

Business Affairs And Audit Committee

May 2017

RADFORD UNIVERSITY

Board of Visitors

RADFORD UNIVERSITY

**RADFORD UNIVERSITY BOARD OF VISITORS
BUSINESS AFFAIRS & AUDIT COMMITTEE MEETING
1:45 PM**
MAY 4, 2017
BOARD ROOM
THIRD FLOOR – MARTIN HALL
RADFORD UNIVERSITY**

DRAFT

AGENDA

- **CALL TO ORDER** Ms. Mary Ann Hovis, *Chair*
- **APPROVAL OF AGENDA** Ms. Mary Ann Hovis, *Chair*
- **APPROVAL OF MINUTES** Ms. Mary Ann Hovis, *Chair*
February 16, 2017
- **REPORTS AND RECOMMENDATIONS**
 - University Auditor's Report Ms. Margaret McManus, *University Auditor*
 - Capital Projects Update Mr. Richard S. Alvarez, *Chief Financial Officer and VP for Finance & Administration*
- **ACTION ITEMS**
 - Discussion of 2017-2018 Tuition and Fees Recommendations Mr. Richard S. Alvarez, *Chief Financial Officer and VP for Finance & Administration*
 - Recommendation of Resolution for Proposed 2017-2018 Tuition and Fees Ms. Mary Ann Hovis, *Chair*
- **OTHER BUSINESS** Ms. Mary Ann Hovis, *Chair*
- **ADJOURNMENT** Ms. Mary Ann Hovis, *Chair*

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

Business Affairs & Audit Committee:

Ms. Mary Ann Hovis, Chair

Ms. Krisha Chachra, Vice Chair

Mr. Robert Archer

Dr. Jay Brown

Mr. Mary S. Lawrence

Dr. Deb McMahon

RADFORD UNIVERSITY

**RADFORD UNIVERSITY
BOARD OF VISITORS
BUSINESS AFFAIRS & AUDIT COMMITTEE MEETING
BOARD ROOM - MARTIN HALL
RADFORD, VIRGINIA
1:45 P.M.
FEBRUARY 16, 2017**

DRAFT

MINUTES

COMMITTEE MEMBERS PRESENT

Ms. Mary Ann Hovis, Chair
Ms. Krisha Chachra, Vice Chair
Mr. Mark S. Lawrence
Dr. Deb McMahan

COMMITTEE MEMBERS ABSENT

Mr. Robert A. Archer
Dr. Jay Brown

OTHERS PRESENT:

President Brian O. Hemphill, Ph.D.
Mr. Richard S. Alvarez, Chief Financial Officer and Vice President for Finance and Administration
Ms. Ashley Schumaker, Chief of Staff
Mr. Allen Wilson, Senior Assistant Attorney General, Office of the Attorney General
Ms. Margaret McManus, University Auditor
Mr. Mike Reinholtz, Project Manager, Auditor of Public Accounts, Commonwealth of Virginia
Ms. Meghan Finney, Auditor in Charge, Auditor of Public Accounts, Commonwealth of Virginia
Mr. Chad Reed, Associate Vice President for Budget & Financial Planning
Ms. Stephanie Jennelle, Associate Vice President for Finance & University Controller
Dr. Erik Lovik, Director of Institutional Research, Reporting & Assessment
Mr. Damien Allen, Associate Director of Institutional Research, Reporting & Assessment
Mr. Jorge Coartney, Executive Director of Facilities Management
Mr. Mike Biscotte, Director of Capital Planning & Construction
Mr. Don Bowman, Public Relations Writer
Mr. David Underwood, Interim Chief of Police
Mr. Grady DeVilbiss, Director of Emergency Preparedness
Ms. Theresa Slaughter, Interim Director of Human Resources
Ms. Pamela Fitchett, Administrative Assistant
Faculty and Staff

CALL TO ORDER

Ms. Mary Ann Hovis, Chair, formally called the meeting to order at 1:46 p.m. in the Board Room, Third Floor, Martin Hall, Radford, Virginia.

APPROVAL OF AGENDA

Ms. Hovis asked for a motion to approve the February 16, 2017 meeting agenda, as published. Mr. Mark S. Lawrence so moved. Dr. Deb McMahon seconded the motion, and the motion carried unanimously.

APPROVAL OF MINUTES

Ms. Hovis asked for a motion to approve the minutes of the November 10, 2016 meeting of the Business Affairs & Audit Committee, as published. Mr. Lawrence so moved, and Dr. McMahon seconded the motion, and the motion carried unanimously. The minutes are available online at: <https://www.radford.edu/content/bov/home/meetings/minutes.html>

REPORTS AND RECOMMENDATIONS

Report from the Auditor of Public Accounts

Mr. Mike Reinholtz, Project Manager, with the Auditor of Public Accounts, presented information regarding the audit of the University's financial statements for the fiscal year, which ended June 30, 2016. He discussed the responsibilities of the auditors and management, as well as the planned scope and timeline of this year's audit. A copy of the APA Engagement Memorandum is attached hereto as *Attachment A* and is made a part hereof.

Report from the University Auditor

Ms. Margaret McManus, University Auditor, presented an oral report on the University Discretionary Fund review for the quarter, which ended December 31, 2016. One hundred percent of expenditures were reviewed, and all were found in compliance with the Board of Visitors' guidelines. Ms. McManus also presented a Follow-up Audit Status Report, a copy of which is attached hereto as *Attachment B* and is made a part hereof.

Capital Projects Update

Mr. Richard S. Alvarez, Chief Financial Officer and Vice President for Finance and Administration, provided an update on capital projects currently in progress. A copy of the report is attached as *Attachment C* and is made a part hereof.

Governor's Budget Update

Mr. Alvarez presented an overview of the incremental funding proposed for Radford University's operating budget in the Governor's Amended 2016-2018 Executive Budget Proposal. He reported that the proposed Biennial Executive Budget included a five percent general fund budget reduction, a recovery of one-time prepayments to the Virginia Retirement System (VRS), and a 1.5 percent bonus for faculty and staff. A copy of the Information Items regarding the Governor's Amended 2016-2018 Biennial Budget Proposal & Budget Update is attached hereto as *Attachment D* and is made a part hereof. In conjunction with Mr. Alvarez's presentation, Dr. Brian O. Hemphill, President, discussed the variations between the house and senate budget amendments. The outcome of the proposed 2016-2018 budget will not be known until the completion of the 2017 General Assembly session.

ACTION ITEM

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

Ms. Stephanie Jennelle, Associate Vice President for Finance and University Controller, explained that the Secretary of Finance requires this certification annually for the Commonwealth of Virginia as part of Institutional Performance Standards reporting. She provided documentation of the required ratio calculation that demonstrates that the University is in compliance with its Debt Management Policy. A copy of the Compliance with Debt Management Policy is attached hereto as *Attachment E* and is made a part hereof. Ms. Hovis asked for a motion recommending to the Board to approve the Resolution certifying that the University is in compliance with its Debt Management Policy. Dr. McMahon so moved, Mr. Lawrence seconded the motion, and the motion carried unanimously. A copy of the report together with the proposed Resolution is attached hereto as *Attachment F* and is made a part hereof.

ADJOURNMENT

With no further business to come before the Committee, Ms. Hovis, Chair, asked for a motion to adjourn the meeting. Dr. McMahon made the motion and Ms. Krishna Chachra seconded. The motion carried and the meeting adjourned at 2:06 p.m.

Respectfully submitted,

Pamela Fitchett
Secretary to the Business Affairs and Audit Committee

**APA Engagement Memorandum
Radford University
Board of Visitors – Business Affairs and Audit Committee
February 16, 2017**

- APA Audit Management:
 - J. Michael Reinholtz, Project Manager
 - Meghan Finney, Auditor In-Charge
- Audit Period – July 1, 2015 through June 30, 2016
- Audit Deadline – May 2017
- Audit Objectives, To ensure:
 - The financial statements present fairly the financial position, the changes in financial position, and the cash flows for the 2016 fiscal year in conformity with accounting principles generally accepted in the United States of America.
 - Disclosures in the financial statements are adequate and fairly stated.
 - Management has appropriately reviewed the financial statements, accruals, adjustments and disclosures.
 - Adequate internal controls exist over material account balances and transactions.
 - The University is in compliance with applicable laws, regulations, and provisions of contracts or grant agreements.
- Discussion of Risk
 - The APA encourages the Board of Visitors to provide input regarding the risks they perceive to the University in completing its mission. The Board members can direct their comments to the Audit Committee Chair or the Internal Audit Director to be forwarded to the APA Project Manager.

Terms of the Engagement

The Auditor's (APA) Responsibilities

Overall Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards for financial audits contained in the *Government Auditing Standards*. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable, rather than absolute assurance, about whether the financial statements are free of material misstatement whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*.

Audit Procedures-Internal Control and Compliance

Our audit will include obtaining an understanding of internal controls, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, we will communicate in writing to management and those charged with governance any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Also, as part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants

Those charged with governance

We are responsible for communicating significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. GAAS do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance.

Management's Responsibilities

Our audit will be conducted on the basis that Management acknowledge and understand that they have the following responsibilities:

- Preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America
- Design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- Identify and ensure compliance with applicable laws, regulations, contracts, and grant agreements
- Informing the APA about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements
- Informing the APA (and others as required by the Code of Virginia § 30-138) of knowledge of any allegations of fraud or suspected fraud affecting the University received in communications from employees, former employees, regulators, or others
- Informing the APA of any potential documents that are FOIA exempt
- Ensuring that management is reliable and financial information is reliable and properly recorded
- Making all financial records and related information available to the APA
- Providing the APA with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence
- Responding to audit findings and recommendations, as well as providing your planned corrective actions and the timing and format for providing that information
- Providing the APA at the end of the audit with a written letter confirming certain representations made during the audit
- Adjusting the financial statements to correct material misstatements and providing the APA with a representation that the effects of any uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole
- Preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. Agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Audit Committee Responsibilities

- Communicate with APA about audit scope
- Communicate with management and internal audit regarding progress
- Receive reports and findings from management and external audit

RADFORD UNIVERSITY
 OFFICE OF AUDIT AND ADVISORY SERVICES
 FOLLOW-UP AUDIT STATUS REPORT
 BUSINESS AFFAIRS AND AUDIT COMMITTEE
 FEBRUARY 2017
 DRAFT

Audit: Student Health and Counseling Services Contract Audit				
	Business Issue	Planned Action	Action Date	Status
1.1	<p>The contract states that the Contractor shall ensure "that 95 percent of all entering students" have submitted a health record form with immunization history.</p> <p>a) It appears that the Contractor is not complying with this requirement; the data provided by the Contractor indicated compliance rates of 88% and 73% for Fall 2014 and Spring 2015, respectively. However, we were unable to determine an accurate compliance rate due to the Contractor's uncertainty regarding what categories of students are required to comply. For example, it appeared that the population used by the Contractor was understated; it seemed to include only freshman, not "all entering students".</p>	The University will modify the contract so that it is clear what categories of students are subject to the requirement.	December 1, 2016 Revised to June 30, 2017	In Process
2.0	The language in the contract regarding required health histories and immunizations does not conform to Code of Virginia §23-7.5 Health histories required; immunizations.	The University will modify the contract so that the language regarding required health histories and immunizations conforms to the Code of Virginia requirement.	December 1, 2016 Revised to June 30, 2017	In Process
4.0	The staffing level provided by the Contractor does not agree to the terms of the contract. Per our comparison of the contract requirements to actual staffing as reported by the Contractor, there were discrepancies in three positions in Student Health Services (SHS) and in two positions in Student Counseling Services (SCS).	The University will modify the contract to specify the positions that are required, the number of providers for each position, and to define the number of hours required to be worked during the academic year and during the summer months.	December 1, 2016 Revised to June 30, 2017	In Process

RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
FEBRUARY 2017
DRAFT

Audit: Student Health and Counseling Services Contract Audit				
Business Issue		Planned Action	Action Date	Status
7.1	<p>Improvements are needed in the contract to clarify the authority and provisions related to class registration holds. Specifically,</p> <p>a) The contract requires special provisions to be made during school breaks to receive calls related to the release of holds placed on class registration due to the student owing amounts to the Contractor for prior services rendered. However, the contract does not explicitly give the Contractor the authority to place those holds, although this is the current practice.</p>	<p>The University has determined that the current practice of the Contractor placing class registration holds due to the student owing amounts to the Contractor is not appropriate. The University will revise the contract to reflect that.</p>	<p>December 1, 2016 Revised to June 30, 2017</p>	In Process
7.2	<p>Improvements are needed in the contract to clarify the authority and provisions related to class registration holds. Specifically,</p> <p>b) Although the contract gives the Contractor the authority to place holds on class registration for non-compliance with health record and immunization requirements, the contract does not require special provisions to be made during school breaks to receive calls related to the release of those holds.</p>	<p>The University will modify the contract to add language regarding required administrative coverage during semester breaks or when the University is closed in order to receive health forms and to release class registration holds.</p>	<p>December 1, 2016 Revised to June 30, 2017</p>	In Process
8.0	<p>The Contractor is not obtaining input from non-client students regarding staffing and services, as the contract requires.</p>	<p>The University will modify the contract to require the Contractor to conduct surveys of non-client students at the request of the Contract Administrator.</p>	<p>December 1, 2016 Revised to June 30, 2017</p>	In Process

**RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
February 16, 2017**

**Information Item
Capital Projects Update**

Item: Facilities Planning and Construction update on capital projects.

Background: Currently, the University has **four active capital projects** in progress. Following is an update and project summary for each:

1. New Academic Building – College of Humanities & Behavioral Sciences

Project Budget-----	\$48,429,305 State Pooled Bond
Architect/Engineer Firm-----	Moseley Architects Virginia Beach, VA
Construction Manager-----	S.B. Ballard Virginia Beach, VA

The new College of Humanities & Behavioral Sciences academic building, which broke ground in August 2014, opened to classes for fall semester 2016. This facility provides academic space consisting of classrooms, offices, laboratories, and student/faculty collaborative areas. Among the departments of the college accommodated in the new building are: Communications, Criminal Justice, Psychology, Sociology, Political Science, English, Foreign Language, History, Philosophy & Religious Studies, and the Office of the Dean. Notable features of the building include a vivarium, TV studios, an Emergency Operations Center simulation room, and a mock-trial room.

The project budget is \$48,429,305 (less equipment) and the building size is 143,600 square feet. A Guaranteed Maximum Price (GMP) contract was awarded to S. B. Ballard, the construction manager, in the amount of \$40,040,993.

Final punch list items have been completed, and all spaces are operational and in use. Close out documentation, warranties, and the LEED compilation remains to complete and close the project.

2. Renovate Residence Halls Umbrella Project

Project Budget-----\$36,000,000
9c Bond

Architect/Engineer Firm (Phase 1) -----VMDO
Charlottesville, VA

Contractor (Phase 1) -----G&H Contracting
Salem, VA

Architect/Engineer Firm (Phase 2) -----Waller, Todd, Sadler
Virginia Beach, VA

Contractor (Phase 2) -----G&H Contracting
Salem, VA

Multiple residence hall renovations will be funded through a \$36,000,000 blanket umbrella project authorization.

Phase 1 of the umbrella project included renovations of Pocahontas, Bolling, and Draper Halls and the new Moffett Quad chilled water loop.

The three-building renovation scope provides for the replacement of plumbing piping, fixtures, fire alarm systems, electrical upgrades, accessibility improvements, asbestos abatement, and the addition of air conditioning and a fire-suppression system in each building, similar to the renovation scopes recently completed for Madison, Jefferson, Moffett, and Washington Halls.

