-23 Budget Development:

The Virginia Higher Education Opportunity Act of 2011 (TJ21) was passed by the 2011 General Assembly and is based on recommendations from the Governor's Commission on Higher Education Reform, Innovation and Investment, which was formed through Executive Order No. 9 issued in March 2010. The TJ21 legislation requires institutions of higher education to prepare and submit a "Six-Year Plan" by July 1st each year in accordance with criteria outlined by the Higher Education Advisory Committee (HEAC).

As an integral part of the six-year planning process, the University's internal annual budget development cycle provides the opportunity to reevaluate the essential needs for the upcoming fiscal year and outline divisional priorities for the outlying years. The budget development review engages key personnel, and provides a consistent mechanism to prioritize funding requests and strategically align the institution's long-range goals with projected resources.

The University submitted the updated preliminary 2022-24 Six-Year Plan to the State Council of Higher Education for Virginia (SCHEV) on July 11, 2022 and will submit the final plan after Board action on October 1, 2022. The University's Six-Year Plan identifies the targeted objectives and strategies to achieve both Virginia and institutional goals, and provides a foundation for preparing tuition and mandatory fee recommendations for consideration by the Board.

Enrollment Trend:

In Fall 2019, the University reached its highest total enrollment through success of the Competency Based Education program and the addition of Radford University Carilion (RUC) allied health programs. Since that time, there has been an overall decrease and significant shift in the mix of student classification between instructional level and modality. This shift in enrollment classification is illustrated in the following chart. The University remains focused on increasing undergraduate student enrollment through innovative transfer options, such as the Bridge Program, as well as increasing enrollment in high demand Health Sciences programs offered on both main campus and at RUC.

Enrollment for 2022-23 on main campus is conservatively projected just below prior year levels, mostly due to remaining effects of the COVID-19 pandemic. Enrollment for RUC is projected slightly higher than prior year levels even after a decrease in associate program offerings transferring to the Virginia Community College System.
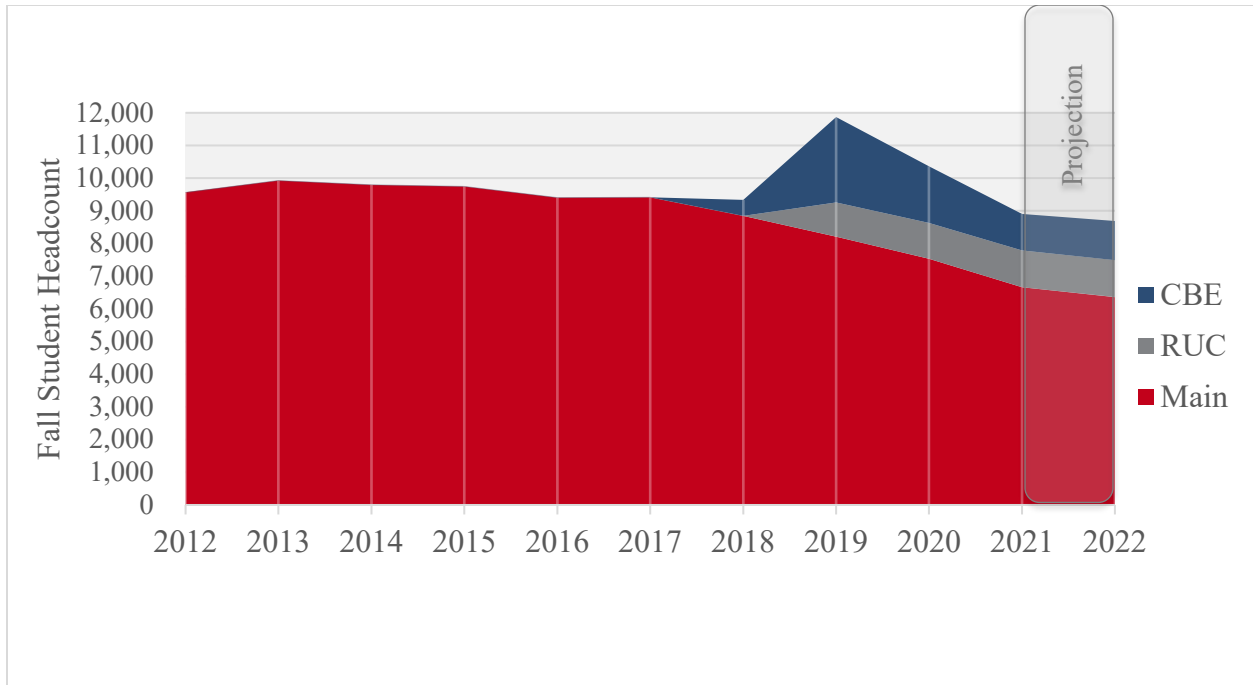
Mandatory Cost Increases:

2022 General Assembly Session Action –

The 2022 General Assembly's legislative session was largely focused on making strategic investments in the Commonwealth and providing relief to taxpayers. Governor Youngkin and the General Assembly made substantial investments in students from the Commonwealth by providing general funding to public institutions of higher education to maintain affordable access for in-state undergraduate students. Radford University's share is $4.0 million. Additional need-based financial aid for public institutions of higher education was also included, of which $1.5 million is allocated for additional support to Radford University in 2022-23, as well as an increase in graduate fellowship funding of $174,600. The approved budget supported employees through a five percent salary increase for all eligible state employees, including adjunct faculty and graduate teaching assistants, effective July 10, 2022.

The following schedule reflects funding from the 2022 General Assembly Session providing additional general fund support for the University in 2022-23:

2022-23 General Assembly Funding Summary

	2022-23
E&G - Educational & General	
2022-23 Affordable Access	$2,661,000
2022-23 Affordable Access - Add'l	1,400,000
Employee Compensation Changes*	2,759,951
Minimum Wage Changes*	240,556
Fringe/Central System Changes*	552,781
Total E&G General Fund Recommendations	**$7,614,288**
SFA - Student Financial Assistance	
In-State Undergraduate Financial Aid	1,503,500
Graduate Fellowships	174,600
Total E&G and SFA General Fund	**$9,292,388**

Notes:

(*) Central Appropriation amounts are not included in the University's line item appropriation. Instead, they are held centrally by the state and allocated after the start of the fiscal year. For this reason, estimates have been provided.

Other Mandatory Costs –

In addition to the state-mandated items, the University must also address teaching and research faculty promotion and tenure contractual commitments, operation and maintenance of facilities, contractual escalators for technology and maintenance contracts, escalating utilities, and committed costs for previously approved projects. These initiatives, referred to as central cost commitments, combine to total $1.7 million for the University.

To offset the projected enrollment levels, thirteen teaching and research positions that were held vacant as a result of employees accepting the 2021-22 Faculty Early Retirement Program were eliminated resulting in savings of $1.7 million, along with an additional $3.2 million in savings from internal realignments, efficiencies, and cost savings.

For additional details, Attachment I provides a further breakdown of the mandatory cost requirements.

Funding Sources and Cost Drivers:

Radford University main campus is very reliant upon general fund support due to the significant number of in-state undergraduate students served (92 percent as of Fall 2021). The cost share model identifies that the University's E&G program should be funded 67 percent from Commonwealth's general fund support and 33 percent through institutional nongeneral fund sources (i.e. tuition, E&G fees, etc.).

As demonstrated in Figure 1, the 2022-23 projected E&G general fund split is still below the Commonwealth's policy of 67 percent. The difference reflects funding of essential programmatic needs to support the University's in-state student population.

Figure 1: E&G General Fund Appropriation Historical Trend

GF Percent (%) of E&G Revenue
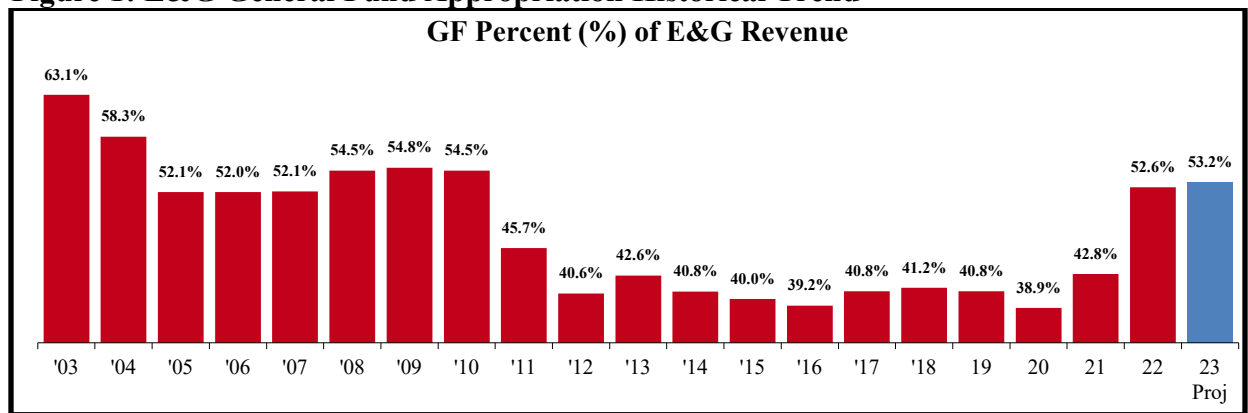
Figure 2 displays the E&G general fund and nongeneral fund trends between 2003 and 2023 (projected). In 2010, as a result of the economic downturn and the sustained loss of general fund support, students and their families began funding the majority of the cost of education. The increase in nongeneral funds for 2020 relates primarily to the merger with Jefferson College of Health Sciences and the related $20.6 million in Tuition and Fee revenue associated with the new RUC site. There is also an increase in general funds related to the $1.7 million allocation to RUC, as well as, an infusion of support for Tuition Moderation Funding and other mandatory cost increases. The most notable increase comes in 2022 with the historic $10 million investment to equalize RUC tuition with main campus, along with $2.9 million to maintain affordability on main campus.

Figure 2: E&G General Fund/Nongeneral Fund Split Historical Trend (*Nominal Dollars*)

Actual E&G Revenue Trend by Source ($ in millions)
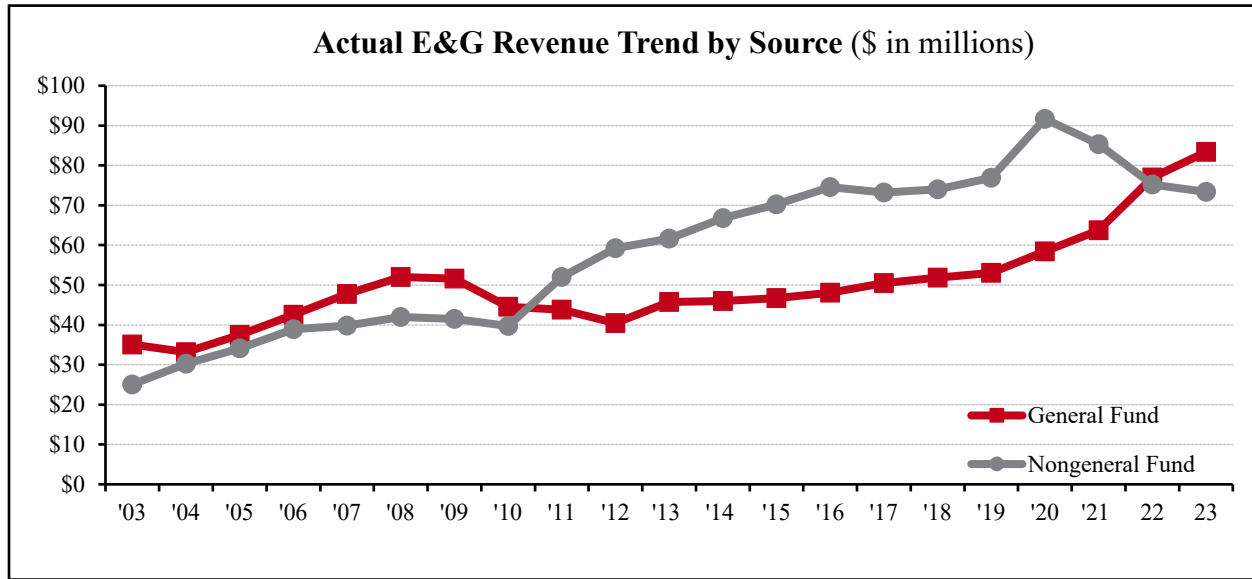
Proposed Operating Budget:

2022-23 Projected Total Revenue

Radford University's institutional budget is derived from two fund sources:

- **General Fund** (GF) – Virginia tax dollars (unrestricted), distributed through the Commonwealth's budget process and documented through the Virginia Acts of Assembly (i.e. Appropriations Act).

