

RADFORD UNIVERSITY

Board of Visitors

QUARTERLY MEETING

9:00 A.M.

MARCH 24, 2023

KYLE HALL, THIRD FLOOR, RADFORD, VA

DRAFT **MINUTES**

BOARD MEMBERS PRESENT

Dr. Debra McMahon, Rector

Dr. Jay A. Brown, Vice Rector

Mr. Robert A. Archer

Ms. Jeanne S. Armentrout

Dr. Rachel D. Fowlkes

Mrs. Jennifer Wishon Gilbert

Mr. Mark S. Lawrence

Mr. Tyler W. Lester

Mr. George Mendiola, Jr.

Ms. Lisa W. Pompa

Mr. David A. Smith

Mr. Marquett Smith

Ms. Georgia Anne Snyder-Falkinham

Ms. Lisa Throckmorton

Mr. James C. Turk

Dr. Kurt Gingrich, Faculty Representative (Non-voting Advisory Member)

Ms. Michaela Baker, Student Representative (Non-voting Advisory Member)

OTHERS PRESENT

Dr. Bret Danilowicz, President

Ms. Karen Castele, Secretary to the Board of Visitors and Special Assistant to the President

Dr. Angela Joyner, Vice President for Economic Development and Corporate Education

Ms. Penny Helms White, Interim Vice President for Advancement and University Relations

Dr. Rob Hoover, Vice President for Finance and Administration

Dr. Marten denBoer, Interim Provost and Senior 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

Rector Debra K. McMahon called the quarterly meeting of the Radford University Board of Visitors to order at 9:03 a.m. in Kyle Hall, Room 340 and acknowledged that the meeting was being live streamed to the public.

APPROVAL OF AGENDA

Rector McMahon asked for a motion to approve the Board of Visitors meeting agenda for March 24, 2023, as published. Mr. Marquett Smith so moved, Mr. Robert Archer seconded, and the motion carried unanimously.

APPROVAL OF MINUTES

Rector McMahon asked for a motion to approve the December 2, 2022 and January 25, 2023 minutes of the Board of Visitors meetings. Mr. Robert Archer so moved, Mr. Mark Lawrence seconded, and the motion carried unanimously.

PRESIDENT'S REPORT

President Bret Danilowicz shared the following information.

Vice President Leadership Updates

- Of all Cabinet members, only Vice President Susan Trageser has continued in her role since my arrival.
- Dr. Angela Joyner was moved from interim Chief of Staff to Vice President for Economic Development and Corporate Education.
- Dr. Rob Hoover joined us as Vice President for Finance and Administration on March 1, 2023; welcome to his first meeting. Thank you to Stephanie Jennelle who did an exceptional job keeping everything moving forward as interim VPFA.
- Dr. Bethany Usher has been selected as Provost and Senior Vice President of Academic Affairs. She will begin June 12, 2023. Interim Provost denBoer will remain to support her transition until June 30.
- The search for General Counsel continues, with a possible conclusion in April.
- Vice President for Enrollment Management and Strategic Communication search has been launched using WittKieffer, we anticipate selecting the Vice President in July 2023. Thank you to Dr. Angela Joyner for stepping into this role, and for Allison Pratt stepping up to take on some of the responsibilities as we conduct this search.
- At the successful conclusion of the VP EMSC search we will launch a search for Vice President for Advancement. Thanks to Penny White for continuing in this role.

Planning towards vision through near-term goals

- 1) *Stabilize enrollment.* Combination of recruitment and retention, many strategies underway across divisions underly this goal. Quantitative goal.
 - *Demonstration of enrollment prediction model*
- 2) *Increase 4-year graduation rates.* Radford University has a responsibility to provide its students with a pathway to a degree that only takes four years. This makes the university more affordable for students, and our graduates accessible to the Commonwealth and employers in a timely manner. Quantitative goal.
- 3) *Increase graduates' connection to career goals.* Radford University has a responsibility to place students on their intended career runway, while preparing them to be nimble for future career opportunities and for global citizenship. Quantitative goal.
- 4) *Define Radford's Distinctiveness.* Must communicate the distinctive Radford University experience so we become an educational destination for students that match our distinctive experience. This aids the goal of stabilizing enrollment, but also identifies how we support higher education needs within the Commonwealth. Qualitative goal.

Other updates

- SACSCOC is visiting next week for our 10-year reaffirmation site visit.
- The Task Force on Civil Discourse and Freedom of Expression launched in October 2022, chaired by Heather Keith, Executive Director of Faculty Development. Anticipating a draft report next month which will have recommendations to be presented at the June 2023 BOV meeting.
- The Sustainability Committee is being re-activated in April.
- Lab Schools. Continuing to explore options with six school systems.
- Exploring student housing capacity and recommendations, expect a report and recommendations for the June 2023 BOV meeting.

GOVERNMENT RELATIONS UPDATE

Executive Director of Government Relations Lisa Ghidotti provided an update on the 2023 General Assembly session, including the status of legislation and the state budget. Ms. Ghidotti also updated the Board members on the retirements of General Assembly members and the expectation of many new members in the upcoming session. Ms. Ghidotti provided the Board with an update on federal relations and possible funding opportunities.

