

Regular Meeting of the SOU Board of Trustees
June 26, 2015
DeBoer Boardroom, Hannon Library

Minutes

Trustees Present: Les AuCoin, Fily Bencomo (Phone), Sheri Bodager, Lyn Hennion, Paul Nicholson, Roy Saigo (Ex-officio), Teresa Sayre, April Sevcik, Judy Shih, Dennis Slattery, Joanna Steinman, Bill Thorndike, Steve Vincent, Shea Washington

Trustees Not Present: Jeremy Nootenboom

University Staff Present: Provost Dr. Susan Walsh, VP Craig Morris, Jason Catz, Liz Shelby, VP Janet Fratella, Ryan Brown, Jennifer Fountain, AVP Lisa Garcia-Hanson, Travis Canoso (IT Tech), John Stevenson

Call to Order

Chair Thorndike called the meeting to order at 12:07 P.M., and asked the acting Board Secretary to call the roll. A quorum was present.

Public Comments

SOU Director of Student Life, Jennifer Fountain, thanked the Board for their consideration and conversation around the Schneider Childcare Center (SCC). She offered her insight into the funding history and provided some information on the current childcare partnership efforts. She advised the Board that she considers this an essential service to students, faculty and staff, and the local community. She feels student support services are important to student persistence. She spoke briefly of her interest in early childhood education and a “wrap-around model.”

ROAR

During lunch, Lisa Garcia-Hanson, SOU AVP for Enrollment and Retention, provided an overview of the importance and activities of the Raider Orientation And Registration (ROAR), one of which was underway on the campus today. These are two-day events for students (one day for transfer students) and parents to introduce them to SOU academic programs, faculty, and student services/resources. Several ROARs are scheduled over the summer. She estimated that two-hundred students registered at SOU during this event, and we had nearly 500 visitors on campus. Board members asked about the participation of faculty, about the success rate of the events, and about our outreach to underrepresented populations. Trustee Slattery and Trustee Steinman spoke to the involvement of faculty. AVP Garcia-Hanson President provided

information on the success rate of these events and our outreach to underrepresented populations. President Saigo talked about his interaction with parents at these events.

Consent Agenda: Adoption of Minutes of March 27

Trustee AuCoin made the motion to adopt the minutes of the Regular Board Meeting of March 27 as prepared. The motion was seconded by Trustee Slattery. Motion carried.

Board Chair Report

Chair Thorndike reported on the last State Board of Higher Education (SBHE) meeting in LaGrande in early June. He reminded Trustees that he and Shea Washington served on the State Board. This was the final meeting of the SBHE and also the final weeks of the Oregon University System, which dissolves as of June 30, 2015. Action items of the SBHE included the adoption of Tuition and Fees for the 2016 Academic Year, which the SOU Trustees discussed and recommended. In addition, the SBHE accepted the Achievement Compacts for the upcoming year for submission to the HECC (hard copies provided at the meeting). Chair Thorndike highlighted the SOU Institutional Report required by the “Conditions” for our Board Governance (hard copies provided at the meeting). He indicated he had a chance to review the document and participate in the “OUS Comments on Conditions” process, and he very much appreciated the two-way communication between the Chancellor’s office and SOU administration. Board members commented on their responsibility for financial sustainability going forward and the impact of SB 493 (Senator Bates’ bill). As part of the OUS transition to institutional governing boards, Chair Thorndike advised that the SBHE has given the Chancellor the authority to review all OUS policies and rescind or transfer authority to the institutional boards. Trustees will hear more about this transition later in the meeting. OUS closure will include some equitable fund distribution to the TRUs (estimated to be \$280K for SOU) as well as the transfer of endowments to the Oregon Community Foundation for our benefit. Chair Thorndike was invited to participate in Chancellor Dyck’s review of President Saigo. In closing, Chair Thorndike and Shea Washington commended fellow SBHE members and OUS staff for their dedication to public higher education in Oregon.

