

RADFORD UNIVERSITY

Board of Visitors

BUSINESS AFFAIRS AND AUDIT COMMITTEE MEETING

1:00 P.M.

SEPTEMBER 26, 2019

MARY ANN JENNINGS HOVIS MEMORIAL BOARD ROOM

THIRD FLOOR, MARTIN HALL, RADFORD, VA

DRAFT

MINUTES

COMMITTEE MEMBERS PRESENT

Mr. Gregory A. Burton, Chair
Mr. Mark S. Lawrence, Vice Chair
Dr. Jay A. Brown
Dr. Susan Whealler Johnston
Dr. Debra K. McMahan

COMMITTEE MEMBERS ABSENT

Ms. Nancy Angland Rice

BOARD MEMBERS PRESENT

Mr. Robert A. Archer, Rector
Dr. Thomas Brewster
Ms. Krisha Chachra
Dr. Rachel D. Fowlkes
Mr. David A. Smith
Ms. Georgia Anne Snyder-Falkinham
Ms. Lisa Throckmorton
Mr. Breon Case, Student Representative (Non-voting Advisory Member)
Dr. Jake Fox, Faculty Representative (Non-voting Advisory Member)

OTHERS PRESENT:

President Brian O. Hemphill
Ms. Sharon Barrett, Assistant Vice President for Finance and Operations for RUC
Mr. Mike Biscotte, Director of Facilities Planning and Construction
Ms. Karen Casteel, Secretary to the Board of Visitors and Special Assistant to the President
Mr. Jorge Coartney, Assistant Vice President for Facilities Management
Dr. Kenna Colley, Interim Provost and Vice President for Academic Affairs
Ms. Stephanie Jennelle, Associate Vice President for Finance and University Controller
Mr. Danny M. Kemp, Vice President for Information Technology and Chief Information Officer
Dr. Erik Lovik, Director of Institutional Research
Ms. Wendy Lowery, Vice President for University Advancement
Ms. Kitty McCarthy, Vice President for Enrollment Management
Ms. Margaret McManus, University Auditor

Ms. Laura Quesenberry, Interim Budget Director and Director of Finance
Mr. Chad A. Reed, Vice President for Finance and Administration and Chief Financial Officer
Ms. Ashley Schumaker, Chief of Staff and Vice President for University Relations
Dr. Susan Trageser, Vice President for Student Affairs
Chief David Underwood, Radford University Police Department
Mr. Allen Wilson, Senior Assistant Attorney General, Commonwealth of Virginia
Other Radford University faculty and staff

CALL TO ORDER

Mr. Gregory A. Burton, Chair, formally called the Business Affairs and Audit Committee meeting to order at 12:59 p.m. in the Mary Ann Jennings Hovis Memorial Board Room in Martin Hall. Mr. Burton welcomed everyone to the September meeting.

APPROVAL OF AGENDA

Mr. Burton asked for a motion to approve the September 26, 2019 meeting agenda, as published. Dr. Jay A. Brown so moved, Mr. Mark S. Lawrence seconded, and the motion carried unanimously.

APPROVAL OF MINUTES

Mr. Burton asked for a motion to approve the minutes of the May 9, 2019 meeting of the Business Affairs and Audit Committee, as published. Dr. Brown so moved, Mr. Lawrence seconded, and the motion carried unanimously.

REPORTS AND RECOMMENDATIONS

University Auditor's Report

University Auditor Margaret McManus presented oral reports related to auditor independence, the internal quality assurance program and top risk areas for higher education. She further reported that one hundred percent of University Discretionary Fund expenditures for the quarter ended June 30, 2019 were reviewed, and all were in compliance with the Board of Visitors' guidelines. She also reviewed a list of reports related to prior and projected audit department activity included in the Board materials. A copy of the report is attached hereto as ***Attachment A*** and is made a part hereof.

Write off of Past Due Accounts

Vice President for Finance and Administration and Chief Financial Officer Chad A. Reed presented an informational report of all past due accounts written off in the previous fiscal year. The report documented that the University wrote off past due accounts in the amount of \$190,611, which equates to less than .18 percent of total assessed tuition and fees. A copy of the report is attached hereto as ***Attachment B*** and is made a part hereof.

Capital Project Update

Vice President Reed presented an update of current capital projects. The Reed and Curie Halls Renovation is underway and scheduled for completion in November 2019, with classes resuming in Spring 2020. The Center for Adaptive Innovation and Creativity project was approved for Detailed Planning in July 2018. This project remains a top priority for the University and the Capital Budget Request for the project was submitted in June, in order to facilitate inclusion in the upcoming FY2021 budget. It is anticipated the building could be complete for Fall 2023 classes should funding be approved in the Governor's Budget in December 2019.

The University is well underway on an update of the current Master Plan. A presentation is scheduled for the full Board of Visitors meeting. Final completion and presentation to the Board of Visitors is scheduled for December 2019. A copy of the report is attached hereto as **Attachment C** and is made a part hereof.

Vice President Reed presented an update of the off-campus residential properties acquired by the Radford University Foundation in 2018. Vast improvements were made to the properties during Summer 2019. General renovations included door hardware, site and parking lot lighting, exterior signage and branding. Building renovations included flooring replacement, new appliances, HVAC units and new fire detection alarm systems. Students utilized renovated properties in Fall 2019. A copy of the report is attached hereto as **Attachment D** and is made a part hereof.

ACTION ITEMS

Approval of Radford University's 2019 Six-Year Plan

Vice President Reed presented the University's 2019 Six-Year Plan update. He reported that Radford University's Six-Year Plan was updated to reflect the status of existing strategies based on institutional priorities and legislative action during the 2019 General Assembly Session. The institution will resubmit the final plan to State Council of Higher Education for Virginia on October 1, 2019. Mr. Burton asked for a motion to recommend the Resolution to Approve the University's 2019 Six-Year Plan, as presented, to the Board of Visitors. Mr. Lawrence so moved, Dr. Brown seconded, and the motion carried unanimously. A copy of the report and Resolution are attached hereto as **Attachment E** and is made a part hereof.

Radford University 2018-19 Financial Performance Report and Approval of 2019-20 Operating Budget

Vice President Reed presented the 2018-19 Financial Performance Report, which included a review of year-end financial activity as of June 30, 2019, and the proposed 2019-20 Operating Budget for Committee consideration. Following discussion, Mr. Burton asked for a motion to recommend the Approval of the University's 2019-20 Operating Budget, as presented, to the Board of Visitors. Dr. Debra K. McMahon so moved, Mr. Lawrence seconded, and the motion carried unanimously. A copy of the report is attached hereto as **Attachment F** and is made a part hereof.

ADJOURNMENT

With no further business to come before the committee, Mr. Burton asked for a motion to adjourn the meeting. Dr. Brown so moved, Dr. McMahon seconded, the motion carried unanimously. The meeting adjourned at 2:01 p.m.

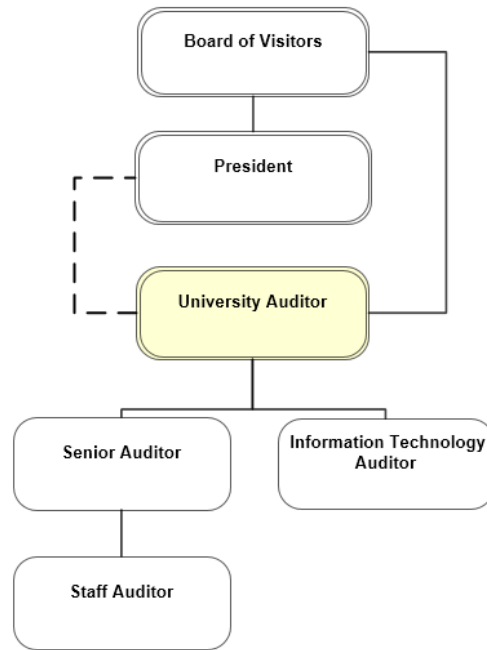
Respectfully submitted,

Pamela Fitchett
Administrative Assistant to the
Vice President for Finance and Administration and Chief Financial Officer

Board of Visitors Orientation

RADFORD
UNIVERSITY

Organizational Structure



Difference between External & Internal Auditors

External Auditors

Auditor of Public Accounts (APA)
“State Auditors”

- Based in Richmond; dual reporting to General Assembly and Joint Legislative Audit & Review Commission (JLARC)
- Perform annual financial statement audit, NCAA agreed-upon procedures, state-wide audits

Internal Auditors

Office of Audit and Advisory Services
“Internal Audit”

- University employees on campus; dual reporting to President and Board of Visitors
- Mission and scope of work defined by Board-approved Internal Audit Charter Policy

Mission

To assist the Board of Visitors, the President, and senior management of Radford University in accomplishing the University's strategic objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes.

Internal Audit Charter Policy - Approved by the Board of Visitors and defines:

- Mission
- Authority
- Scope of Work
- Responsibility
- Independence and Accountability
- Standards of Audit Practice

Areas of Focus and Priorities

Audits

- Planned audits based on risk assessment and other factors
- Annual audit projects

Advisory Services

- Multiple projects as resource for University

Follow-up on Audit Issues

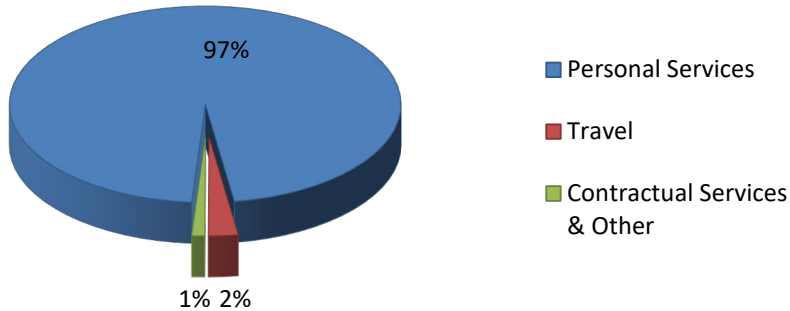
- Internal
- External

Investigations

- State Fraud, Waste, & Abuse Hotline
- Other investigations

Budget

Fiscal Year 2019 Expenditures - Actual



Fiscal Year 2019 Budget – Actual

Budget Category	Budget Amount	%
Personal Services	\$ 409,789	97%
Contractual Services & Other	\$ 4,458	1%
Travel	\$ 10,319	2%
Total	\$ 418,628	100%

Questions and Discussion

Policy Title: Internal Audit Charter	Effective Date: 2/22/2018
Policy Number: GEN-PO-1005	Date of Last Review: NEW
Oversight Department: Office of Audit and Advisory Services	Next Review Date: 2/2/2021

1. PURPOSE

The Office of Audit and Advisory Services, serving as the internal audit function for Radford University (University), was established by the Board of Visitors (Board) and the President as an integral part of the overall internal control structure of the University. The *Internal Audit Charter* describes the general purpose, authority, and responsibility of the Office of Audit and Advisory Services.

2. APPLICABILITY

The *Internal Audit Charter* applies to all University employees, departments, and activities.

3. DEFINITIONS

Business Affairs and Audit Committee: Per the Radford University Board of Visitors Bylaws, a standing committee of the Board of Visitors that is generally responsible for reviewing and recommending action to the Board regarding the financial and business affairs of the University, including but not limited to, capital projects, grants, contracts, and the naming of facilities. This committee also oversees the internal audit function of the University, receives the annual financial audit report of the Auditor of Public Accounts, and performs studies of financial matters as directed by the Board.

Internal Auditing: An independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of an organization. Its mission is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

Internal Control: Based on the Internal Control – Integrated Framework (2013), published by the Committee of Sponsoring Organizations of the Treadway Commission, internal control is an ongoing process, effected by the Board of Visitors, management, and other University personnel designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance. Internal control consists of five major components: control environment, risk assessment, control activities, information and communication, and monitoring.

Management: The collective body of those who have the authority and responsibility to make decisions in order to manage or direct the various operations and business processes of the University. Management encompasses various levels of the organization including division heads, deans, directors, managers, and supervisors.

University Auditor: The senior position that is responsible for effectively managing the University's internal audit function in accordance with the *Internal Audit Charter* and the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework. The University Auditor is the Chief Audit Executive.

University Employee: Any person employed as a teaching faculty, administrative or professional faculty, classified employee, part-time or wage employee, student employee, work/study employee, or any other person paid through the University's payroll process.

4. POLICY

- A. The University's Board of Visitors and the President are dedicated to supporting the internal audit function (i.e. the Office of Audit and Advisory Services), an integral part of the overall internal control structure of the University (see [Internal Control Policy](#)).
- B. As the University's internal audit function, the Office of Audit and Advisory Services must be independent from the University's management to operate effectively. In order to provide for the independence of the Office of Audit and Advisory Services:
 1. The Office of Audit and Advisory Services staff will report to the University Auditor who will be administratively responsible to the President and functionally accountable to the Business Affairs and Audit Committee of the Board of Visitors.
 2. The University Auditor will be provided unrestricted access to communicate and interact directly with the Business Affairs and Audit Committee.
 3. The University Auditor will confirm to the Business Affairs and Audit Committee, at least annually, the organizational independence of the Office of Audit and Advisory Services.
 4. Any decision to remove the University Auditor must be approved by the Business Affairs and Audit Committee.
- C. As its mission, the Office of Audit and Advisory Services will assist the Board of Visitors, the President, and senior management in accomplishing the University's strategic objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes.
- D. The Office of Audit and Advisory Services will be authorized to:
 1. have full, free, and unrestricted access to all functions, records, property, and personnel of the University.
 2. allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives and issue reports.
 3. obtain assistance from the necessary personnel of the University, as well as other specialized services from within or outside the University, in order to complete their work.
- E. University employees must cooperate with the Office of Audit and Advisory Services in accordance with its authority.

- F. The Office of Audit and Advisory Services will not be authorized to:
1. perform any operational duties for the University or its affiliates.
 2. initiate or approve transactions external to the Office of Audit and Advisory Services.
 3. direct the activities of any University employee not employed by the Office of Audit and Advisory Services, except to the extent that such employees have been appropriately assigned to auditing teams, or to otherwise assist the audit team.
 4. develop or write policies or procedures that they may later be called upon to evaluate. Draft materials developed by management may be reviewed for propriety or completeness; however, ownership of, and responsibility for, these materials remains with management.

5. PROCEDURES

A. Scope of Work

1. The scope of work for the Office of Audit and Advisory Services will be to ascertain that the system of internal control (see [Internal Control Policy](#)), as designed and represented by management, is adequate and functioning in a manner to provide reasonable assurance regarding the following:
 - a. Achievement of the University's strategic objectives
 - b. Effectiveness and efficiency of operations and programs
 - c. Reliability and integrity of financial and operational information
 - d. Safeguarding of assets
 - e. Compliance with policies, standards, procedures, contracts, and applicable laws and regulations
2. Reviews and evaluations of internal control by the Office of Audit and Advisory Services will be advisory in nature. The University's management will continue to be responsible for establishing and maintaining an adequate internal control system.
3. The Office of Audit and Advisory Services may also perform advisory and consulting services, provided the Office of Audit and Advisory Services does not assume management responsibility.

B. Objectivity

1. All work performed by the Office of Audit and Advisory Services will be conducted in an objective manner.
2. The University Auditor will ensure that the Office of Audit and Advisory Services remains free from all conditions that threaten to impair the ability of audit staff to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content.
3. If such an impairment, either in fact or in appearance, is detected, the University Auditor will take the appropriate action to address and, if necessary, disclose the information to the appropriate parties.

4. The Office of Audit and Advisory Services staff will maintain an unbiased mental attitude that allows them to perform their work objectively and in such a manner that they will believe in their work product, that no quality compromises will be made, and that they will not subordinate their judgment on audit matters to others.
5. The Office of Audit and Advisory Services staff will have no direct operational responsibility or authority over any of the activities that they audit, nor will they have had any within the previous year.

C. Responsibility

The University Auditor and the Office of Audit and Advisory Services staff will have responsibility to:

1. develop a flexible annual audit plan, considering the input of senior management and the Business Affairs and Audit Committee. The plan will be developed using an appropriate risk-based methodology and presented to senior management and the Business Affairs and Audit Committee.
2. implement the annual audit plan, reviewing and adjusting it as necessary in response to changes in the University's business, risks, operations, programs, systems, and controls.
3. report to appropriate levels of management significant issues related to the processes for controlling the activities of the University, including potential improvements to those processes.
4. follow up with management to verify that corrective actions are taken on findings and recommendations, and report the results periodically to senior management and the Business Affairs and Audit Committee.
5. evaluate and assess significant merging/consolidating functions and new or changing systems, services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
6. perform special studies, reviews, or investigations requested by management.
7. perform consulting and advisory services related to governance, risk management, internal controls, or other areas of interest and concern.
8. conduct investigations of fraud, waste, and abuse, including those referred by the Office of the State Inspector General related to State Fraud, Waste, and Abuse Hotline cases. Results of these investigations will be communicated to management and the Business Affairs and Audit Committee, as appropriate.
9. coordinate with other control and monitoring functions and consider the scope of work of external auditors, as appropriate, to provide optimal audit coverage to the University at a reasonable overall cost.
10. periodically provide to the Business Affairs and Audit Committee information on the status and results of the annual audit plan and the results of activities and operations reviewed. Reports from "special request" audits may have more limited distribution.
11. ensure trends and emerging issues that could affect the University are considered and communicated to senior management and the Business Affairs and Audit Committee, as appropriate.

12. maintain a professional audit staff with sufficient knowledge, skills, and experience to meet the requirements of this *Internal Audit Charter*, and ensure that the principles of integrity, objectivity, confidentiality, and competency are applied and upheld. The impact of any resource limitations will be communicated to senior management and the Business Affairs and Audit Committee, as appropriate.
13. ensure emerging trends and successful practices in internal auditing are considered.
14. establish and ensure adherence to policies and procedures designed to guide the Office of Audit and Advisory Services.
15. ensure adherence to the University's relevant policies and procedures, unless such policies and procedures conflict with this *Internal Audit Charter*. Any such conflicts will be resolved or otherwise communicated to senior management and the Business Affairs and Audit Committee, as appropriate.

D. Standards of Practice

The Office of Audit and Advisory Services will conform to the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing (Standards), and the Definition of Internal Auditing.

E. Quality Assurance and Improvement Program

1. The Office of Audit and Advisory Services will maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include an evaluation of conformance with the Standards and application of the IIA's Code of Ethics.
2. The quality assurance and improvement program will include both internal and external assessments. Internal assessments will include ongoing monitoring and periodic assessments of the internal audit function. An external assessment will be performed at least once every five years by a qualified, independent assessor or assessment team.
3. The University Auditor will communicate results of the assessments to senior management and the Business Affairs and Audit Committee.

6. EXCLUSIONS

None

7. APPENDICES

None

8. REFERENCES

[State Fraud, Waste, and Abuse Hotline](#)

[The Institute of Internal Auditors International Professional Practices Framework \(IPPF\)](#)

[Internal Control – Integrated Framework \(2013\)](#), Committee of Sponsoring Organizations of the Treadway Commission

9. INTERPRETATION

The authority to interpret this policy rests with the President of the University and is generally delegated to the University Auditor.

10. APPROVAL AND REVISIONS

The *Internal Audit Charter* replaces and expands upon the *Charter* last adopted by the Board of Visitors on September 19, 2014. The newly developed *Internal Audit Charter* was developed in the University Policy Template, and was submitted to and approved by the President's Cabinet at the meeting held on January 8, 2018. The *Internal Audit Charter* was then submitted to and approved by the Radford University Board of Visitors at the meeting held on February 16, 2018. The President signed the *Internal Audit Charter* on February 22, 2018.

For general information concerning University policies, contact the [Office of Policy Compliance](#) – (540) 831-5794. For questions or guidance on a specific policy, contact the Oversight Department referenced in the policy.

**RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES**

DRAFT

Fiscal Year 2019 Activity Report

Projects During Past Year

AUDITS & INVESTIGATIONS - Completed

Revenue Collection Point Audit - Graduate Admissions
Departmental Audit - Student Recreation and Wellness
Information Technology Audit - Building Automation System
State Hotline Investigations (six cases)
Other Investigations (two cases)

AUDITS & INVESTIGATIONS - In Process

Information Technology Audit - Contingency Planning - Backup & Recovery
Information Technology Audit - Vulnerability Management
E-Verify
Sponsored Programs & Grants Management
State Hotline Investigations (one case)

ANNUAL AUDIT PROJECTS - Completed

Cash Counts (13 funds)
Inventory - June 30, 2018
Payroll Reviews (4 quarters)
University Discretionary Fund Reviews (4 quarters)
Quality Assurance & Improvement Program Review
Follow-up on Internal Audit Report Issues
Follow-up on Auditor of Public Accounts (APA) Comments

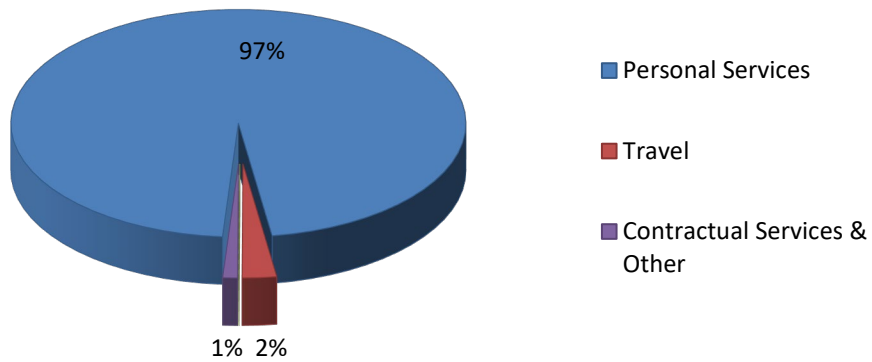
OTHER AUDIT PROJECTS - Completed

Indirect Audit Activities
Coordination of APA Audit
Over 70 University & Management Support Projects

**RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES**

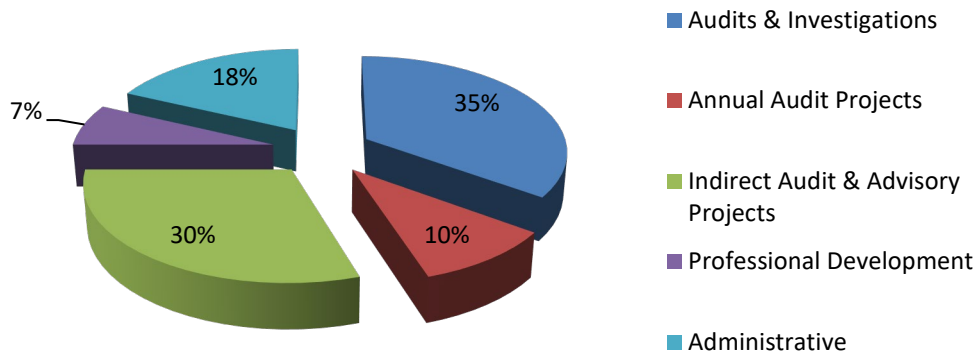
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Fiscal Year 2019 Expenditures - Actual



"Other" includes expenditures for printing/postage/copier, telecommunications, and supplies & materials.

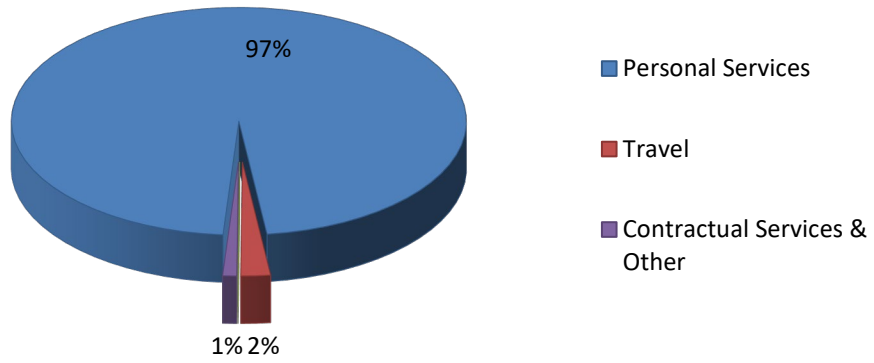
Fiscal Year 2019 Hours - Actual



**RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES**

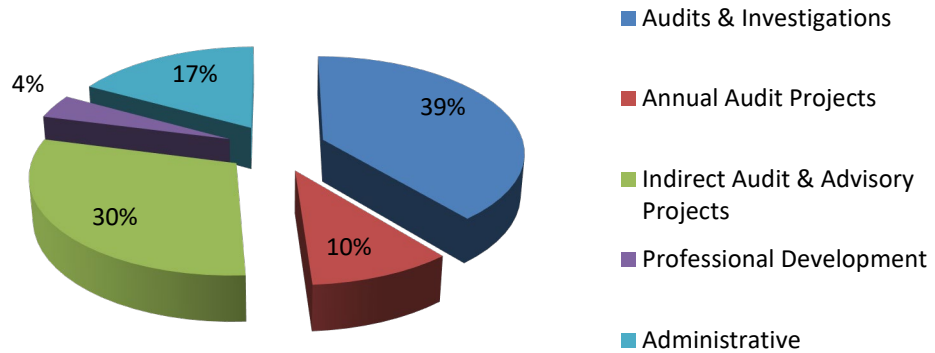
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Fiscal Year 2020 Expenditures - Projected



"Other" includes expenditures for printing/postage/copier, telecommunications, and supplies & materials.

