



Board of Trustees Meeting

Friday, January 22, 2016

12:00 - 5:00 p.m. (or until business concludes)

DeBoer Room, Hannon Library

MINUTES

Call to Order and Preliminary Business

Chair Thorndike called the meeting to order at 12:01 p.m., advising those in attendance that agenda items will be taken out of order to accommodate presenters' schedules and that the board was testing technology to live-stream the meeting.

The following trustees were present: Chair Bill Thorndike, April Sevcik, Les AuCoin, Filiberto Bencomo, Sheri Bodager, Lyn Hennion, Paul Nicholson, Teresa Sayre, Dennis Slattery, Joanna Steinman and Steve Vincent. Trustees Jeremy Nootenboom and Judy Shih, who joined the meeting during the President's Report, participated by teleconference. The following trustee was absent: Shea Washington. President Roy Saigo (ex officio) attended a portion of the meeting, excusing himself after the Student Leadership Report.

Other meeting guests included: Craig Morris, Vice President for Finance and Administration; Dr. Susan Walsh, Provost and Vice President for Academic and Student Affairs; Brian Caufield, USSE, Director of Labor Relationships; Chris Stanek, Director of Institutional Research; Jean Bushong, CliftonLarsonAllen (CLA); Diane Barkelew, USSE, Director of Financial Statement Preparation; Alana Lardizabal, Director of Human Resources; Marjorie Trueblood-Gamble, Director of Diversity and Inclusion; Torii Uyehara, ASSOU President; Larry Shrewsbury, Faculty Senate Chair; Jody Waters, Associate Provost and Director of Graduate Studies; Liz Shelby, Director of Government Relations; Steve Larvick, Director of Business Services; Drew Gilliland, Director of Facilities Management and Planning; Ryan Brown, Head of Community and Media Relations; John Stevenson, User Support Manager; Don Hill, Classroom and Media Services Manager; Janet Fratella, Vice President for Development; Sabrina Prud'homme, Board Secretary; Kathy Park, Executive Assistant; Barbara Saigo; Emily Pfeiffer, ASSOU; David Coburn, OSA; Olena Black, League of Women Voters; Dr. Bob Palzer; John Fisher-Smith; Nelson Oostenink; and Dr. Dominick DellaSala.

Trustee AuCoin moved to approve the October 16, 2015 meeting minutes. Trustee Sevcik seconded the motion and it passed unanimously.

Public Comment

Dr. Bob Palzer, a 30-year Ashland resident, co-founder of the Rogue Valley Citizens for Clean Air and former adjunct chemistry professor at SOU, expressed his deep concerns about the biomass/cogeneration. He supported replacing the present boilers with natural

gas boilers.

John Fisher-Smith, a 35-year Ashland resident, said he was familiar with stagnation of Ashland's air shed and said it would be an affront if SOU chose a system which would create a new source of particle pollution.

Nelson Oostenink, from Talent, said he worked for a company that built a hydro-site in 1984 in Oregon. He noted the quality of the biomass fuel is not guaranteed; this impacts functioning of the system and the costs for the project as well as maintenance will be higher than expected.

Dr. Dominick DellaSala is the chief scientist at the Geos Institute, former SOU faculty member and current OSU faculty. Through further analysis, he thought SOU would find other renewable energy sources to use besides woody biomass.

Chair Thorndike thanked members of the public for their comments.

Faculty Negotiations Update

Brian Caufield presented the update, saying SOU and its faculty union, APSOU, have settled a first-ever, three-year contract and the union is expecting ratification by its membership later in the day. He summarized the following aspects of the agreement: year-in-rank increases will remain in effect; COLA increases will be for assistant professors and all other faculty ranks; current healthcare benefits will remain in effect through December 31, 2017; professional development grants hold consistent in each year of the agreement; and professional development accounts for professional and professorial faculty were increased.

He discussed changes related to working conditions including faculty loads. He explained that a full load for professorial faculty is 45 equated load units (ELUs), 36 of which will be teaching and the rest composed of scholarship and service to SOU. For professional faculty, a full load is 45 ELUs of teaching plus an acceptable level of service as defined by the faculty bylaws. An MOU will be developed to create a task force to address the faculty evaluation process, dealing with issues such as deficiencies in service or scholarship. Mr. Caufield believed the HECC was looking into how institutions were going to track, maintain and identify faculty members' service and scholarship moving forward. He also described changes on how certain courses were loaded, advising, office hours and other aspects of teaching.

