

**Board of Trustees Meeting
Friday, June 17, 2022**

MINUTES

Call to Order/Roll/Declaration of a Quorum

Chair Santos called the meeting to order at 12:01 p.m. He welcomed trustees, staff, and members of the public to the board’s final meeting of the academic year. He congratulated all the graduates at last week’s commencement, the faculty and staff who helped the students make it over the finish line, and President Bailey on his first SOU graduation.

He welcomed the presenters and guests including: Executive Director of the HECC, Ben Cannon; Alicia Gerrity for ASSOU, Dr. Melissa Anderson for Faculty Senate, and Dr. Matt Stillman for Staff Assembly; and leaders from the faculty and staff unions, Donna Lane, Rachel Gibbs, and Sage TeBeest.

Trustee wilson read the SOU Land Acknowledgment.

The secretary called the roll and a quorum was verified.

Daniel Santos	Present	Paul Nicholson	Present
Rick Bailey	Present	Mimi Pieper	Present
Jon Bullock	Present	Deborah Rosenberg	Present
Sheila Clough	Present	Barry Thalden	Present
Shaun Franks	Present	Bill Thorndike	Present
Lyn Hennion	Absent	Steve Vincent	Present
Debra Lee	Present	janelle wilson	Present

Chair Santos recognized Paul Nicholson, Deborah Rosenberg, Steve Vincent, and janelle wilson—trustees whose terms would June 30, and he highlighted some of their contributions to the board. There was a special recognition for Lyn Hennion, who was not present.

Public Comment

Donna Lane, the president of the Associated Professors of Southern Oregon University (APSOU) and Rachel Gibbs, president of SOU’s Service Employees International Union (SEIU) and Sage TeBeest, vice president of SEIU were invited to provide public comments. Donna as well as Rachel and Sage thanked the board for the invitation, introduced their labor organizations to the board, and described their organization’s priorities.

Consent Agenda

There were no items to approve.

Reports

Committee Reports

Vice Chair Jonathon Bullock gave a report on the June 16 Academic and Student Affairs Committee. Trustee Sheila Clough reported on the June 16 Finance and Administration Committee. Chair Daniel Santos reported on the June 17 Executive and Audit Committee. Due to technical issues with the meeting recording, specific information was not available for these reports. Refer to minutes for these meetings for details.

Associated Students of Southern Oregon University (ASSOU) Report

Incoming ASSOU President, Alicia Gerrity, explained that ASSOU currently is in the process of transitioning heads of government. ASSOU Vice President Julissa Taitano recorded a welcome for incoming students and held town halls. President Gerrity discussed how the improved campus lighting was working to help students feel safer on campus. Vice President Taitano discussed the student fee allocation, highlighted the big budget cut, and discussed related efforts to get professional salaries funded through the general fund.

SOU Faculty Senate Report

Dr. Anderson talked about the busy end-of-year for Faculty Senate. There was a lot of curriculum to approve: new majors, minors, certificates, and courses; and work on the general education restructuring including 92 new courses, 21 in the pipeline, and she mentioned there's work to be done on assessment side. She also noted that there are structural activities to handle for the dissolution of the Humanities and Culture Division including upcoming bylaws changes and apportioning senate representatives.

SOU Staff Assembly Report

Dr. Matt Stillman also noted a very busy end-of-year due to commencement. He reported on the finalization of the assembly's bylaws, rules, and the creation of a website. Staff Assembly also has done an initial survey around staff appreciation and is planning for constituent outreach.

Equity, Diversity, and Inclusion (EDI) Report

Vice President Toya Cooper provided a staffing update and said Jonathan Chavez-Baez will be the director of the Office of EDI and Patricia Syquia-McCarthy will be the staff and community liaison. She talked about upcoming projects and programming such as the EDI and summer work groups' plans for 2022-23 including working on the Inclusive Rogue Valley Guide, programming for civil discourse across deep differences, and an EDI resource review and rebranding effort. Additional upcoming projects include faculty and division directors dialogues—a four-part series, and the campus climate survey results.

University Advancement Report

Vice President Janet Fratella reported on the momentum building over the last seven years and that SOU is in the early stages of a \$100 million campaign. She described the pillars of the campaign to support the SOU community, student resiliency, creativity, and the university core. She also reviewed increases in giving over the last several years, recent major gifts, as well as new and retiring SOU Foundation trustees. Ms. Fratella updated the board on alumni relations, media exposure and metrics, as well as strategies such as presidential outreach on local station KOB15.