Fiscal Year 2020 Hours - Projected



RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
BALANCED SCORECARD
Fiscal Year 2019
DRAFT

#	Measurement Goal/Criteria	Goal	Results
Personnel			
1.	Maintain acceptable percentage of staff members with professional certifications or advanced degrees.	Between 75%-100%	75%
2.	Each staff member obtains an acceptable number of professional continuing education hours per calendar year.	Between 40-60 hours	74 hours
Productivity			
3.	Maintain an acceptable “administrative time” utilization ratio, based on hours worked.	25% or less	18%
Reporting			
4.	Provide the Business Affairs and Audit Committee with periodic status updates.	Between 3-4 times/year	4 times
5.	Maintain an average acceptable turnaround rate for distributing the draft report to management for signature (i.e. time between audit exit conference and distribution of draft report for signature).	10 business days	3 business days
Quality and Effectiveness			
6.	Maintain satisfactory results (“good” or ‘excellent’) on audit project customer satisfaction surveys.	Between 80%-100%	100%
7.	Maintain an acceptable percentage of business issues accepted by management.	Between 90%-100%	100%

**RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES**

DRAFT

Fiscal Year 2020 Audit Plan

AUDITS & INVESTIGATIONS

Projects from Prior Year In Progress

- Information Technology Audit - IT Contingency Planning
- Information Technology Audit - Vulnerability Management
- Human Resources Audit - E-Verify
- Sponsored Programs Audit

Contract Review Audit

Study Abroad Audit

Revenue Collection Point Audit - Intercollegiate Athletics

Information Technology Audit - Threat Management

State Hotline Investigations

Other Investigations

ANNUAL/ROUTINE AUDIT PROJECTS

Cash Counts

Inventory

Payroll Reviews

Fixed Asset Verifications

University Discretionary Fund Reviews

Follow-up on Internal Audit Report Issues

Follow-up on Auditor of Public Accounts (APA) Comments

OTHER AUDIT PROJECTS

Indirect Audit Activities

Auditor of Public Accounts Audit Coordination

Office of State Inspector General Audit Coordination

University & Management Support Projects

**RADFORD UNIVERSITY
OFFICE OF AUDIT AND ADVISORY SERVICES
FOLLOW-UP AUDIT STATUS REPORT
BUSINESS AFFAIRS AND AUDIT COMMITTEE
SEPTEMBER 2019**

Audit: APA Audit 6/30/2018				
	Business Issue	Planned Action	Action Date	Status
1.2	<p>The University did not implement several required and recommended security controls to safeguard and monitor database activity. The University uses HMS to manage residence hall application and assignment information and integrates with the financial system of record, Banner, and card access system, CBORD. Specifically, the following weaknesses exist:</p> <p>The University does not log and monitor certain database activity for accounts with elevated privileges. The CIS Benchmark, section 5, recommends certain audit events to be logged, such as the All audit option on the SYS.AUD\$ table, to ensure anomalous or unauthorized changes to the database are investigated. Additionally, the University's Database Management Standard requires the Enterprise Director and system owners review the audit logs monthly for inappropriate or unusual activity and document reviews regarding questionable activities. Without setting specific audit events to be logged and reviewing the logs on a periodic basis, the University increases the risk for undetected anomalous activity to occur and remain unmitigated.</p>	<p>Radford University continues to enhance logging and detection of anomalies through centralized logging and the use of Splunk. The All option was enabled and reviewed in our test environment for the SYS.AUD\$ table. It is now being enabled in production and a report of the log entries will be scheduled in Splunk to provide the system owner with a monthly summary of DBA activity.</p>	June 1, 2019	Complete

Audit: IT – Building Automation Systems				
	Business Issue	Planned Action	Action Date	Status
4.0	The IT Security Standard requires that the System Security Plan (SSP) for sensitive systems be updated at least every three years, and submitted to the Information Security Officer (ISO) for approval. The SSP for BAS was last updated in May 2013, which is outside of the required timeframe.	In 2018, the University’s Business Impact Analysis (BIA), Risk Assessment (RA), and Disaster Recovery Plans (DRP) are scheduled for review as part of the 3-year review cycle. During this engagement, DoIT will evaluate the types of documents required for systems, including the SSP. BAS will be included in the scope of the review and for documented updates.	June 1, 2019 Revised to January 31, 2020	In Process
6.1	Controls over password management practices for BAS servers and applications need improvement to ensure a more secure environment and to comply with the Standard as follows: This issue was communicated to management in a separate document marked Freedom of Information Act exempt under § 2.2-3705.2(3) of the Code of Virginia due to it containing descriptions of security mechanisms.	Management provided a planned action under the same public disclosure exemption as noted in the business issue.	August 1, 2019 Revised to January 31, 2020	In Process
8.3	Improvements are needed in the systems documentation for BAS. We were unable to obtain the following documentation required by the Standard: Annual self-assessment to determine the continued validity of risk assessment controls	DoIT will create a risk self-assessment template for system owners to complete.	June 1, 2019 Revised to January 31, 2020	In Process

Business Affairs and Audit Committee

RADFORD
UNIVERSITY

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 26, 2019

Information Item
Write off of Past Due Accounts Update

Item:

A report of all past due accounts written off in the previous fiscal year is presented annually at the September meeting of the Board of Visitors' Business Affairs and Audit Committee.

Background:

The Virginia Department of Accounts' Commonwealth Accounting Policies and Procedures (CAPP) Manual, Topic 20505, *Accounts Receivable*, states that delinquent accounts should be written off an agency's financial accounting records when all collection procedures, including those procedures required by the Office of the Attorney General (OAG), have been conducted without results and management deems the accounts uncollectible. Accounts are deemed uncollectible if the collection account is over one year old and no payments have been received. The OAG accounts are deemed uncollectible if no payment has been made in one year from the time it is placed with the OAG. Accounts are written off effective the last day of the quarter in which this time period applies.

When accounts are written off, they are removed from an agency's financial accounting records. Writing off the debt for accounting purposes does not discharge the debt. The debt is still owed to the Commonwealth, but is no longer reported on the agency's books as a receivable. Eligible written off receivables must continue to be submitted to the Commonwealth's debt setoff program.

In 2006, the Radford University Board of Visitors delegated authority to write off uncollectible accounts under the amount of \$25,000 per quarter to the Vice President for Finance and Administration and Chief Financial Officer. To meet financial reporting standards in a timely manner, the Board of Visitors revised the write-off delegation in 2014 to authorize the Vice President for Finance and Administration and Chief Financial Officer to write off all uncollectible accounts meeting State and University guidelines at the end of the reporting quarter, regardless of amount and provide an annual report of the previous year-ending activity at the September Business Affairs and Audit Committee meeting.

Below is a summary of the accounts written off by type of charge that have been returned by one of the University's third party collection agencies as uncollectible, or referred to the OAG, and were deemed uncollectible during the fiscal year ending June 30, 2019:

Classification	Quarter Ending 9/30/2018	Quarter Ending 12/31/2019	Quarter Ending 3/31/2019	Quarter Ending 6/30/2019	FY 2019 Total \$	FY 2019 Total Count
Tuition & Fees	\$60,917	\$19,640	\$59,464	\$22,870	\$162,891	86
Parking & Fines	324	0	5,406	2,290	8,021	107
Residential Life	384	0	717	50	1,150	21
Returned Items	8,883	3,204	2,111	50	14,249	7
Discharged Litigation Cost	2,502	217	0	1,582	4,300	11
Total Approved Write-offs	\$73,010	\$23,061	\$67,699	\$26,841	\$190,611	232

Action: None. Informational only.

Write-Off of Past Due Accounts Report

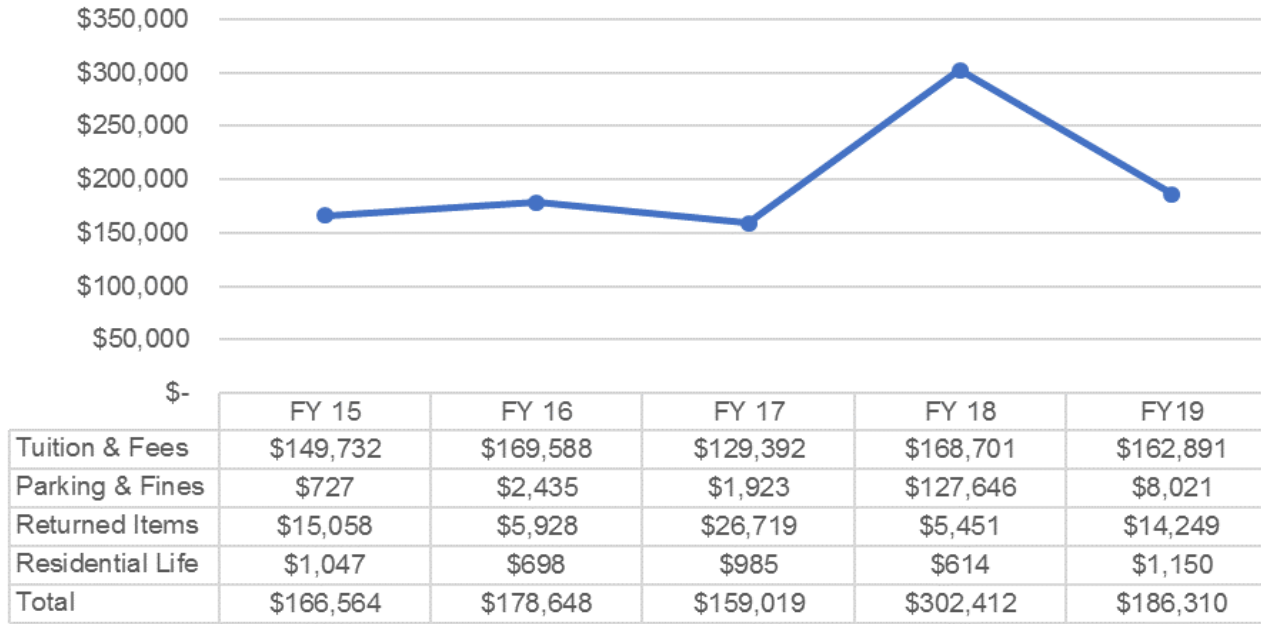


Write-Off of Past Due Accounts 2018-19

	Quarter Ending				Fiscal Year	
	9/30/2018	12/31/2019	3/31/2019	6/30/2019	Total \$	Total Count
Tuition & Fees	\$60,917	\$19,640	\$59,464	\$22,870	\$162,891	86
Parking & Fines	324	0	5,406	2,290	8,021	107
Residential Life	384	0	717	50	1,150	21
Returned Items	8,883	3,204	2,111	50	14,249	7
Discharged Litigation Cost	2,502	217	0	1,582	4,300	11
Total Approved Write-offs	\$73,010	\$23,061	\$67,699	\$26,841	\$190,611	232

Write-Off Trend Analysis FY2015 - 2019

Total Write-Off Trend



Capital Project Update



RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs and Audit Committee
September 26, 2019

Information Item
Capital Project Update

Item: Facilities Planning and Construction update on capital projects and the master plan.

Background: Radford University (University) currently has **two active capital projects** in progress. The following is an update and project summary:

1. Reed-Curie Renovation

Project Budget -----\$33,045,000

Architect/Engineer Firm----- Cannon Design

Construction Manager----- Branch and Associates

The Reed-Curie renovation project was approved in the spring 2016 state bond package. The project will completely renovate the existing Reed Hall and Curie Hall science buildings to complement the recent addition of the Center for the Sciences; ultimately, providing state-of-the-art facilities for nearly all of the science and technology 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 Greenhouse will also be renovated and remain located adjacent to the renovated Reed Hall.

The Commonwealth initially approved funding for detailed planning for the project in the fall of 2016, and then approved final funding for the remainder of design and the construction on June 30, 2017. The Commonwealth issued an approved demolition Building Permit on January 8, 2018 and the approved full project Building Permit on May 3, 2018.

During the summer of 2017, the University completed the relocation of staff and equipment to various swing spaces on campus to render the building unoccupied. A Guaranteed Maximum Price for an Early Release Demolition Package was approved with a Notice-to-Proceed executed on January 8, 2018, and a subsequent Guaranteed Maximum Price for the full Project Renovation Package was approved with a Notice-to-Proceed executed on May 3, 2018.

Demolition is complete, including all interior systems and components, as well as, exterior utilities and site work. The installation of the new metal panel and window façade for Curie Hall is nearly complete. The new façade will resemble the elements of the adjacent Center for the Sciences and will provide full views from the interior building spaces.

New interior walls and various interior building systems installations are nearly complete, starting at the first floor up to the third floor. Electrical and plumbing rough-ins are complete. The foundations, framing, window-wall, roof for the entry area addition, and exterior utility systems are complete. Roofing installation and exterior windows installation are complete. Final space finishes are well underway, including floors, ceilings, and walls. Lab equipment installation is nearly complete. Design for furniture and other equipment/furnishings is complete, and furniture has been ordered with delivery and installation scheduled for September 2019.

Final project construction completion is scheduled for November 2019, with swing space relocations in December 2019 to accommodate classes in January 2020. The overall project is currently under budget.

2. Center for Adaptive Innovation and Creativity

Project Budget -----\$4,000,000
(Detailed Planning only)

Architect/Engineer Firm----- Hord Coplan and Macht

Construction Manager----- Skanska

The Center for Adaptive Innovation and Creativity (Center) project was approved for Detailed Planning in July 2018, as described in the University’s Six-Year Capital Plan submission to the Commonwealth in December of 2017.

The Center will address an array of significant programmatic and building deficiencies across a number of academic colleges. The approximately 178,000-square-foot multi-story building will include state-of-the-art instruction, laboratory, maker, studio, computer, and collaborative spaces that integrate the arts and health sciences, along with office and other academic support functions. Specialty spaces will include an instructional auditorium and support spaces, health science clinical lab spaces, painting and drawing studio spaces, and music and dance studio spaces. The project will be located in a prominent area of campus directly adjacent to East Main Street, and will complement the existing buildings along this important campus corridor.

The project scope will generally provide for demolition of the existing Porterfield East and West Halls and McGuffey Hall, and construction of the new building and building systems and components including HVAC, plumbing, electrical, fire alarm and detection, fire suppression,

lightning protection, and elevators. The project will replace existing facilities and building systems nearly 50 years old that are inadequate for today's learning environment and technologies. Significant utility impacts will be accommodated, along with erosion/sediment control and stormwater management requirements. The impact of required swing spaces and potential phased construction are being investigated during the preliminary design phases of the project.

The solicitation for design services was advertised on May 1, 2018, and the firm of Hord, Coplan and Macht was selected and the design began in July. The initial Programming effort has been completed, and early building schemes have been developed and approved by the University. Geotechnical investigations and site/utility surveying are complete. Virginia's Department of Historic Resources has approved the proposed demolition, and the Environmental Impact Report has been approved by Virginia's Department of Environmental Quality (DEQ). The demolition package has been approved by the Art and Architectural Review Board (AARB), along with final approval of the new building design package. The Schematic Design Package was submitted to the Division of Engineering and Building (DEB) in November, with subsequent approval in December. The Preliminary Design Package and Estimate submitted to DEB in May 2019 was approved July.

The University's request to utilize the Construction Management-at-Risk (CM-at-Risk) delivery method was approved by DEB, and the solicitation for CM-at-Risk services was advertised on July 22, 2018. Qualifications packages were received on August 21, with Request for Proposals (RFP) and interviews conducted in mid-September. The contract for pre-construction services was awarded to Skanska on October 8, and their team provided pre-construction services for the project.

The project was not funded in the FY2020 budget; therefore, the project will not proceed past Detailed Planning at this time. The Capital Budget Request for the project was submitted in June, in order to facilitate inclusion in the upcoming FY2021 budget. The project estimate is currently \$97,800,000.

3. Master Plan 2020-2030

The University is well underway on the preparation of an update of the current Master Plan. Background information gathering for the Master Plan 2020-2030 began in 2017, with the assignment of the Committee and kickoff meeting in April 2018. Initial information gathering and stakeholder input occurred throughout the summer and fall of 2018, with campus open forums and presentations to all internal governance Senates and other organizations and stakeholder groups. Sub-committees were formed to study specific areas of interest including academics; student activities and services; land use; transportation; infrastructure and sustainability; and public-private and community. Outside consultants reviewed existing campus space utilization to identify potential under- or over-utilization of various space types. A review of existing campus parking was also completed by outside consultants to identify

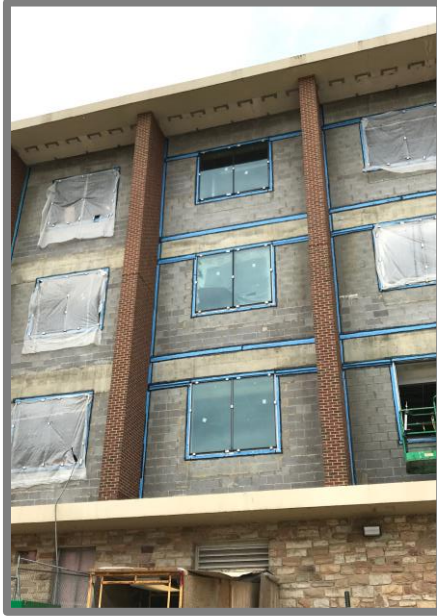
potential areas of improvement for traffic, parking, and public transportation. Initial findings were compiled and reviewed with the Executive Steering Committee in January, in order to identify areas for greater analysis by the Committee in the spring and summer of 2019.

Final document preparation is underway for the summer/fall of 2019, with another round of presentations to internal governance Senates and other organizations and stakeholder groups, including a briefing to the Board of Visitors on overall themes and findings. Final completion and presentation to the Board of Visitors is scheduled for December 2019.

Reed-Curie Renovation



Reed-Curie Renovation



Reed-Curie Renovation

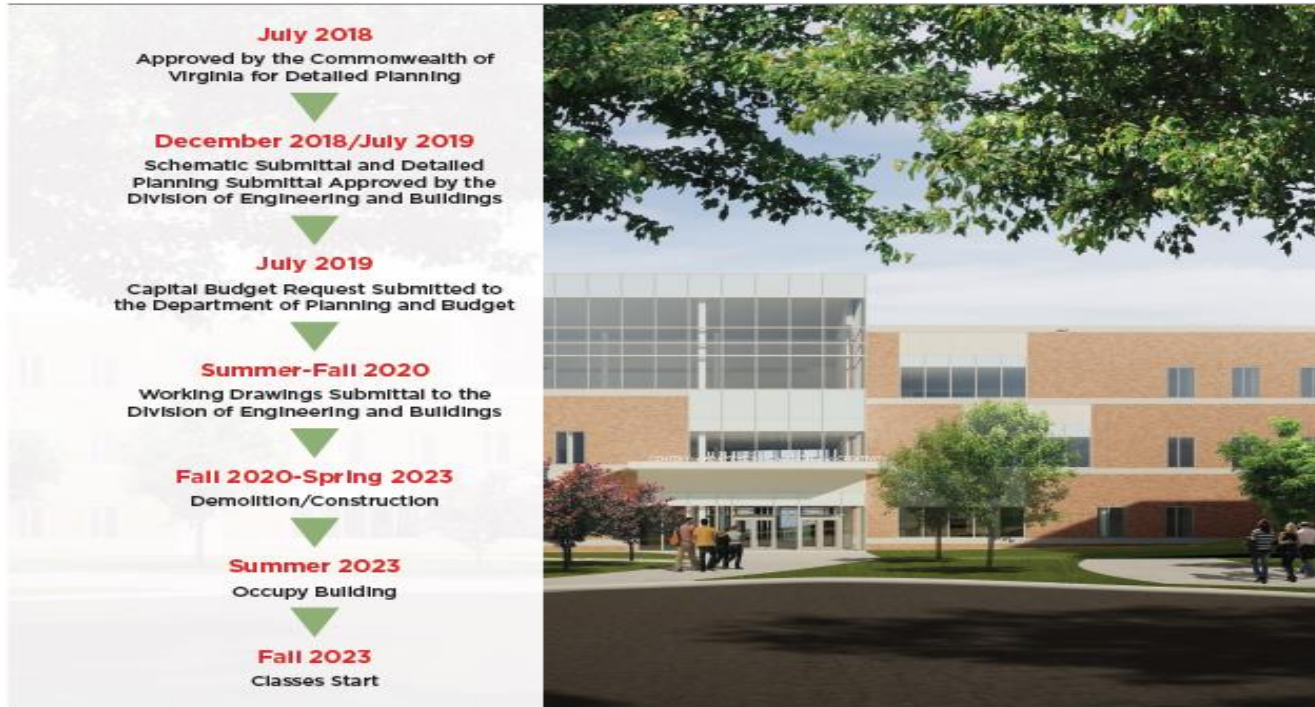
Project construction completion is scheduled for November 2019, and classes will resume in the renovated space for Spring 2020.



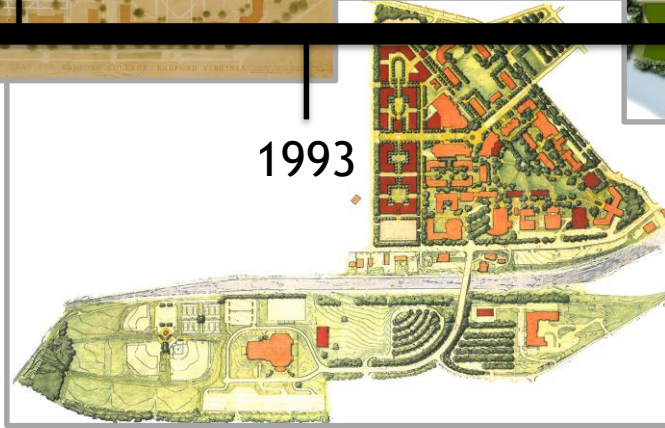
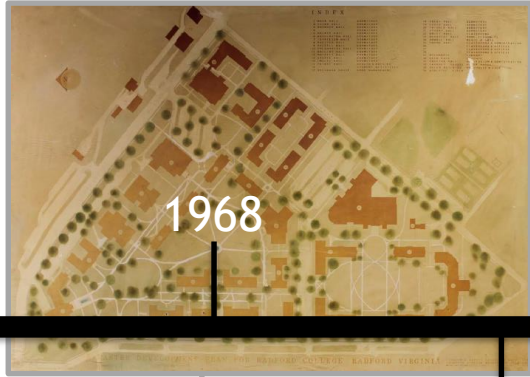
Center for Adaptive Innovation and Creativity



Center for Adaptive Innovation and Creativity



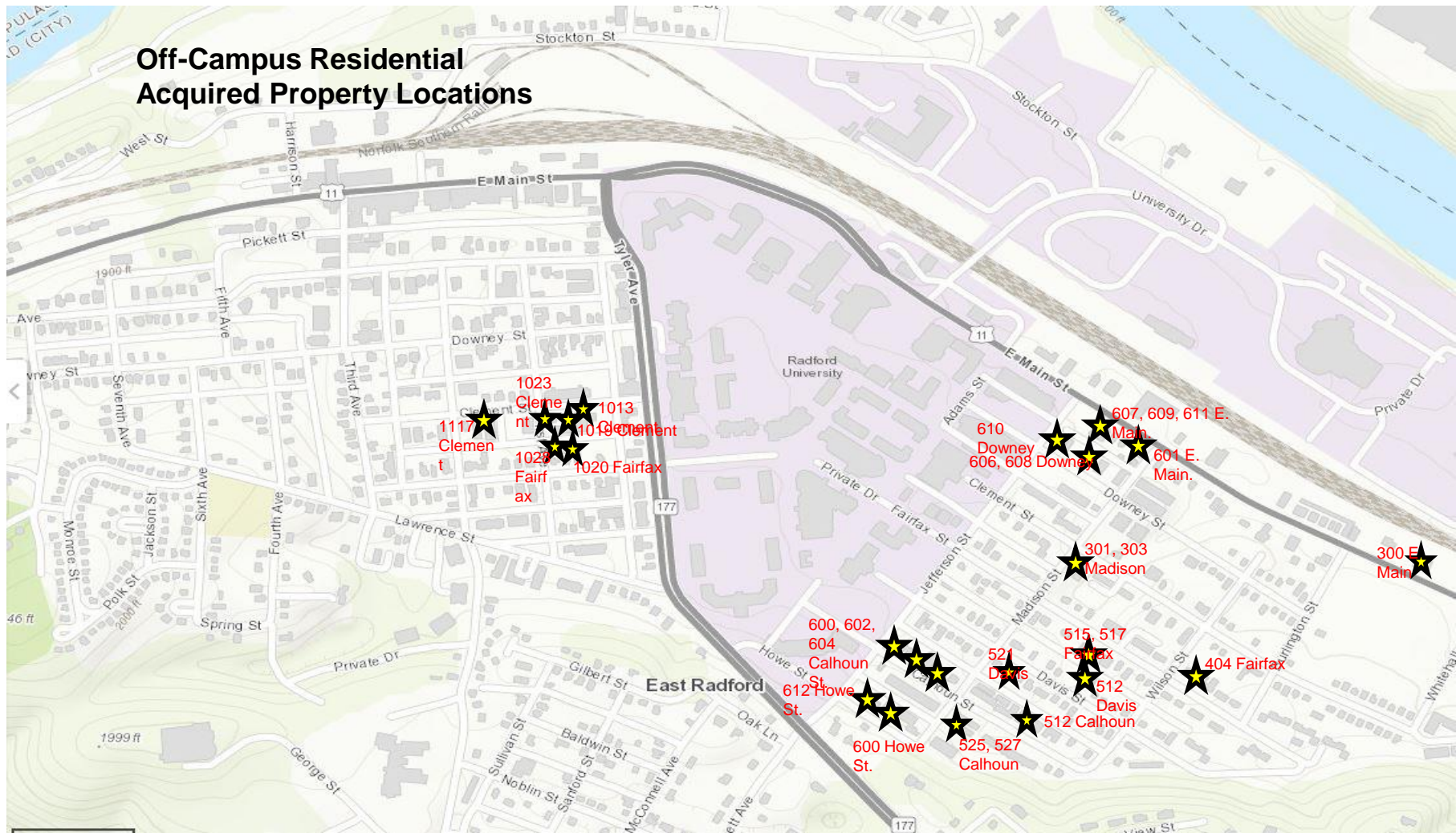
2020-2030 Master Plan



Off-Campus Housing Expansion and Facilities Management Improvement



Off-Campus Residential Acquired Property Locations



Off-Campus Expansion Summer 2019 Improvements

General Renovations - 252 Apartments/676 Beds

- Door Hardware
- Updated Keyed Locks
- Site and Parking Lot Lighting
- Painting All Exterior Doors
- Exterior Signage/Branding
- Updated Sequencing
- New Blinds
- New Furnishings
- Exterior Cleaning
- Parking lot sealing and restriping

Building Renovations - 525, 527 & 602 Calhoun, 600 Howe and 608 Downey

- Flooring Replacement
- New HVAC
- New Appliances
- New Electrical Panels
- New Fire Detection Alarm Systems
- Exterior Doors
- Bedroom Doors
- Bathtub Refinishing
- Fixture Replacement
- Commode Replacement

Off-Campus Renovations - Exterior Example



Off-Campus Renovations - Interior Example



Off-Campus Renovations - Interior Example



Facilities Management

Radford University Facilities Management strives to provide clean, safe, functional and well maintained buildings and grounds for students, faculty, staff, alumni and visitors.

