



**RADFORD UNIVERSITY
BOARD OF VISITORS
BUSINESS AFFAIRS & AUDIT COMMITTEE MEETING
10:00 A.M.
FEBRUARY 1, 2016
BOARD ROOM
THIRD FLOOR-MARTIN HALL
RADFORD UNIVERSITY**

DRAFT

MINUTES

COMMITTEE MEMBERS PRESENT

Dr. Javaid Siddiqi, Chair
Ms. Krisha Chachra, Vice Chair
Dr. Susan Whealler Johnston
Mr. Mark Lawrence
Mr. Anthony R. Bedell, Rector
Mr. Christopher Wade, Vice Rector

COMMITTEE MEMBERS ABSENT

Mr. Randolph "Randy" J. Marcus

BOARD MEMBERS PRESENT

Ms. Mary Ann Hovis
Dr. Jerry M. Kopf, faculty representative (non-voting, advisory member)

OTHERS PRESENT

President Penelope W. Kyle
Mr. Richard Alvarez, Vice President for Finance & Administration and Chief Financial Officer
Mr. Joe Carpenter, Vice President for University Relations & Chief Communications Officer
Mr. Danny M. Kemp, Vice President for Information Technology & Chief Information Officer
Dr. Joe Scartelli, Interim Provost & Vice President for Academic Affairs
Ms. Margaret McManus, University Auditor
Radford University faculty and staff

Mr. Allen Wilson, Assistant Attorney General, Commonwealth of Virginia

Michele N. Schumacher, Secretary to the Board of Visitors

CALL TO ORDER

Dr. Javaid Siddiqi, Chair, formally called the meeting to order at 10:00 a.m. in the Board Room, Third Floor-Martin Hall, on the campus of Radford University.

APPROVAL OF AGENDA

Dr. Siddiqi asked for a motion to approve the February 1, 2016, agenda as published. Dr. Susan Whealler Johnston so moved and Mr. Mark Lawrence seconded, and the agenda as amended was unanimously approved.

APPROVAL OF MINUTES

Dr. Siddiqi asked for a motion to approve the minutes of the November 12, 2015 meeting of the Business Affairs & Audit Committee, as published. Mr. Lawrence so moved and Dr. Susan Whealler Johnston seconded, and the motion was unanimously approved. A copy of the approved minutes can be found at <http://www.radford.edu/content/bov/home/meetings/minutes.html>.

REPORTS AND RECOMMENDATIONS

Report from the Auditor of Public Accounts

Mr. Mike Reinholtz, Commonwealth of Virginia Acquisitions & Contract Management Specialty Team Director and Audit Project Manager for Radford University, with the Auditor of Public Accounts presented information regarding the upcoming audit of the university's fiscal year 2015 financial statements. He discussed the responsibilities of the auditors and management as well as the planned scope and timeline of the audit.

Report from the University Auditor

Ms. Margaret McManus, University Auditor, reported that a review of the University Discretionary Fund for the quarter ended December 31, 2015 was conducted, and that 100% of the expenditures were reviewed and all were in compliance with the Board of Visitors' guidelines. Ms. McManus also provided a quarterly follow-up audit status report. A copy of Ms. McManus' report is attached hereto as **Attachment A** and is made a part hereof.

Dr. Siddiqi thanked Ms. McManus for her report.

Report on Capital Projects

Mr. Richard S. Alvarez, Vice President for Finance and Administration and Chief Financial Officer, provided a capital project update report, and referred the Committee to the Capital Projects Update found in their Committee materials. A copy of the Capital Projects Update is attached hereto as **Attachment B** and is made a part hereof.

Governor's Executive Budget Summary

Mr. Alvarez reported that the proposed Biennial Executive Budget included continued funding for higher education in support of addressing equity, student access, and degree completion. He also presented an overview of the incremental funding proposed for Radford University's operating and capital budgets in the Biennial Executive Budget. He noted that the final outcome of the proposed

2016-2018 budget will not be known until the completion of the 2016 General Assembly session in April. A copy of this report is attached hereto as *Attachments C-1, C-2 and C-3* and is made a part hereof.

Development of the FY 2016-17 Budget

Mr. Alvarez also provided an overview of the key assumptions regarding revenue, expenses and reallocations that will be used to build the 2016-2017 budget. A copy of this report is attached hereto as *Attachments D-1, D-2 and D-3*.

Dr. Siddiqi thanked Mr. Alvarez for his reports.

ACTION ITEM

Resolution certifying compliance with the Debt Management Policy

Ms. Stephanie Jennelle explained that as part of Institutional Performance Standards reporting, the Secretary of Finance for the Commonwealth of Virginia requires an annual certification from the Board of Visitors that the University is in compliance with its Debt Management Policy. She provided an overview of the ratios, which demonstrated compliance with the policy. Dr. Siddiqi asked for a motion to recommend to the Board of Visitors approval of a Resolution certifying that Radford University is in compliance with its Debt Management Policy. Mr. Lawrence so moved and seconded by Ms. Chachra, the recommendation was unanimously approved. A copy of the report together with the proposed Resolution is attached hereto as *Attachment E* and is made a part hereof.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:40 a.m.

Respectfully submitted,

Michele N. Schumacher
Secretary to the Board of Visitors