President's Report

President Bailey discussed his draft goals, revenue diversification possibilities, outreach and engagements, and communication strategy. He reviewed the progress on the four revenue diversification projects: energy transformation, the Cascade housing project, the

university district business accelerator, and the Workday training center. Regarding outreach and engagements, he described actual and potential partnerships with public schools on the new data sharing agreements, community college partnerships, the local Veteran's Administration, and many others, as presented in the meeting materials. He also spent some time discussing the opportunity to cultivate a culture of higher education in the state as a holistic continuum from K-12, colleges and universities, and with employers to meet workforce needs. Ben Cannon, executive director of the HECC underscored the president's depiction of the need in Oregon for college and training graduates who bring with them to the workplace, a broader set of skills than merely technical ones.

Action, Information and Discussion Items

Higher Education Coordinating Commission (HECC) Update

Ben Cannon, Executive Director of HECC, provided background about HECC and the state landscape of higher education, which included the mission and goals of the HECC. He explained the importance of higher education among low income Oregonians especially, as post-secondary education provides upward mobility. Cannon spoke of opportunities for improvement and made key points including: only about 50 percent of community college students complete degrees; public universities do slightly better with 67 percent of undergraduates completing; enrollment has declined about 15 percent at public institutions, and the public is increasingly questioning the value of higher education.

He reviewed HECC's Strategic Roadmap, talked about the HECC's budget, and noted a plan to advocate for state funding. Cannon spoke of the decline in enrollment and of Oregon's investment in higher education, which is below the national average. Responding to trustees' questions regarding duplication in programs among Oregon Public Universities and how the HECC can help in the ever-changing future of education, Mr. Cannon said the HECC's role is fairly narrow and they have the authority to approve or disapprove any new program and SOU's programs would be supported if they enhance the university's mission as a regional institution. Further, he pointed out that the expectations of employers and employees have changed and institutions must be nimbler with the changing demographics and the equity imperative, as learners of all types need to be served. He emphasized that a sense of belonging for students is absolutely critical; however, hard to legislate.

Core Information Systems Replacement

Chair Santos stated that the Trustees have been discussing a Banner replacement for at least six months now. Both the Enterprise Resource Planning and Student Information System are scheduled to be replaced. He said the board would not be acting on the item.

Vice President Perkinson gave an overview of the three components of the project: the Workday product contract award; Workday implementation contract award to Alchemy; and the Workday project financing authorization. Perkinson reviewed pricing scenarios and possible financing strategies. He said that he would work with the board secretary to schedule a special meeting to get the boards' approval on financing the project. Chair Santos noted that the Finance and Administration walked through this in great detail.

Spring 2022 Completions Report and Fall 2022 Enrollment Forecast

Vice President Woolf announced that the degree completion information is just a proxy for degree applications and Dr. Matt Stillman will be confirming those over the summer. Dr. Woolf spoke of the enrollment forecast and pointed out that although incoming freshmen have increased, returning students, which is the bulk of SOU's enrollment has declined. At fifteen weeks out, total student credit hours (SCH) is down 2.8 percent and a decline of 4.5 percent has been built into the budget.

Fiscal Year 2022-23 Budget (Action)

Chair Santos commented that the budget had been reviewed by the Finance and Administration Committee and was recommended for approval. President Bailey started off giving a review of the "big picture," which is of long-term fiscal sustainability. Vice President Perkinson reminded the board of the ideas for alternative revenue streams, summarized cost drivers (largely people); and he and Josh Lovern reviewed the pro forma before reviewing the proposed budget, focusing on key changes. SOU expects increases in revenue resulting from increases in state appropriation, tuition, fees, and miscellaneous revenue from the bond refinancing in housing. This will be offset by increases in expenses such as the student minimum wage, benefits, and an increase of 20 percent in utilities.

Vice President Perkinson highlighted two key takeaways: the cost management approach target of \$3.7 million coupled with \$1.3 million in fund balance, would drive an 8 percent key performance indicator (KPI) and balance the budget for next fiscal year. Trustees commented that budget reductions would need to start soon to achieve the KPI. He summarized the three funds: Budgeted Operations in the sum of \$64,973,761; Auxiliary Operations in the sum of \$13,246,543; and Designated Operations and Service Centers in the sum of \$5,721,413, for total expenditures of \$83,941,717. He modeled what the proposed budget would need to be in each fund in order to be balanced.

There was discussion among trustees about the purpose of the budget to help management with a direction. Much discussion ensued regarding the timing of cost savings initiatives and Trustee Wilson question if the proposed cost savings were enough. She and others expressed general discomfort with the budget but recognized the necessity to move forward.

Trustee Thalden moved to approve the resolution [Adoption of Fiscal Year 2022-2023 Budget]. Trustee Lee seconded the motion and it passed unanimously.

