

RADFORD UNIVERSITY

Board of Visitors

QUARTERLY MEETING
11:00 A.M.
FEBRUARY 12, 2021
JOSEPH P. SCARTELLI ATRIUM
COVINGTON CENTER, RADFORD, VA

DRAFT **MINUTES**

BOARD MEMBERS PRESENT

Mr. Robert A. Archer, Rector
Dr. Thomas Brewster
Mr. Gregory A. Burton
Dr. Rachel D. Fowlkes
Dr. Susan Whealler Johnston
Mr. Mark S. Lawrence
Dr. Debra K. McMahon
Ms. Nancy Angland Rice
Mr. David A. Smith
Ms. Lisa Throckmorton
Dr. Katie Hilden, Faculty Representative (Non-voting Advisory Member)

BOARD MEMBERS ABSENT

Mr. James R. Kibler, Jr., Vice Rector
Dr. Jay A. Brown
Ms. Krisha Chachra
Ms. Karyn K. Moran
Ms. Georgia Anne Snyder-Falkinham
Ms. Samantha Powell, Student Representative (Non-voting Advisory Member)

OTHERS PRESENT

Dr. Brian O. Hemphill, President
Ms. Karen Castelee, Secretary to the Board of Visitors and Special Assistant to the President
Mr. Craig Cornell, Vice President for Enrollment Management
Ms. Lisa Ghidotti, Executive Director of Government Relations (For presentation)
Dr. Lyn Lepre, Provost and Vice President for Academic Affairs
Ms. Wendy Lowery, Vice President for Advancement and University Relations
Mr. Chad A. Reed, Vice President for Finance and Administration and Chief Financial Officer
Ms. Ashley Schumaker, Chief of Staff and Vice President for Strategic Operations
Dr. Susan Trageser, Vice President for Student Affairs
Mr. Allen T. Wilson, Assistant Attorney General, Commonwealth of Virginia

CALL TO ORDER AND OPENING COMMENTS

Rector Robert A. Archer called the quarterly meeting of the Radford University Board of Visitors to order at 11:12 a.m. in the Joseph P. Scartelli Atrium of the Covington Center.

Rector Archer began by expressing his appreciation for the Board members' flexibility and thanked them for their continued support of the University. Rector Archer acknowledged that the semester has gotten off to a good start and looks forward to hearing more details from President Brian O. Hemphill, Ph.D. Rector Archer thanked the Board members for being at the meeting and reminded them to ask questions. Rector Archer added that we are here to learn, and Board members' opinions are important.

APPROVAL OF AGENDA

Rector Archer asked for a motion to approve the Board of Visitors meeting agenda for February 12, 2021, as published. Ms. Nancy Angland Rice so moved, Mr. Mark S. Lawrence seconded, and the motion carried unanimously.

APPROVAL OF MINUTES

Rector Archer asked for a motion to approve the December 4, 2020 minutes of the Board of Visitors meeting. Mr. Lawrence so moved, Mr. Gregory A. Burton seconded, and the motion carried unanimously.

RECOGNITION

Rector Archer asked Vice President for Finance and Administration and Chief Financial Officer Chad A. Reed to come forward for a special recognition. Vice President Reed invited Chief of Police David Underwood and Director of Facilities Planning and Construction Michael Biscotte to come forward. Vice President Reed stated that both individuals were retiring, and each had made significant and long-lasting contributions to the University. The Board of Visitors recognized Mr. Biscotte, "For preserving, maintaining and advancing Radford University's capital planning and world-class infrastructure, while enhancing the experience for current and future Highlanders." The Board of Visitors recognized Chief Underwood, "For the steadfast leadership and dedicated service to the Commonwealth of Virginia and Radford University, and with everlasting gratitude for protecting the health, safety and well-being of the campus and the community."

PRESIDENT'S REPORT

President Hemphill began his report by acknowledging the continued work of the talented students, world-class faculty and dedicated staff and added that he would highlight a number of activities since the start of the Spring 2021 semester.

President Hemphill shared that, throughout the COVID-19 global health pandemic, Radford University has worked closely with the New River Health District through a collaborative partnership. The University was pleased to provide the New River Health District with use of a dedicated ultra-low temperature freezer for vaccines. President Hemphill added that the University is in the process of making arrangements for providing space and services for a New River Health District vaccine clinic for community members in Phases 1a (i.e. healthcare professionals) and 1b (frontline essential workers) to receive their second dose.

President Hemphill shared recent accolades received by the University, including being named a "best for critical thinking skills" and ranked fifth in the state from Intelligent.com. Additionally, the Master of Business Administration program was recently recognized in The Princeton Review's Best Business Schools for 2021: On-Campus MBA Programs. For this latest recognition, The Princeton Review made

recommendations for 244 MBA programs and recommended Radford University “as an excellent choice for an aspiring MBA.”

President Hemphill continued by sharing that, on January 13, 2021, Radford University announced the establishment of a collaboration with Academic Partnerships to provide highly sought-after and affordable degree programs throughout the Commonwealth of Virginia and beyond. Academic Partnerships is a leading online facilitator in the nation based in Dallas, Texas and partners with more than 50 universities across the country, primarily regional public universities, to expand access to top-quality, affordable and workforce relevant education. President Hemphill stated that the partnership with our University will support the delivery of existing programs in an expanded online format, beginning with Bachelor of Science in Nursing (RN to BSN), Master of Science in Nursing Administration, and Master of Business Administration degrees. Through this partnership, outreach of the Vinod Chachra IMPACT Lab will be expanded by offering cybersecurity and geospatial intelligence certificates to help individuals accelerate their careers in technology, with additional certificate programs planned in the future to meet the expanding workforce demands of Virginia and beyond.

President Hemphill shared that Radford University celebrated the legacy of Dr. Martin Luther King Jr. through the annual Day of Service event on January 18, 2021. This year’s event represented the eighth annual opportunity for a day on not a day off. Traditionally serving as the start to the spring semester for our students, faculty, and staff, President Hemphill added, this year, due to the on-going global health pandemic, the event format was modified but did not move away from the strong commitment to this important celebration and annual tradition. The Radford family engaged in a multi-week experience of giving back through donations of money, food, and supplies rather than a one-day event of in-person volunteer work at locations across the New River Valley and Roanoke Valley.

President Hemphill stated that a video message was shared with members of the General Assembly in place of the annual Advocacy Day tradition, when students visit Richmond during the General Assembly session to meet with their respective House of Delegates and Senate members. During these meetings, our students proudly share how they have gained a high-quality education as Highlanders, while also highlighting their personal experiences of engagement and success. The video, distributed on February 3, 2021, is available at <https://www.radford.edu/content/president/home/advocacy-day-2021.html> and highlights talented Highlander students as they share their experiences on campus and appreciation for support from the Commonwealth of Virginia.

In closing, President Hemphill updated the Board of Visitors on the Williams Field at Sherman Carter Memorial Stadium, which has a new look as an artificial turf field has been installed for the 2021 baseball season. The project, which was privately funded through an anonymous donor, broke ground in November and was recently completed. President Hemphill added, Radford University is fortunate to be supported by past, present and future Highlanders who give freely of their time, talent and treasure. The provided financial support for the baseball turf project is a clear symbol of the generous spirit of Highlanders and one that will provide an enhanced experience for Radford student-athletes and devoted fans for years to come. A copy of the report is attached hereto as *Attachment A* and is made a part hereof.

REPORT FROM THE ACADEMIC EXCELLENCE AND RESEARCH COMMITTEE

Dr. Thomas Brewster, Chair, stated that the Academic Excellence and Research Committee met on February 11, 2021 and shared the following information.

