

**Board of Trustees
Friday, October 20, 2023**

MINUTES

Call to Order/Roll/Declaration of a Quorum

Chair Santos called the meeting to order at 12:05 p.m. He welcomed everyone to the meeting and extended special welcome to new trustee, Jason Mendoza. Chair Santos announced the resignation of Dr. Jon Bullock. He thanked Provost Sue Walsh for her service and congratulated her on her retirement.

Trustee Mendoza read the SOU Land Acknowledgment.

The secretary called the roll and a quorum was verified.

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| Daniel Santos | Present | Shaun Franks | Present |
| Rick Bailey | Present | Andrew Gay | Present |
| Brent Barry | Absent | Christina Medina | Present |
| Jason Mendoza | Present | Mimi Pieper | Present |
| Iris Maria Chavez | Present | Liz Shelby | Present |
| Sheila Clough | Present | Barry Thalden | Present |
| Debra Lee | Present | Bill Thorndike | Present |

Public Comment

Sara Adams, President of APSOU, spoke specifically regarding the reduction of faculty. She noted the reductions in faculty are creating issues with course offerings to meet student needs, higher-than-normal student to faculty ratios, and faculty burnout. She encouraged optimizing scheduling. Chair Santos noted that public comment is a listening session but the board will certainly take her comments into consideration.

Consent Agenda (Action)

Trustee Shelby moved to approve the consent agenda consisting of minutes from June 16, 2023 and August 28, 2023. Trustee Gay seconded the motion and it passed unanimously.

Reports

Committee Reports

Trustee Thalden provided a summary of the Academic and Student Affairs Committee (ASAC). The committee recognized Dr. Walsh's service and there is a committee reviewing new provost candidates. Inspiring work in Career Connections was discussed, as was the relocation of housing and dining to Student Affairs; implementation of the new general education; and an overview of the good news in fall enrollment data. The committee also discussed the Strategic Enrollment Management Plan.

Trustee Franks shared information from the Finance and Administration Committee, outlining recommendations presented to the full board. A report from Vice President Dr. Neil Woolf covered updates on the Higher Education Coordinating Commission (HECC), an external budget review, and the reestablishment of the University Budget Committee. The

committee received revenue and budget updates, some based on trustee feedback from the retreat. There was an expenditure request for Central Hall and discussions regarding SOU's exit from the public university fund (PUF), which the full board also would discuss.

Chair Santos reported on the activities of the Executive, Audit, and Governance Committee (EAGC). The agenda included a report from SOU's internal auditor, David Terry, covering financial aid compliance, veteran services eligibility, and Workday. The committee also discussed and recommended the board's approval on amendments to several of board's governing documents, which the full board also would discuss. Additionally, the EAGC approved its 2024-2025 meeting schedule, conducted a performance review of the president in executive session, and recommended the board's approval of his 2023-24 goals.

ASSOU Report

President Brayden Clayburn provided an update on the activities of the Associated Student of Southern Oregon University (ASSOU). The ASSOU confirmed a speaker of the senate, hired administrative directors (with one exception), and senators and associate justices are being recruited. The ASSOU senate meetings occur on Tuesdays, and they recently covered the SOU Student Health and Wellness Center's upcoming changes. President Clayburn outlined the process for filling vacant positions and mentioned plans to recommend students for trustee positions by mid-November. He also discussed ASSOU's new affiliation with the Oregon Student Association (OSA). Trustee Gay praised President Clayburn for an inspirational speech at convocation. Responding to Trustee Santos, President Clayburn clarified that all Oregon universities and community colleges are now affiliated with OSA. He elaborated on the free memberships and discussed different tiers based on institutional size

SOU Faculty Senate Report

Dr. Jackie Apodaca, the new chair of the Faculty Senate, provided an update on Faculty Senate's recent activities. She echoed the comments made by Ms. Adams. Dr. Apodaca announced that the faculty workload workgroup put forth 20 recommendations. These focused on addressing issues related to inadequate staff and faculty. Despite faculty eagerness to serve students, fatigue, and the loss of colleagues, none of the recommendations were intended to detract from teaching, mentorship, or student success. Instead, they targeted systemic issues, redundancies, internal bureaucracy, and the need for adequate staffing. Chair Santos expressed appreciation for the ongoing commitment of faculty members to the success of students, and their active roles in student recruitment.