- **Nongeneral Fund** (NGF) – tuition, mandatory (technology and comprehensive) fees, user (room and board) fees, other E&G and auxiliary enterprises fees, grants/contracts/research, federal student work study, and commissions (e.g. dining services, bookstore, laundry, etc.).

For fiscal year 2022-23 the University is projecting revenue of $251.9 million. This reflects a 16.8 percent decrease from the 2021-22 Adjusted Total Budget. The decrease reflects the one-time infusion of pandemic relief funding in 2021-22, as well as a projected overall enrollment decline in 2022-23.

The majority of the University's total operating budget (59.9 percent) is supported through nongeneral fund sources. The remaining 40.1 percent is supported through the general fund. Figure 3 displays the breakdown of projected revenue by major funding sources.

Figure 3: 2022-23 Projected Total Revenue (All Sources and Programs)

Auxiliary Enterprises
$68.5
27%

Other E&G
$3.4
1%

($ in millions)

Tuition & Fees
$62.8
24.9%

Sponsored Programs
$9.0
3.6%

NGF Carryforward
$7.1
2.8%

General Fund (Student Financial Assistance)
$17.8
7.0%

General Fund
$83.4
33.1%
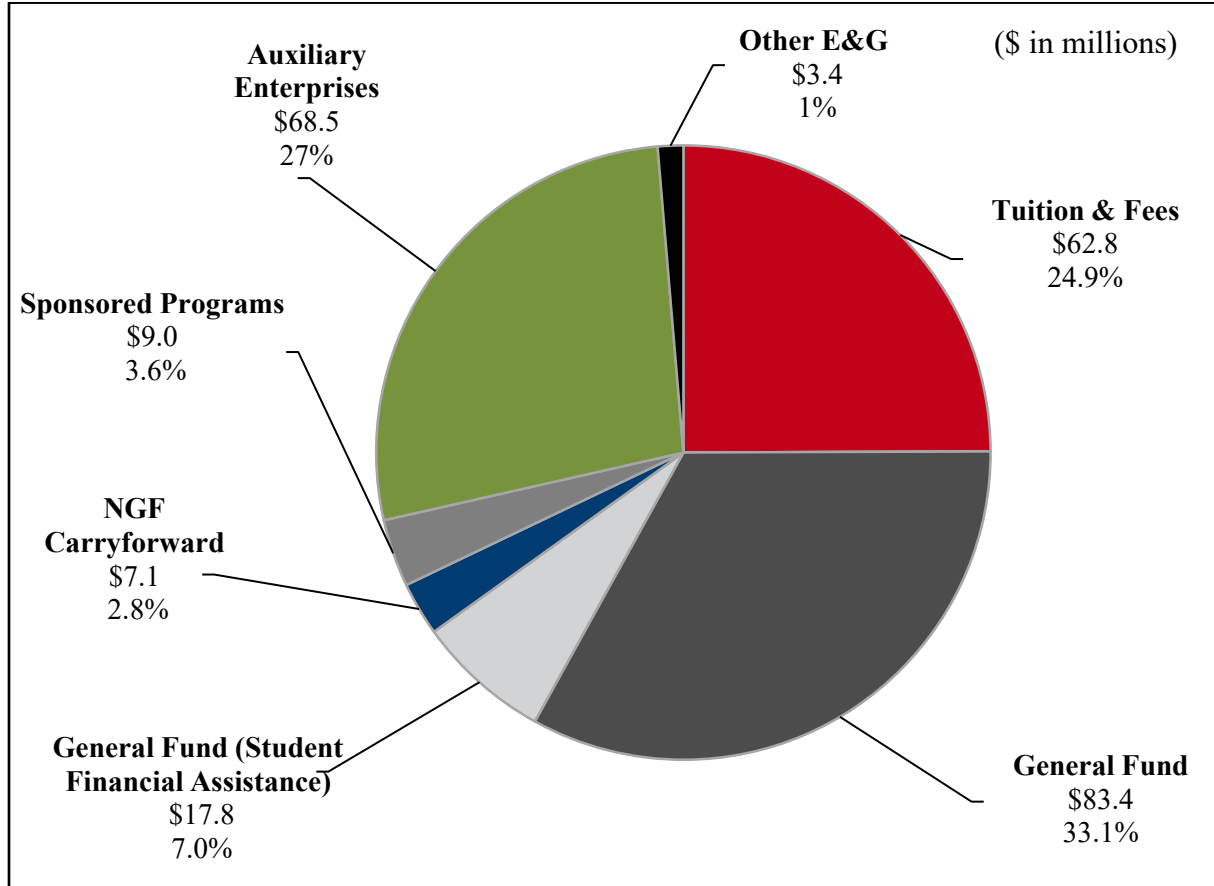
2022-23 Projected Total Expenditures

Expenditures are expected to total $249.9 million for 2022-23. Projected expenditures are set less than projected revenues due to required Auxiliary Enterprises reserve fund deposits that must be generated to meet the SCHEV guidelines for operating, equipment renewal and replacement, and capital projects.

Figure 4 illustrates projected expenditures for each of the major programs which include:

- **Educational & General (E&G)**: Activities to provide instruction, research, public service, academic support (e.g., library, deans), student support services (e.g., admissions, financial aid, registrar), and program support (e.g., administration, institutional support, physical plant) services.

- **Student Financial Assistance**: Activities to provide financial assistance to Virginia students.

- **Financial Assistance for Educational and General Services Program (Sponsored Programs, Grants and Contracts)**: Activities to provide additional resources for educational and general services through third-party grants, contracts, and research.

- **Auxiliary Enterprises**: Self-supporting activities to provide goods or services to students, faculty, staff, and visitors (e.g. residence halls, dining services, bookstore, athletics, student activities, etc.).

The E&G program represents 62.7 percent of the expenditures budgeted while Auxiliary Enterprises accounts for 26.6 percent. The remaining 10.7 percent is split between Student Financial Assistance and Sponsored Programs.

Figure 4: 2022-23 Projected Expenditures by Major Program

($ in millions)

Student Financial Assistance
$17.8
7.1%

Auxiliary Enterprises
$66.5
26.6%

Sponsored Programs
$9.0
3.6%

Educational & General
$156.7
62.7%
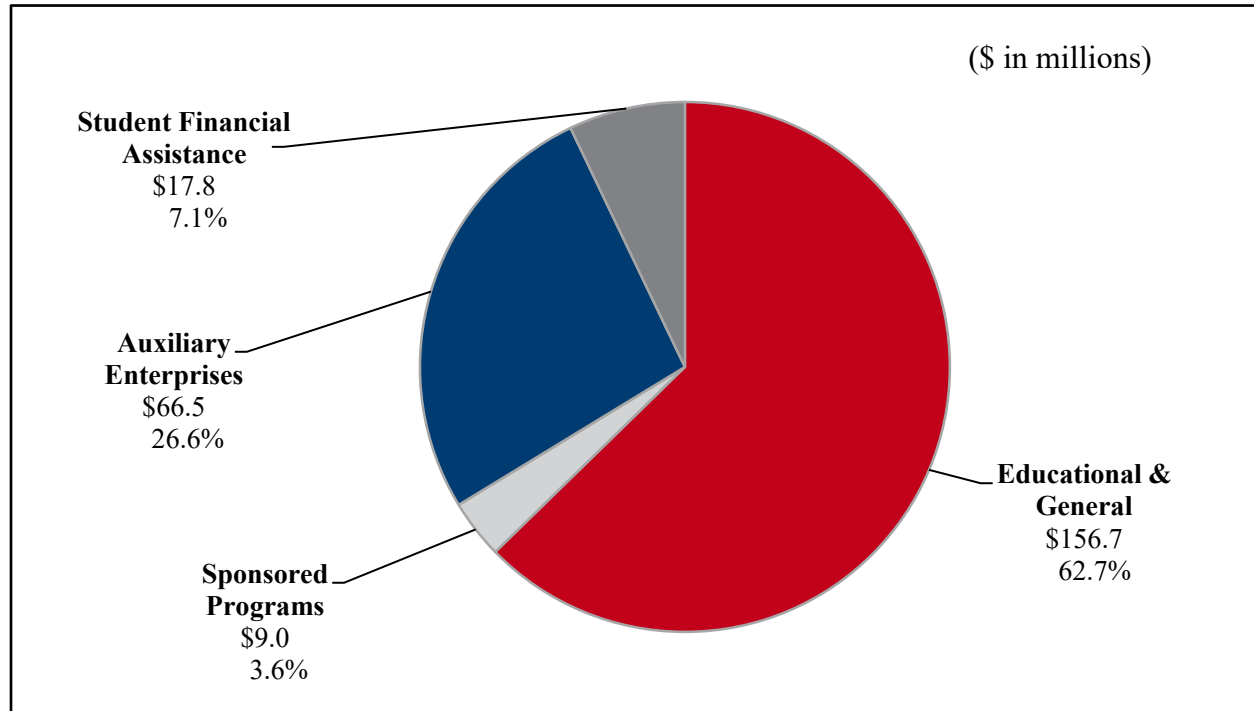
Attachment I and Schedules A and B provide an overview of the University's proposed 2022-23 operating budget by major program. Attachment I details the 2022-23 Funded E&G Initiatives by Division, Schedule A provides an overview of the 2022-23 Total University Operating Budget, and Schedule B reflects the 2022-23 Auxiliary Enterprise Budget by major program area.

The following is a narrative description by major program to complement the financial information presented in Attachment I and Schedules A and B.

Educational & General (E&G) Program –

The Educational and General (E&G) program supports instruction, academic support, libraries, public service, student services, institutional support, and operation/maintenance of the physical plant. The proposed 2022-23 E&G operating budget (base and one-time) totals $156.7 million. The percentage of the E&G budget supported by general funds is projected to be 53.2 percent for 2022-23. The University is anticipated to receive $7.6 million in new base general funds over the previous year for affordable access funding, and mandated salary

and minimum wage increases. Projected E&G nongeneral fund revenue is derived primarily from tuition and fees at $62.8 million, a 2021-2022 nongeneral fund carryforwards of $7.1 million, with all other E&G revenue totaling $3.4 million.

Resource Allocations

During the April 2022 Board of Visitors meeting, programmatic priorities were outlined and incorporated into the proposed 2022-23 budget which is provided in Attachment I.

Student Financial Assistance Program –

Commonwealth support from the general fund is appropriated for scholarships and fellowships to undergraduate and graduate students. The authorized general fund appropriation for fiscal year 2022-23 is $15.9 million, which is a $1.7 million increase over fiscal year 2021-22. In addition to general fund support, the University continues to commit $1.9 million from institutional nongeneral fund resources to support undergraduate need-based financial aid.

Financial Assistance for Educational and General Services Program (Grants/Contracts) –

The University receives external funding for grants and contracts from a variety of federal, state, private, and local sources. For fiscal year 2022-23, estimated annual activity for Sponsored Programs is projected at $8.9 million.

Auxiliary Enterprises Program –

The Auxiliary Enterprises program supports student service activities such as residential life, dining, athletics, recreation, student health, and transportation. Funding for this program is generated from contract commissions and fees assessed to students and/or users. The Commonwealth requires Auxiliary Enterprises to be financially self-supporting. For this reason, general fund support and tuition revenue cannot be allocated to these activities.

For fiscal year 2022-23, the revenue budget for Auxiliary Enterprises is projected to be $68.5 million. It should be noted that all auxiliary budgets were adjusted to account for projected revenue changes due to enrollment levels, salary and minimum wage increases, auxiliary indirect rate changes, and contractual commitments, as necessary.

It is projected that approximately 2.0 million will be generated in 2022-23 for reserve fund contributions which can be used for future debt service, maintenance reserve projects, and construction and/or renovation costs associated with future capital projects. The following are future considerations for auxiliary reserve balances: residence hall improvements, athletic complex renovations, equipment renewal and replacement, and land acquisition.

Action:

Radford University Board of Visitors approval of the 2022-23 operating budget as presented in Schedule A for Total Operating Budget and Schedule B for Auxiliary Enterprises.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
September 9, 2022

Approval of the Radford University 2022-23 Operating Budget

       BE IT RESOLVED, the Radford University Board of Visitors approves the fiscal year 2022-23 operating budget as presented in Schedule A for Total Operating Budget and Schedule B for Auxiliary Enterprises.