Dr. Brewster shared that Provost and Vice President for Academic Affairs Lyn Lepre, Ph.D. reported that the spring semester is off to a strong start, and she acknowledged the incredible faculty for all of their hard work. Provost Lepre stated students are benefitting greatly from faculty dedication, and she is very thankful to be working with such an amazing group. Dr. Brewster also reported that Provost Lepre recognized President Hemphill and all leadership team members for their help and support to make the academic experience at Radford an extraordinary one.

Dr. Brewster also reported that classrooms have been upgraded including improved audio/visual systems, and other in-person classroom supports were put in place, such as work-study students and a proctored test center, designed to assist students impacted by COVID-19. Additionally, there is a wide range of support services for faculty and students to assist with instruction and learning.

Dr. Brewster shared that “Our Turn” training week provided additional opportunities for faculty and staff, and Provost Lepre offered thanks to Executive Director of Faculty Development Heather Keith, Ph.D. and Associate Provost of Academic Programs Jeanne Mekolichick, Ph.D. for their tireless work to provide these programs for the University community.

Dr. Brewster reported that the Committee heard from Assistant Provost for Global Education and Engagement Ismael Betancourt who updated the Committee on the McGlothlin Center for Global Education and Engagement and the expansive work to engage internationally despite the pandemic.

Dr. Brewster stated that the Committee heard from Faculty Senate President Katie Hilden, Ph.D., who reported that Faculty Senate has passed 67 motions related to curriculum this year, and the REAL Council has approved 736 REAL course proposals and 174 program proposals. The student-centered curriculum redesign includes creative new minors, writing intensive courses, applied programs participating in general education and deeper interdisciplinary connections. Dr. Brewster also reported that the innovative and creative work of the REAL curriculum is seeing ripple effects across the University as faculty and staff work collectively to positively impact the lives of students.

REPORT FROM THE ADVANCEMENT, UNIVERSITY RELATIONS AND ENROLLMENT MANAGEMENT COMMITTEE

Ms. Lisa Throckmorton stated that the Committee met February 11, 2021 and shared the following information.

Ms. Throckmorton shared that Vice President for Enrollment Management Craig Cornell provided an update on the new student fall 2021 enrollments, as well as a brief overview of several new initiatives related to fall recruitment.

Ms. Throckmorton shared that main campus freshman applications are following a different trend than previous years, with students applying later in the cycle. Ms. Throckmorton stated that we have seen a growth of admitted students at both locations, including 7.2% at main campus and 231% at Radford University Carilion (RUC). Both main campus and RUC continue to demonstrate strong growth in student commitments with main campus being up 21.3% and RUC up 150% compared to this same time last year. Ms. Throckmorton also reported that the student quality indicators (high school GPA) of the admitted students remain strong and are essentially equal to last year’s record for main campus at 3.50 and a growth at RUC from 3.60 last year to 3.76 this year. Ms. Throckmorton stated that the programmatic marketing efforts discussed at the last BOV meeting are now in the process of launching with 13 inaugural programs.

Ms. Throckmorton said that the Committee heard from Vice President for Advancement and University Relations Wendy Lowery who began by demonstrating a newly developed virtual tour of campus. Ms. Throckmorton said that the tour has been well received by several constituent groups and encouraged all Board members to take the time to review it. Ms. Throckmorton shared that the Office of Alumni Relations began a Virtual Book Club and the first book, *Never Settle* by alumnus Marty Smith '98, concluded with over 40 attendees. Ms. Throckmorton continued by sharing that Annual Giving has completed several successful events, including the Highlander10 Challenge, which raised \$26,760 with 212 donors and the Telephone Outreach Program (TOP), which raised more money with less callers by focusing on renewing and reactivating past donors. Spring events planned include the Faculty/Staff Campaign Kick-Off, Campaign Champions and the Spring 2021 Senior Solicitation. Ms. Throckmorton concluded by sharing overall giving is at \$9,242,052, as of February 5, 2021, which is an increase from last year at the same time of \$6,289,141. The final total giving for FY 2019-2020 was \$7,489,470.

REPORT FROM BUSINESS AFFAIRS AND AUDIT COMMITTEE

Mr. Gregory A. Burton, Chair, stated that the Committee met February 11, 2021 and shared the following information.

Mr. Burton stated that the Committee heard from Mr. Zachary Borgerding, with the Auditor of Public Accounts, who presented information regarding the ongoing audit of the University's FY 2020 financial statements and discussed the responsibilities of the auditors and management, as well as the planned scope and timeline of this year's audit.

Mr. Burton reported that University Auditor Margaret McManus presented an oral report on the review of University Discretionary Fund expenditures for the quarter ended December 31, 2020 and shared that 100% of the fund's expenditures were reviewed, and all were found in compliance with the Board of Visitors' guidelines. Mr. Burton added that Ms. McManus also presented a follow-up audit status report.

Mr. Burton continued by sharing that Vice President for Finance and Administration and Chief Financial Officer Chad A. Reed provided an update on capital projects currently in progress. The Committee heard updates on the Center for Adaptive Innovation and Creativity, including an overview of the project budget approval and anticipated next steps. The Committee also heard an update on the property acquisition for the expansion of student residential housing.

ACTION ITEM

Approval of Certification of Compliance with the Radford University Debt Management Policy

Mr. Burton stated that the Committee recommends to the full Board approval of the resolution of Certification of Compliance with the Radford University Debt Management Policy. Rector Archer asked for a motion to approve the Certification of Compliance with the Radford University Debt Management Policy. Ms. Rice so moved, Mr. Lawrence seconded, and the motion carried unanimously. A copy of the resolution is attached hereto as *Attachment B* and is made a part hereof.

Approval of Third Quarter 2020-2021 University Operating Budget Adjustment

Mr. Burton stated that the Committee recommends to the full Board approval of the Radford University 2020-21 Third Quarter Operating Budget Adjustment. Rector Archer asked for a motion for approval. Ms. Rice so moved, Dr. Susan Whealler Johnston seconded, and the motion carried unanimously. A copy of the resolution is attached hereto as *Attachment C* and is made a part hereof.

Mr. Burton concluded his report by sharing that Vice President Reed provided an overview of the incremental funding included for the University in the General Assembly's 2020-22 Amended Biennial Budget. However, the outcome of the proposed 2020-22 budget will not be known until the completion of the 2021 General Assembly.

REPORT FROM THE GOVERNANCE, ADMINISTRATION AND ATHLETICS COMMITTEE

Dr. Susan Whealler Johnston, Vice Chair, stated that the Committee met February 11, 2021 and shared the following information.

Dr. Johnston reported that Special Advisor to the President for Partnerships and Chief Innovation Officer Angela Joyner, Ph.D. provided an overview and discussion of the next generational learning cycle for students and how technology is disrupting that learning cycle. Dr. Johnston stated the Committee heard an overview of how Highlanders navigate their career journey at Radford University and opportunities to increase engagement and ultimately drive positive outcomes for students beyond graduation. Additionally, new technology for career exploration, called PathwayU, is being used by the Center for Career and Talent Development. Since its inception, over 1,400 first year students have been engaged in the system and have taken the first step in developing their career plans.

Dr. Johnston said that the Committee also heard from Director of Intercollegiate Athletics Robert Lineburg who provided the Committee with updates on the Diversity, Equity and Inclusion Committee, which has collaborated with GamePlan to create an online educational training platform for all student-athletes, coaches and staff. Each month, the online training modules focus on different topics. Dr. Johnston also shared the current status of Men's and Women's Basketball, as well as the sports set to begin competition. Dr. Johnston also shared the successes in resource development, including the recent annual First Pitch Dinner and RAD48, a first-ever athletics-only giving challenge.

Dr. Johnston shared that the Committee will discuss public comment at a later time as research continues, and we wait to see what new requirements may be made at the state-level.

