

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

October 19, 2007

MINUTES

Committee Members Present:

Mr. Mark Pace, Business Affairs Committee Chair
Ms. Mary Ann Hovis

Committee Members Absent:

Ms. Karen Waldron

Other Board Members Present

Ms. Nancy Agee
Ms. Nancy Artis
Mr. Nelson Harris
Dr. Jim Lollar, Faculty Representative
Mr. Regis McCoy, Student Representative

Mr. Mark Pace, Business Affairs Committee Chair, called the meeting to order at 12:15 p.m.

Upon a motion by Mary Ann Hovis and a second by Nancy Artis, the minutes of the August 22, 2007, Business Affairs Committee meeting were approved.

The 2005 Restructuring Act requires Virginia's public colleges and universities to submit plans to the Commonwealth each biennium detailing the institution's activities and financial needs for the next six years. The Six-Year Plan consists of two components: the Academic Plan and the Financial Plan which estimates spending needed to support the Academic Plan activities.

Dr. Wil Stanton, Provost, presented the Academic Plan component of the Six-Year Plan. He emphasized that the Six-Year Plan is correlated to the RU 7-17 Strategic Plan. Various features of the Plan were discussed including Study Abroad programs, General Education requirements, articulation agreements, graduate enrollment, and addressing the needs of transfer students. He also pointed out the activities in the Six-Year Plan that have already been completed.

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Nancy Agee made a motion to recommend that the Board of Visitors approve the Academic Plan component of the Radford University 2007 Six-Year Plan. Mark Pace seconded the motion, which passed.

Ms. Donna VanCleave, Vice President for Finance and Administration, presented the Financial Plan component of the Six-Year Plan. The Financial Plan has two scenarios: (1) the Commonwealth provides general fund appropriation to fully fund base budget adequacy and strategic initiatives and (2) the Commonwealth provides no additional general fund support.

Mark Pace made a motion to recommend that the Board of Visitors approve the Financial Plan component of the Radford University 2007 Six-Year Plan. Mary Ann Hovis seconded the motion, which passed.

Ms. VanCleave presented the revised state FY 2008 Educational & General (E & G) Operating Budget for the University including the required general fund reduction and the SCHEV 2008-2010 operating budget recommendations. She also presented RU's proposed state operating budget requests which were outlined in the following categories: Doctor of Physical Therapy and Master of Occupational Therapy start-up costs, campus security enhancements, and increasing the E & G approved position level.

Mark Pace made a motion, which was seconded by Mary Ann Hovis and passed, to recommend Board approval of the University's State Operating Budget Requests.

Ms. VanCleave explained that in 1962 the RU Board of Visitors established the President's Discretionary Fund that was funded with revenue from the vending machines. In 1973, the BOV approved using a portion of the Fund to create a "special student activities" sub-account. Over the years, the sub-account evolved into the Special Projects Fund, which is currently used solely for College of Visual and Performing Arts projects. With the approval of the University's strategic plan, placing the portion of soft drink vending revenue that is used for discretionary funds into a single fund, the University Discretionary Fund, would ensure that funds are available to be used to address the University's strategic objectives. In the discussion on this issue, Mr. Pace noted that he would like for the Committee to see more information on where this money is spent.

On a motion by Mark Pace, and a second by Mary Ann Hovis, the revisions to the "Guidelines for University Discretionary Funds" were recommended for approval by the Board.

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Discussion

Ms. VanCleave provided an update on the state budget reductions and capital projects debt plans. She noted that the debt authority requested for the Hurlburt Hall addition, new residence halls, and a new fitness center is within the ratios required in the University's debt management policy. Ms. VanCleave also led a discussion on procedures under the Public-Private Education Facilities and Infrastructure Act (PPEA). It was noted that to move forward with a PPEA project, the Board of Visitors must issue guidelines. These guidelines will be addressed at the November meeting.

The meeting was adjourned at 2:20 p.m.

Margaret McManus, Recorder

Respectfully submitted,
Carlene Alvis, Secretary
Radford University Board of Visitors