In addition to the above project scope, a multi-level lounge space is included in each building that allows open visibility from the building lobby area to a lower-level lounge. This transforming feature will give vibrant new life to these buildings built in the 1950s.

A contract in the amount of \$16,667,000 was awarded to G&H Contracting for the renovation of the three residence halls. Pocahontas Hall and Bolling Hall achieved occupancy for students for Fall 2015 semester, and Draper Hall achieved occupancy for students for Fall 2016 semester.

The chilled water loop that serves the five Moffett Quad resident halls and Peters Hall is also complete and functioning. The cooling tower at Moffett Hall will provide all of the winter cooling needs for these facilities without the use of energy-consuming mechanical cooling.

Phase 2 of the residence hall renovations project includes the upgrade of life safety systems

for Muse Hall. The remaining balance on the umbrella capital project will be used to address the most critical infrastructure needs of Muse Hall, including a new fire alarm system, new lightning protection system, replacement or refurbishment of all seven elevators, and upgrades to exit stairways.

The project was broken into an early demolition and electrical service package, which was awarded to G&H Contracting in May 2016 and completed in August 2016, and a complete project package, awarded also to G&H in September. The total of both awards is \$6,661,109.

Selective demolition is underway, and preparatory work is ongoing for the various systems renovations. Fire alarm and elevator submittal packages have been prepared and are being reviewed by both the AE and BCOM. Limited installation activities will occur throughout the spring, with most work occurring during the summer when the entire building will be vacated. The project is scheduled for completion for August 2017 move-in.

3. **Whitt Hall Renovation**

Project Budget-----\$8,933,000
State Pooled Bond

Architect/Engineer Firm-----Clark-Nexsen
Roanoke/Norfolk, VA

Contractor -----G&H Contracting
Salem, VA

The renovation project for Whitt Hall will provide for complete interior renovation, including new mechanical, electrical, and plumbing equipment. The windows, which are in poor thermal condition, will be replaced with multi-life sashes, returning the building to its original character. The University undertook an intensive building envelope study to evaluate any hidden façade and infiltration issues. The study reviewed portions of the building’s brick veneer, slate shingles, and wood trim. The study identified areas needing intensive repair/replacement, and these items have been incorporated into the project scope.

Occupants for the building will include the Department of Mathematics and Statistics, the Vice-Provost for Academics and associated groups, New Student Programs, and conference meeting space for the Faculty Senate.

The project was awarded to G&H in early July, with a contract value of \$5,173,959.

Installation is complete on the construction access road/laydown area, and demolition activities are complete including interior finishes and equipment and exterior windows. Brick and mortar samples have been approved, along with submittals for many other items of work.

Exterior brick repointing is complete, and the roof replacement is complete. Replacement windows are being installed. Interior partition rough-in is well underway, including MEP and IT utilities. Interior design is complete for the furniture package, including coordination with the occupants, and furnishings are being ordered for late spring installation.

Construction is scheduled for completion in June 2017, and move-in occurring throughout the summer.

4. **Reed-Curie Renovation**

Project Budget (Detailed Planning only)----- \$1,872,000

Architect/Engineer Firm----- Cannon Design

Construction Manager----- TBD

The Reed-Curie renovation project was approved in the spring 2016 state bond package, as described in the RU six-year capital plan submission to the state. The project will completely renovate the existing science buildings to complement the recent addition of the Center for the Sciences, ultimately providing an overall state-of-the-art facility for all of RU's science departments.

Occupants in the renovated building will include the Departments of Physics, Geology, Geospatial Sciences, and the Office of the Dean. The Cyber Security Center will also be housed in the renovated building, along with support spaces for the Chemistry and Biology Departments. The Green House will also remain adjacent to the renovated building.

Initial pre-programming studies have been performed to confirm overall program and needs, along with utility location studies in the area of the buildings and hazardous materials investigations. The Environmental Impact Report has been approved by DEQ.

AE qualifications packages were received, short-list interviews were held, and Cannon Design was awarded the design contract. The state approved funding for detailed planning for the project, and the AE is underway with initial field work and programming meetings with the occupants. The Schematic Design package will be submitted to BCOM in late February.

CM-at-Risk construction delivery method approval has been obtained from BCOM, and a Request for Qualifications was advertised in October 2016. Upon review of the qualifications packages, a short list was developed for further discussions/interviews. CM award is targeted for March 2017, with construction starting in summer 2017 and completion in December 2019 for classes in January 2020.

Additional Projects: Currently, the University is also engaged in a project that has been appropriated to the Roanoke Higher Education Authority.

1. Nursing Simulation Center Expansion at RHEC

Project Budget-----\$1,882,000

Architect/Engineer Firm-----SFCS
Roanoke, VA

Contractor -----TBD

The existing Nursing Clinical Simulation Center (CSC) operated by Radford University at the Roanoke Higher Education Center (RHEC) will be expanded by this project. Capacity will be expanded by increasing hospital and examination simulation rooms from six to twelve, adding student debriefing and video review spaces, adding separate space for standardized patients, adding a computer classroom, and reconfiguring administrative space for overall effectiveness. The expansion will allow the student population served to increase by more than 50 percent.

AE qualifications packages were received, short-list interviews were held, and SFCS was awarded the design contract. The AE is underway with initial field work and design, including meetings with the CSC occupants.

Construction is targeted for summer 2017 with completion for classes in Fall Semester 2017.

Action: None; informational only.

**Radford University Board of Visitors
Business Affairs & Audit Committee
February 16, 2017**

**Information Item
Governor's Amended 2016-2018 Biennial Budget Proposal & Budget Update**

Item:

Overview of the Governor's Amended Executive Budget Proposal for the 2016-2018 biennium.

Background:

On Friday, December 16, 2016, Governor McAuliffe presented his Amended Executive Budget Proposal for the 2016-18 biennium to the General Assembly Joint Money Committee. As was initially expected, the Governor's budget included a reduction of general fund support for E&G operations. The budget also included plans for a recovery of one-time VRS payments, proposed changes to central fund distributions, restored undergraduate financial aid for 2017-18, and proposed a 1.5 percent bonus for all state employees effective December 1, 2017.

The following is an overview of the funding changes proposed for Radford University's operating budget. Attachment A is the financial summary of these recommendations while Attachment B is the State Council of Higher Education for Virginia's (SCHEV) summary analysis for all institutions of higher education.

Operating Items:

- **General Fund Reduction:** The Governor proposed a reduction in general fund support of (\$2,525,221), or 5.0 percent of state funded E&G operations for 2017-18. Initially, in November 2016, all Virginia public colleges and universities were notified of a potential 7.5 percent 'across-the-board' reduction in state support. While the Governor's recent proposal was more favorable than initially anticipated, the General Assembly could still propose a higher or lower reduction within the current legislative session.
- **One-Time VRS Payments:** The Governor proposed a recovery of one-time prepayments made to the Virginia Retirement System (VRS) on behalf of state employees. The amount of reductions in general fund is proposed at (\$517,096) in 2016-17 and (\$344,731) in 2017-18. This comes as a one-time adjustment to assist the state in closing a budgetary gap.
- **Undergraduate Student Financial Assistance:** The Governor proposed a restoration of general fund support for need-based in-state undergraduate financial aid of \$1,685,086 in 2017-18. During the previous General Assembly session funding was allocated to SCHEV with the intention of distributing aid based upon a revised allocation methodology; however, the proposed funding is equal to the initial allocation the University received in 2016-17.
- **Faculty and Staff Salaries:** The Governor proposed a one-time bonus of 1.5 percent for state employees. This comes after the previous base salary increase initially included in the current budget was eliminated due to revenue constraints. The proposed bonus would appropriate general funds of \$595,052 in 2017-18 and would require nongeneral fund contributions as well.

- **Central Appropriations and Central Systems Adjustments (Fringe Benefit Rates, Workers Compensation, Insurance Premiums, etc.):** Revised language in the Amended Executive Budget Proposal, as per Item 475 and 476, indicated changes in central distribution funding with an estimated impact of (\$91,062) in 2016-17 and (\$213,304) in 2017-18. These reductions are to cover changes in costs associated with workers compensation, system charges, benefit contribution rates, and the distribution of other centrally funded items.

The final outcome of the proposed 2016-2018 Amended Executive Budget will not be known until the completion of the 2017 General Assembly session in February. The General Assembly convened on January 11, 2017, and has begun the process of considering the Governor's budget proposals. Updates will be provided throughout the session as additional information is known.

Action:

None. Information item only.

**Governor's Executive Budget Proposal
2016-18 Biennium, Ammended
Radford University Summary
December 16, 2016**

	2016-17			2017-18		
	General Fund	Nongeneral Fund	Total	General Fund	Nongeneral Fund	Total
Operating Budget						
University Division						
Educational and General (E&G)						
Reduced State Support	\$0	\$0	\$0	(\$2,525,221)	\$0	(\$2,525,221)
Recovery of VRS Payments	(517,096)	0	(517,096)	(344,731)	0	(344,731)
Central Appropriation Adjustments	(91,062)	0	(91,062)	(213,304)	0	(213,304)
State Employee 1.5% Bonus	0	0	0	595,052	0	595,052
Subtotal E&G	(608,158)	0	(608,158)	(2,488,204)	0	(2,488,204)
Student Financial Aid (SFA)						
Restore Undergraduate SFA	\$0	\$0	\$0	\$1,685,086	\$0	\$1,685,086
Subtotal SFA	0	0	0	1,685,086	0	1,685,086
Subtotal University Division	(\$608,158)	\$0	(\$608,158)	(\$803,118)	\$0	(\$803,118)

**Preliminary Summary of
Major Items in the Governor's Introduced Budget Amendments
for Higher Education in 2016-18 Biennium**

Item	Amended 2016-18 Budget for Operations
<i>(A) Base Operation and Student Financial Aid (General Fund Only)</i>	
Budget Reductions	<ul style="list-style-type: none"> ▪ 5% general fund reductions in E&G programs for public institutions, VIMS and VT-extension for a total of \$76.1 million in FY2018. ▪ NSU and VSU were exempt from the cut. ▪ EVMS and other higher education centers and institutes' were cut by 5% in FY2017 and FY2018. ▪ SCHEV budget was cut by 5% in FY2017 and 7.5% in FY2018 except for VIVA which was cut by 5% in each year.
VRS General Fund Recovery	Reduce Institutions' general fund appropriations in E&G by \$24.2 million in FY2017 and \$16.1 million in FY2018 to recover the general fund equivalent of the nongeneral fund portion of the prepayment made to the Virginia Retirement System (VRS) to reduce VRS rates per employee.
Undergraduate Need-Based Financial Aid	Allocate \$24.1 million held in SCHEV budget to institutions in FY2018. Allocation is equal to the amount appropriated in FY2017.
Employee Compensation	1.5% bonus for full-time state employees, effective December 2017. \$6.1 million GF/ \$9.6 million NGF for classified staff and faculty at institutions.
Health Insurance and VRS rates	No change to health insurance premiums or VRS rates.
Higher Education Research Initiatives	Reduce the Virginia Research Investment Fund (VRIF) by \$4 million GF in FY2017 and \$6 million GF in FY2018.
Interest Earnings and Credit Card Rebates	Eliminate GF \$4 million and NGF \$1 million related to Level III Institutions each year.
INOVA Global Genomics and Bioinformatics Research Institute	Reduce \$4 million GF in FY2017.
SCHEV Budget	<ul style="list-style-type: none"> ▪ \$1 million GF in FY2017 for New Economy Workforce Credential Grant Program. ▪ \$699,667 GF in FY2018 for Two-Year Transfer Grant.
Central Budget Items Impacting Higher Education	<p>The following items are proposed for general fund adjustments with no specific allocation:</p> <ul style="list-style-type: none"> ▪ Savings in workers compensation premiums (Item 475, paragraph V) ▪ Additional funding for technology service (Item 476, paragraph G) ▪ Savings in the changes related to the Cardinal system (Item 476, paragraph L) ▪ Personnel Management Information System (PMIS) – executive

Attachment B - **Governor's Amended 2016-18 Biennial Budget Proposal**

	branch agencies will be charged to support PMIS system (internal service fund) (Item 476, paragraph O)
(B)Language	
Two Year College Transfer Grant	Language added to the budget to provide flexibility to use any remaining unspent funds within all two-year transfer grant programs. (Item 144, paragraph G.4.c)
VCCS procurement	Updates language to allow the Commonwealth to delegate authority to VCCS system office which can then delegate authority to its shared services center and other community colleges. (Section 4-9.02, paragraph d.)
Flexibility in reductions	Adds language to give flexibility to selected institutions in spreading reductions.
Item	Amended 2016-18 Budget for Capital Outlay
Equipment funding	Provides funding in central accounts to be disbursed to agencies and institutions of higher education for equipment purchases related to previously authorized capital projects (\$17.3 million for higher education institutions)
General Fund Supplants	Supplants general fund capital with VCBA bond proceeds for higher education institutions (\$94.7 million)
Supplemental VCBA for cost overruns	<ul style="list-style-type: none"> ▪ Virginia State University – Erosion and Sediment Control Master Plan/Retention Pond (\$2.4 million) ▪ Virginia Tech – Renew/Renovate Academic Buildings (\$4.4 million)

Comparison of SCHEV and Governor's Budget Amendments for FY2018
(In Millions)

Item	SCHEV	Governor
Base Adequacy/Cost of Education ¹	\$4.4	(\$77.0)
Faculty Salaries ²	\$21.6	\$6.1
Operation and Maintenance of New Facilities	\$8.1	\$0.0
Undergraduate Financial Aid ³	\$8.9	\$0.0
Transfer Grant	\$2.8	\$0.7
Subtotal for Operating Budget	\$34.1	(\$70.9)
Subtotal for Financial Aid	\$11.7	\$0.7
Total	\$45.8	(\$70.2)
Higher Education Equipment Trust Fund Allocation	\$8.9	\$0.0

Notes:

- (1) Institutions received 5% general fund reduction in E&G programs in Governor's budget amendments.
- (2) 1.5% bonus effective December 2017 in Governor's budget amendments. The amount includes funding for classified staff and faculty.
- (3) Governor's budget allocates the funding held in SCHEV budget to institutions. Allocation is equal to the amount appropriations in FY2017.