Government Relations and Legislative Update

Jeanne Stallman reported that her department is tracking candidates in upcoming races and meeting with legislators. She will be reaching out to candidates on both sides of the aisle to ensure that regardless of the results, SOU has friends. She asked that the board be mindful of their contributions to elected officials as these relationships can benefit the university or create pitfalls. She reported that the consolidated funding request for universities of \$978 million was submitted in April. An equity ask was made in the amount of \$100 million, of which \$50 million would be invested in universities and the other \$50

million in the Oregon Opportunity Grant. HECC is proposing a large ask which is organized in four buckets: financial aid and affordability; institutional support which includes programs such as SOU's Bridge Program and cyber security; career support; and their own initiatives.

President's 2022-2023 Goals (Action)

President Bailey presented six goals to the board. He talked about the first goal that he referred to as JEDI, which is to promote justice, equity, diversity and inclusion on campus and throughout the region. He stated that the goal is to put strategy into action by leveraging partnerships with city, county, tribal, state, and federal government entities to complement SOU's efforts and to explore business and non-profit partners to do the same. Goal two is to provide leadership for student enrollment, support, and success by collaborating with K-12 entities; creating or reinvigorating relationships with community colleges for transfer pathways and other projects; and supporting strategic engagement of the SOU Enrollment Council. He reviewed the third goal which is to craft long-term fiscal sustainability by overseeing cost management; diversifying revenue streams; and redesigning the grants management process.

President Bailey discussed the fourth goal to develop an approach to strategic plan by engaging stakeholders to celebrate achievements; identify areas for adjustment or refinement; create an inclusive process with student, faculty, and staff input; and continue to incentivize "doing" or execution of the plan. He outlined goal five which is to strengthen internal and external outreach by focusing on not only how SOU communicates with the outside world but with each other as well. He talked about his plan to implement best practices, seek strategic inputs from students, faculty, and staff, and to promote a culture of healing, self-care, resilience, and perseverance. Lastly, he discussed goal six which is how to leverage philanthropy to support long-term fiscal sustainability and position the university for the inaugural comprehensive campaign.

Trustee Thalden moved to adopt the goals. Trustee Bullock seconded the motion and it passed unanimously.

President's 2022 Evaluation

Chair Santos stated this topic was discussed with the Executive and Audit Committee and that there will be an annual review although President Bailey has only been at SOU for six months. The committee discussed the potential for more input during the process from trustees not on the committee and from others.

Governance Work Group Update and Recommendations (Action)

Chair Santos gave an overview of the group's work including the trustee mentorship program and the Board Statement on President's Emeritus Status, as presented in the materials. Vice Chair, Jon Bullock chairs the Governance Work Group with members Sheila Clough, Lyn Hennion, the board secretary, and general counsel, as needed. Vice Chair Bullock discussed the new trustee mentoring program presented in the materials. Secondly, he talked about the work to create a policy to grant a past president emeritus

status including the criteria and process for granting the title of President Emeritus as well as what rights and privileges would be extended. Trustee Bullock discussed the third item which is whether a governance committee needed to be established. The work group believed that no change to the board committee structure was necessary but adding “governance” to the title of the Executive and Audit Committee was the best course of action, so it would become the Executive, Audit, and Governance Committee.

Trustee Wilson moved to adopt the proposal to establish a mentoring program for new trustees. Trustee Lee seconded the motion and it passed unanimously.

Trustee Lee moved to adopt the Board Statement on President Emeritus Status. Trustee Nicolson seconded the motion and it passed unanimously.

Trustee Franks moved to add governance to the already existing Executive and Audit Committee. Trustee Lee seconded the motion and it passed unanimously.

In other governance matters, Chair Santos spoke briefly of adopting a new format for meeting minutes to help alleviate excessive staff time spent on the detailed format.

Board Officer Elections (Action)

Trustee Thorndike, chair of the Officer Elections Work Group, which also consisted of Trustees Franks, Rosenberg and Secretary Prud’homme, provided a summary of the group’s activities, as required by the Board Statement on Officer Elections. Trustee Thorndike announced recommendations for chair, Daniel Santos and for vice chair, Sheila Clough.

Trustee Thorndike moved to elect Daniel Santos as Chair and Sheila Clough as vice chair. Trustee Nicholson seconded the motion and it passed unanimously.

Future Meetings

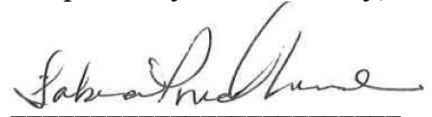
Chair Santos announced that the board will need to have a special meeting within the next couple of weeks regarding the Workday project and its financing. The board will meet on Mexican Independence Day, September 16, and the 17th for the board retreat. He said the next regular board meeting will be Friday, October 21.

Adjournment

Chair Santos thanked trustees their time, hard work, and the difficult conversations the committees and board had over the last two days. He adjourned the meeting at approximately 4:57 p.m.

Date: October 21, 2022

Respectfully submitted by,



Sabrina Prud'homme
University Board Secretary