



**Regular Meeting of the SOU Board of Trustees  
March 27, 2015 Meeting  
DeBoer Boardroom, Hannon Library**

**Minutes**

**Trustees Present:** Les AuCoin, Lyn Hennion, Paul Nicholson, Jeremy Nootenboom (phone), Roy Saigo (ex-officio), Teresa Sayre, April Sevcik, Judy Shih, Dennis Slattery, Joanna Steinman, Bill Thorndike, Steve Vincent

**Trustees Not Present:** Fily Bencomo, Shea Washington

**University Staff Present:** Dr. Susan Walsh, VP Craig Morris, Jason Catz, Liz Shelby, Eric Baird, Ryan Brown, Jennifer Foundation, Danielle Mancuso, Fela Winfrey, Nicolle Aleman (short visit), Fred Creek (short visit), Chris Stanek, Dr. Karen Stone, Drew Gilliland, Victor Chang, Tim Robitz

**Call to Order**

Chair Thorndike called the meeting to order at 12:12P.M., and asked the acting Board Secretary to call the roll. A quorum was present.

**Public Comments**

No public comments.

**Up-Coming Campus Events**

During lunch, two upcoming campus events were highlighted. Fela Winfrey provided an overview of the May 11-15 Southern Oregon Arts and Research (SOAR) event. This is an annual event to highlight student projects and research. Jennifer Fountain and Danielle Mancuso informed the Board of an upcoming visit from 1,000 seventh grade students from local school districts. The first-time visit is part of the United Way "Big Idea" project and is coordinated by a partnership between the United Way of Jackson and Josephine County and a large university-wide planning team. Trustee Hennion advised the Board and University staff of the work of AWSEM (Advocates for Women in Science, Engineering and Math), and mentioned how they might benefit from participating in the "Big Idea" campus visit in addition to their earlier visit to campus.

## **Consent Agenda: Adoption of Minutes of January 30**

Trustee AuCoin made the motion to adopt the minutes of the Regular Board Meeting of January 30 as prepared. The motion was seconded by Trustee Sayre. Motion carried.

## **President's Report**

President Saigo provided an update on Legislator visits in Salem. Dr. Saigo shared how impressed he is with our legislative delegation and their involvement. He spoke about the Joint Ways and Means Committee Co-Chairs budget framework funding level for public universities. At \$670M funding will still not be restored to the 2007 budget levels. Our legislative budget goal is \$755M.

The President announced that Mark Helfrich, UO Football Coach and SOU Graduate, will be our Commencement speaker. He invited trustees to participate in the ceremony this year, which is Saturday morning, June 13.

An update of new employees and promoted staff was provided. Marjorie Trueblood-Gamble is the University Director of Diversity and Inclusion. New administrators include Nicolle Aleman, Marketing Director, and Fred Creek, new Director of Campus Public Safety and Parking. A newly hired VP for Development will be announced next week. The Board Secretary search is underway, as are searches for an HR Director, and new CFO for the Foundation.

SOU will become the nation's first "Bee Campus." SOU is #1 this year in the NAIA standings. We were #32 last year. In closing his remarks, President Saigo distributed SOU Raider caps to Trustees.

## **Committee Reports**

Executive and Audit Committee Chair Thorndike spoke of the coming work since the committee has not yet met. The committee will be reviewing the RFP for an external auditor and the position description for an internal auditor. Trustee Slattery asked if an audit would be conducted before the end of the fiscal year. Chair Thorndike responded by informing the Board that there will be an OUS audit to close out 2015. VP Morris said separate statements will be created for the technical and regional universities and auditors will come in November to make presentation to the Board.

Academic and Student Affairs Committee Chair Sayre reported that they were learning more about the academic and student affairs organization staff and their roles at the University. During their meetings, Dr. Karen Stone provided an overview of the retrenchment process and Dr. Jody Waters provided information on the university accreditation process. AVP Lisa Garcia-Hansen gave a brief overview of admissions and enrollment services, including the SOU Cares Program.

Finance and Administration Committee Chair Nicholson provided highlights from their two meetings. The first meeting was a crash course on the budgeting process, the periodic

management report, the overall operation of the Finance and Administration unit and a brief look at the proposed new outcomes-based funding model. At their next meeting, Mark Denney, Budget Director, provided further detail on the budget process and how tuition rates are established. The committee learned about the OUS Fee book process. (For this year, our board recommends the tuition and fees to the State Board and this time and next year we will establish.) The committee learned more about the retrenchment plan and the fund balance requirements of the State Board. At their next meeting, they will focus on the budget forecast. Thorndike mentioned the role of State Board in monitoring the SOU retrenchment plan.

Trustee Hennion noted the lack of consistency of the Board and Committee minutes and would like to see guests at the Board and Committee meetings listed. Interim Secretary Shelby mentioned that staff would be meeting on that topic. When the permanent Board Secretary is hired, they will be responsible for all Board and Committee minutes.

### **Education Items**

Chair Thorndike announced that Trustee Vincent has advised that he has a potential conflict of interest on a later agenda item. For the record, Trustee Vincent declared an actual conflict of interest and will not participate in discussion of one of the Education agenda items. Clarification was provided about potential v. actual conflict, and whether he can or cannot participate in discussion.