SOU Staff Assembly Report

Dr. Carrie Vath, staff assembly chair, announced that the new chair-elect is Hart Wilson. She recognized the faculty workload group for graciously meeting with her and Ashley King to discuss staff workload issues. Staff Assembly will continue to focus on the year of gratitude program. She thanked all the staff working on the Workday project.

Equity, Diversity, and Inclusion (EDI) Report

Jonathan Chavez Baez provided a comprehensive update on the EDI office at SOU. Following Toya Cooper's departure, he was appointed as the interim associate vice president for EDI. Patricia Syquia McCarthy's continues on the team at this time. With the help of governing

partners, he will provide a recommendation to President Bailey regarding the role of the vice president for EDI at SOU. Operationalizing the EDI vision plan is front and center, along with hiring a Native Nations liaison and a faculty liaison. Mr. Chavez Baez also discussed the following: a successful Indigenous People's Day event; installation of a new mural and open invitations of the EDI office; and numerous collaborations and events on campus. Chavez Baez discussed several EDI programs, including SOU: The First Year, an EDI policy update, and the Hispanic-Serving Institution (HSI) designation plan. President Bailey highlighted the HSI benefits to students and the institution. Trustee Medina commended the robust presentation, expressing confidence in Mr. Chavez Baez and emphasizing the power of podcasts for healing.

University Advancement Report

Vice President Janet Fratella delivered an overview of the SOU Foundation (SOUF), beginning with a review of its mission and vision. She acknowledged the success of homecoming activities and shared updates on the Raider Network alumni platform, noting a substantial 72 percent increase in members. The media footprint of SOU saw a 49 percent rise in unique mentions, with an estimated value close to \$60 million. In institutional marketing, she highlighted search engine optimization, and strategies such as display ads on the internet, sponsored stories, and billboards in Salem and at the Rogue Valley airport. A graphical representation of external funding from grants was presented. Regarding fundraising, annual giving amounted to \$15.4 million. She also discussed donor giving, fundraising history, endowment value, foundation support to SOU, the cost of raising a dollar, recent gifts, progress in the ongoing campaign phases, and fiscal achievements. She concluded her presentation by emphasizing the significance of leadership giving to SOUF.

President's Report

President Bailey provided an update on his 2022-23 goals, emphasizing progress in various key areas. He highlighted efforts to address EDI issues such as identifying and closing student achievement gaps. Regarding enrollment and student success, he noted an increase in first-year enrollment and commended admissions and the Enrollment Council.

He acknowledged the concerns about workload and morale and emphasized accountability measures for those with budget authority. Strengthening internal and external outreach was discussed, including partnerships with K-12 schools, community colleges, and government entities. He also discussed the progress of the inaugural comprehensive campaign and his participation in fundraising. Collaborations with the City of Ashland and other educational organizations, such as the Oregon Council of Presidents and technical and regional universities (TRUs), were highlighted.

Focusing on fiscal stability, President Bailey discussed ongoing projects, including the solar energy transformation, senior housing, university business district, and the Workday training center. He emphasized the commitment to enhancing revenue diversification through these initiatives and highlighted the future installation of solar panels in parking lots with significant sun exposure.

Action, Information, and Discussion Items

Accreditation Overview and Update

Provost Walsh introduced Associate Provost Dan DeNeui as the accreditation liaison officer. Dr. DeNeui shared that SOU's accrediting body is the Northwest Commission on Colleges and Universities (NWCCU) and their team of six accreditors will arrive Sunday and to begin the accreditation visit. They will meet with constituents across campus including trustees. They will focus on institutional effectiveness at a high-level and how the university works together as a team, likely in the areas of shared governance, the board's role in academic programs, EDI issues, student success, and financial sustainability. He reminded the board that this will be a seven-year lookback and not to focus too much on the recent realignment. He emphasized that despite challenges SOU has faced such as cost management, COVID, and local fires, SOU continues to serve its students. In response to Trustee Gay's question, Dr. DeNeui said that policies and procedures will be an area of interest. The university's efforts to update the policy form and the policy process will satisfy NWCCU's previous concerns.

Fall 2023 Enrollment Update and Incoming Class

Zac Olson, provided an update on Fall 2023 enrollment at Southern Oregon University (SOU). Mr. Olson expressed appreciation for everyone's role in recruitment as SOU ambassadors. He highlighted a 15.1 percent increase in new freshmen and a 10.6 percent rise in new transfer students, leading to an overall 10.6 percent increase in new students compared to the previous year. The increases were attributed to initiatives, such as collaborations with high schools and Ruffalo Noel Levitz's (RNL) Demand Builder.

