

Roanoke Higher Education Authority
Board of Trustees Executive Committee
Tuesday, November 17, 2020 - 2:00 pm
Roanoke Higher Education Center Room 206B / Zoom

Minutes

Members Present: Senator John Edwards, Lyn Hath, Lorraine Lange, Charles Price, Robert Sandel and Elda Stanco Downey

Others Present: Kay Dunkley, Carla James-Jackson, Gordon Jones, Jeremiah McMillan, Jaime Miller, Jennifer Pittman, Alexandra Thacker and Lori Van Curen

The meeting of the Roanoke Higher Education Authority's Board of Trustees Executive Committee was called to order at 1:58 pm. The presence of a quorum was confirmed.

Chair Senator Edwards made a motion to approve the minutes of the May 19, 2020 meeting. **The motion carried by unanimous vote.**

Radford University Nursing Student Testimonial

Andrea Tiller, 2019 Radford University Nursing graduate, will be addressing the board at the December 2, 2020 meeting to talk about her access to educational opportunities at the higher education center. This was an informational item and **no motion was required.**

FY2020 RHEC Audit

Gordon Jones, CPA from Robinson, Farmer Cox Associate, presented his firm's audit report of the Authority's FY2020 financials. Mr. Jones reported that in the auditor's unqualified opinion, the Authority's financial statements fairly represent its financial position. The auditor's clean opinion is its highest level of assurance. The audit disclosed no instances of noncompliance with laws, regulations, etc. that are required to be reported under Governmental Accounting Standards Board. Mr. Jones stated the firm has 3 recommendations to help strengthen the internal controls:

1. Dual Signature Checks
The auditor's test of disbursements disclosed that checks were being signed by only one person and a recommendation was made that all checks be signed by at least two people. Adding the Executive Director and/or the Senior Director of Academic and Student Services strengthens the Authority's internal controls as neither of these positions use the accounting system.
2. Journal Entry Approval
The auditor's test of journal entries disclosed that the approval process for adjustments was not documented. Even though the process was in place, verification is needed. A recommendation was made to have a cover sheet for each entry that shows multiple people are included in the process (who made the entry and the person approving the entry).
3. Financial Disclosure Forms
The Auditor of Public Accounts' Specifications for Audits of Authorities, Boards and Commissions requires the auditor to review disclosure statements for members of a governing body of any Authority established in any county or city, or part or combination thereof, having the power to issue bonds or expend funds in excess of \$10,000 in any fiscal year. The auditor's test of the disclosure forms showed that 5 board members did not complete the required form and a recommendation was made that each board member complete the forms by the due date.

Mr. Jones praised Lori Van Curen and the finance staff for their work on the audit. **A motion was made by Mr. Robert Sandel and seconded by Dr. Elda Stanco-Downey to receive the audit and present it to the full board at the December 2, 2020 meeting. The motion was approved by unanimous vote.**

Personnel Committee Update on Executive Director's Goals

Jennifer Pittman, Personnel Committee Chair, presented the final goals for the Executive Director for 2020-2021 for approval. **A motion was made by Mr. Robert Sandel and seconded by Dr. Lorraine Lange to present this information to the full board at the December 2, 2020 meeting. The motion was approved by unanimous vote.**

Roanoke Higher Education Center's Foundation Board Updates

Kay Dunkley provided an update from the Foundation Board's November 12, 2020 meeting, to include the fundraising priorities with case statements for a Career Center, Scholarships, Innovation Fund and Support the RHEC Mission. This was an informational item and **no motion was required.**

Terms of Office for RHEC Center Foundation Board of Directors

In November 2019, the Foundation Board amended the Articles of Incorporation to reflect terms of office for the Directors according to Virginia law and the Virginia State Corporation Commission requirements. The action approved is as follows:

The terms of office for Directors shall be staggered among four groups of Directors as provided in Section 13.1-858 of the Code of Virginia, as follows:

- i. Group A Directors shall serve for a term of one year.*
- ii. Group B Directors shall serve for a term of two years.*
- iii. Group C Directors shall serve for a term of three years.*
- iv. Group D Directors shall serve for a term of four years.*

The change will provide flexibility for Directors to commit to various terms with no limits on the number of terms that they may serve. Initial placement in this category still allows an individual the opportunity to continue their service on the Roanoke Higher Education Center's Foundation beyond the terms listed below. Directors may also sign up for a different term length in the future.