#### Higher Education Coordinating Commission Outcomes-based Funding Model Update

VP Morris identified the numerous funding proposals for public universities from a variety of sources. Board members asked about the status of the Co-Chair's budget framework, which is the budget used in the Higher Education Coordinating Commission Outcomes-based funding model and three possible scenarios of distribution. VP Morris showed what the impact of dollars to SOU would be in each scenario as compared with the retrenchment plan and last year's SOU budget. Board members were interested in knowing the decision process of the HECC work group and likely scenario to be selected by the Commission. A discussion of the role of legislators in the process ensued. Since this model applies to state funding for in-state students only, Board members also asked about the enrollment mix of in-state and out-of-state students. Board members encouraged staff to pursue the equitable funding option as strongly as possible, and discussed their role as advocates to assist.

#### Retrenchment Plan Overview and Metrics Report

Institutional Research Director Chris Stanek provided a quick overview of several reports – Capacity Study, Prioritization Report, Delaware Study – which were conducted prior to and considered in the development of the Retrenchment Plan. Research was also conducted to assess faculty release time. Dr. Stone gave an overview of the organizational changes in Academic Affairs and the Business Services Center. Several items were identified that resulted in SOU's "retrenchment." The Retrenchment Plan resulted in the loss of 60 FTE in Academic Affairs. The metrics to measure the effective implementation of the Retrenchment Plan were reviewed. Enrollment and retention tracking information was provided as a part of that discussion. Chair Thorndike asked if the metrics will change in light of the new HECC funding models goals. Further discussion of the model funding ensued to better understand possible changes in metrics.

### Capital Construction Projects and Funding

VP Morris identified the three projects that SOU put forward for funding this year: Britt Hall Deferred Maintenance, Biomass Co-generation Boiler Project, and Susanne Homes residence hall remodel. He provided the prioritized list which was adopted by the HECC and included in the Governor's Recommended Budget. The Britt Hall project was the only SOU project to make the list for 2015-17 Capital funding from the State.

Regarding the boiler project, the fuel has not yet been determined. Woody biomass and natural gas are still under consideration. Much has been done to research the options and hear from the community. There are pros and cons to each option. Review and public comment will continue when the project goes before the Ashland Planning Commission. Chair Thorndike reminded the Board that the University should always be mindful of our community and neighbors as we consider new initiatives and projects.

VP Morris reviewed the process of tuition and fee setting at SOU. He provided information on the tuition rates proposed at the other public universities. With assistance from Housing Director Tim Robitz, the process of determining the rates for housing and dining were reviewed. Mandatory fees were also explained.

### Tuition Rates.

Trustee Nicholson moved endorsement of tuition rates as recommended by the Finance Committee. Trustee Sevcik seconded. Discussion ensued. Trustee Shih asked about the differences between in-state/out-of-state tuition. Trustee Steinman asked about differential tuition rates. Trustee Slattery asked about the need for an increase in tuition rates. Trustee AuCoin indicated he would like to see how the increased tuition will be spent. VP Morris responded to clarify rates and explain why we need to raise tuition rates at this time. He also indicated that if anticipated expenses come in lower than expected, and revenues are higher than expected, the Board can always decide to lower the tuition rates. Board members asked several questions about the price sensitivity of the market, what impact higher tuition might have on enrollment, and the availability of scholarships from the Foundation. Tuition remission options were also explained.

Roll call vote: Yeas: Trustees Vincent, Thorndike, Steinman, Slattery, Sevcik, Sayre, Nootenboom, Nicholson, Hennion, AuCoin. Nays: Trustee Shih. Motion carried.

Mandatory, Housing and Dining Fees: motion Trustee Nicholson made the motion to adopt the Mandatory, Housing and Dining Fees as recommended by the Finance Committee. Trustee Hennion seconded the motion. Trustee Nicholson commented on the increase in the health fee and the uses of those funds. Trustee AuCoin shared his concern about the cost of higher education constantly going up and the real income of the population continues to decline. Trustee Shih explained why she voted no on the tuition increase and why she will vote yes on this motion.

Roll call vote: Yeas: Trustees AuCoin, Hennion, Nicholson, Nootenboom, Sayre, Sevcik, Shih, Slattery, Steinman, Thorndike, Vincent. Nays: None. Motion carried unanimously.

Board secretary corrected the vote on the tuition motion noting that President Saigo's name was called to vote and he serves as an ex-officio member of the board.

### **Discussion Items**

General Counsel Catz advised the Board on how he planned to bring policies forward. Policies will be introduced at a board meeting and then voted on at the next board meeting. He described the next steps of transitioning policies from OUS to SOU and the other smaller universities. He also listed ten items that were identified for follow-up when the Board discussed and adopted the By-Laws and initial policies. Those items will be brought back for further discussion and clarification. Mr. Catz did address one item on the list: Proxy voting. Public bodies are not permitted to use proxy voting.

Mr. Catz briefly discussed the two proposed policies introduced at this meeting. Trustees will vote on those policies at the next meeting. Trustee Sayre asked about how the policies will be catalogued and suggested that dates of adoption should be indicated on the policies so they can be reviewed from time-to-time. Trustee Vincent had a question about the definition of "relatives" on the proposed Board Statement on Ethics and Conflict of Interest. Mr. Catz will make a note for a more full discussion of this definition at the next board meeting.

### **Board Meeting Schedule**

Interim Secretary Shelby reviewed the proposed dates. She will come back to the Board to further discuss the 2016 dates.

### **Adjournment**

With no further business for this regular meeting, the meeting was adjourned at 5:00pm.

Respectfully submitted,

Liz Shelby  
Interim Board Secretary