

ROANOKE HIGHER EDUCATION AUTHORITY
Board of Trustees Executive Committee
Wednesday, May 23, 2018

MINUTES

Members Present: Robert Archer, Senator John Edwards, Tiffany Franks, Lorraine Lange, Charles Price, Robert Sandel

Others Present: Kay Dunkley, Dana Horan, Carla James-Jackson, Chris Meacham, Jennifer Pittman, and Lori Van Curen

The meeting of the Roanoke Higher Education Authority's Board of Trustees Executive Committee was called to order at 2:06 p.m. The presence of a quorum was confirmed.

Chair Senator Edwards made a motion to approve the minutes of the November 15, 2017 meeting. **The motion carried by unanimous vote.**

Kay Dunkley introduced two new Roanoke Higher Education Authority staff members. Chris Meacham, Director of Facility Services, and Lori Van Curen, Director of Finance and Administration.

Virginia Western Community College Al Pollard Culinary Arts Student Testimonial

Denise Bibee, a student with the Al Pollard Culinary Arts Program at Virginia Western Community College, will be addressing the board at the June 6, 2018 meeting to talk about her access to educational opportunities at the higher education center.

Recognition of Departing Foundation Board Members

Roanoke Higher Education Center Foundation board members, Warner Dalhouse and Susan Short, will be recognized at the June 6, 2018 board meeting for their dedicated service.

Recommendation for Appointment of New Foundation Board Members

The following individuals are being recommended to join the RHEC Foundation Board of Directors: Robert Archer, Jeanne Armentrout, Kevin Bloomfield and Melissa Lubin. Robert Sandel moved to accept the list of nominees and to recommend this slate to the Board of Trustees at their June 6, 2018 meeting. **The motion carried by unanimous vote.**

Update on Claude Moore Education Complex and Radford Simulation Center

Clinical Simulation Center:

The ribbon cutting ceremony to celebrate the expansion of the clinical simulation center took place on November 15, 2017 allowing an additional 600 students to be served along with the current enrollment of 1,000. This \$2 million capital outlay project illustrates the strong partnership between Radford University, Jefferson College of Health Sciences, Patrick Henry Community College, and the Roanoke Higher Education Center. Students participate in simulated experiences from a hospital setting, outpatient clinic, and/or home health environment. We will close out the project once all equipment orders have been received.

Claude Moore Education Complex:

This \$6.4 million dollar renovation and expansion project is almost completed and will be open and ready to welcome the fall 2018 semester culinary art students of Virginia Western Community College. The complex doubled in size to create electronic classrooms, new kitchen spaces, additional refrigeration, and provided a face lift to faculty offices. Tasks to be completed include exterior signage, landscaping, and connections for the sewage system.

Virginia Western Community College and the Roanoke Higher Education Center are planning a Grand Opening Ceremony to celebrate the completion of the Claude Moore Capital Outlay Project. The ceremony will be held on September 12, 2018 from 10:00 a.m. until noon and includes tours and food tasting.

Discussion followed regarding the naming of the new wing after Oliver Hill, a nationally known civil rights leader and Presidential Medal of Freedom recipient. Robert Sandel moved to bring the discussion before the board at the June 6, 2018 meeting. **The motion carried by unanimous vote.**

Sponsorship of Event - Big Brothers Big Sisters

Board approval is requested to sponsor the Big Brothers Big Sisters-Over The Edge event at the Roanoke Higher Education Center in 2019 (specific date to be determined). This partnership shows our community support of strengthening the lives of children and families, and the publicity will showcase our facility, institutional partners, and programs. Stephen Lemon, attorney with Martin, Hopkins and Lemon, LLC, will handle the contract and review all documents to ensure sufficient insurance and liabilities are in place and assist us in reviewing all safety procedures. Over the Edge carries a comprehensive \$10 million insurance policy that covers all aspects of the event should an injury or building damage occur. This policy indemnifies all key stakeholders to include Big Brothers Big Sisters and the Roanoke Higher Education Center. Board members agreed this topic should be an informational agenda item for the June 6, 2018 meeting.

Proposed Cash Reserve Policy

The purpose of the Cash Reserve policy for the Roanoke Higher Education Authority is to ensure the stability of the mission, programs, employment, and ongoing operations of the organization. These funds are intended to provide an internal source of funds for situations such as unforeseen expenses, increases in routine expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as: non-state funded building improvements, repairs and replacement, unexpected opportunities and investments. Cash Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of the Authority for Reserves to be used and replenished in a timely manner.

