

RADFORD UNIVERSITY

Board of Visitors

QUARTERLY MEETING
9:00 A.M.
FEBRUARY 11, 2022
KYLE HALL, THIRD FLOOR, RADFORD, VA

DRAFT
MINUTES

BOARD MEMBERS PRESENT

Mr. Robert A. Archer, Rector
Dr. Thomas Brewster
Ms. Krisha Chachra
Dr. Rachel D. Fowlkes
Dr. Susan Whealler Johnston
Mr. Mark S. Lawrence
Dr. Debra K. McMahon
Ms. Nancy Angland Rice
Mr. David A. Smith
Mr. Marquett Smith
Dr. Katie Hilden, Faculty Representative (Non-voting Advisory Member)
Ms. Grace Hurst, Student Representative (Non-voting Advisory Member)

BOARD MEMBERS ABSENT

Dr. Jay A. Brown, Vice Rector
Ms. Lisa Throckmorton

Ms. Charlene A. Curtis, Ms. Lisa W. Pompa and Ms. Georgia Anne Snyder-Falkinham contacted the Board of Visitors Rector Robert A. Archer prior to the meeting to inform him that a personal matter would prevent each one from attending the meeting in person. Ms. Curtis, Ms. Pompa and Ms. Snyder-Falkinham participated by electronic communication from their respective home.

OTHERS PRESENT

Dr. Carolyn R. Lepre, Interim President
Ms. Karen Castele, Secretary to the Board of Visitors and Special Assistant to the President
Mr. Craig W. Cornell, Vice President for Enrollment Management
Ms. Lisa Ghidotti, Executive Director for Government Relations
Dr. Angela Joyner, Interim Chief of Staff
Ms. Wendy Lowery, Vice President for Advancement and University Relations
Mr. Chad A. Reed, Vice President for Finance and Administration and Chief Financial Officer
Dr. J. Orion Rogers, Interim Provost and Vice President for Academic Affairs
Dr. Susan Trageser, Vice President for Student Affairs
Mr. Mike Melis, Senior Assistant Attorney General, Office of the Attorney General

CALL TO ORDER AND OPENING COMMENTS

Rector Robert A. Archer called the quarterly meeting of the Radford University Board of Visitors to order at 9:07 a.m. in Kyle Hall, Room 340.

Rector Archer began the meeting by welcoming everyone and expressing his appreciation for their continued hard work on behalf of the students at Radford University while also focusing on a transition to new leadership, as well as the continuing impact of the pandemic and the changing rules in how we operate. Rector Archer again thanked members of the Presidential Search Committee and the currently active Transition Committee. Rector Archer provided an update on the Presidential Transition from Committee Chair Lisa Throckmorton, who could not be at the meeting. Rector Archer introduced Mr. Mike Melis, Senior Assistant Attorney General, who will serve as counsel to Radford University.

APPROVAL OF AGENDA

Rector Archer asked for a motion to approve the Board of Visitors meeting agenda for February 11, 2022, as published. Mr. Mark S. Lawrence so moved, Ms. Nancy Angland Rice seconded, and the motion carried unanimously.

APPROVAL OF MINUTES

Rector Archer asked for a motion to approve the December 3, 2021 minutes of the Board of Visitors meeting. Mr. Lawrence so moved, Mr. David A. Smith seconded, and the motion carried unanimously.

RECOGNITION

Rector Archer invited Vice President for Finance and Administration Chad A. Reed to come forward. Speaking on behalf of the Board of Visitors, Rector Archer expressed his appreciation to Mr. Reed for his commitment to Radford University and the expertise that he has provided for over a decade. Rector Archer asked Dr. Thomas Brewster to read a resolution recognizing Chad A. Reed. Rector Archer asked for a motion to approve the resolution. Mr. Lawrence made the motion, Ms. Rice seconded, and the motion carried unanimously. A copy of the resolution is attached hereto as *Attachment A* and is made a part hereof.

PRESIDENT'S REPORT

Interim President Carolyn R. Lepre, Ph.D. began her report by acknowledging the incredible work that faculty and staff do each and every day to ensure that our students are successful and highlighted a select number of activities, events and initiatives that demonstrates their commitment and the impact it has had for our community.

Interim President Lepre stated that students, faculty and staff were welcomed back to campus for the start of the spring semester on January 18, 2022, including 30 new freshman, 151 new transfer students, 40 new learners in the IMPACT programs and 21 new students in the recently launched Fast-Track programs.

Interim President Lepre provided an update on COVID-19 and the Spring 2022 Operating Plan. Consistent with a legal opinion issued by the Virginia Attorney General on January 26, 2022, Radford University no longer requires COVID-19 vaccinations or booster shots for students as a general condition of enrollment or in-person attendance.

Interim President Lepre shared that for more than eight years, we have engaged in the meaningful call to service as a way to commemorate the legacy of Dr. Martin Luther King Jr. This year, our Highlander family participated via virtual serving opportunities and had the chance to support organizations throughout the New River and Roanoke valleys with donations.

Interim President Lepre provided an update on her legislative visits advocating for expanded investments in Radford students, specifically need-based financial aid and operating support as well as seeking support for a renovation to the McConnell Library and campus infrastructure projects. She also shared that 19 students observed the Virginia General Assembly in action during 2022 Advocacy Day on Jan. 25, 2022.

In closing, Interim President Lepre shared that Dr. Jamie Lau, assistant professor of biology, has been selected as the 2022 Presidential Fellow, with a proposed project for Spring 2022 supporting Radford University's commitment to diversity, equity and inclusion. A copy of the report is attached hereto as *Attachment B* and is made a part hereof.

REPORT FROM THE ACADEMIC EXCELLENCE AND RESEARCH COMMITTEE

Dr. Thomas Brewster, Chair, stated that the Academic Excellence and Research Committee met on February 10, 2022 and shared the following information.

Dr. Brewster stated that Interim Provost and Vice President for Academic Affairs shared an update on the Spring 2022 semester opening, personnel and emeritus faculty. Dr. Brewster stated the Committee learned the recipients of the 2021 Dalton Eminent Scholar Award, that School of Nursing has received full approval from the Virginia Board of Nursing in several of its programs and the Radford MBA program ranked #64 nationally in the first-ever ranking of the best part-time MBA programs in the United States by Fortune magazine.

Dr. Brewster shared that the Committee heard three inspiring presentations and student testimonials from the Harvey Knowledge Center, the Writing Center and Academic Support Services at Radford University Carilion.

REPORT FROM THE ADVANCEMENT, UNIVERSITY RELATIONS AND ENROLLMENT MANAGEMENT COMMITTEE

Dr. Rachel Fowlkes, Vice Chair, stated that the Committee met February 10, 2022 and shared the following information.