Mr. Caufield complimented Colin Bunnell, Mark Denney, Dr. Dan DeNeui and Dr. Karen Stone on their hard work during negotiations. He said both sides were happy with the outcome. Dr. Walsh praised Mr. Caufield as a strong leader who was deft at managing tough conversations and thanked the SOU members of the negotiating team. She thought the three-year contract was a win-win for everyone. Mr. Morris said the financial pieces of the agreement almost mirror the retrenchment plan and added his compliments to the faculty bargaining team. Trustee Slattery added that the faculty is pleased with the contract and is happy to have the negotiations conducted by people who worked so well together.

Audited Financial Statements (Action)

Chair Thorndike introduced Jean Bushong from CLA, the national accounting firm that conducted SOU's audit for 2015 and that will conduct SOU's audit next year. Ms. Bushong highlighted the results of the audit, addressed CLA's responsibilities under generally accepted auditing standards, highlighted the engagement results and discussed required communications and emerging developments. CLA issued an unmodified opinion, which is the cleanest opinion possible. It says the financial statements provided to CLA were materially correct, there being no material misstatements due to material error, fraud or noncompliance.

Ms. Bushong discussed the Governmental Accounting Standards Board Statement Number 68 (GASB 68), a significant new standard regarding the recording of defined benefit plans, such as the Oregon PERS system. At the beginning of the year, SOU recorded an \$8.4 million reduction on its net position. Due to improvements in the market, it swung from a net pension liability to a net pension asset. At the end of the year, SOU recorded a \$4.7 million asset simply due to the implementation of the new standard.

Within the financial statement, Ms. Bushong described multiple pieces included in the scope of the audit: Statement of Net Position (balance sheet), Statement of Revenues and Expenses and Changes in Net Position, footnotes, Statement of Cash Flows, and required supplemental information.

Ms. Bushong described communications CLA is required to have with governance. There are qualitative aspects of the financial statements, such as accounting policies that can impact the bottom line (e.g., changing building depreciation from 30 years to 50 years). As the governing body, the board needs to know if there have been any changes in accounting policies and why. Other than the implementation of GASB 68, SOU had no such changes. Significant financial statement disclosures are highlighted in the report, including SOU's exit from OUS, and there were no difficulties encountered during the audit. There were two uncorrected misstatements, which were based on state-mandated information and were no fault of SOU's. There were also two minor, corrected misstatements, which were summarized in the report.

Management signs a representation letter to CLA, saying SOU has provided everything to CLA, no information is being withheld and management is not aware of any fraud that has not already been disclosed. CLA did have management letter comments regarding minor balance sheet reclassifications and some small credit balances in the student information system that need to be fixed.

CLA reviews the internal control structure but does not audit or issue an opinion on it; CLA would report anything that came to its attention but there was nothing. The audit does not relieve management of its responsibility on establishing internal controls.

Ms. Bushong then discussed emerging developments. First, this year, SOU was part of the OUS system single audit. Next year, SOU will have its own individual single audit, which has never been done before. Second, the GASB 68 implementation caused a liability to swing to an asset. However, that will probably swing back to a liability in 2016

due to the State Supreme Court's ruling in the Moro case which addressed how COLAs are treated for retirees. This will not impact budgeting as it is a noncash activity that impacts the financial statement. Third was the removal of the state-paid legacy debt. Now that SOU is a standalone organization, the State cannot assign the debt to SOU and it will not be reflected on SOU's books. However, the asset will remain on SOU's books.

Trustee Nicholson stated the Executive and Audit Committee considered and approved this item. He proposed a resolution recommending acceptance of the audited financial statements. He moved that the Board of Trustees accept the audited financial statements of the 2015 Annual Financial Report for the university for the fiscal year ended June 30, 2015. Trustee Hennion seconded the motion and it passed unanimously.

Diversity and Inclusion Update

President Saigo introduced Marjorie Trueblood-Gamble, the Director of Diversity and Inclusion and SOU's Title IX Coordinator, saying SOU is ahead of the game in this area and praising Ms. Trueblood-Gamble's work. Ms. Trueblood-Gamble shared some personal and professional background information and said that race is very salient for her.

