

Roanoke Higher Education Authority
Board of Trustees
Wednesday, June 3, 2020 - 12:00 pm
Roanoke Higher Education Center Room 206B / Zoom

Minutes

Members Present: Senator John Edwards, Kevin Harris (zoom), Lyn Hath (zoom), Lorraine Lange (zoom), Melissa Lubin (zoom), James McCoy (zoom), Jean Mottley Huskey (zoom), Tracy Nester (zoom), Jennifer Pittman, Susan Short (zoom) and Elda Stanco-Downey (zoom)

Others Present: Attorney Stephen Lemon, Dr. Bill Nuckols with ODU, Kay Dunkley, Carla James-Jackson, Jeremiah McMillan, Jaime Miller and Lori Van Curen

The meeting of the Roanoke Higher Education Authority's Board of Trustees was called to order at 12:38 pm. The presence of a quorum was confirmed.

Senator Edwards read relevant parts of 4-0.01 in House Bill 29 and House Bill 30 permitting the board to meet electronically during the Governor's declared state of emergency created by the pandemic.

Chair Senator Edwards made a motion to approve the minutes of the December 4, 2019 meeting. **The motion carried by unanimous vote.**

Review of Financials as of March 31, 2020

Lori Van Curen shared highlights of the memorandum dated May 19, 2020 concerning financial statements for month ending March 31, 2020. The accumulated cash balance remains stable at \$3.3 million. The current cash balance is \$3,281,011, an amount that will cover 14 months of the operating budget for FY2021 that totals \$2,761,785 million. Currently \$1,645,314 is invested in money markets, \$1,010,00 is invested in certificates of deposit and \$498,1236 being invested in the Commonwealth of Virginia's Local Government Investment Pool (LGIP). Capital assets decreased \$2,245,063 to \$30,534,626 due to the depreciation of our capital assets. This was an informational item and **no motion was required.**

Potential Grant Funding for COVID-19 Expenses

Lori Van Curen reported on the Coronavirus Aid, Relief and Economic Security Act (CARES Act) that was established to provide emergency assistance in response to the healthcare needs of those affected by the 2020 coronavirus pandemic. Under the CARES Act, there are a few funding sources that are available to institutions of higher education. Each have different parameters and categories of allowable expenses within the applications; however, none of them allow for the submission of lost revenues.

The Authority has submitted applications for the following three funding sources:

1. **VDEM:** Virginia Department of Emergency Management's (VDEM) State Agency COVID-19 Cost Recovery.
 - a. This submission was made through VDEM's Public Assistance Program under the category "Emergency Protective Measures."
 - b. Expenses paid and those estimated to be paid through 8/31/20 related to COVID-19 were submitted.
2. **GEER:** Request for inclusion in the Governor's Emergency Education Relief Fund (GEER).
 - a. Accumulated and estimated future costs were submitted to the Secretary of Education along with requests from all higher education centers.
 - b. Expenses paid and estimated to be paid in FY20 were included in this submission.

3. **CRF:** Coronavirus Relief Funds through the Virginia Department of Management and Budget (DPB)
 - a. Requests will be submitted through the budget execution module of the Commonwealth's Performance Budgeting System.
 - b. Expenses paid and estimated to be paid in FY20 were included.
 - c. There is potential for a second round request that would include costs through 12/31/20.

This was an informational item and **no motion was required.**

Potential Lease Rebates

Stephen Lemon, RHEC's lease attorney with Martin, Hopkins, and Lemon law firm, facilitated the discussion on potential lease rebates. Inquiries were made by several RHEC partners about a possible reduction in monthly rent payments during the months the building was closed due to the pandemic. RHEC closed the building on March 22, 2020 in response to the COVID-19 pandemic and reopened to staff on Monday, May 18, 2020. After much discussion, **a motion was made by Lorraine Lange and seconded by Lyn Hayth to approve a one-time only special circumstances rebate to the members. This rebate would be paid from Cash Reserves and would be equal to 50% of the rent covering the 3-month period of March 23, 2020 – June 22, 2020. The motion carried by unanimous vote.**

Recommend Approval of FY2021 Budget

Lori Van Curen presented the proposed FY2021 budget that also included planning for various levels of state appropriation budget cuts (5, 7, 10, 15 and 20%). After discussion, **a motion was made by Susan Short and seconded by Lorraine Lange to approve the proposed budget. The motion carried by unanimous vote.**

Late Member Arrival

James McCoy joined the meeting via Zoom.