Radford University
Proposed University Operating Budget
2022-23

Dollars in Thousands

	Annual Budget for 2021-22			2021-22	2022-23 Adjustments			2022-23
	Original Total Budget (a)	Adjustments	Adjusted Total Budget (b)	Adjusted Total Budget	Technical Adjustments	Base Adjustments	One-Time Adjustments	Recommended Total Budget (c)
Educational and General Programs								
Revenues								
General Fund	$76,526	$0	$76,526	$76,526	($1,331)	7,614	$562	$83,371
NGF Carryforward	0	0	0	0	0	0	7,106	7,106
Tuition and Fees	67,184	8,318	75,502	75,502	(8,318)	(3,181)	(1,161)	62,842
All Other Income	1,757	16	1,773	1,773	(16)	(120)	1,745	3,382
Revenue	$145,468	$8,334	$153,801	$153,801	($9,664)	$4,313	$8,251	$156,702
Expenditures								
Instructional & Academic Support	($94,521)	($5,958)	($100,479)	($100,479)	$5,900	($822)	($2,529)	($97,930)
All Other Support Programs	(50,946)	(2,375)	(53,322)	($53,322)	2,433	(2,160)	(5,722)	($58,771)
Expenditures	($145,468)	($8,334)	($153,801)	($153,801)	$8,334	($2,983)	($8,251)	($156,702)
Reserve Draw (Deposit)	0	0	0	0	1,331	(1,331)	0	0
NET	$0	$0	$0	$0	$0	$0	$0	$0
Student Financial Assistance								
Revenue	$16,080	$24,118	$40,198	$40,198	($24,118)	$1,678	$0	$17,758
Expenditures	(16,080)	(24,118)	(40,198)	(40,198)	24,118	(1,678)	0	(17,758)
Reserve Draw (Deposit)	0	0	0	0	0	0	0	0
NET	$0	$0	$0	$0	$0	$0	$0	$0
Sponsored Programs								
Revenue	$8,962	$21,662	$30,624	$30,624	($21,662)	$0	$0	$8,962
Expenditures	(8,962)	(21,662)	(30,624)	(30,624)	21,662	0	0	(8,962)
Reserve Draw (Deposit)	0	0	0	0	0	0	0	0
NET	$0	$0	$0	$0	$0	$0	$0	$0
Auxiliary Enterprises								
Revenues	$69,973	$8,073	$78,046	$78,046	($7,716)	($1,813)	$0	$68,517
Expenditures	(64,097)	1,789	(62,308)	(62,308)	(2,048)	(1,441)	(704)	(66,501)
Reserve Draw (Deposit)	(5,876)	(9,862)	(15,738)	(15,738)	9,764	3,254	704	(2,016)
NET	$0	$0	$0	$0	$0	$0	$0	$0
Total University								
Revenues	$240,482	$62,186	$302,669	$302,669	($63,160)	$4,178	$8,251	$251,939
Expenses	(234,606)	(52,324)	(286,930)	(286,930)	52,065	(6,102)	(8,956)	(249,922)
Reserve Draw (Deposit)	(5,876)	(9,862)	(15,738)	(15,738)	11,094	1,923	704	(2,016)
NET	$0	$0	$0	$0	$0	$0	$0	$0

Notes:
(a) Original Total Budget - Reflects the 2021-22 Operating Budget as of July 1, 2021 which was approved by the Board at the September 2021 meeting. Both recurring and one-time operating budgets are included.
(b) Adjusted Total Budget - Reflects the 2021-22 Operating Budget as of June 30, 2022. Both recurring and one-time operating budgets are included.
(c) Recommended Total Budget - Reflects the proposed 2022-23 Original Total Budget as of July 1, 2022. Both recurring and one-time operating budgets are included.

Radford University
Proposed Auxiliary Enterprise Budget
2022-23

Dollars in Thousands	Annual Budget for 2021-22			2021-22	2022-23 Adjustments			2022-23
	Original Total Budget (a)	Adjustments	Adjusted Total Budget (b)	Adjusted Total Budget	Technical Adjustments	Base Adjustments	One-Time Adjustments	Recommended Total Budget (c)
Residential & Dining Programs								
Revenues	$35,182	$4,228	$39,410	$39,410	($3,953)	($662)	$0	$34,795
Expenditures	(33,261)	2,599	(30,663)	(30,663)	(2,564)	(579)	(218)	(34,023)
Reserve Draw (Deposit)	(1,921)	(6,827)	(8,748)	(8,748)	6,517	1,241	218	(772)
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Bookstore								
Revenues	$285	$0	$285	$285	$0	$0	$0	$285
Expenditures	(272)	7	(265)	(265)	(7)	(1)	0	(273)
Reserve Draw (Deposit)	(13)	(7)	(20)	(20)	7	1	0	(12)
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Parking & Transportation								
Revenues	$1,839	($129)	$1,710	$1,710	$129	($6)	$0	$1,833
Expenditures	(1,898)	176	(1,722)	(1,722)	(33)	(83)	(3)	(1,841)
Reserve Draw (Deposit)	59	(47)	12	12	(95)	89	3	8
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Telecommunications								
Revenues	$560	$0	$560	$560	$0	$25	$0	$585
Expenditures	(505)	50	(455)	(455)	(50)	(50)	(11)	(567)
Reserve Draw (Deposit)	(55)	(50)	(105)	(105)	50	25	11	(18)
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Student Health Services								
Revenues	$2,901	($309)	$2,592	$2,592	$309	($106)	$0	$2,795
Expenditures	(2,747)	240	(2,507)	(2,507)	(235)	(103)	(13)	(2,859)
Reserve Draw (Deposit)	(154)	69	(85)	(85)	(74)	209	13	64
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Student Programming								
Revenues	$6,696	($398)	$6,298	$6,298	$398	$615	$0	$7,311
Expenditures	(6,543)	(237)	(6,779)	(6,779)	(150)	(656)	(26)	(7,612)
Reserve Draw (Deposit)	(153)	635	482	482	(248)	41	26	300
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Building & Facilities								
Revenues	$3,778	($494)	$3,285	$3,285	$576	($1,330)	$0	$2,530
Expenditures	(1,800)	(85)	(1,885)	(1,885)	(26)	(84)	(253)	(2,248)
Reserve Draw (Deposit)	(1,978)	578	(1,400)	(1,400)	(550)	1,414	253	(283)
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Other Enterprise Functions								
Revenues	$7,324	$3,297	$10,621	$10,621	($3,297)	($335)	$0	$6,989
Expenditures	(6,061)	(1,123)	(7,184)	(7,184)	1,179	433	(121)	(5,692)
Reserve Draw (Deposit)	(1,263)	(2,174)	(3,437)	(3,437)	2,117	(98)	121	(1,297)
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Intercollegiate Athletics								
Revenues	$11,408	$1,878	$13,285	$13,285	($1,878)	($15)	$0	$11,393
Expenditures	(11,010)	161	(10,848)	(10,848)	(161)	(317)	(60)	(11,386)
Reserve Draw (Deposit)	(398)	(2,039)	(2,437)	(2,437)	2,039	332	60	(7)
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total Auxiliary Enterprise								
Revenues	**$69,973**	**$8,073**	**$78,046**	**$78,046**	**($7,716)**	**($1,813)**	**$0**	**$68,517**
Expenses	**(64,097)**	**1,789**	**(62,308)**	**(62,308)**	**(2,048)**	**(1,441)**	**(704)**	**(66,501)**
Reserve Draw (Deposit)	**(5,876)**	**(9,862)**	**(15,738)**	**(15,738)**	**9,764**	**3,254**	**704**	**(2,016)**
NET	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Notes:
(a) Original Total Budget - Reflects the projected 2021-22 Operating Budget as of July 1, 2021 which was approved by the Board at the September 2021 meeting. Both recurring and one-time
(b) Adjusted Total Budget - Reflects the 2021-22 Operating Budget as of June 30, 2022. Both recurring and one-time operating budgets are included.
(c) Recommended Total Budget - Reflects the proposed 2022-23 Original Total Budget as of July 1, 2022. Both recurring and one-time operating budgets are included.

2022-23 Resource Allocation
As of July 1, 2022

	2022-2023
	Proposed
	Total
REVENUE	
General Fund Changes	
2022-23 Affordable Access	$2,661,000
2022-23 Salary Increase (Est.)	2,759,951
2022-23 Minimum Wage (Est)	240,556
2022-23 Fringe/Central System Changes	552,781
2022-23 Affordable Access - Additional	1,400,000
Total GF Changes	**$7,614,288**
Nongeneral Fund Changes	
Tuition Alignment	($4,766,434)
Tuition Rate Change	1,585,524
Total NGF Changes	**($3,180,910)**
Total Revenue Changes	**$4,433,378**
EXPENSES	
Non-Discretionary Cost Increases	
Compensation Adjustments (Est.)	
2022-23 Salary Increase	$5,119,241
2022-23 Adjunct Increase	163,800
2022-23 Graduate Teaching Increase	76,526
2022-23 Minimum Wage	360,487
Fringe Adjustments	
2022-23 Fringe Rate Changes	328,433
Central Cost Commitments	
Promotion and Tenure	191,260
Contracts & Compliance	261,035
University Wage Adjustment	1,200,000
Recurring General Fund 2021-22*	1,330,500
Total Non-Discretionary Cost Increases	**$9,031,282**
SAVINGS STRATEGIES	
Faculty Early Retirement Program	($1,416,781)
Strategic Reductions	($3,181,123)
Total Savings Strategies	**($4,597,904)**
Total Base Budget	**$4,433,378**
RECURRING SURPLUS/(DEFICIT)	**($0)**

* No new expense - adj to illustrate one-time funding from FY22

9/5/2022

University Auditor's Report

RADFORD UNIVERSITY

Policy Title: Internal Audit Charter	Effective Date: 2/22/2018
Policy Number: GEN-PO-1005	Date of Last Review: 7/2/2021
Oversight Department: Office of Audit and Advisory Services	Next Review Date: 7/1/2024

1. **PURPOSE**

    The Office of Audit and Advisory Services, serving as the internal audit function for Radford University (University), was established by the Board of Visitors (Board) and the President as an integral part of the overall internal control structure of the University. The *Internal Audit Charter* describes the general purpose, authority, and responsibility of the Office of Audit and Advisory Services.

2. **APPLICABILITY**

    The *Internal Audit Charter* applies to all University employees, departments, and activities.

3. **DEFINITIONS**

    Business Affairs and Audit Committee: Per the *Radford University Board of Visitors Bylaws*, a standing committee of the Board of Visitors that is generally responsible for reviewing and recommending action to the Board regarding the financial and business affairs of the University, including but not limited to, capital projects, grants, contracts, and the naming of facilities. This committee also oversees the internal audit function of the University, receives the annual financial audit report of the Auditor of Public Accounts, and performs studies of financial matters as directed by the Board.

    Internal Auditing: An independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of an organization. The mission of internal auditing is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

    Internal Control: Based on the Internal Control – Integrated Framework (2013), published by the Committee of Sponsoring Organizations of the Treadway Commission, internal control is an ongoing process, effected by the Board of Visitors, management, and other University personnel designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance. Internal control consists of five major components: control environment, risk assessment, control activities, information and communication, and monitoring.

Management: The collective body of those who have the authority and responsibility to make decisions in order to manage or direct the various operations and business processes of the University. Management encompasses various levels of the organization including division heads, deans, directors, managers, and supervisors.

University Auditor: The senior position that is responsible for effectively managing the University's internal audit function in accordance with the *Internal Audit Charter* and the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework. The University Auditor is the Chief Audit Executive.

University Employee: Any person employed as a teaching faculty, administrative or professional faculty, classified employee, part-time or wage employee, student employee, work/study employee, or any other person paid through the University's payroll process.

4. **POLICY**

   A. The University's Board of Visitors and the President are dedicated to supporting the internal audit function (i.e. the Office of Audit and Advisory Services), an integral part of the overall internal control structure of the University (see *Internal Control Policy*).

   B. As the University's internal audit function, the Office of Audit and Advisory Services must be independent from the University's management to operate effectively. In order to provide for the independence of the Office of Audit and Advisory Services:

      1. The Office of Audit and Advisory Services staff will report to the University Auditor who will be administratively responsible to the President and functionally accountable to the Business Affairs and Audit Committee of the Board of Visitors.

      2. The University Auditor will be provided unrestricted access to communicate and interact directly with the Business Affairs and Audit Committee.

      3. The University Auditor will confirm to the Business Affairs and Audit Committee, at least annually, the organizational independence of the Office of Audit and Advisory Services.