Resources dedicated from maintenance, carpentry, work control, electrical, housekeeping, landscape, life safety, moving, painting and plumbing for the off-campus renovations:

- 14,000 labor hours
- 35 new HVAC systems
- 147 new appliances
- 90,000 sq. ft. of new flooring
- 1,053 new door locks
- 165 new doors
- 450 new exterior lights
- 2,862 pieces of bedroom furniture

2019 SIX-YEAR PLAN: NARRATIVE**Radford University****July 1, 2019****OVERVIEW:**

The totality of the six-year plan should describe the institution's goals as they relate to goals of The Virginia Plan for Higher Education, the Higher Education Opportunity Act of 2011 (TJ21) and the Restructured Higher Education Financial and Administrative Operations Act of 2005. The instructions under institutional mission and alignment to state goals, below, ask for specific strategies around four priority areas. Other sections will offer institutions the opportunity to describe additional strategies to advance institutional goals and state needs. *Please be as concise as possible with responses and save this narrative document with your institution's name added to the file name.*

Section A. Institutional Mission, Vision, Goals, Strategies and Alignment to State Goals:

Provide a statement of institutional mission and indicate if there are plans to change the mission over the six-year period.

Provide a brief description of your institutional vision and goals over the next six years, including numeric targets where appropriate. Include specific strategies (from Part 3 – Academic-Financial Plan and Part 4 – General Fund Request) related to the following areas: (1) access and enrollment, particularly for underrepresented students; (2) retention, completion and time to degree; (3) affordability and funding; and (4) workforce alignment and retention of graduates. Strategies also can cross several state goals, notably those related to improved two-year and four-year transfer, and should be included here. If applicable, include a short summary of strategies related to research. The description of any strategy should be one-half page or less in length. Be sure to use the same short title as used in the Part 3 and Part 4 worksheets.

RESPONSE:

Radford University's mission statement was originally approved by the Board of Visitors on May 10, 1991, and then revised by the Board of Visitors on May 7, 1999. As part of the University's recent strategic planning efforts, a mission, vision and core values team was assembled and worked to review and update these important institutional elements. On December 8, 2017, based on this group's yearlong effort, the Board of Visitors approved an update to the mission statement along with the University's 2018-2023 strategic plan, *Embracing the Tradition and Envisioning the Future*. The mission statement was again updated by the Board of Visitors on October 3, 2018, in light of the University's proposed merger with Jefferson College of Health Sciences. Prior to this change, the mission statement indicated that Radford University empowered students

"...from the baccalaureate to the doctoral level..." The Board of Visitors agreed that changing the wording from "baccalaureate" to "undergraduate" would allow the mission to encompass the students from Jefferson College of Health Sciences' three associate's degree programs. These programs will move to Radford University temporarily in order to appropriately teach out and then transfer the programs to Virginia Western Community College upon their attainment of regional and program accreditation.

Radford University Vision:

Radford University aspires to be the premier, innovative, student-centered university in the Commonwealth of Virginia and beyond with a keen focus on teaching, research and service.

Mission:

As a mid-sized, comprehensive, public institution, dedicated to the creation and dissemination of knowledge, Radford University empowers students from diverse backgrounds by providing transformative educational experiences, from the undergraduate to the doctoral level, within and beyond the classroom. As an inclusive university community, we specialize in cultivating relationships among students, faculty, staff, alumni and other partners and in providing a culture of service, support and engagement. We embrace innovation and tradition and instill students with purpose and the ability to think creatively and critically. We provide an educational environment and the tools to address the social, economic and environmental issues confronting our region, nation and the world.

Core Values:

- *Student Empowerment and Success — We engage and support our students in the discovery and pursuit of their own unique paths.*
- *Excellence — We expect our community to strive for the highest standards.*
- *Inclusiveness — We are committed to a spirit of cooperation and collaboration, embracing and honoring the diversity of our community.*
- *Community — We foster relationships and a culture of service within and beyond our university community.*
- *Intellectual Freedom — We encourage and defend a fearless exploration of knowledge in all its forms.*
- *Innovation — We inspire and support creativity in research, scholarship, pedagogy and service.*
- *Sustainability — We are committed to integrating sustainable practices into all aspects of our operations and engage students across the curriculum to learn, discover and contribute to positive current and future environmental solutions.*

Radford University has the privilege to serve a unique student population. For Fall 2018, 35.9 percent of undergraduate students were first-generation learners, 38.7 percent of

undergraduate students were Pell Grant eligible, and 31.2 percent of undergraduate students are from ethnically diverse backgrounds. To fulfil the University's commitment to the Commonwealth and effectively educate our student population, Radford University remains mindful of the needs of our students and has envisioned strategies that remove barriers to their success and afford opportunities in high demand careers.

Radford University is on course to become a leader in health sciences programs in the Commonwealth of Virginia. With critical shortages in most healthcare professions nationwide, the University is committed to addressing this crucial challenge over the next six years. The merger with Jefferson College of Health Sciences, formerly a division of Carilion Clinic, and the expanding partnership between Radford University and Carilion Clinic, serves as a platform for reform in both delivery and clinical experiences. The new division, Radford University Carilion, will continue to innovate and expand in Roanoke's Innovation Corridor.

The narrative below reflects specific strategies that will be employed by the University to achieve its vision, while supporting the objectives of the Statewide Strategic Plan (SSP): (1) access and enrollment, particularly for underrepresented students; (2) retention, completion and time to degree; (3) affordability and funding; (4) workforce alignment and retention of graduates.

Strategy 1: Improve Student Outcomes through the Reimagined First-Year Experience.

SSP Alignment: 1 – Provide affordable access for all.
2 – Optimize student success for work and life.

This strategy is at the core of the University's mission to provide transformative educational experiences that allow students to be successful, while also pursuing degrees that meet the changing needs of society. Though the University has worked diligently to improve retention rates, there was a slight decline in fall to fall retention from Fall 2016 to Fall 2017. The University's sustained efforts are returning positive outcomes as the fall to spring retention rate increased from 85.7 percent in Fall 2017 to 90.7 percent in Spring 2018.

On January 17, 2019, nearly 300 members of the Radford University family participated in the inaugural Retention Summit by attending the opening session and related remarks, as well as the keynote address by Timothy P. Culver, Ph.D., from Ruffalo Noel Levitz (RNL), which were open to the entire campus community.

Following the opening session, a diverse mix of 125 participants selected by various institutional administrators and shared governance leaders attended a daylong Summit, which was organized to support retention goals as outlined in the Fall 2017 Student Success and Retention Action Plan and the 2018-2023 Strategic Plan, *Embracing the Tradition and Envisioning the Future*.

From the inaugural Retention Summit, four overarching themes containing a multitude of recommendations emerged. The themes are: expanding the first-year experience; creating the sophomore experience; embracing case management through the advising experience; and capturing the student timeline.

The institution has identified five areas of focus for the Six-Year Plan to improve retention and successful outcomes.

a. Removing Barriers:

There are a number of policies, processes and procedures that unnecessarily, and often unintentionally, hinder student success. The opportunity here is to review those policies and ensure they are all consistent, clear, equitable and most importantly, in the best interest of the student. Faculty and staff are known to work collaboratively with students to assist them in navigating the required tasks of persisting through their academic careers. At Radford University, retention is everyone's business. Individuals from across the campus make a daily effort to enable and encourage student success.

b. Expand the First-Year Experience:

The University is embarking on an innovative alternative to the traditional delivery of general education courses. The REAL Education Model promises to engage students from the first semester in their degree programs. This should help with retention by allowing students to make connections with degrees, programs and faculty that facilitate the students' investment in Radford.

The general education program builds on the idea that students can pursue their goals and engage in exploration and learning in many ways and in all departments. The REAL program recognizes that degree programs build competencies in the areas students need for lifelong learning and success and allows students to cross credit those competencies with general education areas. With this in mind, this model incorporates general education seamlessly into the entirety of their career at Radford University. In this model, students meet area requirements through majors and minors. Additional foundational requirements are added to promote academic success.

The flexibility of the REAL program and the general studies minors may also help with time to degree. Unlike the current general education program, students will be able to maintain their progress forward without having to backtrack and retake general education requirements if they change their majors or minors. It is anticipated that this will improve time to degree. Since the model allows for the most efficient use of credit hours, courses will fulfill multiple requirements and ultimately result in student accumulation of multiple credentials within the 120

credit hour requirement. This provides the student more value for every tuition dollar within a very flexible array of products.

As part of the University's recent Retention Summit, both faculty and students alike voiced resounding support of the University's one credit UNIV100 courses, which are taught to new freshman in their first semester and are designed to actively assist students through their transition into university culture and overall college life. This program has long been viewed as a positive experience for new students with successful outcomes. Retention rates of students enrolling in this elective course exceed that of those who do not by 4.4 percentage points. The University is seeking to expand on the current offerings to ensure a variety of content is available to attract more students into the program.

c. Effective and Efficient Advising:

Academic advisors are often responsible for championing student success; therefore, it is vital that the broader administrative system in which they operate adequately supports their efforts. This includes training and development, hiring professional advisors, incentivizing faculty members and developing a peer-mentoring program. All factors of which must cohesively encourage student support.

Radford University has the responsibility of providing all students with continuous and comprehensive advising throughout their academic careers, and therefore, must make increased investments in advising. The University is moving to a new model of intrusive advising, which involves case management strategies and increased proactive interactions with students. The end goal of these measures yield improved relationships with advisors and increased academic motivation and persistence. This centralized model will provide co-located advising offices to ensure students are receiving consistent guidance and developing lasting relationships with their advisors.

d. Student Timeline to Graduation:

Radford University will create a student timeline that serves as a roadmap from the first day of class to graduation. In order for students to be successful in pursuing their educational goals, they must have access to clear expectations. Therefore, the student timeline will serve as a personalized, detailed academic calendar, outlining key requirements and milestones. Radford University believes awareness, knowledge and planning are keys to success.

e. Create the Sophomore Experience:

As part of the recent Retention Summit, a common theme developed around creating a sophomore experience. Radford University will create a

comprehensive sophomore experience that includes both academic and personal connections. This experience will involve increasing interaction with major-specific faculty and maintaining communication during breaks and over the summer. This experience will also address the importance and value of prerequisites and 200-level courses. This experience should provide seamless academic advising and academic and career pathways, with a deep dive into academics, internships and other engaging, real-world and valuable experiences. A UNIV 200 course approach is recommended as a customized major-focused introductory experience in the sophomore year. The sophomore year is also the ideal time to establish academic discipline groups and expand peer education initiatives.

Strategy 2: Improve Affordability through Additional Student Financial Aid.

SSP Alignment: 1 – Provide affordable access for all.
2 – Optimize student success for work and life.

The increasing cost of higher education continues to be a concern for stakeholders; including University leadership, students and their parents, as well as members of the administration and the General Assembly. Providing additional need-based financial aid has proven to be the most prudent approach to offsetting this cost.

According to SCHEV data, the partnership funding model indicates a need of \$30,257,498 in state support for the University in 2019-20; however, the actual support is anticipated at \$10,715,455 or 35.4% of total need. The State has continued to invest in programs such as the Commonwealth Grant supporting 2,478 students in 2017-18 at a cost of \$5,778,622, as well as the Virginia Guaranteed Assistance Grant (VGAP) supporting 1,333 students at a cost of \$3,342,042. Additionally, given the increases in enrollment from traditionally underserved populations, it is anticipated the University's calculated need under the partnership funding model will continue grow for the foreseeable future.

Radford University strives to be a low cost and low institutional aid University; however, the University recognizes the need to make strategic investments in the most financially disadvantaged students and provide additional aid for students who have remaining need after the VGAP and Commonwealth funding have been applied. The University has limited resources available for institutional financial aid, due to its high percentage of in-state undergraduate students (93 percent in Fall 2018), but will continue the Highlander Grant financial aid initiative at a cost of \$1,907,471 annually, as well as make planned investments to the University's need and ability grant program.

Strategy 3: Further Educational Opportunities for Healthcare Professions and the Roanoke Valley through Radford University Carilion.

SSP Alignment: 1 – Provide affordable access for all.
3 – Drive change and improvement through innovation and investment.

The Commonwealth of Virginia has been impacted by the national shortage of healthcare professionals and as such, employment opportunities in healthcare professions are strong. Consequently, training for health-related occupations and professions is a priority. In January 2018, representatives from Carilion Clinic, Jefferson College of Health Sciences and Radford University announced a bold initiative to merge Jefferson College of Health Sciences into the Radford University family of colleges and departments. The initiative is a result of the growing partnership among three organizations that have been collaborating and working closely together for more than two decades. The merger will be effective July 10, 2019, and will operate as Radford University Carilion, otherwise known as RUC. The merger is clearly aligned with the Top Jobs Act and the Virginia Plan for Higher Education, specifically by increasing college degrees in the high-demand occupations of healthcare.

Merging Jefferson College of Health Sciences into Radford University expands both available resources and the healthcare workforce to meet the needs of the region and state. Each organization brings strengths and, by combining strengths, the organization will be greater. Moving Jefferson College of Health Sciences under the umbrella of a larger state university will maximize expertise and provide programmatic flexibility to the healthcare workforce in Virginia.

The University is committed to growing the number of health professional graduates in the next six years and is exploring innovative ways to increase class size, while still delivering high quality programming and clinical opportunities. The University is also exploring other health profession programs that could compliment the current offerings at Radford University Carilion and Radford University through the partnership with Carilion Clinic. This evaluation is imperative as the institution works to address the broader regional healthcare workforce needs in the Roanoke Valley, New River Valley and greater Southwest Virginia.

Strategy 4: Establish an Innovative Transfer Partnership with New River Community College.

SSP Alignment: 1 – Provide affordable access for all.

Radford University is embarking on an innovative partnership agreement with New River Community College (NRCC) starting Fall 2020 to offer students an alternative transfer pathway between NRCC and Radford University. Around 500 students who have been denied admittance or deferred from Radford University will be offered the opportunity to attend NRCC, but live on the Radford University campus. Transit options will be available between the two campuses, allowing students to interact and connect in both settings. This unique option offers students a traditional residential campus experience, while they prepare for the rigors of a baccalaureate program. The University is anticipating this program will increase the number of successful transfers and help the University meet its transfer goals.

Strategy 5: Increase Degree Completion and Adult Learners through Competency-Based Education (CBE).

SSP Alignment: 4 – Advance the economic and cultural prosperity of the Commonwealth and its regions.

This initiative continues the University's commitment to the Innovative Mobile Personalized Accelerated Competency Training (IMPACT) program established in FY2017 as a Competency-Based Education (CBE) program. In FY2018, the program was awarded a historic three-year, \$13.9 million grant by the U.S. Department of Education's Supporting Effective Educator Development (SEED) Grant Program. The SEED grant expanded IMPACT to include Appalachian Support for Specialized Education Training (ASSET), which includes the development, implementation and evaluation of online, self-paced, for-credit CBE training designed to increase teacher effectiveness and workforce capacity in underserved rural communities in Appalachia. The IMPACT program started with eight learners in FY2018 and jumped to 488 in FY2019. With fully developed content, the University is anticipating 1,550 learners by the end of FY2020. The program has quickly become financially stable and is able to fully support its operating cost. To keep this initiative moving forward, the University will need to invest in additional program offerings in the Health Sciences. There is a demonstrated need for CBE programming, particularly in nursing. These new programs will enable the University to fill this critical need and further its efforts to support providing health sciences graduates in the Commonwealth.

Strategy 6: Enhance Student Experiential Learning Opportunities.

SSP Alignment: 2 – Optimize student success for work and life.

Experiential learning opportunities, such as internships and co-ops, provide real-world experience and enhance retention of classroom material; however, they are not always affordable to financially disadvantaged students. The University is committed to developing more affordable alternatives to provide students with comparable experiences on campus. Through a strategic partnership with the Virginia Small Business Development Center, the University seeks to expand offerings in the local area and increase availability to students.

Strategy 7: Strengthen Workforce Development Efforts.

SSP Alignment: 4 – Advance the economic and cultural prosperity of the Commonwealth and its regions.

Radford University recognizes the need for workforce development programs in the Commonwealth. The University will contribute to the overall economic growth and increased employment opportunities in the region through both indirect and direct economic development activities in the health education, arts and culture, natural

resources and infrastructure sectors. The University will continue to develop strategic corporate partnerships to enhance career talent development opportunities.

The University is exploring a new adult degree completion program for non-traditional students offered through Radford University's Davis College of Business and Economics. The program is designed as a pathway for individuals possessing a transferrable associate's degree or who have earned college credits but not a degree, to obtain a bachelor's degree in business. The program delivery is online to allow flexibility often needed by non-traditional students.

Section B. Tuition and Fees Predictability Plans: Provide information about the assumptions used to develop tuition and fee charges shown in PART 1. The tuition and fee charges for in-state undergraduate students should reflect the institution's estimate of reasonable and necessary charges to students based on the institution's mission, market capacity and other factors. Include information, if applicable, on tuition increase plans for program- and level-specific charges or on any other alternative tuition and fee arrangement.

RESPONSE:

Radford University's Tuition and Fee Predictability Plan, as shown in section 1B, is derived from both Radford University main campus tuition and fee rates, as well as the newly established Radford University Carilion. For all scenarios, Majority First-Year Students is defined as Radford University in-state undergraduate tuition and fee rates. All First-Year Students is defined as the weighted average of Radford University and Radford University Carilion in-state undergraduate rates. A separate tab is included in the spreadsheet to show the weighted average calculations.

Scenario One of tab 1B shows the change in in-state undergraduate tuition from FY2021 through FY2023 for the *Majority First-Year Students* with no additional general fund support. In this scenario, the University has included a six percent increase in Radford University tuition and fee rates as an estimation only of what would be necessary to cover the costs outlined in the six year plan, while sustaining current operations under the 2B enrollment plan. The scenario does not take into account any state mandated initiatives such as healthcare premium or retirement contribution increases which would need to be cost shared with the Commonwealth.

The *All First-Year Students* percentages show lower increases at 2.5 percent, 3.1 percent and 4.5 percent, respectively. The weighted average tuition and fee calculation includes Radford University at a six percent increase each year; however, Radford University Carilion has declining tuition and fees over the same period. This is due to Radford's tuition reduction strategies related to the new division. When averaged with the Radford University tuition increases, the reduction in Radford University Carilion rates serves to temper the effect on the overall weighted average.

Scenario Two of tab 1B shows the change in in-state undergraduate tuition from FY2021 through FY2023 for *Majority First-Year Students* if additional general funds of \$2.1 million, \$2.4 million and \$2.8 million, respectively, are appropriated to Radford University. This infusion of general funds effectively buys down the percentage tuition and fee increase needed each year from six percent to two percent under the aforementioned assumptions of Scenario One.

The *All First-Year Students* percentages show changes of -0.7 percent, -0.2 percent and 1.1 percent, respectively. The weighted average tuition and fee calculation includes Radford University at a two percent increase each year; however, Radford University Carilion has declining tuition and fees over the same period. The effect serves to lower the overall average impact on the combined rates.

Scenario Three of tab 1B shows the change in in-state undergraduate tuition from FY2021 through FY2023 for *Majority First-Year Students* if additional general funds of \$2.1 million, \$2.4 million and \$2.8 million, respectively, are appropriated to Radford University. This information is the same as in Scenario Two.

The *All First-Year Students* percentages show changes of -5.6 percent, -4.8 percent and 2.0 percent, respectively. The weighted average tuition and fee calculation includes Radford University at a two percent increase each year, and Radford University Carilion at substantially lower rates with a \$5 million general fund appropriation in FY2021 and a \$5 million general fund appropriation in FY2022. This \$10 million investment would enable Radford University Carilion tuition and fee rates to closely mirror Radford University main campus tuition and fee rates by FY2022. With the rates equal, Radford University Carilion would project a two percent tuition increase in FY2023 equal to that of Radford University.

Section C. Other Budget Items: This section includes any other budget items for which the institution wishes to provide detail. Descriptions of each of these items should be one-half page or less.

RESPONSE:

1. Increase Faculty and Staff Salaries:

Radford University anticipates the State will review compensation during the 2020-22 biennium; therefore, the University has included a conservative three percent salary increase estimate for all employees in the Six-Year Plan. The three percent increase is divided between FY2021 and FY2022 in anticipation of a mid-year increase. Given the institution's reliance on general funds, the illustrated increase will require a significant investment from the University without state support.

2. Library Enhancement:

Academic libraries play a critical role in the educational experience both on- and off-campus. Unfortunately, the costs associated with providing these resources continue

to increase as the University reframes the support offered by the library. While it is still necessary to fund traditional print media, the focus has turned to digital technology and increased student learning resource support. Radford University has invested in student support through a new writing center, the Harvey Knowledge Center, and an assessment resource center. The University must continue to evaluate student resources offered by the library and be ready to invest in areas that improve student success.

3. Utility Cost Increases:

Radford University has long-term contracts related to utility operations, such as natural gas, electricity and the boiler plant. As a conservative estimate, the University is planning for an increase consistent with the Consumer Price Index (CPI).

4. NGF for Current Operations:

Increasing nongeneral fund costs associated with current operations relate to contractual escalations to base operating expenses. Facilities Management and Information Technology contracts often contain cost escalators that must be funded annually. Promotion and Tenure guidelines govern advancement of Teaching and Research Faculty within the University. This salary escalation is a cost that must be funded annually. The amounts included in the Six-Year Plan are estimates of future year escalators based on historical investments. The actual amounts necessary for operations are adjusted annually according to final need.

Section D. Programs and Instructional Sites: Provide information on any new academic programs, including credentials and certificates, or new instructional sites, supported by all types of funding, that the institutions will be undertaking during the six-year period. Note that as part of the revised SCHEV program approval process, institutions will be asked to indicate if a proposed new program was included in its six-year plan. Also, provide information on plans to discontinue any programs.

RESPONSE:

Through Radford University's merger with Jefferson College of Health Sciences, Radford University Carilion will acquire twenty new Health Sciences degree programs and increase offerings for other programs currently offered at the Radford Main campus. This merger will position Radford to meet its goal of increasing Health Science graduates in the Commonwealth, specifically increasing nursing graduates by 35% over the next five years.

Additional programs to be proposed for the future would stem from addressing healthcare or other industry related needs. Radford University is working with Carilion Clinic to ensure the current slate of offerings is sufficient to meet current demands. Any proposed new programs would be in the support of industry.

Section E. Financial Aid: TJ21 requires “plans for providing financial aid to help mitigate the impact of tuition and fee increases on low- and middle-income students and their families, including the projected mix of grants and loans.” Virginia’s definitions of low-income and middle-income under TJ21 are based on HHS Poverty Guidelines. A table that outlines the HHS guidelines and the definitions is attached.

RESPONSE:

Radford University strives to maintain affordability and access for low and middle-income students through many different avenues. The University strives to set reasonable tuition and fee rates to lessen the impact on students, while employing the use of state general funds and institutional resources to provide student financial assistance to need-based undergraduates. The University also provides work opportunity programs through the institutionally-funded Work Scholarship Program that employs restrictions similar to the Federal Work Study program. The Work Scholarship Program provides students with employment opportunities to help defray the cost of their education. Currently, the University has just under 700 student positions available to gain real-world experience, while earning wages to assist with their educational costs. Additionally, the University’s dining and bookstore contractors offer over 275 permanent and seasonal positions for which students can apply.

Another way to support student financial need is through private support. The University recently increased efforts related to private giving and has received over \$14 million in pledged contributions over the last twenty-four months earmarked to support student scholarships.

The University’s engaged faculty continue to openly support the use of Open Educational Resources (OER) and have increased offerings of electronic materials for use in the University’s general education curriculum at no charge to students. In addition, a number of major-specific courses have offered alternatives to traditional textbooks with open-sourced materials. These are distributed in either print, e-book, or audio formats and may be purchased at little or no cost. Decisions like these can significantly reduce students’ cost of supplies and other course materials.

The University continues to evaluate and employ all strategies to assist low- and middle-income students with defraying the total cost of attendance. With such a large in-state undergraduate population (93 percent as of Fall 2018), the University continues to be heavily reliant upon state support to assist with low- and middle-income populations.

Section F. Capital Outlay: Provide information on your institution’s top two Education and General Programs capital outlay projects, including new construction as well as renovations, that might be proposed over the Six-Year Plan period that could have a significant impact on strategies, funding, student charges, or current square footage. Do not include projects for which construction (not planning) funding has been appropriated.

RESPONSE:

The Center for Adaptive Innovation and Creativity:

The highest capital outlay priority for the University remains the creation of the Center for Adaptive Innovation and Creativity (CAIC). The project seeks to demolish both Porterfield and McGuffey Halls to construct a new approximately 178,000 square foot facility to address failing infrastructure concerns, while taking the opportunity to offer an innovative approach to health education.

The project was initially included in Chapter 2 and appropriated with \$4 million from institutional resources to initiate detailed planning. Thus, planning efforts initiated in July 2018 and are near completion. The project submitted cost estimates to the Division of Engineering and Buildings (DEB) on June 10, 2019, at \$97.8 million. The project is ready for full funding and to proceed to construction.

The CAIC will address an array of significant existing programmatic and building deficiencies across a number of academic colleges. The multi-story building will include state-of-the-art instruction, laboratory, maker, studio, computer and collaborative spaces that integrate the arts and health sciences, along with office and other academic support functions. Specialty spaces will include an instructional auditorium and support spaces, health science clinical lab spaces, painting and drawing studio spaces and music and dance studio spaces. The project will be located in a prominent area of campus directly adjacent to East Main Street and will respond aesthetically to the existing buildings along this important campus corridor.

The project scope provides for demolition of the existing Porterfield (East and West) and McGuffey Halls, with construction of the new building and building systems and components, including HVAC, plumbing, electrical, fire alarm and detection, fire suppression, lightning protection and elevators. The project will replace existing facilities and building systems nearly fifty years old that are inadequate for today's learning environment and technologies.

Current ADA accessibility in and around the existing Porterfield and McGuffey Halls is challenging, including the need to enter buildings and use elevators to access areas of the buildings and adjacent campus. The proposed site and enhanced exterior walkways greatly improve accessibility in this heavily traveled area of campus.

McConnell Library Renovation:

The second highest E&G capital priority for Radford University's main campus is the renovation of McConnell Library. The footprint that forms the McConnell Library consists of an original 14,000 square foot building built in 1931, a 47,500 square foot addition built in 1965, and a 46,444 square foot addition built in 1995. This project seizes the opportunity to repurpose 40% of the existing library through renovation of the 1965 addition which contains approximately half of the library's operation and remains in its original configuration with building systems and equipment that have far exceeded their expected useful life. The

proposed renovation will include complete replacement and upgrading of mechanical, electrical and HVAC systems; improved plumbing, fire alarm and life safety systems; and new IT and AV systems. The mechanical and compliance issues associated with this building are second only to those that are currently found at Porterfield and McGuffey Halls. This renovation is expected to serve the University for thirty to forty years.

