



Board of Trustees Meeting

Friday, March 16, 2018

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

DeBoer Room, Hannon Library

MINUTES

Call to Order/Roll/Declaration of a Quorum

Chair Bill Thorndike called the meeting to order at 12:09 p.m.

The board recognized with a moment of silence the recent deaths of two SOU alumni: Steve Nelson, a former president of the Jefferson Public Radio (JPR) Foundation and long-time supporter, and Ashland Police Officer, Malcus Williams II.

Chair Thorndike announced that Trustee Santos has been named the 2018 distinguished alumnus of Willamette University.

The following trustees were present: Bill Thorndike, Lyn Hennion, Les AuCoin, Sheila Clough, Shanztyn Nihipali, Daniel Santos, Linda Schott (ex officio), April Sevcik, Dennis Slattery, Joanna Steinman and Steve Vincent. Trustees Paul Nicholson, Teresa Sayre and Shea Washington were absent.

Other meeting guests included: Jason Catz, General Counsel; Greg Perkinson, Vice President for Finance and Administration; Dr. Susan Walsh, Provost and Vice President for Academic and Student Affairs; Fred Creek, Director of Campus Public Safety; Janelle Wilson, SOU; Janet Fratella, Vice President for Development; Joe Mosley, Director of Community and Media Relations; Jennifer Fountain, Student Life; Dennis Jablonski, Faculty Senate; Hugues Lecomte, Director of Campus Recreation; Debbie O’Dea, Financial Aid; Daryl Maplethorpe, ASSOU; Leo McCaffrey, ASSOU; Ryan Schnobrich, Internal Auditor; Matt Stillman, Registrar; John Stevenson, User Support Manager; Sabrina Prud’homme, Board Secretary; and Kathy Park, Executive Assistant.

Public Comment

There was no public comment.

Reports

President’s Report

President Schott first provided an update on strategic planning. Groups have continued working and the committee’s work is almost done. The implementation phase is just beginning, the first step being a cabinet retreat. Thinking about the leadership structure needed to advance the plan, President Schott said she is considering hiring a vice president for enrollment and student services because of

importance of enrollment, retention and the quality of the student experience. There are two emergent foci for the university - diversity, equity and inclusion and sustainability - and she is evaluating what administrative structure might best advance those initiatives. SOU is purchasing additional software to track its progress on the strategic initiatives, which will also help inform the accreditation report.

President Schott reviewed some of the opportunities she has had to engage with students. This year, she began holding quarterly cabinet-to-cabinet meetings with ASSOU, which appear to be working well. There has been much joint engagement around the topic of setting the tuition and fee rates; University Day in Salem was very successful; she participated in various conferences and classes on campus; and will host another “Cookies with the President” event.

In accordance with the Clery Act, SOU recently issued a “timely warning” over an incident that occurred in the Science Building. Discussion ensued on the requirements and purpose of such warnings; how SOU can improve its communication in such events; and SOU emergency alerts.

President Schott said she has also been engaged in advocacy activities. She was appointed to the HECC’s post-secondary strategic funding plan work group. As a member of AASCU’s Council of State Representatives, she will attend the quarterly meeting in Washington, DC and will organize and lead a webinar on competency-based education. She has participated in recent Raider Rendezvous events and met with a couple of newspaper editorial boards. She will participate in a full slate of Rotary meetings to promote the strategic plan.

President Schott said athletics continues to do well. She highlighted various accomplishments, including SOU’s most-awarded athlete, Jessa Perkinson.

Lastly, President Schott announced that Trustee Slattery has been selected as this year’s commencement speaker.

Janet Fratella provided an update on fundraising. Thus far in fiscal year 2018, \$1.88 million has been raised against the goal of \$3.25 million. New gifts that have come in include those from Barry and Kathryn Thalden, Ty Burrell, the estate of Anne Decker, Jim Collier, Betty LaDuke, Elisabeth Zinser, Jim Hatton and Patsy Smullin. The SOU Foundation has raised \$76,500 toward the fund match offered by Sid DeBoer. Ms. Fratella mentioned past and upcoming Raider Rendezvous events.

Committee Reports

Academic and Student Affairs Committee – In Trustee Sayre’s absence, Trustee Vincent delivered the report. He said [ASSOU] Vice President McCaffrey shared remarks on shared governance as well as the Tuition Advisory Council (TAC) process. The committee discussed the student incidental fee and received an overview of the student fee process and the tuition and fees recommendation. Provost Walsh reported on a recent outreach trip to American Samoa, which generated much interest. She also

reported on the success of the online MBA program and efforts being made to make federal financial aid available for students seeking stand-alone certificates. The committee also discussed bills going through the legislature.

Finance and Administration Committee – In Trustee Nicholson’s absence, Trustee Slattery delivered the report. He said in February the committee received an update on tuition and fees. The committee had three action items in its March meeting, all of which will be presented later in the board’s meeting. Matthew Soloway gave a presentation on the student fee process and recommendation. The committee took action on the proposed tuition and fees and on a proposed OLLI project. Greg Perkinson provided an update on a bond issue and the new capital funding project.