Group A - One year 2020-2021

Kevin Bloomfield

Group B - Two years 2020-2022

Connie Carmack

John Fishwick

Mike Wray

Group C - Three years 2020-2023

Rand Garrett

Melissa Lubin

Thomas McKeon

Charles Price

Group D - Four years 2020-2024

Eddie Amos

Bob Archer

Jeanne Armentrout

John S. Edwards

Cathy Greenberg

A motion was made by Dr. Lorraine Lange and seconded by Mr. Robert Sandel to present this information to the full board at the December 2, 2020 meeting. The motion was approved by unanimous vote.

Recommendation of Budget Review Committee

The Budget Review Committee recommends to the Executive Committee a 2% cost of living increase for all RHEC staff. The committee also recommends up to \$10,000 to be directed to a one-time appreciation bonus for the staff, distributed at the discretion of the Executive Director. **A motion was made by Mr. Robert Sandel and seconded by Dr. Lorraine Lange to present this information to the full board at the December 2, 2020 meeting. The motion was approved by unanimous vote.**

Review of Financials as of September 30, 2020

Lori Van Curen shared highlights of the memorandum dated November 17, 2020 concerning financial statements for month ending September 30, 2020. The accumulated cash balance is stable at \$3,199,120, a decline from September 30, 2019 due to the Energy Loan payoff of \$509,809 approved by the board at the December 2019 meeting.

The cash reserve balance is \$3,229,869 as of November 9, 2020, an amount that will cover 14 months of the operating budget for FY2021 that totals \$2,836,514 million. Currently \$2,025,372 is invested in money markets, \$530,499 is invested in certificates of deposit and \$249,127 being invested in the Commonwealth of Virginia's Local Government Investment Pool (LGIP). Capital assets decreased \$1,487,295 to \$29,802,125 due to the depreciation of our capital assets. **A motion was made by Dr. Lorraine Lange and seconded by Mr. Robert Sandel to present these financials to the full board at the December 2, 2020 meeting. The motion was approved by unanimous vote.**

Review of Executive Director's Travel

Lori Van Curen presented a spreadsheet detailing all travel and expenses of the Executive Director for 2020. **A motion was made by Mr. Robert Sandel and seconded by Mr. Charles Price to present this information to the full board at the December 2, 2020 meeting. The motion was approved by unanimous vote.**

Plaza Project and Front Entrance Repairs

Kay Dunkley presented the following updates to the plaza project and front entrance repairs.

Plaza Updates

The plaza project is progressing. Both the City Manager and Engineer have approved the designated plot of land and the architectural drawings. Permission to advertise the project has been granted, and a date to close on the property is forthcoming. An RFP will be released in late November 2020, and the construction bidding process will take place in December 2020.

Virginia Western Community College's culinary arts program may use this green space for an outdoor learning lab. The courtyard will provide a brick seat wall allowing individuals a place to sit and enjoy the outdoors. Through interactive displays in the main building and the Gainsboro library, visitors can access stories of events and individuals who helped shape the Gainsboro community from 1835 through 1970. The walkway includes seven granite markers that illustrate the topics covered in the interpretative story.

We anticipate construction to begin in February 2021 with a completion date in the fall of 2021.

Front Entrance Repairs

While construction on the plaza takes place, renovations and repairs will be made to the front entrance, to include:

- Plank pavers in a herringbone pattern will be installed.
- The smoking gazebo will be replaced.
- A covered bike rack will be constructed.
- Plantings and shrubs will be put in.

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

Announcement of upcoming Executive Committee and Full Board meeting dates:

2021

Tuesday, May 18, 2021 at 2:00 pm

Executive Committee

Wednesday, June 2, 2021 at 12:00 pm

Full Board

Tuesday, November 16, 2021 at 2:00 pm

Executive Committee

Wednesday, December 1, 2021 at 12:00 pm

Full Board

There being no further business, the meeting was adjourned at 2:50 pm

Recorder: Jaime Miller