RUC STRATEGIC LEADERSHIP COMMITTEE UPDATE

Interim Associate Provost Glen Mayhew provided an update on the Radford University Carilion (RUC) Strategic Leadership Committee, which was tasked with providing recommendations to senior leadership on the future direction of RUC, including improvement of processes and identifying opportunities for engagement and workforce development with community partners. The Committee developed four strategic themes and goals with a taskforce assigned to each. Additionally, planning is underway for a new facility.

REPORT FROM THE ACADEMIC EXCELLENCE AND RESEARCH COMMITTEE

Dr. Rachel Fowlkes stated that the Committee met March 23, 2023 and reported that the Committee heard updates from Interim Provost and Senior Vice President for Academic Affairs Marten denBoer on the goals for 2022-2023 and other Academic Affairs updates. The Committee heard a progress report on the SACSCOC Reaffirmation site visits.

Dr. Fowlkes asked if there were no objections, she would offer the following motions to be voted in a block vote:

ACTION ITEMS:

Approval of Tenure Recommendations for 2023-24

A copy of the resolution is attached hereto as *Attachment A* and is made a part hereof.

Approval of Revisions to the Teaching and Research Faculty Handbook, Section 2.8, Class Administration

A copy of the resolution is attached hereto as *Attachment B* and is made a part hereof.

Approval to Change the Name of the School of Nursing to the College of Nursing

A copy of the resolution is attached hereto as *Attachment C* and is made a part hereof.

Mr. Marquett Smith made the motion, Mr. David Smith seconded, and the motion carried unanimously.

REPORT FROM BUSINESS AFFAIRS AND AUDIT COMMITTEE

Mr. Marquett Smith stated that the Committee met on March 23, 2023 and shared the Committee heard from Zachary Borgerding with the Auditor of Public Accounts who presented information regarding the results of the audit of the University's FY 2022 financial statements and from University Auditor Margaret McManus who provided oral reports on the December 2022 quarterly review of University Discretionary Fund expenditures and on two FY 2023 goals.

Mr. Smith reported that the Committee heard capital and information technology project updates, as well as updates on the Finance and Administration goals. Dr. Rob Hoover provided the Committee with a comprehensive fiscal outlook for 2023-24.

Mr. Marquett Smith asked if there were no objections, he would offer the following motions to be voted in a block vote:

Approval to Certify Compliance with the Radford University Debt Management Policy

A copy of the resolution is attached hereto as *Attachment D* and is made a part hereof.

Approval of Third Quarter 2022-2023 University Operating Budget Adjustment

A copy of the resolution is attached hereto as *Attachment E* and is made a part hereof.

Mr. Mark Lawrence made the motion, Ms. Lisa Throckmorton seconded, and the motion carried unanimously.

REPORT FROM THE ENROLLMENT MANAGEMENT AND BRAND EQUITY COMMITTEE

Ms. Lisa Throckmorton stated that the Committee met March 23, 2023 and shared that Interim Vice President for Enrollment Management Angela Joyner provided the status on current Enrollment Management goals. The Committee heard an update on new freshmen and new transfer student deposits as well as a summary of the trends impacting enrollment nationally. Ms. Throckmorton also shared that in an effort to increase awareness and conversion through the enrollment funnel, drive growth and build affinity for Radford University, three key tactics are recommended, including implementing a segmentation strategy, increasing marketing investment, and launching new communication plans.

Ms. Throckmorton shared that the Committee heard an update on the progress of the Brand Strategy Project that has progressed beyond the discovery phase and is now moving forward into the development phase of the project. The Committee heard a summary of the comprehensive website design as well as an overview of the brand architecture approach.

REPORT FROM THE EXTERNAL ENGAGEMENT COMMITTEE

Mr. Mark Lawrence stated that the Committee met March 23, 2023 and shared that Interim Vice President for Advancement and University Relations Penny Helms White provided the progress toward Advancement's current strategic goals. As of February 28, 2023, the University is at \$8.6 million for FY23 with a total of \$91.1 million toward the goal of the successful completion of TOGETHER, The Campaign for Radford University. Mr. Lawrence stated that the Committee heard an overview of the Alumni Association structure that was established in 2016. The Committee also heard about efforts to enhance donor relations and stewardship.

Mr. Lawrence reported that Vice President for Economic Development and Corporate Education Angela Joyner provided an update on the status of the 2022-23 goals for her division, including the IMPACT Lab to become a consistently break-even operation by 2024-25. The University's 2023 economic impact study, in collaboration with the New River Valley Regional Commission, has a target release date of this summer. The Committee also heard an update on the Hub@Radford, in collaboration with the City of Radford.

REPORT FROM THE STUDENT AFFAIRS AND ATHLETICS COMMITTEE

Mr. David A. Smith, Chair, stated that the Committee met on March 23, 2023 and shared that the Committee first heard from Student Government President Justine McLaughlin who updated the Committee on the SGA's recent initiatives and programming. Student Representative to SCHEV C'erra Rhodes shared her work during the year. Mr. Smith reported that Vice President for Student Affairs Susan Trageser provided an update on the division's current goals, including process mapping and student employment. The Committee also heard updates on the Military Resource Center, Higher Ground programming, and Fraternity and Sorority Life.

