

ROANOKE HIGHER EDUCATION AUTHORITY
Board of Trustees
Wednesday, June 6, 2018 at 12:00 noon
Roanoke Higher Education Center Room 212

MINUTES

Members Present: Robert Archer, Senator John Edwards, Tiffany Franks, Delegate Christopher Head, Brian Hemphill, Lorraine Lange, Annette Lewis, Melissa Lubin, Jean Mottley, Jennifer Pittman, Charles Price, Susan Short, Elda Stanco Downey,

Others Present: Jim McCoy, George Santopietro, Eulah Price, Kevin Bloomfield, Jeanne Armentrout, Sharon Barnes, Lesa Hanlin, Denise Bibee, Kathy Holland, June House, Joshua Thoemke, Katina Hamlar, Kay Dunkley, Dana Horan, Carla James-Jackson, Chris Meacham, Lori Van Curen

The meeting of the Roanoke Higher Education Authority's Board of Trustees was called to order at 12:32 pm. The presence of a quorum was confirmed.

Chair Senator Edwards made a motion to approve the minutes of the December 6, 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, addressed the board regarding 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 have completed their term of office and were recognized for their dedicated service.

Recommendation for Appointment of New Foundation Board Members

The following individuals were recommended to join the RHEC Foundation Board of Directors: Robert Archer, Jeanne Armentrout, Kevin Bloomfield and Melissa Lubin. Brian Hemphill moved to accept the list of nominees. **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.

Sponsorship of Event - Big Brothers Big Sisters

The Big Brothers Big Sisters-Over The Edge event will be held 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 indicated this was an informational item that did not require approval.

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. Lorraine Lange moved to approve the proposed Cash Reserve Policy. **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 approve the special request for cash reserve funding. **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

Lori Van Curen shared the FY19 Proposed Budget. Total Operating and Appropriation Revenues is \$2,848,765 with increases in member leases and day rental. Operating Expenses are \$2,782,206 with savings in facility services due to a gap in not hiring a Director of Facility Services and also includes an increase in personal services due to the addition of two receptionist positions. Operating Surplus/Contingency is \$66,559. Annette Lewis moved to approve the FY2019 Budget. **The motion carried by unanimous vote.**

Nomination of Oliver Hill for Naming Opportunity

Chair Senator Edwards proposed naming the new wing of the Claude Moore Education Complex after Oliver Hill, a nationally known civil rights leader and Presidential Medal of Freedom recipient. Kay Dunkley agreed to follow-up with family members to gather their ideas on how the naming will be presented. Lorraine Lange made a motion to approve naming the new wing after Oliver Hill. **The motion carried by unanimous vote.**

Recommendations of Personnel Committee / Executive Committee (Closed Session)

Chair Senator Edwards called for the Board of Trustees 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 Board of Trustees to re-convene.

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.

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.

Item 3: Executive Director Performance Evaluation

- Convene in closed session for discussion and recommendation

Delegate Christopher Head moved to approve all recommendations presented by the Personnel Committee. **The motion carried by unanimous vote.**

Recognition of Departing Board of Trustee Members

The board recognized and congratulated 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

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

Other Business as May be Brought Before the Committee

The Roanoke Higher Education Authority will appoint a replacement for Bob Archer who has done an excellent job as Treasurer.

The Governor will be appointing board replacements for Robert Archer and Patricia White-Boyd. Charles Price has requested to be re-appointed.

There being no further business, the meeting was adjourned at 1:47pm

Recorder: Dana Horan, Executive Assistant