Robert Archer suggested adding the following to the policy: In the event that the approved amount exceeds the actual spending for the requested use, the excess funds will either revert back to the reserves to be re-invested, or the executive director will seek permission to spend the excess on another identified need of the Center. Robert Sandel moved to bring the discussion before the board at the June 6, 2018 meeting. **The motion carried by unanimous vote.**

Special Request for Cash Reserve Funding

A special request was made to take \$250,000 from cash reserve to fund several initiatives, to include, a cooling system, market research study, renovations to the library, events and activities for the Center's

20th year celebration, digital signage and office renovations. It is understood that the previous request of \$300,000 for safety and security is a separate fund and improvements are being completed in phases. Tiffany Franks moved to bring the discussion before the board at the June 6, 2018 meeting. **The motion carried by unanimous vote.**

Review of financials as of 3/31/18

Lori Van Curen shared highlights of the memorandum dated May 23, 2018 concerning financial statements for month ending March 31, 2018. The accumulated cash balance remains stable, fluctuating between \$2.7 to \$3.1 million. The current cash balance is \$3,115,657, an amount that will cover 15 months of the operating budget for FY2018 that totals \$2.6 million. Currently \$720,000 is invested in certificates of deposit with \$897,883 being invested in the Commonwealth of Virginia's Local Government Investment Pool (LGIP). Of the \$300,000 approved for security assessment and enhancements, \$80,000 has been expended. Capital assets increased to \$31,016,545.

Recommend approval of FY 2019 Budget

Personnel Committee Recommendations

Jennifer Pittman, Chair, presented the following recommendations for discussion:

Item 1: Compensation Philosophy:

- Bonuses should be considered during years when base pay increases are not feasible, but should not be provided in addition to increases in base pay compensation.
- A merit pay structure allowing for differentiation in base pay increases by performance level should be developed and implemented.
- An individual must successfully complete a six month probationary period before being eligible for a merit increase.
- Employees who are rated as "Below Contributor" are not eligible for a merit increase.

The Executive Committee supports the above recommendation and requests this item to be presented to the full board for approval. Tiffany Franks moved to bring the discussion before the board at the June 6, 2018 meeting. **The motion carried by unanimous vote.**

Item 2: 2018 Pay Increase for RHEC Staff:

- As part of the annual performance management process, the Executive Director, Director of Finance and Administration, and Board Treasurer confer on the budget in order to recommend a base pay increase for RHEC staff. An across-the-board increase of 3% was recommended to the Personnel Committee.
- Pending verification of budget availability, the Personnel Committee supports the recommendation for a 3% increase for RHEC staff for 2017-2018.

The Executive Committee supports the recommendation to provide a 3% increase to all RHEC staff for the 2017-18 performance year, and requests this item to be presented to the full board for approval.

Lorraine Lange moved to bring the discussion before the board at the June 6, 2018 meeting. **The motion carried by unanimous vote.**

Item 3: Executive Director Performance Evaluation

- Convene in closed session for discussion and recommendation

Closed Session

Chair Senator Edwards called for the Executive Committee to convene in closed session to discuss personnel matters pursuant to Section 2.2-3711.A.1, Code of Virginia (1950), as amended. Discussion took place followed by Chair Edwards asking the Executive Committee to re-convene.

Lorraine Lange moved for discussion items to be discussed in closed session at the June 6, 2018 meeting.

The motion carried by unanimous vote

Recognition of Departing Board of Trustee Members

The board recognizes and congratulates Patricia White-Boyd (completed four-year term) and Robert Archer (completed four-year term) for their dedication and service on the Roanoke Higher Education Authority’s Board of Trustees. Both individuals have provided expertise and wisdom contributing to the overall success of the Roanoke Higher Education Authority. Their time and support is appreciated.

Announcement of Upcoming Executive Committee and Full Board Meeting Dates

2018

Wednesday, June 6, 2018 at 12:00 noon	Full Board
Tuesday, November 27, 2018 at 2:00 p.m.	Executive Committee
Wednesday, December 5, 2018 at 12:00 noon	Full Board

2019

Tuesday, May 21, 2019 at 2:00 p.m.	Executive Committee
Wednesday, June 5, 2019 at 12:00 noon	Full Board
Tuesday, November 19, 2019 at 2:00 p.m.	Executive Committee
Wednesday, December 4, 2019 at 12:00 noon	Full Board

There being no further business, the meeting was adjourned at 3:55 p.m.

Recorder: Dana Horan, Executive Assistant