

**Board of Trustees Meeting
Friday, October 21, 2022**

MINUTES

Call to Order/Roll/Declaration of a Quorum

Chair Santos called the meeting to order at 12:03 p.m. He welcomed all to the first meeting of the school year and acknowledged the new trustees: Brent Barry, Katherine Cable, Iris Maria Chavez, Andrew Gay, Christina Medina, and Liz Shelby.

He welcomed guest presenters: Alicia Gerrity, Brian Fedorek, Donna Lane, Rachel Gibbs, Ashley King, Toya Cooper, Janet Fratella, Carrie Vath, Susan Walsh, Neil Woolf, Josh Lovern, Tom Battaglia, Leon Crouch, Jonathan Chavez Baez, and Patricia Syquia-McCarthy.

Trustee Thorndike read the SOU Land Acknowledgment.

The secretary called the roll and a quorum was verified.

Daniel Santos	Present	Shawn Franks	Present
Rick Bailey	Present	Andrew Gay	Present
Brent Barry	Present	Christina Medina	Absent
Jon Bullock	Present	Mimi Pieper	Present
Katherine Cable	Present	Liz Shelby	Present
Iris Maria Chavez	Present	Barry Thalden	Present
Sheila Clough	Present	Bill Thorndike	Present
Debra Lee	Present		

Public Comment

Donna Lane, president of the Associated Professors of Southern Oregon University (APSOU) gave a quick update on Faculty Senate. The group has had a lot of collaboration with administration and she commended President Bailey for his transparency and open-door policy. She said that in light of the financial situation, faculty are looking at equated loading units, software programs, financials, and individual departments. Faculty are being encouraged to visit the president's webpage.

Consent Agenda (Action)

Vice Chair Sheila Clough moved to approve the consent agenda. Trustee Thorndike seconded the motion. Adoption of the minutes was approved unanimously.

Reports

Committee Reports

Trustee Jonathon Bullock reported on the October 20 Academic and Student Affairs Committee meeting. He highlighted topics such as the articulation retreat with community colleges and the expansion of the Bridge program from Provost Susan Walsh's report. From Vice President Woolf's report, he highlighted an update on changes to Free Application of Federal Student Aid (FAFSA), expected family contributions, enrollment, the increase in international students, and increased student involvement in activities. Other topics of the committee's meeting included updates in general education and new degrees and great presentations from Dean of Students Carrie Vath, STEM Division

Director Sherry Ettlich, and Danielle Mancuso. He further reported that a significant topic was regarding cost management. He also noted a presentation by Dr. Matt Stillman and Josh Lovern regarding revenue enhancement work underway on the Student Success and Completion Funding Model (SSCM).

Trustee Franks reported on the October 20 Finance and Administration Committee meeting. Highlights included the new members of the committee; organizational updates, updates on the Higher Education Coordinating Commission (HECC) and transitions in Business Administration Council (BAC). Other issues covered included financial sustainability, the Workday project, a year-end investment review, a capital projects update including the Central Hall, which is on the board's agenda as well.

Chair Daniel Santos reported on the October 21 Executive, Audit, and Governance Committee. There were numerous discussions including a report from the internal auditor which included the difference between internal and external audits, residency requirements for the seven public universities, a hotline update, and the procurement process using an equity, diversity, and inclusion (EDI) lens, and the creation of a workgroup on board policies. He further reported that the committee discussed the president's evaluation and recommends the president's revised goals, which will both be discussed later in the meeting.

Associated Students of Southern Oregon University (ASSOU) Report

ASSOU President, Alicia Gerrity, provided background information about herself for new trustees. She reported that a lot has happened since June. She talked about club sports and their transition to be managed by athletics due to budget constraints; the ASSOU retreat; the collective theme of transparency; and therefore, the group is keeping up with town halls and newsletters. The two issues ASSOU will focus on are parking and dining. The judicial and legislative branches of government are fully seated and the executive branch is nearly full. She reported that work has begun assembling task groups and committees are up and running. Finally, she touched on the mentorship program with the SOU's President's Cabinet.

SOU Faculty Senate Report

Faculty Senate Chair Brian Fedorek reported that the transformation of general education (GE) has been a major discussion topic for the group. Items such as new courses coming through for GE, fine tuning the language of capacities, numerical literacy capacity, and name and roles/responsibility changes from University Studies Committee to the General Education Committee. He also noted that the division structure changes will cause changes to the faculty representation and will result in a lot of discussion to ensure all departments are represented. Dr. Fedorek also mentioned the discussion of faculty awards for scholarship, service, research, and teaching.