Dr. Fowlkes reported that the Committee heard from Vice President for Enrollment Management Craig Cornell who provided an enrollment management update covering preliminary spring term enrollment, fall 2022 application information for all student populations, a series of new enrollment initiatives recently launched, as well as an overview of spring recruitment activities. The upcoming spring recruitment events include spring virtual events, spring in-person student receptions, the Highlander Distinction Program dinner, and for the first time in two years, Highlander Days.

Dr. Fowlkes shared that the Committee also heard from Vice President for Advancement and University Relations Wendy Lowery who presented updates for University Relations, Alumni Relations, the TOGETHER Campaign and Donor Relations.

REPORT FROM BUSINESS AFFAIRS AND AUDIT COMMITTEE

Dr. Debra K. McMahon, Chair, stated that the Committee met February 10, 2022 and shared the following information.

Dr. McMahon reported that the Committee heard from Mr. Zachary Borgerding with the Auditor of Public Accounts, who presented information regarding the ongoing audit of the University's FY 2021 financial statements and the responsibilities of the auditors and management, as well as the planned scope and timeline of the audit. The Committee also heard from University Auditor Margaret McManus who presented an oral report on the review of University Discretionary Fund expenditures for the quarter ended December 31, 2021 and a follow-up audit status report.

Dr. McMahon shared the Committee heard an update on Capital Projects from Vice President for Finance and Administration Chad A. Reed and an Information Technology Services update from Associate Vice President for Information Technology Officer Ed Oakes

ACTION ITEMS

Recommendation to Approve Resolution Certifying Compliance with the Radford University Debt Management Policy

Dr. McMahon presented the recommendation to approve the Resolution Certifying Compliance with the Radford University Debt Management Policy. Following discussion, Rector Archer asked for a motion to approve the resolution. Mr. David A. Smith so moved, Mr. Marquett Smith seconded, and the motion carried unanimously. A copy of the resolution is attached hereto as *Attachment C* and is made a part hereof.

Recommendation for Approval of Resolution of Third Quarter 2021-2022 University Operating Budget Adjustment

Dr. McMahon presented the recommendation to approve the Third Quarter 2021-2022 University Operating Budget Adjustment. Following discussion, Rector Archer asked for a motion to approve the resolution. Ms. Rice so moved, Mr. Lawrence seconded, and the motion carried unanimously. A copy of the resolution is attached hereto as *Attachment D* and is made a part hereof.

REPORT FROM THE GOVERNANCE, ADMINISTRATION AND ATHLETICS COMMITTEE

Mr. David A. Smith, Chair, stated that the Committee met February 10, 2022 and shared the following information.

Mr. Smith reported that the Committee first heard from Interim Chief of Staff Angela Joyner, Ph.D. who shared information from the Center for Career and Talent Development and the first destination survey results. Mr. Smith stated that the Committee also heard updates on the Vinod Chachra IMPACT Lab, a new data science credential offering in partnership with the Chief Data Office of Virginia and VisionPoint, the marketing agency developing a new branding and marketing strategy to drive program enrollment.

Mr. Smith stated that the Committee then heard from Director of Athletics Robert Lineburg who provided an update on the student-athletes' academic achievements, current status of competition, scholarship funding, coaching staff comparisons, resource development and upcoming events. Mr. Smith highlighted the Radford Women's Basketball Coach's Suite dedication to program legend Ms. Charlene Curtis during a ceremony that was held on Saturday, February 5. Ms. Curtis was one of the most successful coaches in the country while leading her alma mater and was the University's first

1,000-point scorer as a player. Ms. Curtis was inducted into the Radford Athletics Hall of Fame in 1995 and the Big South Hall of Fame in 2006.

The Governance, Administration and Athletics Committee also serves as the Nominating Committee for Board of Visitors officers. Chair of the Committee, Mr. David Smith, stated that on March 1 there will be a call for nominations and that the nominations will be open for 10 days. The Committee will present nominations for vote at the April meetings.

REPORT FROM THE STUDENT SUCCESS COMMITTEE

Ms. Krisha Chachra, Chair, stated that the Committee met February 10, 2022 and shared the following information.

Ms. Chachra reported that the Committee first heard from Student Government Association (SGA) President Grace Hurst who presented an update on SGA's initiatives, including a sexual assault awareness campaign, self-care, trash pick-up, Unity Fest and sustainability efforts.

Ms. Chachra shared that the Committee heard from Associate Vice President for Student Affairs Angie Mitchell and Associate Dean of Students Brian Lusk who outlined the student wellness initiatives on campus. Among other updates, Student Counseling Services has expanded their services and an Associate Director of Student Advocacy was hired in the Dean of Students Office to case manage students that require support beyond traditional counseling.

Ms. Chachra reported that the Committee then heard from Associate Vice President for Student Life Tricia Smith who presented the Student Affairs update to the Committee. Ms. Smith introduced two new staff members joining the Student Affairs Leadership team – Dr. Rhonda Bryant, Assistant Vice President for Student Success and Dr. Nicole Cronenwett, Director of Fraternity and Sorority Life. For the first time in five years, the all-Greek GPA is higher than the non-Greek cumulative GPA. The new Esports Arena will be built in Cook Hall. Esports continues to be the largest student organization on campus.

REPORT FROM THE FACULTY REPRESENTATIVE TO THE BOARD

Faculty Senate President Katie Hilden, Ph.D. began her report by sharing two motions passed by Faculty Senate on December 2, 2021. The first motion asks the Board of Visitors to reinstate sections of the T&R Handbook that were affected by the Board's resolution on June 12, 2020. Dr. Hilden added that faculty recognize this was done by Executive Order from the Governor to prepare for immediate and long-term budget reductions and with the information that was available at the time. Dr. Hilden added we are all incredibly thankful that Radford University was able to avoid involuntary reductions of faculty. Dr. Hilden shared the request that the resolution's original end date of June 2022 be moved up. Dr. Hilden reported that the second motion is a proactive attempt to build meaningful pathways for communication between faculty and the Board of Visitors and commit to a better system of shared governance. Dr. Hilden referenced the Shared Governance Statement by the Board of Directors from the Association of Governing Boards of Universities and Colleges. Dr. Hilden added that while faculty have several opportunities for interaction with the Board, the second motion be considered a conversation starter and a deeper level of engagement that would put Radford University in a better position to face challenges together.

Rector Archer shared that he believes the Board did what they needed to do at the time and that the resolution does not affect tenure. Rector Archer affirmed that the Board respects and supports faculty

and tenure. Rector Archer added that faculty were involved with budget strategies and cuts were not made. Rector Archer recommended that the Executive Committee of the Board of Visitors and the Executive Committee of the Faculty Senate meet twice a year prior to the Board Committee meetings to engage in discussions. Dr. Hilden concurred that having these meetings would be well received. Rector Archer agreed to creating a document outlining the agreement. Dr. McMahon added that understanding each other's perspectives is important and that we should focus on the future and find ways to connect. Mr. Lawrence added that there is never a moment he doesn't value the role of the faculty.

