

**Board of Trustees Meeting
Friday, October 16, 2020
Videoconference**

MINUTES

Call to Order/Roll/Declaration of a Quorum

Board Members:

Paul Nicholson	Present	Deborah Rosenberg	Present
Les AuCoin	Absent	Daniel Santos	Present
Jonathon Bullock	Present	Linda Schott (ex officio)	Present
Sheila Clough	Present	Barry Thalden	Present
Shaun Franks	Present	Bill Thorndike	Present
Lyn Hennion	Present	Steve Vincent	Present
Megan Davis Lightman	Present	janelle wilson	Present
Dylann Loverro	Present		

Chair Nicholson called the meeting to order at 12:02 p.m. in the DeBoer Room of the Hannon Library. The board secretary recorded the roll and a quorum was verified.

Other attendees and Zoom panelists included: Dr. Neil Woolf, Vice President for Enrollment Management and Student Affairs; Greg Perkinson, Vice President for Finance and Administration; Dr. Susan Walsh, Provost; Jason Catz, General Counsel; Janet Fratella, Vice President for University Advancement; Dr. Henry Stoever, AGB; Jeanne Stallman, Associate Vice President for Government and Corporate Relations; Sabrina Prud'homme, Board Secretary; Josh Lovern, Budget Office; Jonathan Chavez-Baez, Minority Outreach Coordinator; Kemble Yates, Faculty Senate; Sarah Grulikowski, ASSOU; and Kathy Park, Office of the Board Secretary.

Public Comment

Chair Nicholson mentioned the statement Dr. Carol Voisin submitted for public comment recommending that SOU initiate a conversation with FEMA for leasing the Cascade complex to FEMA for victims of the Alameda fire. The statement was included in the meeting materials. Chair Nicholson said comments supporting Dr. Voisin's recommendation had also been received.

Consent Agenda

Trustee Rosenberg moved approval of the consent agenda, as presented. Trustee Vincent seconded the motion and it passed unanimously.

Reports

Faculty Senate Report

Taking agenda items out of order, Kemble Yates provided his report, saying he was sure the faculty and university community would support in general terms Dr. Voisin's recommendation. Acknowledging the current political turmoil, he thanked the trustees for their efforts to secure future stable funding for the university. Faculty members are back to work; teaching remotely is not as much of an adjustment this term and they are trying their hardest to make it work.

Faculty Senate's primary work this year will be revising the general education program, including evaluating the proposed reduction in the credits required and the method and timeline for implementing changes

With the provost's support, a third distinguished faculty award likely will be created. Awards for distinguished teaching and for distinguished service already exist. The third award would be for distinguished research.

President's Report

President Schott mentioned the continuing work to advance equity and diversity. Some of the concerns students had expressed in this area resulted from the relocation of the Multicultural Resource Center to a more common area. She said administration engaged in an inclusive process to redesign space in the Stevenson Union and she showed a video of the redesigned space.

Employees in Student Affairs continue to engage students in trainings and events on various topics in the equity, diversity and inclusivity (EDI) area. The EDI team of Sabrina Prud'homme, Jonathan Chavez-Baez and Dr. Kylan de Vries continues to develop the components necessary to comply with House Bill 2864. Additionally, Campus Pride again recognized SOU as one of the Best of the Best LGBTQ-friendly campuses. Only 40 campuses nationwide are recognized.

President Schott described how SOU is managing operations during the pandemic. Classes continue to be offered via Zoom and other forms of remote learning. SOU requires all students and employees to complete an online health check each day. If anyone indicates they have COVID symptoms, they receive a follow up call from the health and wellness staff and are advised on appropriate activities. However, as required by the NAIA, all student athletes were tested and are subject to random testing. SOU has procedures in place to quarantine students if needed. So far, only one student on campus has tested positive.

President Schott then discussed SOU's responses to the recent fires in the Rogue Valley. Lithia Motors Pavilion and the Student Recreation Center were opened immediately to serve as a respite for community members. Emergency housing in Cox Hall was offered for about one week, which, employees, employees' families, students, and first responders used. Emergency housing in Greensprings also was offered to others with whom SOU has worked closely through its Latin-X outreach programs.

One hundred twelve students were directly impacted by the fires. Forty-five lost their homes, 29 were displaced, 4 lost their rentals, 15 were fighting the fires with the Oregon National Guard, and 19 had job- or academic-related impacts. SOU created a giving site to benefit the fire relief fund, SOU Cares and the food pantry. Additionally, 112 employees were impacted directly and 24 employees lost their homes.

The university has been working with various city, county, and legislative officials. FEMA wants to explore the possibility of using SOU's spaces and likely will tour the area in the near future.

