

**Board of Trustees of Southern Oregon University**  
**Board of Trustees Meeting**  
**Friday, January 20, 2023**

**MINUTES**

**Call to Order/Roll/Declaration of a Quorum**

Chair Santos called the meeting to order at 12:04 p.m. He welcomed and thanked presenters: Alicia Gerrity, Dr. Brian Fedorek, Ashley King, Dr. Sara Adams, Rachel Gibbs, Toya Cooper, Janet Fratella, Jean Bushong, Jeanne Stallman, Greg Perkinson, Tom Battaglia, and Dr. Neil Woolf. He recognized President Rick Bailey's first full year on the job and thanked the president for taking on the challenges and opportunities of SOU while keeping students at the forefront of SOU's priorities.

Trustee Cable 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	Present
Jon Bullock	Present	Mimi Pieper	Present
Katherine Cable	Present	Liz Shelby	Present
Iris Maria Chavez	Present	Barry Thalden	Present
Sheila Clough	Absent	Bill Thorndike	Present
Debra Lee	Present		

**Public Comment**

Invited public commenter, Sara Adams, represented the APSOU faculty union and said President Bailey is genuinely interested in what faculty have to say and that faculty feel safe giving their opinions and sharing concerns. However, she said they were not sure how faculty's concerns and ideas will be incorporated in the new plan. Regarding investment in academic affairs, and as a certified public accountant, she understands the need to keep SOU sustainable. Academic Affairs is the revenue-generating arm of the institution and faculty are the best recruiters and retainers of students. She asked the board to avoid repeating history and to make an investment in Academic Affairs.

Invited public commenter, Rachael Gibbs, spoke on behalf of the SEIU classified staff union, and expressed the angst and concern on campus. She asked for more information, transparency, and timeliness regarding the realignment plan but understood that it is a process. She said the staff are looking forward to contributing.

Elizabeth (Liz) Atkinson, a sustainability major and student representing the sustainability collective, commended President Bailey for his excitement about what the group is doing. She started the collective because she noticed that students had a lack of hope with world affairs, climate change, and equity and diversity, and they want to encourage others to engage in activism with their communities. The group meets Wednesdays from 5:30 to 7:00 p.m. in the Social Justice and Equity Center (SJEC). The collective is open to students and the public and Ms. Atkinson welcomed the board to join.

### Consent Agenda (Action)

Trustee Franks moved to approve the consent agenda. Trustee Lee seconded the motion and it was approved unanimously.

## **Reports**

### Committee Reports

Trustee Jonathon Bullock reported on the January 19 Academic and Student Affairs Committee meeting, which was themed *Perseverance*, as during these challenging times, faculty, staff, students, leadership, and the board have continued to persist in the advancing SOU. The committee learned of a number of initiatives regarding mental health including the 24/7 Mental Health Crisis Care available to students. Mental health is the number one reason students give for withdrawing. He described work to identify and improve programs to meet the needs of students.

He further reported that new program review was a large part of the meeting with four new bachelor degree programs approved: Bachelor of Fine Arts in Digital Cinema; Bachelor of Arts/Bachelor (BA/BS) of Science in Media Innovation; BA/BS in Human Service; and BA/BS in Power and Politics. The committee also approved four new certificate programs: Cinematography and Production Technology; Directing for Scripted Narrative; Media Post-Production; and Producing and Production Management.

Trustee Bullock further reported on the discussion of changes to the Free Application of Federal Student Aid (FAFSA) that go into effect in October of this year for the 2024-25 school year. Lastly, he said a highlight of the meeting was learning about recruitment efforts in American Samoa and hearing from an outstanding student, Morgan Ulu. He thanked Dr. Woolf and Provost Walsh for their work on the agenda and for getting staff and faculty there to support the committee.

Trustee Franks reported on a fun and robust Finance and Administration Committee meeting that took place on January 19. He reported that Vice President Perkinson provided updates on the Higher Education Coordinating Commission (HECC), innovations in the Business Administration Council (BAC), student-requested cameras, and the Core Information System Replacement project (CISR). Other items included financial sustainability, a revenue forecast, cost management, and a budget forecast. Trustee Franks stated that the action item and expenditure request for RNL Demand Builder was approved and recommended to the board. He thanked those who spoke at the special listening session, as those comments laid a lot of groundwork for the meeting's dialogue.