REPORT FROM THE STUDENT REPRESENTATIVE TO THE BOARD

Student Representative to the Board Grace Hurst provided an update on the areas of focus for her this year as the Student Representative, including a mental health bill, trauma-informed training, a sexual assault awareness campaign and the Student Philanthropy Association.

REPORT ON THE RADFORD UNIVERSITY FOUNDATION

Dr. Rachel D. Fowlkes, Representative to the Radford University Foundation Board of Directors, provided an update on recent Foundation news and activities. Dr. Fowlkes stated that RU Corporate Park is under contract to be sold and they expect to close at the end of February. She added that there were three solid offers. Dr. Fowlkes shared that progress on the hotel continues. Glass will be delivered and work will begin on the fourth floor soon. Dr. Fowlkes stated that the Foundation Board met in December in Staunton and the next meeting will be on March 11. Dr. Fowlkes distributed an asset summary report, attached hereto as *Attachment E* and made a part hereof.

GOVERNMENT RELATIONS UPDATE

Executive Director of State Government Relations Lisa Ghidotti began her report by providing an overview of Governor Youngkin's administration, including cabinet appointments, and the 2022 General Assembly. Ms. Ghidotti outlined the makeup of the legislature, committee leadership and key dates. Ms. Ghidotti also shared information about the budget and what is known at this time, as well as a brief overview of higher education legislation.

SENSE OF BELONGING THROUGH RESEARCH

Director of the Office of Undergraduate Research and Scholarship Joe Wirgau, Ph.D. began the presentation by providing an overview of the Office of Undergraduate Research and Scholarship (OURS) and describing their use of four pillars- providing opportunities to present internally and externally, increasing the number of students gaining access to undergraduate research, provide students with the tools needed to leverage these experiences, and develop and support the faculty who provide these opportunities. Dr. Wirgau introduced students Skylar Roberson, Sam Williams and Luc White who shared their experiences and the positive impact the program and mentorship have made in their lives.

OTHER BUSINESS

Rector Archer reminded the Board members of upcoming meetings and our important role in decision making and transparency. In accordance with Code of Virginia §23.1-307. D. and E., Radford University will be providing a 30-day notice prior to the Board of Visitors considering tuition and mandatory fees rates for the 2022-2023 academic year at the quarterly meeting, currently scheduled for April 28-29, 2022. In preparation for the meeting, the Board of Visitors will host a budget overview and public comment session. Following the presentation, the Board of Visitors will receive public

comment on the proposed tuition and fees. In keeping with our approved procedures, we will need to have at least three Board members attend the budget presentation and public comment session

ANNOUNCEMENTS

Rector Archer also announced the upcoming meeting dates.

April 28-29, 2022

July 24-26, 2022 Retreat

September 8-9, 2022

December 1-2, 2022

ADJOURNMENT

With no further business to come before the Board, Rector Archer adjourned the meeting at 12:42 p.m.

Respectfully submitted,

Karen Castele

Secretary to the Board of Visitors and Special Assistant to the President



RESOLUTION RECOGNIZING

CHAD A. REED

WHEREAS, for over a decade, Vice President for Finance and Administration and Chief Financial Officer Chad A. Reed has served the Radford University community with distinction as an advocate, leader and visionary; and

WHEREAS, Mr. Reed, a Southwest Virginia native, attended Cave Spring High School in Roanoke, received a Bachelor of Arts in Political Science from East Tennessee State University and a Master of Public Administration from Virginia Tech; and

WHEREAS, having been a Trainmaster with a 3rd degree black belt in Tae Kwon Do, Mr. Reed joined the Radford University family in April 2011 as the Budget Manager of Forecasting and Operations. Through his vision and results-oriented approach, he quickly rose to the position of Director of the Office of Budget and Financial Planning, then to Associate Vice President for Budget and Financial Planning before advancing to Vice President for Finance and Administration and Chief Financial Officer in July 2018; and

WHEREAS, during his tenure, Mr. Reed has been an integral team member in advancing the institution in unprecedented expansion, innovation and progress in creating meaningful opportunities for students, faculty and staff; and

WHEREAS, Mr. Reed's leadership in budget management and financial foresight, as well as his thoughtful guidance and articulate edification, has enabled the Board of Visitors to fulfill their fiduciary responsibility to the Commonwealth of Virginia with confidence; and

WHEREAS, Mr. Reed's informed advocacy with state leadership has resulted in additional financial support for Radford University allowing student affordability to remain a top commitment; and

WHEREAS, Mr. Reed provided essential leadership and ongoing support in the merger with Jefferson College of Health Sciences resulting in strategic academic and geographic expansion; and

WHEREAS, during the past decade, Mr. Reed has been instrumental in the planning, project approval and funding for many capital construction and renovation projects with the most notable being the largest in the history of Radford University, the Artis Center for Adaptive Innovation and Creativity, and held a steadfast commitment to the economic development of the region and beyond; and

WHEREAS, Mr. Reed oversaw the acquisition and operation for the campus housing expansion, as well as the development of the Radford University 2020-2030 Master Plan and The Path to 2040: The Radford University Sustainability and Climate Action Plan; and

WHEREAS, Mr. Reed has led the Division of Finance and Administration through organizational growth with a commitment to providing unwavering support that impacts every aspect of Radford University operations. Mr. Reed strived to show sincere appreciation to his cohesive team by ensuring they stayed informed through division-wide meetings and were acknowledged through the employee spotlight and recognition programs; and

WHEREAS, Mr. Reed's greatest love is his family. As a dedicated husband to Melissa and father to Bryce and Parker, he seizes every opportunity to teach valuable life lessons. Whether on the gridiron or diamond, as a father or coach, Mr. Reed exhibits the importance of working hard, integrity and teamwork; and

WHEREAS, Mr. Reed's legacy at Radford University extends beyond the pristine landscape, state-of-the-art facilities, sound fiscal stewardship and strategic partnerships he developed and fostered; and

WHEREAS, more important, the Radford University Board of Visitors recognizes Mr. Reed's greatest passion rests with the people who surrounded him at Radford University and values his dedication to supporting the Highlander family;

NOW, THEREFORE BE IT RESOLVED, that on this eleventh day of the month of February in the year two thousand twenty-two, the Radford University Board of Visitors does hereby consider and pass this resolution of commendation and appreciation for service and contribution to the Radford University Board of Visitors, the Radford University students, faculty and staff and the Commonwealth of Virginia, and furthermore that this resolution be preserved in perpetuity in permanent business records of the Radford University Board of Visitors and a copy be presented to Chad A. Reed.

A handwritten signature in black ink that reads "Robert A. Archer".

Robert A. Archer
Rector

A handwritten signature in black ink that reads "Carolyn R. Lepre".