Dr. Johnston reported to the Board that the Committee has approved a timeline for nominations of Board officers to begin service on July 1, 2021. Dr. Johnston stated that, on behalf of the Committee, she will call for Rector and Vice Rector nominations from the Board members on March 1, 2021, and Board members will have until March 11, 2021, or 10 days as stated in the Bylaws, to respond. The Committee will meet on April 22, 2021 and finalize nominations to bring forward to the Board of Visitors meeting on April 23, 2021.

REPORT FROM THE STUDENT SUCCESS COMMITTEE

Dr. Debra K. McMahan stated that the Committee met February 11, 2021 and shared the following information.

Dr. McMahan stated that the Committee first heard from Student Government Association (SGA) President Chris Davis, who began by sharing that the SGA Executive Board will continue to take the lead in reminding students of the importance of completing the Daily COVID-19 Symptom Tracker. Dr. McMahan also shared that SGA Senate passed a resolution asking faculty to post mid-term grades for all students. Currently, only athletes, first-year students or students in academic recovery receive mid-term grades. Dr. McMahan added the Senate will be hosting a meet and greet event at RUC to raise awareness to those students of SGA events and services.

Dr. McMahon reported that Associate Vice President for Student Affairs and Dean of Students Angie Mitchell and Assistant Director of SAVES (Substance Abuse and Violence Education Services) Cora Taylor presented on Radford University becoming a Trauma Informed Care community. Adverse Childhood Experiences (ACE) are linked to high risk health behaviors, and many of these impact Radford University students, faculty and staff. Dr. McMahon stated that being trauma informed recognizes signs and symptoms of trauma and teaches ways to react to the need of another individual rather than the behavior displayed and added that this caring approach could be life-changing for the Radford campus community.

Dr. McMahon stated that the Committee also heard from Vice President for Student Affairs Susan Trageser, Ed.D., who shared the Center for Diversity and Inclusion will host workshops on cross cultural communication, racial identity and vulnerability in leadership. Due to the pandemic, Fraternity and Sorority Life (FSL) recruitment will be held virtually this spring. A FSL Stakeholders Planning Group has been formed to continue to drive the change in culture regarding Greek organizations. Dr. McMahon added that an “I’m Registered” campaign was held by Student Success to raise awareness of the importance of registering early, and an Academic Recovery Course was offered for any new freshman or transfer student with a GPA below a 2.0 after their first semester on campus.

REPORT FROM THE STUDENT REPRESENTATIVE TO THE BOARD

Rector Archer stated that Student Representative to the Board Samantha Powell was unable to be at the meeting, and there would be no report provided.

REPORT ON THE RADFORD UNIVERSITY FOUNDATION

Dr. Rachel Fowlkes, Representative to the Radford University Foundation Board of Directors, provided an update on recent Foundation news and activities. Dr. Fowlkes stated that the hotel project is still proceeding, and closing documents are being negotiated. Dr. Fowlkes added that many of the closing documents for the sale of student housing properties have been signed and expected to be completed in late February. Dr. Fowlkes continued by sharing that RU Corporate Park will be listed for sale starting in March. In closing, Dr. Fowlkes said that total assets have grown to \$133 million as of December 31, 2020, based largely on early investment returns for FY2021. Dr. Fowlkes distributed an asset summary report, attached hereto as *Attachment D* and made a part hereof.

GOVERNMENT RELATIONS UPDATE

Executive Director of Government Relations Lisa Ghidotti provided an update to the Board including the 2021 General Assembly session. Ms. Ghidotti began by sharing that the 2021 General Assembly convened on Wednesday, January 13 and adjourned on Monday, February 8. The 2021 Special Session convened on Wednesday, February 10. Ms. Ghidotti provided a budget update, the status of legislation of interest to higher education, an election update and a federal relations update. A copy of the report is attached hereto as *Attachment E* and is made a part hereof.

CLOSED SESSION

Rector Archer requested a motion to move into closed session. Dr. Brewster made the motion that the Radford University Board of Visitors convene a closed session pursuant to Section 2.2-3711 (A) Item 1, 3 and 7 under the Virginia Freedom of Information Act for the discussion of personnel matters; discussion or consideration of the acquisition of real property for a public purpose; and consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating

posture of the public body. Mr. Lawrence seconded the motion. The Board of Visitors went into closed session at 12:13 p.m.

Mr. Mark Lawrence left the meeting prior to the conclusion of closed session.

RECONVENED SESSION

Following closed session, public access to the meeting was reconnected. Rector Archer called the meeting to order at 2:09 p.m. On the motion made by Dr. Brewster and seconded by Ms. Rice, the following resolution of certification was presented.

Resolution of Certification

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

| Roll Call | Vote |
|------------------------------|------|
| Dr. Thomas Brewster | Yes |
| Mr. Gregory A. Burton | Yes |
| Dr. Rachel Fowlkes | Yes |
| Dr. Susan Whealler Johnston | Yes |
| Dr. Debra K. McMahan | Yes |
| Ms. Nancy Angland Rice | Yes |
| Mr. David A Smith | Yes |
| Ms. Lisa Throckmorton | Yes |
| Mr. Robert A. Archer, Rector | Yes |

The resolution of certification was unanimously adopted.

Rector Archer stated that President Hemphill has accepted the position of President at Old Dominion University and, while it is a good opportunity for President Hemphill and his family, it is a sad time for the University. Rector Archer thanked President Hemphill for his vision and the difference he has made at Radford. Rector Archer shared that the Board had important work to do on behalf of the University and would work hard to do what is best.

Mr. Burton added that he appreciates President Hemphill’s hard work and knows it was a hard decision. Mr. Burton also shared his appreciation for the work of Rector Archer. Dr. McMahan added that President Hemphill has been an inspiration to everyone and has created a foundation for the campus community to support the continued work. The Board of Visitors members gave President Hemphill a standing ovation.

President Hemphill said that he appreciates the continued support of the Board, and it was a hard decision for him to leave. President Hemphill added that the University is fortunate to have a team of professionals to move the campus forward. President Hemphill thanked everyone and stated that there is still much work to be done through June 30 and beyond.

Mr. Lawrence rejoined the meeting at 2:17 p.m.

Rector Archer stated that such decisions lead to next steps, which will include a national search for the next President. Rector Archer added that it was important to name an Interim President now in order to help move plans forward. Rector Archer asked for a motion to approve the resolution for the selection of Carolyn Ringer Lepre, Ph.D. as the Interim President. Mr. Burton made the motion, Mr. Lawrence seconded, and the motion carried unanimously. Rector Archer asked Dr. Brewster to read the motion.

WHEREAS, the Radford University Board of Visitors hereby approves the selection of Carolyn Ringer Lepre, Ph.D. as the Interim President, effective July 1, 2021 until a time in which a national search has successfully concluded; and

WHEREAS, the Board delegates to the Rector the authority to enter into a contract with Dr. Lepre for the Interim President position;

NOW, THEREFORE BE IT RESOLVED, the University will not permanently fill the Provost and Vice President for Academic Affairs position during Dr. Lepre's tenure as Interim President.

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

OTHER BUSINESS

Upcoming Budget Presentation and Public Comment Session

Rector Archer reminded Board members of upcoming meetings and the Board's important role in decision making and transparency. In accordance with Code of Virginia §23.1-307. D. and E., Radford University will be providing a 30-day notice prior to the Board of Visitors considering tuition and mandatory fees rates for the 2021-2022 academic year at the quarterly meeting, currently scheduled for April 22-23, 2021. In preparation for the meeting, the Board of Visitors will host a budget overview and public comment session. Following the presentation, the Board of Visitors will receive public comment on the proposed tuition and fees.

Rector Archer asked Board members to please keep this in mind, and more information will be made available at the appropriate time.

ANNOUNCEMENTS

Rector Archer announced the upcoming meeting dates.

April 22-23, 2021

August 8-10, 2021 Retreat

September 9-10, 2021

December 2-3, 2021

ADJOURNMENT

With no further business to come before the Board, Rector Archer adjourned the meeting at 2:25 p.m.