SOU Staff Assembly Report

Staff Assembly Chair Ashley King reported that the Staff Assembly completed its first year and shared the group's new leadership and committee chairs. The assembly approved several bylaws changes and will be voting on their first two resolutions. She talked briefly of the great progress on the website. She discussed the presentation of results of the staff appreciation survey to cabinet and upcoming elections to vacancies.

Equity, Diversity, and Inclusion Report

Vice President Cooper provided a brief summary of the EDI campus climate spring survey noting the day's agenda item on the topic. She talked about the Discourse & Difference work group which is designed to grow SOU's capacity to have difficult conversations about deep social differences. She announced some upcoming events that included Ian Haney Lopez on May 23 in partnership with OSF as well as upcoming roundtables on November 3 of this year and February 9 and May 11 of next year; these are patterned as "resetting the table" with a trained mediator.

One of the summer work groups continues assembling the Inclusive Rogue Valley Guide—an educational resource of internal and external resources listing EDI-related services in the valley. Ms. Cooper also reported on her meetings with the seven division directors and their conversations around recruitment and retention as well as the development of networking to grow outreach. Lastly, she discussed work with human resources, affinity groups, faculty, and partnership programs.

University Advancement Report

Vice President Janet Fratella shared that Advancement's priority for the year is to build long-term capacity for the university. They are in the silent phase of the SOU Foundation's first comprehensive campaign and will go public when they are at 50 percent of the goal. Another priority is to increase the statewide footprint of SOU, citing the traction SOU is receiving from President Bailey's visits around the state with editorial boards, alumni, donors, and schools as well as Raider Rendezvous. She mentioned updates on numerous Advancement initiatives including revitalizing grants and contracts, increases in marketing metrics, corporate relations and partnerships to provide professional development, and an initiative to increase networking among alumni. She noted the President's Medal, which is part of Alumni Relations, and its latest recipient, Juan Carlos Romero Hicks.

Reporting on the transfer of funds from the foundation to the university, she said this year marked a milestone with over a \$1M. She reported donations including the generous gift from Lithia & Driveway, and the importance of achieving 100 percent board participation.

President's Report

President Bailey reported on numerous items. He began with an overview of his remarks throughout the state as part of the 150-year celebration. He outlined five opportunities including: enrollment; partnership and collaboration; fiscal stability and growth; revenue diversification; and engagement. He later discussed his engagement and activities meeting people and groups statewide who are important to SOU.

On enrollment, President Bailey presented a graph that depicted declining enrollment and headcount stating that, although it is a challenge, it can be viewed as an opportunity to grow since Oregon is ranked forty-third in the country in terms of the percentage of students that go directly from high school to college. The partnerships SOU is establishing with high schools is taking advantage of this opportunity. He where SOU students come from including Oregon community college transfers, which have been lower in recent years. Tying these together, President Bailey explained SOU's partnerships with school

districts, the data-sharing agreements, conversations with public school superintendents, and transfer agreements with community colleges.

President Bailey reviewed the four areas of fiscal sustainability and growth which included: cost management, reimagining grants infrastructure, philanthropy, and revenue diversification. He pointed out the importance of the grants infrastructure so that faculty will be incentivized to apply for grants. He commended Ms. Fratella on the 400 percent growth in SOU philanthropy over the last five years. He then provided updates on revenue diversification and four goals to: become the first public university in the nation to produce 100 percent of its own energy; develop a regional and/or national training center for Workday users; raze the antiquated Cascade dormitory and build a senior housing project to create multi-generational learning experiences for seniors and students; and generate revenue and retain students by developing a housing and business complex/district to create a student-friendly environment.

Action, Information and Discussion Items

Fall 2023 Enrollment Update

Vice President Woolf provided a fall enrollment overview based on the fourth-week data. He showed that the new freshman cohort has increased 9.7 percent to 556 but transfers, at 281, and overall enrollment and headcount, at 4,706, are down. Enrollment at community colleges is increasing and SOU should reap those benefits in the next couple of years. As presented in the materials, he discussed where students come from, key performance indicators, improvement in retention and graduation rates, and why students do not continue. Dr. Woolf also explained the Enrollment Council and its subcommittees, which are focused on strategies to improve enrollment at SOU.