Carolyn R. Lepre, Ph.D.
Interim President

MEMORANDUM

TO: Members of the Board of Visitors

FROM: Carolyn Ringer Lepre, Ph.D., Interim President

DATE February 11, 2022

RE: President's Report

I will begin my report today by acknowledging the incredible work of our faculty and staff do each and every day to ensure that our students are successful. They continue to invest their talents and time, so that we can provide high-quality learning experiences and ultimately transform the lives of our students. While some of their efforts may go unnoticed, their impact can be found in the incredible stories that our students share about their Radford University experience. Today, I will highlight a select number of activities, events and initiatives that demonstrates their commitment and the impact it has had for our community.

Spring 2022 Semester

Our Highlander family had the opportunity over the extended holiday to reconnect with family and friends, as well take the opportunity to rest and refuel. We were thrilled to welcome our students, faculty and staff back to campus for the start of the spring semester on January 18, 2022. We were especially pleased to welcome 30 new freshman and 151 new transfer students. We also welcomed 40 new learners in the IMPACT programs and 21 new students in the recently launched Fast-Track programs. It is wonderful to see the campus come to life when our students return and experience the energy and excitement at the beginning of a new semester.

COVID-19: Spring 2022 Operating Plan Update

As the members of our community returned to campus, the health and well-being of our family has remained a central focus. Our progress to date has been a result of our collective efforts as we continue to navigate the global health pandemic. Since releasing the [Spring 2022 Operational Plan](#) in October, there have been a number of developments, such as Omicron, the latest variant that is the predominant strain of the virus, the [CDC updated guidance](#) for isolation and quarantine, and the most recent guidance from Governor Youngkin and the attorney general's office.

Consistent with a legal opinion issued by the Virginia Attorney General on January 26, 2022, Radford University no longer requires COVID-19 vaccinations or booster shots for students as a general condition of enrollment or in-person attendance. Weekly testing for students not fully vaccinated is also no longer required. COVID-19 testing and booster clinics will still be offered for all employees and students. The first booster clinics were held at the start of the semester. Another clinic is being held today and additional opportunities will be scheduled for main campus and RUC throughout the semester.

I am encouraged by the high vaccination rates of our students and employees and I invite you to visit our Covid-19 planning webpage at www.radford.edu/covid for up-to-date information and protocols.

Annual MLK Day of Service Event

For more than eight years, we have engaged in the meaningful call to service as a way to commemorate the legacy of Dr. Martin Luther King Jr. We honored his life through one of our signature volunteer events, the annual MLK Day of Service. This particular event has given us the opportunity to demonstrate our unwavering spirit of caring for the communities in which we live, learn and work. This year, our Highlander family participated via virtual serving opportunities and had the chance to support organizations throughout the New River and Roanoke Valley with donations. Although the activities may have looked different this year, our commitment to serving our community did not change.

Legislative Visits

Over the past two months, I have continued to meet with members of both the House and Senate to share Radford University's priorities. As we have in years past, we are advocating for expanded investments in Radford students, specifically need-based financial aid and operating support. We are also seeking support for a renovation to the McConnell Library and campus infrastructure projects. My conversations with members of the General Assembly, members of the Senate Finance and Appropriation Committee and the House Appropriations Committee have been informative and positive.

Our meetings with members of the Northam administration, including the Secretary of Education and the Secretary of Finance, as well as the Secretary of Commerce and Trade went well and we were pleased to see many of our priorities included in the outgoing governor's budget. As we meet with members of Governor Youngkin's administration, we are hopeful that our priorities will continue to garner support as the General Assembly sessions progresses.

Advocacy Day

A proud tradition at Radford has been Advocacy Day. This annual event gives our students the opportunity to share their personal stories advocate for the University and engage directly with state leaders. This year 19 students met with legislators and observed the General Assembly in session. These remarkable students shared our priorities and the lasting impact an investment in

Radford University and their education could have for the Commonwealth of Virginia. You met these wonderful students last night at the dinner.

Presidential Fellow

At the State of the University address in the fall, I shared that we were re-imagining the Presidential Fellow program. The proposed project for Spring 2022 will support Radford University's commitment to diversity, equity and inclusion as outlined in the One Virginia Plan which was submitted in July, 2021. The fellow will collaborate with existing campus stakeholders such as the Diversity Equity Action Committee (DEAC), Center for Diversity and Inclusion (CDI), Academic Affairs, Student Affairs, Institutional Research and Effectiveness, Human Resources, and student organizations, as well as external partners.

After reviewing a strong pool of interested candidates, I am pleased to announce that Dr. Jamie Lau, assistant professor of biology, has been selected as the 2022 Presidential Fellow. Dr. Lau was recognized at the convocation ceremonies as the recipient of the 2021 Donald N. Dedmon Distinguished Teaching Professor Award. I am looking forward to working with Dr. Lau on this very important initiative for the university.

Mr. Rector and members of the Board, this concludes my report.

Radford University Board of Visitors
February 11, 2022

Action Item
Compliance with Debt Management Policy

Item:

Adoption of a Resolution certifying that Radford University is in compliance with its Debt Management Policy. In addition, this certification is required annually by the Secretary of Finance for the Commonwealth of Virginia as part of Institutional Performance reporting.

Background:

The 2005 Session of the General Assembly adopted, and the Governor signed, legislation that provides Radford University and all other public colleges and universities in the Commonwealth the opportunity to attain certain authority and autonomy to manage its academic and administrative affairs more efficiently and effectively through implementation of the Restructured Higher Education Financial and Administrative Operations Act. At its meeting on June 30, 2005, the Radford University Board of Visitors approved a Resolution of Commitment allowing the University to exercise restructured financial and operational authority as identified in the Restructuring Act.

The 2015 Virginia Acts of Assembly, Chapter 665 includes a requirement in the General Provisions related to Higher Education Restructuring. §4-9.01 requires, in part, that: *“Consistent with §23-9.6:1.01 [recodified as §23.1-206], Code of Virginia, the following education-related and financial and administrative management measures shall be the basis on which the State Council of Higher Education shall annually assess and certify institutional performance. Such certification shall be completed and forwarded in writing to the Governor and the General Assembly no later than October 1 of each even-numbered year. Institutional performance on measures set forth in paragraph D of this section shall be evaluated year-to-date by the Secretaries of Finance, Administration, and Technology as appropriate, and communicated to the State Council of Higher Education before October 1 of each even-numbered year. Financial benefits provided to each institution in accordance with § 2.2-5005 will be evaluated in light of that institution’s performance.”*

The Secretary of Finance collects information to fulfill the reporting requirements as they relate to paragraph D-Financial and Administrative Standards, specifically §4-9.01 d.2. which states: *“Institution complies with a debt management policy approved by its governing board that defines the maximum percent of institutional resources that can be used to pay debt service in a fiscal year, and the maximum amount of debt that can be prudently issued within a specified period.”* To assess this measure, the Secretary of Finance is seeking a statement from the Board of Visitors certifying Radford University’s compliance with said policy and the effective date of that policy.