President’s Report

President Saigo summarized the SOU Commencement event and thanked those Board of Trustee members who were able to participate in the ceremony. Dr. Saigo provided an update on Legislative activities in Salem. Since the last Board meeting in March, SOU’s NAIA football champions were honored during a SOU Raider Day in the Capitol; and the technical and regional universities (TRUs) held a TRU Day in the Capitol. SOU faculty and staff provided three exhibits in the Capitol from the SOAR event. Several Board members were able to join us for these trips to Salem. With our newest Board of Trustee member, Sheri Bodager, attending her first meeting today, President Saigo officially welcomed her to the Board. In addition, he announced that Sabrina Prud’homme of Ashland had been hired for the position of Board Secretary. Provost Walsh, President Saigo, and others who served on the search committee provided further information on the process and Ms. Prud’homme’s background. Lastly, President Saigo emphasized the importance of our recruitment and retention efforts and showed several PowerPoint slides that compare this year’s results with prior years. VP Morris reminded

Trustees that we are exceeding our Retrenchment Plan benchmarks, and at the Chair's request, provided an update on the bond sale and McNeal project, as well as the status of other capital projects on campus.

Committee Reports

Academic and Student Affairs Committee. Committee Chair Teresa Sayre reported that the group has had several meetings since the last Board meeting. They have been focused on background information on the academic structure and an overview of the divisions. More recent meetings have offered greater detail on specific programs within the Divisions, such as the "House" Seminar within the University Seminar (USEM) Division. She indicated that Provost Walsh, her team, and her Executive Assistant, Penny Thorpe, have done a stellar job of preparing committee agendas and materials. She has been very impressed by the incredible amount of work and dedication of Division staff. Sayre announced that the Committee has agreed to meet on the third Thursday of each month in the early afternoon (1:30 – 3:30pm). She reported that the Committee will develop a draft of a yearly calendar to include institution/Board priorities as well as Committee members' areas of interests, which will be shared with the full Board. At the next meeting, the Committee will consider a dashboard on enrollment and retention which could be provided to the full Board on a weekly basis. In addition, Provost Walsh will review the Committee's role in approving new University programs. At the conclusion of the Chair's report, a discussion of value of combining academic affairs and student affairs ensued.

Finance and Administration Committee Chair Nicholson indicated that the Committee has held three meetings. He focused his report on the most recent meeting. Like the Academic and Student Affairs Committee they are also beginning to dive more into the specifics of finance and administration at the University. Nicholson reported that revenues were trending up and expenses are on budget. Actual reserves are at 8.8% v. the Retrenchment Plan benchmark of June 30, 2015, which was budgeted at 7.6%. He reported that VP Morris is working with the other universities and Dept. of Treasury to finalize bonding. Morris is also preparing for the transition from OUS. Among the items being currently considered is a \$5 million line-of-credit for SOU with US Bank. On the capital project front, Jefferson Public Radio has indicated an interest in being part of the Theatre Building remodel as an architectural add-on. Different funding scenarios are being discussed. There will be future reports to the Board on these items in due time. The Committee also received a deep analysis of the revenue and costs associated with the Schneider Childcare Center. It is may be possible to have the Center operation continue but it would not be without risk. There is the possibility that the Center will open again in Fall in partnership with Head Start through the Oregon Child Development Coalition (OCDC). Analysis of this option is underway. The downside includes an additional cost of \$300,000 to the University. The President has the ultimate decision to keep it open or close it. Lastly, Chair Nicholson provided a status report of the 2016 budget process.

Executive and Audit Committee. The Committee met and reviewed the Statement on Executive and Audit Committee which has been adopted by the Board, as well as to hear an overview on risk management, the internal auditor search, and external auditor RFP process. VP Morris had invited James G. Parker of Davis Wright Tremaine, LLP, and Ryan Britz of Berkley Risk Administrators Company, LLC to conference into the meetings. They provided information on

SOU's participation in an intergovernmental trust (PURMIT – Public Universities Risk Management Insurance Trust) to serve six institutions, the relation of this trust with the Oregon Insurance Division, and the trust administration and vendor management. VP Morris represents SOU as a trustee of PURMIT). The Committee also reviewed an internal auditor position description, and an RFP template for an external audit. In response to the Chair's suggestion, VP Morris indicated that the Board has \$25 million Directors & Officers policy coverage. Board members had further questions so VP Morris will bring back additional information on the policy and what is included in the limit.