      4. Any decision to remove the University Auditor must be approved by the Business Affairs and Audit Committee.

   C. As its mission, the Office of Audit and Advisory Services will assist the Board of Visitors, the President, and senior management in accomplishing the University's strategic objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes.

   D. The Office of Audit and Advisory Services will be authorized to:

      1. have full, free, and unrestricted access to all functions, records, property, and personnel of the University.

      2. allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives and issue reports.

      3. obtain assistance from the necessary personnel of the University, as well as other specialized services from within or outside the University, in order to complete their work.

   E. University employees must cooperate with the Office of Audit and Advisory Services in accordance with its authority.

F.   The Office of Audit and Advisory Services will not be authorized to:

   1.   perform any operational duties for the University or its affiliates.

   2.   initiate or approve transactions external to the Office of Audit and Advisory Services.

   3.   direct the activities of any University employee not employed by the Office of Audit and Advisory Services, except to the extent that such employees have been appropriately assigned to auditing teams, or to otherwise assist the audit team.

   4.   develop or write policies or procedures that they may later be called upon to evaluate. Draft materials developed by management may be reviewed for propriety or completeness; however, ownership of, and responsibility for, these materials remains with management.

5.   PROCEDURES

A.   Scope of Work

   1.   The scope of work for the Office of Audit and Advisory Services will be to ascertain that the system of internal control (see *Internal Control Policy*), as designed and represented by management, is adequate and functioning in a manner to provide reasonable assurance regarding the following:

   a.   Achievement of the University's strategic objectives

   b.   Effectiveness and efficiency of operations and programs

   c.   Reliability and integrity of financial and operational information

   d.   Safeguarding of assets

   e.   Compliance with policies, standards, procedures, contracts, and applicable laws and regulations

   2.   Reviews and evaluations of internal control by the Office of Audit and Advisory Services will be advisory in nature. The University's management will continue to be responsible for establishing and maintaining an adequate internal control system.

   3.   The Office of Audit and Advisory Services may also perform advisory and consulting services, provided the Office of Audit and Advisory Services does not assume management responsibility.

B.   Objectivity

   1.   All work performed by the Office of Audit and Advisory Services will be conducted in an objective manner.

   2.   The University Auditor will ensure that the Office of Audit and Advisory Services remains free from all conditions that threaten to impair the ability of audit staff to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content.

   3.   If such an impairment, either in fact or in appearance, is detected, the University Auditor will take the appropriate action to address and, if necessary, disclose the information to the appropriate parties.

4. The Office of Audit and Advisory Services staff will maintain an unbiased mental attitude that allows them to perform their work objectively and in such a manner that they will believe in their work product, that no quality compromises will be made, and that they will not subordinate their judgment on audit matters to others.

5. The Office of Audit and Advisory Services staff will have no direct operational responsibility or authority over any of the activities that they audit, nor will they have had any within the previous year.

C. **Responsibility**

The University Auditor and the Office of Audit and Advisory Services staff will have responsibility to:

1. develop a flexible annual audit plan, considering the input of senior management and the Business Affairs and Audit Committee. The plan will be developed using an appropriate risk-based methodology and presented to senior management and the Business Affairs and Audit Committee.

2. implement the annual audit plan, reviewing and adjusting it as necessary in response to changes in the University's business, risks, operations, programs, systems, and controls.

3. report to appropriate levels of management significant issues related to the processes for controlling the activities of the University, including potential improvements to those processes.

4. follow up with management to verify that corrective actions are taken on findings and recommendations, and report the results periodically to senior management and the Business Affairs and Audit Committee.

5. evaluate and assess significant merging/consolidating functions and new or changing systems, services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.

6. perform special studies, reviews, or investigations requested by management.

7. perform consulting and advisory services related to governance, risk management, internal controls, or other areas of interest and concern.

8. conduct investigations of fraud, waste, and abuse, including those referred by the Office of the State Inspector General related to State Fraud, Waste, and Abuse Hotline cases. Results of these investigations will be communicated to management and the Business Affairs and Audit Committee, as appropriate.

9. coordinate with other control and monitoring functions and consider the scope of work of external auditors, as appropriate, to provide optimal audit coverage to the University at a reasonable overall cost.

10. periodically provide to the Business Affairs and Audit Committee information on the status and results of the annual audit plan and the results of activities and operations reviewed. Reports from "special request" audits may have more limited distribution.

11. ensure trends and emerging issues that could affect the University are considered and communicated to senior management and the Business Affairs and Audit Committee, as appropriate.

12. maintain a professional audit staff with sufficient knowledge, skills, and experience to meet the requirements of this *Internal Audit Charter,* and ensure that the principles of integrity, objectivity, confidentiality, and competency are applied and upheld. The impact of any resource limitations will be communicated to senior management and the Business Affairs and Audit Committee, as appropriate.

13. ensure emerging trends and successful practices in internal auditing are considered.

14. establish and ensure adherence to policies and procedures designed to guide the Office of Audit and Advisory Services.

15. ensure adherence to the University's relevant policies and procedures, unless such policies and procedures conflict with this *Internal Audit Charter*. Any such conflicts will be resolved or otherwise communicated to senior management and the Business Affairs and Audit Committee, as appropriate.

D. **Standards of Practice**

The Office of Audit and Advisory Services will conform to the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing (Standards), and the Definition of Internal Auditing.

E. **Quality Assurance and Improvement Program**

1. The Office of Audit and Advisory Services will maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include an evaluation of conformance with the Standards and application of the IIA's Code of Ethics.

2. The quality assurance and improvement program will include both internal and external assessments. Internal assessments will include ongoing monitoring and periodic assessments of the internal audit function. An external assessment will be performed at least once every five years by a qualified, independent assessor or assessment team.

3. The University Auditor will communicate results of the assessments to senior management and the Business Affairs and Audit Committee.

6. EXCLUSIONS

None

7. APPENDICES

None

8. REFERENCES

State Fraud, Waste, and Abuse Hotline

The Institute of Internal Auditors International Professional Practices Framework (IPPF)

Internal Control – Integrated Framework (2013), Committee of Sponsoring Organizations of the Treadway Commission

9. **INTERPRETATION**

The authority to interpret this policy rests with the President of the University and is generally delegated to the University Auditor.

10. **APPROVAL AND REVISIONS**

The *Internal Audit Charter* replaces and expands upon the *Charter* last adopted by the Board of Visitors on September 19, 2014. The newly developed *Internal Audit Charter* was developed in the University Policy Template, and was submitted to and approved by the President's Cabinet at the meeting held on January 8, 2018. The *Internal Audit Charter* was then submitted to and approved by the Radford University Board of Visitors at the meeting held on February 16, 2018. The President signed the *Internal Audit Charter* on February 22, 2018.

Effective July 2, 2021, the *Internal Audit Charter*, was reviewed by the oversight department and no substantive revisions were deemed necessary. Minor editorial changes were made that did not affect the substance or intent of the policy.

For general information concerning University policies, contact the [Office of Policy and Tax Compliance](#) – (540) 831-5794. For questions or guidance on a specific policy, contact the Oversight Department referenced in the policy.

RADFORD UNIVERSITY

Office of Audit and Advisory Services
DRAFT
Fiscal Year 2022 Activity Report

Projects During Past Year
AUDITS & INVESTIGATIONS - Completed CARES Act - Reporting Financial Aid - Enrollment Reporting Information Technology - Access Management and User Provisioning Information Technology - Incident Response and Recovery State Hotline Investigations (one case) Other Investigations (one case)   **AUDITS & INVESTIGATIONS - In Process** Contract Audit - Dining Services Information Technology - IT Asset Management   **ANNUAL AUDIT PROJECTS - Completed** Cash Counts (18 funds) Payroll Reviews (4 quarters) University Discretionary Fund Reviews (4 quarters) Inventory - June 30, 2021 Quality Assurance & Improvement Program Review Follow-up on Internal Audit Report Issues Follow-up on Auditor of Public Accounts (APA) Issues   **OTHER AUDIT PROJECTS - Completed** Indirect Audit Activities Coordination of APA Audit Over 50 Management Advisory Projects

RADFORD UNIVERSITY
Office of Audit and Advisory Services
DRAFT

Fiscal Year 2022 Expenditures - Actual
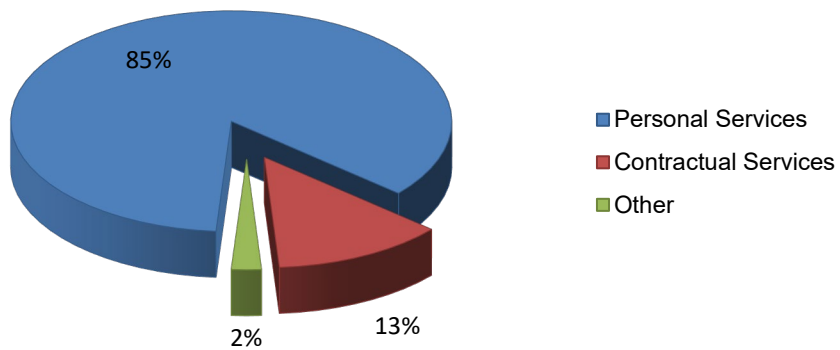
- ■ Personal Services
- ■ Contractual Services
- ■ Other

85%

2%

13%

"Other" includes expenditures for travel, printing/postage/copier, telecommunications, and supplies & materials.

Fiscal Year 2022 Hours - Actual

- ■ Audits & Investigations
- ■ Advisory Services
- ■ Indirect Audit Activities
- ■ Professional Development
- ■ Administrative

27%

37%

5%

18%

13%
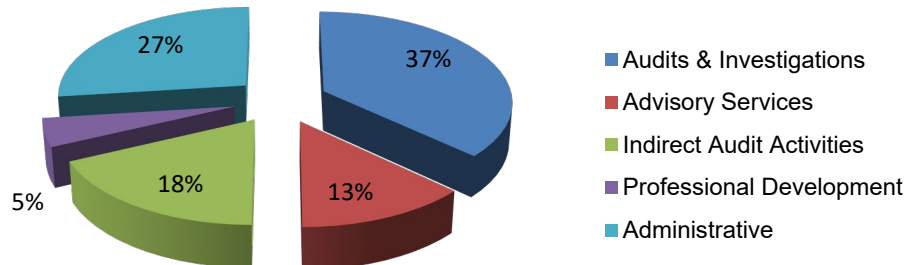
RADFORD UNIVERSITY

Office of Audit and Advisory Services
DRAFT

Fiscal Year 2023 Expenditures - Projected
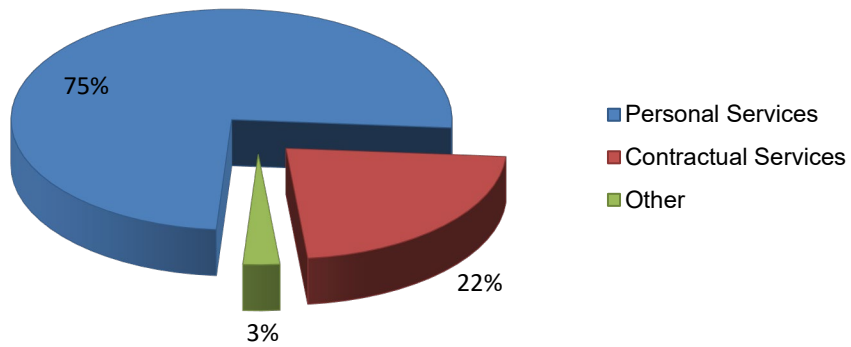
- Personal Services — 75%
- Contractual Services — 22%
- Other — 3%

"Other" includes expenditures for travel, printing/postage/copier, telecommunications, and supplies & materials.