Mr. David Smith reported that the Committee heard from Director of Athletics Robert Lineburg who shared news of academic excellence and competitive excellence of the student-athletes. The Committee heard an update on the Transformation Committee which completed their work and issued a final report on January 3, 2023. An update on Athletics resource development goals was shared, as well as upcoming event dates.

REPORT FROM THE STUDENT REPRESENTATIVE TO THE BOARD

Student Representative to the Board Michaela Baker provided an update on her initiatives and findings for the year, including meeting with students and student leaders to learn more about increasing student participation at events. She also shared information about attending a Board of Visitors Student Representative Conference with student leaders across the state.

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 reported that The Highlander will most likely open on April 1 with Red Provisions, next to the lobby, opening when the hotel opens and the rooftop restaurant opening later. She stated that the Foundation Board meeting would be on March 31 in Staunton and the June 2 Foundation Board meeting would be at The Highlander. Dr. Fowlkes distributed an asset summary report, attached hereto as *Attachment F* and made a part hereof.

CLOSED SESSION

Rector McMahan requested a motion to move into closed session. Dr. Jay Brown made the motion that the Radford University Board of Visitors convene a closed session pursuant to **Section 2.2-3711 (A) Items 1, 2, 7 and 8** under the Virginia Freedom of Information Act for the discussion of personnel matters and scholastic records, specifically interviews of student representative candidates, and for consultation with legal counsel and briefings by staff members pertaining to actual or probable litigation and consultation with legal counsel regarding specific legal matters requiring the provision of legal advice, more specifically relating to Radford University facilities. Mr. Lawrence seconded the motion. The Board of Visitors went into closed session at 10:54 a.m.

Mr. James Turk left the meeting at 11 a.m. Ms. Lisa Pompa left the meeting at 12:08 p.m.

RECONVENED SESSION

Following closed session, public access to the meeting was reconnected. Rector McMahon called the meeting to order at 12:30 p.m. On the motion made by Dr. Brown and seconded by Mr. Lawrence, the following resolution of certification was presented.

Resolution of Certification

BE IT RESOLVED, that the Radford University Board of Visitors certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the Board.

Roll Call	Vote
Dr. Jay Brown	Yes
Mr. Robert A. Archer	Yes
Ms. Jeanne S. Armentrout	Yes
Dr. Rachel D. Fowlkes	Yes
Mrs. Jennifer Wishon Gilbert	Yes
Mr. Mark S. Lawrence	Yes
Mr. Tyler Lester	Yes
Mr. George Mendiola	Yes
Mr. David A Smith	Yes
Mr. Marquett Smith	Yes
Ms. Georgia Anne Snyder-Falkinham	Yes
Ms. Lisa Throckmorton	Yes
Dr. Debra K. McMahon	Yes

OTHER BUSINESS

Ratification of Provost and Senior Vice President for Academic Affairs Selection

Rector McMahon asked for a motion for the Board to approve and ratify the selection of Bethany McKay Usher, Ph.D. by President Bret Danilowicz. Mr. Marquett Smith so moved, Mr. Archer seconded, and the motion carried unanimously. A copy of the resolution is attached hereto as *Attachment G* and is made a part hereof.

Election of Non-Voting Advisory Student Representative to the Board of Visitors for 2023-2024

Rector McMahon asked for a motion to elect Troy Stallard to serve as the Non-voting Advisory Student Representative to the Board of Visitors for 2023-2024. Mr. Lawrence made the motion, Ms. Snyder-Falkinham seconded, and the motion carried unanimously.

Upcoming Board Meeting, Budget Presentation and Public Comment Session

Rector McMahon stated that because the University is not in a position to recommend tuition and fee rates at this time, there will be a special called meeting on April 28 at 1 p.m. to approve tuition and fee rates. In an earlier survey to Board members, it was determined that a quorum is not guaranteed so the meeting on April 28 will be all-virtual. Rector McMahon added that in preparation of this meeting, a public comment session will be held on April 14 at 1 p.m.

Freedom of Expression

President Danilowicz introduced a Tabletop Exercise on Freedom of Expression for the Board members to participate in as an illustration of ways to improve freedom of expression and civil

discourse. After being presented a scenario, the Board members discussed possible approaches. President Danilowicz thanked the Board members for their open conversation and ongoing discussion.

ANNOUNCEMENTS

Rector McMahon announced the upcoming meeting dates.

June 8-9, 2023

July 23-25, 2023 - Retreat

Sept. 7-8, 2023

Nov. 30 – Dec. 1, 2023

ADJOURNMENT

With no further business to come before the Board, Rector McMahon adjourned the meeting at 1:42 p.m.