Schedule A below provides the required ratio calculation and demonstrates the University is in compliance with its Debt Management Policy. Currently, as disclosed in the 2021 unaudited

annual financial statements, the University’s debt obligations including affiliated foundation total \$120,170,779 which is mainly attributable to the Student Recreation and Wellness Center, Renovations of four Residence Hall projects, and the affiliated foundation property acquisition.

Schedule A				
RADFORD UNIVERSITY				
DEBT MANAGEMENT POLICY RATIO				
The calculation reflects June 30, 2021 unaudited Financial Statements for Total Operating Expenses (as defined in the University’s Debt Management Policy); however, Annual Debt Service reflects expected payments as of June 30, 2022.				
Board Approved Ratios	Range	Formula	Unaudited Financial Statements as of 6/30/2021	
<u>Debt Burden Ratio</u> Max Annual Debt Service as % of Operating Expenses	< 7%	<u>Annual Debt Service*</u> Total Operating Expenses*	\$6,681,819	2.37%
			\$281,668,081	

* Ratio includes Radford University Foundation

The Debt Management Policy also identifies that an annual report shall be prepared for review by the Board of Visitors. The notes to the annual financial statements provide the required elements to comply with the Debt Management Policy. Below are the Financial Statement Notes related to outstanding obligations that were prepared for the year ending June 30, 2021 (unaudited):

NOTE 6: Long-Term Debt

Notes Payable—Pooled Bonds

The University issued 9(d) bonds by participating in the Public Higher Education Financing Program (Pooled Bond Program) created by the Virginia General Assembly in 1996. Through the Pooled Bond Program, the Virginia College Building Authority (VCBA) issues 9(d) bonds and uses the proceeds to purchase debt obligations (notes) of the University and various other institutions of higher education. The University's general revenue secures these notes.

The composition of notes payable at June 30, 2021, is summarized as follows:

<u>Notes Payable - Pooled Bonds:</u>	<u>Interest Rates at Issuance</u>	<u>Maturity at Issuance</u>
Student Fitness Center		
Series 2009B, \$3.720 million par amount	2.00% - 5.00%	September 1, 2029
Series 2016A, \$2.285 million par amount - partial refunding of Series 2009B	3.00% - 5.00%	September 1, 2029
Series 2011A, \$4.235 million par amount	3.00% - 5.00%	September 1, 2031
Series 2012B, \$11.155 million par amount	3.00% - 5.00%	September 1, 2032
Series 2013A, \$4.865 million par amount	2.00% - 5.00%	September 1, 2033
Series 2021B, \$13.46 million par amount - partial refunding of Series 2011A, 2012B, 2013A	3.00% - 5.00%	September 1, 2043

Bonds Payable—9c

The University has issued bonds pursuant to section 9(c) of Article X of the Constitution of Virginia. Section 9(c) bonds are general obligation bonds issued by the Commonwealth of Virginia on behalf of the University. They are secured by the net revenues of the completed project and the full faith, credit and taxing power of the Commonwealth of Virginia.

The composition of bonds payable at June 30, 2021, is summarized as follows:

<u>Bonds Payable - 9c:</u>	<u>Interest Rates at Issuance</u>	<u>Maturity at Issuance</u>
Renovation of Washington Hall (residence hall)		
Series 2013A, \$5.040 million par amount	2.00% - 5.00%	June 1, 2033
Renovation of Pocahontas, Bolling, Draper (residence halls)		
Series 2014A, \$11.080 million par amount	2.00% - 5.00%	June 1, 2034
Series 2015A, \$8.820 million par amount	2.00% - 5.00%	June 1, 2035
Series 2016A, \$7.160 million par amount	3.00% - 5.00%	June 1, 2036
Series 2020A, \$16.030 million par amount	1.62% - 4.00%	June 1, 2040

Capital Lease Obligation

In March 2018, the University entered into a 25-year capital lease with the Radford University Foundation, LLC to meet student housing demand. Due to existing housing

commitments, a management agreement was entered between the Radford University Foundation and a third party to manage the properties. Therefore, the University's obligation regarding the capital lease was not effective until fiscal year 2020. The University accounted for the acquisition of the various residential properties as a capital lease in 2020, and recorded the building as a depreciable capital asset, and recorded a corresponding lease liability in long-term debt, both on its Statement of Net Position. During fiscal year 2021, a portion of the properties were purchased by the University which decreased the capital lease and therefore also decreased the depreciable asset and lease liability.

A summary of changes in long-term debt for the year ending June 30, 2021, is presented as follows:

Future principal payments and interest payments on long-term debt are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Noncurrent Portion
Governmental activities:						
Notes payable - pooled bonds	\$18,836,614	\$13,467,343	\$14,535,991	\$17,767,966	\$815,000	\$16,952,966
Bonds payable - 9c	28,446,248	17,555,726	1,866,624	44,135,350	1,990,000	42,145,350
Capital Lease	31,912,229	-	16,456,858	16,320,793	925,284	15,395,509
* Total long-term debt	\$79,195,091	\$31,023,069	\$32,859,473	\$78,224,109	\$3,730,284	\$74,493,825

*No amounts considered direct borrowings or direct payments.

Fiscal Year Ending	Governmental Activities			
	Notes Payable Pooled Bonds		Bonds Payable - 9c	
	Principal	Interest	Principal	Interest
June 30, 2022	815,000	310,590	1,990,000	1,378,156
June 30, 2023	1,290,000	255,116	2,085,000	1,284,606
June 30, 2024	1,410,000	215,516	2,170,000	1,186,556
June 30, 2025	1,520,000	195,383	2,270,000	1,092,406
June 30, 2026	1,545,000	181,380	2,365,000	999,556
2027-2031	7,745,000	575,757	13,280,000	3,535,694
2032-2036	2,855,000	58,476	12,270,000	1,230,150
2037	-	-	3,980,000	186,944
Unamortized Premium	587,966	-	3,725,350	-
Total	\$17,767,966	\$1,792,218	\$44,135,350	\$10,894,069

Payments of principal, interest, and executory costs on the capital lease for fiscal years subsequent to June 30, 2020 are as follows:

<u>Fiscal Year</u>	<u>Total Payment</u>
2022	\$ 925,284
2023	925,284
2024	925,284
2025	972,711
2026	1,119,252
2027-2031	5,596,259
2032-2036	5,596,259
2037-2041	5,596,259
2042-2046	2,145,233
Total Minimum Lease Payments	\$ 23,801,825
Less Executory Costs	0
Net Minimum Lease Payments	\$ 23,801,825
Less Interest	7,481,032
Present Value of Lease Payments	\$ 16,320,793

Long-Term Debt Defeasance

During fiscal year 2021, the Commonwealth of Virginia, on behalf of the University, issued pooled bonds Series 2021B for \$13,460,000 with interest rates of 1.62 to 4.0 percent to advance refund \$2,900,000 of Series 2011A, \$7,220,000 of Series 2012B and \$3,340,000 of Series 2013A pooled bonds. The bonds, issued at a premium of \$7,343, are used to provide funds for debt service savings for the Commonwealth. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds.