Fiscal Year 2023 Hours - Projected

- Audits & Investigations — 38%
- Advisory Services — 16%
- Indirect Audit Activities — 19%
- Professional Development — 4%
- Administrative — 23%
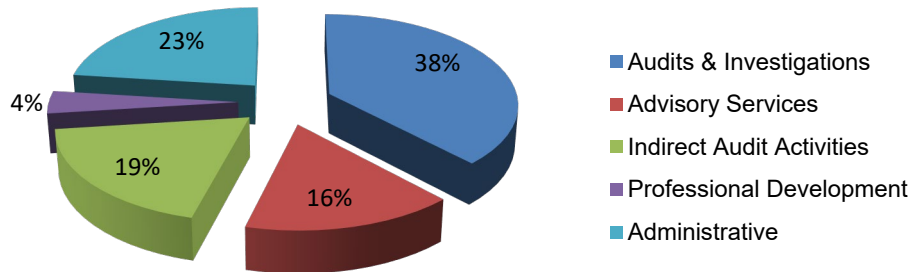
RADFORD UNIVERSITY

Office of Audit and Advisory Services
BALANCED SCORECARD
Fiscal Year 2022
DRAFT

#	Measurement Goal/Criteria	Goal	Results
	Personnel		
1.	Maintain acceptable percentage of staff members with professional certifications or advanced degrees.	Between 75%-100%	100%
2.	Each staff member obtains an acceptable number of professional continuing education hours per calendar year.	Between 40-60 hours	56 hours
	Productivity		
3.	Maintain an acceptable "administrative time" utilization ratio, based on hours worked.	25% or less	27%
	Reporting		
4.	Provide the Business Affairs and Audit Committee with periodic status updates.	Between 3-4 times/year	4 times
	Quality and Effectiveness		
5.	Maintain satisfactory results ("good" or 'excellent") on audit project customer satisfaction surveys.	Between 80%-100%	100%
6.	Maintain an acceptable percentage of business issues accepted by management.	Between 90%-100%	100%

RADFORD UNIVERSITY
Office of Audit and Advisory Services
DRAFT
Fiscal Year 2023 Audit Plan

AUDITS & INVESTIGATIONS

Projects from Prior Year In Progress
   Dining Services Contract Audit
   Information Technology Audit - IT Asset Management

Quality Assurance Review
Bank Account Survey Audit
Revenue Collection Point Audit - McGlothlin Center for Global Education and Engagement

Information Technology Audits - Network and Security Infrastructure

State Hotline Investigations

Other Investigations

ANNUAL/ROUTINE AUDIT PROJECTS

Cash Counts
Inventory
Payroll Reviews
Fixed Asset Verifications
University Discretionary Fund Reviews
Follow-up on Internal Audit Report Issues
Follow-up on Auditor of Public Accounts (APA) Issues

OTHER PROJECTS

Indirect Audit Activities
Auditor of Public Accounts Audit Coordination
Advisory Services Projects

RADFORD UNIVERSITY – OFFICE OF AUDIT & ADVISORY SERVICES
Information Technology Audit – Access Management and User Provisioning
June 6, 2022

BACKGROUND
The access management and user provisioning processes control user access to network resources. As such, they play a significant role in determining the network's security posture. The presence of evidence-based processes for network access decreases the risk of unauthorized or unwarranted access to the University's systems, resources, and data. Accordingly, these processes help minimize the risk of a network breach.   Information Technology Services manages these processes for the University.

OBJECTIVE AND SCOPE
The objective of the audit was to assess the controls embedded in the access management and user provisioning processes to determine whether solutions are designed and configured to support a secure and controlled computing environment.   The scope of the audit was limited to the following technologies that are used to automate and administer access to network resources: Microsoft Active Directory, Fischer Identity Management, Shibboleth Single Sign-On Solution, and Duo Multi-Factor Authentication. The audit procedures were based on requirements outlined in the Radford University IT Security Standard 5003s-01. The audit also considered whether established controls and processes aligned with information technology security industry best practices.   This audit was conducted by Securance Consulting, who was contracted by the Office of Audit & Advisory Services.

CONCLUSION
At the time of the audit and relative to the controls and processes reviewed, they appeared adequate to provide reasonable assurance that the objective noted above is being met.

BUSINESS ISSUES
No business issues were identified.

RADFORD UNIVERSITY – OFFICE OF AUDIT & ADVISORY SERVICES
Information Technology Audit – Incident Response and Recovery
June 14, 2022

BACKGROUND
Information Technology (IT) incident response and recovery is key for an organization to return back to normal operations as quickly as possible after a cybersecurity incident has occurred. Radford University's Major Incident Response Procedure describes the procedures to be followed by members of the Radford University Computer Security Incident Response Team when responding to a large-scale IT incident or data disclosure. The University's IT Disaster Recovery Strategy defines current and recommended approaches for the University to recover from unplanned disruptions of IT resources and services; such approaches are necessary to enable the implementation of required principles of incident prevention, detection, response, recovery, and restoration. These documents assist Information Technology Services in managing and responding to such cybersecurity incidents.

OBJECTIVE AND SCOPE
The objective of the audit was to assess the University's readiness to respond to a cybersecurity event. The scope of the audit was the University's incident response plan (Major Incident Response Procedure) and disaster recovery plan (Disaster Recovery Strategy). It included assessment of the technologies, controls, and processes to reduce the likelihood of a cybersecurity event, and to support the detection, containment, investigation, remediation, and recovery after a ransomware incident. The audit procedures included a review of the documents noted above and a comparison of them against information technology security industry best practices. The audit also included performance and analysis of a ransomware incident tabletop exercise. This audit was conducted by Securance Consulting, who was contracted by the Office of Audit & Advisory Services.

CONCLUSION
At the time of the audit and relative to the controls and processes reviewed, they appeared adequate to provide reasonable assurance that the objective noted above is being met. However, we identified the following business issues.

BUSINESS ISSUES
The following issues were identified in this audit. Pages 2-3 contain information on planned actions and action completion dates and, accordingly, those pages are an integral part of this report. 1. Improvements are needed in the University's Major Incident Response Procedure document. 2. Additional documentation is needed for the University's Disaster Recovery Strategy.

RADFORD UNIVERSITY – OFFICE OF AUDIT & ADVISORY SERVICES
Information Technology Audit – Incident Response and Recovery
June 14, 2022

BUSINESS ISSUE		PLANNED ACTION		COMPLETION DATE
1.	Improvements are needed in the University's Major Incident Response Procedure document.			
1.1	When compared to the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-61, the document is missing certain information that helps ensure that the process is well-defined, documented, or tested. Specifically, the Major Incident Response Procedure and supplemental documents do not:	1.1	Information Technology Services (ITS) will review and update the University's Major Incident Response Procedure. These updates will include:	March 1, 2023
	• Explicitly state what actions are required to be taken based on the priority or severity of the incident.		• Additional details on required actions based on priority and severity of an event.	
	• Contain specific steps, based on the type of event, to ensure complete remediation.		• More detailed steps that can be followed to ensure remediation and restoration.	
	• Have scenarios and directions to contain and remediate each type of incident, to improve the University's readiness.		• A small number of example scenarios with more specific directions to help improve readiness.	
1.2	The document is dated 2019 and contains outdated Computer Security Incident Response Team (CSIRT) information. With a current and more comprehensive Major Incident Response Procedure and supporting process, the University is more likely to be able to respond to critical incidents that could disrupt information technology operations.	1.2	ITS will update the list of CSIRT members in the University's Major Incident Response Procedure.	October 1, 2022

BUSINESS ISSUE		PLANNED ACTION		COMPLETION DATE
2.	Additional documentation is needed for the University's Disaster Recovery Strategy (DRS). Based on a review of the document against the components recommended by the Disaster Recovery Institute International, improvements should be made so that the DRS and any supporting documentation is readily available to direct external information technology professionals to assist in a recovery effort, if needed. Specifically, the following critical information is missing or not readily available:	2.	ITS will:	
	1. Specific recovery tasks needed to recover the infrastructure and critical applications identified in the Business Impact Analysis (BIA).	2.1	Review the system disaster recovery plans for systems defined as critical in the BIA and ensure that each contains a task list that is appropriate for recovery of the system by a qualified engineer.	June 1, 2023
	2. Technology vendor account and contact information.	2.2	Add an appendix to the DRS for vendor-hosted systems with the pertinent contact information.	October 1, 2022
	3. Full contact information, including personal mobile numbers, for Information Technology Services staff.	2.3	Add an ITS staff recall roster appendix to the DRS.	October 1, 2022
	Ensuring that this critical information is readily available during an unplanned disruption should assist the University in performing key recovery tasks more timely.			

RADFORD UNIVERSITY

Office of Audit and Advisory Services
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
SEPTEMBER 2022

	Business Issue		Planned Action	Completion Date	Status
Audit: **Financial Aid - Enrollment Reporting**				
1.1	Improvements are needed in the unofficial withdrawals process to help ensure accuracy and efficiency. Specifically, Our testing of the enrollment reporting of unofficial withdrawals identified one error in our sample of eight (13%) which resulted in an inaccurate date being reported to the National Student Loan Data System (NSLDS). This appeared to be due to a keying error on the spreadsheet where the Office of Financial Aid listed the unofficial withdrawals.	1.1	The Office of Financial Aid will work with the Registrar's Office to implement a quality control process. To help ensure accuracy, the Office of Financial Aid will review unofficial withdrawal data at two different points in the process. This process will be used for Fall 2021.	April 30, 2022 Revised to September 30, 2022	In Process
2.3	Improvements are needed in the processes for specific data elements to help ensure accurate reporting. Specifically, in our sample of 40 students, we noted the following: For one student (3%), although the student's status was reported correctly in NSLDS, the status was listed incorrectly in Banner. This appeared to be due to the student being dually enrolled in the University and a community college. However, Banner had not been updated to reflect the dual enrollment.	2.3	The Office of Financial Aid has developed a process to monitor all students who are requesting dual enrollment verification for financial aid purposes. The process also includes providing the appropriate information to the Registrar's Office each semester to help ensure that Banner is updated accordingly. This new process will be used for Spring 2022.	March 31, 2022 Revised to September 30, 2022	In Process

RADFORD UNIVERSITY

Office of Audit and Advisory Services
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
SEPTEMBER 2022

Audit: Sponsored Programs and Grants Management				
Business Issue		Planned Action	Completion Date	Status
1.1	The University lacks a policy(ies) to define institutional base salary (IBS) and supplemental/extra-service pay. Such policy(ies) are required by the Uniform Guidance. Not having the required policy(ies) could result in unallowable compensation costs charged to Federal grants.	1.1 Human Resources, after consultation with SPGM and the Controller's Office, will develop a policy to define institutional base salary. The new policy will be communicated campus-wide. *Note: The original planned action encompassed issues 1.1 and 1.2. At management's request, that action has been split into two separate planned actions.*	October 31, 2021 Revised to May 1, 2022 Revised to December 31, 2022	In Process
1.2	The University lacks a policy(ies) to define institutional base salary (IBS) and supplemental/extra-service pay. Such policy(ies) are required by the Uniform Guidance. Not having the required policy(ies) could result in unallowable compensation costs charged to Federal grants. One employee's supplemental pay amount was required to be revised after the original amount had been fully approved. The revision was required because the approved supplemental pay amount would violate a Federal requirement that the employee's total supplemental pay could not exceed the allowable percentage of the employee's normal salary. However, lack of University documentation outlining this requirement has led to confusion.	1.2 Human Resources, after consultation with SPGM and the Controller's Office, will develop a policy to address any restrictions that apply, such as the one noted on supplemental pay, in accordance with 2 CFR § 200.430 *(Compensation/Personal Services)*. The new policy will be communicated campus-wide.	October 31, 2021 Revised to May 1, 2022 Revised to June 30, 2023	In Process

RADFORD UNIVERSITY

Office of Audit and Advisory Services

FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
SEPTEMBER 2022

Audit: **Sponsored Programs and Grants Management** (**Continued**)				
Business Issue		Planned Action	Completion Date	Status
1.3	One PR-40 form (the form that is used to authorize supplemental pay) documented a 50% allocation to the ASSET grant, but the payments were allocated 100% to the grant. After further inquiry, we determined that management completed the form incorrectly, and the charge to the grant was deemed to be in accordance with the original intent. However, because the form on file wasn't corrected, it gives the appearance of unallowable activity. Furthermore, the form contained numerous mark-outs, revisions, and hand-written notes, making it difficult to determine the intent of the personnel action.	1.3 To improve upon existing PR-40 business practices, Human Resources will develop procedures/guidelines for proper completion of the PR-40 form. The new procedures/guidelines will be communicated campus-wide.	March 31, 2021 Revised to March 31, 2022 Revised to June 30, 2022 Revised to January 6, 2023	In Process

Capital Project Update

RADFORD UNIVERSITY

Business Affairs and Audit Committee

RADFORD UNIVERSITY

Center for Adaptive Innovation and Creativity

Business Affairs and Audit Committee

RADFORD UNIVERSITY

Tyler and Norwood Halls

Tyler

Norwood

Business Affairs and Audit Committee

RADFORD UNIVERSITY

Combined Heat and Power Co-Generation Facility

Boiler Plant

Location for Co-Gen Facility Currently Ceramics Lab
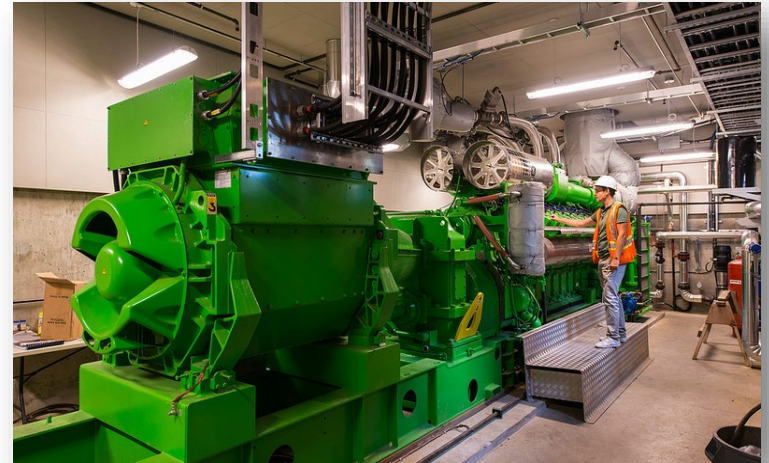
Business Affairs and Audit Committee

RADFORD UNIVERSITY

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
September 8, 2022

Information Item
Capital Projects and Information Technology Services Update

Item 1: Facilities Planning and Construction update on capital projects.

