

Radford University  
Board of Visitors  
Business Affairs Committee  
Minutes

**RADFORD UNIVERSITY  
BOARD OF VISITORS  
Business Affairs Committee**

**Approved**

**April 22, 2009**

**MINUTES**

**Committee Members Present:**

Mr. Stephen A. Musselwhite, Business Affairs Committee Chair  
Mr. Brandon Bell  
Mr. C. Nelson Harris  
Ms. Mary Ann Hovis  
Mr. Darius Johnson

**Board Members Present:**

Mr. Thomas Fraim  
Ms. Nancy Artis  
Mr. Walter Rugaber

**Others Present:**

Ms. Penelope W. Kyle, President  
Dr. Wil Stanton, Provost  
Mr. Danny Kemp, Vice President for Information Technology & Chief Information Officer  
Dr. Norleen Pomerantz, Vice President for Student Affairs  
Ms. Greer Saunders, Assistant Attorney General  
Ms. Evelyn Wilson, Associate Vice President for Finance & Administration  
Ms. Margaret McManus, University Auditor  
Ms. Lisa Ridpath, University Budget Director  
Mr. Joseph Stepp, Auditor of Public Accounts  
Mr. Jim Quesenberry, Auditor of Public Accounts  
Faculty, staff, and guests and media

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**Call to Order:**

Mr. Stephen Musselwhite, Business Affairs Committee Chair, called the meeting to order at 10:01 a.m.

On a motion by Mr. Harris and seconded by Ms. Hovis, the agenda was approved.

On a motion by Mr. Harris and seconded by Ms. Hovis, the minutes of the February 4, 2009, Business Affairs Committee meeting were approved.

Mr. Musselwhite introduced Mr. Joseph Stepp and Mr. Jim Quesenberry, representatives from the State Auditor of Public Accounts. Mr. Stepp and Mr. Quesenberry presented the following reports to the Committee: Required Communications, Intercollegiate Athletics "Agreed-Upon Procedures", and Audit Report on the University's financial statements for the fiscal year ended June 30, 2008. The University received an unqualified opinion with no material weaknesses. Mr. Stepp detailed one internal control finding and recommendation regarding strengthening controls over capital projects and capital assets. On a motion by Mr. Harris, seconded by Ms. Hovis, the reports were accepted.

Mr. Musselwhite introduced Mr. Danny Kemp, Vice President for Information Technology/CIO. He discussed the Resolution for Information Technology and Procurement Operational Authority (Level II). The Resolution asks that the Board of Visitors reaffirms its earlier actions on June 25, 2008, September 4, 2008, and November 13, 2008. The Board of Visitors is also requested to adopt VITA's standards and guidelines governing project management, infrastructure, architecture, ongoing operations, security and project auditing. In addition, Board of Visitors approval is requested to delegate to the President the duties and responsibilities for IT and procurement operational authority including any additional negotiations with the Secretaries and authority to adopt changes to RU's IT policies, standards and guidelines.

Mr. Musselwhite called for approval of the resolution in front of the Committee. On a motion by Ms. Hovis, seconded by Mr. Harris it was approved to adopt the Resolution for the Information Technology and Procurement Operational Authority (Level II).

Mr. Musselwhite introduced Ms. Evelyn Wilson, Associate Vice President for Finance and Administration. Ms. Wilson discussed the Resolution for the Radford University Identity Theft Prevention Program (Red Flags Rule). This program defines the reasonable efforts the University will implement to detect, prevent, and mitigate identity theft. The program is also intended to further help protect students, faculty, staff, and

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other constituents and RU from damages related to the fraudulent activity of identity theft.

Board of Visitors' adoption of the Resolution for the Radford University Identity Theft Prevention Program is required to document RU's compliance with the Federal Trade Commission Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACT Act) of 2003, which amended the Fair Credit Reporting Act.

Mr. Musselwhite called for approval of the resolution in front of the Committee. On a motion by Mr. Harris, seconded by Mr. Johnson, it was approved to adopt the Resolution for the Radford University Identity Theft Prevention Program.

Mr. Musselwhite introduced Ms. Lisa Ridpath, University Budget Director. Ms. Ridpath discussed the Resolution declaring Radford University's intentions to issue bonds for the construction of the Student Fitness and Wellness Center. Construction of the Student Fitness and Wellness Center has been approved for financing from state bonds through the Virginia College Building Authority (VCBA). The Resolution allows the University to enter into a loan agreement and issue a promissory note with the VCBA. The Resolution further authorizes the President and Vice President for Finance and Administration to approve, execute and deliver all documents necessary to effectuate the financing of the costs of the project through the VCBA.