The advanced refunding resulted in a deferred accounting loss of \$206,722 for the University, which is being amortized to interest expense over the life of the next debt. At June 30, 2021, \$184,171 of the deferred accounting loss is reported on the Statement of Net Position as a deferred outflow of resources. The defeasance will reduce the University's total debt service obligation by \$1,202,463 over the next 13 years. The debt service savings discounted at a rate of 1.144 percent for 2011A, 1.276 percent for 2012B and 1.391 percent for 2013A results in a total economic gain of \$1,178,451.

For financial reporting purposes, these notes payables are considered an in-substance defeasance and have therefore been removed from the long-term debt payable line item of the Statement of Net Position. The assets in escrow have similarly been excluded.

NOTE 19E: Component Unit Financial Information

The following is a summary of the outstanding notes payable at June 30, 2021:

Note payable in monthly installments of \$5,182.12 through May 2025, interest payable at LIBOR plus 1.48 percent (1.57% and 1.65%% at June 30, 2021 and 2020, respectively). Unsecured.	\$222,840
Notes payable in monthly installments calculated on a 22-year amortization with a balloon payment of remaining amount in May 2028, with interest payable at LIBOR plus 0.82% with a floor of 1.57% beginning May 2021 (1.57% and 3.2% and 1.01% at June 30, 2021 and 2020, respectively). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents.	355,899
Notes payable in monthly installments calculated on a 17-year amortization with a balloon payment of remaining amount in June 2028, with interest payable at LIBOR plus 0.82% (1.57% at June 30, 2021). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents.	411,194
Notes payable in monthly Interest only payments through April 2020, then monthly installments calculated on a 23-year amortization with a balloon payment of the remaining amount In April 2025. Interest payable at LIBOR plus 0.82 (0.92% and 0.99% at June 30, 2021 and 2020, respectively). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents.	4,782,901
Notes payable in monthly interest only payments through April 2020, then monthly installments calculated on a 23-year amortization with a balloon payment of remaining amount In April 2025. Interest payable at 4.20%. Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents.	9,693,396

Notes payable in monthly installments on a 15-year amortization with a balloon payment of remaining amount in June 2024, with interest payable at 3.72%. Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents. Secured by real estate and assignment of leases and rent.

188,284

Notes payable in monthly interest only payments through November 2021 then monthly installments calculated on a 25-year amortization with a balloon payment of remaining amount in May 2026. Interest payable at 2.39%. Secured by real estate, an assignment of rents and a pledge on securities.

4,000,000

Total long-term debt

\$19,654,514

Future principal payments on notes payable for years ending June 30 are as follows:

2022	647,290
2023	714,019
2024	884,505
2025	13,218,172
2026 and thereafter	<u>4,190,528</u>
Total long-term debt	<u><u>\$19,654,514</u></u>

Notes payables are subject to certain affirmative and negative covenants. Management believes the Foundation has complied with all covenants as of June 30, 2021.

Action:

Board of Visitors adoption of a Resolution of Compliance with the Radford University Debt Management Policy.

**Radford University Board of Visitors
Resolution
Compliance with Debt Management Policy**

WHEREAS, the 2005 Session of the General Assembly adopted, and the Governor signed, legislation that provides Radford University and all other public colleges and universities in the Commonwealth the opportunity to attain certain authority and autonomy to manage its academic and administrative affairs more efficiently and effectively through implementation of the Restructured Higher Education Financial and Administrative Operations Act, and

WHEREAS, on June 30, 2005, the Radford University Board of Visitors approved a Resolution of Commitment allowing the University to exercise restructured financial and operational authority as identified in the Restructuring Act, and

WHEREAS, the Governor has established financial and management measures on which annual assessment and certification of institutional performance will be evaluated, and

WHEREAS, the financial and management measures require the Radford University Board of Visitors to approve a Debt Management Policy, and

WHEREAS, the Radford University Board of Visitors approved such Debt Management Policy at its March 30, 2007, meeting; revisions to this policy were approved by the Board of Visitors at its August 23, 2007, November 12, 2010, and February 8, 2012 meetings, and

WHEREAS, Schedule A demonstrates that the University meets the requirements outlined in the Debt Management Policy; and

WHEREAS, the Board of Visitors must annually certify Radford University's compliance with the approved Debt Management Policy to the Secretary of Finance for the Commonwealth of Virginia;

NOW, THEREFORE, BE IT RESOLVED, this resolution approved by the Radford University Board of Visitors certifies that the University is in compliance with its Debt Management Policy.

Approved: February 11, 2022



Robert A. Archer
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

RADFORD UNIVERSITY BOARD OF VISITORS
February 11, 2022

Action Item

Approval of the Radford University 2021-22 Third Quarter Operating Budget Adjustment

Item:

Board of Visitors approval of the Radford University's 2021-22 third quarter operating budget adjustment and review of the actual activity as of December 31, 2022.

Summary:

Due to the ongoing COVID-19 pandemic, the University has examined the fiscal impact on all available funding sources. Therefore, a third quarter budget adjustment is necessary to align revised revenue forecasts with authorized expenditure levels.

The far-reaching effects of the global pandemic have touched all facets of University operations including the Educational & General (E&G) operation, Sponsored Programs, Student Financial Aid Programs, and Auxiliary Enterprises. Fall 2021 revenue shortfalls associated with reduced service levels have been offset by Federal and State relief programs initiated to support Institutions of Higher Education during this unprecedented time. The impact of these factors is outlined by major program below.

An accompanying outline of adjustments is also provided in the 2021-22 Financial Performance Report (Schedule A) which summarizes the adjusted operating budget and related activity through December 31, 2022 and the Detailed University Operating Budget (Schedule B) which breakdowns the recommended adjustments.