She approaches diversity, inclusion and equity issues from a social justice perspective, which means interrogating positions of power, oppression, privilege and equity and looking at diversity and inclusion from those lenses. SOU's statement of diversity, adopted in 2011, says the campus community should be rich with diversity of ethnicity, race, gender and gender identity, nationality, age, language, religious affiliation, sexual orientation, socioeconomic background, disability and political affiliation. Without this diversity, the educational process is diminished. When people note the lack of racial or ethnic diversity at SOU, Ms. Trueblood-Gamble points out that SOU may not have the numbers yet but works very hard to ensure the people brought into this campus community feel included.

Association of American Colleges and Universities (AAC&U) defines equity as creating opportunities for historically underrepresented populations to have equal access to and participate in educational programs that are capable of closing the achievement gaps in student success and completion. Ms. Trueblood-Gamble explained AAC&U's diversity framework, with diversity at the center of 1) institutional vitality and viability; 2) campus climate; 3) education and scholarship; and 4) access and success. She further explained each of these four elements.

Regarding institutional vitality and viability, Ms. Trueblood-Gamble said she is looking at SOU's policies and procedures to determine if they are lending themselves to inequitable outcomes. She mentioned past and current projects. Trustee Nicholson asked to what degree SOU's physical infrastructure comes into play, such as restrooms. Ms. Trueblood-Gamble said SOU has gender-neutral bathrooms in some buildings and gender-neutral housing. As SOU takes on new projects, such as the athletics building, that is taken into consideration. SOU also provides training on how to treat students, how to connect with them, and how to make sure they are successful.

Campus climate is evaluated through assessments and focus groups. There are also programs, discussions and speakers to encourage dialogue; employee participation is

improving in those activities. Safer spaces for underrepresented populations to gather are provided for both students and employees. Ms. Trueblood-Gamble and another faculty member meet monthly with the Ashland Mayor and Chief of Police to discuss race issues. There are challenges to creating a positive campus climate, including micro-aggressions, an unwillingness to hear about personal missteps, external forces and historical legacies on a state level, and communication challenges.

The focus for education and scholarship is on what is being offered in the curriculum. She believes it is an accolade that SOU has a diversity requirement for graduation as many colleges do not. There are also programs that support education, such as webinars and Native American, gender, sexuality and women's studies.

In access and success, the focus is on outreach, recruitment, retention and persistence to graduation for underrepresented students. For example, pre-college programs (e.g., Academia Latina and Pirates and Bulldogs to Raiders) and college efforts (e.g., diversity scholarship and first-year mentors). SOU has five identity-based clubs and organizations and four identity-based resource centers, which are open to all students. The three different graduation celebrations – Lavender, Multicultural Resource Center, and Success at Southern – highlight the success of underrepresented students.

At its core, the equity and empowerment lens is a set of principles, reflective questions and processes that focus at the individual, institutional and systemic levels of racial equity. It addresses what is and is not working regarding racial equity, shifts the way decisions are made, and heals and transforms structures, environments and people. Board decisions may impact the five Ps – purpose, people, place, process and power.

Explaining “Where we are now,” Ms. Trueblood-Gamble said SOU is one of the top 25 LGBTQ universities in the country, is cutting edge for Title IX responses, has student-centered approaches that foster a sense of belonging, and is increasing racial and ethnic demographics for students, faculty and staff. There are barriers to equality, including capacity in terms of time and people, priorities, fear, and change fatigue. SOU's weaknesses include being slow to change, lower graduation rates than desired for all groups, needing stronger engagement from all campus groups, and needing to improve morale.

Ms. Trueblood-Gamble asked the board to consider someone with cultural humility as SOU's new leader, maintain diversity and inclusion as a priority, ask questions about diversity, make space for the student voice and engage in diversity efforts.

President's Report

President Saigo commended Ms. Trueblood-Gamble on her presentation and trustees for their engagement and questions.

President Saigo reported on improvements in the following aspects of the university: the SOU-JPR relationship; enrollment; retention; Preview Weekend events; the SOU-KCC partnership; Vice President Fratella's staff and fundraising efforts; the Schneider Children's Center; and athletics with the advancement of the McNeal project as well as the upcoming Play like a Girl event.

President Saigo closed by praising the high quality of his cabinet and senior staff.

Regarding SOU athletics, Chair Thorndike remembered Stan and Tommy Smith, anchors and supporters for SOU. Sadly, Stan Smith passed away and will be missed.