Chair Daniel Santos echoed appreciation for the listening session. He reported on the day's January 20 Executive, Audit, and Governance Committee meeting. Internal Auditor David Terry reported on current activities and there was an in-depth report by Jeanne Bushong of CliftonLarsonAllen (CLA), SOU's external auditor; this is an action item for the board's meeting. Trustee Bullock provided an overview of the Policy Workgroup and their recommended changes that will be presented to the board as an action item. Chair Santos said the honorary degree policy is still a work in progress.

### Associated Students of Southern Oregon University (ASSOU) Report

ASSOU President, Alicia Gerrity, reported on recent events student government has been involved with including a midterm election watch party, bracelet event during Welcome

Week, a town hall, and club involvement fair. She updated the board on several items including upcoming meetings; events including the Social Justice and Equity Conference; the work of the student fee committees; and the task forces on parking and financial aid. Student initiative workshops are being considered for a financial aid, Google mail, and writing to legislators. Ms. Gerrity explained that she is working with student body presidents from the other Oregon public universities (OPUs) to organize a lobby day around higher education funding and she will testify on the resolution for SOU's 150<sup>th</sup> anniversary. Lastly, ASSOU is inviting students who are interested in the student trustee position to present their initiatives and a recommendation will be sent to Governor Kotek.

### SOU Faculty Senate Report

Faculty Senate Chair Brian Fedorek said he appreciated the listening session and echoed Sara Adams' earlier comments that President Bailey has been upholding the guiding principles. Although there has been transparency in the realignment, a lot of it has been misunderstood. Fedorek talked about shared governance and the "five families." He noted that angst comes from the cost management side but also recognized the grants, philanthropy, and diversification of revenue.

Since his last reporting to the board, Faculty Senate has been approving new programs and courses for general education, discussing a faculty ombuds office, and considering a formal charter. Faculty Senate invited Vice Presidents Woolf, Perkinson, and Fratella as well as Athletic Director Sayer to speak on the realignment plan, which was well received. He also reported that certificate processes and changes to teaching awards were discussed. Mr. Fedorek said two big, upcoming items are the finalization of the new general education for implementation in the fall, as well as the reorganization of divisions and how those changes will impact Faculty Senate's composition and bylaws.

### SOU Staff Assembly Report

Staff Assembly Chair, Ashley King, reported that the assembly's website is live at [staffassembly.sou.edu](http://staffassembly.sou.edu). The Staff Assembly held a special realignment meeting with President Bailey on January 18 with just under 100 staff in attendance; a second meeting is needed to answer all their questions. She also spoke of the five families and their commitment to work together. She provided an update on special elections noting that nominations ended and ballots will go out. The Service Committee is working on a project called The Year of Gratitude, as a result of findings from a recent survey. Ms. King announced that Staff Assembly is planning additional town hall meetings for the spring to bring awareness and information to campus about Staff Assembly.

### Equity, Diversity, and Inclusion Report

Vice President Cooper provided an overview of her presentation on a Cultural Competency Report, Further Operationalizing EDI, and Programming Activity Updates. She provided brief history and a summary of the cultural competency report, as included in the materials. Regarding operationalizing EDI, the EDI team is discussing key learnings from the USC Equity Institute, SOUs assessment practices, an inclusive excellence framework, and recent survey data. She reviewed the Cultural Crosswalk tool she created to assess programs, activities, and the strategic direction SOU is aiming towards.

Programming activities included the recent MLK Day events; the service project with Options for Helping Residents of Ashland; and a campus pajama drive to benefit Community Works. The Inclusive Living & Learning Guide Publication is on schedule and expected to be completed on January 31. She announced the Discourse and Difference Roundtables that will take place on February 9 and May 11. These are discussions on difficult topics with trained mediators. In closing, Ms. Cooper talked about the Education Resources Review and Analysis that is taking place on campus with the library.