Answering trustee questions about graduates' student loan debt, Dr. Woolf said that once a student leaves the university, the debt is between the student and their loan servicer.

Targeted Retention Strategies

Vice President Woolf discussed retention and said it is about good relationships, particularly with faculty. Responding to Chair Santos, he said SOU uses the National Survey of Student Engagement and student satisfaction surveys. To answer "how is retention measured", Dr. Woolf referred to four metrics on the executive enrollment dashboard. There is retention rate of first-time, full-time students who start in the fall and return the following fall; SOU's rate is 65.6 percent. All undergraduate retention includes eligible undergraduates who begin a fall term and return the following fall; SOU's rate is 76.1 percent. The freshmen cohort graduation rate is the percentage of first-time, full-time freshmen who complete a degree within six years; SOU's rate is 46.5 percent. Lastly, the transfer cohort graduation rate is the percentage of students who start at another college who receive an SOU degree within six years of first enrollment; SOU's rate is 59.2 percent.

He emphasized that every student interaction is an opportunity to retain a student and showed best practices, all of which SOU is doing. SOU uses retention management software and Gallup polling. He described reasons why students do not return to SOU and these included: academic programming and the cost of housing. He then reviewed some of SOU's strategies to increase enrollment and retention including: campus climate survey actions, enrollment council focus areas, redesigning career services, and more.

There was much discussion regarding why students leave and the importance of cohorts. Although there were anecdotes of students leaving for financial or mental health reasons, it is not quantified in the data.

Budget Update and Review of Pro Forma

Vice President Perkinson commended Josh Lovern's new, cleaner format of the pro forma. Mr. Lovern stated that he was cautiously optimistic as there is some revenue growth in a few areas, especially tuition. The population dynamic has changed and SOU did not predict the switch to in-person versus online courses. On the expense side, Academic Partnerships programs were pulled out of Supplies and Services (S&S) and a distinct area of fund balances was added. Mr. Perkinson said the university closed the last fiscal year slightly ahead of \$6.5M expectations, which is reflected on the pro forma. Trustees discussed the \$3.6M deficit and Mr. Perkinson said it will be tracked in the "green" column [which shows the current year's forecast]; President Bailey added that he's confident SOU will hit that number but noted that some of it is one-time savings such as vacancies.

Revenue Forecast

Vice President Perkinson reviewed revenue streams and the projected revenue mix, as presented in the meeting materials. Revenue increases included the housing transfer from refinancing North Campus Village, employee retirement rate changes, an increase to deferred maintenance funding for cost escalation, and SSCM refinement. He also touched on anticipated alternative revenue streams: the solar energy project; Cascade Housing project; University Business District; and a Pacific Northwest He said that with a better-than-expected closing last year and revenue improvements, SOU is seeing a better forecast to end the year.

Cost Management Update

President Bailey introduced the topic describing the process that is being undertaken by five divisions, Academic and Student Affairs, Finance and Administration, Enrollment Management and Student Affairs, Athletics, and University Advancement. Each division has identified quantitative and qualitative factors in the data collection. He recounted the recent town hall event and conversations with advisory groups such as Faculty Senate, ASSOU, and Staff Assembly. The president's next steps are to formalize programmatic analysis documents and strategy, continue discussions, present to the board, and reach consensus by next spring. As the documentation in the meeting materials was discussed extensively among the committees, the vice presidents reviewed their documents again spending time on the processes to collect data, analyze data, communicate, and make future decisions.

Additional steps will include more meetings and soliciting feedback but it was noted that each division is different. For athletics, President Bailey explained that in the prior day's committee meeting, trustees reviewed with the director, cost, retention rates, graduation rates per program, and how athletic programs help with EDI goals. Additionally, funding from the state for sports is offset by remissions dollars, and donations figure highly into athletics. He stated that SOU can't just stop participating in conferences due to agreements. Ms. Fratella talked about return on investment and that some positions are

funded fully by the SOU Foundation (SOUF) or are split between SOU and SOUF and outsourcing is not always less expensive.

Core Information Systems Replacement (CISR)

Mr. Perkinson summarized the project. He discussed the process and that it starts with communication. This is a transformative project replacing an outdated Banner system with Workday. Workday will be implemented in two phases: HR/finance /payroll and the student information systems. This \$10M work effort and is a key element of the cost management strategy with a savings of approximately \$800K per year, continuous process improvement, and reduced workloads. Perkinson reviewed the next steps and the overall timeline for implementation, which culminates in May/June of 2025.