Committee Reports

At the December 18 meeting, Chair Thorndike said the Executive and Audit Committee received a faculty negotiations update; considered two submissions for the external auditor position; and confirmed the selection of Parker Executive Search as the presidential search firm. He thanked Trustee Hennion for her work on the search committee. At the January 22 meeting, the committee had an extensive review of SOU's audited financial statements; learned there were six candidates being considered for the internal auditor position; and discussed an adjustment to the contract of an individual who works for the board, which will be discussed later in the meeting.

Finance and Administration Committee Chair Nicholson reported on meetings held on November 19 and January 2. The committee received updates on the internal and external auditor positions; heard from Dr. Walsh and President Saigo about SOU's report to the HECC on what SOU has accomplished compared to EOU's report on what it hoped to do; discussed the noise at the SOU Science Building and commended Drew Gilliland, his staff, and Mr. Morris on their responsiveness to the neighbors. The committee also received an enrollment update and commended Chris Stanek on his work; discussed the timeline on accreditation; discussed strategic initiatives and the \$1.2 million in funding from the legislature; explored a dashboard of financial and other metrics; and discussed balance sheet ratios, which are in good shape and are an important factor in the HECC's valuation of SOU. The committee also discussed the campus master plan and the impact it will have on 2017-2019 funding as well as a cogeneration-biomass system, which will continue to be explored to some degree and will be brought to the board in the April meeting.

Trustee AuCoin praised Trustee Nicholson on his method of introducing an issue so the committee may examine the topic in detail before taking action.

The committee also had a presentation on the revenue generation process, with the goal of having sufficient time to review the information before having to make a recommendation to the board in April. Torii Uyehara and Brian Sorensen gave a presentation on the process ASSOU uses to develop the student incidental fee, which made the committee members confident they will be in a good position to accept it when the issue is presented for action.

Academic and Student Affairs Committee Chair Sayre provided the report from the November 19 and January 21 meetings. The committee received updates from Dr. Walsh on the university's MOUs with KCC and RCC, ongoing negotiations, and a possible launch date; enrollment updates from Mr. Stanek; updates on the HECC report in December; and Ms. Trueblood-Gamble's report on race awareness week. The committee also received reports on the Bridge Program, College Transition Collaborative, and accreditation.

The committee discussed a proposed Bachelor of Music degree program. Dr. Vicki Purslow presented the background information and the committee approved the proposal, which required no additional faculty or finances. The proposal moved to the Provosts' Council and was sent back to SOU. After making requested changes, it will go back to the Provosts' Council, then to the HECC. Ideally, the degree program would be approved and offered in the fall of 2016. Also in the area of curriculum, the committee heard about the early efforts to create a Health Science degree program.

A presentation on recruitment, enrollment and retention was shared with the committee. Trustee Sayre said the administration should be very proud of the presentation and she praised those who presented: Jennifer Fountain, Taylor Burke, Donny Nickelson and Kelly Moutsatson.

Student Leadership Report

Torii Uyehara, ASSOU President, thanked the board for creating time on the agenda for her presentation, saying it is a testament to what the board does on the SOU campus, in contrast to other institutions.

ASSOU runs a plethora of campaigns. At the beginning of each year, ASSOU votes on what projects will be pursued during the year. First, Ms. Uyehara reported on ASSOU's approach to the Fair Housing Campaign, as students face housing discrimination in Ashland. There is a student serving on the Housing and Human Services Commission and they are working to develop an occupational protection for students. Over 300 petitions have been collected from students who have been discriminated against. Second, she discussed ASSOU's coat drive with donation points in the Stevenson Union. Third, she reported that ASSOU and the Residence Hall Association have been the two major leadership organizations for students on campus but there has been tension between the two. The leadership from both organizations met and built a coalition focusing on helping each other, encouraging student participation and doing better as student leaders.

In closing, Ms. Uyehara encouraged trustees to attend ASSOU meetings and events if they have time. It means a lot to the students and has a positive impact.

Faculty Senate Report

Trustee Slattery, Faculty Senate Vice Chair, provided the report in Larry Shrewsbury's stead. Faculty Senate will carry out and fulfill its obligations under the constitution and bylaws, including filling seats on the committees and councils necessary for the welfare and operations of SOU and approving new courses and curricula. Trustee Slattery described a few specific issues: Last year, a large amount of time was spent editing the bylaws and constitution to reflect the new academic restructure.

He also noted SOU's School of Business shared how they publicize the accelerated baccalaureate program and encourage faculty in other programs to conduct similar outreach.