Trustees remarked on their excitement around the work being done. In response to Trustee Cable's concern that survey data was suppressed for transgender and binary faculty and staff and their reports of feeling unsafe on campus, Ms. Cooper said that data was being developed further by way of focus groups.

### University Advancement Report

Vice President Janet Fratella shared the vision and mission of University Advancement, then reviewed marketing at the institution and broke it down into two categories: the marketing of the University and marketing to prospective students, which the admission's office does. The institution's marketing budget is approximately \$100,000 and has been the same for nearly a decade. Nicolle Aleman, Director of Marketing, discussed that every dollar of the marketing budget is leveraged by putting a strong, cohesive brand into the marketplace. The university is promoted through print, digital, billboards, television, airport signage, and social media. She reported on the marketing dashboard and how it is used to determine return on investment (ROI) to make good decisions. The strategy is not just to create impressions but also engagement. The Marketing Department partnered with the Division of Business, Communication and Environment to build a marketing plan and she will use that as a template for success for each division. Ms. Fratella emphasized that institutional marketing in higher education has to think about every audience, including students, donors, alumni, and legislators with top-level marketing. She also talked about the non-paid marketing in terms of media attention and that so far this year, SOU's efforts would equal \$35M in paid advertising. Much discussion ensued on marketing.

Ms. Fratella reported on the first Raider network platform. There are about 500 alumni on the platform so far. Approximately 3,000 students were invited to create profiles via email and there was a 60 percent open rate and about 150 students already joined the platform from that push. Alumni Relations is creating relationships between current students and alumni using Raider Roundtables. She also reviewed grants and gifts that have been received, then discussed fundraising as well as the importance having a 100 percent giving rate among all boards at SOU.

### President's Report

President Bailey reminded the board of his goals for the 2022-23 academic year and provided an update on each. Regarding the first goal related to Equity, Diversity and Inclusion, he reported that of the seven public universities in Oregon, SOU has had the most progress in student diversity in the last eight years. Regarding the second goal to provide leadership for student enrollment, support and success, he acknowledged Vice President Neil Woolf's efforts and the fantastic engagement with ASSOU. Highlighting specific efforts, he noted that a student town hall is scheduled for February 2 and that

work is being done with the 142<sup>nd</sup> Airforce National Guard (ANG) in Portland for an SOU partnership. He later commended Dr. Woolf's innovation with data-sharing agreements and spoke about the implementation with high schools and community colleges.

Regarding goal three, crafting the long-term fiscal stability roadmap, he acknowledged comments from individuals at the previous day's listening session and the challenge of balancing transparency with respect for the individuals who will be affected by the plan. SOU is on course to have a draft in March, for a decision in April, for implementation by June 2024. Regarding the cost management work, more work will be done prior to March in terms of sharing details of the realignment plan. President Bailey also noted recent positions in University Advancement for the grants function and discussed that SOU is reimagining grants infrastructure. Commenting on philanthropy, he said SOU is doing great. On the revenue diversification projects, he highlighted that a draft request for proposals (RFP) has been created for the Cascade Project, which is the senior housing project. Regarding the University District—a housing and business complex to create a more student-friendly environment—there is excitement for the project as Vice President Perkinson and his team are amending the facilities master plan to include the project and the City of Ashland is already referring to the district. For now, the Workday Training Center is on the “back burner,” as the team is busy implementing Workday at SOU.

The remaining two goals are to strengthen internal and external outreach and to position the University for the inaugural comprehensive campaign are progressing. President Bailey discussed engagement, provided a list of strategic partners he has met with since the last board meeting, and showed pictures of his visits with some of these key leaders.