Attachment B - Governor's Amended 2016-18 Biennial Budget Proposal

Governor's Introduced Budget Amendments in 2016-18 Biennium

Inst.	FY2017 General Fund				FY2018 General Fund				
	October Savings Plan ¹	VRS GF Recovery	Other E&G Adjustments	Total GF Change	E&G GF Reduction ^{2,3}	VRS GF Recovery	Other E&G Adjustments	Financial Aid ⁴	Total GF Change
CNU		(390,307)		(390,307)	(1,423,060)	(260,205)		186,591	(1,496,674)
CWM		(1,020,946)		(1,020,946)	(2,183,886)	(680,630)		131,919	(2,732,597)
GMU		(1,935,422)		(1,935,422)	(6,937,504)	(1,290,281)		3,064,841	(5,162,944)
JMU		(1,551,829)		(1,551,829)	(4,152,407)	(1,034,553)		301,326	(4,885,634)
LU		(326,500)		(326,500)	(1,380,536)	(217,667)		366,214	(1,231,989)
NSU		(486,295)		(486,295)		(324,197)		2,950,444	2,626,247
ODU		(1,002,931)		(1,002,931)	(6,243,124)	(668,621)		4,340,632	(2,571,113)
RU		(517,096)		(517,096)	(2,525,221)	(344,731)		1,685,086	(1,184,866)
UMW		(314,079)		(314,079)	(1,378,890)	(209,386)		234,822	(1,353,454)
UVA		(5,048,921)		(5,048,921)	(7,036,035)	(3,365,948)		232,735	(10,169,248)
UVAW		(117,388)		(117,388)	(776,390)	(78,259)		365,638	(489,011)
VCU		(3,210,947)		(3,210,947)	(9,603,574)	(2,140,631)		4,417,541	(7,326,664)
VMI		(288,536)		(288,536)	(709,189)	(192,357)		45,312	(856,234)
VSU		(477,961)		(477,961)		(318,641)		1,199,616	880,975
VT		(4,110,195)		(4,110,195)	(8,588,385)	(2,740,130)		590,288	(10,738,227)
RBC		(42,715)		(42,715)	(328,532)	(28,476)		57,911	(299,097)
VCCS		(3,377,834)		(3,377,834)	(19,716,711)	(2,251,889)		3,927,747	(18,040,853)
All Inst.		(24,219,902)		(24,219,902)	(72,983,444)	(16,146,602)		24,098,663	(65,031,383)
VIMS					(1,039,390)				(1,039,390)
VT-ext					(2,040,693)				(2,040,693)
SURA	(67,128)			(67,128)	(67,128)				(67,128)
SWHEC			(108,058)	(108,058)					0
RHEC	(73,300)			(73,300)	(73,301)				(73,301)
IALR	(321,862)			(321,862)	(321,856)				(321,856)
SVHEC	(143,544)		(160,582)	(304,126)					0
NCI	(86,409)		(102,412)	(188,821)			(102,412)		(102,412)
EVMS				0	(939,583)				(939,583)
HERI			(4,000,000)	(4,000,000)			(6,000,000)		(6,000,000)
SCHEV									
Wkfrce Dev			1,000,000	1,000,000					
Inst Fin Aid							(24,098,663)		
Trsfr Grant							699,667		699,667
Positions	(623,206)				(303,722)				(303,722)
Excel Fund					(50,000)				(50,000)
VWL					(23,092)				(23,092)
VVA					(412,701)				(412,701)
Internship					(40,000)				(40,000)
VLDS					(26,813)				(26,813)
Sub-total	(623,206)		1,000,000	1,000,000	(856,328)		(23,398,996)		(156,661)
Total	(1,315,449)	(24,219,902)	(3,371,052)	(28,283,197)	(78,321,723)	(16,146,602)	(29,501,408)	24,098,663	(75,772,407)

Notes:

- (1) 5% budget reduction
- (2) E&G GF cut by 5%. NSU and VSU are exempt.
- (3) SCHEV items were cut by 7.5% except VVA at 5% in FY2018.
- (4) Allocate the funding held in SCHEV budget. Allocation is equal to the amount appropriated in FY2017.

**Higher Education Equipment Funding for Previously Authorized Capital Projects
(VCBA)**

Inst	Project Title	Amount
VT	Renovate/Renew Academic Buildings	\$3,174,000
VSU	Renovate Lockett Hall	\$1,500,000
LU	Construct Admission Office	\$1,002,000
VT-ext	Improve Kendland Facilities	\$745,000
VCCS	Replace Anderson Hall, Virginia Western	\$3,575,000
VCCS	Replace Academic and Administration Building, Eastern Shore	\$1,800,000
VCCS	Renovate Engineering and Industrial Technology Building, Danville	\$1,000,000
VCCS	Construct Student Service and Learning Resources Center, Christina Campus, SVCC	\$1,350,000
VCCS	Renovate Bird Hall and Renovate/Expand Nichols Center, Chester Campus, JTCC	\$2,800,000
VIMS	Construct Facilities Management Building	\$386,000
Total		\$17,332,000

Higher Education Capital Supplants

Inst	Code	Project Title	FY2016
VT	18065	Renovate or Renew Academic Buildings	\$24,959,494
LU	18016	Additional Biomass Boiler	\$5,449,095
JMU	18173	Acquire East Campus Chiller Plant	\$2,800,000
JMU	18085	Renovate/Addition Madison Hall	\$15,741,438
RU	18067	Renovate Whitt Hall	\$7,397,093
VT-ext	17830	Improve Kentland Facilities, Phase I	\$7,936,259
VCU	18071	Renovate Raleigh Building	\$7,010,583
VCU	18070	Renovate Sanger Hall, Phase II	\$17,214,620
VCCS	18077	Renovate Engineering and Industrial Technology Building, Danville	\$6,221,993
Total			\$94,730,575

**Radford University Board of Visitors
Business Affairs & Audit Committee
February 16, 2017**

**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, 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 2016 unaudited annual financial statements, the University’s debt obligations including affiliated foundations total

\$49,742,660 which is mainly attributable to the Student Recreation and Wellness Center and Renovations of four Residence Halls projects.

Schedule A				
RADFORD UNIVERSITY				
DEBT MANAGEMENT POLICY RATIO				
The calculation reflects June 30, 2016 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, 2017 plus new debt issuances expected payments for fiscal year 2017.				
Board Approved Ratios	Range	Formula	Unaudited Financial Statements as of 6/30/2016	
<u>Debt Burden Ratio</u> Max Annual Debt Service as % of Operating Expenses	< 7%	<u>Annual Debt Service*</u> Total Operating Expenses*	\$4,084,899	1.81%
			\$225,562,006	

* 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, 2016 (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, 2016, is summarized as follows:

<u>Notes Payable - Pooled Bonds:</u>	<u>Interest Rates</u>	<u>Final Maturity</u>
Student Fitness Center		
Series 2009B, \$3.720 million par amount	2.00% - 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

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, 2016, is summarized as follows:

<u>Bonds Payable - 9c:</u>	<u>Interest Rates</u>	<u>Final Maturity</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

Installment Purchase Obligations

The University has future obligations under an installment purchase agreement initiated in January 2009. The capitalized value of the asset purchased under this installment purchase agreement is \$114,460 and the repayment term is 10 years at an interest rate of 2.087 percent.

A summary of changes in long-term debt for the year ending June 30, 2016, is presented as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion	Noncurrent Portion
Long-term debt:						
Notes payable - pooled bonds	\$23,962,841	\$ -	\$970,156	\$22,992,685	\$895,000	\$22,097,685
Bonds payable - 9c	26,605,375	-	935,495	25,669,880	870,000	24,799,880
Installment purchase obligations	48,737	-	11,807	36,930	12,055	24,875
Total long-term debt	\$50,616,953	\$ -	\$1,917,458	\$48,699,495	\$1,777,055	\$46,922,440

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

<u>Fiscal Year Ending</u>	<u>Notes Payable Pooled Bonds</u>	<u>Bonds Payable - 9c</u>	<u>Installment Purchase</u>
June 30, 2017	\$895,000	\$870,000	\$12,055
June 30, 2018	935,000	905,000	12,308
June 30, 2019	980,000	950,000	12,567
June 30, 2020	1,030,000	1,000,000	-
June 30, 2021	1,080,000	1,045,000	-
2022 – 2026	6,200,000	6,060,000	-
2027 – 2031	7,250,000	7,345,000	-
2032 – 2035	2,820,000	5,300,000	-
Unamortized Premium	1,802,685	2,194,880	-
Total	\$22,992,685	\$25,669,880	\$36,930

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

Fiscal Year Ending	Notes Payable Pooled Bonds	Bonds Payable - 9c	Installment Purchase
June 30, 2017	\$847,931	\$934,700	\$708
June 30, 2018	802,181	894,100	455
June 30, 2019	756,256	848,850	197
June 30, 2020	710,956	801,350	-
June 30, 2021	663,256	751,350	-
2022 – 2026	2,501,953	2,946,100	-
2027 – 2031	1,151,750	1,662,863	-
2032 – 2035	112,425	395,450	-
Total	<u>\$7,546,708</u>	<u>\$9,234,763</u>	<u>\$1,360</u>

NOTE 19F: Component Unit Financial Information

The following is a summary of the outstanding notes payable at June 30, 2016:

Note payable in monthly installments of \$10,439 through May 2020 with interest payable at LIBOR plus 1.48 percent (1.94 percent at June 30, 2016), outstanding principal due upon maturity, unsecured	\$480,658
Note payable in monthly installments of \$17,532 through July 2018, with interest payable at 2.01 percent, unsecured	429,576
Note payable in monthly installments of \$2,601 through November 2020, with interest payable at 1.54 percent. Secured by deposit accounts maintained by and investment property held with the institution.	<u>132,931</u>
	1,043,165
Less current portion of long-term debt	<u>(282,528)</u>
	<u>760,637</u>

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

2017	\$282,528
2018	288,165
2019	100,282
2020	359,415
2021	<u>12,775</u>
Total long-term debt	<u>\$1,043,165</u>

NOTE 20: Subsequent Events

In July 2016, the Virginia College Building Authority (VCBA) issued Educational Facilities Revenue Refunding Bonds Series 2016A. The University was a borrower in bond Series 2009B for financing the construction of the Student Fitness Center. The Series 2009B bonds were included in the Series 2016A refunding.

In November 2016, the Commonwealth of Virginia issued 9(c) General Obligation Bonds, Series 2016A, on behalf of the University for the continued renovation of residence halls. The University's portion of the bond proceeds was \$7.160 million par amount with interest rates ranging from 3.0 percent to 5.0 percent during the term of the bond, which matures June 2036.

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.

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RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
MAY 2017
DRAFT

Audit: IT - Account Management – Active Directory				
	Business Issue	Planned Action	Action Date	Status
4.2b	As required by the RU IT Security Standard, it appears that system administrators have both an administrative account and at least one regular user account. However, because of the current set-up of the global groups, it appears that administrators do not have to use their administrator accounts to perform administrative tasks. Specifically, we found that five out of eight administrative global groups tested contained regular user accounts. Therefore, those regular accounts had administrative privileges. Furthermore, out of those five groups, four of them contained both an administrative account and a regular account for the same user.	As the list of global groups is extensive, DoIT will approach this issue in two phases. Phase II – As part of the Identity and Access Management project, DoIT will conduct a more extensive review and cleanup of all global groups in non-sensitive systems.	August 1, 2014 Revised to December 1, 2014 Revised to July 1, 2015 Revised to December 1, 2015 Revised to June 30, 2016 Revised to March 31, 2017	Follow-up review is in process

Audit: IT – Micros				
	Business Issue	Planned Action	Action Date	Status
6.0	During our review of ID card access to data centers, we noted that there is a lack of a formal policy and procedure to govern the process and to guide those granting access to buildings. The lack of a formal policy and procedure results in inconsistency in approving and granting access.	The Division of Finance and Administration will establish a formal University Door Access policy, to address access via ID card and via key.	June 15, 2016 Revised to January 31, 2017 Revised to June 30, 2017	In Process

RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
MAY 2017
DRAFT

Audit: PeopleAdmin				
Business Issue		Planned Action	Action Date	Status
1.1.A	<p>Improvements are needed in the contract between the University and PeopleAdmin. Specifically, during the audit, we were unable to perform certain audit procedures due to the lack of the following:</p> <p>A) An independent auditor’s report on controls at PeopleAdmin relevant to security, availability and confidentiality. Therefore, we could not perform audit procedures related to certain information technology controls at the third-party cloud infrastructure utilized by PeopleAdmin for hosting the system.</p>	HR will ensure that an independent report on controls at PeopleAdmin and/or any sub-service providers is obtained. (e.g. Service Organization Controls (SOC2) type II audit report).	July 1, 2017	Complete
1.1.A.i	<p>Improvements are needed in the contract between the University and PeopleAdmin. Specifically, during the audit, we were unable to perform certain audit procedures due to the lack of the following:</p> <p>A) An independent auditor’s report on controls at PeopleAdmin relevant to security, availability and confidentiality. Therefore, we could not perform audit procedures related to certain information technology controls at the third-party cloud infrastructure utilized by PeopleAdmin for hosting the system.</p>	<p>To ensure that the University is able to obtain such reports, the contract with PeopleAdmin will be modified to require PeopleAdmin to provide such reports upon request.</p> <p><u>Revised Action Plan:</u> The University converted to the VITA contract with PeopleAdmin.</p>	March 31, 2017	Complete
1.1.B	<p>Improvements are needed in the contract between the University and PeopleAdmin. Specifically, during the audit, we were unable to perform certain audit procedures due to the lack of the following:</p> <p>A "right to audit" clause in the contract. Therefore, we were unable to require PeopleAdmin to provide certain</p>	To enable the University’s management and auditors to have access to needed information, the contract with PeopleAdmin will be modified to include a "right-to-audit" clause.	March 31, 2017	Complete

RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
MAY 2017
DRAFT

Audit: PeopleAdmin				
	Business Issue	Planned Action	Action Date	Status
	information (including the independent auditor’s report noted above) that was needed to perform the audit procedures.	<u>Revised Action Plan:</u> The University converted to the VITA contract with PeopleAdmin which has a “right-to-audit” clause.		
1.2	<p>Improvements are needed in the contract between the University and PeopleAdmin. Specifically,</p> <p>2) Our review of the contract indicated that certain applicable provisions associated with industry best practices such as COBIT 5 Framework for Controls and Assurance in the Cloud (COBIT) and Cloud Security Alliance’s Cloud Controls Matrix (CCM) were not documented in the contract. Specific provisions that are not present in the contract were communicated to management.</p> <p>The Standard and IT industry best practices specify the minimum standards that a service provider must meet to ensure that it is handling sensitive data in a secure manner. When these are not incorporated into a contract and required to be implemented by service providers and/or any sub-service organizations, the University’s information security posture could be weakened and its data placed at risk of unauthorized disclosure.</p>	<p>HR, in conjunction with Procurement and Contracts, will perform an evaluation comparing the services, pricing, etc. of the University’s PeopleAdmin contract with the Virginia Information Technologies Agency (VITA)’s PeopleAdmin contract. Based on the evaluation, if it is determined to remain with the current PeopleAdmin contract, contract modifications will be made to incorporate IT best practices related to application service providers.</p> <p><u>Revised Action Plan:</u> The University converted to the VITA contract with PeopleAdmin.</p>	March 31, 2017	Complete
6.0	The PeopleAdmin system is classified as sensitive relative to availability. This means that PeopleAdmin is a system that is required to recover an essential or a dependent business function of the University.	DoIT, which maintains these timeframes, will review and update the RTO and RPO after consultation with HR and the vendor.	March 31, 2017	Follow-up review is in process

RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
MAY 2017
DRAFT

Audit: PeopleAdmin				
	Business Issue	Planned Action	Action Date	Status
	<p>For each system classified as sensitive relative to availability, the Standard requires that the Recovery Time Objective (RTO) and the Recovery Point Objective (RPO) be determined and documented.</p> <p>The RTO and the RPO are currently documented to be 30 days and 48 hours, respectively. However, these appear to be longer timeframes than what would be consistent with the 'availability' criteria designated for the system. When the documented RTO and RPO indicate longer timeframes than the availability criteria for a system, loss of system functionality could impact business functions that the system is intended to support.</p>			

Audit: Student Health and Counseling Services Contract Audit				
	Business Issue	Planned Action	Action Date	Status
1.2	<p>The contract states that the Contractor shall ensure "that 95 percent of all entering students" have submitted a health record form with immunization history.</p> <p>b) It appears that the University was not monitoring compliance with this requirement prior to our audit. Upon our inquiry, the University obtained the data from the Contractor.</p>	<p>The University will ensure that the Contractor identifies all currently enrolled students who have not complied with the requirement, gives them appropriate notice, and then blocks class registration as needed.</p> <p>The University will monitor compliance with the requirement at least semi-annually.</p>	<p>April 4, 2017 Revised to July 1, 2017</p>	In Process

RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
MAY 2017
DRAFT

Audit: Auditor of Public Accounts – FY 2015				
	Business Issue	Planned Action	Action Date	Status
3.0	<p>The University delayed up to five days before identifying two out of 14 (14 percent) students tested who unofficially withdrew from courses during the Fall 2014 semester. This was a result of a position vacancy. The Financial Aid Office did not routinely review for unofficial withdrawals for the Summer semester.</p> <p>Code of Federal Regulations, 34 CFR §668.22 states when a recipient of Title IV grant or loan assistance withdraws from an institution during a period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date and return the money within a reasonable timeframe. All calculations of Title IV funds are required to be completed within 30 days of semester end, and funds are required to be returned within 45 days after the date that the institution determines the student has withdrawn.</p> <p>Improperly identifying, calculating, and not returning unearned Title IV funds timely to the U.S. Department of Education may result in adverse actions and impact the Institution's participation in Title IV programs. The University should improve current processes to enable timely identification of withdrawals and, if necessary, prompt return of Title IV funds to the U.S. Department of Education within the prescribed 45-day timeframe.</p>	<p>The University strives to comply with the federal requirement that all determinations as to whether a student will be considered an unofficial withdrawal must be made within 30 days of the last day of the enrollment period. Although that deadline was missed for two students during the Fall 2014 semester due to a position vacancy, the calculation and return of funds for those students were made timely and in compliance with federal regulations.</p> <p>The Financial Aid Office has improved processes and procedures to ensure that reviews are done for unofficial withdrawals for Summer terms. The procedures, which include details that are term-specific, outline the process that will be conducted, the timeline in which it will be performed, and the responsible parties (to include backups).</p>	<p>September 30, 2016 Revised to March 31, 2017 Revised to June 30, 2017</p>	<p>In Process</p>

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**RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
May 5, 2017**

**Information Item
Capital Projects Update**

Item: Facilities Planning and Construction update on capital projects.