Respectfully submitted,

Karen Castele

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

**RADFORD UNIVERSITY BOARD OF VISITORS
March 24, 2023**

RESOLUTION OF TENURE RECOMMENDATIONS

WHEREAS, the tenure-track faculty are appointed initially on one-year contracts and throughout the probationary period, which is normally six years, they are subject to reappointment annually upon recommendation by the Department Personnel Committee, the Department Chair, the College Dean, the Provost, and the President; and

WHEREAS, no later than the beginning of the fall semester of the sixth year of full-time appointment, tenure-track faculty are notified by their Department Chairs of their eligibility for consideration for award of tenure and candidates for tenure must submit to their Department Personnel Committees pertinent information regarding their qualification for tenure, including a statement justifying the granting of tenure, all past performance evaluations, including a summary of student evaluations and any peer evaluations, a current curriculum vita, and any other relevant documentation; and

WHEREAS, criteria for the award of tenure include: the continuing need for the individual's expertise; the individual's teaching effectiveness; effectiveness as an advisor; professional development; participation in University co-curricular activities; committee work; cooperation with colleagues; and contributions towards the objectives of the department, college, and University; and

WHEREAS, upon consideration of the candidate's achievement of the above criteria, the Department Personnel Committee submits its recommendation to the Department Chair, who in turn submits his or her recommendation to the College Dean. The Dean submits his or her recommendation to the Provost, and the Provost submits their recommendation in each case to the President. At each stage, the recommendation is added to the previous recommendations, and all are transmitted to the next level. Copies of each recommendation, together with justification, are sent to the faculty member, who has the right to appeal negative recommendations to the Faculty Grievance Committee; and

WHEREAS, the final authority for awarding or denying tenure lies with the Board of Visitors and all of the faculty members listed below have met the criteria for award of tenure;

ARTIS COLLEGE OF SCIENCE AND TECHNOLOGY

<u>Name</u>	<u>Department</u>
David S. Anderson	Department of Anthropological Sciences
Jamie Katherine Lau	Department of Biology
Kristina Roth Stefaniak	Department of Chemistry
Ryan Stacy Sincavage	Department of Geology
Md Shamim Sarker	Department of Mathematics and Statistics

COLLEGE OF HUMANITIES AND BEHAVIORAL SCIENCES

<u>Name</u>	<u>Department</u>
Kevin Patrick Farrell	RUC - Department of English
Courtney Watson	RUC - Department of English
Kathleen M. Arnold	Department of Psychology
Aysha Allison Bodenhamer	Department of Sociology

COLLEGE OF VISUAL AND PERFORMING ARTS

<u>Name</u>	<u>Department</u>
Stuart Tyler Robinson	Department of Art
Laura Kimball	Department of Design
Sekyung Jang	Department of Music

DAVIS COLLEGE OF BUSINESS AND ECONOMICS

<u>Name</u>	<u>Department</u>
Liang Shao	Department of Accounting, Finance and Business Law
Richard J. Gruss	Department of Management

WALDRON COLLEGE OF HEALTH AND HUMAN SERVICES

<u>Name</u>	<u>Department</u>
Elliot Donald Carhart	RUC - Department of Clinical Health Professions-Emergency Services
Arco Paul	RUC – Department of Physical Therapy
Sarah E. Johnson	RUC – Department of Public Health and Healthcare Leadership
Ali-Sha Alleman	School of Social Work

THEREFORE, BE IT RESOLVED, that the Board of Visitors approves the faculty Tenure Recommendations listed above to become effective the beginning of the 2023-2024 academic year.

Approved: March 24, 2023



Debra K. McMahon, Ph.D.
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

RADFORD UNIVERSITY BOARD OF VISITORS

March 23, 2023

**RESOLUTION TO AMEND THE
TEACHING AND RESEARCH FACULTY HANDBOOK**

WHEREAS, All proposed changes to the *Teaching and Research Faculty Handbook* must be managed in accord with §5.0 of that handbook, and

WHEREAS, the authority to amend or revise the Faculty Handbook lies with the Board of Visitors. However, proposals for revising the Handbook may be initiated by faculty, administrators, the President, or members of the Board of Visitors. Revisions fall into two categories: (1) those required to ensure that the University is in compliance with state policies and mandates, and (2) those within the purview of the decision-making processes within the University, and

WHEREAS, revisions required to ensure that the University is in compliance with state policies and mandates, and that do not require a decision by University personnel, will be effected through an administrative update, with faculty being informed of the change and the reasons for it, and

WHEREAS, revisions within the purview of the decision-making processes in the University Internal Governance system will be considered by appropriate committees as defined by the Internal Governance system. Proposals for changes will be made in the form of text intended to replace a portion of the Teaching and Research Faculty Handbook, noting new language and striking out the old language, and

WHEREAS, it will be the Faculty Senate's responsibility to ensure that the general faculty is provided time and opportunity to review the proposed change so faculty can communicate with their senators prior to any action by the Faculty Senate; and

WHEREAS, the Faculty Senate's recommendations on proposed revisions to the Teaching and Research Faculty Handbook will be forwarded to and approved by the President. The Provost will forward the Faculty Senate's recommendations to the Academic Excellence and Research Committee who will in turn make recommendations to the member of the full Board of Visitors; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Visitors of Radford University hereby approves, in accordance with §5.0 of the *Teaching and Research Faculty Handbook*, **Section 2.8: Class Administration** of the *Teaching and Research Faculty Handbook* as hereby amended. Said sections are to now read as follows:

Motion to Revise the Teaching Responsibilities Language in the Teaching and Research Handbook

Referred by: Campus Environment Committee

MOTION:

The Faculty Senate recommends the addition of language (**red type**) and the deletion of language (stricken through) in section 2.8 Class Administration of the T&R Faculty Handbook to read:

2.8 Class Administration

Faculty should meet all classes at the time and place indicated in the schedule of classes unless approval to change has been granted in advance by the Department Chair or Program Director and the Dean.