President Schott said she is grateful to have a great working relationship with ASSOU again this year and they have already held a cabinet-to-cabinet meeting. However, students are struggling. Cares reports are up by 54 percent over last year, the greatest need being in the area of mental health. The Office of the Dean of Students has set up a variety of support groups for students. President Schott praised Taylor Burke and Anna D'Amato and their teams for their incredible work.

President Schott then mentioned how employees are doing, saying they are dedicated, resilient and supporting each other and SOU. They also are feeling the strain of the pandemic, the fires and, for classified and administrative staff, the furloughs. The number of employees seeking support through the employee assistance program has not increased greatly and SOU is not experiencing higher levels of employee turnover than usual. President Schott expressed her support and appreciation for all SOU employees.

Turning to the upcoming election, President Schott said she has created a temporary task force to monitor for signs of civil unrest. SOU does not want to squelch free speech but wants to be prepared to respond to conflicts among students or in the community.

In closing, President Schott mentioned SOU's new campaign for launching leaders and shared the story of Ricardo Lujan-Valerio. He grew up in Medford and was an undocumented student; around 2016, he wanted to go public about his status. He was a campus leader at SOU and graduated in 2017. Mr. Lujan-Valerio went to work for the Oregon Student Association then the American Civil Liberties Union. He is now the Director of Advocacy for the Latino Network in Oregon and the governor has appointed him as a commissioner on the HECC.

Committee Reports

Executive and Audit Committee - Chair Nicholson mentioned the departure of SOU's internal auditor and that Jason Catz will keep an eye on that function and move certain issues forward; the committee discussed options to shift the focus from the audit function to compliance. The committee also discussed the president's evaluation and her goals for the coming year.

Finance and Administration Committee - Trustee Clough highlighted three of the committee's major discussion items. Greg Perkinson provided an update on SOU's finances, including anticipated changes in state funding; revenue is down but expenses have been well managed, which has kept the budget close to its mark. Mr. Perkinson also provided an update on the HECC's conversations around the funding model saying SOU's participation on the work group has had a positive impact but challenges remain. Penny Burgess provided an investment update; past investments performed well but the future market situation may be difficult.

Academic and Student Affairs Committee - Trustee Bullock said the committee's agenda focused on student success. The provost provided information on emergency education relief funding and the mandate for the public universities and community colleges to create a shared series of online courses. Dr. Neil Woolf reported on the decline in enrollment, which was not as bad as the national average and was in line with SOU's

projected decrease. Dr. Woolf also reported on SOU's test-optional status and its acceptance of self-reported GPAs, which will allow quicker admission decisions. Personnel from the Center for the Advancement of Teaching and Learning provided a report on faculty's participation in professional development and other opportunities over the summer to prepare for the new mode of delivering education. The committee received a demonstration of the Navigate tool and a report on SOU's outcomes of the National Survey of Student Engagement.

Student Leadership Report

Delivering her report, Sarah Grulikowski recapped some ASSOU updates, including efforts to fill two directors' seats; hosting opportunities for students to participate in virtual debate watch parties across the nation; and brainstorming activities within ASSOU and with other TRUs. Ms. Grulikowski highlighted ASSOU priorities for the year, with a focus on transparency and involvement. Affordability will be a main issue. Students want to be seen and heard; and the distance learning has amplified that need.

Between the pandemic and fires, Ms. Grulikowski said students are burned out and are in an emotional place. Even so, many students have reached out to ASSOU asking how they can help members of the community.

Ms. Grulikowski then highlighted ASSOU's involvement with the university's administration and the president's cabinet, including the cabinet-to-cabinet meeting, student-parent webinars, selecting students to sit on university committees, conversations about the Social Justice and Equity Center, and the establishment of a mechanism for people to donate to students in need.

Responding to Vice Chair Santos' inquiry regarding the current campus climate on social issues, Ms. Grulikowski said it is hard to get a pulse on the entire student body while everyone is remote. She said a lot of pathways have been created for students to share what they really care about. While issues involving EDI are definitely on their minds, she is not aware of any outstanding EDI issues from the students' perspective.

University Advancement Report

Janet Fratella reviewed the goals for the University Advancement team: implementing best practices for success, repositioning SOU, focusing on the sustainability of the institution and building the infrastructure to launch SOU's first comprehensive campaign. The Marketing and Public Relations unit is rebranding SOU as a university where leadership begins.

Ms. Fratella reviewed the increase in unique mentions for SOU in external news stories and the potential reach to individuals who could have seen an SOU-related story. She said the ad equivalent of these events (the dollar value of the free media coverage) since January was about \$13 million for global coverage and over \$3 million for newsfeed.