Background: Currently, the University has **four active capital projects** in progress. Following is an update and project summary for each:

1. New Academic Building – College of Humanities & Behavioral Sciences

Project Budget-----	\$48,429,305 State Pooled Bond
Architect/Engineer Firm-----	Moseley Architects Virginia Beach, VA
Construction Manager-----	S.B. Ballard Virginia Beach, VA

The new College of Humanities & Behavioral Sciences academic building, which broke ground in August 2014, opened to classes for Fall semester 2016. This facility provides academic space consisting of classrooms, offices, laboratories, and student/faculty collaborative areas. Among the departments of the college accommodated in the new building are: Communications, Criminal Justice, Psychology, Sociology, Political Science, English, Foreign Language, History, Philosophy & Religious Studies, and the Office of the Dean. Notable features of the building include a vivarium, TV studios, an Emergency Operations Center simulation room, and a mock-trial room.

Final punch list items have been completed, and all spaces are operational and in use. Close out documentation, warranties, and the LEED compilation remains to complete and close the project.

2. Renovate Residence Halls Umbrella Project

Project Budget-----	\$36,000,000 9c Bond
Architect/Engineer Firm (Phase 1) -----	VMDO

Charlottesville, VA

Contractor (Phase 1) -----G&H Contracting
Salem, VA

Architect/Engineer Firm (Phase 2) -----Waller, Todd, Sadler
Virginia Beach, VA

Contractor (Phase 2) -----G&H Contracting
Salem, VA

Multiple residence hall renovations will be funded through a \$36,000,000 blanket umbrella project authorization.

Phase 1 of the umbrella project included renovations of Pocahontas, Bolling, and Draper Halls and the new Moffett Quad chilled water loop, and is complete.

The three-building renovation scope provides for the replacement of plumbing piping, fixtures, fire alarm systems, electrical upgrades, accessibility improvements, asbestos abatement, and the addition of air conditioning and a fire-suppression system in each building, similar to the renovation scopes recently completed for Madison, Jefferson, Moffett, and Washington Halls.

A construction contract in the amount of \$16,667,000 was awarded to G&H Contracting for the renovation of the three residence halls. Pocahontas Hall and Bolling Hall achieved occupancy for students for Fall 2015 semester, and Draper Hall achieved occupancy for students for Fall 2016 semester.

The chilled water loop that serves the five Moffett Quad resident halls and Peters Hall is also complete and functioning. The cooling tower at Moffett Hall will provide all of the winter cooling needs for these facilities without the use of energy-consuming mechanical cooling.

Phase 2 of the residence hall renovations project includes the upgrade of life safety systems for Muse Hall. The remaining balance on the umbrella capital project will be used to address the most critical infrastructure needs of Muse Hall, including a new fire alarm system, new lightning protection system, replacement or refurbishment of all seven elevators, and upgrades to exit stairways.

The project was broken into an early demolition and electrical service package, which was awarded to G&H Contracting in May 2016 and completed in August 2016, and a complete project construction package, awarded also to G&H in September. The total of both awards is \$6,661,109.

Selective demolition is complete, and work is ongoing for the various systems renovations. Fire alarm and elevator submittal packages have been prepared and are being reviewed by both the AE and BCOM. Installation activities will occur throughout the spring for fire alarm components and connections, along with replacement of two high-rise elevators. Significant work will occur during the summer when the entire building will be vacated. The project is scheduled for completion in time for August 2017 move-in.

3. Whitt Hall Renovation

Project Budget-----\$8,281,756
State Pooled Bond

Architect/Engineer Firm-----Clark-Nexsen
Roanoke/Norfolk, VA

Contractor -----G&H Contracting
Salem, VA

The renovation project for Whitt Hall will provide for complete interior renovation, including new mechanical, electrical, and plumbing systems and equipment. The windows, which are in poor thermal condition, will be replaced with multi-life sashes, returning the building to its original character. The University undertook an intensive building envelope study to evaluate any hidden façade and infiltration issues. The study identified areas needing intensive repair/replacement, and these items have been incorporated into the project scope.

Occupants for the building will include the Department of Mathematics and Statistics, the Vice-Provost for Academics and associated groups, New Student Programs, Retention, and conference meeting space for the Faculty Senate.

The construction contract was awarded to G&H in early July, with a contract value of \$5,173,959.

Demolition activities are complete including interior finishes, building systems and equipment, and exterior windows. Exterior brick repointing is complete, slate roof replacement is complete, and replacement windows installation is complete. Interior partition rough-in is complete, including various MEP and IT utilities. Final interior finish work is well underway, including walls, ceilings, floors, and all building systems. Interior design is complete for the furniture package, including coordination with the occupants, and furnishings have been ordered for late spring installation.

Construction is scheduled for completion in June 2017, with occupant move-in occurring throughout the summer.

4. Reed-Curie Renovation

Project Budget (Detailed Planning only)----- \$1,872,000

Architect/Engineer Firm----- Cannon Design

Construction Manager----- Branch and Associates

The Reed-Curie renovation project was approved in the spring 2016 state bond package, as described in the RU six-year capital plan submission to the state. The project will completely renovate the existing science buildings to complement the recent addition of the Center for the Sciences, ultimately providing an overall state-of-the-art facility for all of RU’s science departments.

Occupants in the renovated building will include the Departments of Physics, Geology, Geospatial Sciences, and the Office of the Dean. The Cyber Security Center will also be housed in the renovated building, along with support spaces for the Chemistry and Biology Departments. The Green House will also remain adjacent to the renovated building.

Initial pre-programming studies were performed to confirm overall program and needs, along with utility location studies in the area of the buildings and hazardous materials investigations. The Environmental Impact Report has been approved by DEQ.

The state approved funding for detailed planning for the project, and the AE has completed initial field work and programming meetings with the occupants. The Schematic Design package was submitted to BCOM in late February and to the AARB in late March. The AE is continuing with Preliminary Design, including final space programming and the incorporation of comments from both BCOM and the AARB. Design completion is scheduled for fall 2017.

CM-at-Risk construction delivery method approval was obtained from BCOM, and the CM contract was awarded to Branch and Associates in March. Kickoff meetings have been held with the AE and the CM, and both the cost model and schedule are under final development. Construction is currently scheduled to start in late summer 2017, with completion in December 2019 for classes in January 2020.

Additional Projects: Currently, the University is also engaged in a project that has been appropriated to the Roanoke Higher Education Authority.

1. Nursing Simulation Center Expansion at RHEC

Project Budget-----\$1,975,000

Architect/Engineer Firm-----SFCS
Roanoke, VA

Contractor -----TBD

The existing Nursing Clinical Simulation Center (CSC) operated by Radford University at the Roanoke Higher Education Center (RHEC) will be expanded by this project. Capacity will be expanded by increasing hospital and examination simulation rooms from six to twelve, adding student debriefing and video review spaces, adding separate space for standardized patients, adding a computer classroom, and reconfiguring administrative space for overall effectiveness. The expansion will allow the student population served to increase by more than 50 percent.

SFCS was awarded the design contract in early 2017. The AE has completed initial field work and schematic design, including meetings with the CSC occupants. The Preliminary Design package was submitted to BCOM in February, and final project funding was approved in March.

Design is scheduled to be completed in May, with construction targeted for summer 2017 with completion for classes in Fall Semester 2017.

Action: None; informational only.

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2017-18 Tuition & Fee Recommendations



2017-18 Proposed Resource Allocation - Revenue

	2017-18 Assumptions
REVENUE	
General Fund Changes	
2017-18 General Fund Reductions	(1,334,488)
2017-18 Interest Earnings/CC Rebates	(180,000)
2016-17 Reverse 3% Salary Increase	(839,612)
2017-18 Salary Actions	1,267,393
2017-18 Fringe Rate Changes	579,400
2017-18 Access & Completion Funding	680,135
Total General Fund Changes	172,828
Nongeneral Fund Changes	
Tuition & Fees	1,968,252
Other Sales & Service	(145,230)
VRS Recoveries	(344,731)
Unfunded Scholarships	(472,000)
Total Nongeneral Fund Changes	1,006,291
Total Revenue Changes	\$1,179,119

This year's legislative session was largely focused on filling the revenue shortfall in the current 2016-18 biennium. As a result, higher education was required to shoulder a share of the financial burden.

Giving full consideration to legislative actions, economic outlook, and enrollment related factors for the upcoming 2017-18 fiscal year, a tuition increase has been proposed for both in-state and out-of-state students.

2017-18 Proposed Resource Allocation - Expense

	2017-18 Assumptions
EXPENSES	
Non-Discretionary Cost Increases	
Mandatory Costs	
Salary Adjustments	
2016-17 3% Salary Increase Reversion	(1,355,113)
2017-18 3% Salary Increase - July 10	2,304,021
Fringe Adjustments	
2017-18 Health Insurance Rate Change	1,138,202
Central Cost Commitments	
AA Promotion & Tenure	229,000
Utility Rate Increases	610,458
Employee Tuition Waivers	150,000
Contracts & Compliance	208,556
Biennial Fringe Rate Alignment	318,427
Recovery Rate & One-Time Operating	75,279
Sub-Total Central Commitments	3,678,830
Division Recurring Requirements	
Programmatic Initiatives	323,243
Strategic Plan Initiatives	214,266
Sub-Total Division Requirements	537,509
Total Non-Discretionary Cost Increases	\$4,216,339
SURPLUS/(DEFICIT)	(\$3,037,220)



It is estimated that the total cost for the state mandated salary increases and fringe benefit rate adjustments will total \$3,442,223; the University will need to provide \$1,595,430 in nongeneral funds to supplement initial estimates of incremental general funds.



Allocation of programmatic resources has been deemed necessary to fund the absolute highest priorities across each division and address only the most critical needs.

2017-18 Proposed Resource Allocation - Reallocations

	2017-18 Assumptions
REALLOCATION SCENARIOS	
Division Targets	
Academic Affairs	(1,291,651)
Finance & Administration	(466,106)
Information Technology	(404,161)
Central Administration	(26,520)
Student Affairs	(39,999)
University Relations	(100,391)
University Advancement	(123,390)
Enrollment Management	(55,148)
Total Divisional Budgets	(2,507,366)
Central Resources	(529,854)
Total Savings Strategies	(\$3,037,220)
Total Base Budget	\$1,179,119
TOTAL SURPLUS/(DEFICIT)	(\$0)

The Conference Budget proposal sought to minimize the overall E&G impact to no more than 1.5 percent of total E&G funding for all institutions.

Radford University's 2017-18 share of the general fund reductions is \$1,334,488 which equated to 2.6 percent of general fund support in E&G or 1.1 percent of total E&G operations.

Additional budget reductions coupled with the mandated salary and benefit increases will all be covered at least in part from internal reallocation.

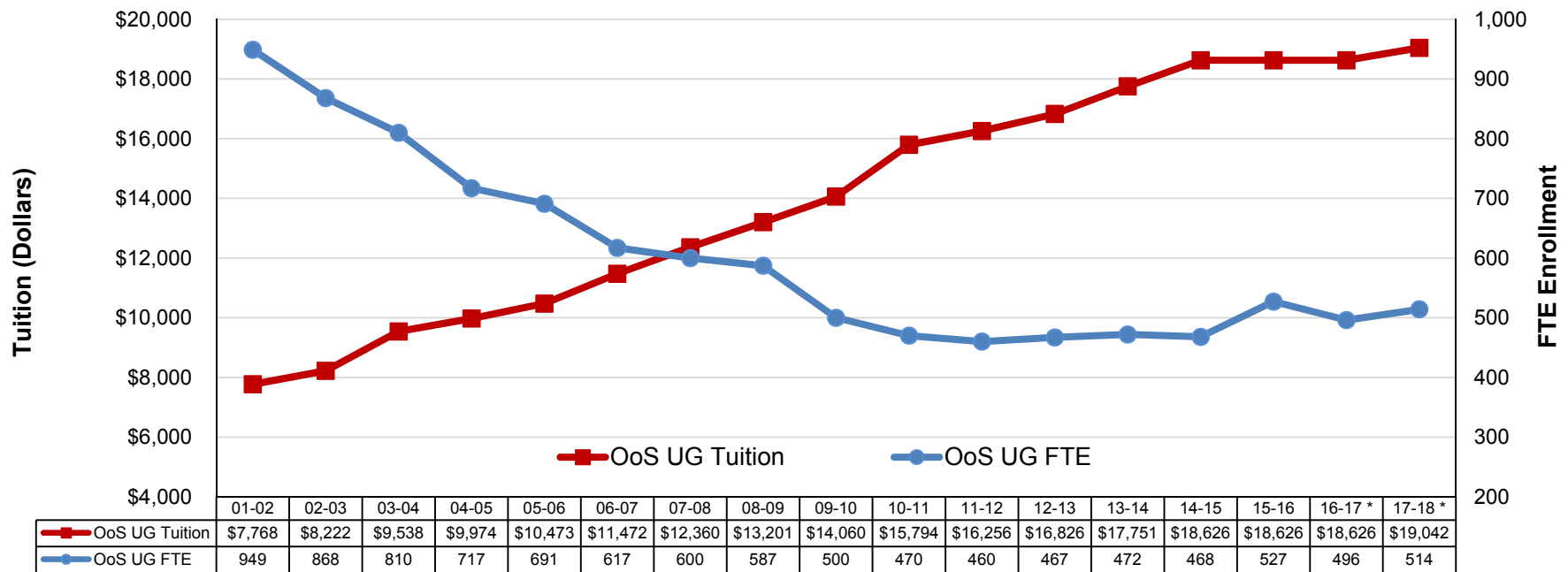
2017-18 Tuition & Fee Rate Proposals

RADFORD
UNIVERSITY

Proposed In-State Undergraduate Rates

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Undergraduate				
<u>In-state Undergraduate (full-time) -</u>				
Tuition	\$6,991	\$7,407	\$416	
Mandatory Technology Fee	54	54	0	
Mandatory Comprehensive Fee	3,036	3,166	130	
Total In-state Undergraduate	\$10,081	\$10,627	\$546	
Room - Standard Double	5,127	5,127	0	
Board - 19 Meal Plan	3,984	4,105	121	
Total In-state Undergraduate Living in University Housing	\$19,192	\$19,859	\$667	3.48%

Out-of-State Undergraduate: Tuition & Enrollment Trends 2002 - 2018 Est.