Respectfully submitted,


Karen Castele

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

RADFORD
UNIVERSITYBrian O. Hemphill, Ph.D.
President

MEMORANDUM

TO: Members of the Board of Visitors

FROM: Brian O. Hemphill, Ph.D. 
President

DATE February 12, 2021

RE: President's Report

I would like to begin my report today by acknowledging the continued work of our talented students, world-class faculty, and dedicated staff. Today, I will highlight a number of highlights from the start of the Spring 2021 semester.

New River Health District Partnership

Throughout the COVID-19 global health pandemic, Radford University has worked closely with the New River Health District through a collaborative partnership. That partnership is proving to be very beneficial as the Virginia Department of Health (VDH) is now focused on providing vaccines to Commonwealth citizens. Radford University was pleased to provide the New River Health District with use of a dedicated ultra-low temperature freezer for vaccines. Additionally, the University is in the process of making arrangements to provide space and services for a New River Health District vaccine clinic for community members in Phases 1a (i.e. healthcare professionals) and 1b (frontline essential workers) to receive their second dose. Furthermore, Radford University has worked with the New River Health District and other entities to facilitate vaccines for eligible students, faculty, and staff in Phases 1a and 1b. These vaccinations included students with clinical placements and faculty with clinical supervision in regional healthcare settings, as well as students with placements in local schools settings. Based on the Commonwealth's vaccine priority order, University personnel are included in Phase 1c, which remains pending. The University continues to work with New River Health District for these critical employee vaccines, as well as vaccines for students.

Accolades and Rankings

"The Best Colleges in Virginia 2021" featured Radford University as a top educational provider in the Commonwealth. The list from Intelligent.com covers the best colleges in Virginia, including large research universities, midsize colleges, and liberal arts institutions. Each school was evaluated on important factors, such as cost of attendance, the number of credits needed to graduate, and how coursework is offered (online, in-person, or combined learning formats).

Radford University was named a "best for critical thinking skills" and ranked fifth in the state. This latest accolade is a clear example of Radford University's incredible programs and world-class faculty. Time and time again, our University has demonstrated a strong focus on quality in which academic rigor and real-world engagement define the unique nature of the Highlander experience.

Additionally, the Master of Business Administration (MBA) program, which is housed in Radford University's Davis College of Business and Economics, was recently recognized in The Princeton Review's Best Business Schools for 2021: On-Campus MBA Programs. The Princeton Review, an education company known for its college and graduate school rankings, released its best on-campus MBA list as part of its Best Business Schools for 2021 guide. The company's lists of best business schools are based on a combination of institutional and student survey data, including career outcomes, admissions selectivity and academic rigor. The 2021 lists were calculated from survey data of almost 24,000 students enrolled in MBA programs at 369 colleges and universities and from administrators at those schools. For this latest recognition, The Princeton Review made recommendations for 244 MBA programs. The Princeton Review recommended Radford University "as an excellent choice for an aspiring MBA."

Academic Partnerships

On January 13, 2021, Radford University announced the establishment of a collaboration with Academic Partnerships to provide highly sought-after and affordable degree programs throughout the Commonwealth of Virginia and beyond. Academic Partnerships is a leading online facilitator in the nation based in Dallas, Texas and partners with more than 50 universities across the country, primarily regional public universities, to expand access to top-quality, affordable and workforce relevant education.

The partnership with our University will support the delivery of existing programs in an expanded online format, beginning with Bachelor of Science in Nursing (RN to BSN), Master of Science in Nursing Administration, and Master of Business Administration degrees. Through this partnership, outreach of the Vinod Chachra IMPACT Lab will be expanded by offering cybersecurity and geospatial intelligence certificates to help individuals accelerate their careers in technology, with additional certificate programs planned in the future to meet the expanding workforce demands of Virginia and beyond. The expanded programs will also help combat the impact of COVID-19 on the economy by providing working adults with affordable and easily accessible degree programs in critical, high-growth fields.

Radford University is honored to enter into this important collaboration with Academic Partnerships, a well-known and highly-regarded company that has assisted institutions in reaching new student markets by implementing and supporting fully online programs that are both in-demand and top-quality. The important work associated with this new partnership will be driven by our world-class faculty with strong support from various administrative areas. The Radford family looks forward to welcoming new Highlanders to both engage and learn in fully online environments now and well into the future!

Martin Luther King Jr. Day of Service

On January 18, 2021, Radford University celebrated the legacy of Dr. Martin Luther King Jr. through the annual Day of Service event. This year's event represented the eighth annual opportunity for a day on not a day off. This annual event has traditionally served as the start to the spring semester for our students, faculty, and staff. However, this year, due to the on-going global health pandemic, the event format was modified; however, we did not move away from our strong commitment to this important celebration and annual tradition.

For the 2021 MLK Day of Service, the Radford family engaged in a multi-week experience of giving back through donations of money, food, and supplies rather than a one-day event of in-person volunteer work at locations across the New River Valley and Roanoke Valley. The event resulted in monetary donations of \$4,525 and item donations of 2,124. Despite the pandemic, Highlanders continue to find significant ways to reflect upon important milestones and successes in our society and carry out the University's focus on service above self.

Advocacy Day

On February 3, 2021, a video message was shared with members of the General Assembly in place of the annual Advocacy Day tradition. Traditionally, Radford University students have visited Richmond during the General Assembly session to meet with their respective House of Delegates and Senate members. During these meetings, our students proudly share how they have gained a high-quality education as Highlanders, while also highlighting their personal experiences of engagement and success. The video is available at <https://www.radford.edu/content/president/home/advocacy-day-2021.html> and highlights talented Highlander students as they share their experiences on campus and appreciation for support from the Commonwealth of Virginia.

Radford Baseball Field Project

Williams Field at Sherman Carter Memorial Stadium has a new look as an artificial turf field has been installed for the 2021 baseball season, which begins next week. The project, which was privately funded through an anonymous donor, broke ground in November and was recently completed. FieldTurf, Inc., a world leader with over 20,000 installations, completed the replacement of the natural grass surface that has been in place since the stadium's opening.

Similar to many baseball facilities, the design features green shading in certain areas rather than a solid green look. The infield has alternating shades of green stripes that stretch from home plate towards second base with the outfield having a similar system with wider striping. The Radford Athletics logo is prominently displayed in center field, while the Highlander wordmark is featured behind home plate.

Radford University is fortunate to be supported by past, present and future Highlanders who give freely of their time, talent and treasure. The provided financial support for the baseball turf project is a clear symbol of the generous spirit of Highlanders and one that will provide an enhanced experience for Radford student-athletes and devoted fans for years to come!

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

**Radford University Board of Visitors
February 12, 2021**

**Action Item
Compliance with Debt Management Policy**

Item:

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

Background:

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

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

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

Schedule A below provides the required ratio calculation and demonstrates the University is in compliance with its Debt Management Policy. Currently, as disclosed in the 2020 unaudited annual financial statements, the University’s debt obligations including affiliated foundation

total \$142,973,728 which is mainly attributable to the Student Recreation and Wellness Center, Renovations of four Residence Hall projects, and the affiliated foundation property acquisition.

| Schedule A | | | | |
|--|----------------|--|---|-------|
| RADFORD UNIVERSITY | | | | |
| DEBT MANAGEMENT POLICY RATIO | | | | |
| The calculation reflects June 30, 2020 unaudited Financial Statements for Total Operating Expenses (as defined in the University’s Debt Management Policy); however, Annual Debt Service reflects expected payments as of June 30, 2021. | | | | |
| Board Approved Ratios | Range | Formula | Unaudited Financial Statements as of 6/30/2020 | |
| <u>Debt Burden Ratio</u> | | | | |
| Max Annual Debt Service as % of Operating Expenses | < 7% | <u>Annual Debt Service*</u> Total Operating Expenses* | \$7,730,658 | 2.77% |
| | | | \$278,745,015 | |