This year, Faculty Senate took a stand in favor of moving forward with the presidential search; they thoroughly examined and finalized a recommendation on the Professor of Practice "issue/rank" that had been an issue for two years. Faculty Senate will focus

attention on recruitment and retention. Dr. Walsh added mention of the Student Success Committee beginning this month as a dual reporting committee—reporting both to Faculty Senate and the University Planning Board.

Bond Funding for McNeal Pavilion: \$2 million XI-11Q bonds; and Theater - JPR Building: \$1.5 million XI-11F bonds (Action)

Trustee Nicholson presented this item, reminding the board members that \$3 million was added to the McNeal project budget, with the expectation that \$2 million would be met through bond funding and the remaining \$1 million would be reached through a capital campaign handled by the Foundation. At this point, the board needs to move forward and start pursuing the bond funding through the legislature.

Trustee Nicholson moved that the Board of Trustees authorize the Vice President for Finance and Administration, in consultation with the university president and the Chair of the Finance Committee, to pursue bond funding in the 2016 legislative session to fund the following capital projects: firstly, the McNeal Pavilion Project: \$2 million in the form of XI-Q bonds; and the Theater - JPR Building Project: \$1.5 million in the form of XI-F(1) bonds. This motion does not signify the board's request or authorization to sell or issue the bonds. He further moved that, upon approval by the legislature of such bonds, the Vice President for Finance and Administration shall submit to the Board such additional resolutions and other considerations necessary for issuance of such legislatively authorized bonds.

Trustee AuCoin asked for Liz Shelby's input on what local legislators think about these two projects. Ms. Shelby said SOU is in good stead with Representatives Bates and Buckley and the legislature leadership. It is well established that SOU will move forward with the bond request. The question is whether or not the State would pursue bond funding in the short session, not whether or not the projects would be included.

Regarding the approval of \$1.5 million for the Theater - JPR project, Trustee Nicholson reminded the trustees it will be funded through the JPR Foundation over time.

Trustee Slattery seconded the motion. The motion passed unanimously, with Trustee Hennion abstaining due to a possible conflict of interest.

Presidential Search Update and Committee Appointments (Action)

Trustee Hennion thanked everyone who has been involved in determining the composition of the Presidential Search Committee. In selecting committee members, they focused on many factors, including having individuals who would balance each other's thoughts, provide a good representation, would maintain confidentiality, and would be diverse and inclusive. The five board members who were nominated to serve on the committee were Trustee Hennion, as chair; Trustee Nicholson, as vice chair; and Trustees Slattery, Sayre and Washington. The search firm recommended including other members while keeping the total membership to about 15. Three spots were allocated to faculty members: Drs. Ed Battistella, Joan McBee and Amy Belcastro. Two spots were allocated to students: Darius Kila and Torii Uyehara. Two spots were allocated to staff: Colleen Martin-Low and Chris Stanek. The public university president representative is Dr. Chris Maples from Oregon Institute of Technology. The two individuals to represent the community are

Sid DeBoer and Tamara Nordin. All those individuals are the voting members on the committee. The committee added five ex officio members: Sabrina Prud'homme, as the search coordinator; Provost Walsh; Craig Morris; Janet Fratella; and Jason Catz. The committee is gender balanced, 20 percent are SOU alumni and 20 percent are people of color or members of other underrepresented groups.

Trustee Hennion moved that the Chair of the Board of Trustees formally appoint the full membership of 15 voting members to the Presidential Search Committee and further moved that the Chair of the Board of Trustees appoint the ex officio, nonvoting members to the Presidential Search Committee to serve in a coordinating or advisory capacity. Trustee Nicholson seconded the motion and it passed unanimously. (NOTE: Due to necessary changes with committee composition, Jeff DeBoer replaced Sid DeBoer as a voting member and Marjorie Trueblood-Gamble was added as an ex officio member at a later date.)

Chair Thorndike added, when he and Trustee Hennion called the nominees, it was very refreshing that everyone was so willing to serve. Trustee Hennion thanked all the members of the ad hoc committee. Trustee AuCoin complimented Trustee Hennion, saying she has done an exquisite job. Trustee Hennion advised the board that the search firm has already scheduled listening sessions on February 3 and 4 to ask constituent groups for input; press releases will be issued about a week prior to the listening sessions.

