



**RADFORD UNIVERSITY**

**BOARD OF VISITORS  
BUSINESS AFFAIRS AND MARKETING COMMITTEE**

**12:30 p.m.**

**Monday, January 28, 2013**

**2nd Floor, Room 2-G**

**One James Center**

**Richmond, Virginia**

**APPROVED**

**MINUTES**

**COMMITTEE MEMBERS PRESENT**

Mr. Darius A. Johnson, Chair

Ms. Nancy E. Artis, Vice Chair

The Honorable J. Brandon Bell (*joined the meeting at 1:45 p.m.*)

Ms. Linda K. Whitley-Taylor, Rector

**COMMITTEE MEMBERS ABSENT**

Mr. Stephan Q. Cassaday

Dr. Kevin R. Dye

**BOARD MEMBERS PRESENT**

Ms. Mary W. Campbell

Mr. Matthew B. Crisp

Ms. Ruby W. Rogers

Ms. Georgia Anne Snyder-Falkinham

Mr. Michael A. Wray

Dr. Laura J. Jacobsen, Faculty Representative (non-voting, advisory member)

**OTHERS PRESENT**

President Penelope W. Kyle

Mr. Richard S. Alvarez, Chief Financial Officer and Vice President for Finance and Administration

Mr. Joe Carpenter, Vice President for University Relations and Chief Communications Officer  
effective February 1, 2013

Mr. Danny M. Kemp, Chief Information Officer and Vice President for Information Technology

Dr. Sam Minner, Provost and Vice President for Academic Affairs

Dr. Deborah J. Robinson, Vice President for University Advancement

Ms. Lisa H. Ridpath, Associate Vice President for Finance and Administration

Ms. Margaret D. McManus, University Auditor

Mr. Ronald C. Forehand, Senior Assistant Attorney General, Commonwealth of Virginia

Ms. Karen Helderman, Information Systems Development Specialty Team Director and Radford Audit Project Manager

Mr. James Noel, Assistant Attorney General, Commonwealth of Virginia

Ms. Betsy Wilson, Capital Asset and Outlay Audit Specialist and Radford Audit In-Charge

Ms. Michele Nieroda Schumacher, J.D., Secretary to Board of Visitors

Ms. Kimberly Chiapetto, Assistant Secretary to Board of Visitors

### **CALL TO ORDER**

Mr. Darius A. Johnson, Chair, called the meeting to order at 12:30 p.m. on Monday, January 28, 2013, in Room 2-G, One James Center, 2<sup>nd</sup> Floor, Richmond, Virginia.

### **REPORT FROM THE AUDITOR OF PUBLIC ACCOUNTS**

Ms. Karen Helderman, Information Systems Development Specialty Team Director and Radford Audit Project Manager, with the Auditor of Public Accounts presented information regarding the upcoming audit of the university's fiscal year 2012 financial statements. She discussed the responsibilities of the auditors and management as well as the planned scope and timeline of the audit.

Mr. Johnson thanked Ms. Helderman for her report.

### **REPORT FROM THE RADFORD UNIVERSITY'S AUDITOR**

Ms. Margaret McManus, University Auditor, presented an oral report on the University Discretionary Fund review for the quarters ended September 30 and December 31, 2012. She noted that one hundred percent of expenditures were reviewed and all were found in compliance with the Board of Visitors' guidelines. Ms. McManus also discussed plans for an upcoming Quality Assurance Review which her department undergoes every five years in accordance with the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing. Ms. McManus also presented a follow-up audit status report which is attached hereto as *Attachment A* and made a part hereof.

Mr. Johnson thanked Ms. McManus for her report.

### **REPORT ON THE PROPOSED 2012-2014 EXECUTIVE BUDGET AMENDMENTS**

Ms. Lisa H. Ridpath, Associate Vice President for Finance and Administration, provided the Committee with an overview of the Governor's 2012-2014 proposed budget amendments for the second year of the biennium. She noted that the proposed amendments would have Radford University receiving approximately an additional \$800,000 in general fund support bringing the total for 2013-14 to almost \$1.3 million, which represents a 3.1% increase over the 2012-2013 budget. A copy of the report is attached hereto as *Attachment B* and made a part hereof.

### **REPORT ON THE 2013 GENERAL ASSEMBLY LEGISLATIVE UPDATE**

Ms. Ridpath also provided a summary of proposed legislation potentially impacting institutions of higher education and referred the Committee to the 2013 General Assembly Session Legislative

Update found in their materials. The Update is attached hereto *Attachment C* and is made a part hereof.

Mr. Johnson thanked Ms. Ridpath for her reports.

### **REPORT ON CAPITAL PROJECTS**

Mr. Richard S. Alvarez, Chief Financial Officer and Vice President for Finance and Administration referred the Committee to the Capital Project Update found in their Committee materials, and stated that he would not go over the report unless there were any questions. A copy of the Capital Project Update is attached hereto as *Attachment D* and is made a part hereof.

### **TUITION AND FEES OVERVIEW**

Mr. Alvarez then provided the Committee with an overview of decisions that must be made at the spring Board meeting regarding tuition and fees. He referred the Committee to the power point presentation he distributed. He noted that generally tuition and fees are discussed at the May meeting each year; however, to provide board members with background information prior to the May meeting he was providing this overview today. Mr. Alvarez began his presentation by providing general background information on the history and authority of Virginia's Boards of Visitors in setting tuition and fees. He reviewed tuition trends, described the differences between the cost of education and the price of education, and provided a comparison of Radford University with other Virginia four-year public institutions of higher education in relation to tuition and fees. He concluded his presentation with a review of Radford University's strategic budgeting plan and outlook. A copy of his presentation is attached hereto as *Attachment E* and is made a part hereof.

At this point, Chairman Johnson asked for questions and comments from the Committee. The Committee then discussed the importance of recruitment, enrollment, and retention, and requested a cost/benefit analysis of recruiting in-state students versus out-of-state students. There were also discussions regarding ways to address the cost of education while keeping higher education affordable.

Mr. Johnson thanked Mr. Alvarez for his presentation.

### **APPROVAL OF AGENDA**

Mr. Johnson noted that with the arrival of the Honorable J. Brandon Bell, the Committee now had a quorum and asked for a motion to approve the January 28, 2013, meeting agenda as published prior to the meeting. Ms. Nancy E. Artis made the motion, Mr. Bell seconded the motion and the motion carried unanimously.

### **APPROVAL OF MINUTES**

Mr. Johnson asked for a motion to approve the minutes of September 13, 2012, as distributed. Ms. Artis made the motion, Mr. Bell seconded the motion and the motion carried unanimously.

### **ACTION ITEMS**

**Resolution certifying compliance with the Debt Management Policy**

Ms. Lisa Ridpath explained that as part of Institutional Performance Standards reporting, the Secretary of Finance for the Commonwealth of Virginia requires an annual certification from the Board of Visitors that the University is in compliance with its Debt Management Policy. She provided an overview of the ratios, which demonstrated compliance with the policy. Mr. Johnson called for the recommendation of a Resolution certifying that Radford University is in compliance with its Debt Management Policy. On a motion by Mr. Bell and seconded by Ms. Artis, the recommendation was unanimously approved. A copy of the report together with the proposed Resolution is attached hereto as ***Attachment F*** and made a part hereof.

**ADJOURNMENT**

With no further business to come before the Committee, Mr. Johnson adjourned the meeting at 2:15 p.m.

Respectfully submitted  
Michele Nieroda Schumacher, J.D.  
Secretary to the Board of Visitors