Section G. Restructuring: Provide information about any plans your institution has to seek an increased level of authority, relief from administrative or operational requirements, or renegotiation of existing management agreements.

RESPONSE:

Radford University continues to evaluate restructuring options, but is not requesting changes to the current level of authority, relief from administrative operational requirements, or renegotiation of existing management agreements at this time.

Section H. Performance Pilots (optional): For this topic, any institution that wishes to include a Performance Pilot and provided notification by April 1 to relevant parties, should select one or more of the strategies presented in the institution's Academic and Financial plan (PART 3) and General Fund Request (PART 4) that constitute(s) "one innovative proposal" as defined in subsection F of § 23.1-306. Describe the proposal, the proposed performance measures and the requested authority or support from the Commonwealth.

RESPONSE:

Radford University is not proposing a Performance Pilot at this time.

Section I. Evaluation of Previous Six-Year Plan: Briefly summarize progress made in strategies identified in your institution's previous six-year plan. Note how additional general fund support and reallocations were used to further the strategies.

RESPONSE:

1. Implement Student Success and Retention Action Plan:

The University has made investments in evaluating its enrollment management processes. With the assistance of a consulting firm, Ruffalo Noel Levitz (RNL), the University identified potential areas for improvement. With a decreased pipeline of high school graduates and more institutions trying to attract the same students, retention will continue to be an area of focus.

Radford University's partnership with RNL was intended to increase retention through a focus on three primary areas. The first included use of two key RNL persistence tools: Student Retention Prediction score (SRP) and the College Student Inventory (CSI). The second area of the partnership was assistance in developing a first-year student advising model. The final major outcome/goal of the RNL partnership was

development of an overall student success/re-enrollment plan resulting in an overall timeline that captures all major communications and initiatives to mitigate melt and manage re-enrollment/retention.

Though the University worked diligently to improve retention rates through its Student Success and Retention Action Plan implemented in Fall 2016, there was a slight retention decline Fall 2017 compared to Fall 2016. However, there was a rebound in Fall to Spring retention Fall 2017 compared to Spring 2018. The University will continue to explore innovative ideas and make investments toward this critical issue.

2. Increase Degree Completion and Adult Learners through Competency-Based Education (CBE):

The University made an investment in FY2017 to create the Innovative Mobile Personalized Accelerated Competency Training (IMPACT) program to develop a pilot program for two certificate programs in CBE for Cybersecurity and Geospatial Intelligence. In FY2018, the program was awarded a historic three year, \$13.9 million grant by the U.S. Department of Education's Supporting Effective Educator Development (SEED) Grant Program. The SEED grant expanded IMPACT to include Appalachian Support for Specialized Education Training (ASSET), which includes the development, implementation and evaluation of online, self-paced, for-credit CBE training designed to increase teacher effectiveness and workforce capacity in underserved rural communities in Appalachia. The IMPACT program started with eight learners in FY2018 and jumped to 488 in FY2019.

3. Ensure access for Low- and Middle-Income Families through Need-based Financial Aid to Undergraduate Students:

Radford University received an additional \$1.5 million in state supported financial aid for low- and middle-income students over the 2018-20 biennium. The aid has been used to reduce the impact of previous tuition and fee increases and is greatly appreciated by the institution, The University maintains its commitment as a low cost and low aid institution; however, the University recognizes the need for additional aid for low- and middle-income students. The University continues to offer the Highlander Grant at \$1.9 million annually and also invested \$944,000 over the biennium to increase financial aid to need based students also demonstrating high levels of ability.

4. Appalachian Community Outreach:

Investments made in Southwest Virginia through other institutions have provided much of the programming that Radford University sought to contribute to the region. While the University is still exploring ways to compliment the programs that are already in place, the University does not feel the region needs multiple institutions offering similar programs and content.

5. Further educational opportunities for Healthcare professions in the Roanoke Valley:

The University sought to further education opportunities for healthcare professions in the Roanoke Valley through its merger with Jefferson College of Health Sciences. The merger took 18 months and will be complete July 10, 2019. This effort involved a large team consisting of employees from Radford University, Jefferson College of Health Sciences and Carilion Clinic. The University is very thankful for the support of leaders across the state to make this merger successful.

6. Enhance K-12 Educational Leadership:

Radford University adds its fourth professional doctoral degree program, the Doctor of Education (Ed.D.), effective Fall 2019. This expansion serves as a capstone program for the College of Education and Human Development. Students in the program will collaborate with school and community leaders to research, plan, implement and evaluate responsive and innovative approaches to academic achievement. This program seeks to offer solutions to major problems facing many school districts and communities across the Commonwealth.

7. Improve Occupational Therapy Training in the Commonwealth:

Through the merger of Jefferson College of Health Sciences into Radford University, the newly established Radford University Carilion will offer a Doctor of Occupational Therapy. The University is excited to increase its degree offerings in this high need program area.

8. Strategic Plan Implementation:

In January 2018, Radford University launched the 2018-2023 Strategic Plan: *Embracing the Tradition and Envisioning the Future*. The strategic plan was the culmination of more than one year of effort by committees of faculty, staff, students, alumni, entrepreneurs, and civic and industry leaders through economic development and community partnerships as defined in the strategic plan. Two goals stated therein are:

- (1) Radford University will contribute to the overall economic growth and increased employment opportunities in the region through both indirect and direct development activities in the health, education, arts and culture, natural resources and infrastructure sectors.
- (2) Radford University will facilitate and support the City of Radford and the New River Valley as focal points for business, social, tourism and cultural activities.

The University has made investments this past year toward our strategic plan goals, specifically in the areas of branding and student success and retention.

9. Increase Faculty and Staff Salaries:

The University was required to generate nongeneral funds sufficient to cover the University's share of the five percent classified salary increase and the three percent faculty salary increase effective June 10, 2019. Radford University was able to fund these mandatory increases without raising tuition through its acceptance of the Tuition Moderation funding offered by the Commonwealth as a base funding increase in FY2020. The institution was not able to increase salaries more than the state mandated amount.

10. Library Enhancement:

Additional support has been provided for contract escalators related to digital subscription services and ongoing efforts associated with the digitalization of the University's archive collections. The University also made investments in learning resources, such as the newly created Harvey Knowledge Center.

11. Technology Enhancement:

Funding was successfully used for enhanced technology and infrastructure and to replace equipment exceeding its useful life.

12. Utility Cost Increases:

The University has been able to successfully manage cost increases through both energy efficiency and sustainability efforts.

13. NGF Share of State Authorized Salary Increases/Bonus:

The University was required to generate nongeneral funds sufficient to cover the University's share of the five percent classified salary increase and the three percent faculty salary increase effective June 10, 2019. Radford University was able to fund these mandatory increases without raising tuition through its acceptance of the Tuition Moderation funding offered by the State as a base funding increase in FY2020.

14. Other – Safety and Security Enhancement:

The University continues to invest in safety campus-wide, including fire safety and suppression systems and other life safety enhancements.

Section J. Economic Development Annual Report (Due October 1): Describe the institution's contributions to stimulate the economic development of the Commonwealth and/or area in which the institution is located. If applicable, the information should include:

1. University-led or public-private partnerships in real estate and/or community redevelopment.
2. State industries to which the institution's research efforts have direct relevance.

3. High-impact programs designed to meet the needs of local families, community partners and businesses.
4. Business management/consulting assistance.

RESPONSE:

Radford University has continued to contribute to economic development at local, regional and statewide levels. One recent endeavor that just opened Fall 2019 is the Radford University Student Venture Lab. The lab is intended to serve as an incubator for business ideas among students. The University also became home to the Small Business Development Center (SBDC) in Spring 2019. The center is devoted to providing business assistance to small and medium-size businesses in the region, and is supported by Small Business Administration.

Radford University's Davis College of Business and Economics has been on the forefront of driving economic development in the region. The college has sponsored various events, with several examples highlighted below.

- The second annual Southwest Virginia Economics Teacher Conference was organized by Drs. T. Duncan and D. Farhat. The conference serves as a summer activity for secondary school economics teachers with financial support from a grant. This conference fosters stronger connections between the Radford University Department of Economics and local teachers in the hopes of attracting students (through teacher recommendations) and improving student outcomes in their college principles of economics courses.
- The Department of Economics organized and held an event for World Food Day with participants from the University and community. Approximately 65 people attended the session hosted by 4 panelists on food insecurity.
- The Davis College Dean conducted 60 visits with external stakeholders throughout Virginia. These included meetings with donors, senior executives from companies (such as Foti, Flynn, Lowen, Foot Levelers, Hendrick Auto Group, Wize Solutions, etc.) and representatives from professional associations (such as Onward NRV, Opportunity SWVA, Valley Innovation Council, Roanoke Regional Partnership, etc.) to investigate and initiate partnerships with the College.
- The Department of Accounting, Finance and Business Law hosted the annual Firm Night in Fall 2018 where 30 accounting and finance firms participated and met with approximately 75 students in accounting and finance for internship and job placements.
- The Davis College hosted the BB&T Global Capitalism Lecture Series twice in 2018-19. Attendees included faculty and students, as well as invited members from the community.

- Fall 2018, Speaker: Cheryl Anderson, Senior Deputy Administrator, Bureau for Africa, United States Agency for International Development. Topics: Economic Development in Africa. Approximately 150 attendees
- Spring 2019, Sonya Ravindranath Waddell - Vice President and Economist, Regional and Community Analysis, Research Dept., The Federal Reserve Bank of Richmond. Topic: Economic Growth in Virginia
- Davis College faculty are currently working with a large credit union in the region to conduct an analytics project for them in Spring 2020. This project will be conducted as a part of a course offered by the College.
- 42 Students in the Internet Marketing course offered by the Davis College participated in the Google Ad Grants Online Marketing Challenge in Fall 2018 and Spring 2019. Students developed and ran 4-week paid search campaigns using Google Ads for non-profits who participate in the Google Ad Grants program. The teams were given a \$10,000 budget. One team was recognized as a Google Ads Top Marketer.
- Mr. Vic Foti, co-founder of Foti, Flynn, Lowen & Co., served as an Innovation Executive in Residence in Spring 2019. He provided a presentation to students interested in entrepreneurship and starting a business. This was attended by 40 students.
- Radford alumnus, and founder-owner of Cassaday & Company, Mr. Steve Cassaday, was a guest speaker in MGNT 450, New Venture Creation and MGNT 440, Project & Event Management. 60 students attended.
- Davis College alumna, and founder-owner of AOC Key Solutions, Ms. Gina Gallagher, spoke to students during the Davis College Spring 2019 Honors & Awards Banquet on skills and strategies required to succeed in business. Approximately 50 students, faculty and staff were in attendance.
- Davis College hosted an annual breakfast of the Roanoke-Blacksburg Technology Council, featuring Dr. James Lollar as a keynote speaker for "Building High Performance Sales Teams". Approximately 15 companies of this professional Association attended.
- 2018 RU Women's Entrepreneurship Week Celebration. The Division of Innovation in the CIA co-planned and hosted the Davis College contribution: She Started It! documentary and panel discussion (10/17/18) attended by over 180 students and faculty.

2019 SIX-YEAR PLAN: 2020-22 through 2024-26

Due: July 1, 2019

Institution:

Institution UNITID:

Individual responsible for plan

Name:

Email address:

Telephone number:

**Part 1B: Tuition and Fees Predictability Plans for Institutions with Undergraduate Tuition Differentials
Radford University**

In-State Undergraduate Tuition and Fees Predictability Plans

Instructions: Provide no less than three years (the worksheet allows for four years based on the biennial budget structure) of planned increases in in-state undergraduate tuition and mandatory E&G fees and mandatory non-E&G fees. The tuition and fee charges for in-state undergraduate students should reflect the institution's estimate of reasonable and necessary charges to students based on the mission, market capacity and other factors. Plans shall include a range of tuitions based on available state resources, but must contain a scenario that includes the assumption of no new state general fund support (SCENARIO 1). Add scenarios and tables, if more are needed, and provide brief information about the assumptions for each scenario. Include more detailed information about assumptions used to calculate increases in Section B of the Narrative document. Include anticipated tuition and fee charges affecting first-year students. For institutions that have differential tuition and fee charges by program or level, provide (a) anticipated tuition and fee charges for majority students; (b) a weighted average charge of all first-year students (with a detailed worksheet as attachment); and (c) additional spreadsheets with associated anticipated charges for all undergraduate students by program and level. (Please do not alter the shaded cells that contain formulas.)

In-State Undergraduate Tuition and Mandatory E&G Fees

	2019-20	2020-21		2021-22		2022-23		2023-24	
	Charge	Charge	% Increase	Charge	% Increase	Charge	% Increase	Charge	% Increase
Scenario 1: No new GF									
Majority First-Year Students	7,980	8,458	6.0%	8,966	6.0%	9,504	6.0%	N/A	#VALUE!
All First-Year Students	9,245	9,474	2.5%	9,771	3.1%	10,211	4.5%	N/A	#VALUE!
Scenario 2:									
Majority First-Year Students	7,980	8,139	2.0%	8,302	2.0%	8,468	2.0%	N/A	#VALUE!
All First-Year Students	9,245	9,181	-0.7%	9,159	-0.2%	9,260	1.1%	N/A	#VALUE!
Scenario 3:									
Majority First-Year Students	7,980	8,139	2.0%	8,302	2.0%	8,468	2.0%	N/A	#VALUE!
All First-Year Students	9,245	8,725	-5.6%	8,302	-4.8%	8,468	2.0%	N/A	#VALUE!

Assumptions for:

Scenario 2	GF increase of \$2.1M, \$2.4M, and \$2.8M, respectively - RU only
Scenario 3	Assumptions from Scenario 2 plus GF increase of \$5.0M, \$5.0M, and \$0M, respectively - RUC only

In-State Undergraduate Mandatory Non-E&G Fees

	2019-20	2020-21		2021-22		2022-23		2023-24	
	Charge	Charge	% Increase	Charge	% Increase	Charge	% Increase	Charge	% Increase
Scenario 1:	3,370	3,468	2.9%	3,569	2.9%	3,673	2.9%	N/A	#VALUE!
Scenario 2:	3,370	3,454	2.5%	3,540	2.5%	3,629	2.5%	N/A	#VALUE!

Assumptions for:

Scenario 1	Increase equal to Consumer Price Index (1.9%) plus one percent, includes funding for 3% salary increase.
Scenario 2	Increase equal to Consumer Price Index (1.5%) plus one percent, includes funding for 3% salary increase.

Weighted Average Calculations for 1B-T&F Predictability Plan

Scenario 1	2019-20	2020-21	2021-22	2022-23
RU IS UG Enrollment (A)	6,719	6,626	6,696	6,819
Planned RU Tuition	\$ 7,980	\$ 7,980	\$ 7,980	\$ 7,980
6% Increase YOY		478	986	1,524
Revised Tuition @ 6% Increase (B)	\$ 7,980	\$ 8,458	\$ 8,966	\$ 9,504
RUC IS UG Enrollment (C)	569	597	564	604
Planned RUC Tuition	\$ 24,187	\$ 20,748	\$ 19,329	\$ 18,197
0% Increase YOY		-	-	-
Revised RUC Tuition @ 0% Increase (D)	\$ 24,187	\$ 20,748	\$ 19,329	\$ 18,197
Total RU/RUC IS UG Enrollment (E)	7,288	7,223	7,260	7,423
Weighted Avg (BxA)+(DxC)/E	\$ 9,245	\$ 9,474	\$ 9,771	\$ 10,211

Scenario 2	2019-20	2020-21	2021-22	2022-23
RU IS UG Enrollment (A)	6,719	6,626	6,696	6,819
Planned RU Tuition	\$ 7,980	\$ 7,980	\$ 7,980	\$ 7,980
2% Increase YOY		159	322	488
Revised Tuition @ 2% Increase (B)	\$ 7,980	\$ 8,139	\$ 8,302	\$ 8,468
RUC IS UG Enrollment (C)	569	597	564	604
Planned RUC Tuition	\$ 24,187	\$ 20,748	\$ 19,329	\$ 18,197
0% Increase YOY		-	-	-
Revised RUC Tuition @ 0% Increase (D)	\$ 24,187	\$ 20,748	\$ 19,329	\$ 18,197
Total RU/RUC IS UG Enrollment (E)	7,288	7,223	7,260	7,423
Weighted Avg (BxA)+(DxC)/E	\$ 9,245	\$ 9,181	\$ 9,159	\$ 9,260

Scenario 3	2019-20	2020-21	2021-22	2022-23
RU IS UG Enrollment (A)	6,719	6,626	6,696	6,819
Planned RU Tuition	\$ 7,980	\$ 7,980	\$ 7,980	\$ 7,980
2% Increase YOY		159	322	488
Revised Tuition @ 2% Increase (B)	\$ 7,980	\$ 8,139	\$ 8,302	\$ 8,468
RUC IS UG Enrollment (C)	569	597	564	604
Planned RUC Tuition	\$ 24,187	\$ 20,748	\$ 19,329	\$ 18,197
22.8% decrease YOY FY21 and FY22, 2% incr FY23	0	(5,515)	(11,027)	(9,729)
Revised RUC Tuition @ 0% Increase (D)	\$ 24,187	\$ 15,233	\$ 8,302	\$ 8,468
Total RU/RUC IS UG Enrollment (E)	7,288	7,223	7,260	7,423
Weighted Avg (BxA)+(DxC)/E	\$ 9,245	\$ 8,725	\$ 8,302	\$ 8,468

Part 2: Tuition and Other Nongeneral Fund (NGF) Revenue Radford University

Tuition and Fee Increases and Nongeneral Fund (NGF) Revenue Estimates Based on the Assumption of No New General Fund (GF)

Instructions: Based on enrollment changes and other institution-specific assumptions, provide the total revenue for educational and general (E&G) programs, by student level and domicile. Provide other anticipated NGF revenue, tuition used for financial aid (Program 108) and anticipated non-E&G fee revenue for in-state undergraduates and then all other students. (Please do not alter the shaded cells that contain formulas.)

Items	2018-2019 (Estimated)	2019-2020 (Estimated)	2020-2021 (Planned)	2021-2022 (Planned)
	Total Revenue	Total Revenue	Total Revenue	Total Revenue
E&G Programs				
Undergraduate, In-State	\$57,539,218	\$69,048,788	\$71,253,307	\$73,840,422
Undergraduate, Out-of-State	\$9,855,737	\$11,174,797	\$11,532,220	\$11,780,372
Graduate, In-State	\$7,348,591	\$11,422,251	\$11,691,919	\$12,154,891
Graduate, Out-of-State	\$1,582,611	\$3,869,906	\$3,753,972	\$3,715,962
Law, In-State	\$0	\$0	\$0	\$0
Law, Out-of-State	\$0	\$0	\$0	\$0
Medicine, In-State	\$0	\$0	\$0	\$0
Medicine, Out-of-State	\$0	\$0	\$0	\$0
Dentistry, In-State	\$0	\$0	\$0	\$0
Dentistry, Out-of-State	\$0	\$0	\$0	\$0
PharmD, In-State	\$0	\$0	\$0	\$0
PharmD, Out-of-State	\$0	\$0	\$0	\$0
Veterinary Medicine, In-State	\$0	\$0	\$0	\$0
Veterinary Medicine, Out-of-State	\$0	\$0	\$0	\$0
Other NGF	\$2,619,138	\$2,277,921	\$2,346,259	\$2,416,646
Total E&G Revenue - Gross	\$78,945,295	\$97,793,663	\$100,577,677	\$103,908,293
Total E&G Revenue - Net of Financial Aid	\$77,037,824	\$95,886,192	\$98,670,206	\$102,000,822

Tuition used for Financial Aid (Pgm 108)	\$1,907,471	\$1,907,471	\$1,907,471	\$1,907,471
Sponsored Programs (Program 110)	\$0	\$0	\$0	\$0
Unique Military Activities	\$0	\$0	\$0	\$0
Workforce Development	\$0	\$0	\$0	\$0
Other (Specify)	\$0	\$0	\$0	\$0

Non-E&G Fee Revenue				
In-State undergraduates	\$60,576,430	\$63,820,702	\$65,130,075	\$66,953,660
All Other students	\$12,495,259	\$14,104,453	\$14,393,826	\$14,796,840
Total non-E&G fee revenue	\$73,071,689	\$77,925,155	\$79,523,901	\$81,750,500

Part 3: ACADEMIC-FINANCIAL PLAN

Radford University

Academic and Financial Plan

3A: Six-Year Plan for Academic and Support Service Strategies for Six-year Period (2020-2026)

Instructions for 3A: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2020-2026)," please provide short titles to identify institutional strategies associated with goals in the Virginia Plan. Provide a concise description of the strategy in the Description of Strategy column (column J). Within this column, provide a specific reference as to where more detailed information can be found in the Narrative document. Note the goal(s) with which the strategy is aligned with the Virginia Plan (in particular, the related priority areas) in the VP Goal column and give it a Priority Ranking in column A. Additional information for 2022-2026 should be provided in column K (Two Additional Biennia). Strategies for student financial aid, other than those that are provided through tuition revenue, should not be included on this table; they should be included in Part 4, General Fund Request, of the plan. If an institution wishes to include any information about FTEs or fringe benefit adjustments (using DPB's FY2020 start-up instructions available by the end of May), it should list them as strategies in the Academic Plan not the Financial Plan. Funding amounts in the first year should be incremental. However, if the costs continue into the second year, they should be reflected cumulatively. Additional rows for strategies must be added before the gray line. Please update total cost formulas if necessary. **ASSUME NO ADDITIONAL GENERAL FUND IN THIS WORKSHEET.**

SECTION A: ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR SIX-YEAR PERIOD (2020-2026)										
Priority Ranking	Strategies (Short Title)	VP Goal	Biennium 2020-2022 (7/1/20-6/30/22)						Description of Strategy Concise Information for Each Strategy	Two Additional Biennia Information for 2022- 2026
			2020-2021			2021-2022				
			Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue		
1	Improve Student Outcomes through the Reimagined First Year Experience	1,2	\$886,965	\$0	\$886,965	\$1,778,562	\$0	\$1,778,562	Improve success and retention by removing barriers, expanding 1st and 2nd year experiences, reframe advising, and outlining student timeline to graduate. (Narrative page 3)	Continue to enhance student success, retention, and graduation rates by enhancing experiences and removing barriers.
2	Improve Affordability through Additional Student Financial Aid	1,2	\$255,550	\$0	\$255,550	\$925,550	\$0	\$925,550	Continued investment in Financial Aid from the State and University to address access and affordability. (Narrative page 6)	Continue to address affordability through strategic investments in financial aid.
3	Further Educational Opportunities for Healthcare Professions and the Roanoke Valley through Radford University Carilion	1,3	-\$813,842	\$0	-\$813,842	-\$1,879,674	\$0	-\$1,879,674	Grow number of health professional graduates to address regional healthcare workforce needs while implementing strategic cost reduction measures to capture efficiencies related to the merger and address affordability at Radford University Carilion. (Narrative page 6)	Continue to explore opportunities for expansion of health sciences Programming.
4	Establish an Innovative Transfer Partnership with New River Community College	1	\$159,791	\$0	\$159,791	\$414,582	\$0	\$414,582	Innovative transfer pathway that provides Radford University residential experience while attending NRCC in anticipation of transfer. (Narrative page 7)	Continue to enhance the University's transfer partnerships with the Virginia Community College System.
5	Increase Degree Completion and Adult Learners Through Competency Based Education (CBE)	4	\$1,450,000	\$1,450,000	\$0	\$2,900,000	\$2,900,000	\$0	Expand on successful IMPACT program to deliver high demand healthcare profession CBE. (Narrative page 8)	Continue to expand Competency Based Education program offerings and partnerships.
6	Enhance Student Experiential Learning Opportunities	2	\$62,353	\$0	\$62,353	\$209,763	\$0	\$209,763	Increase low cost opportunities for student internships and co-ops through strategic partnerships. (Narrative page 8)	Continue to explore pathways for experiential learning opportunities for students.
7	Strengthen Workforce Development Efforts	4	\$128,500	\$0	\$128,500	\$421,327	\$0	\$421,327	Expand corporate partnerships, and offer new program offerings for non-traditional adult learners. (Narrative page 8)	Continue to enhance offerings for Workforce Development.
			\$0	\$0	\$0	\$0	\$0	\$0		
Total 2020-2022 Costs (Included in Financial Plan 'Total Additional Funding Need')			\$2,129,317	\$1,450,000	\$679,317	\$4,770,110	\$2,900,000	\$1,870,110		

3B: Six-Year Financial Plan for Educational and General Programs, Incremental Operating Budget Need 2020-2022 Biennium

Instructions for 3B: Complete the lines appropriate to your institution. As completely as possible, the items in the Academic Plan (3A) and Financial Plan (3B) should represent a complete picture of the institution's anticipated use of projected tuition revenues. For every strategy in 3A and every item in 3B of the plan, the total amount and the sum of the reallocation and tuition revenue should equal one another. Two additional rows, "Anticipated Nongeneral Fund Carryover" and "Nongeneral Fund Revenue for Current Operations" are available for an institution's use, if an institution cannot allocated all of its tuition revenue to specific strategies in the plan. Also, given the long standing practice that agencies should not assume general fund support for operation and maintenance (O&M) of new facilities, O&M strategies should not be included in an institution's plan, unless they are completely supported by tuition revenue. **Please do not add additional rows to 3B without first contacting Jean Huskey.**

Assuming No Additional General Fund	2020-2021	2021-2022
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Part 3: ACADEMIC-FINANCIAL PLAN

Radford University

Academic and Financial Plan

3A: Six-Year Plan for Academic and Support Service Strategies for Six-year Period (2020-2026)

Instructions for 3A: In the column entitled "Academic and Support Service Strategies for Six-Year Period (2020-2026)," please provide short titles to identify institutional strategies associated with goals in the Virginia Plan. Provide a concise description of the strategy in the Description of Strategy column (column J). Within this column, provide a specific reference as to where more detailed information can be found in the Narrative document. Note the goal(s) with which the strategy is aligned with the Virginia Plan (in particular, the related priority areas) in the VP Goal column and give it a Priority Ranking in column A. Additional information for 2022-2026 should be provided in column K (Two Additional Biennia). Strategies for student financial aid, other than those that are provided through tuition revenue, should not be included on this table; they should be included in Part 4, General Fund Request, of the plan. If an institution wishes to include any information about FTEs or fringe benefit adjustments (using DPB's FY2020 start-up instructions available by the end of May), it should list them as strategies in the Academic Plan not the Financial Plan. Funding amounts in the first year should be incremental. However, if the costs continue into the second year, they should be reflected cumulatively. Additional rows for strategies must be added before the gray line. Please update total cost formulas if necessary. **ASSUME NO ADDITIONAL GENERAL FUND IN THIS WORKSHEET.**

SECTION A: ACADEMIC AND SUPPORT SERVICE STRATEGIES FOR SIX-YEAR PERIOD (2020-2026)										
Priority Ranking	Strategies (Short Title)	VP Goal	Biennium 2020-2022 (7/1/20-6/30/22)						Description of Strategy	Two Additional Biennia
			2020-2021			2021-2022				
			Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue		
			Concise Information for Each Strategy			Information for 2022- 2026				
	Items		Total Amount	Reallocation	Amount From Tuition Revenue	Total Amount	Reallocation	Amount From Tuition Revenue		
	Total Incremental Cost from Academic Plan¹		\$2,129,317	\$1,450,000	\$679,317	\$4,770,110	\$2,900,000	\$1,870,110		
	Increase T&R Faculty Salaries (\$)		\$788,846	\$0	\$788,846	\$1,577,692	\$0	\$1,577,692	Narrative page 10	
	T&R Faculty Salary Increase Rate(%) ²		1.50%		1.50%	1.50%		1.50%		
	Increase Admin. Faculty Salaries (\$)		\$357,783	\$0	\$357,783	\$715,566	\$0	\$715,566	Narrative page 10	
	Admin. Faculty Salary Increase Rate (%) ²		1.50%		1.50%	1.50%		1.50%		
	Increase Classified Staff Salaries (\$)		\$331,902	\$0	\$331,902	\$663,804	\$0	\$663,804	Narrative page 10	
	Classified Salary Increase Rate (%) ²		1.50%		1.50%	1.50%		1.50%		
	Increase University Staff Salaries (\$)		\$0	N/A	N/A	\$0	N/A	N/A		
	University Staff Salary Increase Rate (%) ²		N/A		N/A	N/A		N/A		
	O&M for New Facilities		\$0	\$0	\$0	\$0	\$0	\$0		
	Add'l In-State Student Financial Aid from Tuition Rev		\$0	\$0	\$0	\$0	\$0	\$0		
	Add'l Out-of-State Student Financial Aid from Tuition Rev		\$0	\$0	\$0	\$0	\$0	\$0		
	Anticipated Nongeneral Fund Carryover		\$0	\$0	\$0	\$0	\$0	\$0		
	Nongeneral Fund for Current Operations		\$421,536	\$0	\$421,536	\$875,109	\$0	\$875,109	Narrative page 11	
	Library Enhancement		\$80,010	\$0	\$80,010	\$160,020	\$0	\$160,020	Narrative page 10	
	Utility Cost Increase		\$124,620	\$0	\$124,620	\$252,331	\$0	\$252,331	Narrative page 11	
	Total Additional Funding Need		\$4,234,014	\$1,450,000	\$2,784,014	\$9,014,632	\$2,900,000	\$6,114,632		

Notes:

- (1) Please ensure that these items are not double counted if they are already included in the incremental cost of the academic plan.
- (2) If planned, enter the cost of any institution-wide increase.