Chair Thorndike recognized Treasa Sprague from Mr. Morris' office, who will assist Ms. Prud'homme. Ms. Sprague has participated in the last two presidential searches at SOU.

Chair Thorndike reminded the board of the conversation at the retreat about the salary range that can be offered to the new president. He asked Trustee Nicholson and Mr. Morris to look at SOU's budget to see where SOU is regarding a range that would attract quality candidates. He thought SOU could not go much below the floor the other TRUs are at and should take into account the proposed increase in President Saigo's salary.

Trustee Hennion mentioned the upcoming meeting of the Presidential Search Committee and said the most immediate task the search firm will help with is drafting the position statement based on feedback it receives.

Presidential Contract Amendment (Action)

Chair Thorndike asked for the board's support in amending Dr. Saigo's current contract, which was converted into a presidential appointment, adding that the board now better understands what a 2-year interim contract means. He and President Saigo identified three economic items that can be done as the contract is wrapped up this year.

Trustee Sevcik moved that the Board of Trustees authorize the Board Chair to execute an amendment to President Roy Saigo's contract that will add or modify the following terms of his current contract as follows: (1) extend President Saigo's contract by one month to July 31, 2016; (2) increase the moving expenses to be paid to President Saigo on or about June 30, 2016 from \$5,000 to \$15,000; and (3) increase President Saigo's salary by 3 percent, retroactive to October 1, 2015.

Chair Thorndike noted these are economic changes that would bring President Saigo's total compensation in line with where the board believes he should be relative to the work he does here and recognizes the Saigos made a major commitment in relocating. Trustee AuCoin mentioned the cost of living increase conforms with the increase other SOU employees received.

Trustee Sayre seconded the motion and it passed unanimously.

Chair Thorndike mentioned the presidential portrait that will be commissioned, the Medford Chamber of Commerce recognition of President Saigo at an upcoming forum and that other avenues of recognition are progressing through SOU's established procedures.

Enrollment Update

Chris Stanek discussed the enrollment numbers for winter, at two weeks into the term. He highlighted numbers for student credit hours (SCH). The total undergraduate SCH is up 3.1 percent. Graduate SCH is almost exactly in the same position as last winter.

The total FTE for the enrolled student headcount is 2.8 percent. Mr. Stanek agreed with Trustee Nicholson's observation that the average student is taking a slightly heavier course load this term compared to last winter. The number of non-resident students continues to increase and the number of students of color increased 10.4 percent. Responding to Trustee AuCoin's question about the diversity in faculty and staff, Mr. Stanek said 10 percent of faculty and 12 percent of classified staff are ethnically diverse. The number of ethnically diverse individuals on campus is almost 30 percent. For these calculations, Mr. Stanek uses only statistics from individuals who declare an ethnic background.

The total headcount and FTE do not yet reflect the incoming advanced southern credit students. Mr. Stanek estimated a final increase of 2 percent over last winter.

Accreditation Update

Dr. Jody Waters, serving as chair of the steering committee, updated the board on the accreditation process, plan and expectations over the next few months. She informed the board of the October site visit.

Dr. Waters described the accreditation standards and explained the focus of SOU's upcoming report. SOU's last comprehensive report was submitted in 2007 and one of the items SOU was asked to address was assessment and how well SOU is undertaking assessment at an institutional level. She further explained the ways in which SOU is addressing that, such as appointing Dr. Kristen Nagy Catz, the Director of Assessment.

SOU has held academic program workshops to train personnel on the self-study they will submit in March. She further explained the process of putting together the report among subcommittees, academic support programs, accreditation retreat, these self-studies and draft writing.

Chair Thorndike noted this process works best as a continuous quality improvement process. Anything that can be done to keep moving towards this being a continuous,

ongoing process is to SOU's benefit. Dr. Waters said the accreditors agree with that.

Responding to Trustee Steinman's inquiry, Dr. Waters said she does not know who the NWCCU visitors will be. Answering Trustee Sayre's question, Dr. Walsh did not think any questions would be provided in advance to the board but she will double check. Mr. Morris said the visiting team will want to meet with the trustees but it is not typical to get questions in advance.

Legislative Update

Liz Shelby began by thanking President Saigo for allowing her to continue to represent SOU in the legislature. She noted the legislature will convene on February 1 for a short 35-day session. Ms. Shelby issued a handout that included several items that will probably generate discussion in the session including: the gross receipts tax; the increase in PERS costs; the governor's proposal on minimum wage changes; and emergency planning at universities.