No classes are to be added or dropped except by the approval of the Chair or Program Director or Dean. Faculty members will inform students, in writing and in other media if appropriate to the course format, of their course requirements, attendance, and grading policies during the first week of the semester. Faculty members are responsible for submitting mid-semester grades for all students in all undergraduate courses as directed by the registrar. Students must be provided the opportunity to examine and discuss with their instructor all examinations, materials, and criteria used in the grading process.

Regardless of the mode of course delivery, all faculty are expected to make use of the university's web-based learning management system (LMS). Specifically, and as a minimum expectation, all courses that enroll five or more students must have an active course shell that includes the following items:

1. The current course syllabus, which must include the course title, prefix and number, grading criteria, mode of delivery (e.g., online asynch, in-person, etc.), and course policies and expectations.
2. An active gradebook in which students can see scores/grades for all work that has been graded in course.

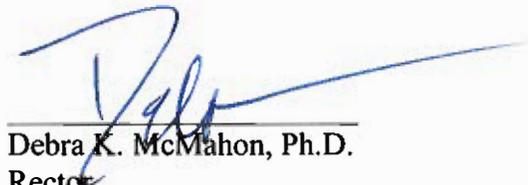
Original works prepared at student expense must be made available to the student at the conclusion of the semester during which the work was submitted.

Student examinations, papers, projects, and other materials used in determining grades should be retained by the professor for at least one semester after the course is offered unless these materials are returned to the student. All records of student grades should be retained and turned in to the Department Chair or Program Director upon leaving the employment of Radford University. A Change of Grade Form must be completed by the instructor and approved by the Dean before a grade can be officially changed in the Registrar's Office.

RATIONALE:

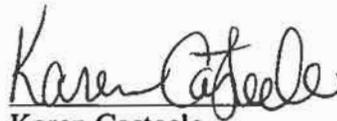
Radford University students come to our institution with changing expectations with regard to teaching and learning. The professoriate also evolves, with changing expectations and understandings of what constitutes competent teaching. The current motion reflects the fact that the General Faculty of Radford University believe that access to a web-based course shell with the listed components constitutes a norm of transparency and communication that students are entitled to expect. This motion is deliberately written with sensitivity to the issue of academic freedom; the requirement is strictly focused on providing a standard of communication and transparency for our students and carries no implications for the conduct or content of any course.

Approved: March 24, 2023



Debra K. McMahon, Ph.D.
Rector

Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

RADFORD UNIVERSITY BOARD OF VISITORS

MARCH 24, 2023

RESOLUTION TO CHANGE THE NAME OF THE SCHOOL OF NURSING TO THE COLLEGE OF NURSING

WHEREAS, the School of Nursing was previously known as the College of Nursing and Health Sciences (circa 1990) and the name was later changed to Waldron College of Health and Human Services; and

WHEREAS, in 2021, the School of Nursing separated from Waldron College of Health and Human Services and now functions as a standalone college in all respects, resulting in seven colleges within the University; and

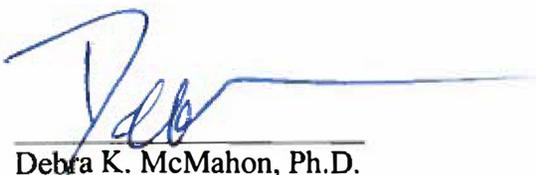
WHEREAS, this change more appropriately aligns with the administrative structure of that academic unit and will align with the Teaching and Research Faculty Handbook, significantly reducing the number of revisions needed for that document; and

WHEREAS, the change to a college with the proposed departmental structure has a net-neutral effect on the budget;

NOW, THEREFORE, BE IT RESOLVED, the Board of Visitors approves to change the name of the School of Nursing to the College of Nursing;

BE IT FURTHER RESOLVED, that the President and/or designee(s) are hereby authorized to submit any and all documentation that may be required to receive approval of the name change to the State Council of Higher Education for Virginia (SCHEV) and the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).

Approved: March 24, 2023



Debra K. McMahon, Ph.D.
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

Radford University Board of Visitors

March 24, 2023

**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 2022 audited annual financial statements, the University's debt obligations including affiliated foundation total \$84,342,626 which is mainly attributable to the Student Recreation and Wellness Center, Renovations of four Residence Hall projects, and the affiliated foundation property acquisition for student housing.

Schedule A				
RADFORD UNIVERSITY				
DEBT MANAGEMENT POLICY RATIO				
The calculation reflects June 30, 2022 audited 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, 2023.				
Board Approved Ratios	Range	Formula	Audited Financial Statements as of 6/30/2022	
<u>Debt Burden Ratio</u>				
Max Annual Debt Service as % of Operating Expenses	< 7%	$\frac{\text{Annual Debt Service}^*}{\text{Total Operating Expenses}^*}$	\$5,959,027	2.20%
			\$270,789,385	

* 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, 2022 (audited):

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, 2022, 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, 2022, 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

A summary of changes in long-term debt for the year ending June 30, 2022, is presented as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Noncurrent Portion
Governmental activities:						
Notes payable - pooled bonds	\$17,767,966	\$-	\$1,081,733	\$16,686,233	\$1,290,000	\$15,396,233
Bonds payable - 9c	44,135,350	-	2,232,593	41,902,757	2,085,000	39,817,757
* Total long-term debt	\$61,903,316	\$-	\$3,314,326	\$58,588,990	\$3,375,000	\$55,213,990

Fiscal Year Ending	Governmental Activities			
	Notes Payable Pooled Bonds		Bonds Payable - 9c	
	Principal	Interest	Principal	Interest
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	1,186,557
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
2028-2032	7,590,000	449,149	13,760,000	3,050,244
2033-2037	1,455,000	19,832	10,295,000	887,106
2038-2041	-	-	3,010,000	113,531
Unamortized Premium	321,233	-	3,482,757	-
Total	\$16,686,233	\$1,481,628	\$41,902,757	\$9,515,913

Right-to-use Lease Obligations

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.