Board of Visitors' adoption of the Resolution is required by the Commonwealth of Virginia Department of Treasury.

Mr. Musselwhite called for approval of the resolution in front of the Committee. On a motion by Mr. Harris, seconded by Ms. Hovis, it was approved to adopt the Resolution declaring RU's intentions to issue bonds for the construction of the Student Fitness and Wellness Center.

Ms. Ridpath also discussed the Resolution declaring Radford University's intentions to reimburse the cost of expenditures for the Student Fitness and Wellness Center. The facility will be financed through state revenue bonds, bonds that are typically sold in late fall to early winter. To assist with the timely initiation of this project, university Auxiliary Enterprise reserve funds will be used to pay the initial costs for planning and designing this facility. The Resolution allows for the reimbursement of these expenditures from bond proceeds, thus holding Auxiliary Enterprise reserve funding harmless.

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Board of Visitors' adoption of the Resolution is required by the Commonwealth of Virginia Department of Treasury and Federal Treasury Regulations relating to tax exempt bonds.

Mr. Musselwhite called for approval of the resolution in front of the Committee. On a motion by Ms. Hovis, seconded by Mr. Johnson, it was approved to adopt the Resolution declaring RU's intentions to reimburse the cost of expenditures for the Student Fitness and Wellness Center.

Mr. Musselwhite introduced Ms. Margaret McManus, University Auditor. Ms. McManus presented an oral report on the University discretionary Fund review for the quarters ending December 31, 2008 and March 31, 2009. One hundred percent of 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 and an audit report on IT infrastructure-active directory servers, domain name servers, and dynamic host configuration protocol.

Ms. Evelyn Wilson discussed the annual report for write-off of uncollected accounts. At its December 4, 2006 meeting, the Board of Visitors delegated authority to write-off uncollected accounts under the amount of \$25,000 per quarter to the Vice President for Finance and Administration. An annual report is presented to the Board of Visitors to document compliance with this delegated authority.

Ms. Lisa Ridpath discussed the 2008 General Assembly Session and budget. Ms. Ridpath explained the impact of the permanent \$7.5 million General Fund reduction and temporary infusion of \$5.5 million from the American Recovery and Reinvestment Act (ARRA) on RU's budget, the increase in the capital fee for out-of-state students, and the restored Eminent Scholars Program funding. Supplemental documents were provided summarizing the approved adjustments to Radford's operating budget, SCHEV's conference report of the 2008-10 budget amendments, and capital infrastructure projects submitted for possible funding from the construction stimulus package. There was a question raised about the out-of-state student's capital fee increase from \$2-\$10. This fee, mandated by the State, goes directly to the Commonwealth and is used to offset a portion of the debt service associated with capital bond projects.

Ms. Ridpath also led a discussion of potential 2009-2010 tuition and fee recommendations. Stimulus funding included in the FY2010 appropriated budget was discussed at length. Dr. Wilbur Stanton reported on the Master of Occupational Therapy

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program to begin in the fall semester. He explained the proposed differential tuition was part of the original SCHEV program proposal due to the demand and expense of the program. He also indicated that Academic Affairs is looking at other graduate programs where differential tuition would be appropriate given program cost and demand.

There was a question about the drivers for the increase in room and board and other comprehensive fees. The causes for fee increases include cost of living increases, the terms of multi-year contract with vendors, increases in utility costs, debt service, and renovations. The Committee expressed a concern that the students may not understand where their dollars are going with the proposed tuition and fee increases. An explanation for these increases should be provided.

The Committee discussed the impact on tuition and fees if stimulus funds were not allocated in 2009-2010. The stimulus package delays the major increases in tuition rates. It was noted that significant tuition increases may be needed when stimulus funding ends.

Mr. Musselwhite called for approval of the recommended tuition and fee increases in front of the Committee. On a motion by Mr. Harris, seconded by Ms. Hovis, it was approved to adopt and recommend to the Board of Visitors the proposed tuition and fee increases as presented in the Summary of Tuition and Fee Recommendations by Student Classification.

President Kyle recommended a Board of Visitors retreat where a discussion could occur regarding the University's direction in relation to tuition and fees and the 7-17 strategic plan.

The meeting adjourned at 11:35 a.m.

Connie Phillips, Recorder