Update on Enrollment and Programs

Carla James-Jackson provided an update on RHEC enrollment and program completion during the fall 2019 semester. This was an informational item and **no motion was required.**

Changes and Additions to the RHEC Foundation Board of Directors

Kay Dunkley announced that Frank Martin will be leaving the board on June 30, 2020 and she thanked him for sharing his gifts and talents with us.

Kay Dunkley stated if approved, both Connie Carmack and Randolph Garrett have agreed to serve an additional two-year term starting July 1, 2020 through June 30, 2022.

Kay Dunkley recommends Catherine Greenberg to join the RHEC Foundation Board of Directors effective July 1, 2020 – June 30, 2023. **A motion was made by Kevin Harris and seconded by Lorraine Lange to accept the changes to the RHEC Foundation Board of Directors. The motion carried by unanimous vote.**

Celebratory Activities for 2020

Kay Dunkley stated due to the Coronavirus pandemic changes have been made to the planned activities: The GALA scheduled for June 20, 2020 will be rescheduled to a date yet to be determined, most likely at a time when fundraising plans have been solidified. The cutting of the anniversary cake and celebration will be held on August 20, 2020. This was an informational item and **no motion was required.**

Personnel Committee Update

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

Item 1 – 2020 Pay Increase for RHEC Staff

As part of the annual performance management process, the Budget Committee confers with the Executive Director and the Director of Finance to review the current state of the budget and make recommendations for the upcoming year.

Given the uncertainty with state budget allocations and the overall economy, the recommendation is **no pay increase** be provided to staff during the upcoming year.

The Budget Committee plans to revisit the budget in the fall, once additional information is known about state allocations. The committee requests the ability to revisit the potential for one-time bonuses or base pay increases if the financial environment is more positive than anticipated.

Request: discussion and/or approval of the plan to set an initial budget with no pay increases for the upcoming year and receipt of an additional report once the budget is revisited and confirmed in the fall.

Item 2 – Salary Equity Assessment – Informational

The Personnel Committee previously determined that an assessment of internal equity and market competitiveness for RHEC staff would be appropriate, and received approval to do so. At this time, the assessment has been paused and will be revisited at a later date when budget allows.

Item 3 – Executive Director Performance Evaluation

The Board will convene in closed session for discussion and recommendation – Agenda Item 11

After discussion, **a motion was made by Lorraine Lange and seconded by Elda Stanco-Downey to accept the personnel committee report and recommendation regarding no pay increase for RHEC staff at this time. The motion carried by unanimous vote.**

Closed Session

Lorraine Lange 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.

The re-convene of the Roanoke Higher Education Authority's Board of Trustees was called to order by Chair Senator Edwards and the presence of a quorum was confirmed.

Lorraine Lange moved for approval of the items discussed in closed session. **The motion carried by unanimous vote.**

Announcement of upcoming Executive Committee and Full Board meeting dates:

2020

Tuesday, November 17, 2020 at 2:00 pm

Executive Committee

Wednesday, December 2, 2020 at 12:00 pm

Full Board

Other Business

Elda Stanco-Downey suggested RHEC issue a formal statement regarding the current state of affairs in this country. Kay Dunkley & Senator Edwards will work to ensure a statement is released.

There being no further business, the meeting was adjourned at 1:44 pm

Recorder: Jaime Miller