

Roanoke Higher Education Authority
Board of Trustees Executive Committee
Tuesday, May 18, 2021 - 2:00 pm
Roanoke Higher Education Center Room 206B/Zoom

Minutes

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

Others Present: Jennifer Pittman (Zoom), 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 Executive Committee was called to order at 2:02 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.

Senator Edwards recognized Lorraine Lange for her 8 years of service as a member of the RHEA Board of Trustees Executive Committee.

Senator Edwards announced Radford University has appointed a new board representative: Dr. Lyn Lepre.

Chair Senator Edwards made a motion to approve the minutes of the November 17, 2020 meeting. **The motion carried by unanimous vote.**

Radford University/James Madison University Student Testimonial

Carla James-Jackson, Senior Director of Academic & Student Services at RHEC, will be introducing a 2017 Radford University graduate and current James Madison University student at the June 2, 2021 Board meeting. Callie Clary will talk about her access to educational opportunities at the Higher Education Center. This was an informational item, and **no motion was required.**

Review of Financials as of March 31, 2021

Lori Van Curen shared highlights of the memorandum dated May 18, 2021 concerning financial statements for month ending March 31, 2021. The accumulated cash balance remains stable at \$3 million. The current cash balance is \$3,050,643, an amount that will cover 14 months of the operating budget for FY2022 that totals \$2,795,794. Currently \$2,044,966 is invested in money markets, \$530,500 is invested in certificates of deposit and \$249,295 is being invested in the Commonwealth of Virginia's Local Government Investment Pool (LGIP). Capital assets decreased \$1,079,072 to \$29,455,554 due to the depreciation of our capital assets. This was an informational item, and **no motion was required.**

Recommendation of Budget Review Committee

The Budget Review Committee recommends to the Executive Committee that \$53,345 be used towards employee salary and merit pay increases.

The committee recommends \$34,537 of the total \$53,345 be used for a 3% across the board cost of living increase. The committee also recommends an additional merit increase for all applicable employees, up to an average of 1.5%, distributed at the discretion of the Executive Director. The committee has agreed to allow a small latitude in merit pay to exhaust the available funds.

A motion was made by Robert Sandel and seconded by Charles Price to present this information to the full Board at the June 2, 2021 meeting. The motion was approved by unanimous vote.

Personnel Committee Update

Jennifer Pittman, Chair, stated the Personnel Committee supports the recommendations of the Budget Committee regarding the overall pool of money for salary increases and the intention to split the pool between an across-the-board COL increase and supplemental merit to be distributed at the Executive Director's discretion. The Personnel Committee recommends the merit increases should be determined in an equitable manner using an objective factor, such as performance rating. This was an informational item, and **no motion was required.**

Recommend Approval of FY2022 Budget

Elda Stanco Downey and Lori Van Curen presented the proposed FY2022 budget as approved by the Budget Review Committee.

After discussion, **a motion was made by Robert Sandel and seconded by Lyn Hayth to recommend the proposal to the full Board at the June 2, 2021 meeting. The motion carried by unanimous vote.**

Approval of Revision to Cash Reserve Policy

Lori Van Curen presented the Executive Committee with a proposed update to the current Cash Reserve Policy.

The Cash Reserve Policy has been updated as follows:

- Remove the previous third component of \$95,000 held for debt service payments annually. This is no longer applicable as this debt has been paid in full.
- Proposed new third component: Capital Reserve Fund to be used for one-time, nonrecurring expenses, projects, improvements and opportunities that are not otherwise funded by State Capital Outlay, Capital Maintenance Reserve, HEETF or other sources.
- **Capital Reserves** will be funded with an annual allocation calculated using unspent expense contingency and surplus revenues at year-end. An amount up to the 4% operating contingency or half of the total surplus may be allocated to future capital needs.
- The usage of Capital Reserves is intended for small one-time, nonrecurring projects, improvements, emergencies and opportunities that may arise. Examples include but are not limited to technology needs, weather events and small building improvements. The Executive Team and staff may identify these potential needs outside of normal financial and operational planning.

Finance will review requests and confirm that the use is appropriate and consistent with the purpose of the Capital Reserve component. This will include evaluating the availability of other funding sources and the overall Reserve balance. Applicable requests will be forwarded to the Executive Director for approval. Requests in excess of the annual allocation to the Capital Reserve component will be sent to the Executive Committee of the Board for endorsement.

After discussion, **a motion was made by Lorraine Lange and seconded by Robert Sandel to present to the full Board at the June 2, 2021 meeting for approval. The motion was approved by unanimous vote.**

Special Request for Cash Reserve Funding

A special request was made to take \$270,000 from Cash Reserves to fund the shortfall in the Plaza Project. Since the original Plaza Project request in 2018, the cost of materials has increased by 60% due to the pandemic and the natural disaster in Texas. The shortage of granite and other materials has also led to higher prices. The construction project was awarded to Price Construction for \$467,000 following negotiations to reduce several items including landscaping and a reduction in the size of the granite time-line markers. Based upon a recommendation from City Council, the footprint was reduced, resulting in additional costs to revise architectural drawings. A technology component was also added based on feedback from stakeholders.

After discussion, **a motion was made by Lorraine Lange and seconded by Robert Sandel to present to the full Board at the June 2, 2021 meeting for approval. The motion was approved by unanimous vote.**

State Budget Submissions Update

Lori Van Curen presented an update of new State funding:

Academic Student Success Services \$213,254:

- Operating budget – additional on-going academic student success services of **\$146,356** annually. This funding will provide a new full-time position for a Student Success Specialist as well as part-time contracted tutors to assist with writing, math, and computer applications.
- One-time funding of **\$66,898** will provide space renovation, technology requirements, and print and electronic resources.

Safety and Security \$98,817:

- Operating budget – additional on-going safety and security funding of **\$47,944** annually. This funding will allow for the addition of a new full-time Safety and Security Coordinator to enhance safety services and increase security presence at the Center.
- One-time funding of **\$50,873** will provide the installation of three blue light phones to give individuals the opportunity to dial a security officer and/or 911 immediately when in danger and a new NVR Security Camera System to monitor both buildings at all times.

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

Update on Programs

Carla James-Jackson provided an update on RHEC programming.

- RHEC granted new program incentive grants to Commonwealth Learning Systems (CLS), Project Discovery and the Radford University Clinical Simulation Center.
- RHEC is moving forward with plans for the new student success center and will be recruiting for a student success coordinator and tutors in the near future.

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

Addition to the RHEC Foundation Board of Directors

Kay made a recommendation to approve Jack Avis to join the RHEC Foundation Board of Directors effective July 1, 2021 – June 30, 2024.

A motion was made by Robert Sandel and seconded by Lorraine Lange to recommend the full Board at the June 2, 2021 meeting approve Jack Avis to serve a three-year term. The motion carried by unanimous vote.

Closed Session

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. **A motion was made by Robert Sandel and seconded by Lorraine Lange to move to closed session.**

Discussion took place, followed by Chair Edwards asking the Executive Committee to re-convene.

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

Lorraine Lange moved for closed session items to be discussed in closed session at the June 2, 2021 meeting. **The motion carried by unanimous vote.**

Announcement of upcoming Executive Committee and Full Board meeting dates:

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 2:56 pm.

Recorder: Jaime Miller