Education and General (E&G):

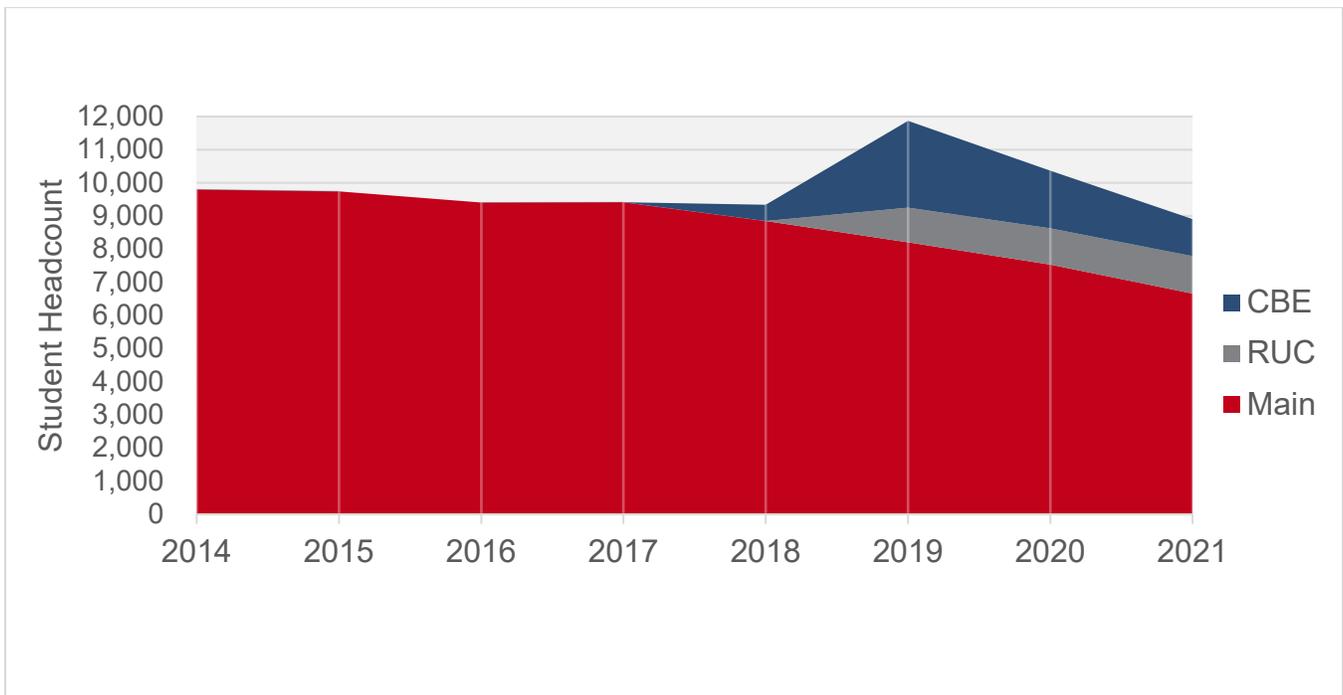
The original 2021-22 revenue budget for E&G was forecasted at \$145.5 million. The revised budget recommendation is \$153.8 million, an increase of \$8.3 million. The revised revenue forecast is reflective of the following adjustments.

General Fund

No general fund changes.

Non-General Fund

The University is estimating a \$2.0 million decline in E&G revenue related to non-general fund business level factors. This estimate is based on actual summer and fall 2021 headcount and preliminary spring 2022 enrollment levels. Based on final census data, fall traditional enrollment on main campus was lower than forecast. Specifically, Fall 2021 enrollment for main campus was budgeted on a projected student headcount of 7,010, while actual headcount enrollment came in at 6,660, a decrease of 350 students or 5.0 percent. The University also experienced a decrease in Summer 2021 enrollment as compared to budget. The Radford University main campus revenue decrease of -\$4.3 million is partially offset by a revenue increase for Radford University Carilion of \$2.3 million.



Relief Funding

Higher Education Emergency Relief Funds (HEERF II and HEERF III) provided higher educational institutions COVID-19 relief funding, of which the University received \$21.6 million for institutional relief and \$16.9 million for student relief. The institutional relief funds will be utilized primarily to replace lost revenue in Educational and General (E&G) of \$10.3 million and \$11.3 million in Auxiliary Enterprises.

Miscellaneous

Higher education institutions will have the option to use available fund balances from other fund sources, including E&G, to support operations, increased costs or revenue reductions for auxiliary enterprise programs for the 2020-2022 biennium. Within these parameters the University will again defer the required indirect contribution from Auxiliaries for 2021-22, resulting in an E&G budget change of \$5.4 million with a respective fund availability for Auxiliary budgets. This is consistent with the flexibility that was granted during the previous two fiscal years.

Refer to the Financial Performance Report (Schedule A) for a summary and the Detailed Operating Budget (Schedule B) for details on the proposed budget adjustments.

Student Financial Assistance (SFA):

The original revenue budget for SFA was \$16.1 million. The revised budget is \$39.8 million, an increase of \$23.7 million. The revised revenue forecast is reflective of the following adjustments.

General Fund

General Fund appropriations for Virginia Military Survivors and Dependent Education Program, the College Transfer Grant program, and carryforward of graduate fellowship allocations increased by \$79,200 over the originally budget amount. These are routine supplemental allocations that vary by year.

Relief Funding

The Coronavirus Aid, Relief, and Economic Security Act or, CARES Act, was passed by Congress and the bill allotted \$2.2 trillion to provide fast and direct economic aid to the American people negatively impacted by the COVID-19 pandemic. Of that money, approximately \$14 billion was given to the Office of Postsecondary Education as the Higher Education Emergency Relief Fund, or HEERF. The University portion of the HEERF II and HEERF III funding for 2021-22 is \$16.9 for student financial aid.

Congress set aside approximately \$3 billion of the \$30.75 billion allotted to the Education Stabilization Fund through the CARES Act for the Governor's Emergency Education Relief Fund (GEERF). The Department has awarded these grants to States (governor's offices) based on a formula stipulated in the legislation. The University received \$1.3 million in GEERF funding in 2020-21, and carried-forward \$0.2 million into 2021-22. The University also received \$0.9 million in GEERF II funding in 2021-22. The funding will be awarded as need based financial assistance.

The American Rescue Plan Act of 2021 (ARPA) State and Local Recovery Funds for Higher Education allotted \$100,000,000 to the State Council of Higher Education for Virginia (SCHEV) for need-based financial aid for in-state undergraduate students from low- and moderate-income households at public institutions of higher education. The University's portion of the 2021-22 funding is \$5.6 million for student financial aid.

GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) is a \$22 million seven-year grant funded by the U.S. Department of Education and administered by the State Council of Higher Education for Virginia (SCHEV). The program is designed to significantly increase the number of low-income students who are prepared to enter and succeed in postsecondary education. The University received \$78,000 in GEAR UP funding in 2020-21, and carried-forward \$60,000 into 2021-22.

Refer to the Financial Performance Report (Schedule A) for a summary and the Detailed Operating Budget (Schedule B) for details on the proposed budget adjustments.

Sponsored Programs:

The University's portion of the Higher Education Emergency Relief Fund (HEERF II and HEERF III) for institutional need is \$21.6 million in 2021-22. The University is recognizing that revenue and expense in sponsored programs.

Auxiliary Enterprises:

The original revenue budget for Auxiliary Enterprises was \$70.0 million in revenue and \$64.1 million in expense. The revised revenue budget is \$78.0 million, an increase of \$8.0 million. The revised expense budget is \$61.1 million, a decrease of \$3.0 million. These adjustments result in a \$17.0 million increase in planned reserve contribution. The revised budgets are reflective of the following adjustments.