For fiscal year 2022 the lease asset and liability increased with the implementation of GASB Statement 87 as this lease was remeasured as of the implementation date July 1,

2022 to reflect the present value of the future cash payments discounted at the University's incremental rate of 3.48%. The University then purchased two additional properties from the lease reducing the lease asset and liability. The lease presented below is the only direct debt lease as payments for principle and interest for the debt is made by the University.

A summary of changes in the lease liability for the year ending June 30, 2022, is presented as follows:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Noncurrent Portion
Lease with Foundation	\$16,742,331	\$-	\$3,580,841	13,161,490	\$752,567	\$12,408,923

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

Years	Principal	Interest	Total Payment	
2023	294,547	458,020	752,567	
2024	304,796	447,770	752,566	
2025	358,076	437,163	795,239	
2026	502,198	424,702	926,899	
2027	519,674	407,225	926,899	
2028-2032	2,882,560	1,751,936	4,634,496	
2033-2037	3,420,270	1,214,226	4,634,496	
2038-2042	4,058,285	576,211	4,634,496	
2043-2047	821,084	28,574	849,658	
Totals	13,161,490	5,745,825	18,907,316	Total Minimum Lease Payments

Long-Term Debt Defeasance

On February 9, 2021, the Virginia College Building Authority, on behalf of the University, issued pooled bonds Series 2021B for \$13,460,000 with interest rates of 0.48 to 1.91 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 University. 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 \$176,827 for the Series 2011 and 2012 bonds, and resulted in a deferred accounting gain of \$258,622 for the series 2013 bonds refunded, which is being amortized to interest expense over the life of the new debt. The defeasance reduced the University's total debt service obligation by \$1,202,463 for the 13 years after the bonds were issued. 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 resulted in a total economic gain of \$1,178,451. At June 30, 2022, \$318,538 of deferred accounting losses are reported on the Statement of Net Position as a deferred outflow of resources. At June 30, 2022, \$225,632 of the deferred accounting gains are reported on the Statement of Net Position as a deferred inflow of resources.

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. As of June 30, 2022, \$9,635,000 of the notes are considered defeased and outstanding.

NOTE 20E: Component Unit Financial Information

The following is a summary of the outstanding notes payable at June 30, 2022:

Note payable in monthly installments of \$5,182.12 through May 2025, interest payable at LIBOR plus 1.48 percent (2.60% and 1.57%% at June 30, 2022 and 2021, respectively). Unsecured.	\$163,956
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Notes payable in monthly installments calculated on a 25-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 (2.44% and 1.57% at June 30, 2022 and 2021, 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.	342,295
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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% with a floor of 1.57% (1.94% and 1.57% at June 30, 2022 and 2021 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.	389,977
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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 (1.88% and 0.91% at June 30, 2022 and 2021, respectively). Secured by real estate and deposit accounts maintained by and investment property held	1,323,527
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with the institution. Additionally, secured by an assignment of leases and rents.

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. 9,418,047

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. 176,832

Notes payable in monthly interest only payments through December 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. 2,941,461

Total long-term debt \$14,756,095

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

2023	516,610
2024	686,710
2025	10,242,415
2026	2,697,842
2027 and thereafter	612,518
Total long-term debt	<u>\$14,756,095</u>

Notes payables are subject to certain affirmative and negative covenants. Management believes the Foundation has complied with all covenants as of June 30, 2022.

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

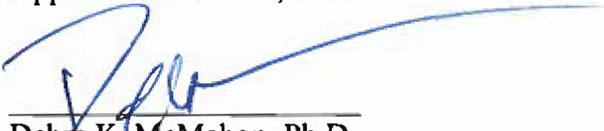
WHEREAS, the Radford University Board of Visitors approved such Debt Management Policy at its March 30, 2007, meeting; revisions to this policy were approved by the Board of Visitors at its August 23, 2007, November 12, 2010, and February 8, 2012 meetings, and

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

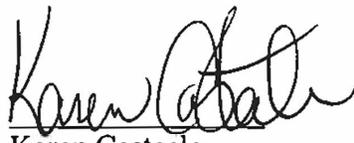
WHEREAS, the Board of Visitors must annually certify Radford University's compliance with the approved Debt Management Policy to the Secretary of Finance for the Commonwealth of Virginia;

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: March 24, 2023



Debra K. McMahon, Ph.D.
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

RADFORD UNIVERSITY BOARD OF VISITORS

March 24, 2023

Action Item

Approval of the Radford University 2022-23 Third Quarter Operating Budget Adjustment

Item:

Board of Visitors approval of the Radford University's 2022-23 third quarter operating budget adjustment and review of the actual activity as of January 31, 2023.