As a result of the last legislative session, there are many HECC work groups and SOU has been proactive in ensuring its representation on groups, as they may issue reports that could move forward as legislation.

Ms. Shelby noted SOU's priorities: state investment for priority needs; capital projects; and disbursement of a \$1.9 million special purpose allocation, that was provided in the last legislative session to assist the smaller institutions in meeting the requirements of the classified bargaining units. The universities reached an agreement and anticipate the legislators will endorse it and move forward with the disbursement in the February session.

The university venture development fund provides dollars, through tax credits, to transition research ideas to commercialization. SOU does not take great advantage of this but it preserves the opportunity for SOU if it should have patents or ideas for commercialization in the future. Trustee Vincent volunteered to serve on an internal working group if there is a project SOU wishes to commercialize.

Chair Thorndike added that these efforts also represent a good connection between the four TRUs and the three larger institutions, reminding the latter that there are four other universities in the Oregon system. It is important to keep provosts and presidents at the table working jointly and supporting each other.

There are several policy bills identified so far that the team will monitor: measures related to student health records privacy, loan refinancing, payment of community college courses by school districts, student voter registration and concussions for student athletes.

Ms. Shelby highlighted two dates. On February 4, the presidents and board chairs will meet in Salem with the governor and legislative leadership to discuss legislative priorities. February 11 is University Day.

Answering questions from a previous meeting about what the HECC can do if it does not like SOU's conditions report, Ms. Shelby quoted from Senate Bill 493: "If the Higher

Education Coordinating Commission determines . . . that the university has not met the necessary conditions by the specified date, the commission shall notify the Governor, the legislative assembly and the governing board of its determination.”

HECC Report Update

Dr. Walsh updated trustees that she, President Saigo, Mr. Stanek, Mr. Morris, Dr. Karen Stone and Mark Denney presented a HECC update in December, which was well-received.

Dr. Walsh said Brian Fox at HECC acknowledged SOU’s improvements in FTE enrollment, the size of incoming freshman classes, intentional recruiting and enrollment efforts. However, retention is an area needing continuous focus. Dr. Walsh underscored the HECC’s appreciation for President Saigo’s work at SOU.

The HECC also gave good marks for the academic management of SOU, acknowledging division restructuring. Mr. Fox praised Dr. Stone’s work in this area and Dr. Walsh added that Mr. Stanek assisted in those efforts. SOU has one person dedicated to academic resource management and can show every single faculty’s loading, every single class they are teaching and any assigned release time for administrative purposes. The HECC also recognized the provost’s office, saying its work is increasing SOU’s ability to understand and adapt to the new governance structure and dynamic external operating environment.

Mr. Fox acknowledged SOU’s lack of a strategic plan, limitations on the university’s ability to do other planning, significant transition, upcoming accreditation and other challenges. He added, SOU needs to continue to focus on enrollment and establish more consistent enrollment channels. The HECC commended SOU for its outreach to the Hispanic population in the Rogue Valley.

Trustee Vincent said he thought some of the HECC’s comments reflected a lack of understanding what the regional universities are about and asked if the trustees can do anything to bridge that, such as inviting members of the HECC to visit SOU. Dr. Walsh said the HECC did visit SOU before and it might be beneficial to have visits more often. Trustee AuCoin asked if HECC commissioners have higher education backgrounds. Mr. Morris said some of them do and all are dedicated to their jobs.

Although SOU can now track administrative release time, Dr. Walsh said SOU does not do as well tracking contractual release for professorial faculty. A task force comprised of faculty and staff will create a mechanism to ensure that every release for professorial faculty can be accounted for. The goal is to have a tracking mechanism in place before the next promotion and tenure cycle.

Dr. Walsh read an excerpt from the HECC’s letter: “Southern Oregon University has managed to stabilize its enrollment and put itself in a much improved fiscal position. It has made great strides over the past two years in building a foundation for success. The HECC appreciates SOU’s willingness to have open and frank dialogue regarding its plans, efforts and issues to be confronted. Much work has been done. Much work remains.”

Adjournment

Chair Thorndike adjourned the meeting at 4:48 p.m.

Date: April 15, 2016

Respectfully submitted by,

A handwritten signature in black ink, appearing to read "Sabrina Prud'homme", written over a horizontal line.

Sabrina Prud'homme
University Board Secretary