### **Action, Information and Discussion Items**

#### Fiscal Year 2022 Financial Audit Results

Chair Santos introduced the topic of the external audit report and noted this was discussed and referred for the board's adoption during the Executive, Audit and Governance Committee. He then introduced Jean Bushong from CliftonLarsonAllen, SOU's external auditor. She provided an overview of her role and that of the external auditor as two-fold: to confirm that information provided by SOU in the financial statements is reliable and that SOU is adhering to federal standards on monies it has received. She then reviewed the report and presentation as presented in the meeting materials. She also provided an update on unique audit items including the new suite of auditing standards, GASB 87 leases, and continued Higher Education Emergency Relief Funds (HEERF). The results of the audit were there were no items that needed to be modified or adjusted. However, there were some past audit adjustments and one significant deficiency on PEBB expense. She then reviewed the required communications and federal award audit.

On seconded motion from the Executive, Audit, and Governance Committee, Chair Santos called for a vote on the resolution, “SOU 2022 Annual Financial Report Including Audited Financial Statements.” The resolution passed unanimously.

#### SOU Realignment Update and Discussion

President Bailey said that from January to September of last year he spent a lot of time understanding the pro forma model and realized that something needed to be done

differently. He said there has been discussion on how this realignment plan will be different from retrenchment plans of the past. He acknowledged that the state is not likely to double funding for higher education and therefore, SOU needs to start making its own luck. He talked about the welcome back breakfast in September and the challenges he discussed with the campus. He expressed his confidence that SOU can get on the other side of this. By sharing the timeline, President Bailey showed where SOU is in the process and next steps.

Based on the pro forma, these changes need to take effect by June 2024 to avoid a massive structural deficit. The timeline is to ensure that SOU is acting with compassion with those whose positions will be eliminated. Work will include helping people find new jobs and dealing with expectations of employees who remain employed. President Bailey explained the five administrative areas' information posted to the website, emphasizing that both quantitative and qualitative data was considered. He shared his belief that SOU will become the role model for public institutions that do not want skyrocketing tuition.

There was discussion on transparency, the process for sharing the plan, and feedback. Trustee Gay suggested some heads-up emails and communication of what will be shared. Trustee Thorndike related SOU's work ahead to the prioritization process with the Oregon Health Plan. Trustee Thalden reiterated that hollowed-out programs and diminished faculty and staff could reduce the attractiveness of SOU; he shared further concerns that SOU cannot cut its way to success. President Bailey acknowledged the comments and other reasons students leave SOU, but still believes affordability is also a key factor.

Trustee Cable shared the feedback from her engagement around campus and the negative perception around equity between the "rank and file" employees compared to administration. Further conversation ensued regarding the closure of the Medford Mail Tribune, vacant positions, and consolidation and mergers. Trustee Bullock reminded the board it was at their instruction that SOU is undergoing this realignment process. He expressed that it sounds like the board is questioning what they have asked President Bailey to do. He acknowledged that it is the board's role to vet the process and that in the spring they will be asked to approve the plan; however, discussions sometimes overstep into the management role. The board is not the manager but is the fiduciary and its responsibilities are to the institution as a whole, not to individual constituencies.

### Government Relations and Legislative Updates

Associate Vice President Jeanne Stallman provided a draft of the Oregon Public Universities (OPU) common legislative agenda. She emphasized that Oregon ranks 45<sup>th</sup> in the nation for per student spending and is below the national average in financial aid for students. While higher education is facing a sustaining budget rather than an investment budget, Ms. Stallman and her colleagues will be pushing hard to obtain the \$1.05B. Priorities include support for wraparound services for students; increasing financial aid through the Oregon Opportunity Grant (OOG); financial support to students from Oregon's Tribes; meeting basic food and shelter needs by extending and expanding basic needs navigators; and improving student learning environments through capital projects.

SOU's specific legislative agenda is the OPU common agenda, Oregon Behavioral and Mental Health Sciences Institute (OBMHSI), alternative energy, and capital projects to

include the creative industries/Student Success Center and Central Hall Phase 2. She discussed work groups and upcoming bills, highlighting SB 273, “the governance bill,” that could affect higher education governance. Lastly, she reminded the trustees that they may be asked to speak to legislators, discussed protocol for that, and that only the Chair speaks on behalf of the board.