* Estimated FTE

Proposed Out-of-State Undergraduate Rates

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Undergraduate				
<u>Out-of-state Undergraduate (full-time) -</u>				
Tuition	\$18,626	\$19,042	\$416	
Mandatory Capital Fee	446	447	1	
Mandatory Technology Fee	54	54	0	
Mandatory Comprehensive Fee	3,036	3,166	130	
Total Out-of-state Undergraduate	\$22,162	\$22,709	\$547	
Room - Standard Double	5,127	5,127	0	
Board - 19 Meal Plan	3,984	4,105	121	
Total Out-of-state Undergraduate Living in University Housing	\$31,273	\$31,941	\$668	2.14%

Proposed Traditional Graduate Program Rates

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Graduate				
<u>In-state Graduate (full-time) -</u>				
Tuition	\$7,868	\$8,336	\$468	
Mandatory Technology Fee	54	54	0	
Mandatory Comprehensive Fee	3,036	3,166	130	
Total In-state Graduate	\$10,958	\$11,556	\$598	5.46%
<u>Out-of-State Graduate (full-time) -</u>				
Tuition	\$16,394	\$16,862	\$468	
Mandatory Capital Fee	446	447	1	
Mandatory Technology Fee	54	54	0	
Mandatory Comprehensive Fee	3,036	3,166	130	
Total Out-of-state Graduate	\$19,930	\$20,529	\$599	3.01%

NEW - Competency Based Certificate

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Competency Based Certificate Program (per year)</u>				
Tuition	\$0	\$6,000	\$6,000	--
Mandatory Capital Fee	0	0	0	--
Mandatory Technology Fee	0	0	0	--
Total Competency Certificate	\$0	\$6,000	\$6,000	--

- Pilot program to be implemented in Fall 2017
- Certificates offered in Cybersecurity and Geospatial Intelligence
- Tuition will be assessed on a six-month basis (\$3,000 per six months)

2016-17 VA Institutions Tuition & Fee Charges: Tuition & Fees - Four Year Publics

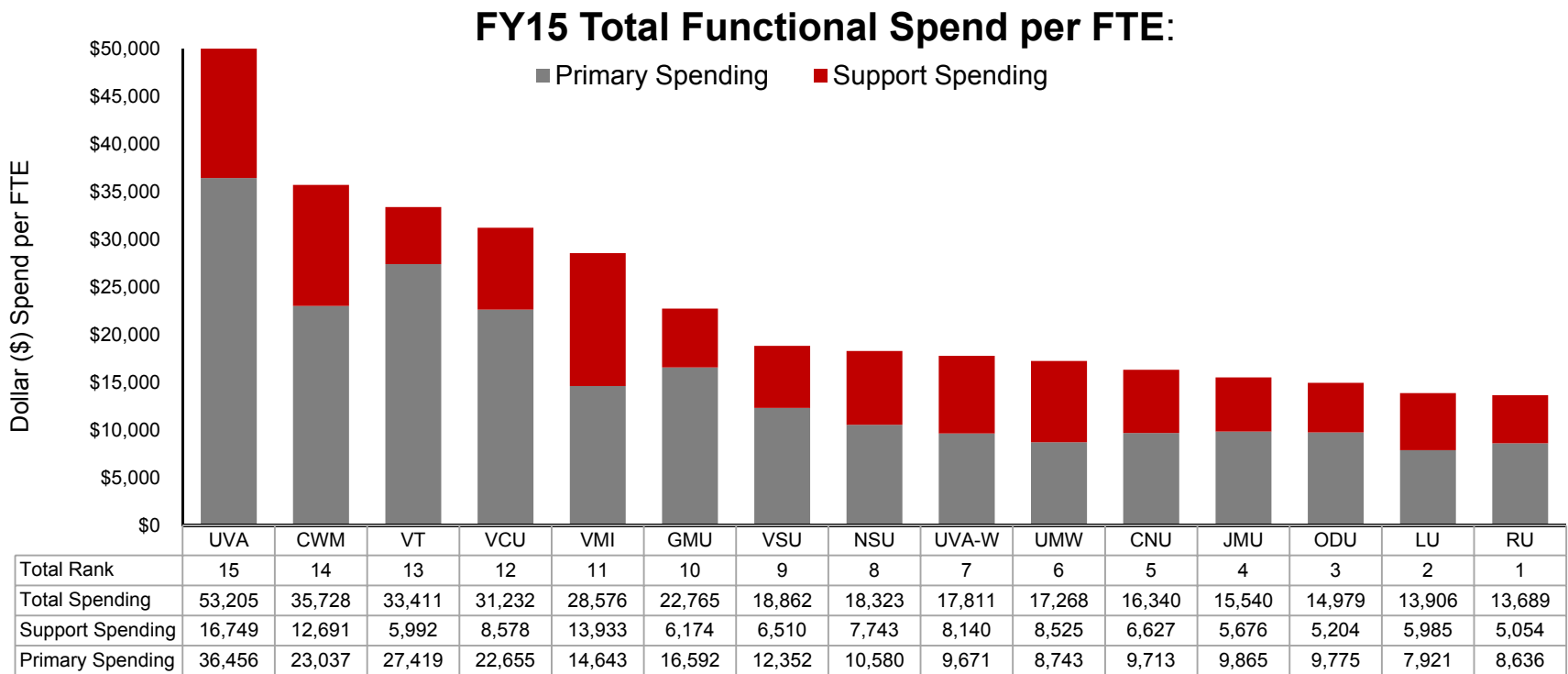
Total Tuition and Mandatory Fees In-State, Undergraduate Students								
Rank	Institution	FY13	FY14	FY15	FY16	FY17	\$ Change From FY16	% Change From FY16
1	College of William & Mary ¹	\$13,570	\$15,463	\$17,656	\$19,372	\$21,234	\$1,862	9.6%
2	Virginia Military Institute	\$13,835	\$14,404	\$15,518	\$16,536	\$17,492	\$956	5.8%
3	University of Virginia	\$12,006	\$12,458	\$12,998	\$14,468	\$15,714	\$1,246	8.6%
4	Virginia Commonwealth University ¹	\$9,885	\$12,002	\$12,398	\$12,772	\$13,130	\$358	2.8%
5	Christopher Newport University	\$10,572	\$11,092	\$11,646	\$12,526	\$13,054	\$528	4.2%
6	Virginia Tech	\$10,923	\$11,455	\$12,017	\$12,485	\$12,852	\$367	2.9%
7	Longwood University	\$10,890	\$11,340	\$11,580	\$11,910	\$12,240	\$330	2.8%
8	University of Mary Washington	\$9,246	\$9,660	\$10,252	\$11,070	\$11,570	\$500	4.5%
9	George Mason University	\$9,620	\$9,908	\$10,382	\$10,952	\$11,300	\$348	3.2%
10	James Madison University	\$8,808	\$9,176	\$9,662	\$10,066	\$10,390	\$324	3.2%
11	Radford University	\$8,590	\$8,976	\$9,360	\$9,809	\$10,081	\$272	2.8%
12	Old Dominion University	\$8,450	\$8,820	\$9,250	\$9,768	\$10,046	\$278	2.8%
13	University of Virginia at Wise	\$8,107	\$8,509	\$8,868	\$9,220	\$9,539	\$319	3.5%
14	Norfolk State University	\$6,760	\$7,226	\$7,552	\$8,366	\$8,738	\$372	4.4%
15	Virginia State University	\$7,420	\$7,784	\$8,002	\$8,226	\$8,472	\$246	3.0%
Average²		\$9,912	\$10,387	\$10,931	\$11,592	\$12,137	\$545	4.7%

¹ The institution adopted a new guaranteed tuition plan for incoming in-state undergraduates in 2013-14. The tuition charged in their freshman year is frozen for all four years of their undergraduate attendance.

² Weighted average as calculated by SCHEV in order to account for variable increases at CWM and VCU

VA Institutions Functional Spend per FTE:

Source: IPEDS (2014-15) - Four Year Publics



Questions?



Business Affairs and Audit Committee

RADFORD UNIVERSITY

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
May 4, 2017

Action Item
Recommendation for 2017-18 Tuition and Fees

Executive Summary:

At the spring meeting of the Board of Visitors, tuition and fee recommendations are considered for the upcoming fiscal year. Many factors are reviewed when preparing the proposed tuition and fee rates including: legislative actions by the General Assembly, enrollment projections, mandatory cost increases, the Virginia Plan for Higher Education, critical programmatic needs, institutional priorities, and the economic outlook. The proposed resolution covers undergraduate and graduate tuition rates, required fees, and room and board charges for the upcoming 2017-18 academic year.

As required, the University must first address all unavoidable cost increases for the next fiscal year prior to pursuing programmatic opportunities. This includes state employee salary increases, fringe benefit and health insurance changes, promotion and tenure compensation adjustments, safety and security, contractual escalators, technology infrastructure support, and the operating and maintenance of new facilities coming online. Therefore, the proposed tuition and fee recommendations are not only necessary to cover the aforementioned increases, but also to maintain essential levels of instructional support and student services.

This year's legislative session was largely focused on filling the revenue shortfall in the current 2016-18 biennium. Given the size of the total shortfall, higher education was required to shoulder a portion of the fiscal burden. As such, the Conference Budget included planned reductions in state support for base operations, continued recovery of VRS prepayments, and the elimination of nongeneral fund interest earnings and credit card rebates. While the fiscal impact of these reductions have a direct impact, it is evident both the Governor and General Assembly worked diligently to protect the recent investments they made in higher education to the greatest extent possible.

Even in the wake of the recent general fund shortfall, there is slight optimism in the economic outlook for future biennial planning by the Governor and General Assembly. A number of key economic indicators have shown some improvement as 2016-17 moves into its final quarter. While the University will continue to utilize a conservative economic outlook to plan for the future, the Commonwealth's funding is inevitably tied to economic performance and is monitored on an ongoing basis.

The University's total enrollment is anticipated to improve over the next four years. While the University continues to do well in recruiting, in spite of flat high school graduation rates, the landscape for in-state undergraduate students has become progressively more competitive. Projections will continue to be monitored over the summer as potential students finalize their selections, and actual enrollments will not be confirmed until the Fall 2017 semester.

Giving full consideration to the aforementioned legislative, economic, and enrollment related factors for the 2017-18 fiscal year, in total, tuition, mandatory fees, and room and board charges are proposed to increase \$667, or 3.48 percent, for full-time in-state undergraduates and \$668, or 2.14 percent, for full-time out-of-state undergraduates. This recommendation represents a conservative, sufficient, and prudent funding approach for the University in 2017-18.

Authority for Setting Tuition and Fees:

The current tuition policies identified in the 2016 Acts of Assembly, Chapter 780, Section 4-2.01.b (Higher Education Tuition and Fees) state:

2. a) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates, provided that the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this act.

b) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all nonresident student groups based on, but not limited to, competitive market rates, provided that: i) the tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students cover at least 100 percent of the average cost of their education, as calculated through base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies, and ii) the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this act.

8. a) Except as provided in Chapters 933 and 943 of the 2006 Acts of Assembly, Chapters 594 and 616 of the 2008 Acts of Assembly, and Chapters 675 and 685 of the 2009 Acts of Assembly, mandatory fees for purposes other than educational and general programs shall not be increased for Virginia undergraduates beyond five percent annually, excluding requirements for wage, salary, and fringe benefit increases, authorized by the General Assembly. Fee increases required to carry out actions that respond to mandates of federal agencies are also exempt from this provision, provided that a report on the purposes of the amount of the fee increase is submitted to the Chairmen of the House Appropriations and Senate Finance Committees by the institution of higher education at least 30 days prior to the effective date of the fee increase.

b) This restriction shall not apply in the following instances: fee increases directly related to capital projects authorized by the General Assembly; fee increases to support student health services; and other fee increases specifically authorized by the General Assembly.

Additionally, the 2016-18 Biennial Budget contains additional language in Item 185-1c related to the Board approval of tuition rates during the 2016-18 biennium. Specifically, the language states:

C. Out of this appropriation, \$1,482,976 the first year and \$2,163,111 the second year from the general fund is designated to support the goals of access, affordability, quality, and increased degrees. Given the increased investment from the general fund during this biennium, it is the expression of the General Assembly that the institution seeks to minimize tuition and fee increases for in-state undergraduate students. This language shall be in effect for the 2016-18 biennium only. The Board of Visitors shall set the tuition rates for the institution, and forward their action to the State Council of Higher Education for Virginia within three business days of such action. The Council shall analyze the Board's actions and report such analysis to the Chairmen of House Appropriations and Senate Finance Committees within three days of receipt, at which point, the Board's action shall be final. The Director of the Council shall report the final Board actions to the Chairmen by August 1, 2016 and August 1, 2017.

As an additional reference, a historical summary of tuition and fee policy trends is outlined in the State Council of Higher Education for Virginia's (SCHEV) 2016-17 Tuition and Fees at Virginia's State-Supported Colleges and Universities annual report dated July 2016.

(<http://www.schev.edu/docs/default-source/Reports-and-Studies/2016-reports/2016-17tuitionandfeereport.pdf>)

Development of Proposed Tuition and Fee Rates:

The proposed tuition and fee recommendations consider the legislative requirements outlined above, the University's Six-Year Plan, projected enrollment, the Amended 2016-18 biennial budget, mandatory cost drivers, programmatic directives, and the overall economic outlook.

The following depicts the process used to derive the 2017-18 tuition and fee recommendations and outlines the impact of each variable as it relates to the recommendation. Please refer to Schedule A for a summary of the necessary resource outlay for 2017-18.

Educational & General (E&G) Program:

Six-Year Planning Processes and 2017-18 Budget Development

The Virginia Higher Education Opportunity Act of 2011 (TJ21) was passed by the 2011 General Assembly and is based on recommendations from the Governor's Commission on Higher Education Reform, Innovation and Investment formed through Executive Order No. 9 issued in March 2010. The TJ21 legislation requires institutions of higher education to prepare and submit a "Six-Year Plan" by July 1st each year in accordance with criteria outlined by the Higher Education Advisory Committee (HEAC). This landmark legislation also codifies a funding framework for higher education and identifies specific goals such as 100,000 new undergraduate degrees by 2025, increased retention and degree completion, optimal year-round utilization of resources, and investments in STEM-H programs.

As an integral part of the six-year planning process, the University's internal annual budget development cycle provides the opportunity to reevaluate, in detail, the essential needs for the

upcoming fiscal year and outline divisional priorities for the outlying years to inform the actual six-year plan. The budget development review engages key personnel and provides a consistent mechanism to prioritize funding requests and strategically aligns the institution's long-range goals with projected resources.