Executive and Audit Committee – Chair Thorndike said the committee did not meet.

Student Leadership

Leo McCaffrey said ASSOU finished its student fee recommendation. Elections are ramping up and some wonderful people are stepping forward to take over ASSOU leadership roles. Next term, ASSOU will send six students to Washington, DC for a women’s leadership conference.

Faculty Senate

In Deborah Rosenberg’s absence, Dennis Jablonski presented the report. Faculty Senate heard proposals from entities to support the state governor’s food drive. They approved courses in University Studies, graduate program catalog changes, and a proposal from the Office of International Programs to allow students not on a degree track to take intensive English courses to increase the presence of international students on campus. They discussed the strategic goal to improve teaching in general. Senators heard the rationale for tuition rate increases and were allowed to provide written comments. They joined the president’s conversation to consider open-source textbooks to lower overall costs to students; faculty are very supportive of this idea. Senators also reviewed their bylaws to ensure alignment with the new APSOU [faculty union] contract and have begun discussions on options for incentivizing tenured faculty.

Consent Agenda

Trustee Vincent moved to approve the January 19, 2018 meeting minutes, as presented. Trustee Clough seconded the motion and it passed unanimously.

Action Items

2018-19 Student Incidental Fee Recommendation

Chair Thorndike said members of both the Academic and Student Affairs and Finance and Administration Committees discussed the student fee process and recommendation, the TAC’s process, and the president’s recommendation on the tuition and fee rates. Additionally, the Finance and Administration Committee voted unanimously to recommend the board approve the proposed the student incidental fee and the tuition and mandatory fees. He said, if everything goes smoothly, the board will vote on the student incidental fee and the tuition and mandatory fees in a

combined motion.

Leo McCaffrey said the students on the Student Fee Committee consider what the money is paying for and how students use it. When requesting funds, each organization must provide detailed information, such as what it is doing, how many students are affected and what it plans to do to grow the program. Mr. McCaffrey asked the board to approve the student incidental fee recommendation. At Trustee Clough's request, Trustee Nihipali explained that the student incidental fee funds two programs that support the onboarding of incoming new students: New Student Orientation and Week of Welcome. Trustee Santos praised the work done and the amount of engagement in the student fee and TAC processes. Chair Thorndike acknowledged that students come to SOU not only for the academics but also for the programs the student body chooses to fund.

2018-19 Tuition and Mandatory Fees Recommendation

President Schott said the university has taken this process very seriously and knows how important it is for the students and the well-being of the institution. She recommends several tuition rates, in particular an increase of 4.22 percent for resident undergraduates and an increase of 2.14 percent for resident graduates.

In developing the tuition and fee recommendation, Mark Denney said there was campus-wide engagement. They looked at the total cost of attendance (which includes tuition, mandatory fees, housing and meals) and how SOU compares to other schools; the process was inclusive, engaged and considered. Mr. Denney praised SOU students' involvement and their influence across the state. Compared to other schools, SOU's tuition is the lowest of a tight band with PSU and WOU. He also compared SOU's Western Undergraduate Exchange (WUE) rate to the in-state rate for California schools since the bulk of SOU's WUE students come from California; if SOU's WUE rate is too far above the in-state rate, it will impact students' decisions.

Mr. Denney discussed enrollment trends, saying enrollment plays a large part in where SOU sets its tuition rate. SOU has done well in the last three years compared to similar schools; its average has been slightly up and is also projected to be slightly up.

Mr. Denney described the composition of the TAC, the Student Fee Committee and the Student Recreation Center Advisory Council. Those groups, along with the Director of the Student Health and Wellness Center, are involved in the fee processes.

He explained the primary cost drivers is labor, which is reflected in the pro forma, as is the headcount increase for the online MBA program. For two years in a row, SOU has had the lowest cost for delivering academic programs per student FTE and will need to continue to control those costs.

Responding to Trustee Clough's inquiry, Mr. Denney said the biggest savings is the efficient and effective use of faculty, course scheduling and class loading. Dr. Walsh and Trustee Slattery praised Dr. Karen Stone's work in that regard. Trustee Hennion

said she was impressed with what SOU is doing in this area, its efforts to help other universities, and its work being presented at national conferences; she thought it was important to spread this word in Salem. President Schott reminded everyone that SOU's faculty and staff continue to feel very stretched and that they are asked to do too many things with too few resources; Trustee Steinman echoed that sentiment based on her conversations with colleagues. President Schott said that as SOU increases its financial stability it will selectively reinvest through a careful and considered process.

Mr. Denney discussed other factors that influence the tuition rate. SOU does not do as well as other institutions in the funding model. However, SOU's successes in enrollment growth are translating into success in the funding model, but less than what he thinks it should.