Even during the pandemic, outreach and engagement efforts have continued to connect with alumni, donors and legislators. Over the last two years, 10,000-12,000 alumni email addresses have been added to the 8,000 on record in 2018.

Ms. Fratella provided a giving update, saying \$2.8 million in gifts was collected in fiscal year (FY) 2020, which was below the goal and due in large part to COVID. The amount donated to support academics and the library increased from 11 percent in FY 17-18 to 23 percent in FY 19-20; this is critical to supporting the central core of the institution. The value of the endowment at the close of the fiscal year was \$27.8 million. Four percent of that amount becomes available to the institution.

Ms. Fratella said the fundraising goal for this year is \$3 million, which is the average raised over the last three years. To date, the amount received is over \$1 million, which exceeds this time last year. She then publicly thanked and shared details of donor stories regarding Lithia Golf Tournament, Rogue Credit Union, Carol and Blair Moody, Harriet Heyman and Michael Moritz, Barbara Tyler and Tom Curran.

Ms. Fratella said board giving hit 100 percent last year. The governing board is already at 29 percent for this year.

Action, Information and Discussion Items

Presentation of Award: AGB John W. Nason Award for Board Leadership

Dr. Henry Stoever presented the Board of Trustees the AGB John W. Nason Award for Board Leadership, recognizing the board's accomplishments over the past several years. He praised the board and President Schott for their passionate and purposeful leadership. He said that in these times of significant uncertainty facing higher education, the board's accomplishments shine even brighter.

Dr. Stoever said SOU was chosen by a panel of peers from over 30 submissions. Among the attributes that struck him and the panel were how the institution faced many obstacles head on and how it developed and embraced new ideas and solutions under great pressure, all while collaborating closely with the administration. Dr. Stoever highlighted the board's commitment to supporting the local region. He said the award panel believed the board's courageous leadership for students and for the region make it a model for other institutions.

Immediate past board chair, Lyn Hennion, accepted the award on behalf of the Board of Trustees.

Strategic Plan Progress and Challenges

President Schott said the strategic plan is no longer really a plan; it is embedded into how things are done and has become what SOU is. Provost Walsh provided an update on Strategic Direction I [SOU will transform its pedagogy and curriculum... to enhance the success of its learners and graduates]. Full implementation may have to be delayed to Fall 2022, as the goals were set before the pandemic and the fires. The second priority would be the wildly important goals (WIGS) that she mentioned in the Academic and Student Affairs Committee meeting. Addressing racial inequality within academic affairs, access for underrepresented students, and the related recruitment and retention are very large goals and are important to everyone in academic affairs.

Greg Perkinson provided an update on Strategic Direction II [SOU will become an employer of choice and provide excellent service to all of its constituents], saying that

being an employer of choice is all about taking care of people and SOU's leadership team and human resources leadership have done a masterful job of that. He said more work on performance management would be done.

Regarding Strategic Direction III [SOU will actively model an environmentally sustainable campus and engage in collaborative research to promote an ecologically-resilient bioregion], Mr. Perkinson said Rebecca Walker has done a masterful job of balancing the operational requirements in sustainability and has partnered strategically with the local community.

Sabrina Prud'homme provided an update on Strategic Direction IV [SOU will create a diverse, equitable, inclusive community where learners flourish]. Priorities include responding to the cultural competency bill and developing training for employees. Jonathan Chavez-Baez mentioned the delay in the training necessitated by the fires and said the team will relaunch the program. He added that one of the biggest goals is to make EDI more visible and more strategic so the campus knows what is going on, which will include the development of a new website. Responding to Trustee Wilson's inquiry about the challenges identified, Ms. Prud'homme said the EDI team is dedicated to continuing its work until a new structure is developed; further, President Schott has allocated additional funding to the EDI team to help advance the work.

Dr. Neil Woolf later addressed Strategic Direction V [SOU will maintain financial stability and invest for institutional vitality], saying the enrollment council has three operational groups: financial aid; recruitment and marketing; and student success and retention. He described that of those groups has three to four new focal areas for the year.

Regarding Strategic Direction VI [SOU will develop physical and virtual environments in which all learners can thrive], Mr. Perkinson later said Josh Lovern has been exploring industry examples and standards on related key performance indicators.

Addressing Strategic Direction VII [SOU will be a catalyst for economic vitality, civic engagement and cultural enrichment through ongoing collaboration with local, state, tribal, national, and global partners], Jeanne Stallman later said that in a year of crises, it seems apparent that this strategic direction is of a second nature to SOU. The university has cultivated relationships that make it possible to respond to regional needs. In the year ahead, SOU will focus on being a resource and collaborative partner and will be involved in the work of regional recovery and transformation.