The University submitted updates to the 2016-18 Six-Year Plan to SCHEV this fiscal year. The University will be required to submit the initial 2018-20 plan to SCHEV by July 1, 2017. The University's Six-Year Plan identifies the targeted objectives and strategies to achieve both state and institutional goals and provides a foundation for preparing tuition and mandatory fee recommendations for consideration by the Board of Visitors.

Enrollment Trend

In recent history, Radford University has experienced enrollment gains in total student population. Between 2009-10 and 2013-14, the University increased 1,144 full-time equivalent (FTE) students; however, since 2014-15, total enrollment has stabilized. The University has recently reorganized enrollment management operations and collaborated with an external consultant to bolster internal efforts. Enrollment for 2017-18 is conservatively projected to be aligned with 2016-17 levels. Considering Fall 2016 census data, guidance from SCHEV on enrollment trends, and demographic changes in the high school student pipeline, the 2017-18 proposed tuition and fees rates are based on a slightly more conservative enrollment target at this point. These projections are closely aligned with prior year actuals; a prudent decision given the challenges of the current recruitment landscape. Actual enrollments will not be confirmed until the Fall 2017 census.

While increases in tuition and fee revenue, whether receipted from enrollment growth or rate increases, reflect a significant portion of the resources needed to support a student's cost of education, general fund support is also needed to cover the remaining portion. In the past, as enrollments have grown specifically from in-state undergraduates, state general fund support for "new in-state seats" has not been allocated at the same proportion. This constrains the institution's ability to fully fund the needs of the institution. So while enrollment is a significant part of the discussion, so too is state general fund support.

Radford University is very reliant upon state general fund support due to the significant number of in-state undergraduate students served (94.1 percent as of Fall 2016). SCHEV's calculation identifies that the University's E&G program should be funded 60 percent from state general fund support and 40 percent through institutional nongeneral fund sources (i.e. tuition, E&G fees, etc.). However, SCHEV's most recent calculation reflects an inversion with Radford University funding 61 percent from institutional nongeneral fund sources and 39 percent from state general funds.

Mandatory Cost Increases

2017 General Assembly Session Action –

As previously mentioned, the 2017 General Assembly Session was largely focused on filling the current revenue shortfall in the 2016-18 biennium. The Governor, House of Delegates, and Senate all proposed reductions in state general fund support as a means of closing the budgetary gap.

While the Conference Budget restored approximately \$20 million of the Governor's initial proposal, higher education could not be completely shielded from reductions to mitigate the shortfall. The General Assembly sought to redistribute the reduction among institutions in order to equalize the impact on in-state students and minimize the overall E&G impact to 1.5 percent or less for all institutions. Radford University's 2017-18 share of the general fund reductions is \$1,334,488, or 1.1 percent of total E&G operations.

Other reductions required to close the budget gap that will affect the University include the loss of interest earnings and credit card rebates (\$180,000) in 2017-18. The Commonwealth is also planning to recover the cost of prepayments made to the Virginia Retirement System (VRS) in both years of the current biennium. This equates to a reduction in nongeneral fund of (\$517,096) in 2016-17 and (\$344,731) in 2017-18.

Following the 2015-16 budget shortfall the Commonwealth was required to eliminate the salary increases approved in the current 2016-17 budget. While this was an unfortunate, albeit necessary action, both the Governor and General Assembly recognized the importance of restoring at least a portion of the salary increases for state employees for the 2017-18 fiscal year. The Conference Budget eliminated the 1.5 percent bonus that the Governor initially proposed and substituted a 3 percent salary increase for all classified employees and a 2 percent increase for college faculty in July 2017. Additionally, the seven institutions of higher education who did not independently increase employee salaries in 2016-17 are also eligible to receive funding for the state's portion of an additional 1 percent increase for faculty. This will bring the University's total increase for faculty to 3 percent.

It is estimated that in 2017-18, the total cost for the state mandated salary increases will total \$2,304,021. In addition, employer contributions for health insurance benefits are slated to increase by 8.7 percent. This premium increase coupled with other mandated fringe benefit rate changes is anticipated to cost \$1,138,202. The estimated incremental general fund support to be received for both the salary increase and fringe benefit rate changes total \$1,846,793. This will assist in defraying a portion of the cost; however, the University must provide an additional \$1,595,430 to fully fund the mandated changes.

In addition, undergraduate student financial assistance was restored to 2016-17 funding levels. The Conference Budget has recommended general fund appropriation of \$1,685,086 for fiscal year 2017-18. During the previous General Assembly session funding was reallocated to SCHEV with the intention of distributing funds based on a revised financial aid allocation. The restoration of funds was important for the University and will assist in lowering the cost of higher education for students of deserving need.

The University is also slated to receive an additional \$680,135 to address Access, Affordability, and Completion and \$77,007 in graduate financial aid. This funding was previously authorized in the initial 2016-18 biennial budget and was maintained during the 2017 General Assembly session.

The following schedule reflects the anticipated funding from the 2017 General Assembly Session providing additional general fund support for the University in 2017-18:

2017 General Assembly Funding Summary:

	Proposed 2017-18 Funding
E&G - Educational & General	
2017-18 Operating Reductions	(\$1,334,488)
2017-18 Interest Earnings/CC Rebates	(180,000)
2017-18 Salary Increases (*)	1,267,393
2017-18 Fringe Rate Changes (*)	579,400
2017-18 Access, Affordability & Completion	680,135
Total E&G General Fund Recommendations	\$1,012,440
2017-18 Nongeneral Fund VRS Recoveries	(344,731)
Total Educational & General Recommendations	\$667,709
SFA - Student Financial Assistance	
2017-18 In-State Undergraduate Financial Aid	1,685,086
2017-18 In-State Graduate Financial Aid	77,007
Total SFA General Fund Recommendations	\$1,762,093

Notes:

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

Other Mandatory Costs

In addition to the state mandated items, the University must also address teaching and research faculty promotion and tenure contractual commitments, operation and maintenance of new and existing facilities, contractual escalators for technology and maintenance contracts, escalating utilities, and committed costs for previously approved projects. These initiatives, referred to as central cost commitments, combine to total \$1,591,720. For additional details, Schedule A provides a breakdown of the mandatory cost requirements.

Division Program Requirements

After an extensive review of division programmatic requirements and requests that were submitted by each Vice President, the total amount of funding needed across all operating divisions for programmatic needs in 2017-18 totals only \$323,243. While many requests were submitted to further operational priorities, unfortunately due to significant mandatory cost factors and limited incremental revenue availability, only a handful of critical items were able to be addressed. Therefore, the allocation of these resources has been deemed necessary to fund the absolute highest priorities across each division and address only the most critical of needs. In addition to the

division requirements, the University is also programming \$214,266 for future initiatives that will be identified in the upcoming Strategic Plan.

Resource Reallocation

In November 2016, Virginia public colleges and universities were notified about a potential ‘across-the-board’ reduction in state support to address the biennial budget shortfall. In order to prepare for such an action each division was requested to outline a 5 percent savings strategy for each of their operations as part of the University’s annual budget development process.

The Governor’s initial budget proposal included a 5 percent across-the-board reduction in general fund support for most institutions of higher education; however, the Conference Budget restored approximately \$20 million of the Governor’s initial proposal. The revised reduction plan sought to redistribute the reduction among institutions in order to equalize the impact on in-state students and minimize the overall E&G impact to no more than 1.5 percent of total E&G funding for all institutions. Radford University’s 2017-18 designated target for general fund reductions is \$1,334,488 which equated to 2.6 percent of general fund support in E&G or 1.1 percent of total E&G operations.

In addition to the targeted reduction, the University will also be required to forgo contributions from interest earnings and credit card rebates as well as contribute toward the repayment of the 2015-16 VRS prepayments. These additional budget reductions coupled with the mandated salary and benefit increases will all be covered at least in part from internal reallocations. In total, the University is planning to reallocate \$3,037,220 between all operating divisions in 2017-18. The University will continue to seek out reallocation opportunities to fund new initiatives in order to keep costs low and maintain value for the student population.

For additional details, Schedule A provides a breakdown of the reallocations by operating division.

Out-of-State Tuition Outlook

For the last two years, out-of-state tuition rates have largely remained unchanged because it was believed that the University was reaching a point of diminishing returns relative to out-of-state tuition rates exceeding 150% of actual cost of education. For 2017-18, the University proposes to increase out-of-state undergraduate and graduate tuitions by \$416 (or 2.23 percent) and \$468 (or 2.85 percent), respectively. This equitable approach will ensure a comparable dollar differential between in-state and out-of-state tuition when compared to the prior year. Out-of-state students are required to cover 100 percent of the calculated cost of education. The University’s rates are within and exceed this requirement. The most recent SCHEV calculation (2016-17) indicated out-of-state students (undergraduate and graduates) were covering 142.6 percent of the average cost at Radford University (SCHEV July 2016 Agenda Book, page 69).

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for further details on the proposed rates.

E&G Summary

Taking all of the above into consideration, the following represents the major factors considered in the proposed 2017-18 tuition rates by respective full-time student classification. The proposed recommendation considers (1) state guidelines outlined in the six-year plan, (2) mandatory cost increases such as salary, fringe benefit and health insurance adjustments, (3) reallocation and reduction strategies to mitigate the tuition increase, and (4) essential programmatic needs of the University to sustain critical instructional support and student services, especially given projected enrollment.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for the proposed rates. Part-time tuition rates are derived from the respective full-time tuition rate and can also be referenced in the Summary of Tuition and Fees for 2017-18.

Virginia Educator Tuition:

The Virginia Educator rate is a reduced tuition rate for Virginia elementary and secondary school personnel, regardless of residency status, and assists with maintaining certification and supporting continued improvement in the quality of education provided to the citizens of the Commonwealth. This policy was implemented by the University in recognition of the importance for Virginia educators to enhance their professional knowledge and skills through recertification.

To be eligible for the reduced tuition rate, educators (including teachers, administrators, counselors, librarians, coaches, and other instructional support staff) must be a full-time contractual employee in a K-12 public or private school in the Commonwealth of Virginia. The courses must be for professional development (e.g. graduate degree, additional endorsements, or for re-licensure), not for planned career changes outside of education. Students pay approximately 77 percent of the approved standard in-state graduate per credit hour tuition rate.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for the proposed rate.

Differential Tuition:

Differential tuition is recommended for specialized, high-demand, and/or costly programs. The current programs approved to charge differential tuition rates include: Master of Occupational Therapy (MOT), Doctor of Nursing Practice (DNP), Doctor of Physical Therapy (DPT), and Master of Fine Arts (MFA) in Design Thinking. Differential tuition was identified in the proposals submitted to the State Council for Higher Education (SCHEV) to support these programs.

Consistent with the traditional tuition rate changes proposed for 2017-18, a tuition increase is proposed for each differential tuition program. The comprehensive and other applicable fees will be in addition to the per-credit-hour fee unless otherwise noted.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for the proposed rate.

Competency Based Education:

New in Fall 2017, Radford University will pilot two certificate programs based on a competency-based education model. Cybersecurity and Geospatial Intelligence have been selected for this pilot program. The asynchronous curriculum of these particular programs grant students more control in completing requirements beyond the scope of the standard credit hour measurement. Students will be required to achieve certain skills or competencies in a designated subject matter, regardless of time, before they can complete the program. Therefore, it is an outcome, or competency, driven model that allows students the flexibility to manage program workloads at their desired pace.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for the proposed rate. While tuition is proposed at an annual rate, students will receive a pro-rate assessment on an on-going six month basis for as long as they are enrolled in the program.

Technology Fee:

A technology fee was first approved in 2010-11 to assist with covering increasing costs associated with supporting technology services provided to students. This fee facilitates standardized student software requirements, such as Microsoft Office and antivirus protection. It also supports the increased demand on the campus network infrastructure, incremental cost for the student enterprise system, and emerging classroom technologies.

The fee is not recommended to increase in 2017-18. Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for the proposed rate.

Online Program Fee:

In the fall of 2010, the University offered its first, fully online degree program with the Doctor of Nursing Practice (DNP). Programs offered wholly online require specialized technology support and infrastructure. The online program fee is used to assist with supporting hardware, software, network infrastructure, and technical personnel costs associated with administering online programs. In 2012-13, the Master of Fine Arts (MFA) in Design Thinking became the second program authorized to require the online program fee.

The online program fee is recommended to remain at \$25 per credit hour in 2017-18. As both the DNP and MFA degree programs are assessed the online program fee, they do not receive a comprehensive fee assessment. Additionally, this fee is not intended to be assessed to individual courses taught through distance education or other online channels.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for the proposed rate.

Out-of-State Capital Fee:

The 2003 General Assembly required the establishment of a capital fee to be assessed to all out-of-state students at institutions of higher education in Virginia. This is required to pay a portion of the debt service on bonds issued under the 21st Century Program. As a result of the additional general fund capital outlay investment authorized in 2016, an amendment was included in the Conference Budget to increase contributions from this fee for 2017-18. For this reason, the out-of-state capital fee is proposed to increase \$1.00 or 0.22 percent. The General Assembly previously increased the per credit hour fee in 2007, 2009, 2010, and 2012. The 2017 General Assembly session is slated to increase the fee for 2017-18.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document for the proposed rate.

Auxiliary Enterprises Program:

Comprehensive Fee

The comprehensive fee is used to support certain student services and programs and is paid by all enrolled students, except select fully online programs of study identified as exclusions. These auxiliary enterprise activities are required to be self-supporting and, as such, do not receive any state support. Therefore they must also maintain sufficient fund balances to provide their own operating support, renewal and replacement of equipment, and capital reserves.

The recommended 4.28 percent increase in the comprehensive fee is necessary to fund required increases in state mandated salary increases, fringe benefit and health insurance rate adjustments, maintenance and operating expenses, contract escalators, transit services, programmatic requirements, scholarships, and all associated indirect cost charges. The proposed increase also considers enrollment projections for the coming year and is below the 5.00 percent limit allowed in the state appropriations act.

Following is a description of each component of the comprehensive fee:

Athletics: The student fee supports the intercollegiate athletic program which includes athletic administration, intercollegiate varsity sports teams, travel, scholarships, operation and maintenance of facilities, auxiliary indirect cost, and equipment. This fee entitles students to free admission into all sporting events.

Auxiliary Building/Facilities: The student fee supports auxiliary operation and maintenance of facilities, facilities staff, maintenance reserve projects, leased properties, insurance, auxiliary indirect cost, and equipment.

Auxiliary Support: The student fee supports auxiliary support personnel, operations, and direct student cost associated with the student RU Express/I.D. office, technology support, photocopying services, and student wages.

Debt Service: The student fee supports debt service payments for auxiliary construction and renovation projections such as the Student Recreation and Wellness Center.

Recreation: The student fee supports the personnel, operations, maintenance, and equipment of all student recreation and intramural facilities and fields.

Student Activities: The student fee supports student programs, clubs, organizations, activities, and events for groups such as R-Space, Student Government Association, Greek Life, Student Organization Assistance and Resources (SOAR), LEAD Scholars Program, etc. Students can attend most events free of charge or at greatly reduced rates, depending on the type of event.

Student Health: The student fee supports general medical services provided by the Radford University Student Health Center, normal counseling services provided by Radford University Student Counseling Center, the Disability Resource Office (DRO), and educational and support services provided by the RU SAVES (Substance Abuse and Violence Education Support) Office.

Student Services: The student fee supports student professional development through career, advising, and other resource services.