#### Budget Update and Review of Pro Forma

Mr. Perkinson introduced the topic and invited Dr. Woolf to discuss enrollment as a key driver of revenue. Dr. Woolf provided the enrollment update for Fall 2022, noting that headcount increased 1.9 percent over the previous year but total Full Time Enrollment (FTE) decreased 1.2 percent. President Bailey added that compared to other OPU, SOU is doing well, as others are seeing double-digit declines. Dr. Woolf demonstrated how well RNL Demand Builder helps enrollment compared to other activities.

Since President Bailey already discussed the alternative revenue streams, Mr. Perkinson celebrated a \$1M state grant and \$2M in federal funding for the solar project. Mr. Perkinson showed a picture of the pro forma and acknowledged that was not up to date since the budget director has been out. Key takeaways are that tuition revenue was \$2.3M less than expected; miscellaneous revenue was up \$3.3M due to a transfer of ground lease reserves into the Education and General Fund (E&G); and total labor expenses were \$2.9M under budget as a result of unfilled vacancies. He discussed increasing Services and Supplies (S&S) due to inflation.

#### Core Information Systems Replacement (CISR)

Mr. Perkinson summarized the project, provided updates on the progress and schedule, and noted the project was on schedule. The configuration is complete and testing in the current phase has begun. Mr. Perkinson discussed the change management team and the integration of EDI principles in their work.

#### Contract Award and Expenditure Authorization RNL Demand Builder

Dr. Woolf provided an introduction and summary of Ruffalo Noel Levitz (RNL) Demand Builder. The goal is to have RNL help create 100,000 new leads for prospective students. He reviewed the communication architecture including specifics using print, email, text, phone, social media, and the web. Messages are targeted to all students regardless of where they come from and materials highlight academics and faculty. He compared the previous year with current year-to-date results, which are already ahead. There was discussion on where leads come from and how they are tracked; the contract price; return on investment; the three-year contract period; and the scope of work in the proposal.

Chair Santos asked for the full Board of Trustees to authorize SOU to enter into a contract with RNL for the total cost of approximately \$589,700 for the Demand Builder project, as presented in the meeting materials and passed by the Finance and Administration Committee. Trustee Medina moved to approve the resolution. Trustee Chavez seconded the motion and it passed unanimously.

#### Board of Trustees Equity, Diversity, and Inclusion Workgroup Update

Chair Santos thanked former Trustee Janelle Wilson for continuing to chair the EDI workgroup and acknowledged the other work group members: Chair Santos, Trustee Pieper, Trustee Medina, VP Cooper, and Board Secretary Prud'homme. He reviewed the

2022 recommendations and progress including a completed self-assessment, EDI trainings, and allocated time on the board agenda. He talked about the book *Biased* by Stanford researcher, Jennifer Eberhardt, which the board is reading and the possibility of a campus visit from the author. Chair Santos described two priorities for 2023: 1) to utilize VP Cooper's assessment tool to better understand where the board and trustees are with the ability to act on EDI priorities; and 2) to consider how to obtain data that would demonstrate SOU's EDI efforts university-wide such as an EDI audit.

#### Amendments to Board Governing Documents

Trustee Clough chairs the work group on Board Policies and in her absence, Trustee Bullock provided a summary of their work. He, Trustee Clough, Trustee Lee, Board Secretary Prud'homme, and General Counsel, Rob Patridge, serve on the work group; he expressed appreciation for the staff helping to keep their work on task. Much of their work was to clean up the documents to provide stylistic changes and consistency. He directed attention to the redlined changes and focused on the delegation of authority document. Other notable changes were the global addition of "Governance" to the Executive and Audit Committee; codifying the delegation of curriculum approvals to the Academic Student Affairs Committee; and others, as presented in the meeting materials.

Chair Santos gave his appreciation for the workgroup's efforts. Trustee Bullock moved to approve the resolution. It was seconded by Trustee Shelby and passed unanimously.

#### **Future Meetings**

Chair Santos announced that the board's next meeting will be on Friday, March 17, 2023, and that meeting will be narrowly focused on the realignment plan, which will include an additional listening session. He asked that any ideas for the April 21 meeting 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 4:38 p.m.

Date: April 21, 2023

Respectfully submitted by,



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Sabrina Prud'homme University Board Secretary