HB 2864 Cultural Competency Progress Update

Sabrina Prud'homme reviewed the milestones included in the meeting materials. Since its creation, the EDI team has been working with the Committee on Equity and Diversity to define a framework to use for fulfilling the cultural competency requirements. The team and committee maintain the use of the Inclusive Excellence, which SOU had been using and is a customary framework to use for doing this work.

Mr. Chavez-Baez discussed the statewide summit hosted by the HECC and Oregon State University to discuss the requirements of HB 2864 for Oregon's public

universities. Although a direction or pathway to follow to develop the report was not provided as hoped, there were some great speakers and discussions about efforts going on around campuses and the state.

Ms. Prud'homme highlighted the remaining required activities to ensure compliance with the bill, as included in the meeting materials. Responding to Trustee Loverro's inquiry regarding a coordinated approach in the absence of guidance from the HECC, Ms. Prudhomme said she has been in touch with some of her counterparts at the other universities but they did not reach consensus on a coordinated approach. Responding to Trustee Rosenberg's inquiry, Ms. Prud'homme said SOU will not wait for another institution to produce a roadmap and has continued its work through the summer.

Board Retreat Information

Chair Nicholson mentioned topics discussed at the board's retreat: EDI, the culture of inclusion, financial assessments and the culture of inquiry. He read the feedback trustees provided and their suggestions for doing things differently at the next retreat.

Work Group Exploration (Action) - Chair Nicholson said trustees also commented on the desire to explore the concept of having a Governance Committee rather than just a Governance Work Group. Given the strength of the expressions presented, he thought it was appropriate to reestablish the work group to look into this more fully, including issues such as defining the role and limitations of the Governance Committee. Vice Chair Santos would chair the work group with Trustees Lightman and Bullock serving as members. Sabrina Prud'homme and Jason Catz will serve on the committee. Trustee Clough made the motion to establish a board governance work group to undertake the work outlined. Trustee Loverro seconded the motion and it passed unanimously.

Government Relations and Legislative Update

Jeanne Stallman said everyone was gearing up for the upcoming legislative session. The broader state budget will probably be cut by about 3.5 to 5 percent and funding for higher education fares worse than other budgets, typically.

In preparation for the session, the focus has been on relationship building. President Schott continues to meet with legislators. Senator Frederick, co-chair of the Ways and Means Subcommittee on Education, visited the SOU campus and met with students, hearing their strong desire to have face-to-face classes.

Ms. Stallman said it is uncertain what the session will look like this early. Working in partnership with sister institutions, priorities for the session will include maximizing the public university support fund and sports lottery funding. The universities will also work on general themes that reflect positively on higher education, including higher education as the source of economic and social transformation and as a tool for equity, diversity and social justice. One of SOU's priorities will be the demolition of the Cascade complex.

SOU is focused on positioning itself as a resource that will not only help the region recover but also to transform, underscoring SOU's critical contributions to the region.

Higher Education Coordinating Commission (HECC) Update

Greg Perkinson said the critical component to developing a more sustainable future funding line from the state is tied to the SSCM. The key strength in the argument for establishing a solid foundation is in the mission differentiation area. The strong advocacy from trustees and others has been effective.

University and HECC Metrics

Greg Perkinson reminded trustees of an earlier conversation about going with the flow on the HECC's metrics being a better path than resistance. He reviewed SOU's metrics summary chart included in the meeting materials. Mr. Perkinson then reviewed the HECC metrics chart which includes metrics the HECC has proposed to the legislature. These HECC indicators are based in industry practices and have been around for decades; they have utility but lack context.

Mr. Perkinson reviewed some of the sample operating performance metrics that Josh Lovern pulled from industry. Responding to Trustee Vincent's inquiry, Mr. Perkinson said indicators on which classes or degree programs produce the best margin are analyzed. SOU recently signed a contract with Academic Performance Solutions which will pull the expense and revenue of academic performance and will allow comparisons.

Chair Nicholson pointed out the challenges with using some of the metrics because revenue is so volatile from month to month but costs are pretty stable from month to month. Mr. Perkinson agreed and said budget personnel engage in income smoothing and have established a monthly program review for each program.

Turning to leading indicators, Mr. Perkinson referred to *The 4 Disciplines of Execution*, in particular the second discipline on developing and acting on leading indicators. Lagging measures focus on what has happened and can tell an organization if it met its goal. Leading measures are predictive, tied to behavior, are influenceable, and can tell an organization if it is likely to achieve a goal.