Student Union: The student fee supports administrative and student personnel, operations, maintenance, programmatic events, and equipment for the Bonnie Hurlburt Student Center and Heth Hall meeting rooms.

Transportation: The student fee supports unlimited access to the Radford Transit bus service for enrolled Radford University students. Connections to other transit services (e.g. Smart Way Bus, Blacksburg Transit, etc.) may have separate user fees.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for the proposed rate.

Room Rates

Historically, the University has offered five different room types and price rates as part of the on-campus housing program. This included a standard double occupancy, traditional double occupancy, standard single occupancy, traditional single occupancy, and university managed apartments. In order to more equitably charge for the array of housing options available, the University is proposing a revision to the rate structure for the upcoming 2017-18 fiscal year. In the future, standard occupancy accommodations will be split into three different categories; **Phase I** consisting of the seven standard halls that have not been recently renovated, **Phase II** consisting of the seven residence halls that have been recently renovated, and **Super Suites** which are upgraded Phase II accommodations providing a shared kitchen space for the occupants. This change will eliminate the ‘one-size-fits-all’ approach to the standard room type, and the cost of the facilities will be charged equitably to students who occupy those respective rooms. Last, single

occupancy room assignments will continue to be based upon availability and are not necessarily guaranteed.

As a result of the aforementioned phased approach, the proposed 2017-18 rates for traditional and standard Phase I double occupancy rooms will remain unchanged from prior year. Students, however, who occupy either recently renovated residence halls, suite accommodations, or university managed apartments will have an increase of \$154 (or 3.00 percent), \$418 (or 8.15 percent), and \$619 (or 11.70 percent) respectively. The increase in rates is attributable to the variation in both standard and apartment room accommodations.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for further details on the proposed rates.

Board/Off-Campus Meal Plans

The proposed average 2017-18 board and off-campus meal plan rate increase of 3.03 percent is necessary to cover costs associated with the annual dining services contractual agreement and indirect cost charges. Students living on-campus must select one of the on-campus board plans as part of their housing agreement. Off-campus students may elect to participate in any of the approved meal plan options.

Refer to the Summary of Tuition and Fees for 2017-18, Schedule B at the end of this document, for further details on the proposed rates.

Reference Material:

For reference, Schedule C is an excerpt from the 2016-17 Operating Budget Plan and Financial Overview which includes comparative charts and graphs of tuition and fees at Virginia's public four-year institutions of higher education. Radford University is a best value as the second lowest total cost (tuition, fees, room and board) provider among Virginia's four-year public institutions.

Schedule A:
2017-18 Resource Allocation Analysis

	2017-18 Assumptions		2017-18 Assumptions
REVENUE		EXPENSES	
General Fund Changes		Non-Discretionary Cost Increases	
2017-18 General Fund Reductions	(1,334,488)	Mandatory Costs	
2017-18 Interest Earnings/CC Rebates	(180,000)	Salary Adjustments	
2016-17 Reverse 3% Salary Increase	(839,612)	2016-17 3% Salary Increase Reversion	(1,355,113)
2017-18 Salary Actions	1,267,393	2017-18 3% Salary Increase - July 10	2,304,021
2017-18 Fringe Rate Changes	579,400	Fringe Adjustments	
2017-18 Access & Completion Funding	680,135	2017-18 Health Insurance Rate Change	1,138,202
Total General Fund Changes	172,828	Central Cost Commitments	
Nongeneral Fund Changes		AA Promotion & Tenure	229,000
Tuition & Fees	1,968,252	Utility Rate Increases	610,458
Other Sales & Service	(145,230)	Employee Tuition Waivers	150,000
VRS Recoveries	(344,731)	Contracts & Compliance	208,556
Unfunded Scholarships	(472,000)	Biennial Fringe Rate Alignment	318,427
Total Nongeneral Fund Changes	1,006,291	Recovery Rate & One-Time Operating	75,279
Total Revenue Changes	\$1,179,119	Sub-Total Central Commitments	3,678,830
		Division Recurring Requirements	
		Programmatic Initiatives	323,243
		Strategic Plan Initiatives	214,266
		Sub-Total Division Requirements	537,509
		Total Non-Discretionary Cost Increases	\$4,216,339
		SURPLUS/(DEFICIT)	(\$3,037,220)
		REALLOCATION SCENARIOS	
		Division Targets	
		Academic Affairs	(1,291,651)
		Finance & Administration	(466,106)
		Information Technology	(404,161)
		Central Administration	(26,520)
		Student Affairs	(39,999)
		University Relations	(100,391)
		University Advancement	(123,390)
		Enrollment Management	(55,148)
		Total Divisional Budgets	(2,507,366)
		Central Resources	(529,854)
		Total Savings Strategies	(\$3,037,220)
		Total Base Budget	\$1,179,119
		TOTAL SURPLUS/(DEFICIT)	(\$0)

Schedule B:
Summary of Proposed 2017-18 Tuition and Fees

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Undergraduate				
<u>In-state Undergraduate (full-time) -</u>				
Tuition	\$6,991	\$7,407	\$416	5.95%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total In-state Undergraduate	\$10,081	\$10,627	\$546	5.42%
Room - Standard Double	5,127	5,127	0	0.00%
Board - 19 Meal Plan	3,984	4,105	121	3.04%
Total In-state Undergraduate Living in University Housing	\$19,192	\$19,859	\$667	3.48%
<u>Out-of-state Undergraduate (full-time) -</u>				
Tuition	\$18,626	\$19,042	\$416	2.23%
Mandatory Capital Fee	446	447	1	0.22%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total Out-of-state Undergraduate	\$22,162	\$22,709	\$547	2.47%
Room - Standard Double	5,127	5,127	0	0.00%
Board - 19 Meal Plan	3,984	4,105	121	3.04%
Total Out-of-state Undergraduate Living in University Housing	\$31,273	\$31,941	\$668	2.14%

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Graduate				
<u>In-state Graduate (full-time) -</u>				
Tuition	\$7,868	\$8,336	\$468	5.95%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total In-state Graduate	\$10,958	\$11,556	\$598	5.46%

<u>Out-of-State Graduate (full-time) -</u>				
Tuition	\$16,394	\$16,862	\$468	2.85%
Mandatory Capital Fee	446	447	1	0.22%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total Out-of-state Graduate	\$19,930	\$20,529	\$599	3.01%

Differential Tuition & Fees				
<u>Master of Occupational Therapy (MOT) In-State (per credit hour)</u>				
Tuition	\$333	\$352	\$19	5.71%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total In-state Graduate MOT	\$463	\$487	\$24	5.19%

<u>Master of Occupational Therapy (MOT) Out-of-State (per credit hour)</u>				
Tuition	\$890	\$943	\$53	5.96%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total Out-of-state Graduate	\$1,039	\$1,097	\$58	5.58%

¹ For applicable differential tuition programs, students enrolled in 12 to 18 credit hours will be assessed up to the annualized rate of \$1,583 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Doctor of Nursing Practice (DNP) In-State (per credit hour)</u>				
Tuition	\$445	\$471	\$26	5.84%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total In-state Graduate DNP	\$473	\$499	\$26	5.50%

<u>Doctor of Nursing Practice (DNP) Out-of-State (per credit hour)</u>				
Tuition	\$910	\$964	\$54	5.93%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total Out-of-state Graduate DNP	\$957	\$1,011	\$54	5.64%

<u>Doctor of Physical Therapy (DPT) In-State (per credit hour)</u>				
Tuition	\$424	\$449	\$25	5.90%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total In-state Graduate DPT	\$554	\$584	\$30	5.42%

<u>Doctor of Physical Therapy (DPT) Out-of-State (per credit hour)</u>				
Tuition	\$883	\$935	\$52	5.89%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total Out-of-state Graduate DPT	\$1,032	\$1,089	\$57	5.52%

¹ For applicable differential tuition programs, students enrolled in 12 to 18 credit hours will be assessed up to the annualized rate of \$1,583 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

² The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Master of Fine Arts in Design Thinking In-State (per credit hour)</u>				
Tuition	\$657	\$696	39	5.94%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total In-state Graduate DNP	\$685	\$724	\$39	5.69%

Master of Fine Arts in Design Thinking Out-of-State (per credit hour)

Tuition	\$657	\$696	39	5.94%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total Out-of-state Graduate DNP	\$704	\$743	\$39	5.54%

Competency Based Certificate Program (per year)

Tuition	\$0	\$6,000	\$6,000	--
Mandatory Capital Fee ¹	0	0	0	--
Mandatory Technology Fee ¹	0	0	0	--
Total Competency Certificate	\$0	\$6,000	\$6,000	--

¹ For applicable differential tuition programs, students enrolled in 12 to 18 credit hours will be assessed up to the annualized rate of \$1,583 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

² The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

Part-time, 2017 Wintermester and Summer³ Rates

<u>Tuition</u>	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<i>Undergraduate</i>				
In-state	\$291	\$308	\$17	5.84%
Out-of-state	776	793	17	2.19%
<i>Graduate</i>				
In-state	328	347	19	5.79%
Out-of-state	683	702	19	2.78%
In-state MOT	333	352	19	5.71%
Out-of-state MOT	890	943	53	5.96%
In-state DPT	424	449	25	5.90%
Out-of-state DPT	883	935	52	5.89%
In-state DNP	445	471	26	5.84%
Out-of-state DNP	910	964	54	5.93%
In-state MFA	657	696	39	5.94%
Out-of-state MFA	657	696	39	5.94%
Virginia Educator	251	266	15	5.98%
<u>Other Mandatory Fees</u>				
Technology Fee	3	3	0	0.00%
Out-of-state Capital Fee	19	19	0	0.00%
Online Program Fee ²	25	25	0	0.00%
Comprehensive Fee	127	132	5	3.94%

²The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

³Summer III only - full-time students taking 12 to 18 credit hours are charged the annualized rate schedule instead of the per credit hour rate schedule.

Comprehensive Fee

	Approved 2016-17	Proposed 2017-18	Dollar Increase	Percent Increase
Mandatory Comprehensive Fee				
Athletics	\$1,180	\$1,180	\$0	0.00%
Auxiliary Building/Facilities	248	258	10	4.03%
Auxiliary Support	194	209	15	7.73%
Debt Service	299	299	0	0.00%
Recreation	275	282	7	2.55%
Student Activities	129	127	(2)	-1.55%
Student Health	312	322	10	3.21%
Student Services	0	75	75	---
Student Union	276	286	10	3.62%
Transit	123	128	5	4.07%
Total Comprehensive Fee	\$3,036	\$3,166	\$130	4.28%

Fall & Spring Annual Room Rates⁴

	Approved 2016-17	Proposed 2017-18	Dollar Increase	Percent Increase
Room				
Traditional Double	\$4,540	\$4,540	\$0	0.00%
Standard Double - Phase I	5,127	5,127	0	0.00%
Standard Double - Phase II	5,127	5,281	154	3.00%
Traditional Single	6,627	6,627	0	0.00%
Standard Single - Phase I	7,294	7,294	0	0.00%
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Standard - Super Suite	5,127	5,545	418	8.15%
University Managed Apartments	5,290	5,909	619	11.70%

⁴Notes:

a) Double occupancy rooms which remain tripled after the census date will receive a weekly 25 percent prorated credit on their respective room rate.

b) Summer rates are prorated based on the approved annualized rate for a standard room.

Fall & Spring Annual Board & Meal Plan Rates⁵

	Approved 2016-17	Proposed 2017-18	Dollar Increase	Percent Increase
On-Campus Board Plan				
Flex Plan	\$3,865	\$3,982	\$117	3.03%
19 Meal Plan	3,984	4,105	121	3.04%
15 Meal Plan	3,877	3,994	117	3.02%
Off-Campus Meal Plan (optional)				
Flex Jr. Plan	\$1,953	\$2,012	\$59	3.02%
65 Meal Plan	974	1,003	29	2.98%
90 Meal Plan	1,348	1,389	41	3.04%
5 Meal Plan	1,436	1,479	43	2.99%

⁵Notes:

- a) Summer rates are prorated on the approved annualized rate.
- b) Select board and meal plans may not be available each term.

Schedule C:
2016-17 Operating Budget Plan and Financial Overview

2016-17 Tuition and Fees Overview

Source: 2016-17 Operating Budget Plan and Financial Overview

Students are charged tuition that supports the Educational & General (E&G) program and comprehensive, room, and board fees that support the Auxiliary Enterprises program.

Tuition: Radford University’s tuition, approved annually by the Radford University Board of Visitors, is divided into the following four major classifications:

- **In-state undergraduate**
- **Out-of-state undergraduate**
- **In-state graduate**
- **Out-of-state graduate**

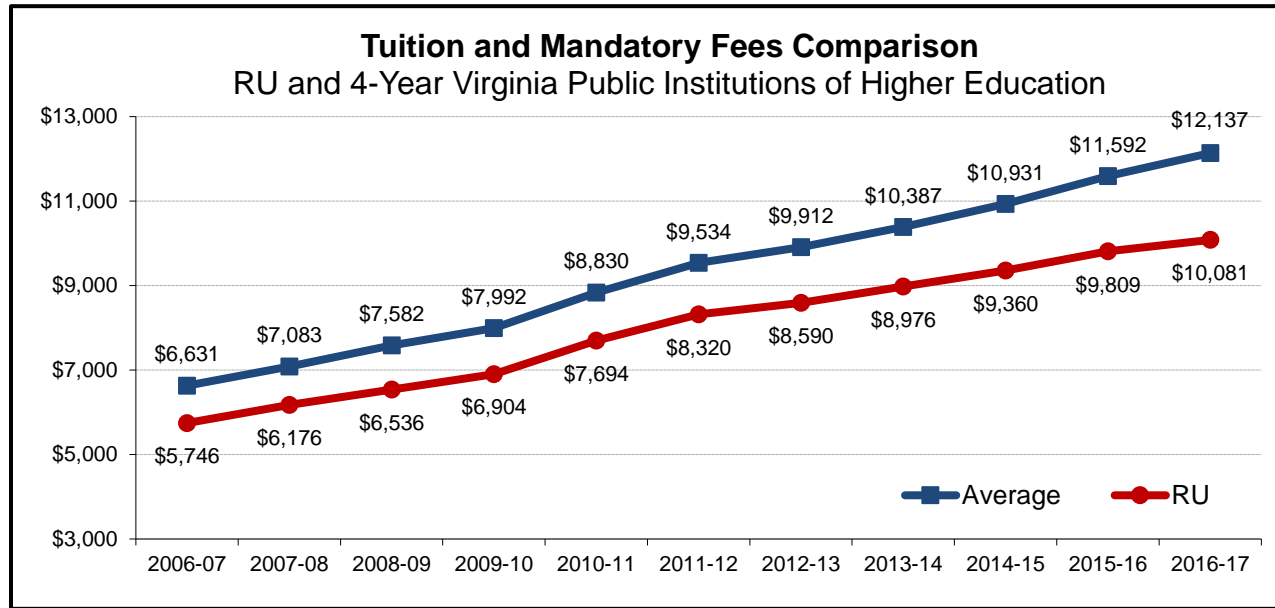
Radford University’s Tuition and Mandatory Fee rates from fiscal years 2013 through 2017 are as follows:

Total Tuition and Mandatory Fees								
In-State, Undergraduate Students								
Rank	Institution	FY13	FY14	FY15	FY16	FY17	\$ Change From FY16	% Change From FY16
1	College of William & Mary ¹	\$13,570	\$15,463	\$17,656	\$19,372	\$21,234	\$1,862	9.6%
2	Virginia Military Institute	\$13,835	\$14,404	\$15,518	\$16,536	\$17,492	\$956	5.8%
3	University of Virginia	\$12,006	\$12,458	\$12,998	\$14,468	\$15,714	\$1,246	8.6%
4	Virginia Commonwealth University ¹	\$9,885	\$12,002	\$12,398	\$12,772	\$13,130	\$358	2.8%
5	Christopher Newport University	\$10,572	\$11,092	\$11,646	\$12,526	\$13,054	\$528	4.2%
6	Virginia Tech	\$10,923	\$11,455	\$12,017	\$12,485	\$12,852	\$367	2.9%
7	Longwood University	\$10,890	\$11,340	\$11,580	\$11,910	\$12,240	\$330	2.8%
8	University of Mary Washington	\$9,246	\$9,660	\$10,252	\$11,070	\$11,570	\$500	4.5%
9	George Mason University	\$9,620	\$9,908	\$10,382	\$10,952	\$11,300	\$348	3.2%
10	James Madison University	\$8,808	\$9,176	\$9,662	\$10,066	\$10,390	\$324	3.2%
11	Radford University	\$8,590	\$8,976	\$9,360	\$9,809	\$10,081	\$272	2.8%
12	Old Dominion University	\$8,450	\$8,820	\$9,250	\$9,768	\$10,046	\$278	2.8%
13	University of Virginia at Wise	\$8,107	\$8,509	\$8,868	\$9,220	\$9,539	\$319	3.5%
14	Norfolk State University	\$6,760	\$7,226	\$7,552	\$8,366	\$8,738	\$372	4.4%
15	Virginia State University	\$7,420	\$7,784	\$8,002	\$8,226	\$8,472	\$246	3.0%
Average²		\$9,912	\$10,387	\$10,931	\$11,592	\$12,137	\$545	4.7%

¹ The institution adopted a new guaranteed tuition plan for incoming in-state undergraduates in 2013-14. The tuition charged in their freshman year is frozen for all four years of their undergraduate attendance.