* Ratio includes Radford University Foundation

The Debt Management Policy also identifies that an annual report shall be prepared for review by the Board of Visitors. The notes to the annual financial statements provide the required elements to comply with the Debt Management Policy. Below are the Financial Statement Notes related to outstanding obligations that were prepared for the year ending June 30, 2020 (unaudited):

NOTE 6: Long-Term Debt

Notes Payable—Pooled Bonds

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

The composition of notes payable at June 30, 2020, is summarized as follows:

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

Bonds Payable—9c

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

The composition of bonds payable at June 30, 2020, is summarized as follows:

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

Capital Lease Obligation

In March 2018, the University entered into a 25-year capital lease with the Radford University Foundation, LLC to meet student housing demand. Due to existing housing commitments, a management agreement was entered between the Radford University Foundation and a third party to manage the properties. Therefore, the University's obligation regarding the capital lease was not effective until fiscal year 2020. The University has accounted for the acquisition of the various residential properties as a capital lease, and therefore has recorded the building as a depreciable capital asset, and has recorded a corresponding lease liability in long-term debt, both on its Statement of Net Position as of June 30, 2020.

A summary of changes in long-term debt for the year ending June 30, 2020, is presented as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Current Portion | Noncurrent Portion |
|---------------------------------|----------------------|---------------------|--------------------|---------------------|--------------------|-----------------------|
| Governmental activities: | | | | | | |
| Notes payable - pooled bonds | 20,004,414 | - | 1,167,800 | 18,836,614 | 1,085,000 | 17,751,614 |
| Bonds payable - 9c | 29,870,933 | - | 1,424,685 | 28,446,248 | 1,320,000 | 27,126,248 |
| Capital Lease | - | 32,073,214 | 160,985 | 31,912,229 | 779,570 | 31,132,659 |
| *Total long-term debt | \$49,875,347 | \$32,073,214 | \$2,753,470 | \$79,195,091 | \$3,184,570 | \$76,010,521 |

**No amounts considered direct borrowings or direct placements.*

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

| Fiscal Year Ending | Governmental Activities | | | |
|---------------------|----------------------------|--------------------|---------------------|--------------------|
| | Notes Payable Pooled Bonds | | Bonds Payable - 9c | |
| | Principal | Interest | Principal | Interest |
| June 30, 2021 | 1,085,000 | 650,181 | 1,320,000 | 996,500 |
| June 30, 2022 | 1,135,000 | 596,731 | 1,395,000 | 930,500 |
| June 30, 2023 | 1,190,000 | 539,681 | 1,465,000 | 860,750 |
| June 30, 2024 | 1,250,000 | 482,006 | 1,530,000 | 787,500 |
| June 30, 2025 | 1,295,000 | 433,581 | 1,600,000 | 718,950 |
| 2026-2030 | 7,225,000 | 1,418,254 | 9,035,000 | 2,579,213 |
| 2031-2035 | 4,150,000 | 232,925 | 9,180,000 | 914,600 |
| 2036 | - | - | 505,000 | 15,150 |
| Unamortized Premium | 1,506,614 | - | 2,416,248 | - |
| Total | \$18,836,614 | \$4,353,359 | \$28,446,248 | \$7,803,163 |

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

| <u>Fiscal Year</u> | <u>Total Payment</u> |
|-------------------------------------|----------------------|
| 2021 | 2,046,385 |
| 2022 | 2,046,385 |
| 2023 | 2,046,385 |
| 2024 | 2,046,385 |
| 2025 | 2,178,123 |
| 2026-2030 | 11,812,781 |
| 2031-2035 | 11,812,781 |
| 2036-2040 | 11,812,781 |
| 2041-2045 | 6,890,789 |
| Total Minimum Lease Payments | \$52,692,794 |
| Less Executory Costs | 5,675,563 |

| | |
|---------------------------------|--------------|
| Net Minimum Lease Payments | 47,017,231 |
| Less Interest | 15,105,003 |
| Present Value of Lease Payments | \$31,912,228 |

Long-Term Debt Defeasance

During fiscal year 2017, the Commonwealth of Virginia, on behalf of the University, issued pooled bonds Series 2016A for \$2,285,000 with interest rates of 3.0 to 5.0 percent to advance refund \$2,305,000 of Series 2009B pooled bonds. The bonds, issued at a premium of \$470,852, are used to provide funds for debt service savings for the Commonwealth. The net proceeds were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds.

The advanced refunding resulted in a deferred accounting loss of \$296,927 for the University, which is being amortized to interest expense over the life of the new debt. At June 30, 2020, \$206,722 of the unamortized deferred loss is reported on the *Statement of Net Position* as a deferred outflow of resources. The defeasance will reduce the University's total debt service obligation by \$184,341 over 13 years. The debt service savings discounted at a rate of 1.849 percent results in an economic gain of \$167,810.

For financial reporting purposes, these notes payables are considered an in-substance defeasance and have therefore been removed from the long-term debt payable line item of the *Statement of Net Position*. The assets in escrow have similarly been excluded. On June 30, 2020, \$2,305,000 from Series 2009B 9(d) VCBA pooled bonds was considered defeased and outstanding.

NOTE 19E: Component Unit Financial Information

The following is a summary of the outstanding notes payable at June 30, 2020:

| | |
|---|---------|
| Note payable in monthly installments of \$5,182.12 through May 2025, interest payable at LIBOR plus 1.48 percent (1.65% and 3.91% at June 30, 2020 and 2019, respectively). Unsecured. | 280,837 |
| Note payable in monthly installments of \$2,601 through November 2020, interest payable at 1.54 percent. Secured by deposit accounts maintained by and investment property held with the institution. | 12,775 |
| Notes payable in monthly installments calculated on a 25-year amortization with a balloon payment of remaining amount in May 2021, with interest payable at LIBOR plus 0.82 (1.01% and 3.22% and 2.91% at June 30, 2020 and 2019, respectively). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents. | 385,539 |

Notes payable in monthly installments calculated on a 20-year amortization with a balloon payment of remaining amount in May 2023, with interest payable at LIBOR plus 0.82 (1.01% and 3.22% at June 30, 2020 and 2019 respectively). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents.

427,625

Notes payable in monthly interest only payments through April 2020, then monthly installments calculated on a 23-year amortization with a balloon payment of the remaining amount In April 2025. Interest payable at LIBOR plus 0.82 (0.99% and 3.26% and 2.91% at June 30, 2020 and 2019, respectively). Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents.

22,354,863

Notes payable in monthly interest only payments through April 2020, then monthly installments calculated on a 23-year amortization with a balloon payment of remaining amount In April 2025. Interest payable at 4.20%. Secured by real estate and deposit accounts maintained by and investment property held with the institution. Additionally, secured by an assignment of leases and rents.

9,957,285

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

199,313

Total long-term debt \$33,618,237

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

| | |
|----------------------|---------------------|
| 2021 | 1,648,015 |
| 2022 | 1,271,838 |
| 2023 | 1,656,079 |
| 2024 | 1,446,507 |
| 2025 and thereafter | 27,595,798 |
| Total long-term debt | <u>\$33,618,237</u> |

Action:

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

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

February 12, 2021

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

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

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

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

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

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

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

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

Approved: February 12, 2021



Robert A. Archer
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

RADFORD UNIVERSITY BOARD OF VISITORS**February 12, 2021****Action Item****Approval of the Radford University 2020-21 Third Quarter Operating Budget Adjustment****Item:**

Board of Visitors approval of the Radford University's 2020-21 third quarter operating budget adjustment and review of the actual activity as of January 31, 2021.