Artis Center for Adaptive Innovation and Creativity

Project Budget -- $101,651,000

Architect/Engineer Firm--- Hord Coplan and Macht

Construction Manager--- Skanska

The Artis Center for Adaptive Innovation and Creativity (Center) will address an array of significant existing programmatic and building deficiencies across a number of academic colleges. The approximately 178,000-square-foot multi-story building will include state-of-the-art instruction, laboratory, maker, studio, computer, and collaborative spaces that integrate the arts and health sciences, along with office and other academic support functions. Specialty spaces will include an instructional auditorium and support spaces, health science clinical lab spaces, painting and drawing studio spaces, and music and dance studio spaces. The project will be located in a prominent area of campus directly adjacent to East Main Street, and will respond aesthetically to the existing buildings along this important campus corridor.

The project scope provides for demolition of the existing Porterfield East and West Halls and McGuffey Hall and construction of the new building and building systems and components including HVAC, plumbing, electrical, fire alarm and detection, fire suppression, lightning protection, and elevators. The project replaces existing facilities and building systems that are fifty years old and are inadequate for today's learning environment and technologies. Significant utility impacts will be accommodated, along with erosion/sediment control and stormwater management requirements. The University is also aggressively pursuing sustainable design features leading to certification through the US Green Building Council's Leadership in Energy and Environmental Design (LEED) program.

The Capital Budget Request for the project was submitted in July 2017, and was included in the approved 2018-19 biennial budget bond package. As part of the planning process the University requested and was approved to use the Construction Management at Risk (CM at Risk) as the delivery method for construction on this project due its size and complexity in July 2018. In April 2021, the University and Skanska entered into a Gross Maximum Price Contract (GMP) with early site and demolition work beginning in June 2021. Due to extenuating circumstances related to the effects of COVID-19, such as supply chain disruptions and limited workforce availability in southwest Virginia, Skanska has communicated a gap in funding from their executed GMP and subcontractor bids to complete the project. The University in collaboration with Skanska continue to seek ways to address funding concerns.

Demolition of Porterfield and McGuffey Halls was completed in August 2021. Site grading began in August 2021 and is ninety-five percent complete with underground utility work approximately eighty

percent complete. The full building permit was issued in April 2022. Construction of the concrete foundations and foundation walls are complete, concrete slabs are twenty-five percent complete and structural steel erection is scheduled to be complete by September 2022. Exterior wall and roof construction began in late August. The current construction schedule will facilitate project completion and move-in for classes in fall 2024.

Renovation of Tyler and Norwood Halls

Project Budget -- $30,000,000*

Architect/Engineer Firm--- Hanbury

The Master Plan identifies Norwood Hall and Tyler Hall as the next on-campus residence halls to be renovated. The renovation scope will provide for the replacement of plumbing piping, fixtures, HVAC systems, fire alarm systems, electrical upgrades, accessibility improvements, and asbestos abatement, similar to the renovation scopes recently completed for the Moffett Quad residence halls in 2016. The renovations will also include significant improvements to the first floor building entries, student support areas (i.e. lounges, kitchen, study spaces), along with activating the porch areas for student gathering space. These renovations will give vibrant new life to these buildings built in the early 1900's.

Selection of an architect and engineering (AE) design firm is complete. The Environmental Impact Report was approved by the Secretary of Administration on August 8, 2022. The Value Engineering Study (VE) was completed in late July 2022 and the evaluation of identified VE items is complete. The preliminary design package was submitted to the Division of Engineering and Building (DEB) for review in early August 2022. Hanbury is working on an early demolition design package to allow interior demolition work to begin fall 2022. Following preliminary design completion and cost estimate reviews the total project budget, originally anticipated at $17.0 million, is currently estimated at $30.0 million. The University's completion of a Feasibility Study and Preliminary Design work provided more clarity and verification of the scope of work required in each building. It became clear the project could not be completed, due in large part to the current market conditions, within the original estimated budget. Based on the information learned from these processes and current cost estimates, the University submitted a request for additional funding in June 2022.   Final design is scheduled to be completed in early 2023. This timeline will allow bidding in the spring of 2023, with construction commencing in May 2023 with subsequent project completion July 2024.

Combined Heat and Power/Co-Generation Facility

Project Budget -- $16,000,000

Architect/Engineer Firm-- Trane

The Combined Heat and Power/Co-Generation Facility project would convert an existing building into a combined heat and power (CHP) facility for the overall campus. The conversion of the facility to CHP would consist of one or two 3.3-megawatt natural gas fired reciprocating engines. The engines would generate electricity for campus utilization while the waste heat generated from the equipment would supplement the University steam plant generation. The overall project costs for construction are approximately $16.0 million for the twin unit option. The project is estimated to save the University $2.0 million in annual operating cost. The approved 2022-24 Biennial Budget included $11.2 million in general funds and $4.8 million in non-general funds for this project.

The Interconnect Agreement was submitted to the City of Radford for review and comment in March 2022. In August 2022 the University submitted a Federal Energy Regulatory Commission application for consideration of this project as a Qualifying Facility.

River Campus

The Master Plan identified development of the River Campus on University and City of Radford (City) properties adjacent to the New River. Stakeholder meetings have taken place, including academic and student affairs, and an initial visioning document has been compiled. The visioning document will serve to identify initial projects for execution, and planning and prioritization of further River Campus development projects.

The overall River Campus development includes zones for higher density public activities such as an amphitheater, event space, food and beverage areas, and associated support spaces; for quieter academic and passive recreation spaces; and for highly active recreation and student engagement areas.

An initial project was completed in Summer 2021 that included the greenway extension on University property adjacent to parking Lot Z and the New River. This project will also ultimately include outdoor seating, event areas, and spaces designed to accommodate informal gatherings. The design for a second phase in coordination with the City to link the University greenway to the City greenway is complete. Construction of the trail connector was completed June 2022.

Further development projects include more significant public projects such as an amphitheater and food services, along with more recreation-based projects such as access to the river for people and boats, climbing walls and bouldering, and zip lines and ropes courses. An architect-engineer firm, hired by the University, has performed a feasibility study for the preferred location for an amphitheater that is currently being evaluated for next steps.

The City has developed construction documents to rehabilitate the University Drive bridge across the Norfolk Southern tracks adjacent to East Main Street. As part of this project, the University has agreed to fund the replacement of the fencing and the addition of street lighting along the bridge. This project will serve as a significant improvement to the entry to the northern section of campus, and help highlight future River Campus development projects. construction on the bridge continues by Fairfield Echols, the City's contractor, to replace/repair expansion joints. Lighting and fencing upgrades are anticipated to be completed in fall 2022.

The development of the River Campus will continue to be carefully executed in conjunction with the City, and will also need to be coordinated with all regulatory and permit requirements.

The Highlander (Hotel and Conference Center)

Radford University Foundation collaborated with Jones Lang LaSalle, a commercial real estate firm, for a hotel and conference center located at the corner of Tyler Avenue and Lawrence/Calhoun Streets. The Highlander is planned to have approximately 125 rooms; street level restaurant, coffee shop, and business center; rooftop lounge and exercise center; conference center with meeting spaces; and adjacent parking. S.B. Ballard Construction Company, Virginia Beach, serves as the contractor to complete the development, has completed demolition of the existing structures and is well underway on sitework and utilities. With a construction schedule of approximately eighteen (18) months, the hotel

and conference center is anticipated to open in late 2022. As a reminder, this is a project of the Radford University Foundation and is included for reference purposes.

Item 2: Information Technology Services (ITS) update on operations.

Banner ERP Cloud Migration

In December 2021, Radford University committed to moving the Ellucian Banner environment from an on-premise University managed system to a managed cloud service hosted by Ellucian with planned go-live in early 2023.

Radford University has partnered with Ellucian, utilizing Banner as the University's Enterprise Resource Planning (ERP) system since 2009. Banner serves as the system of record for student records, financial aid, finance and human resources. This system is currently maintained via on-premise hardware and software. ITS staff dedicate significant time and resources to maintain more than forty (40) on-premise servers in support of Banner. Ellucian has offered managed cloud service for several years and has matured this service through the Amazon Web Services (AWS) hosting platform. This maturity is evident due to the number of universities now leveraging this service from Ellucian.

Operating Banner as a managed cloud system will allow for quicker upgrades and access to the latest features and functionality. With this transition, ITS staff will be able to focus on data management, data integrity, and user experience enhancements that add value rather than simply keeping the system operational. Moving to a managed cloud environment will remove our dependency on a small number of Banner IT experts and thus reduce our risk during staff turnover. The Ellucian managed cloud environment also reduces the level of risk associated with this system by relying on Ellucian's breadth of expertise for system baselines, backups, disaster recovery and security. Once completed, ITS staff will be able to focus more effort on modernizing other campus systems and enhancing integrations between systems.

On March 21, 2022, a project kickoff meeting with Ellucian and the ITS team was held to begin the technical configurations of the cloud environment. ITS staff successfully established secure network connectivity between campus and the Ellucian cloud. The ITS team is currently modifying university written programs to work with the cloud environment, testing integrations with third party vendors, and testing the overall cloud environment. An initial database backup of our Banner environment was provided to Ellucian in April 2022 for an initial mock restore and to better determine the full scope of the migration project. A second database backup and mock restore was completed in July 2022. Users are currently creating and updating test plans and validating data and functionality in the cloud environment A twelve (12) month timeline is anticipated for configuration, testing, data migration and validation prior to a final cutover targeted for no later than spring 2023.

Single-Sign-On Cloud Migration

In January 2022, ITS began a project to migrate the on-premise Shibboleth single-sign-on system to a cloud service. The Shibboleth single-sign-on system provides a platform for authenticating users to both on-premise and cloud systems. Because this system is hosted on premise, it is a single point of failure for many cloud services that would otherwise still be available in the event of a campus outage.

In May of 2022, ITS completed the transition of the Single Sign On service to the cloud solution. This transition provides a greater level of availability with a vendor that can quickly transition this service to another region, if needed. The vendor is now responsible for setup and configuration of new authentications reducing the amount of time ITS staff spend setting up authentication for new

applications. ITS has decommissioned four (4) on-premise servers that were previously used for this system. This project is considered complete.

IT Security Operational Update

Cybersecurity and evolving security threats continue to serve as one of the key areas of focus for ITS. To address on-going threats, the Microsoft Defender for Office 365 package was added to our Microsoft license in May to provide additional malware and phishing protection for faculty/staff mailboxes. The ITS team is currently testing the configuration of this new feature and will add to faculty/staff mailboxes in early 2023.

Action: None. Informational only.

Goals

Audit & Advisory Services
Goals - FY 2022-2023

90% Obtain acceptance by management for business issues identified in internal audits.

20% Help enhance the University's Information Technology (IT) posture by executing IT audit projects annually in accordance with the five-year IT Audit Plan.