Action Item

New Program Proposal: Bachelor of Fine Arts in Creative Writing

Academic and Student Affairs Committee Chair Sayre informed the Board why this approval is before them today and how this process will work in the future. This will not be the typical timing and approval process. In order to have this program available for Fall 2015 and meet the HECC deadline for their agenda on program approval, this new degree proposal needs to be discussed at our full Board meeting today. Provost Walsh provided an overview of curriculum development and the review process – how it worked previously in the OUS system, and how it will proceed in the university governance structure involving the HECC. Discussion of the Creative Writing Degree program ensued. Provost Walsh addressed Board questions/concerns regarding the decision timeline, program and faculty expense, market demand, student interest, and how this new degree relates to our retrenchment plan. Several Trustees expressed the need for a strategic plan to frame future discussions.

Trustee Sayre made a motion to adopt the Bachelor of Fine Arts in Creative Writing Degree program as submitted. Trustee AuCoin seconded the motion. Motion carried unanimously.

Policy Adoption

- *Proposed Board Statement on Policies.*

General Counsel Catz provided an overview of the Board's policy adoption – those adopted previously by the Board and those what will be coming forward. Catz described the new SOU University Policy Council and how it will function. Board discussion ensued and Catz responded to questions on the language and intent of this particular policy statement.

Trustee Hennion made a motion to adopt the Board Statement on Policies. Trustee Nicholson seconded the motion. Chair Thorndike clarified that the motion should include the corrections noted, and adopted with the caveat that it would be a living document. Motion carried unanimously.

- *Proposed Board Statement on Ethics and Conflict of Interest*

General Counsel Catz invited questions, stating that Trustees should be familiar with this statement through information provided at their Board orientation. A few minor language changes were made.

Trustee Sevcik moved to adopt the policy as corrected. Trustee Hennion seconded the motion. Motion carried unanimously.

Education Items

Overview of Policy Transfer and Management Process

In a PowerPoint presentation, General Counsel Catz outlined the statutes, authorizations and processes that are proposed for OUS policy transitions and reviews. The Chancellor will repeal some of the policies, Oregon Administrative Rules (OARs), and Internal Management Directives (IMDs), and others we will inherit. University Board General Counsels have worked with the Chancellor to help determine which are repealed and which are inherited. Senate Bill 80, which we hope will pass this Legislative Session, is intended to streamline some of this transition. As a result of SB 270, universities with a governing board are not required to follow the administrative rule process (OAR). The SOU Board will have full authority to adopt University policies effective July 1, 2015. This is an enormous task. A Campus Policy Council will be created to review policies and bring them forward for Board consideration. Counsel Catz will chair the group. A new website for all University policies will be created.

Further Board Comments

Trustee Hennion asked that this Board continue to encourage the University to continue to explore all options to keep the Schneider Childcare Center open. She offered to work with staff to keep this valuable asset.

Executive Session (pursuant to ORS 192.660(2)(d))

No minutes were taken during Executive Session.

Closing Discussions and Future Board Meeting Agenda Items

Chair Thorndike announced that Ben Cannon, the Executive Director of the Higher Education Coordinating Commission, will be joining us for the July special meeting. Brian Fox, who is staff of the HECC and the architect of the new state fund allocation model for universities, will join Ben. They will review the adopted model along with other items. President Saigo advised Trustees to pay particular attention to the funding model. He also mentioned that the HECC is developing a framework to evaluate universities with governing boards.

Other

New student body President Torii Uyehara was introduced and spoke briefly to the Board.

Adjournment

With no further business for this regular meeting, the meeting was adjourned at 4:30pm.

Respectfully submitted,

Liz Shelby
Interim Board Secretary