Summary:

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

The far-reaching effects of the global pandemic have touched all facets of University operations including the Educational & General (E&G) operation, Student Financial Aid Programs, and Auxiliary Enterprises. Given the general uncertainty associated with the pandemic many students chose to forego their educational pursuits for this year or opted for a virtual campus presence thereby shifting service levels from the initial projections included in the original budget. Revenue shortfalls associated with reduced service levels have been offset by institutional cost savings strategies as well as Federal and State relief programs initiated to support Institutions of Higher Education during this unprecedented time. The impact of these factors is outlined by major program below.

An accompanying outline of adjustments is also provided in the 2020-21 Financial Performance Report (Schedule A) which summarizes the adjusted operating budget and related activity through January 31, 2021 and the Detailed University Operating Budget (Schedule B) which breakdowns the recommended adjustments.

Education and General (E&G):

The original 2020-21 revenue budget for E&G was forecasted at \$146.1 million. The revised budget recommendation is \$149.2 million, an increase of \$3.1 million. The revised revenue forecast is reflective of the following adjustments.

General Fund

The University is anticipating an overall increase in E&G General Fund support of \$4.2 million provided primarily from the fall 2020 Special Session of the General Assembly. The increase relates to additional allocations for tuition affordability of \$4.9 million, the implementation of the December 2020 Healthcare Premium Holiday resulting in an appropriation decrease of \$702,000, and an appropriation increase of \$29,000 for Virtual Library of Virginia (VIVA) funding.

As part of the 2020 Special Session of the General Assembly, the tuition affordability funding provides one-time operating support of \$80 million to maintain affordable access to public colleges and universities for fiscal year 2020-21. The funding may be used to support operations, enhance financial aid, or for other

purposes to address the impacts of COVID-19. The University’s allocation is \$4.9 million, of which, \$2.0 million is designated for RUC Operations. Funding was allocated based on in-state undergraduate population and addressing estimated revenue shortfalls reflective of either a minimum of 5% in-state undergraduate revenues or 40% of the average in-state revenue shortfall.

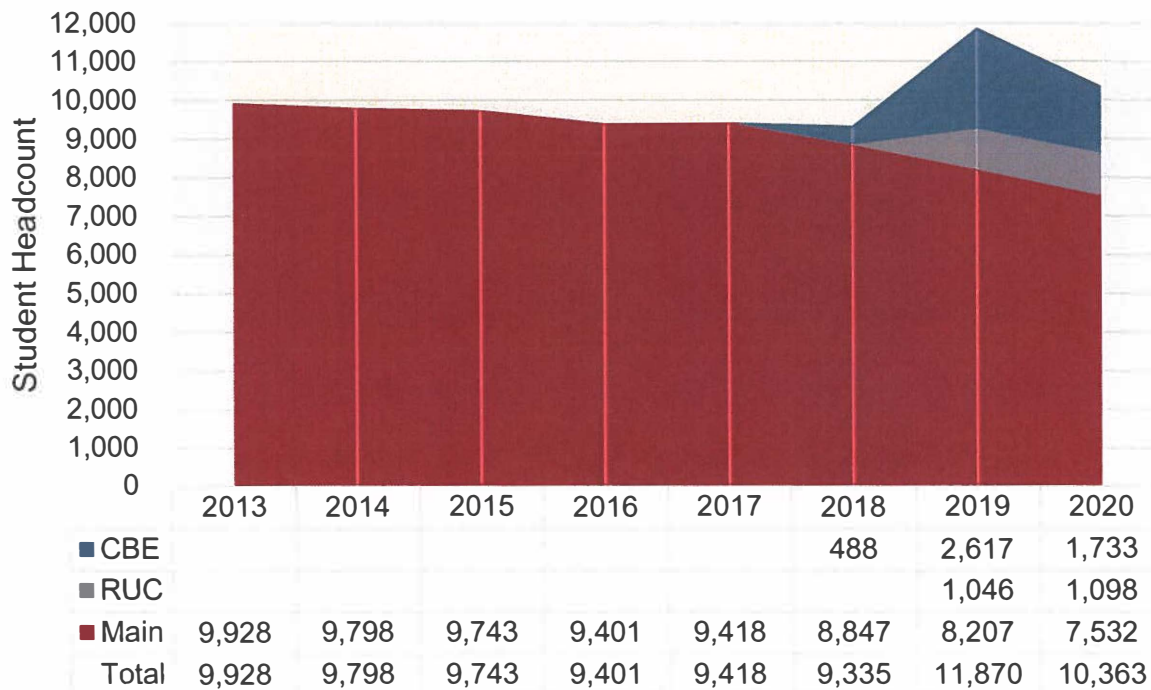
Due to the success of the Healthcare Premium Holiday in November 2019 and the ability to utilize one-time fund balances, the General Assembly authorized another Healthcare Premium Holiday for December 2020 as part of the amended 2020-21 budget. Specifically, the event eliminated both the agency supported cost and the employee paid portion of health insurance for the two pay periods in December. Ultimately, the University saved \$1.2 million in E&G as part of the holiday; however, the Commonwealth withholds their portion of the cost resulting in a \$700,000 decrease in general fund appropriation.

Additionally, a general fund increase of \$29,000 is anticipated in support of the VIVA allocation to the University. The expense budget will decrease by \$1.2 million as a result of these two actions (health insurance decrease of \$1.2 million adjusted for a \$29,000 increase for VIVA)

Non-General Fund

The University is estimating a \$2.1 million decline in E&G revenue related to non-general fund business level factors. This includes a revenue shortfall of \$3.4 million based on actual summer and fall 2020 and preliminary spring 2021 enrollment levels. Based on final census data, fall traditional enrollment on main campus was lower than forecast. Fall 2020 enrollment was budgeted on a projected student headcount of 7,800. Actual headcount enrollment came in at 7,532, a decrease of 268 students or 3.4 percent. The University also experienced a decrease in Summer 2020 enrollment due to the elimination of all in person offerings. Partially offsetting this loss is an estimated \$1.3 million revenue increase related to the IMPACT program, which has experienced higher than budgeted revenue receipts.

Fall Enrollment Trend 2013-2020



In order to offset anticipated revenue losses, the University will utilize \$3.5 million in cost savings realized through cost containment measures implemented at the start of the pandemic.

Relief Funding

Coronavirus Relief Funds (CRF) provided higher educational institutions an allotment of \$116.0 million in COVID-19 relief funding, of which the University will receive \$3.6 million to support telework and distance learning infrastructure, personal protective equipment, sanitization and cleaning, and testing for students, staff, and faculty. This is a direct reimbursement of expenses that have or will occur from July 1, 2020 – December 31, 2020. The planned expenditures represent a split of \$1.0 million to E&G and \$2.6 million to Auxiliary Enterprises.

Miscellaneous

Higher education institutions will have the option to use available fund balances from other fund sources, including E&G, to support operations, increased costs or revenue reductions for auxiliary enterprise programs for the 2020-2022 biennium. The exception being supporting Athletics programs other than transfer payments from E&G. The University will defer the required indirect contribution from Auxiliaries for 2020-21, resulting in an E&G budget change of \$5.5 million with a respective fund availability for Auxiliary budgets.

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

Student Financial Assistance (SFA):

The original revenue budget for SFA was \$13.5 million. The revised budget is \$15.7 million, an increase of \$2.2 million. The revised revenue forecast is reflective of the following adjustments.

General Fund

General Fund appropriations for Virginia Military Survivors and Dependent Education Program, the College Transfer Grant program, and carryforward of graduate fellowship allocations increased by \$185,000 over the originally budget amount. These are routine supplemental allocations that vary by year.

Relief Funding

The Coronavirus Aid, Relief, and Economic Security Act or, CARES Act, was passed by Congress and the bill allotted \$2.2 trillion to provide fast and direct economic aid to the American people negatively impacted by the COVID-19 pandemic. Of that money, approximately \$14 billion was given to the Office of Postsecondary Education as the Higher Education Emergency Relief Fund, or HEERF. The University portion of the HEERF funding is \$9.1 million split equally between student financial aid and institutional relief. Most of the student financial aid was awarded last fiscal year requiring an adjustment to current year revenue and expenditures at this time of \$588,602 in order to make the last fund distributions for students.