Responding to Chair Nicholson's inquiry about metrics being brought to the board, President Schott said she and her team could prepare a list of high level financial and academic quality metrics that would be appropriate for the board's consideration. She anticipated having a preliminary list in 2021.

Budget Update

Reviewing the fiscal impact of COVID-19, Greg Perkinson highlighted the nearly \$10 million in lost revenue, half of that being in the housing auxiliary. There have been savings in travel costs and in Supplies & Services expenses. FY 20 closed with 7.9 percent operating revenue in the Education & General fund, positioning SOU to start the current fiscal year better than expected. Mr. Perkinson mentioned the transition in cuts from \$6.4 million to \$4.4 million to now, \$1.9 million and said it would not be easy.

Mr. Perkinson then reviewed the pro forma materials, showing the cuts and the changes in the assumptions. He mentioned the labor savings on the academic side from faculty furloughs, retirements, and term-by-term reductions.

Mr. Perkinson discussed possible pathways to achieving the \$1.9 million in cuts: continued elimination of travel, discontinuing catering, continuing the hiring freeze and transforming processes. He reiterated that the hiring freeze is not sustainable. President Schott added that this is a path but is not a good plan and is not a good idea. The continued vacancies in certain positions put the university at risk.

President Schott said the administration will think about other types of reductions but that is not in the best interest of the institution and runs the risk of undercutting investments made in other areas. She said she thought progress was being made in changes to the SSCM. If so, there will be a phased approach to changes but SOU would know what to expect in future years. However, if not, SOU would have to make further cuts, from which it may not recover.

Responding to Chair Nicholson's comment about increasing tuition revenue by reaching out to students who did not enroll this term, Dr. Neil Woolf said the Admissions Office are doing that and there are early indications that some of those students will return.

Trustee Bullock pointed out that if the \$1.9 million in cuts were not made, the ending fund balance would be just under 5 percent. Mr. Perkinson said the short-term risk is about making payroll. The 8 percent fund balance (\$5 million) represents about a five-week runtime to make payroll without furloughs. An important risk is how effectively SOU can continue to tell its story to the HECC legislators in a way that protects the university's reputation, its brand, and its ability to attract new students.

Responding to Trustee Wilson's inquiry, Mr. Perkinson said if the furloughs were to continue into 2021, one consideration is the ability to maintain mission support and the operating mission with a reduction in work effort. Another consideration is how that affects people personally and the risk of losing employees. These risks would be mitigated if federal relief was restored.

Board Evaluation Summary

Chair Nicholson highlighted some of the feedback trustees provided in the evaluation, including previous comments about getting materials; avoiding overlapping items; there being too much material; and finding more time for discussion. He said he and Vice Chair Santos can work on those issues with the leadership team.

Proposed 2021-2022 Meeting Schedule (Action)

Chair Nicholson referred to the meeting schedule included in the materials. Trustee Bullock moved approval of the meeting schedule as presented. Trustee Rosenberg seconded the motion and it passed unanimously.

University President's Annual Evaluation [Executive Session Pursuant to ORS 192.660(2)(f) and (i)]

Chair Nicholson said the board would go into executive session to review the president's evaluation. For the record, he said that, pursuant to ORS 192.660(2) (f) and (i), the board would enter into executive session to review and evaluate the employment-related performance of the chief executive officer, who does not request an open hearing, and to consider information or records that are exempt by law from public

inspection. Continuing, Chair Nicholson said that, pursuant to ORS 192.660 (6), no final action would be taken or final decision made in the executive session. At the end of the executive session, the meeting would return to open session and members of the public would be welcomed back to the videoconference. Chair Nicholson confirmed that no members of the media were present.

In addition to the board members, the following persons were permitted to remain for the executive session: Sabrina Prud'homme; President Schott, and Jason Catz.

The audio recording was stopped and the board began its executive session. In concluding the executive session, Chair Nicholson returned the meeting to open session.

University President's 2020-2021 Goals (Action)

Chair Nicholson referred to President Schott's four goals included in the meeting materials, saying the goals were much less specific this year than last year and do not include action steps to achieve each goal. He said this is a result of a conversation he and President Schott had about the uncertainty that currently prevails.

Trustee Wilson moved to approve the four goals as presented. Trustee Loverro seconded the motion and it passed unanimously.

Future Meetings

The board's next meeting will be on January 22, 2021.

Adjournment

Chair Nicholson adjourned the meeting at 5:05 p.m.

Date: January 22, 2021

Respectfully submitted by,



Sabrina Prud'homme
University Board Secretary