**Part 4: General Fund (GF) Request
Radford University**

Requesting General Fund Support

Instructions: Indicate items for which you anticipate making a request for state general fund in the 2020-22 biennium. The item can be a supplement to a strategy or item from the academic and financial plan or it can be a free-standing request for which no tuition revenue would be used. If it is a supplement to a strategy or item from the academic and financial plan, then describe in the Notes column how additional general fund will enhance or expand the strategy. Requests for need-based financial aid appropriated in program 108 should be included here. If additional rows are added, please update the total costs formulas.

Priority Ranking	Initiatives Requiring General Fund Support						Notes
			Biennium 2020-2022 (7/1/20-6/30/22)				
	Strategies (Match Academic-Financial Worksheet Short Title)	VP Goal	2020-2021		2021-2022		
			Total Amount	GF Support	Total Amount	GF Support	
1	Improve Affordability : Increase Student Financial Aid	1,2	\$1,062,835	\$807,335	\$3,108,742	\$2,183,192	Increased investment in need based financial aid from the Commonwealth to address access and affordability. (Narrative page 6)
2	Accelerate RUC Development	1,2	\$5,000,000	\$5,000,000	\$10,000,000	\$10,000,000	Increased investment from the Commonwealth to accelerate the decrease in RUC In-State Tuition and Fee Rates. (Narrative page 6)
			\$6,062,835	\$5,807,335	\$13,108,742	\$12,183,192	

Part 5: Financial Aid Plan
Radford University

FINANCIAL AID PLAN

Instructions: Provide a breakdown of the projected source and distribution of tuition and fee revenue redirected to financial aid. To ensure compliance with the state prohibition that in-state students not subsidize out-of-state students and to provide the review group with a scope of the strategy, projections must be made for each of the indicated categories. Please be aware that this data will be compared with similar data provided by other institutional offices in order to ensure overall consistency. (Please do not alter shaded cells that contain formulas.)

Note: If you do not have actual amounts for *Tuition Revenue for Financial Aid* by student category, please provide an estimate. If values are not distributed for *Tuition Revenue for Financial Aid*, a distribution may be calculated for your institution.

Allocation of Tuition Revenue Used for Student Financial Aid

*2018-19 (Estimated) Please see footnote below.

T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid
Undergraduate, In-State	\$57,539,218	\$1,526,046	2.7%	\$1,598,690
Undergraduate, Out-of-State	\$9,855,737	\$220,973	2.2%	\$308,781
Graduate, In-State	\$7,348,591	\$116,820	1.6%	\$0
Graduate, Out-of-State	\$1,582,611	\$43,632	2.8%	\$0
First Professional, In-State	\$0	\$0	%	\$0
First Professional, Out-of-State	\$0	\$0	%	\$0
Total	\$76,326,157	\$1,907,471	2.5%	\$1,907,471
Total from Tuition & Other NGF Revenue worksheet	\$78,945,295	\$1,907,471	2.4%	
In-State Sub-Total	\$64,887,809	\$1,642,866	2.5%	\$1,598,690

2019-20 (Planned)

T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid
Undergraduate, In-State	\$69,048,788	\$1,526,046	2.2%	\$1,716,724
Undergraduate, Out-of-State	\$11,174,797	\$220,973	2.0%	\$190,747
Graduate, In-State	\$11,422,251	\$116,820	1.0%	\$0
Graduate, Out-of-State	\$3,869,906	\$43,632	1.1%	\$0
First Professional, In-State	\$0	\$0	%	\$0
First Professional, Out-of-State	\$0	\$0	%	\$0
Total	\$95,515,742	\$1,907,471	2.0%	\$1,907,471
Total from Tuition & Other NGF Revenue worksheet	\$97,793,663	\$1,907,471	2.0%	
In-State Sub-Total	\$80,471,039	\$1,642,866	2.0%	\$1,716,724
Additional In-State	\$15,583,230	\$0	%	\$118,034

2020-21 (Planned)

T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid
Undergraduate, In-State	\$71,253,307	\$1,526,046	2.1%	\$1,716,724
Undergraduate, Out-of-State	\$11,532,220	\$220,973	1.9%	\$190,747
Graduate, In-State	\$11,691,919	\$116,820	1.0%	\$0
Graduate, Out-of-State	\$3,753,972	\$43,632	1.2%	\$0
First Professional, In-State	\$0	\$0	%	\$0
First Professional, Out-of-State	\$0	\$0	%	\$0
Total	\$98,231,418	\$1,907,471	1.9%	\$1,907,471
Total from Tuition & Other NGF Revenue worksheet	\$100,577,677	\$1,907,471	1.9%	
In-State Sub-Total	\$82,945,226	\$1,642,866	2.0%	\$1,716,724
Additional In-State	\$2,474,187	\$0	%	\$0
Additional In-State from Financial Plan		\$0	%	

2021-22 (Planned)

T&F Used for Financial Aid	Gross Tuition Revenue	Tuition Revenue for Financial Aid (Program 108)	% Revenue for Financial Aid	Distribution of Financial Aid
Undergraduate, In-State	\$73,840,422	\$1,526,046	2.1%	\$1,716,724
Undergraduate, Out-of-State	\$11,780,372	\$220,973	1.9%	\$190,747
Graduate, In-State	\$12,154,891	\$116,820	1.0%	\$0
Graduate, Out-of-State	\$3,715,962	\$43,632	1.2%	\$0
First Professional, In-State	\$0	\$0	%	\$0
First Professional, Out-of-State	\$0	\$0	%	\$0
Total	\$101,491,647	\$1,907,471	1.9%	\$1,907,471
Total from Tuition & Other NGF Revenue worksheet	\$103,908,293	\$1,907,471	1.8%	
In-State Sub-Total	\$85,995,313	\$1,642,866	1.9%	\$1,716,724
Additional In-State	\$3,050,087	\$0	%	\$0
Additional In-State from Financial Plan		\$0	%	

* Please note that the totals reported here will be compared with those reported by the financial aid office on the institution's annual S1/S2 report. Since the six-year plan is estimated and the S1/S2 is "actual," the numbers do not have to match perfectly but these totals should reconcile to within a reasonable tolerance level. Please be sure that all institutional offices reporting tuition/fee revenue used for aid have the same understanding of what is to be reported for this category of aid.

Part 6: Economic Development Annual Report for 2018-19

Radford University

ECONOMIC DEVELOPMENT: CONTRIBUTIONS (HB515; which was enacted as Chapter 149, Virginia Acts of Assembly, 2016 Session)

Requirement: As per § 23.1-306 (A) of the Code of Virginia each such plan and amendment to or affirmation of such plan shall include a report of the institution's active contributions to efforts to stimulate the economic development of the Commonwealth, the area in which the institution is located, and, for those institutions subject to a management agreement set forth in Article 4 (§ 23.1-1004 et seq.) of Chapter 10, the areas that lag behind the Commonwealth in terms of income, employment, and other factors.

Instructions: The reporting period is FY19. **THE REPORT IS NOT DUE UNTIL OCTOBER 1.** The metrics serve as a menu of items that institutions should respond to as applicable and when information is available to them. Leave fields blank, if information is unavailable. (Please do not alter shaded cells that contain formulas.) Please note the narrative question at the bottom of the page. The response should be provided in the separate Narrative document, Section J.

6A: Provide information for research and development (R&D) expenditures through June 30, 2019 by source of fund with a breakdown by Science and Engineering (S&E) specific and non-S&E. (Definition: The response is an unaudited version of the data to be submitted to the NSF Higher Education R&D [HERD] Survey in early 2020.)

VA PLAN Strategy Reference	6A: Research and Development (R&D) Expenditures by Source of Fund	*S&E	Non S&E	Total
	Source of Funds			
4.3	Federal Government	\$367,459	\$4,256	\$371,715
	State and Local Government	\$53,714	\$0	\$53,714
	Institution Funds	\$55,817	\$32,062	\$87,879
	Business	\$0	\$0	\$0
	Nonprofit Organizations	\$343,163	\$22,843	\$366,006
	All Other Sources			\$0
	Total	\$820,153	\$59,161	\$879,314

* S&E - Science and Engineering

6B: For the following items, provide responses in appropriate fields. Insert an X for yes/no responses. Use Number/Amount field for other information. A Comments field has been provided for any special information your institution may want to provide.

VA PLAN Strategy Reference	6B: General Questions	Yes	No	Number/Amount	Comments
4.1	1. Does your institution offer an innovation- or entrepreneurship-themed student living-learning community (student housing)?	X			Launched fall 2012, the Radford University Entrepreneurship Living-Learning Community (ELC) is a learning community designed to help incoming freshmen learn about, live the life of, and become successful entrepreneurs. The ELC encourages innovation and entrepreneurship in students from diverse majors and backgrounds. Participants will live with other students interested in entrepreneurship, develop entrepreneurial competencies, develop and implement a business idea, register for classes reserved for ELC members, form relationships with faculty and entrepreneurs, and learn how to start and run a business from experts. In FY 2018-19, 18 students were part of the community.
4.1	2. Does your institution offer startup incubation/accelerator programs? If yes, please comment if people/companies external to the institution can access them and, if so, how. (Definition: Incubation or accelerator programs are structured multi-week or multi-month programs for which a cohort of start-up companies are chosen; includes mentoring and connections to investors)	X			Radford University provides incubation/accelerator opportunities through two avenues: (1) Radford Venture Lab intended to incubate business ideas among students and (2) hosting the New River Valley office of Small Business Development Center funded by SBA.
4.2	3. Does your institution have an entrepreneurship center? If yes, please comment if people/companies external to the institution can access it and, if so, how.	X			Entrepreneurship activities are supported by the two offices mentioned above in 4.1
4.2	4. Does your institution use Entrepreneur(s)-in-Residence? (Definition: EIRS are usually experienced founders of high-growth start-up companies who partner with a university to explore active research projects and seek out opportunities to commercialize the products of research; alternatively, an EIR could be a grad student, post-doc, business major, etc., who assists to evaluate IP and provide assessments of market pull potential, business planning, etc.)		X		The University does not offer Entrepreneur(s)-in-Residence, however, the Davis College hosts Executive in Residence speakers who founded their own businesses to stimulate entrepreneurship and innovation among students. In 2018-19, 3 such speakers spoke at Davis College to a combined audience of approximately 150 students.
4.1	5. Number of students paid through externally funded research grants or contracts.				
4.1	6. Please answer Yes if (i) your institution's written tenure policy specifically mentions the development of intellectual property and/or the commercialization of research; or (ii) the policies of any schools or other divisions mention IP and/or commercialization as a consideration for promotion and tenure; or (iii) the instructions for compiling a P&T portfolio include providing information about patents, licenses, and other commercialization activities? If Yes, please provide a brief explanation in the comments field. If No, use the comments field to describe other ways a promotion and tenure committee might value those contributions, if any.				
4.2	7. Does your institution or an affiliated entity offer translational research and/or proof of concept funding? If yes, please provide the dollar amount awarded in FY19 in the number/amount field. In the comments field, please provide the number of grants awarded; additional comments can also be entered if needed.				
4.2	8. Does your institution or an affiliated entity offer a seed fund or venture capital fund that awards money to start-ups? If yes, please comment on whether it awards funding only to university-based start-ups or to the general public as well? If yes, please provide dollar amount awarded in FY19 in the number/amount field and the number of awards made in the comments field.	X			The Davis College annually hosts the BB&T Innovation Challenge with over 80 student teams participating. Students pitch business ideas that are judged by a panel of external judges from the business community. In 2018-19, a total of \$5,000 was awarded to 8 winning teams to facilitate their business startups.

6C: Provide information for federal research and commercialization grants by type, number, and dollar value with a breakdown by college and department. If additional rows are needed, please contact Jean Mottley (jeanmottley@schev.edu) for assistance.

VA PLAN Strategy Reference	6C: Research and Commercialization Grants	No.	\$ Value	College	Department
4.3	SBIR - Small Business Innovation Research				
	STTR - Small Technology Transfer Research				

6D: The Intellectual Property (IP) section captures information on disclosure, patent, and licensing activities. It is divided into three tables. Tables 1 and 2 capture information regardless of source of funds or nature of entity to whom IP is transferred. Table 3 is required by § 23.1-102 subdivision 2 of the Code of Virginia. It details assignment of IP interests to persons or nongovernmental entities and the value of externally sponsored research funds received during the year from a person or nongovernmental entity by the institution, any foundation supporting the IP research performed by the institution, or any entity affiliated with the institution. Information is sought on research that yields IP regardless of the project's intent. Information is sought about IP transferred as a result of either basic or applied research. Tables 2 and 3 capture separate aggregate data on entities that have a principal place of business in Virginia and those with a principal place of business outside of Virginia.

VA PLAN Strategy Reference	6D: Table 1 - All Activity for FY 2018-19	No.
4.2	1. Number of Intellectual Property disclosures received	0
	2. Number of Provisional Patent Applications filed during the year	0
	3. Number of Patent Applications filed during the year (by type)	

	Design	0
	Plant	0
	Utility	0
	Total	0
4. Total number of Patent Applications pending (by type)		
	Design	0
	Plant	0
	Utility	0
	Total	0
5. Number of Patents awarded during the year (by type)		
	Design	0
	Plant	0
	Utility	0
	Total	0

VA PLAN Strategy Reference	6D: Table 2 - All Activity for FY 2018-19	Principal Place of Business in VA	Principal Place of Business Outside VA
4.2	1. Total number of intellectual property licenses executed in FY18-19	0	0
	2. Number of start-ups created through IP licensing in FY18-19	0	0
	3. Amount of licensing revenue in FY18-19 resulting from all intellectual property licenses	\$0	\$0
	4. Number of jobs created as a result of university start-ups	0	0

VA PLAN Strategy Reference	6D: Table 3 - Research Supported by Persons or Nongovernmental Entities	Principal Place of Business in VA	Principal Place of Business Outside VA
4.2	1. Value of funds received (not expended) from persons or nongovernmental entities to support research	\$0	\$0
	2. Number of patents awarded during the year (by type) developed in whole or part from research projects funded by persons or nongovernmental entities:	This is a subset of Table 1, #5.	
	a. Design Patent	0	0
	b. Plant Patent	0	0
	c. Utility Patent	0	0
	d. Total	0	0
	3. Number of assignments of intellectual property interests to persons or nongovernmental entities (definition: "assignment" is the outright conveyance, sale and transfer of the IP, in contrast to "license" of IP rights, which is the contractual permission given to another party to	0	0

6E: These items are VCCS specific. Please provide responses in appropriate fields. A Comments field has been provided for any special information the VCCS may want to provide.

VA PLAN Strategy Reference	6E: General Questions - VCCS Specific	Number	Comments
4.1	1. Number of training programs leading to workforce certifications and licensures.		
	2. Number of students who earned industry recognized credentials stemming from training programs.		
	3. Number of industry-recognized credentials obtained, including certifications and licensures.		
	4. Number of Career/Technical Education certificates, diplomas and degrees awarded that meet regional workforce needs.		

NARRATIVE REQUIREMENT (Section J):

Contributions to Economic Development – Describe the institution’s contributions to stimulate the economic development of the Commonwealth and/or area in which the institution is located. *If applicable*, the information should include:

- a. University-led or public-private partnerships in real estate and/or community redevelopment.
- b. State industries to which the institution’s research efforts have direct relevance.
- c. High-impact programs designed to meet the needs of local families, community partners, and businesses.
- d. Business management/consulting assistance.

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 26, 2019

Action Item
Approval of Radford University's 2019 Six-Year Plan

Item:

Board of Visitors approval of Radford University's 2019 Six-Year Plan as required by § 23.1-306.

Background:

In response to the requirements outlined in § 23.1-306 of the Code of Virginia, attached is a copy of Radford University's 2019 Six-Year Plan submitted to the State Council of Higher Education for Virginia (SCHEV) by the stated deadline of July 1, 2019.

As a mandate established through the "*Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Act of 2011*" (TJ21) legislation, governing boards of each public institution of higher education shall develop and adopt biennially and amend or affirm annually a six-year plan for their institution. This requires the plans to be submitted to the State Council for Higher Education of Virginia by July 1 of each odd-numbered year and requires any amendments or affirmations to existing plans to be submitted by July 1 of each even-numbered year.

The 2019 Six Year Plan submission marks the fifth iteration of this exercise. The instructions and template to complete the six-year plan are usually provided by SCHEV in late spring, typically at the time of the May Board meeting. Due to this timeline, the University has historically submitted the plan, to SCHEV by the July 1st deadline and then has presented it to the Board for approval at the next scheduled meeting, which is usually held in September. In July, the University is required to present the plan to a group of State representatives. This group will further review the plans over the July and August months, and provide comments in early September for all institutions to respond with updates or revisions, as appropriate, by October 1st. This process was once again followed for the 2019 Six Year Plan submission.

In preparation of the submission, the University reviewed the previous 2018 Six Year Plan update and determined which of the existing initiatives would remain and which new initiatives would be added. The 2019 Six-Year Plan reflects the priorities of the University and the objectives and goals outlined in Virginia Plan for Higher Education. The plan is divided in two parts. Part I is an Excel template with five components that includes a new section for Tuition Predictability Plans, Finance-Tuition & Other Nongeneral Fund Revenue, Academic-Financial Plan, General Fund Requests, Financial Aid Plan, and an Economic Development component that is intended to capture the institution's active contributions to stimulate the economic development of the Commonwealth. Part II provides a narrative summary of the proposed strategies and an evaluation of the most recent biennial six-year plan

The strategies identified in the University's 2019 Six-Year Plan were developed collaboratively with the leadership of each operating division, and incorporate multi-year budget initiatives developed in the previous cycle. Divisions reviewed their respective submissions and updated strategies to align with current priorities and objectives. The academic strategies related to programmatic growth were developed by the Provost through the respective academic unit.

The Tuition and Fee Predictability Plan presents multiple scenarios ranging from no new general fund support to a substantial investment from the state for both Radford University and Radford University Carilion. The funding of the proposed strategies are subject to change unless incremental general fund support is received. Additionally, approval of tuition and fees is the responsibility of the Board of Visitors and may be adjusted based upon factors such as incremental general fund support, legislative requirements, projected enrollment growth, and prioritization of strategies to implement.

Action:

Radford University Board of Visitors approval of the Radford University 2019 Six-Year Plan.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution

Approval of Radford University's 2019 Six-Year Plan
September 27, 2019

WHEREAS, the Higher Education Opportunity Act of 2011 became effective July 1, 2011, and requires each public institution of higher education in Virginia to develop and submit an institutional six-year plan; and

WHEREAS, § 23.1-306 of the Act requires, “*The governing board of each public institution of higher education shall (i) develop and adopt biennially and amend or affirm annually a six-year plan for the institution; (ii) submit such plan to the Council (State Council of Higher Education for Virginia), the General Assembly, the Governor, and the Chairmen of the House Committee on Appropriations, the House Committee on Education, the Senate Committee on Education and Health, and the Senate Committee on Finance no later than July 1 of each odd-numbered year; and (iii) submit amendments to or an affirmation of that plan no later than July 1 of each even-numbered year or at any other time permitted by the Governor or General Assembly*”; and

WHEREAS, Radford University prepared a six-year plan in accordance with the requirements of the Higher Education Opportunity Act of 2011 and guidelines provided by the State Council of Higher Education for Virginia; and

WHEREAS, the University submitted the six-year plan to the State Council of Higher Education for Virginia by the stated deadline of July 1, 2019 for the 2019 submission; and

WHEREAS, the 2019 Six-Year Plan must be approved by the Board of Visitors prior to the October 1 final submission;

THEREFORE, BE IT RESOLVED the Radford University Board of Visitors approves the Radford University 2019 Six-Year Plan (Part I and Part II) as presented in the format provided by the State Council of Higher Education for Virginia; and

BE IT FURTHER RESOLVED, that the University is authorized to revise the 2019 Six-Year Plan as required by State officials for final submission by the stated deadline.

2019 Six-Year Plan Update



2019 Six-Year Plan Update

- Process mandated through the “Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Act of 2011” (TJ21)
 - Board action required by § 23.1-306 of the Code of Virginia.
- Timeline:
 - May 1, 2019 - Instructions and template received
 - July 1, 2019 - Updated templates due to SCHEV
 - July 23, 2019 - Presented plan to Op-Six
 - September 1, 2019 - Distribution of Op-Six comments
 - September 27, 2019 - Action by Board
 - October 1, 2019 - Final plans to SCHEV

Academic Plan Initiatives

- I. Improve student outcomes through the reimagined first year experience
- II. Improve affordability through additional student financial aid
- III. Further educational opportunities for healthcare professions and the Roanoke Valley through Radford University Carilion
- IV. Establish an Innovative Transfer Partnership with New River Community College
- V. Increase degree completion and adult learners through competency-based education (CBE)
- VI. Enhance student experiential learning opportunities
- VII. Strengthen workforce development efforts

Financial Plan for E&G Programs

- I. Plan for potential 3 percent salary increase in the middle of biennium
- II. Library enhancement
- III. Utility cost increases
- IV. NGF for current operations
 - i. Contractual escalators
 - ii. Promotion and tenure

Tuition Predictability Plans

- New requirement for this biennium
- Multi-year estimate of tuition and fee charges for in-state undergraduate students
- Institution's estimate of reasonable and necessary charges to students based on institution's mission, market capacity and other factors
- Multiple scenarios are allowable to show differing assumptions. The University submitted three scenarios for 2020-21, 2021-22 and 2022-23.
 - Scenario 1: No new general funds results in 6 percent tuition and fee increase annually.
 - Scenario 2: General funds increase of \$2.1M, \$2.4M and \$2.8M respectively to reduce tuition and fee increase to 2 percent annually.
 - Scenario 3: Assumptions from Scenario 2 plus general funds increase of \$5M and \$5M respectively for RUC to lower tuition.

General Fund Request

- I. Improve affordability with and ncrease student financial aid by \$2.2M over the biennium

- II. Accelerate RUC development by investing \$10M over the biennium

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 26, 2019

Information Item
Financial Performance Report for the Year Ending June 30, 2019

Item:

Summary of fiscal year 2018-19 revenue and expenditures as of June 30, 2019.

Background:

The Financial Performance Report includes Schedules A and B which provides a summary of unaudited revenue and expenditure activity for the year ending June 30, 2019. The Financial Performance Report is generated from annual budget projections and actual accounting data recorded in Banner Finance that has been reconciled with the Commonwealth's Accounting System (Cardinal). The actual accounting data is recorded using a modified accrual basis of accounting which recognizes revenue when received rather than when earned and expenditures when posted rather than when payment is issued.

The Original Budget was approved by the Board of Visitors at the September 2018 meeting. The Revised Budget is inclusive of any technical adjustments made throughout the year as well as a 2018-19 third quarter adjustment to account or actual enrollment levels impacting tuition and fee collections.

For the year ending June 30, 2019, revenues and expenditures were at expected levels. Schedule A provides a summary of revenue and expenditure activity by major program. Schedule B provides a summary of revenue, expenditure and reserve draw/(deposit) by major auxiliary enterprise unit. Footnotes are included in each schedule to explain variances between the Original Budget, Revised Budget, and year-end Actuals.

Contributions to the auxiliary reserve came in stronger than projected due to lower than anticipated contract vendor payments, the timing of expenditures, and turnover and vacancy savings. The contribution to the auxiliary reserve is required to meet the State Council of Higher Education for Virginia (SCHEV) guidelines for on-going operations, equipment renewal and replacement, and future capital projects.

Summary:

No action required; information item only.