He also explained enrollment projections, adding that the bulk of SOU's upward trajectory is based on the startup of the online MBA program. He said this is a conservative estimate when compared to early results as well as Academic Partnerships' historical results. The rest is SOU's proven history of improving retention among students. New recruitment initiatives also are in place.

Discussing the pro forma, Mr. Denney said it projects an ending fund balance in excess of 10 percent over the next two biennia and above 11 percent for the current biennium. There needs to be consistency in state funding, including a current service level guarantee, and in SOU's ability to invest in long term projects. Costs need to continue to be managed and should go up commensurate with enrollment strength. Mr. Denney stressed that recent successes are not enough; SOU must continue working on everything it has been successful at.

Mr. Denney then turned to the tuition rate and mandatory fee proposals, as detailed in the meeting materials. He said a new differential rate is proposed for American Samoa, which is the same as the WUE rate; SOU has also submitted a request that American Samoa be included in the WUE program. If the proposals are approved, the dollar impact to SOU resident undergraduate students is an additional \$313 in tuition per year and an additional \$324 for resident graduate students. There would be a \$54 increase in mandatory fees per year. For students living in housing, there would be an additional \$435 for housing and meal plan. The total increase would be approximately \$800 for both resident undergraduate and graduate students, almost \$1000 for WUE students, and almost \$1,400 for nonresident undergraduate students. The total cost of attendance for resident undergraduate students would be almost \$24,000 per year. The figure going before the HECC for its review, not approval, is a 4.04 percent increase (\$322) in tuition and mandatory fees for resident undergraduate students.

Trustee Sevcik moved to approve the resolution as included in the meeting materials. Trustees Steinman and Slattery seconded the motion. Trustee Sevcik commented on the great progress that has been made and stressed that more still needs to be done. In support of the motion, Trustee Vincent said the information Mr. McCaffrey presented about the students' support of the proposal was critical and praised SOU's cost

containment efforts. The board secretary called a roll call vote and the motion passed unanimously.

Osher Lifelong Learning Institute (OLLI) Renovation Project

Janet Fratella said OLLI's space utilization study concluded that Campbell Center was sufficient for the program's expected growth but needed to be renovated. OLLI has proposed a \$676,200 capital improvement project. OLLI already has used some of its reserve budget to renovate one of the rooms and will seek significant donor funding for the project. SOU will cover the cost of the HVAC system. Because the total cost exceeds \$500,000, the board is being asked to approve the project.

Trustee Santos moved to approve the project expenditures, subject to OLLI raising the funds. Trustee Slattery seconded the motion and it passed unanimously.

Information and Discussion Items

Update on Status of 2015 XI-Q Bond Authority

This agenda item was not covered in the meeting.

Legislative Update

Jeanne Stallman addressed several bills from the 2018 legislative session: HB 4053, which studies how colleges accept or do not accept early college credit; HB 4141—the tuition advisory council bill, which was built on SOU's tuition-setting process and one where the students were effective advocates; SB 1563, which allows DACA students to continue to receive in-state tuition and financial assistance; and SB 5702, which gave SOU \$2.855 million for its boiler project and requires the HECC to report on its prioritization of universities' capital project requests.

Discussion ensued on the role and authority of the HECC and the importance of working with the HECC rather than against it.

Student Life Annual Report

Jennifer Fountain stressed the importance of student retention and highlighted several points from the 2016-17 Student Life Annual Report. Student Life assembles the report to show appreciation for support received and to show how it can also educate students. She discussed the \$4 million budget; professional staff members and their qualifications; features of the Stevenson Union; the various resource centers; roles in health promotion and civic engagement; Schneider Children's Center; campus recreation; events for new students; and the student incidental fee.

Ms. Fountain commended Trustee Nihipali for his work with the Multicultural Resource Center, Ho'opa'a Hawai'i Club, and the Polynesian Education Conference.

Responding to Trustee AuCoin's inquiry, Ms. Fountain provided information on counseling and other services provided to veterans. Trustee Slattery mentioned changes on the campus since the 1970s and the various ways veterans now are recognized.

Review of Association of Governing Boards of Colleges and Universities Annual Conference Agenda

Chair Thorndike said the trustees who will attend the conference were looking forward to learning and bringing back information and perspectives to share with the board.

Future Meetings

Chair Thorndike said the June meeting will be after commencement, at which time the board will act on the proposed budget, approve an internal audit plan, say farewell to some trustees, welcome newly-appointed trustees, and vote on board officers.

Theater and Jefferson Public Radio Building Tour

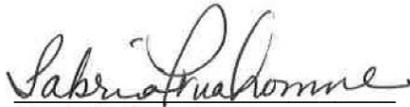
Greg Perkinson, David Humphrey and Paul Westhelle led this tour for the trustees.

Adjournment

Chair Thorndike adjourned the meeting immediately before the trustees departed on the tour.

Date: June 22, 2018

Respectfully submitted by,

A handwritten signature in cursive script, reading "Sabrina Prud'homme". The signature is written in black ink and is positioned above the printed name.

Sabrina Prud'homme
University Board Secretary