Central Hall Phase 1.a Contract Award and Phase 1.b Project Expenditures (Action)

Vice President Perkinson provided an update on capital projects. He explained that there is \$6M of bonds with the potential to use deferred maintenance funding for the Central Hall project. He explained that the \$6M is restricted funding, as is the capital improvement and renewal funding, though it is less restrictive. He informed the board that use of these dollars will have no impact on the Education and General fund and that the architectural and engineering have already been completed.

Trustee Thalden moved to spend up to \$2M complete Phase 1 of the Central Hall project. The motion was seconded by Trustee Lee and the resolution was passed unanimously.

Review of Campus Climate Survey

Vice President Cooper introduced the EDI team members, Jonathan Chavez Baez and Patricia Syquia-McCarthy. She provided an overview of the survey process and the need to identify the right instrument, which was from Soundrocket. This platform allowed for customization. There was a good overall response rate of 26.23 percent. She reported that 57 percent of respondents felt satisfied with campus and her desire to learn more about the 43 percent who are not or were neutral. She shared additional information regarding the instrument, response rate. The largest percentage of respondents were women and white, less than half of students identified as Black, Indigenous, and People of Color and overall, 40 percent were satisfied with the climate.

Mr. Chavez Baez and Ms. Syquia-McCarthy reviewed the survey results as presented in the meeting materials and there was much discussion on the meaning and significance of neutrality. He highlighted overall satisfaction and pointed out that faculty had the lowest rate of satisfaction. He commented that the results were encouraging but much work that remains. He said that not only are these issues addressed as a universal approach but individually as well. He reiterated that small group work and one-on-one work is needed to understand what is going on in the data.

Government Relations and Legislative Update

Jeanne Stallman reviewed a diagram of the budget cycle, highlighted the completed work, explained the possible turnover of legislators in the November election, and highlighted the state universities' common agenda. Regarding this agenda of affordability and funding, equity investments, economic development and capital investments, she indicated that messaging is in development and gave a review of key upcoming dates

including the National Center for Higher Education Management Systems report due in October, and other key dates relative to the election, priorities and the legislative session.

Ms. Stallman informed trustees that she might call upon them to reach out to legislators but said she would prepare them and provide talking points if so. She also reminded them that only the board chair speaks on behalf of the board unless otherwise directed.

Proposed Board of Trustees 2023-2024 Meeting Schedule (Action)

Chair Santos presented the schedule which is an extension of the board's current schedule. He asked if there were any comments or discussion.

Trustee Cable moved to approved the 2023-24 meeting scheduled. Trustee Lee seconded the motion and it passed unanimously.

University President's Annual Evaluation

Chair Santos said the committee 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 committee 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. Pursuant to ORS 192.660(6), no final action would be taken or final decision made in the executive session.

In addition to board members, the board secretary, Sabrina Prud'homme was permitted to remain in the room. In concluding the executive session, Chair Santos returned the meeting to open session.

Proposed Revision to University President's 2022-23 Goals (Action)

Chair Santos announced that President Bailey would like the board to consider a proposed revision to his goals that were adopted in June. The Executive, Audit, and Governance Committee reviewed the revisions and recommended it to the board for adoption as well. President Bailey said that in June the board approved six strategic goals. He is asking that goal number four—the approach to the strategic plan—be “put in the parking lot.” He believes that in 2026, the university will be at inflection point which includes cutting ribbons on the Cascade project and the University Business District; seeing the fruition of the work with K-12 and community college agreements; solar; and the CISR project. He does not want to eliminate the goal but to revisit it in a few years.

Trustee Gay moved to adopt President Bailey's revised goals. Trustee Pieper seconded the motion and it passed unanimously.

Future Meetings

Chair Santos announced that the board's next meeting will be on Friday, January 20, 2023. He asked that any ideas for the agenda be sent to him or the board secretary.

Adjournment

Chair Santos asked if anyone had a questions or additional items to discuss. Hearing none, he adjourned the meeting at 5:08 p.m.

Respectfully submitted by,

A handwritten signature in black ink, reading "Sabrina Prud'homme". The signature is written in a cursive style with a large initial 'S' and a distinct 'P'.

Sabrina Prud'homme
University Board Secretary

Date: January 20, 2023