Radford University
Financial Performance Report
For the Period Ending June 30, 2019

Dollars in Thousands

	Annual Budget for 2018-19			July 1, 2018 to June 30, 2019	
	Original (a)	Adjustments (b)	Revised (c)	Actual (d)	Variance (e)
Educational and General Programs					
<u>Revenues</u>					
General Fund	\$52,450	\$588	\$53,038 (1)	\$53,038	\$0
Tuition and Fees	78,653	(3,123)	75,530 (2)	74,968	(562) (7)
All Other Income	3,379	0	3,379	1,949	(1,430) (8)
Total Revenues	\$134,481	(\$2,534)	\$131,947	\$129,956	(\$1,992)
<u>Expenditures</u>					
Instructional & Academic Support	(\$86,828)	\$4,323	(\$82,505) (1) (2) (3)	(\$82,507)	(\$2) (7) (9)
Public Service Programs	(600)	0	(600)	(428)	172 (8)
All Other Support Programs	(47,053)	(1,789)	(48,842) (1) (2) (3)	(46,888)	1,954 (7) (8) (10)
Total Expenses	(\$134,481)	\$2,534	(\$131,947)	(\$129,824)	\$2,124
Reserve Draw (Deposit)	0	0	0	(132)	(132) (11)
NET	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance					
Revenue	\$12,547	\$188	\$12,735 (4)	\$12,735	\$0
Expenditures	(12,547)	(188)	(12,735) (4)	(12,735)	0
Reserve Draw (Deposit)	0	0	0	(0)	(0)
NET	\$0	\$0	\$0	\$0	\$0
Sponsored Programs					
Revenue	\$8,962	\$349	\$9,311 (5)	\$9,213	(\$98) (12)
Expenditures	(8,962)	(349)	(9,311) (5)	(9,049)	261 (12)
Reserve Draw (Deposit)	0	0	0	(164)	(164) (12)
NET	\$0	\$0	\$0	\$0	\$0
Auxiliary Enterprises					
Revenues	\$73,532	(\$1,442)	\$72,090 (6)	\$72,675	\$585 (6)
Expenditures	(67,542)	(62)	(67,604) (6)	(\$64,703)	2,901 (6)
Reserve Draw (Deposit)	(5,990)	1,503	(4,486) (6)	(7,973)	(3,486) (6)
NET	\$0	\$0	\$0	\$0	\$0
Total University					
Revenues	\$229,523	(\$3,439)	\$226,083	224,579	(\$1,504)
Expenses	(223,533)	1,936	(221,597)	(216,311)	5,286
Reserve Draw (Deposit)	(5,990)	1,503	(4,486)	(8,268)	(3,782)
NET	\$0	\$0	\$0	\$0	\$0

Notes:

(a) Original Budget - Reflects the projected 2018-19 Operating Budget as of July 1, 2018 which was approved by the Board at the September 2018 meeting. Both recurring and one-time operating budgets are included.

(b) Adjustments - Reflects changes that have been made to the 2018-19 Operating Budget between July 1, 2018 and June 30, 2019. Both recurring and one-time operating budgets are included.

(c) Revised Budget - Reflects the current 2018-19 Operating Budget as of June 30, 2019. Both recurring and one-time operating budgets are included.

(d) Actual - Reflects the actual annual activity as of June 30, 2019.

(e) Variance - Reflects the difference between the revised budget and actual annual activity as of June 30, 2019.

Radford University
Financial Performance Report - Notes
For the Period Ending June 30, 2019

- 1) The General Fund (GF) revenue budget was increased by \$588,442. The increase was attributable to four factors including; \$30,481 VIVA Allocation, (\$118,561) Central Fund alignment, \$117,071 Graduate Fellowship transfer from Student Financial Assistance, and \$559,451 to account for the previous fiscal year's revenue deposit. All related expense budgets were adjusted accordingly.
- 2) The Tuition & Fee revenue budget decreased by \$3,122,576. The adjustment was necessary to account for current year enrollment levels in traditional undergraduate and graduate programs. All related expense budgets were also adjusted accordingly.
- 3) A portion of the Instructional and Academic Support budget was temporarily reallocated to the All Other Support Programs due to turnover and vacancy savings.
- 4) The Student Financial Assistance revenue and expense budgets were adjusted to account for appropriation increases of \$90,720 for the VA Military Survivors & Dependents Program and \$214,000 for the Two-Year Commonwealth Transfer Grant Program, as well as, a (\$117,071) transfer to E&G for Graduate Fellowship programs.
- 5) The Sponsored Programs budget was increased by \$349,000 to account for additional anticipated grant activity related to the Appalachian Support for Specialized Education Training (ASSET) funding which is a multi-year \$13.8 million U.S. Department of Education grant that Radford University was awarded in October 2017.
- 6) The budget adjustments and projection variances are explained in the Auxiliary Enterprises section of this report.
- 7) The Tuition & Fees revenue is \$562,000 less than anticipated due to slightly lower than projected Spring tuition receipts.
- 8) The All Other Income revenue is \$1,430,000 less than projected due a institutionally planned carryforward of \$1,237,885 for 2019-20. The remaining variance is attributable to less than projected sales and service and Public Service activity.
- 9) The expenses in the Instructional and Academic Support Programs are greater than projected due to the timing of the Equipment Trust Fund reimbursement which was partially offset by greater than anticipated turnover and vacancy savings and the timing of contractual payments.
- 10) The expenses in All Other Support Programs are less than projected due lower than expected utility costs, greater than anticipated turnover and vacancy savings, and the timing of the campus renovation projects.
- 11) The Reserve Deposit in the Educational and General Programs budget is reflective of Surplus Property and Recycling Proceeds surpluses of \$117,351 and \$16,174 respectively.
- 12) The Sponsored Programs revenue and expense budget is based on authorized state appropriation and is not necessarily reflective of anticipated fiscal year activity. Externally sponsored programs are initiated and finalized on an individual basis without fiscal year consideration, thus the actual fiscal year activity will vary from the projected revenue and expense budgets. The Reserve Draw reflects the timing of expense reimbursements from the grantor.

Radford University
Auxiliary Enterprise
Financial Performance Report
For the Period Ending June 30, 2019

Dollars in Thousands

	Annual Budget for 2018-19			July 1, 2018 to June 30, 2019	
	Original (a)	Adjustments (b)	Revised (c)	Actual (d)	Variance (e)
Residential & Dining Programs					
Revenues	\$35,924	\$0	\$35,924	\$36,388	\$464 (6)
Expenditures	(32,090)	(1,160)	(33,250) (1)	(31,872)	1,379 (7)
Reserve Draw (Deposit)	(3,834)	1,160	(2,674) (1)	(4,516)	(1,842) (6), (7)
NET	\$0	\$0	\$0	\$0	\$0
Bookstore					
Revenues	\$490	\$0	\$490	\$279	(\$211) (8)
Expenditures	(272)	0	(272)	(200)	72 (9)
Reserve Draw (Deposit)	(218)	0	(218)	(79)	139 (8), (9)
NET	\$0	\$0	\$0	\$0	\$0
Parking & Transportation					
Revenues	\$1,971	(\$54)	\$1,917 (2)	\$1,842	(\$75) (10), (11)
Expenditures	(1,613)	48	(1,565) (2)	(1,420)	145 (10), (11)
Reserve Draw (Deposit)	(358)	6	(352) (2)	(422)	(70) (10), (11)
NET	\$0	\$0	\$0	\$0	\$0
Telecommunications					
Revenues	\$585	\$0	\$585	\$559	(\$26)
Expenditures	(521)	(1)	(521)	(520)	2
Reserve Draw (Deposit)	(64)	1	(64)	(39)	24
NET	\$0	\$0	\$0	\$0	\$0
Student Health Services					
Revenues	\$3,264	(\$169)	\$3,095 (2)	\$3,114	\$19
Expenditures	(3,019)	169	(2,850) (2)	(2,590)	260 (12)
Reserve Draw (Deposit)	(245)	0	(245) (2)	(523)	(278) (12)
NET	\$0	\$0	\$0	\$0	\$0
Student Programming					
Revenues	\$8,346	(\$427)	\$7,919 (2)	\$7,866	(\$52)
Expenditures	(8,255)	399	(7,856) (2) (3)	(7,185)	671 (13)
Reserve Draw (Deposit)	(91)	28	(63) (2) (3)	(681)	(618) (13)
NET	\$0	\$0	\$0	\$0	\$0
Building & Facilities					
Revenues	\$3,370	(\$276)	\$3,094 (2)	\$3,168	\$74
Expenditures	(1,480)	135	(1,345) (2)	(894)	451 (14)
Reserve Draw (Deposit)	(1,890)	141	(1,749) (2)	(2,273)	(524) (14)
NET	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions					
Revenues	\$7,196	(\$167)	\$7,030 (2)	\$7,514	\$485 (15)
Expenditures	(7,627)	87	(7,539) (2), (4)	(7,464)	75 (16)
Reserve Draw (Deposit)	430	79	510 (2), (4)	(50)	(560) (15), (16)
NET	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics					
Revenues	\$12,386	(\$349)	\$12,037 (2), (5)	\$11,945	(\$92) (17)
Expenditures	(12,666)	261	(12,405) (2), (5)	(12,557)	(152) (18)
Reserve Draw (Deposit)	280	88	369 (2), (5)	612	244 (17), (18)
NET	\$0	\$0	\$0	\$0	\$0
Total Auxiliary Enterprise					
Revenues	\$73,532	(\$1,442)	\$72,090	\$72,675	\$585
Expenses	(67,542)	(62)	(67,604)	(64,703)	2,901
Reserve Draw (Deposit)	(5,990)	1,503	(4,486)	(7,973)	(3,486)
NET	\$0	\$0	\$0	\$0	\$0

Notes:

(a) Original Budget - Reflects the projected 2018-19 Operating Budget as of July 1, 2018 which was approved by the Board at the September 2018 meeting. Both recurring and one-time operating budgets are included.

(b) Adjustments - Reflects changes that have been made to the 2018-19 Operating Budget between July 1, 2018 and June 30, 2019. Both recurring and one-time operating budgets are included.

(c) Revised Budget - Reflects the current 2018-19 Operating Budget as of June 30, 2019. Both recurring and one-time operating budgets are included.

(d) Actual - Reflects the actual annual activity as of June 30, 2019.

(e) Variance - Reflects the difference between the revised budget and actual annual activity as of June 30, 2019.

Radford University
Auxiliary Enterprise
Financial Performance Report - Notes
For the Period Ending June 30, 2019

- 1) The Residential and Dining expense budget was increased to account for the operation of the newly acquired off-campus apartment housing units.
- 2) Comprehensive Fee Revenue and Expense budget were adjusted to account for actual fall and spring enrollment levels which were less than projected.
- 3) The Student Programming expense budget was adjusted to account for the timing of auxiliary indirect cost recoveries.
- 4) The Other Enterprise Functions budget was adjusted to reflect transfers for up fitting systems in the ONE Card Office on main campus in preparation for onboarding students and employees for the Radford University Carilion operations. Additional Conference Services expense budget was adjusted to account for the timing of summer conference activity.
- 5) The Intercollegiate Athletics revenue budget was adjusted to reflect transfers from the Radford University Foundation for operating and compensation related expenses. All related expense budgets were adjusted accordingly.
- 6) The Residential and Dining Program revenues were higher than anticipated due to expansion of leased residential facilities.
- 7) The Residential and Dining Program expenses were lower than anticipated due to higher than projected turnover and vacancy and the timing of apartment renovation projection costs.
- 8) The Bookstore revenues were lower than anticipated due to less than projected textbook sales.
- 9) The Bookstore expenses were lower than anticipated due to scholarship savings.
- 10) The Parking and Transportation revenue was less than anticipated due to fewer surface permit sales and other related parking management activity.
- 11) The Parking and Transportation expenses were less than anticipated due to lower than anticipated Radford Transit costs .
- 12) The Student Health Service expenses were lower than anticipated due to lower than projected costs for the Student Health Center contract and greater than anticipated turnover and vacancy savings.
- 13) The Student Programming expenses were lower than anticipated due to lower than projected contract provider expenses and greater than anticipated turnover and vacancy savings.
- 14) The Building and Facilities expenses were lower than projected due to lower than anticipated lease and maintenance costs.
- 15) The Other Enterprise revenues were higher than anticipated due to increased auxiliary interest income.
- 16) The Other Enterprise expenses were lower than anticipated due to the timing of one-time equipment costs and greater than projected turnover and vacancy for Student Orientation. These costs were partially offset by higher than projected scholarship activity.
- 17) The Intercollegiate Athletics revenue was less than anticipated due to the timing associated with Radford University Foundation reimbursements.
- 18) The Intercollegiate Athletics expenses were higher than projected due to higher than anticipated conference costs, other contractual costs, and the remaining tennis court renovation costs.

Radford University
E&G Initiatives by Division
2019-20

	Dollars in Thousands (\$)				FTE	
	Mandatory	RUC Operations	Programmatic	Division Reallocations	Resources Total	Positions
Academic Affairs						
Position Support			\$210.0		\$210.0	
Promotion & Tenure	287.0				\$287.0	
Provost		1,396.7			1,396.7	1.00
CHBS		574.7			574.7	7.00
WCHHS		5,928.8			5,928.8	77.00
CSAT		926.6			926.6	12.00
Academic Programs		508.4			508.4	10.00
Savings Strategies				(1,158.3)	(1,158.3)	
Academic Affairs Total	\$287.0	\$9,335.3	\$210.0	(\$1,158.3)	\$8,674.0	107.00
Central Administration						
Governmental Relations			\$10.0		\$10.0	
Attorney General			48.0		48.0	
Internal Audit			11.3		11.3	
Institutional Equity		59.3			59.3	1.00
Savings Strategies				(18.8)	(18.8)	
Central Administration Total		\$59.3	\$69.3	(\$18.8)	\$109.8	1.00
Central Resources						
Salary Increases						
2019-20 3% Faculty Increase	\$1,710.9				\$1,710.9	
2019-20 2.75% Staff Salary Increase	478.9				478.9	
2019-20 2.25% Add'l Staff Merit Increase	350.8				350.8	
Fringe Adjustments						
Workers Comp., Line of Duty, Misc.	7.8				7.8	
Division Position Realignments - Fringes	53.5		67.8		121.3	
Fringes		3,915.7			3,915.7	
Total Fringe Adjustments	61.3	3,915.7	67.8		4,044.8	
Other Increases						
Degree Completion Initiative	262.8				262.8	
Savings Strategies				(3,033.3)	(3,033.3)	
RUC Operations		5,388.1			5,388.1	7.00
One-Time Operating - Parallel to T&V		1,506.5	16.8		1,523.3	
T&V Adjustment			(16.8)		(16.8)	
Central Resources Total	\$2,864.8	\$10,810.3	\$67.8	(\$3,033.3)	\$10,709.6	7.00
Information Technology						
Savings Strategies				(104.1)	(104.1)	
RUC Operations		427.0			427.0	4.00
Information Technology Total		\$427.0		(\$104.1)	\$323.0	4.00
Finance & Administration						
Savings Strategies				(189.4)	(189.4)	
RUC Operations		462.5			462.5	7.00
Finance & Administration Total		\$462.51		(\$189.36)	\$273.15	7.00
Student Affairs						
Savings Strategies				(14.5)	(14.5)	
RUC Operations		289.4			289.4	5.00
Student Affairs Total		\$289.4		(\$14.5)	\$275.0	5.00
Enrollment Management						
Savings Strategies				(64.6)	(64.6)	
RUC Operations		868.8			868.8	15.15
Enrollment Management Total		\$868.8		(\$64.6)	\$804.2	15.15
University Advancement						
Savings Strategies				(36.5)	(36.5)	
RUC Operations		8.5			8.5	
University Advancement Total		\$8.5		(\$36.5)	(\$28.0)	
University Relations						
Savings Strategies				(\$23.4)	(\$23.4)	
RUC Operations		\$80.3			\$80.3	1.00
University Relations Total		\$80.3		(\$23.4)	\$56.9	1.00
Grand Total	\$3,151.8	\$22,341.4	\$347.1	(\$4,642.8)	\$21,197.4	147.15

Radford University
Resource Allocation Analysis
2019-20

	<i>Original</i> May 2019 Assumptions	<i>Proposed</i> July 2019 Budget	Dollar Change
<u>REVENUE</u>			
General Fund Changes			
2019-20 Degree Production Initiative	\$1,028,460	\$1,028,460	\$0
2019-20 Employee Faculty Increase (est.)	1,099,279	1,125,952	26,673
2019-20 Employee Staff Salary Increase (est.)	533,129	559,802	26,673
2019-20 Fringe Rate Changes	11,544	(81,211)	(92,755)
2019-20 Central Systems Changes	789	(25,752)	(26,541)
2019-20 Tuition Moderation	1,659,000	1,659,000	0
2019-20 Operational Support - RUC	1,707,422	1,707,422	0
Total GF Change	\$6,039,623	\$5,973,673	(\$65,950)
Nongeneral Fund Changes			
Non-General Fund Changes - Main Campus	(\$3,372,576)	(\$5,410,172)	(\$2,037,596)
Non-General Fund Changes - RUC	23,758,415	23,758,415	\$0
Scholarship Support - Main Campus	(255,550)	0	255,550
Scholarship Support - RUC	(3,300,000)	(3,300,000)	0
Tuition Policy Changes	1,050,000	0	(1,050,000)
Miscellaneous Revenue - RUC	175,533	175,533	0
Total NGF Changes	\$18,055,822	\$15,223,776	(\$2,832,046)
Total Revenue Changes	\$24,095,445	\$21,197,449	(\$2,897,996)
<u>EXPENSES</u>			
Non-Discretionary Cost Increases			
Mandatory Costs			
Salary Adjustments			
2019-20 3% Faculty Increase	\$1,832,132	\$1,710,918	(\$121,214)
2019-20 2.75% Staff Salary Increase	512,865	478,934	(33,931)
2019-20 2.25% Add'l Staff Merit Increase	375,683	350,828	(24,855)
Fringe Adjustments			
2019-20 RUC Fringes	\$3,915,692	\$3,915,692	\$0
2019-20 Fringe Rate Changes	32,500	7,829	(24,671)
Central Cost Commitments			
AA Promotion & Tenure	\$340,481	\$340,481	\$0
Utility Rate Increases	94,000	0	(94,000)
Student Success and Retention	294,500	0	(294,500)
Degree Completion Initiatives	312,500	262,795	(49,705)
Contracts & Compliance	5,569,010	5,388,090	(180,920)
Recovery Rate Changes	1,506,497	1,506,497	0
Sub-Total Central Commitments	\$14,785,860	\$13,962,064	(\$823,796)
Division Recurring Requirements			
Academic Affairs	\$9,690,044	\$9,600,104	(\$89,940)
Finance & Administration	462,509	462,509	0
Information Technology	427,035	427,035	0
Central Administration	141,522	141,522	0
Student Affairs	289,434	289,434	0
University Relations	110,273	80,273	(30,000)
University Advancement	27,415	8,500	(18,915)
Enrollment Management	868,803	868,803	0
Sub-Total Division Requirements	\$12,017,035	\$11,878,180	(\$138,855)
Total Non-Discretionary Cost Increases	\$26,802,895	\$25,840,244	(\$962,651)
<u>Savings Strategies</u>			
Academic Affairs	(\$817,788)	(\$1,158,269)	(\$340,481)
Finance & Administration	(189,356)	(189,356)	0
Information Technology	(104,073)	(104,073)	0
Central Administration	(18,826)	(18,826)	0
Student Affairs	(14,466)	(14,466)	0
University Relations	(23,385)	(23,385)	0
University Advancement	(36,523)	(36,523)	0
Central Resources	(1,438,405)	(3,033,269)	(1,594,864)
Enrollment Management	(64,628)	(64,628)	0
Total Savings strategies	(2,707,450)	(\$4,642,795)	(\$1,935,345)
Total Base Budget	\$24,095,445	\$21,197,449	(\$2,897,996)
SURPLUS/(DEFICIT)	(\$0)	(\$0)	(\$0)

Radford University
Proposed University Operating Budget
2019-20

Dollars in Thousands

	Annual Budget for 2018-19			2018-19 Adjusted Total Budget	2019-20 Adjustments			2019-20 Recommended Total Budget
	Original Total Budget (a)	Adjustments	Adjusted Total Budget (b)		Technical Adjustments	Base Adjustments	One-Time Adjustments	
Educational and General Programs								
<u>Revenues</u>								
General Fund	\$52,450	\$588	\$53,038	\$53,038	(\$588)	5,974	(\$716)	\$57,708
Tuition and Fees	78,653	(3,123)	75,530	75,530	1,343	15,048	1,344	93,265
All Other Income	3,379	0	3,379	3,379	(1,247)	176	1,745	4,052
Revenue	\$134,481	(\$2,534)	\$131,947	\$131,947	(\$493)	\$21,197	\$2,373	\$155,025
<u>Expenditures</u>								
Instructional & Academic Support	(\$87,428)	\$4,323	(\$83,105)	(\$83,105)	(\$3,142)	(\$11,809)	(\$577)	(\$98,633)
All Other Support Programs	(47,053)	(1,789)	(48,842)	(\$48,842)	3,635	(9,389)	(1,797)	(\$56,393)
Expenditures	(\$134,481)	\$2,534	(\$131,947)	(\$131,947)	\$493	(\$21,197)	(\$2,373)	(\$155,025)
Reserve Draw (Deposit)	0	0	0	0	0	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Student Financial Assistance								
Revenue	\$12,547	\$188	\$12,735	\$12,735	(\$188)	\$994	\$0	\$13,542
Expenditures	(12,547)	(188)	(12,735)	(12,735)	188	(994)	0	(13,542)
Reserve Draw (Deposit)	0	0	0	0	0	0	0	0
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sponsored Programs								
Revenue	\$8,962	\$349	\$9,311	\$9,311	(\$349)	\$0	\$0	\$8,962
Expenditures	(8,962)	(349)	(9,311)	(9,311)	349	0	0	(8,962)
Reserve Draw (Deposit)	0	(0)	(0)	(0)	(0)	0	0	(0)
NET	\$0	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	(\$0)
Auxiliary Enterprises								
Revenues	\$73,532	(\$1,442)	\$72,090	\$72,090	\$1,350	\$4,536	\$0	\$77,976
Expenditures	(67,542)	(62)	(67,604)	(67,604)	2,607	(2,657)	(2,024)	(69,677)
Reserve Draw (Deposit)	(5,990)	1,503	(4,486)	(4,486)	(3,957)	(1,879)	2,024	(8,299)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total University								
Revenues	\$229,523	(\$3,439)	\$226,083	\$226,083	\$321	\$26,728	\$2,373	\$255,505
Expenses	(223,533)	1,936	(221,597)	(221,597)	3,637	(24,849)	(4,397)	(247,206)
Reserve Draw (Deposit)	(5,990)	1,503	(4,486)	(4,486)	(3,957)	(1,879)	2,024	(8,299)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Notes:

(a) Original Total Budget - Reflects the 2018-19 Operating Budget as of July 1, 2018 which was approved by the Board at the September 2018 meeting. Both recurring and one-time operating budgets are included.

(b) Adjusted Total Budget - Reflects the 2018-19 Operating Budget as of June 30, 2019. Both recurring and one-time operating budgets are included.

(c) Recommended Total Budget - Reflects the proposed 2019-20 Original Total Budget as of July 1, 2019. Both recurring and one-time operating budgets are included.

Radford University
Proposed Auxiliary Enterprise Budget
2019-20

Dollars in Thousands

	Annual Budget for 2018-19			2018-19 Adjusted Total Budget	2019-20 Adjustments			2019-20 Recommended Total Budget (c)
	Original Total Budget (a)	Adjustments	Adjusted Total Budget (b)		Technical Adjustments	Base Adjustments	One-Time Adjustments	
Residential & Dining Programs								
Revenues	\$35,924	\$0	\$35,924	\$35,924	\$0	\$5,091	\$0	\$41,015
Expenditures	(32,090)	(1,160)	(33,250)	(33,250)	1,949	(3,299)	(2,116)	(36,717)
Reserve Draw (Deposit)	(3,834)	1,160	(2,674)	(2,674)	(1,949)	(1,792)	2,116	(4,299)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bookstore								
Revenues	\$490	\$0	\$490	\$490	\$0	(\$125)	\$0	\$365
Expenditures	(272)	0	(272)	(272)	0	(0)	0	(272)
Reserve Draw (Deposit)	(218)	0	(218)	(218)	(0)	125	0	(93)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parking & Transportation								
Revenues	\$1,971	(\$54)	\$1,917	\$1,917	\$54	\$105	\$0	\$2,076
Expenditures	(1,613)	48	(1,565)	(1,565)	62	(114)	(41)	(1,657)
Reserve Draw (Deposit)	(358)	6	(352)	(352)	(116)	9	41	(419)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telecommunications								
Revenues	\$585	\$0	\$585	\$585	\$0	(\$25)	\$0	\$560
Expenditures	(521)	(1)	(521)	(521)	27	(9)	2	(502)
Reserve Draw (Deposit)	(64)	1	(64)	(64)	(27)	34	(2)	(58)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Student Health Services								
Revenues	\$3,264	(\$169)	\$3,095	\$3,095	\$169	(\$118)	\$0	\$3,145
Expenditures	(3,019)	169	(2,850)	(2,850)	(164)	56	8	(2,950)
Reserve Draw (Deposit)	(245)	0	(245)	(245)	(5)	62	(8)	(195)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Student Programming								
Revenues	\$8,346	(\$427)	\$7,919	\$7,919	\$427	(\$108)	\$0	\$8,238
Expenditures	(8,255)	399	(7,856)	(7,856)	(365)	290	33	(7,898)
Reserve Draw (Deposit)	(91)	28	(63)	(63)	(62)	(182)	(33)	(340)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Building & Facilities								
Revenues	\$3,370	(\$276)	\$3,094	\$3,094	\$276	(\$164)	\$0	\$3,206
Expenditures	(1,480)	135	(1,345)	(1,345)	(149)	(86)	28	(1,552)
Reserve Draw (Deposit)	(1,890)	141	(1,749)	(1,749)	(127)	250	(28)	(1,654)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Enterprise Functions								
Revenues	\$7,196	(\$167)	\$7,030	\$7,030	\$167	\$362	\$0	\$7,558
Expenditures	(7,627)	87	(7,539)	(7,539)	1,291	(14)	0	(6,262)
Reserve Draw (Deposit)	430	79	510	510	(1,458)	(347)	0	(1,296)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Intercollegiate Athletics								
Revenues	\$12,386	(\$349)	\$12,037	\$12,037	\$257	(\$482)	\$0	\$11,812
Expenditures	(12,666)	261	(12,405)	(12,405)	(44)	519	63	(11,867)
Reserve Draw (Deposit)	280	88	369	369	(213)	(37)	(63)	55
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Auxiliary Enterprise								
Revenues	\$73,532	(\$1,442)	\$72,090	\$72,090	\$1,350	\$4,536	\$0	\$77,976
Expenses	(67,542)	(62)	(67,604)	(67,604)	2,607	(2,657)	(2,024)	(69,677)
Reserve Draw (Deposit)	(5,990)	1,503	(4,486)	(4,486)	(3,957)	(1,879)	2,024	(8,299)
NET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Notes:

(a) Original Total Budget - Reflects the projected 2018-19 Operating Budget as of July 01, 2018 which was approved by the Board at the September 2018 meeting. Both recurring and one-time

(b) Adjusted Total Budget - Reflects the 2018-19 Operating Budget as of June 30, 2019. Both recurring and one-time operating budgets are included.