Non-General Fund

The University is estimating a decrease in auxiliary comprehensive fee revenue of \$3.0 million related to the decrease in enrollment detailed in the E&G section above.

Relief Funding

As noted in E&G above, Higher Education Emergency Relief Funds (HEERF II and HEERF III) provided higher educational institutions COVID-19 relief funding, of which the University received \$21.6 million for institutional relief and \$16.9 million for student relief. The institutional relief funds will be utilized primarily to replace lost revenue in Educational and General (E&G) of \$10.3 million and \$11.3 million in Auxiliary Enterprises.

Coronavirus Relief Funds (CRF) provided higher education institutions COVID-19 relief funding. The University carried-forward \$187,042 from 2020-21 into 2021-22.

Miscellaneous

Auxiliary Enterprise budget adjustments for decreases in Auxiliary Indirect contributions of \$5.4 million as noted in the E&G section above. The budget is also being adjusted to reflect allocations for strategic investments.

Refer to the Financial Performance Report (Schedule A) for a summary and the Detailed Operating Budget (Schedule B) for details on the proposed budget adjustments.

Preliminary Financial Performance Report:

The Financial Performance Report (FPR) is more commonly presented at the September Board of Visitors meeting reflecting the prior fiscal year's budget and actual financial activity. The FPR is generated from annual budget projections and actual accounting data recorded in Banner Finance. 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.

As shown on the Financial Performance Report (Schedule A), the Original Budget of \$240.5 million was approved by the Board of Visitors at the September 2021 meeting. The Revised Budget reflects 2021-22 recommended mid-year revenue adjustments totaling \$61.8 million. While there are a number of factors that influenced the recommended mid-year adjustments they are primarily attributed to the following: COVID-19 relief funding and actual 2021-22 enrollment levels.

The revised budget of \$302.2 million is sufficient to sustain University operations for the remainder of 2021-22. Actual expenditure activity through December 31, 2021 totals \$127.6 million and is in line with expectations. The vast majority of the outstanding expense budget balance relates to anticipated third and fourth quarter compensation. At this time all programs are expected to come in within expected activity.

Action:

Radford University Board of Visitors approval of the 2021-22 third quarter operating budget adjustment as presented in Schedule B for the Total University Operating Budget.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
February 11, 2022

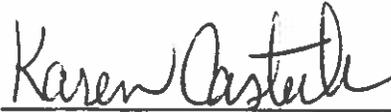
Approval of the Radford University 2021-22 Operating Budget Adjustment

BE IT RESOLVED, the Radford University Board of Visitor approves the third quarter adjustments to the 2021-22 operating budget as presented in Schedule B for the Total University Operating Budget.

Approved: February 11, 2022

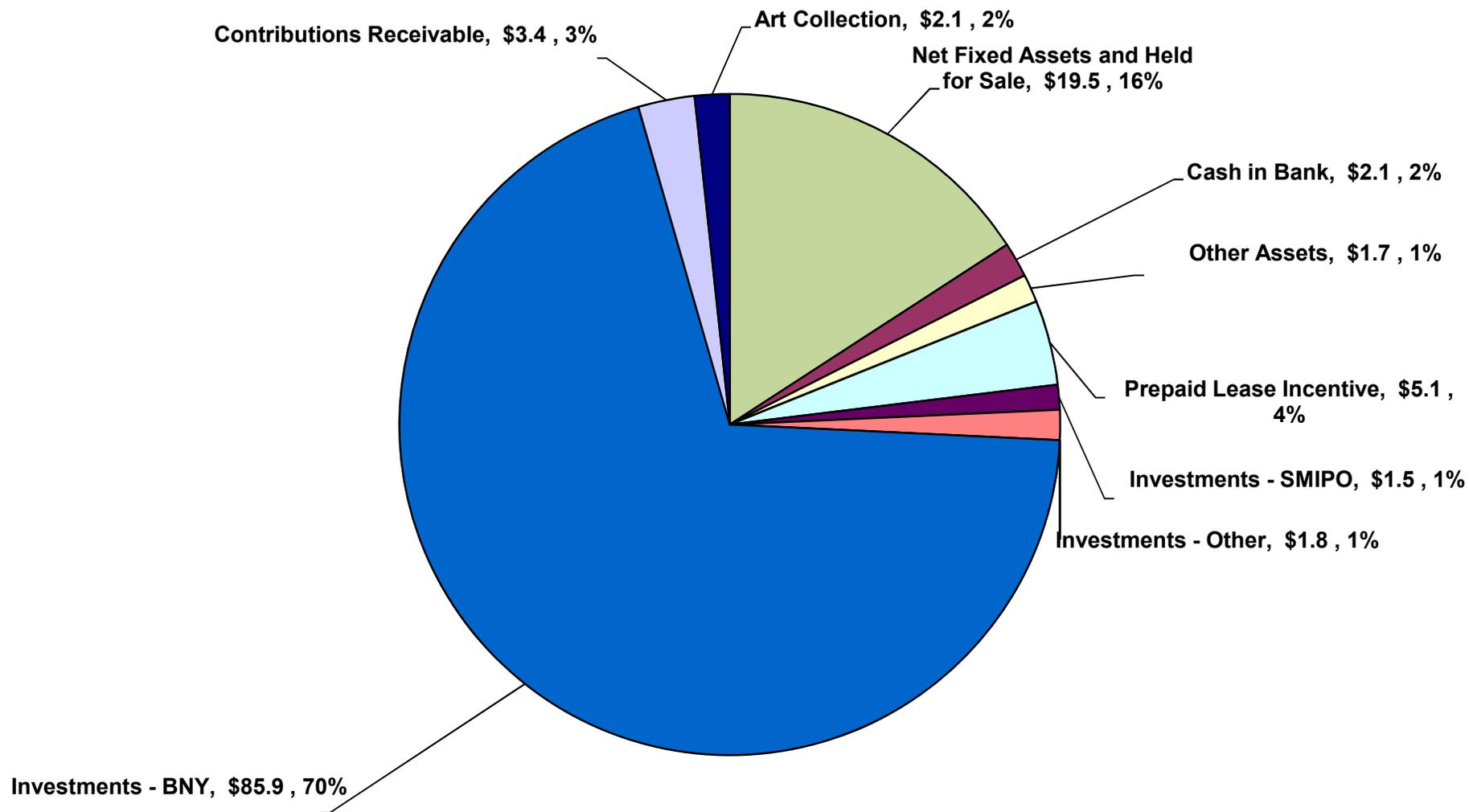


Robert A. Archer
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

Radford University Foundation Asset Composition as of 12/31/21-Preliminary



(in millions)
Total Assets: \$123.1M

End of Board of Visitors Materials