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

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

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

Sponsored Programs:

No budget changes are indicated at this time. The budget will remain \$8.9 million.

Auxiliary Enterprises:

The original revenue budget for Auxiliary Enterprises was \$68.3 million in revenue and \$64.8 million in expense. The revised revenue budget is \$67.3 million, a decrease of \$1.0 million. The revised expense budget is \$64.7 million, a decrease of \$.1 million. These adjustments result in a \$.9 million decrease in the planned reserve contribution. The revised budgets are reflective of the following adjustments.

Non-General Fund

The University is estimating a decrease in auxiliary comprehensive fee revenue of \$1.9 million related to the decrease in enrollment detailed in the E&G section above. In addition, sales and service revenue is estimated to decrease by \$6.1 million. Dining and Residential Program sales are anticipated to be \$4.0 million below initial projections due to a combination of factors to include the impact of rollover credits from Spring 2020 term, decreased student participation due to students electing a virtual learning experience, and overall traditional enrollment falling below anticipated levels. Additionally, Athletics sports revenue has decreased by \$0.8 million and Other Enterprise Functions revenue has decreased from loss of conference events, both due to the COVID-19 pandemic.

Relief Funding

As noted above in the SFA section, The Coronavirus Aid, Relief, and Economic Security Act or, CARES Act, was passed by Congress and the bill allotted \$2.2 trillion to provide fast and direct economic aid to the American people negatively impacted by the COVID-19 pandemic. The majority of the institutional portion will be utilized this fiscal year to reimburse Residential and Dining Programs \$3.9 million for the refunds to student meal plans and dorm charges for Spring 2020, leaving about \$630,839 to reimburse other University programs as necessary.

As noted above in the E&G section, Coronavirus Relief Funds (CRF) provided higher education institutions an allotment of \$116.0 million in COVID-19 relief funding, of which the University will receive \$3.6 million to support telework and distance learning infrastructure, personal protective equipment, sanitization and cleaning, and testing for students, staff, and faculty. This is a direct reimbursement of expenses that occurred from July 1, 2020 – December 31, 2020. The executed expenditures represent a split of \$1 million to E&G and \$2.6 million to Auxiliary Enterprises.

Miscellaneous

Auxiliary Enterprise budget adjustments are required for increases in one-time funding requirements of \$816,000, decreases in Auxiliary Indirect contributions of \$5.0 million as noted in the E&G section above,

and an increase for the funding of the 2020 Early Retirement Option (ERO) of \$1.7 million. The combination of these factors results in a net expense budget decrease of \$2.5 million.

The one-time funding adjustments contribute to the second phase of the off-campus apartment renovations that occurred this summer of \$567,959, Student Health contractual obligations of \$158,280 to Carilion Health Systems related to timing of invoices and the addition of the Nurse Navigator for RUC students, and miscellaneous personal service adjustments.

As identified last fiscal year, the ERO program provided select participants severance payouts continuing through fiscal year 2022. An adjustment of \$1.7 million is recommended to cover the estimated costs of the ERO payments for this fiscal year.

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

Preliminary Financial Performance Report:

The Financial Performance Report (FPR) is more commonly presented at the September Board of Visitors meeting reflecting the prior fiscal year's budget and actual financial activity. The FPR is generated from annual budget projections and actual accounting data recorded in Banner Finance. The actual accounting data is recorded using a modified accrual basis of accounting which recognizes revenue when received rather than when earned and expenditures when posted rather than when payment is issued.

As shown on the Financial Performance Report (Schedule A), the Original Budget of \$236.8 million was approved by the Board of Visitors at the September 2020 meeting. The Revised Budget reflects 2020-21 recommended mid-year revenue adjustments totaling \$4.3 million. While there are a number of factors that influenced the recommended mid-year adjustments they are primarily attributed to the following: the infusion of general fund resources, COVID-19 relief funding, and actual 2020-21 enrollment levels. All expenditure budgets were adjusted accordingly.

The revised budget of \$241.2 million is sufficient to sustain University operations for the remainder of 2020-21. Actual expenditure activity through January 31, 2021 totals \$140.1 million and is in line with expectations. The vast majority of the \$98.5 million in total outstanding expense budget balance relates to anticipated third and fourth quarter compensation. At this time all programs are expected to come in within expected activity.

Action:

Radford University Board of Visitors approval of the 2020-21 third quarter operating budget adjustment as presented in Schedule B for the Total University Operating Budget.

RADFORD UNIVERSITY BOARD OF VISITORS
Resolution
February 12, 2021

Approval of the Radford University 2020-21 Operating Budget Adjustment

BE IT RESOLVED, the Radford University Board of Visitor approves the third quarter adjustments to the 2020-21 operating budget as presented in Schedule B for the Total University Operating Budget.