(c) Recommended Total Budget - Reflects the proposed 2019-20 Original Total Budget as of July 1, 2019. Both recurring and one-time operating budgets are included.

RADFORD UNIVERSITY BOARD OF VISITORS
Business Affairs & Audit Committee
September 26, 2019

Action Item
Approval of the Radford University 2019-20 Operating Budget

Item:

Board of Visitors approval of the Radford University 2019-20 operating budget.

Executive Summary:

Each year, the Vice President for Finance and Administration & Chief Financial Officer is responsible for presenting Radford University's (the University) projected annual operating budget to the Board of Visitors for the upcoming fiscal year. The 2019-20 operating budget was developed in consideration of projected enrollment levels, actions taken by the Governor and General Assembly during the 2019 session, Board-approved tuition and fee rates, the strategic goals of the University, and the economic outlook.

Since the rollout of the 2018-2023 Strategic Plan: *Embracing the Tradition and Envisioning the Future*, a conscious effort has been underway to align institutional resources in support of strategic plan objectives. The collaborative process of budget development has helped provide the framework for which all divisions review operating priorities and align their actions with strategic goals of the University. The information collected during this process was instrumental in development of the University's Six-Year Plan submission to the Commonwealth and further helps to frame the strategic direction of the institution.

The budget development process for 2019-20 focused heavily on the establishment of Radford University Carilion (RUC) through the merger with Jefferson College of Health Sciences. With this merger, the University took a bold step toward achieving its goal to garner recognition for signature academic programs in health sciences, healthcare, and human services across the lifespan, as stated in the University's Strategic Plan. Both entities entered the merger from positions of strength with sound financials, sustained enrollment demand, and highly ranked programs. This endeavor could not have been successful without the support of stakeholders from across the Commonwealth, and a drive to increase the number of healthcare graduates over the next five years. The results of the merger incorporated an additional 152 full-time equivalent positions and \$22,341,370 into the University's budget.

The 2019 General Assembly session was largely focused on providing all Virginians with the opportunity of an affordable education. The legislative session was highlighted by the passing of the 2019-20 amended budget which provided a pool of \$52.5 million to be used for Tuition Moderation Funding to each institution of higher education who elected to hold in-state undergraduate tuition rates flat to prior year rates. This initiative represents a substantial investment in Virginia's students. The University received \$1,659,000 of this funding. The General Assembly also included additional funding to increase the previously planned salary actions for 2019-20. This raised the increases to 3.0 percent for across-the-board actions for

faculty, to 2.75 percent for across-the-board actions for staff, and to 2.25 percent for staff merit increase.

Giving full consideration to the aforementioned items, the 2019-20 operating budget demonstrates a judicious use of University resources. The proposed budget identifies key operating efficiencies that help to address mandatory and unavoidable cost increases while maximizing funding opportunities for strategic plan initiatives.

Six-Year Planning Processes and 2019-20 Budget Development:

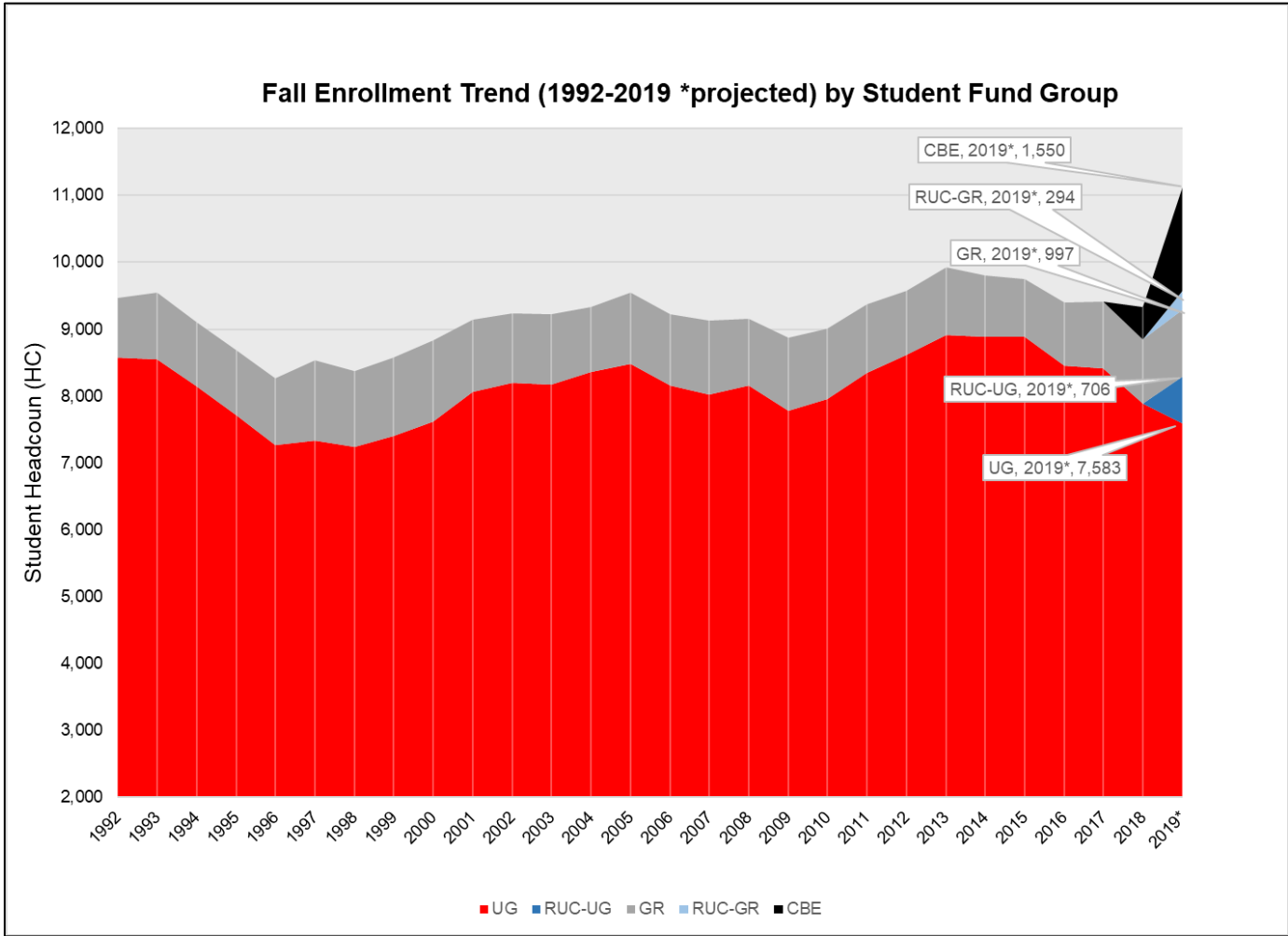
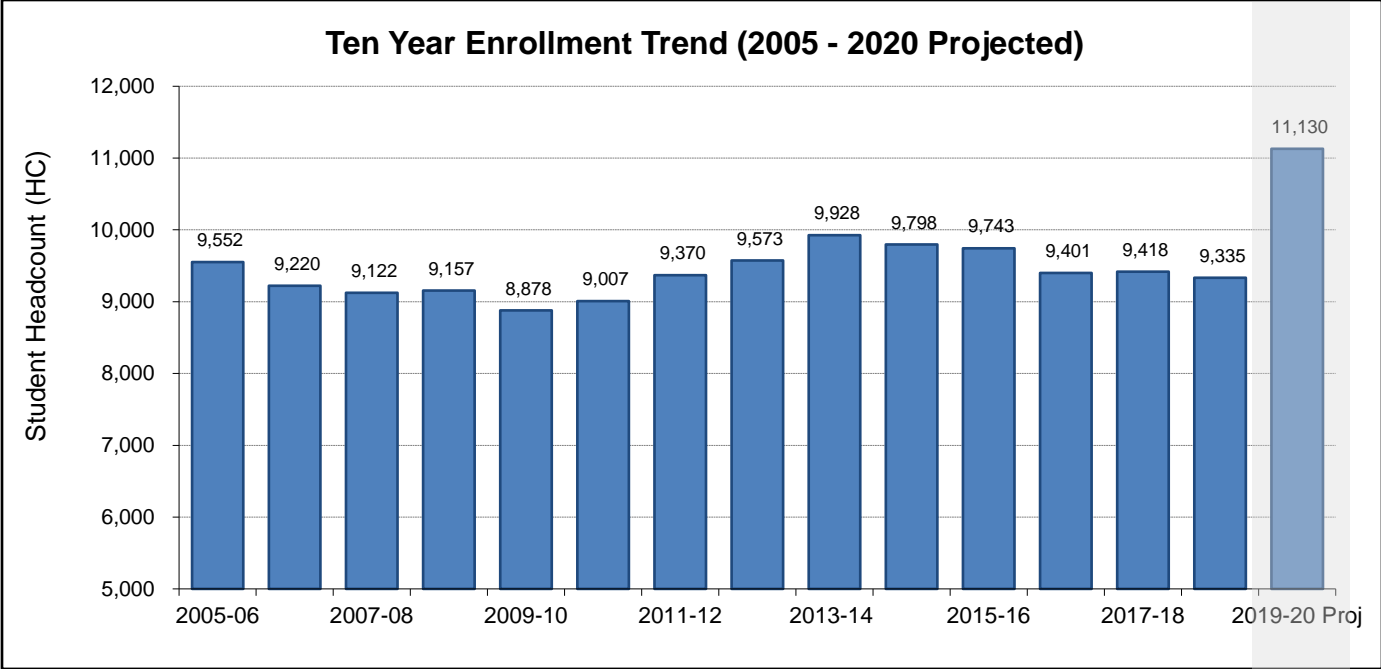
The Virginia Higher Education Opportunity Act of 2011 (TJ21) was passed by the 2011 General Assembly and is based on recommendations from the Governor's Commission on Higher Education Reform, Innovation and Investment formed through Executive Order No. 9 issued in March 2010. The TJ21 legislation requires 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).

As an integral part of the six-year planning process, the University's internal annual budget development cycle provides the opportunity to reevaluate the essential needs for the upcoming fiscal year and outline divisional priorities for the outlying years. 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 the preliminary 2020-22 Six-Year Plan to the State Council of Higher Education for Virginia (SCHEV) on July 1, 2019 and will submit the final plan after Board action on October 1, 2019. The University's Six-Year Plan identifies the targeted objectives and strategies to achieve both Virginia and institutional goals, and provides a foundation for preparing tuition and mandatory fee recommendations for consideration by the Board.

Enrollment Trend:

Between 2009-10 and 2013-14, the University's enrollment increased by 1,050 students. However, since 2014-15, enrollment in traditional undergraduate programs has begun to stabilize to prior levels and additional student classifications are diversifying the enrollment portfolio. While total enrollment for 2019-20 is projected to be the largest ever for the University, the increase is from populations outside of the traditional undergraduate base of the University. The enrollment growth in the coming year is driven, in part, by a projected 1,100 additional RUC students added as a result of the merger with Jefferson College of Health Sciences and an additional 1,062 students enrolled in the University's Competency Based Education (CBE) programs. Overall, undergraduate students are predicted to decrease by 307 from 2018-19 to 2019-20. This decrease, coupled with the dramatic increase in other student populations, represents a significant change in the enrollment classifications of the University population. The charts below show enrollment trends and identifies the fall enrollment since 1992 by student classification.



Mandatory Cost Increases:

2019 General Assembly Session Action

The 2019 General Assembly's legislative session was largely focused on affordability of education for future generations of students. Governor Northam and the General Assembly made a substantial investment in students from the Commonwealth through their Tuition Moderation Plan, which provides base funding in lieu of tuition rate increases. This progressive approach to funding mandatory cost increases provides much needed relief to students in a time of rising student debt. The following schedule reflects the anticipated funding from the 2019 General Assembly Session, which provides additional general fund support for the University in 2019-20:

	Proposed 2019-20 Funding
E&G - Education & General	
2019-20 Degree Production Initiative	\$1,028,460
2019-20 Employee Faculty Increase (est.)	1,125,952
2019-20 Employee Staff Salary Increase (est.)	559,802
2019-20 Fringe Rate Changes	(81,211)
2019-20 Central Systems Changes	(25,752)
2019-20 Tuition Moderation	1,659,000
2019-20 RUC Operations	1,707,422
Total E&G General Fund Recommendations	\$5,973,673
SFA - Student Financial Assistance	
2019-20 In-State Undergraduate Financial Aid	994,206
Total E&G and SFA (combined) General Fund	\$6,967,879

Notes:

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

Degree Production Initiative: General fund support of \$1,028,460 designated to address increased degree production in Data Science and Technology, Science and Engineering, Healthcare, and Education.

Tuition Moderation: Funding offered to hold In-State Undergraduate Tuition rates flat to 2018-19 rates. This is base funding provided to address affordability for Virginia students.

In-State Undergraduate Financial Aid: General fund support of \$994,206 for need-based Undergraduate Student Financial Assistance. The allocation of financial aid resources are important for the University and will assist in lowering the cost of higher education.

Other Mandatory Costs

In addition to the legislatively 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, and recovery rate changes. These initiatives, referred to as central cost commitments, combine to total \$348,310. For additional details, Attachment II provides a further breakdown of the mandatory cost requirements.

Funding Sources and Cost Drivers:

The Commonwealth’s policy for funding higher education is to fund 67 percent of the cost of education for in-state students. Figure 1 reflects the status of general fund support for the University’s educational and general (E&G) program from 2005 through 2020 (projected) in relation to this policy. Currently, general fund support for the E&G program is projected to be 43.7 percent for main campus in the 2019-20 fiscal year, and 38.3 percent including RUC.

As demonstrated in Figure 1, the 2019-20 projected E&G general fund split is significantly below the Commonwealth’s policy of 67 percent. The difference reflects funding of essential programmatic needs to support the University’s in-state student population.

Figure 1: E&G General Fund Appropriation Historical Trend

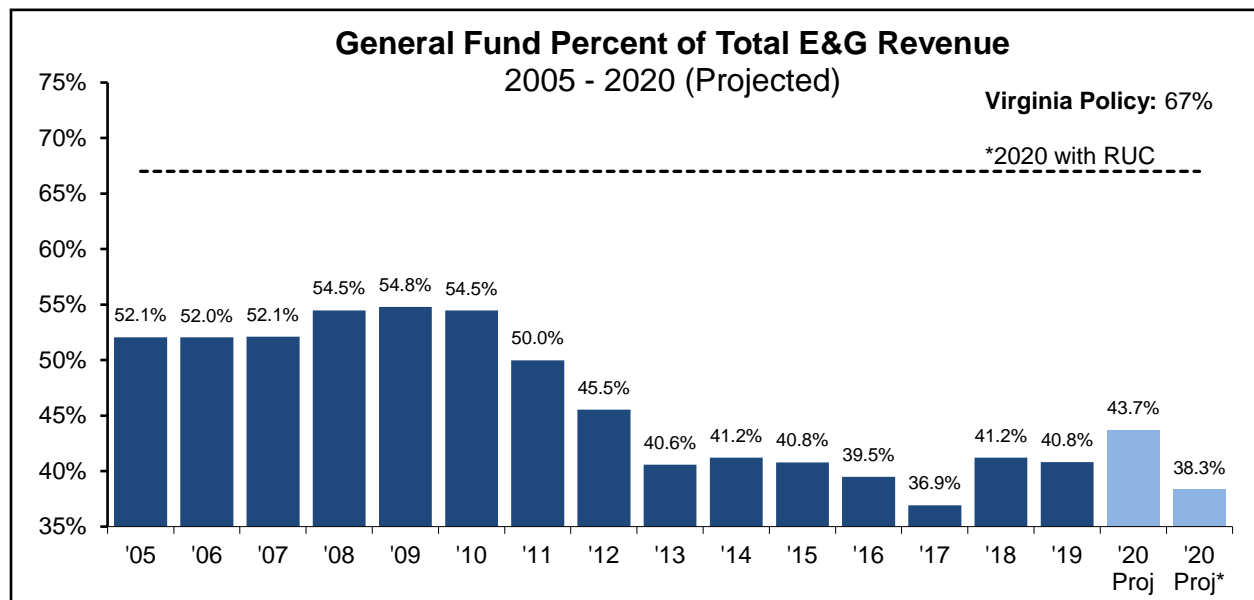
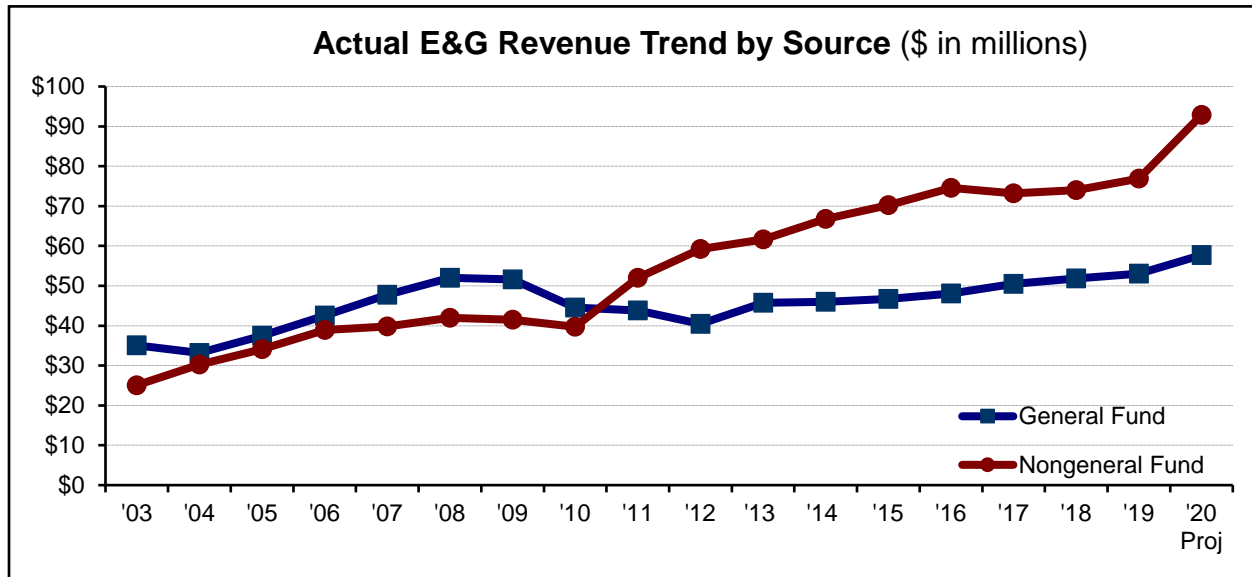


Figure 2 displays the E&G general fund and nongeneral fund trends between 2002 and 2020 (projected). In 2010, as a result of the economic downturn and the sustained loss of general fund support, students and their families began funding the majority of the cost of education. The increase in nongeneral funds for 2020 relates primarily to the merger with JCHS and the related \$20.6 million in Tuition and Fee revenue associated with the new RUC site. There is also an increase in general funds related to the \$1.7 million allocation to RUC, as well as, infusion of support for Tuition Moderation Funding, and other mandatory cost increases.

Figure 2: E&G General Fund/Nongeneral Fund Split Historical Trend (Nominal Dollars)



Proposed Budget

2019-20 Projected Total Revenue

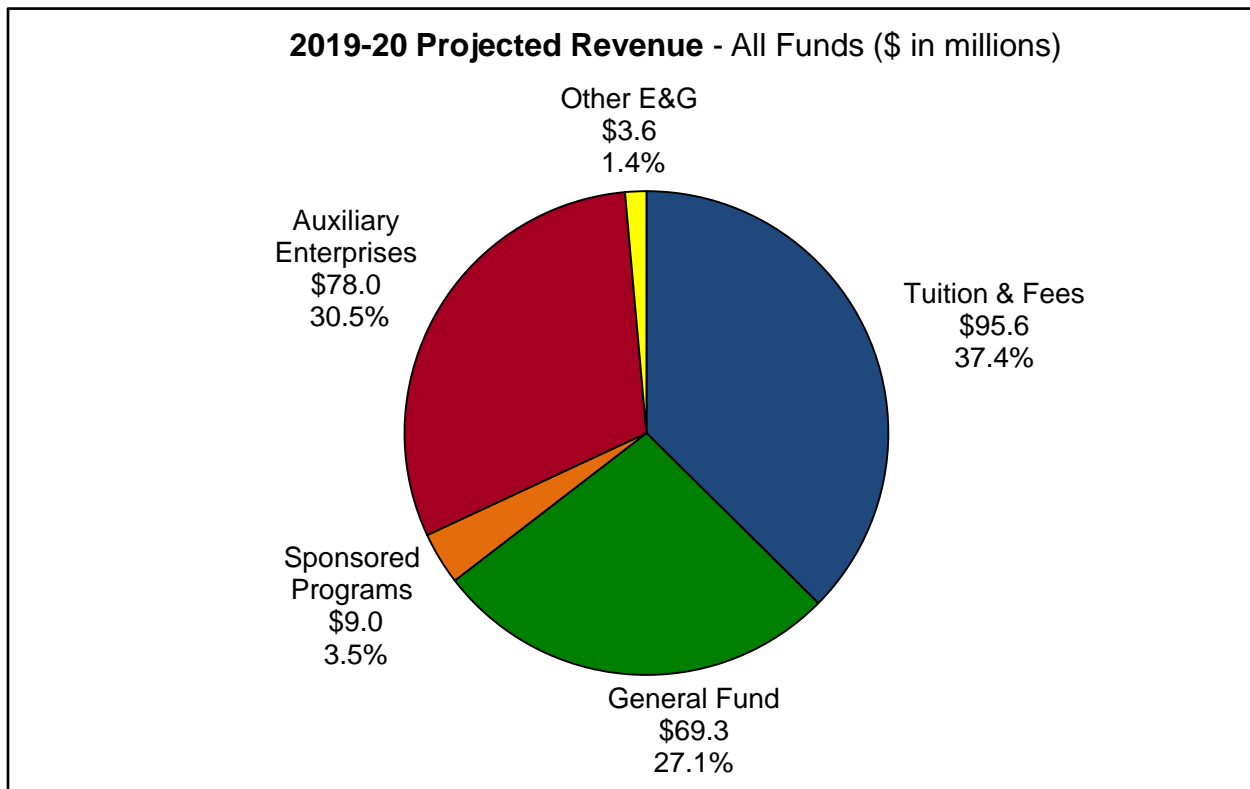
Radford University's institutional budget is derived from two fund sources:

- **General Fund (GF)** – Virginia tax dollars (unrestricted), distributed through the Commonwealth's budget process and documented through the Virginia Acts of Assembly (i.e. Appropriations Act).
- **Nongeneral Fund (NGF)** – tuition, mandatory (technology and comprehensive) fees, user (room and board) fees, other E&G and auxiliary enterprises fees, grants/contracts/research, federal student work study, and commissions (e.g. dining services, bookstore, laundry, etc.).

For fiscal year 2019-20 the University is projecting the largest total revenue budget in its history at \$255.5 million. This reflects an 11.3 percent increase above the 2018-19 Adjusted Total Budget. The increase is attributable to incremental operating support and increased student financial aid from the Commonwealth, Board-approved fee rates, as well as, the addition of Tuition and Fees for RUC.

The majority of the University's total operating budget (72.9 percent) is supported through nongeneral fund sources. The remaining 27.1 percent is supported through the general fund. Figure 3 displays the breakdown of projected revenue by major funding sources.

Figure 3: 2019-20 Projected Total Revenue (All Sources and Programs)



2019-20 Projected Total Expenditures

Expenditures are expected to total \$247.2 million for 2019-20. Projected expenditures are set less than projected revenues due to required Auxiliary Enterprises reserve fund deposits that must be generated to meet the SCHEV guidelines for operating, equipment renewal and replacement, and capital projects.

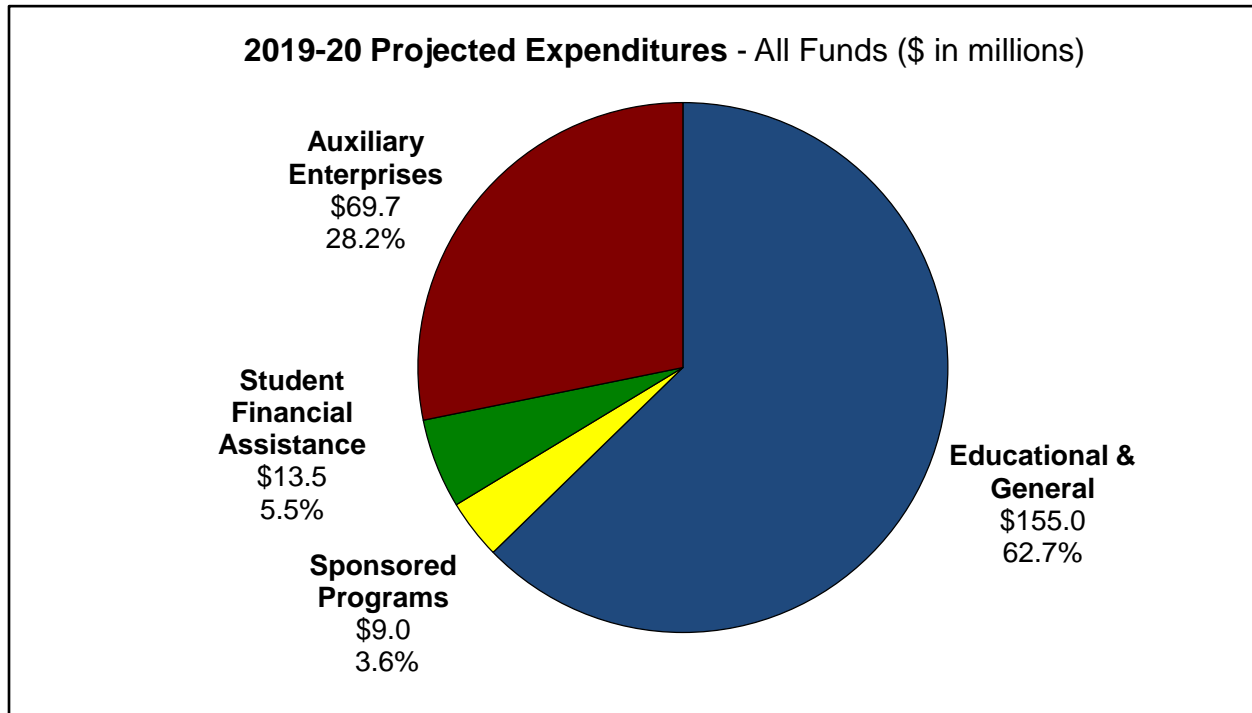
Figure 5 illustrates projected expenditures for each of the major programs which include:

- **Educational & General (E&G):** Activities to provide instruction, research, public service, academic support (e.g., library, deans), student support services (e.g., admissions, financial aid, registrar), and program support (e.g., administration, institutional support, physical plant) services.
- **Student Financial Assistance:** Activities to provide financial assistance to Virginia students.
- **Financial Assistance for Educational and General Services Program (Sponsored Programs, Grants and Contracts):** Activities to provide additional resources for educational and general services through third-party grants, contracts, and research.