Summary:

The University has examined the fiscal impact of the 2022-23 fall enrollment results, general fund allocations, as well as miscellaneous one-time revenues on the institutional operating budget. Due to the materiality of the impact on the University's operating budget, a third quarter budget adjustment is necessary to align revised revenue forecasts.

University operating revenues are projected to be above forecast by \$3.3 million. Actual 2022-23 fall enrollment was 4.5% more than budgeted resulting in larger than projected tuition and fee revenue. Although the enrollment was larger than anticipated, the change of the student population mix, notably seat-based students, results in lower than projected revenues for Auxiliary Enterprises. Other operating revenues are more than projected due to supplemental relief funding for student financial aid that was reappropriated from the prior fiscal year, as well as supplemental general fund allocations.

An accompanying outline of adjustments is also provided in the 2022-23 Financial Performance Report (Schedule A) which summarizes the adjusted operating budget and related activity through January 31, 2023 and the University Operating Budget (Schedule B) which breaks down the recommended adjustments.

Education and General (E&G):

The original 2022-23 revenue budget for E&G was forecasted at \$156.7 million. The revised budget recommendation is \$158.6 million, an increase of \$1.9 million. The revised revenue forecast is reflective of the following adjustments.

General Fund

The University is estimating a \$0.3 million increase in general fund operating revenue related to an alignment of central appropriations funding, as well as supplemental funding for the Western Virginia Public Consortium and Virtual Library of Virginia interlibrary loan program.

Non-General Fund

The University is estimating a \$1.6 million increase in E&G operating revenue related to non-general fund business level factors due to higher than anticipated enrollment levels for accelerated online programs. E&G operating expense budgets are estimated to be increased by \$0.9 million to accommodate instructional costs. The remaining revenue of \$0.7 million results in a miscellaneous E&G operating expense adjustment to support University strategic investments.

Student Financial Assistance (SFA):

The original revenue budget for SFA was \$17.8 million. The revised revenue and expense budgets are \$25.3 million concurrently, an increase of \$7.6 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, as well as, the reappropriation of graduate fellowship and undergraduate financial aid increased by \$0.6 million over the originally budget amount. These are routine supplemental allocations that vary by year.

Non-General Fund

Non-general fund miscellaneous adjustments are recommended for undergraduate student financial aid allocations to account for a \$6.9 million revenue increase over the original budget amount. Undergraduate financial aid allocation increased by \$0.2 million as a result of a reappropriation from 2021-22 and by \$6.7 million as a result of COVID-19 relief funding. Further information outlining the details of the relief funding are provided in the remainder of this section.

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 \$14.0 billion was given to the Office of Postsecondary Education as the Higher Education Emergency Relief Fund, or HEERF. The University portion of the HEERF III funding for 2021-22 was \$16.9 million for student financial aid, of which, \$0.1 million was reappropriated in 2022-23.

Congress set aside approximately \$3.0 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. The University also received \$0.9 million in GEERF II funding in 2021-22 which was reappropriated in 2022-23. 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 2022-23 funding is \$5.6 million for student financial aid.

GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) is a \$22.0 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 \$35,000 in GEAR UP funding in 2022-23.

The University is recognizing the revenue and expense of the relief funding in SFA. Refer to the Financial Performance Report (Schedule A) for a summary and the University Operating Budget (Schedule B) for details on the proposed budget adjustments.

Sponsored Programs:

The original revenue and expense budgets for Sponsored Programs were each \$9.0 million. With general fund allocations from various agencies within the Commonwealth for special projects, a budget adjustment of \$0.1 million is being recommended resulting in revised revenue and expense Sponsored Program budgets of \$9.1 million concurrently.

Auxiliary Enterprises:

The original budget for Auxiliary Enterprises was \$68.5 million in revenue and \$66.5 million in expense. The revised revenue budget is \$62.2 million, a decrease of \$6.3 million which is due to enrollment changes in seat-based programs. The revised expense budget is projected at \$65.0 million, a decrease of \$1.5 million. These adjustments decrease the planned reserve contribution by \$4.8 million resulting in an estimated reserve draw of \$2.8 million. Further review and reductions in expense budget will be ongoing throughout the remainder of the fiscal year to limit the reserve draw as a result of the revenue estimates. The revised budgets are reflective of the following adjustments.

Non-General Fund

The University is estimating a decrease in Auxiliary Enterprise operating revenue, specifically to comprehensive fees of \$1.1 million, as well as, room sales of \$3.6 million, book sales of \$0.1 million, and meal plan sales of \$1.5 million.

Auxiliary Enterprise miscellaneous adjustments recommended include a decrease of operating expense budgets by \$2.9 million due to greater than anticipated turnover and vacancy and scholarship allocation savings, as well as increases for strategic investments that include funding to Athletics of \$0.4 million for marketing and Student Affairs of \$0.7 million student services, retention and accessibility.

Refer to the Financial Performance Report (Schedule A) for a summary and the University 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 reflects the 2022-23 budget of \$251.9 million approved by the Board of Visitors at the September 2022 meeting. The Revised Budget reflects 2022-23 recommended mid-year revenue adjustments totaling \$3.3 million. While there are a number of factors that influenced the recommended mid-year adjustments they are primarily attributed to actual 2022-23 enrollment levels and relief funding.