TBD The University will complete the planned corrective action by the original completion date for a defined percentage of the actions. (Internal & External)

0 The University will have no repeat findings from the Auditor of Public Accounts (External Audits)

Business Affairs and Audit Committee

RADFORD UNIVERSITY

Finance & Administration Goals – FY 2022-2023

GOALS
Finance & Administration

1 EXPAND RELEVANT DECISION-MAKING INFORMATION

2 ENHANCEMENT OF CAMPUS INFRASTRUCTURE

3 STABILIZATION & DEVELOPMENT OF INTERNAL WORKFORCE

Business Affairs & Audit Committee

RADFORD UNIVERSITY
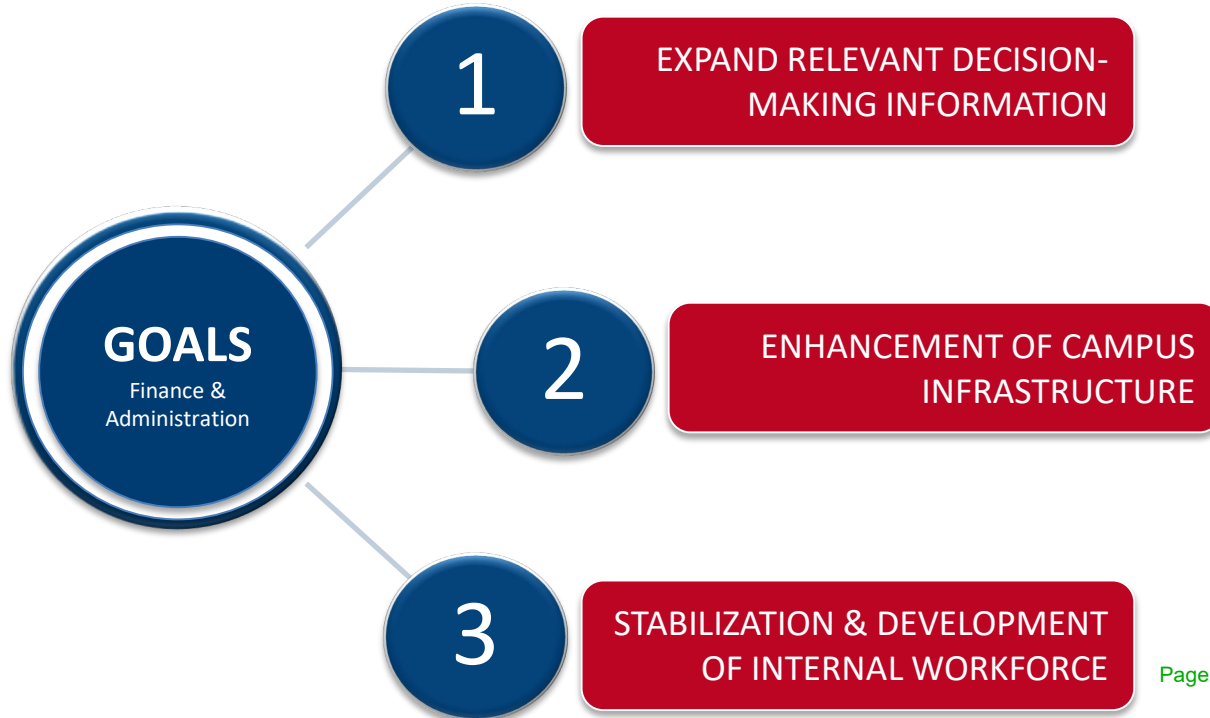
1. Expand Relevant Decision Making Information

Enhance financial information presented to ensure Board members are provided relevant and timely information to inform decision making

- Provide comparative data of competitive institutions
  - Outline peers and create data set
- Report reserve balances and appropriate spend plans
  - Maintain fully funded E&G Reserve
  - Define institutional minimum auxiliary reserve balance thresholds and an estimated spend plans for additional balances
- Creating a pathway for campus and program costing and reporting in conjunction with Academic Affairs
  - Define current state and conduct needs assessment

RADFORD UNIVERSITY

2. Enhancement of Campus Infrastructure

Information Technology: Enhancement of Ransomware Controls

- Implement Microsoft Defender for Office 365 on faculty and staff mailboxes for additional protection against cyber threats
  - Reduce the number of malicious email messages received by faculty/staff and subsequently reported to IT Security

Safety & Security: Enhancement of Video Surveillance

- Review current state of camera/surveillance usage, implementation and management strategy.
  - Outline gaps, funding needs, and develop action plan

Physical Plant: Implementation of Capital Projects

- Finalize actionable plans for implementation of the CoGen facility and Campus Infrastructure Project
  - Finalize process with timeline for project completion.

RADFORD UNIVERSITY

3. Stabilization & Development of Internal Workforce

Implementation of competitive wage rate for full-time employees

- All full-time employees have an hourly rate of a minimum of $15.00/hr.

Conduct compensation analysis with independent third party

- Receive recommendations on the current compensation and benefits structure
- Develop a salary structure that is internally equitable and externally competitive
- Create phased implementation plan based on funding plan

Enhance flexible work options

- Launch Core Hours Concept
  - Document changes in work schedules by employees utilizing core hours
  - Create employee satisfaction surveys regarding work schedule
  - Create student surveys around customer service areas

RADFORD UNIVERSITY

Discussion

Minutes

RADFORD UNIVERSITY

Board of Visitors

RADFORD UNIVERSITY

Board of Visitors

BUSINESS AFFAIRS AND AUDIT COMMITTEE
12:30 P.M.
APRIL 28, 2022
MARY ANN JENNINGS HOVIS MEMORIAL BOARD ROOM
MARTIN HALL, THIRD FLOOR, RADFORD, VA

DRAFT
MINUTES

COMMITTEE MEMBERS PRESENT
Dr. Debra K. McMahon, Chair
Mr. Mark S. Lawrence, Vice Chair
Ms. Nancy Angland Rice
Mr. Marquett Smith

COMMITTEE MEMBERS ABSENT
Dr. Susan Whealler Johnston

BOARD MEMBERS PRESENT
Mr. Robert A. Archer, Rector
Dr. Jay A. Brown
Ms. Krisha Chachra
Ms. Charlene A. Curtis
Dr. Rachel D. Fowlkes
Ms. Lisa W. Pompa
Mr. David A. Smith
Ms. Georgia Anne Snyder-Falkinham
Ms. Lisa Throckmorton

OTHERS PRESENT:
Dr. Carolyn R. Lepre, Interim President
Dr. Bret S. Danilowicz, President-elect
Ms. Sharon Barrett, Assistant Vice President for Planning, Budget and Reporting
Mr. Zachary Borgerding, Audit Director, Auditor of Public Accounts
Ms. Karen Casteele, Secretary to the Board of Visitors and Special Assistant to the President
Mr. Jorge Coartney, Associate Vice President, Facilities Management
Mr. Craig W. Cornell, Vice President for Enrollment Management
Ms. Meghan Finney, Audit In-Charge, Auditor of Public Accounts
Ms. Stephanie J. Jennelle, Interim Vice President for Finance and Administration and Chief Financial Officer

Dr. Angela Joyner, Interim Chief of Staff
Ms. Margaret McManus, University Auditor
Mr. Mike F. Melis, Senior Assistant Attorney General, Commonwealth of Virginia
Ms. Heather Miano, Executive Director of Administration
Mr. Ed Oakes, Associate Vice President for Information Technology and Chief Information Officer
Dr. J. Orion Rogers, Interim Provost and Vice President for Academic Affairs
Dr. Susan Trageser, Vice President for Student Affairs

CALL TO ORDER
Dr. Debra K. McMahon, Chair, formally called the meeting to order at 12:30 p.m. in the Mary Ann Jennings Hovis Memorial Board Room. Dr. McMahon welcomed everyone to the April meeting of the Business Affairs and Audit Committee.

APPROVAL OF AGENDA
Dr. McMahon asked for a motion to approve the April 28, 2022 meeting agenda, as published. Mr. Mark S. Lawrence so moved, Mr. Marquett Smith seconded, and the motion carried unanimously.

APPROVAL OF MINUTES
Dr. McMahon asked for a motion to approve the minutes of the February 10, 2022 meeting of the Business Affairs and Audit Committee, as published. Mr. Lawrence so moved, Mr. Marquett Smith seconded, and the motion carried unanimously.

REPORTS
Report from the Auditor of Public Accounts
Mr. Zachary Borgerding with the Auditor of Public Accounts provided a status report on the audit of the University's FY 2021 financial statements. He noted that, when completed, the final report will be provided directly to Board members via email.

University Auditor's Report
University Auditor Margaret McManus presented an oral report on the review of University Discretionary Fund expenditures for the quarter ended March 31, 2022. One hundred percent of the fund's expenditures were reviewed, and all were found in compliance with the Board of Visitors' guidelines. Ms. McManus also presented a follow-up audit status report.

Capital Projects and Information Technology Update
Interim Vice President for Finance and Administration and Chief Financial Officer Stephanie J. Jennelle provided an update on capital projects currently in progress. These projects included the Artis Center for Adaptive Innovation and Creativity, Tyler and Norwood Halls, as well as the Highlander Hotel, a Radford University Foundation project. Additionally, Ms. Jennelle presented an update for Information Technology Services operations as well as significant projects underway. The information discussed included the Banner ERP Cloud Migration, the Single Sign-On Cloud Migration, and IT Security Operational updates.

2022-23 Discussion of Tuition and Fees
Ms. Jennelle discussed the University's fiscal priorities and presented the Committee with the impact of proposed legislation and other cost drivers to the University's 2022-23 operating budget. This item is

traditionally an action item that approves the tuition and fee structure for the upcoming academic year; however, given the state budget is pending finalization, any consideration to 2022-23 tuition and fee changes will be deferred. The University remains committed to student affordability and meeting strategic initiatives. A future meeting will be called by the Rector to finalize outstanding tuition and fee rates.

ACTION ITEMS:
Recommendation for Approval of the Radford University Administrative and Professional Faculty Handbook Revision

Ms. Jennelle discussed the University's revision to the Radford University Administrative and Professional (AP) Faculty Handbook to incorporate Parental Leave language for AP faculty consistent with Virginia Code § 2.2-1210 and Virginia Department of Human Resource Management Policy 4.21. Dr. McMahon asked for a motion to recommend the Resolution approving the revision of the Administrative and Professional Faculty Handbook, as presented, to the full Board for approval. Ms. Nancy Angland Rice so moved, Mr. Lawrence seconded the motion, and the motion carried unanimously. A copy of the proposed resolution is attached hereto as *Attachment A* and is made a part hereof.

Recommendation for Approval of the Radford University Supplemental Defined Benefit Plan for Faculty

Ms. Jennelle provided information on the defined benefit plan that will provide participants of the Faculty Early Retirement Program (FERP) a tax advantageous distribution. This program is administered in accordance with the Code of Virginia requirement for the Voluntary Early Retirement Incentive Program and authorized by the Code of Virginia § 23.1-1302. Dr. McMahon, Chair, asked for a motion to recommend the Resolution approving the Radford University Supplemental Defined Benefit Plan for Faculty, as presented, to the full Board for approval. Mr. Smith so moved, Mr. Lawrence seconded the motion, and the motion carried unanimously. A copy of the proposed resolution is attached hereto as *Attachment B* and is made a part hereof.

Recommendation for Approval of the New River Valley Passenger Rail Station Authority and Agreement

Ms. Jennelle discussed plans for the creation of a regional passenger rail station authority, which will be named the New River Valley Passenger Rail Station Authority. Joining the Authority will create economic growth and development to the overall region. The University has been invited to join with the County of Floyd, the County of Giles, the County of Montgomery, the County of Pulaski, the City of Radford, the Town of Blacksburg, the Town of Christiansburg, the Town of Pulaski, and Virginia Tech. Dr. McMahon asked for a motion to recommend the Resolution approving the New River Valley Passenger Rail Station Authority and Agreement, as presented, to the full Board for approval. Ms. Rice so moved, Mr. Marquett Smith seconded the motion, and the motion carried unanimously. A copy of the proposed resolution is attached hereto as *Attachment C* and is made a part hereof.

Recommendation for Approval to Continue Level II Authority

Ms. Jennelle discussed the University's Level II Delegated Authority in Procurement and Information Technology and the requirements to maintain such authority. The current memoranda of understanding ends June 30, 2022. Continuation requires approval by the Board of Visitors to extend the authority to June 30, 2027. Dr. McMahon asked for a motion to recommend the Resolution approving for Radford University to continue Level II Authority as presented, to the full Board for approval. Mr. Marquett Smith

so moved, Mr. Lawrence seconded the motion, and the motion carried unanimously. A copy of the proposed resolution is attached hereto as *Attachment D* and is made a part hereof.

ADJOURNMENT
With no further business to come before the committee, Dr. McMahon adjourned the meeting at 1:42 p.m.