Approved: February 12, 2021

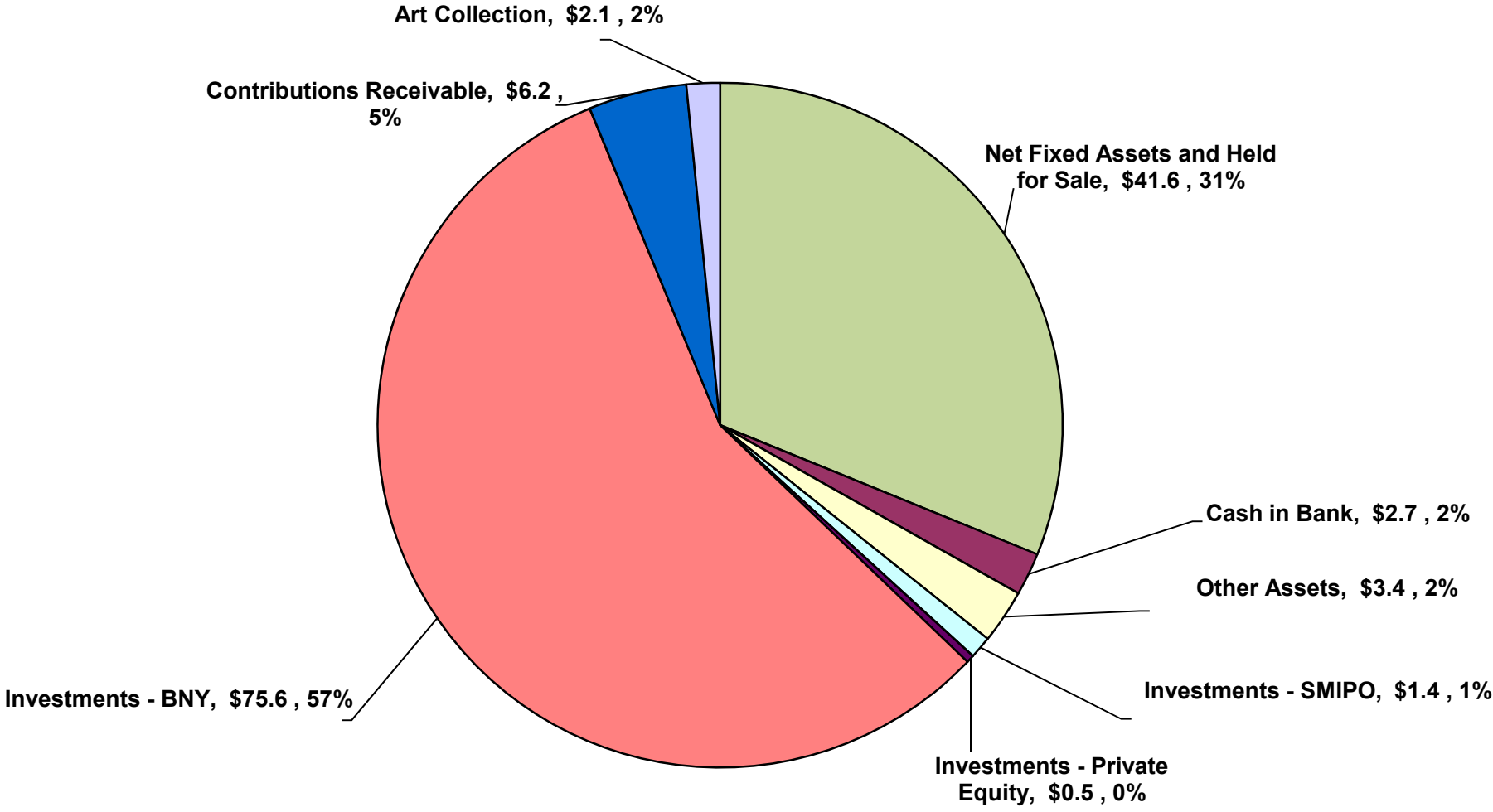


Robert A. Archer
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University

Radford University Foundation Asset Composition as of 12/31/20



(in millions)

Total Assets: \$133.5M PRELIMINARY

Radford University Government Relations Report

February 2021

State Relations Update

The 2021 General Assembly convened on Wednesday, January 13 and adjourned on Monday, February 8. This year was a “short session” and the General Assembly traditionally adopts a procedural resolution to extend the length of the General Assembly short session from the 30 day minimum mandated by the Constitution to 45 or 46 days, which requires two-thirds approval by each chamber. However, House and Senate Republicans blocked the passage of the procedural resolution this year; as a result, this year’s legislative session was considerably shorter than usual. Subsequently, Governor Northam called for a Special Session for the General Assembly to complete their business.

The 2021 Special Session convened on Wednesday, February 10. Convening the Special Session on Wednesday provides continuity and aligns with the traditional short session legislative calendar. The General Assembly anticipates completing their business on Saturday, February 27 and adjourning on Monday, March 1. They will reconvene for the Veto Session on Wednesday, April 7.

General Assembly operations are a little different this year due to the COVID-19 pandemic. The House is meeting virtually and not convening in Richmond; the Senate is convening at the Science Museum of Virginia in Richmond to allow for adequate social distancing, but the building is closed to the public. In addition, the Senate agreed to provisions for Senators to participate remotely as needed. All committee and subcommittee meetings are live-streamed, and individuals testifying on legislation do so virtually.

Budget Update

The House Appropriations Committee and the Senate Finance and Appropriations Committee were scheduled to report their respective budgets on Sunday, February 7; however, the House and Senate budget bills were continued to the Special Session, and the Committees reported their budgets on Wednesday.

Radford University submitted a budget amendment in the House and Senate for \$10 million in additional funding for operating support at Radford University Carilion (RUC), in order to further equalize tuition between the two campuses. We are pleased to announce that additional funding for RUC was included in both the House and the Senate budgets. Also, additional funding was included in both budgets as part of a unified higher education amendment; and both budgets maintain the additional need-based financial aid provided by the Governor in his introduced budget. We are grateful for the strong bipartisan support we have in both chambers, and look forward to working with the House and Senate budget conferees as they negotiate the final budget conference report.

However, there are a few unknown factors at this time which will influence the budget negotiations moving forward. The Governor will release the mid-session revenue reforecast in the coming days, which will reflect a growth in available revenues; the House and Senate have taken different approaches to tax conformity legislation that will negatively impact budget revenues; and the uncertainty as to the availability of additional federal funds through future stimulus packages and federal policy decisions, just to name a few.

Legislation

Governing Boards. There is a House bill which would enhance higher education governing board transparency at public institutions.

In addition, there is a House bill which would require governing boards of public institutions to authorize the use of facial recognition technology before campus police departments are allowed to purchase or deploy the technology.

COVID-19 Pandemic. There is emergency legislation in the House and Senate which outlines who is eligible to administer the vaccine, the process by which entities can volunteer their facilities for vaccine sites, and affords liability protections for volunteers and entities. Higher education institutions, including faculty and students in health professions programs, have the ability to play a significant role in the vaccine administration process. The bills were communicated to the Governor on Thursday; the bills include an emergency clause and they will become law upon his signature.

Construction Projects. There is a House bill that would require agencies, institutions, or localities entering the design phase for construction or renovation of a building meeting specific criteria to ensure the building has sufficient electric vehicle charging infrastructure. The bill includes language regarding tracking energy efficiency and carbon emissions, reporting requirements, and allows for the Department of General Services to grant project exemptions.

Procurement. The Governor handed down a comprehensive procurement enhancement bill after the 2021 Special Session convened, which would address disparities in state contracts awarded to woman- and minority-owned businesses.

Election Update

There will be a special election in the 38th Senate District in March to fill the seat of the late Ben Chafin, who was a champion for the University and for Southwest Virginia. Currently, there are two candidates running – Democrat Laurie Buchwald, a nurse practitioner who is a former member of the Radford City Council and a Radford alumna; and Republican Travis Hackworth, a member of the Tazewell County Board of Supervisors and a business owner.

Statewide offices will be on the ballot in November as well as all 100 seats in the Virginia House of Delegates. Many candidates have already announced their campaigns for statewide office – twelve for Governor, thirteen for Lieutenant Governor, and five for Attorney General. Republicans will be holding a convention in May and Democrats will be holding a primary election

in June to determine their respective slate of statewide candidates. We will continue to monitor the statewide races, strengthen relationships with candidates, and position the University as a strong partner for the next gubernatorial administration.

The U.S. Census Bureau announced this week that the updated census data will not be delivered to states until this fall, which means that the existing House districts will likely need to be used for the 2021 House of Delegates elections rather than newly drawn political maps from the recently established Virginia Redistricting Commission. However, what happens beyond the 2021 election is unknown. One possibility is that a court may order the House to have a special election in 2022 under the newly redrawn districts, followed by the regular election cycle in 2023. Alternatively, the 2021 House winners could be allowed to keep their seats until 2023.

Federal Relations Update

Federal Stimulus Funds

The COVID-19 emergency relief measure signed in late December included approximately \$23 billion for the U.S. Department of Education to distribute to institutions of higher education through the Higher Education Emergency Relief Fund (HEERF II). Similar to the CARES Act federal stimulus package earlier in the year, the institution specific allocations are divided between direct aid to students and institutional aid. The University's total allocation for HEERF II is approximately \$14 million; of that, a minimum of \$4.5 million must be awarded for student aid, and institutional aid is capped at \$9.5 million.

Last month, President Biden announced the American Rescue Plan, a \$1.9 trillion relief proposal, which includes \$35 billion in aid for higher education. Earlier this week, Congressman Bobby Scott, the Chair of the Committee on Education and Labor, proposed \$40 billion for higher education in the relief proposal. However, national higher education advocacy groups have requested \$97 billion in additional aid; they originally requested \$120 billion in additional federal stimulus funds last year, but only received \$23 billion in the \$2.3 trillion package approved in December.

**Radford University Board of Visitors
Resolution
Interim President**

February 12, 2021

WHEREAS, the Radford University Board of Visitors hereby approves the selection of Carolyn Ringer Lepre, Ph.D. as the Interim President, effective July 1, 2021 until a time in which a national search has successfully concluded; and

WHEREAS, the Board delegates to the Rector the authority to enter into a contract with Dr. Lepre for the Interim President position;

NOW, THEREFORE BE IT RESOLVED, the University will not permanently fill the Provost and Vice President for Academic Affairs position during Dr. Lepre's tenure as Interim President.

Approved: February 12, 2021



Robert A. Archer
Rector
Radford University Board of Visitors



Karen Castele
Secretary to the Board of Visitors
Radford University