² Weighted average as calculated by SCHEV in order to account for variable increases at CWM and VCU

Tuition and Mandatory Fees: The charts and graphs shown reflect a multi-year comparison of tuition and mandatory fees for in-state undergraduate students among the 15 four-year public institutions in Virginia. Radford University’s tuition and mandatory fees for 2016-17 are **16.9 percent (\$2,056)** lower than the average tuition and mandatory fees at the other Virginia public four-year institutions of higher education.

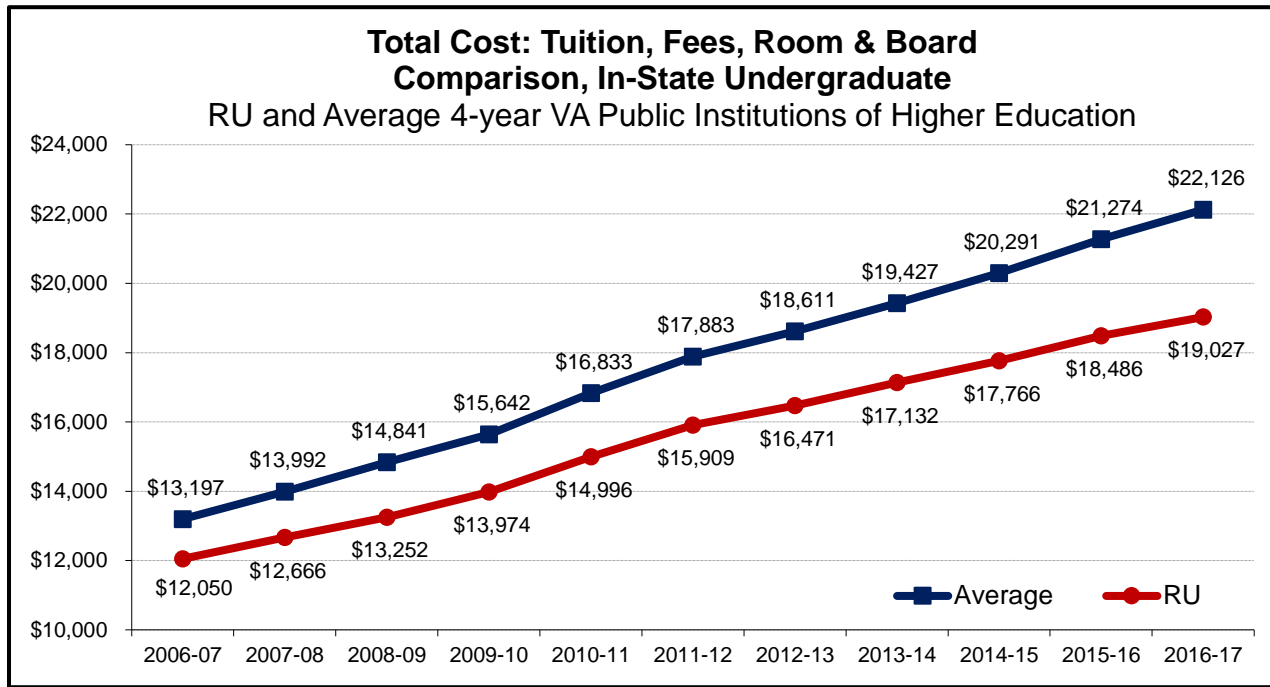


TOTAL PRICE (TUITION, MANDATORY FEES, ROOM AND BOARD)

The charts, graphs, and tables below display the total price for in-state undergraduate students compared to the state average and other Virginia four-year public colleges and universities.

For the 2016-17 academic year, Radford University’s total cost (tuition, mandatory fees, room and board) is **14.0 percent (\$3,099)** lower than the average total cost at the other Virginia public four-year institutions of higher education.

	2016-17 State Average	2016-17 RU Total Cost	\$ RU Below Average	% RU Below Average
Tuition and Mandatory E&G Fees	\$8,177	\$7,045	(\$1,132)	-13.8%
Comprehensive Fee	3,960	3,036	(924)	-23.3%
Room & Board	9,989	8,946	(1,043)	-10.4%
Total	\$22,126	\$19,027	(\$3,099)	-14.0%



Total Tuition, Comprehensive Fees, Room & Board Fees In-State, Undergraduate Students

Rank	Institution	FY13	FY14	FY15	FY16	FY17	\$ Change From FY16	% Change From FY16
1	College of William & Mary ¹	\$22,888	\$25,279	\$28,000	\$30,350	\$32,616	\$2,266	7.5%
2	Virginia Military Institute	\$21,568	\$22,492	\$23,890	\$25,202	\$26,460	\$1,258	5.0%
3	University of Virginia	\$21,425	\$22,175	\$23,050	\$24,869	\$26,440	\$1,571	6.3%
4	Christopher Newport University	\$20,300	\$21,050	\$21,960	\$23,140	\$23,968	\$828	3.6%
5	Virginia Commonwealth University ¹	\$18,633	\$21,084	\$21,716	\$22,358	\$23,049	\$691	3.1%
6	Longwood University	\$19,338	\$20,216	\$20,836	\$21,468	\$22,184	\$716	3.3%
7	George Mason University	\$18,300	\$18,898	\$19,814	\$21,462	\$22,030	\$568	2.6%
8	University of Mary Washington	\$18,086	\$18,782	\$19,682	\$20,764	\$21,508	\$744	3.6%
9	Virginia Tech	\$18,177	\$19,105	\$19,941	\$20,711	\$21,276	\$565	2.7%
10	James Madison University	\$17,438	\$18,049	\$18,858	\$19,462	\$20,118	\$656	3.4%
11	University of Virginia at Wise	\$17,547	\$18,499	\$19,208	\$19,476	\$19,885	\$409	2.1%
12	Old Dominion University	\$16,997	\$17,732	\$18,518	\$19,214	\$19,870	\$656	3.4%
13	Virginia State University	\$17,100	\$17,792	\$18,130	\$18,478	\$19,034	\$556	3.0%
14	Radford University	\$16,471	\$17,132	\$17,766	\$18,486	\$19,027	\$541	2.9%
15	Norfolk State University	\$14,890	\$15,600	\$16,176	\$17,336	\$18,228	\$892	5.1%
Average²		\$18,611	\$19,427	\$20,291	\$21,274	\$22,126	\$852	4.0%

¹ The institution adopted a new guaranteed tuition plan for incoming in-state undergraduates in 2013-14. The tuition charged in their freshman year is frozen for all four years of their undergraduate attendance.

² Weighted average as calculated by SCHEV in order to account for variable increases at C.M and VCU

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RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
May 5, 2017

Approval of 2017-18 Tuition and Fees

NOW, THEREFORE, BE IT RESOLVED that the Radford University Board of Visitors approves tuition and fees for the 2017-18 academic year as reflected in the Summary of Proposed 2017-18 Tuition and Fees beginning with the Fall 2017 semester and thereafter until otherwise adjusted by the Board of Visitors.

Summary of Proposed 2017-18 Tuition and Fees

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Undergraduate				
<u>In-state Undergraduate (full-time) -</u>				
Tuition	\$6,991	\$7,407	\$416	5.95%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total In-state Undergraduate	\$10,081	\$10,627	\$546	5.42%
Room - Standard Double	5,127	5,127	0	0.00%
Board - 19 Meal Plan	3,984	4,105	121	3.04%
Total In-state Undergraduate Living in University Housing	\$19,192	\$19,859	\$667	3.48%
<u>Out-of-state Undergraduate (full-time) -</u>				
Tuition	\$18,626	\$19,042	\$416	2.23%
Mandatory Capital Fee	446	447	1	0.22%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total Out-of-state Undergraduate	\$22,162	\$22,709	\$547	2.47%
Room - Standard Double	5,127	5,127	0	0.00%
Board - 19 Meal Plan	3,984	4,105	121	3.04%
Total Out-of-state Undergraduate Living in University Housing	\$31,273	\$31,941	\$668	2.14%

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Graduate				
<u>In-state Graduate (full-time) -</u>				
Tuition	\$7,868	\$8,336	\$468	5.95%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total In-state Graduate	\$10,958	\$11,556	\$598	5.46%
<u>Out-of-State Graduate (full-time) –</u>				
Tuition	\$16,394	\$16,862	\$468	2.85%
Mandatory Capital Fee	446	447	1	0.22%
Mandatory Technology Fee	54	54	0	0.00%
Mandatory Comprehensive Fee	3,036	3,166	130	4.28%
Total Out-of-state Graduate	\$19,930	\$20,529	\$599	3.01%
Differential Tuition & Fees				
<u>Master of Occupational Therapy (MOT) In-State (per credit hour)</u>				
Tuition	\$333	\$352	\$19	5.71%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total In-state Graduate MOT	\$463	\$487	\$24	5.19%
<u>Master of Occupational Therapy (MOT) Out-of-State (per credit hour)</u>				
Tuition	\$890	\$943	\$53	5.96%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total Out-of-state Graduate	\$1,039	\$1,097	\$58	5.58%

¹ For applicable differential tuition programs, students enrolled in 12 to 18 credit hours will be assessed up to the annualized rate of \$1,583 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Doctor of Nursing Practice (DNP) In-State (per credit hour)</u>				
Tuition	\$445	\$471	\$26	5.84%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total In-state Graduate DNP	\$473	\$499	\$26	5.50%

<u>Doctor of Nursing Practice (DNP) Out-of-State (per credit hour)</u>				
Tuition	\$910	\$964	\$54	5.93%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total Out-of-state Graduate DNP	\$957	\$1,011	\$54	5.64%

<u>Doctor of Physical Therapy (DPT) In-State (per credit hour)</u>				
Tuition	\$424	\$449	\$25	5.90%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total In-state Graduate DPT	\$554	\$584	\$30	5.42%

<u>Doctor of Physical Therapy (DPT) Out-of-State (per credit hour)</u>				
Tuition	\$883	\$935	\$52	5.89%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Comprehensive Fee ¹	127	132	5	3.94%
Total Out-of-state Graduate DPT	\$1,032	\$1,089	\$57	5.52%

¹ For applicable differential tuition programs, students enrolled in 12 to 18 credit hours will be assessed up to the annualized rate of \$1,583 per semester for the mandatory comprehensive fee, \$27 per semester for the technology fee, and \$223.50 per semester for the Out-of-State Capital Fee.

² The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Master of Fine Arts in Design Thinking In-State (per credit hour)</u>				
Tuition	\$657	\$696	39	5.94%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total In-state Graduate DNP	\$685	\$724	\$39	5.69%

Master of Fine Arts in Design Thinking Out-of-State (per credit hour)

Tuition	\$657	\$696	39	5.94%
Mandatory Capital Fee ¹	19	19	0	0.00%
Mandatory Technology Fee ¹	3	3	0	0.00%
Mandatory Online Program Fee ²	25	25	0	0.00%
Total Out-of-state Graduate DNP	\$704	\$743	\$39	5.54%

Competency Based Certificate Program (per year)

Tuition	\$0	\$6,000	\$6,000	--
Mandatory Capital Fee ¹	0	0	0	--
Mandatory Technology Fee ¹	0	0	0	--
Total Competency Certificate	\$0	\$6,000	\$6,000	--

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Part-time, 2017 Wintermester and Summer³ Rates

<u>Tuition</u>	<u>Approved 2016-17</u>	<u>Proposed 2017-18</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<i>Undergraduate</i>				
In-state	\$291	\$308	\$17	5.84%
Out-of-state	776	793	17	2.19%
<i>Graduate</i>				
In-state	328	347	19	5.79%
Out-of-state	683	702	19	2.78%
In-state MOT	333	352	19	5.71%
Out-of-state MOT	890	943	53	5.96%
In-state DPT	424	449	25	5.90%
Out-of-state DPT	883	935	52	5.89%
In-state DNP	445	471	26	5.84%
Out-of-state DNP	910	964	54	5.93%
In-state MFA	657	696	39	5.94%
Out-of-state MFA	657	696	39	5.94%
Virginia Educator	251	266	15	5.98%
<u>Other Mandatory Fees</u>				
Technology Fee	3	3	0	0.00%
Out-of-state Capital Fee	19	19	0	0.00%
Online Program Fee ²	25	25	0	0.00%
Comprehensive Fee	127	132	5	3.94%

²The online program fee applies to select differential tuition programs that are offered fully online. This fee is assessed on a per credit hour basis in lieu of the comprehensive fee.

³Summer III only - full-time students taking 12 to 18 credit hours are charged the annualized rate schedule instead of the per credit hour rate schedule.

Comprehensive Fee

	Approved 2016-17	Proposed 2017-18	Dollar Increase	Percent Increase
Mandatory Comprehensive Fee				
Athletics	\$1,180	\$1,180	\$0	0.00%
Auxiliary Building/Facilities	248	258	10	4.03%
Auxiliary Support	194	209	15	7.73%
Debt Service	299	299	0	0.00%
Recreation	275	282	7	2.55%
Student Activities	129	127	(2)	-1.55%
Student Health	312	322	10	3.21%
Student Services	0	75	75	---
Student Union	276	286	10	3.62%
Transit	123	128	5	4.07%
Total Comprehensive Fee	\$3,036	\$3,166	\$130	4.28%

Fall & Spring Annual Room Rates⁴

	Approved 2016-17	Proposed 2017-18	Dollar Increase	Percent Increase
Room				
Traditional Double	\$4,540	\$4,540	\$0	0.00%
Standard Double - Phase I	5,127	5,127	0	0.00%
Standard Double - Phase II	5,127	5,281	154	3.00%
Traditional Single	6,627	6,627	0	0.00%
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End of Materials