Respectfully submitted,

Pamela Fitchett
Administrative Assistant to the
Vice President for Finance and Administration
and Chief Financial Officer

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
April 28, 2022

Action Item
Approval of the Radford University Administrative and Professional Faculty Handbook Revision

Item:
Board of Visitors approval of the Radford University Administrative and Professional (AP) Faculty Handbook Revisions.

Summary:
The AP Faculty Handbook requires updating to incorporate Parental Leave language for AP faculty consistent with Virginia Code § 2.2-1210 and Virginia Department of Human Resource Management Policy 4.21. Parental Leave establishes paid parental leave, to eligible employees, that recognizes the benefits to employees and their families of meaningful bonding time upon the birth or placement of a child. The paid Parental Leave Policy is in addition to other leave benefits available to Commonwealth employees, such as Virginia Sickness and Disability Program leave (VSDP), sick leave, annual leave, and leave under the federal Family Medical Leave Act (29 U.S.C. § 2601-2654).

The Parental Leave revision to the AP Faculty Handbook is now being submitted to the Board of Visitors for consideration and final approval. The AP Faculty Senate has recommended the revision, legal counsel has reviewed the revision, and the President's Cabinet has approved the revision.

The following proposed language represents an insertion of the Parental Leave section of the Administrative and Professional Faculty Leave portion of the AP Faculty Handbook.

1.11.14 Parental Leave

AP members may be eligible for up to eight (8) weeks (320 hours) of paid Parental Leave to be used within six (6) months of the birth/placement of a child for any one or more of the following reasons:
- To give birth to, care for, and bond with a newborn child.
- To care for and bond with a minor child placed with the employee through adoption or foster care or a legal custodial arrangement.
- To supplement reduced income replacement disability benefits following the birth of an infant.

Eligible hours will be determined on a pro-rated basis corresponding to the percentage of hours the AP member is normally scheduled to work.

To meet eligibility criteria for Parental Leave, AP members must be eligible for Family and Medical Leave for the same birth/placement. If Parental Leave at Radford University is available to both parents and both meet eligibility criteria, each is entitled to up to 320 hours of Parental Leave. Eligibility determinations are made as of the date that the child is born or placed via adoption or foster or custodial care. An AP member who is not eligible for Parental Leave on the date of the birth or placement may become eligible during the following six (6) months and access Parental Leave once the AP member meets eligibility requirements.

Parental Leave shall be in addition to other leave benefits available to AP members, including Sick Leave, Annual Leave, and Family Medical Leave and shall not be counted against leave under such programs. Parental Leave shall run concurrently with any leave provided to an eligible AP member under the Family and Medical Leave Act. Parental Leave may run concurrently or sequentially with leave provided under the Virginia Sickness and Disability Program if an AP member is eligible for such leave.

Parental Leave may be taken in one continuous period of time or intermittently subject to supervisor approval. The 320 hours of Parental Leave may be used only once per child and only once within a twelve (12) month period.

AP members should submit a written request for Parental Leave at least thirty (30) calendar days prior to the anticipated leave begin date or as soon as practicable to the Department of Human Resources and the immediate supervisor. AP members must comply with Radford University leave request procedures, absent unusual circumstances. Failure to do so may be grounds for delaying or denying an AP member's approval for Parental Leave.

The Department of Human Resources may require an AP member to show documentation of the birth or placement in order to approve Parental Leave. Official documents for consideration include, but not limited to: a report of birth, a birth certificate, an order of parentage, an adoption order, certified DNA test results, a custody order, and a foster care placement agreement. Documents provided should show date of birth and date of placement, if placement was other than the date of birth.

Parental Leave provided to AP members terminates upon separation from employment with Radford University, if an AP member transfers to a non-covered position, or at the conclusion of the foster or custodial care placement or within six (6) months of the birth/placement, whichever comes first. Upon termination, unused Parental Leave is not compensable to an AP member.

AP members should consult with the Department of Human Resources in advance of requesting Parental Leave for additional information regarding applicability and usage.

Action:
Radford University Board of Visitors approval of the revision regarding Parental Leave to the AP Faculty Handbook.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
April 29, 2022

Approval of the Radford University AP Faculty Handbook Revision

       BE IT RESOLVED, the Radford University Board of Visitors approves the Administrative and Professional (AP) Faculty Handbook revision regarding Parental Leave as presented within the proposed action item.

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
April 28, 2022

Action Item
Approval of the Radford University Supplemental Defined Benefit Plan for Faculty

Item:
Approval of the Radford University Supplemental Defined Benefit Plan for Faculty (Plan) in accordance with Section 401(a) of the Internal Revenue Code (Code).

Background:
The Faculty Early Retirement Program (FERP) provides special benefits to tenured faculty who voluntarily retire from Radford University employment. This program is administered in accordance with the Code of Virginia requirements for the Voluntary Early Retirement Incentive Program. This program is authorized by the Code of Virginia §23.1-1302 and represents one of several transitional workforce programs supported by the Commonwealth.

The Radford University Supplemental Defined Benefit Plan for Faculty, included as Attachment A, is a defined benefit plan qualified under Section 401(a) of the Internal Revenue Code to which the FERP's incentive payments will be paid so participants in the FERP can receive the payments in a tax-advantaged manner. The Plan is a governmental plan within the meaning of Code Section 414(d) and Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended (ERISA). As a governmental plan, ERISA does not apply. The Plan is funded through a Trust in accordance with the qualification requirements of the Code.

Action:
Radford University Board of Visitors approval of the Radford University Supplemental Defined Benefit Plan for Faculty, as presented.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
April 29, 2022

Approval of the Radford University Supplemental Defined Benefit Plan for Faculty

Approval of the Radford University Supplemental Defined Benefit Plan for Faculty;

WHEREAS, retirement incentives are recognized as a pivotal component to an overall strategy for achieving operational and organizational efficiencies; and

WHEREAS, the *Code of Virginia § 23.1-1302* states that the governing board of each public institution of higher education may establish a compensation plan designed to provide incentives for voluntary early retirement of teaching and research staff employed in non-classified, faculty positions; and

WHEREAS, the Radford University Faculty Early Retirement Program ("FERP") has been established in compliance with the Code of Virginia to provide reasonable incentives to retire that consider the needs of those individuals who may be interested in voluntarily retiring as well as the needs of the University; and

WHEREAS, the Radford University Supplemental Defined Benefit Plan for Faculty is a defined benefit plan qualified under Section 401(a) of the Internal Revenue Code to which the FERP's incentive payments will be paid so that participants in the FERP can receive the payments in a tax-advantaged manner.

NOW THEREFORE, BE IT RESOLVED that the Radford University Board of Visitors does hereby approve and establish the Radford University Supplemental Defined Benefit Plan for Faculty under Section 401(a) of the Internal Revenue Code, effective January 1, 2022, to provide incentive payments for eligible employees who participate in the Radford University Faculty Early Retirement Program.

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
April 28, 2022

Action Item
Approval of the New River Valley Passenger Rail Station Authority and Agreement

Item:
Board of Visitors approval of Radford University's participation in the New River Valley Passenger Rail Station Authority.

Summary:
Within the provisions of Chapter 38 of Title 33.2 of the Code of Virginia, 1950 as amended, the General Assembly has authorized the creation of a regional passenger rail station authority, which will be named the New River Valley Passenger Rail Station Authority (NRV-PRSA). The University has been invited to join it on an equal basis with the County of Floyd, the County of Giles, the County of Montgomery, the County of Pulaski, the City of Radford, the Town of Blacksburg, the Town of Christiansburg, the Town of Pulaski, and Virginia Tech.

Joining the authority will create economic growth and development for the University. The comfort, convenience, and welfare of the University community requires the development of facilities and the creation of the NRV-PRSA which will facilitate development of such necessary facilities.

The powers, rights and duties of the NRV-PRSA may be exercised by a Board of Directors. The governing body of each member shall appoint two representatives to serve four (4) year terms on the Board. The initial terms of office of the Board shall begin upon certification by the Secretary of the Commonwealth and the creation and constitution of the NRV-PRSA as provided in Chapter 38 of Title 33.2 of the Code of Virginia, 1950 as amended.

The contractual agreement obligates the University to participate in the establishment of the NRV-PRSA, authorizes that the University administration may commit resources, procure services, and enter into agreements that further the progress of the formation and operation of the authority, and authorizes the execution of an agreement establishing the respective rights and obligations of the members regarding the authority consistent with the provisions of the Code of Virginia.

The contractual agreement is provided in Attachment A along with additional information in Attachment B that provides a memo and presentation detailing the history of the NRV-PRSA from the New River Valley Regional Commission.

Action:
Radford University Board of Visitors approval of the University's participation in and the execution of the agreement establishing the NRV-PRSA as well as the designation of the University President to appoint representatives of the University to the Board of Directors of the NRV-PRSA.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
April 29, 2022

Approval of the New River Valley Passenger Rail Station Authority and Agreement

      BE IT RESOLVED, the Radford University Board of Visitors approves the University's participation in and the execution of the New River Valley Passenger Rail Station Authority agreement as well as the designation of the University President to appoint representatives of the University to the Board of Directors of the NRV-PRSA as presented.

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
April 28, 2022

Action Item
Approval for Radford University to Continue Level II Authority

Item:
Adoption of a Resolution reaffirming the Board's previous actions with regard to renewing its Memoranda of Understanding (MOU) with the Commonwealth of Virginia for Level II operational authority in the functional areas of Information Technology and Procurement authorized by Chapters 824 and 829.

Background:
On July 6, 2009, Radford University received additional operational authority in the areas of information technology and procurement through two MOUs in response to Chapters 824 and 829 of the Virginia Acts of Assembly. The legislation identified the initial term of the agreements for a three year period from the date of last signature.

On March 8, 2012, the University was notified by the Secretary of Finance of the Commonwealth's decision to conditionally renew the Level II MOUs for operational authority in information technology and procurement pending confirmation that each Board of Visitors approves a resolution by an absolute two-thirds or more vote expressing the sense of the body that Radford University is qualified to be, and should be, governed by the MOUs. The subsequent renewals were set at five year increments.

Radford University renewed both Level II MOUs effective July 1, 2017, and is currently seeking approval effective July 1, 2022 for an additional five year term.

Action:
Adoption of a Resolution reaffirming the Board of Visitors sense that Radford University is qualified to be, and should be, governed by Level II Memoranda of Understanding in the functional areas of Information Technology and Procurement.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
April 29, 2022

Approval for Radford University to Continue Level II Authority

WHEREAS, the 2005 Session of the General Assembly enacted Chapters 933 and 945, Acts of Assembly, known as the Restructured Higher Education Financial and Administrative Operations Act (the "Act"), originally codified at Chapter 4.10 of Title 23, Sections 23-38.88 *et seq.*, and now codified at Chapter 10 of Title 23.1, Sections 23.1-1001 *et seq.*, of the Code of Virginia (1950), as amended; and

WHEREAS, the 2008 Session for the General Assembly enacted Chapters 824 and 829, Acts of the Assembly to amend and reenact § 23-38.90 of the Code of Virginia relating to operational authority for public institutions of higher education in information technology, procurement, and capital projects excluding leases of real property, and which allows the University to enter into memoranda of understanding for additional operating authority in two, but no more than two, of these three areas; and

WHEREAS, on July 6, 2009, the University and the Commonwealth of Virginia entered into original memoranda of understanding with the appropriate Cabinet Secretaries, as designated by the Governor, granting appropriate operational authority, for the functional areas of information technology and procurement, for a period of three years. Subsequent five year renewal periods commenced July 1, 2012 and July 1, 2017.

WHEREAS, the University desires to continue the operational authority originally granted and as required must enter into subsequent memoranda of understanding with the Commonwealth. As a condition to entering into subsequent memoranda of understanding, the Board of Visitors must approve a resolution affirmed by at least two-thirds of the Visitors expressing the sense that the institution is qualified to be, and should continue to be, governed by such subsequent memoranda of understanding.

NOW THEREFORE, BE IT RESOLVED that the Radford University Board of Visitors does hereby approve that the President of the University and its Chief Financial Officer/Vice President for Finance and Administration are authorized to proceed in cooperation with the applicable Cabinet Secretaries to obtain the continuation of the additional operating authority outlined in § 23.1-1003 of the Code of Virginia relative to information technology and procurement and to take all actions deemed by them to be necessary or advisable to facilitate this understanding.

BE IT FUTHER RESOLVED, that upon approval of the subsequent memoranda of understanding, the President and Vice President for Finance and Administration are granted full continuation of the authority and responsibility of management of the information technology and procurement functions of the University.

End of Board of Visitors Materials