- **Auxiliary Enterprises:** Self-supporting activities to provide goods or services to students, faculty, staff, and visitors (e.g. residence halls, dining services, bookstore, athletics, student activities, etc.).

The E&G program represents 62.7 percent of the expenditures budgeted while Auxiliary Enterprises accounts for 28.2 percent. The remaining 9.1 percent is split between Student Financial Assistance and Sponsored Programs.

Figure 4: 2019-20 Projected Expenditures by Major Program



Attachment I and Schedules A and B provide an overview of the University’s proposed 2019-20 operating budget by major program. Attachment I details the 2019-20 Funded E&G Initiatives by Division, Schedule A provides an overview of the 2019-20 Total University Operating Budget, and Schedule B reflects the 2019-20 Auxiliary Enterprise Budget by major program area.

The following is a narrative description by major program to complement the financial information presented in Attachment I and Schedules A and B.

Educational & General (E&G) Program

The Educational and General (E&G) program supports instruction, academic support, libraries, public service, student services, institutional support, and operation/maintenance of the physical plant. The proposed 2019-20 E&G operating budget (base and one-time) totals \$155.0 million. The projected increase in E&G revenue is primarily derived from incremental tuition revenue associated with RUC.

In 2019-20, the percentage of the E&G budget supported by general funds is projected to be 41.7 percent, or 37.2 percent if RUC is included in the calculation. The University is anticipated to receive \$5.9 million in new general funds over the previous year for central appropriation adjustments, legislative mandated salary and fringe benefit rate increases, tuition moderation, degree production, and operational investments in RUC bringing total general funds to \$57.7 million. Projected E&G nongeneral fund revenue is derived primarily from tuition and fees at \$95.6 million with all other E&G revenue totaling \$3.6 million.

Resource Allocations

During the May 2019 Board of Visitors meeting, programmatic priorities were outlined and incorporated into the proposed 2019-20 budget. Attachment I provides an overview of the E&G base budget initiatives funded in 2019-20. In addition, Attachment II illustrates the initial budget assumptions provided to the Board in May 2019, as well as, any changes that occurred prior to finalization of the actual 2019-20 operating budget.

Student Financial Assistance Program –

Commonwealth support from the general fund is appropriated for scholarships and fellowships to undergraduate and graduate students. The authorized general fund appropriation for fiscal year 2019-20 is \$11.6 million, an increase of \$994,206 over fiscal year 2018-19. In addition to general fund support, the University continues to commit \$1.9 million from institutional nongeneral fund resources to support undergraduate need-based financial aid.

Financial Assistance for Educational and General Services Program (Grants/Contracts) –

The University receives external funding for grants and contracts from a variety of federal, state, private, and local sources. For fiscal year 2019-20, estimated annual activity for Sponsored Programs is projected at \$8.9 million.

Auxiliary Enterprises Program –

The Auxiliary Enterprises program supports student service activities such as residential life, dining, athletics, recreation, student health, and transportation. Funding for this program is generated from contract commissions and fees assessed to students and/or users. The Commonwealth requires Auxiliary Enterprises to be financially self-supporting. For this reason, general fund support and tuition revenue cannot be allocated to these activities.

For fiscal year 2019-20, the revenue budget for Auxiliary Enterprises is projected to be \$77.9 million. It should be noted that all auxiliary budgets were adjusted to account for salary increases and fringe benefit rate changes, the alignment of indirect costs, and utility changes, as necessary.

It is projected that approximately \$8.3 million will be generated in 2019-20 for reserve fund contributions which can be used for future debt service, maintenance reserve projects, and construction and/or renovation costs associated with future capital projects. The following are future considerations for auxiliary reserve balances: residence hall improvements, athletic complex renovations, equipment renewal and replacement, and land acquisition.

Action:

Radford University Board of Visitors approval of the 2019-20 operating budget as presented in Schedule A for Total Operating Budget and Schedule B for Auxiliary Enterprises.

RADFORD UNIVERSITY BOARD OF VISITORS

Resolution

September 27, 2019

Approval of the Radford University 2019-20 Operating Budget

BE IT RESOLVED, the Radford University Board of Visitors approves the fiscal year 2019-20 operating budget as presented in Schedule A for Total Operating Budget and Schedule B for Auxiliary Enterprises.

2018-19 Financial Performance Report

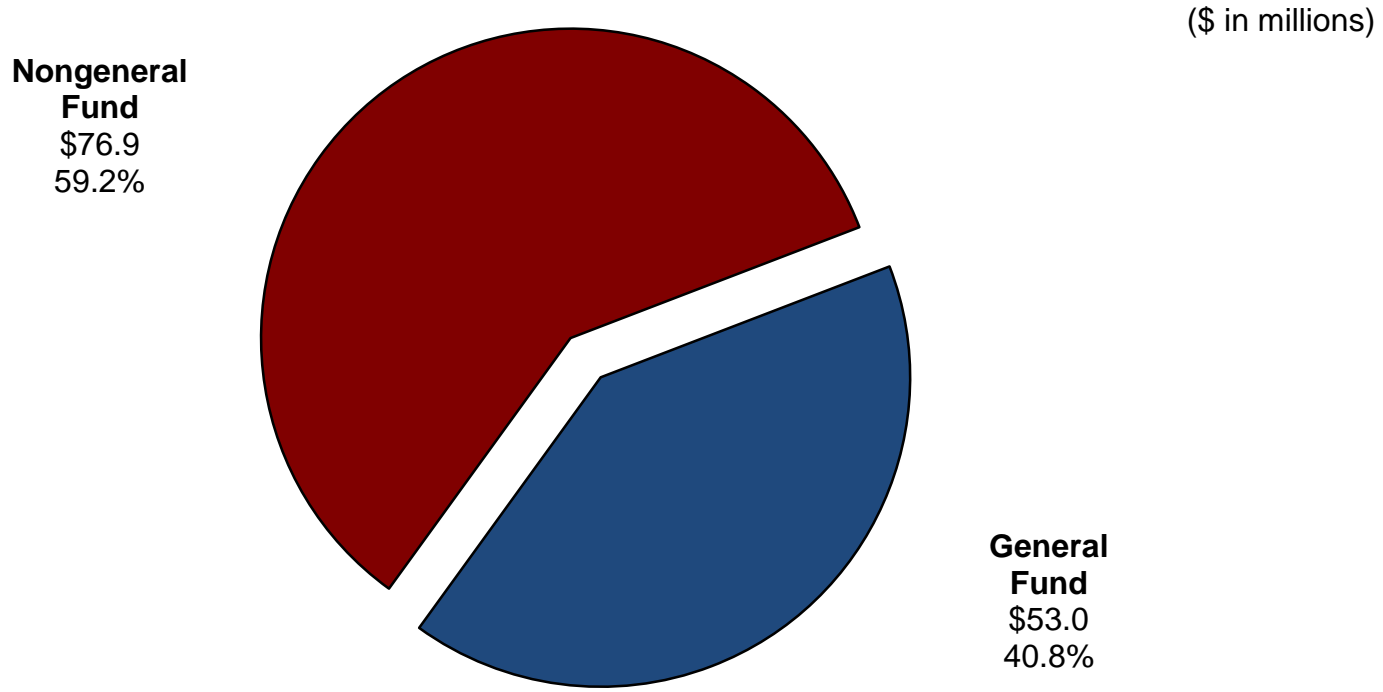


2018-19 Financial Performance Summary

Radford University
Financial Performance Summary
For the Period Ending June 30, 2019

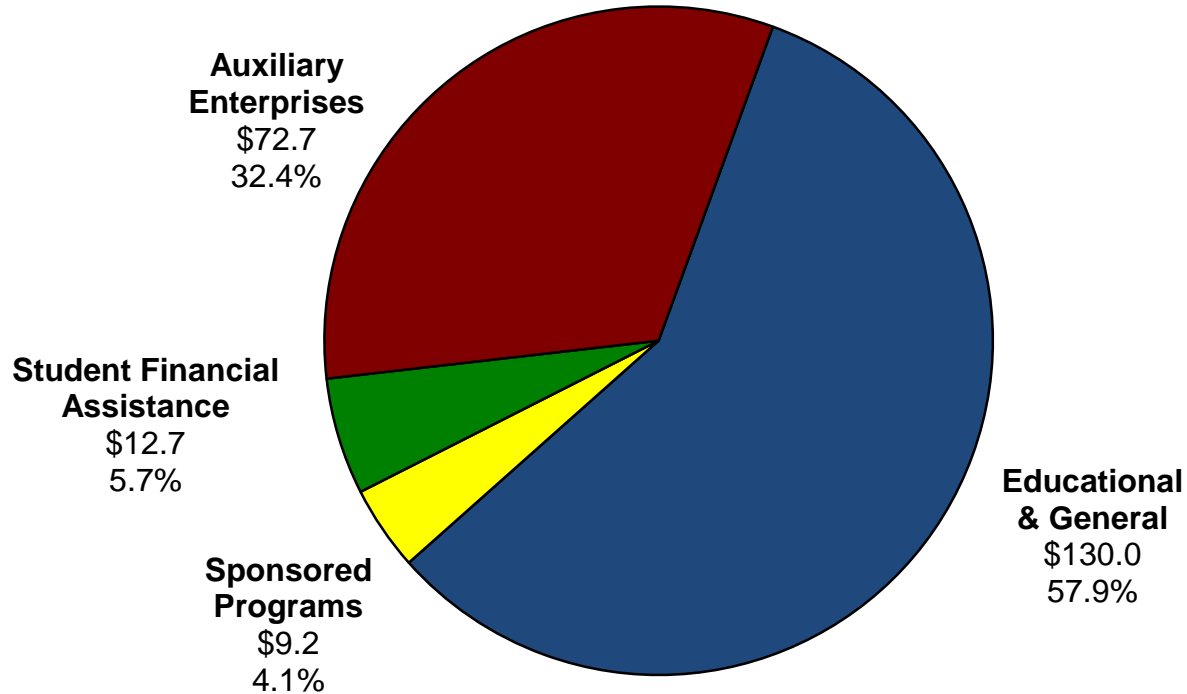
	Budget (\$ in Thousands)			Actual (\$ in Thousands)		
	Revenue	Expense	Surplus/(Deficit)	Revenue	Expense	Surplus/(Deficit)
Education & General	\$131,947	(\$131,947)	\$0	\$129,956	(\$129,824)	\$132
Student Financial Assistance	12,735	(12,735)	0	12,735	(12,735)	0
Sponsored Programs	9,311	(9,311)	0	9,213	(9,049)	164
Auxiliary Enterprise	72,090	(67,604)	4,486	72,675	(64,703)	7,973
Total University	\$226,083	(\$221,597)	\$4,486	\$224,579	(\$216,311)	\$8,268

2018-19 Actual Revenue: General v. Nongeneral Split

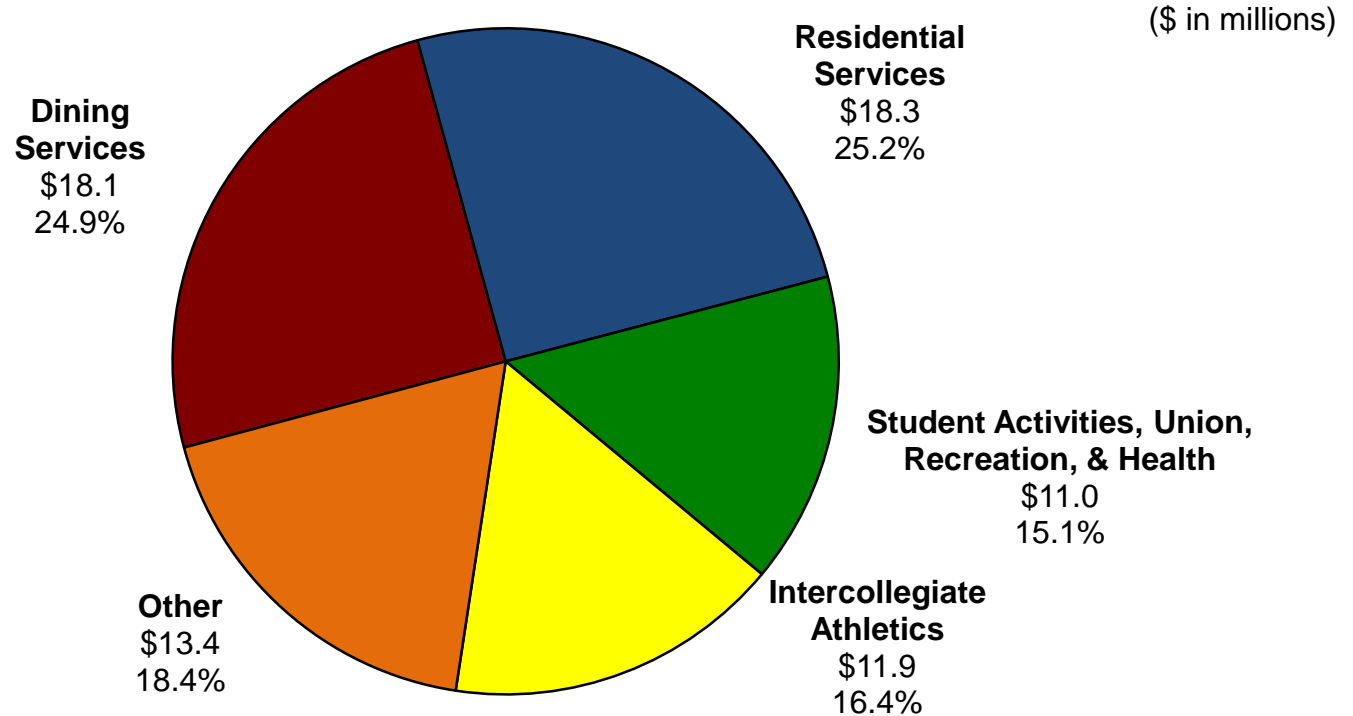


2018-19 Actual Revenue: All Programs & Funds

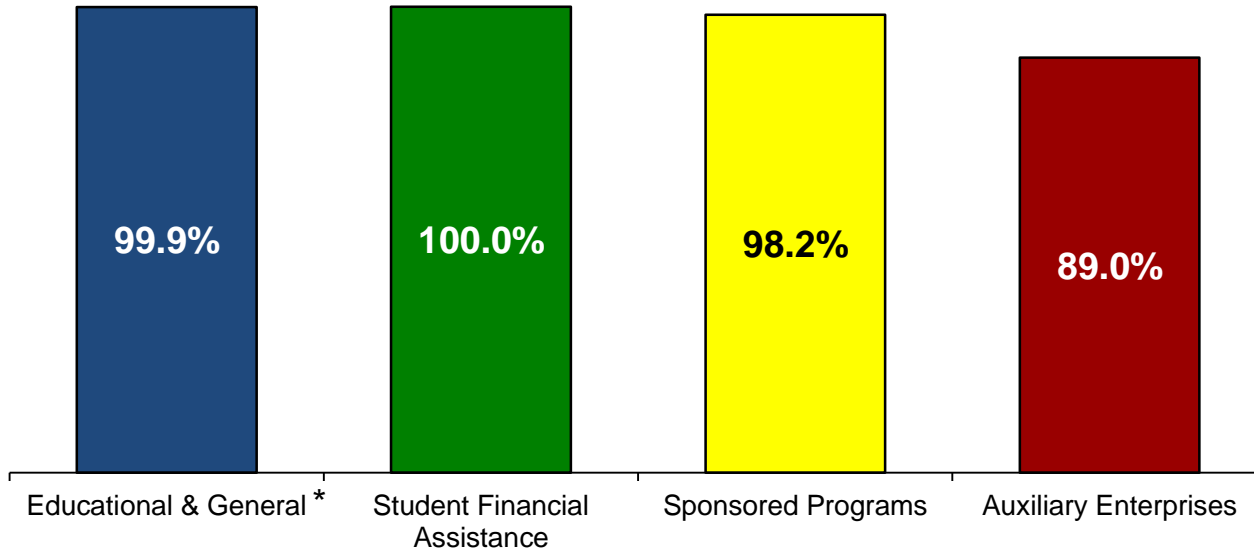
(\$ in millions)



2018-19 Actual Revenue: Auxiliary Enterprise



2018-19 Percent of Revenue Expended



Sponsored Programs operation is cyclical and revenue is dependent on when expenditures are reimbursed.

Auxiliary Enterprises operation should not fully expend all revenue because it must be self-supporting and include reserve fund deposits.

** Includes an institutionally planned E&G carryforward.*

2019-20 Proposed Operating Budget



2019-20 Resource Allocation: Revenue

	<i>Original</i> May 2019 Assumptions	<i>Proposed</i> July 2019 Budget	Dollar Change
REVENUE			
General Fund Changes			
2019-20 Degree Production Initiative	\$1,028,460	\$1,028,460	\$0
2019-20 Employee Faculty Increase (est.)	1,099,279	1,125,952	26,673
2019-20 Employee Staff Salary Increase (est.)	533,129	559,802	26,673
2019-20 Fringe Rate Changes	11,544	(81,211)	(92,755)
2019-20 Central Systems Changes	789	(25,752)	(26,541)
2019-20 Tuition Moderation	1,659,000	1,659,000	0
2019-20 Operational Support - RUC	1,707,422	1,707,422	0
Total GF Change	\$6,039,623	\$5,973,673	(\$65,950)
Nongeneral Fund Changes			
Non-General Fund Changes - Main Campus	(\$3,372,576)	(\$5,410,172)	(\$2,037,596)
Non-General Fund Changes - RUC	23,758,415	23,758,415	\$0
Scholarship Support - Main Campus	(255,550)	0	255,550
Scholarship Support - RUC	(3,300,000)	(3,300,000)	0
Tuition Policy Changes	1,050,000	0	(1,050,000)
Miscellaneous Revenue - RUC	175,533	175,533	0
Total NGF Changes	\$18,055,822	\$15,223,776	(\$2,832,046)
Total Revenue Changes	\$24,095,445	\$21,197,449	(\$2,897,996)

2019-20 Resource Allocation: Expense

	<i>Original</i> May 2019 Assumptions	<i>Proposed</i> July 2019 Budget	Dollar Change
<u>EXPENSES</u>			
Non-Discretionary Cost Increases			
Mandatory Costs			
Salary Adjustments			
2019-20 3% Faculty Increase	\$1,832,132	\$1,710,918	(\$121,214)
2019-20 2.75% Staff Salary Increase	512,865	478,934	(33,931)
2019-20 2.25% Add'l Staff Merit Increase	375,683	350,828	(24,855)
Fringe Adjustments			
2019-20 RUC Fringes	\$3,915,692	\$3,915,692	\$0
2019-20 Fringe Rate Changes	32,500	7,829	(24,671)
Central Cost Commitments			
AA Promotion & Tenure	\$340,481	\$340,481	\$0
Utility Rate Increases	94,000	0	(94,000)
Student Success and Retention	294,500	0	(294,500)
Degree Completion Initiatives	312,500	262,795	(49,705)
Contracts & Compliance	5,569,010	5,388,090	(180,920)
Recovery Rate Changes	1,506,497	1,506,497	0
Sub-Total Central Commitments	\$14,785,860	\$13,962,064	(\$823,796)

2019-20 Resource Allocation: Expense (cont.)

	<i>Original</i> May 2019 Assumptions	<i>Proposed</i> July 2019 Budget	Dollar Change
Division Recurring Requirements			
Academic Affairs	\$9,690,044	\$9,600,104	(\$89,940)
Finance & Administration	462,509	462,509	0
Information Technology	427,035	427,035	0
Central Administration	141,522	141,522	0
Student Affairs	289,434	289,434	0
University Relations	110,273	80,273	(30,000)
University Advancement	27,415	8,500	(18,915)
Enrollment Management	868,803	868,803	0
Sub-Total Division Requirements	\$12,017,035	\$11,878,180	(\$138,855)

2019-20 Resource Allocation: Expense (cont.)

	<i>Original</i> May 2019 Assumptions	<i>Proposed</i> July 2019 Budget	Dollar Change
<u>Savings Strategies</u>			
Academic Affairs	(\$817,788)	(\$1,158,269)	(\$340,481)
Finance & Administration	(189,356)	(189,356)	0
Information Technology	(104,073)	(104,073)	0
Central Administration	(18,826)	(18,826)	0
Student Affairs	(14,466)	(14,466)	0
University Relations	(23,385)	(23,385)	0
University Advancement	(36,523)	(36,523)	0
Central Resources	(1,438,405)	(3,033,269)	(1,594,864)
Enrollment Management	(64,628)	(64,628)	0
Total Savings strategies	(2,707,450)	(\$4,642,795)	(\$1,935,345)
Total Base Budget	\$24,095,445	\$21,197,449	(\$2,897,996)
SURPLUS/(DEFICIT)	\$0	(\$0)	(\$0)

2019-20 Proposed Budget Summary

Radford University 2019-20 Proposed Budget Summary

	Revenue (\$ in Thousands)			Expense (\$ in Thousands)		
	Base	One-Time	Total	Base	One-Time	Total
Education & General	\$152,652	\$2,373	\$155,025	152,652	2,373	155,025
Student Financial Assistance	13,542	0	13,542	13,542	0	13,542
Sponsored Programs	8,962	0	8,962	8,962	0	8,962
Auxiliary Enterprise	77,976	0	77,976	67,654	2,024	69,677
Total University	<u>\$253,131</u>	<u>\$2,373</u>	<u>\$255,505</u>	<u>\$242,809</u>	<u>\$4,397</u>	<u>\$247,206</u>

Proposed Budget Summary by Major Program

Radford University

2019-20 Proposed Revenues & Expenditures

<i>(\$ in Thousands)</i>	<u>Proposed Revenue</u>	<u>Proposed Expenditure</u>	<u>Proposed Cont/(Draw)</u>
Education & General	\$155,025	\$155,025	\$0
Student Financial Assistance	13,542	13,542	0
Sponsored Programs	8,962	8,962	0
Auxiliary Enterprise	77,976	69,677	8,299
Total University	<u>\$255,505</u>	<u>\$247,206</u>	<u>\$8,299</u>

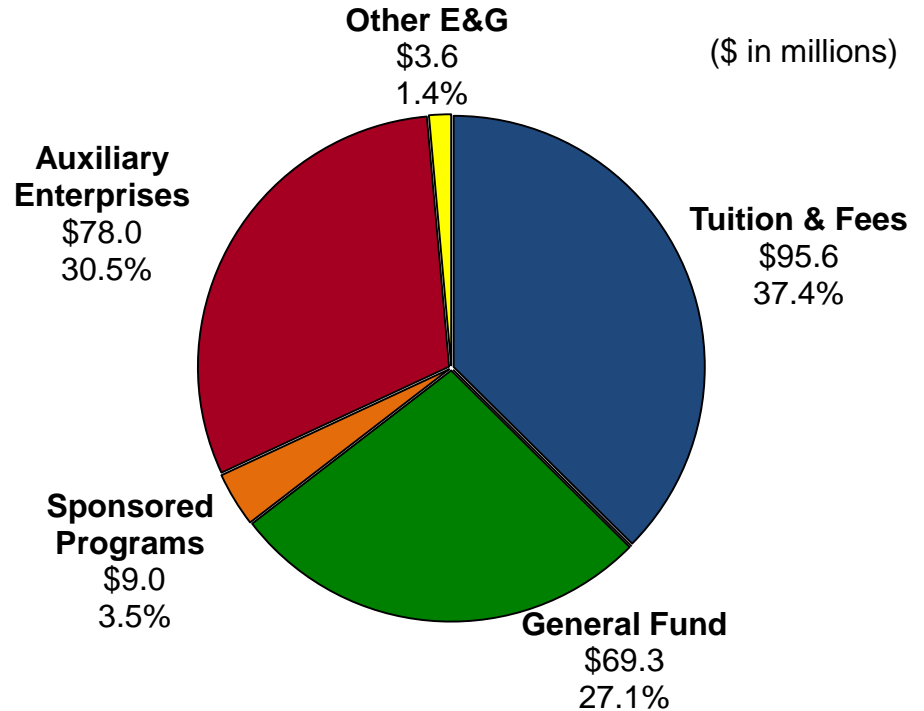
Proposed Budget Summary by Auxiliary Subprogram

Radford University
2019-20 Proposed Revenues & Expenditures

<i>(\$ in Thousands)</i>	<u>Proposed Revenue</u>	<u>Proposed Expenditure</u>	<u>Proposed Cont/(Draw)</u>
Dining Services	\$19,778	\$17,145	\$2,633
Bookstore	365	272	93
Residential Services	21,237	19,571	1,666
Parking & Transportation	2,076	1,657	419
Telecommunications	560	502	58
Student Health Services	3,145	2,950	195
Student Union & Recreation	6,966	6,597	369
Student Activities	1,272	1,301	(29)
Other Auxiliary	10,764	7,815	2,950
Intercollegiate Athletics	11,812	11,867	(55)
Total University	<u>\$77,976</u>	<u>\$69,677</u>	<u>\$8,299</u>

2019-20 Projected Total Operating Revenue

Using projected revenues, Radford University's proposed total annual operating revenue budget is **\$255.5 million**.



2019-20 Projected Total Operating Expenditures

Using projected expenditures, Radford University's proposed total annual operating expenditure budget is **\$247.2 million.**