The revised budget of \$255.2 million is sufficient to sustain University operations for the remainder of 2022-23 while utilizing limited or no Auxiliary Enterprise reserves. As aforementioned, Auxiliary Enterprises will be under review throughout the remainder of the fiscal year to limit the reserve draw resulting from the revised revenue budget.

Actual expenditure activity for the period ending January 31, 2023, totals \$177.9 million, which is consistent with projections. The vast majority of the outstanding expense budget balance relates to anticipated third and fourth quarter compensation.

Action:

Radford University Board of Visitors approval of the 2022-23 third quarter operating budget adjustment as presented in Schedule B for the University Operating Budget.

RADFORD UNIVERSITY BOARD OF VISITORS

Resolution

March 24, 2023

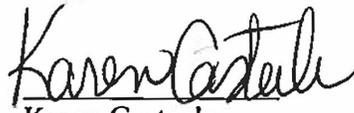
Approval of the Radford University 2022-23 Operating Budget Adjustment

BE IT RESOLVED, the Radford University Board of Visitors approves the third quarter adjustments to the 2022-23 operating budget as presented in Schedule B for the University Operating Budget.

Approved: March 24, 2023

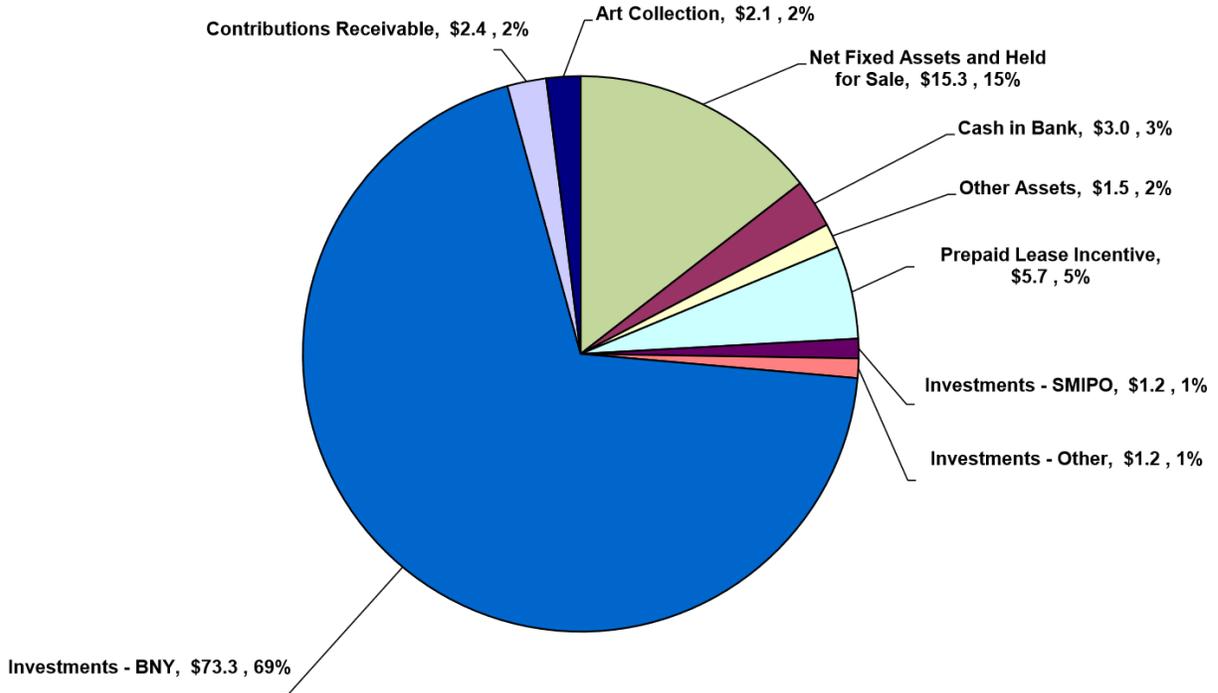


Debra K. McMahon, Ph.D.
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

Radford University Foundation Asset Composition as of 12/31/22

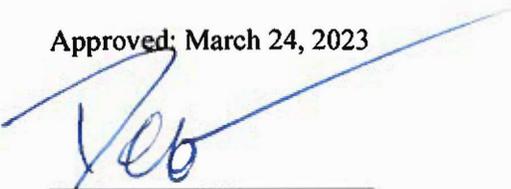


(in millions)
Total Assets: \$105.7M

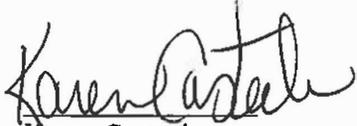
**Radford University Board of Visitors
Resolution
March 24, 2023**

Now Therefore Be It Resolved, that the Board of Visitors, in accordance the Article II, Section 2 of the Bylaws, approves and ratifies the selection of Bethany McKay Usher, Ph.D. by President Bret Danilowicz as Provost and Senior Vice President of Academic Affairs. Dr. Usher begins her tenure at Radford University on June 12, 2023.

Approved: March 24, 2023



Debra K. McMahon, Ph.D.
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University