Dr. Matt Stillman reiterated the enrollment numbers, emphasizing the increase in new students of 105 for a total of 1,098. He highlighted the intentional conservatism in enrollment projections for Fall 2023, with new student increases offsetting declines in continuing and returning students. He explained that overall headcount growth of 9.2 percent was significantly higher than full-time equivalency due to factors such as the Osher Lifelong Learning Institute (OLLI) and Advanced Southern Credit (ASC) which are counted differently. In response to Trustee Thorndike's request for enrollment information regarding certificates, Dr. Stillman committed to providing that information in the future. Overall, the presenters conveyed a positive trend in SOU's enrollment, particularly in attracting new students.

Strategic Enrollment Management Plan

Drs. Woolf and Walsh discussed SOU's Strategic Enrollment Management Forward plan, as presented in the meeting materials. Dr. Woolf shared the goals of the plan and how each of the four subcommittees makes an annual effort towards the goals. The committees are: recruitment and marketing; student success and retention; financial aid and pricing; and academic program planning. Dr. Woolf referred to the in-depth conversation in the ASAC on the plan and Trustee Thalden commented on the feasibility that SOU can go from 5,200 student to 7,000 students.

Fiscal Year 2024 Revenue Forecast

President Bailey, Dr. Woolf, and Mr. Lovern discussed the 2024 revenue forecast and how enrollment impacts revenue. Mr. Lovern uses an algorithm to predict the student credit hour (SCH) projections, upon which some funding is based. Dr. Woolf noted that state funding would be updated following the fall reconciliation or "true up" of funding from the HECC. President Bailey mentioned the special \$1M special allocation for TRUs and noted the

collaboration among the schools and presidents. Responsive to the board's requests at their recent retreat, Dr. Woolf pointed out that new reports are being developed and have already been expanded to show fund types other than Education and General.

Budget Update

President Bailey, Dr. Woolf, Mr. Lovern, and Ms. Maina discussed budget development and accountability progress. They reported on the periodic management report, which is a new addition to the budget monitoring tools. On E&G labor, President Bailey noted that classified staff labor costs previously were not included in the pro forma, and now an increase has been included for this. However, budgeting remains conservative. Supplies and Services are stable. Ms. Maina added that "trip wires" will be included into the budget to notify or require approval at specific thresholds. These tripwires will not occur with the January iteration of Workday and are probably a year into the future, as managers will be educated on the changes across the university, the training, culture and structure. Regarding transfers, the final year of higher education emergency relief funding is offsetting expenses.

Overall, budget revenues are still greater than costs by \$218K this year and \$460K next year, although, SOU still needs to build its reserves. FY 2026-27 President Bailey recognized the needs for consideration of faculty bargaining; unclassified staff compensation; and not yet banking on revenues from the Cascade project, the University Business District, or solar savings. Responding to Trustee Thorndike, the president said an overview on SOU properties could be provided in a future meeting

Regarding reserves, Trustee Shelby asked if there is certain number of days of operations SOU would like to achieve for reserves. National Association of College and University Business Officers (NACUBO) recommends 40 percent of expenditures but reasonable targets over the next few years can be developed toward that, especially if enrollments gains persist. Trustee Mendoza commended the new reports and contingencies for Banner.

Expenditure Request for Central Hall, Phase 3 (Action)

Dr. Woolf and Mr. Crouch updated the board on the progress of the Central Hall project and emphasized that significant work still needs to be completed. A few years ago, the board approved capital expense dollars, which were received. A second tranche of funding was requested that SOU did not receive from the state. Capital improvements and renewal (CIR) monies are another mechanism to fund the project. The university receives about \$4M per biennium for CIR and is required to spend it on such projects on a defined schedule, so this would be \$3.5M for what SOU is calling phase 3 but the legislature knows it as phase 2. It was noted that the Central Hall project ranked fifth overall but only the top three were funded.

Trustee Gay moved to approve the expenditure request for Central Hall, Phase 3. Trustee Lee seconded the motion and it passed unanimously.

Public University Fund (PUF) Exit for SOU Operating Funds (Action)

Chair Santos summarized that SOU holds operating cash within the PUF, which is designed for longer-term investments. The university desires to exit the PUF and the Finance and

Administration Committee reviewed this item and recommends the board to provide a termination notice to the PUF Administrator for managing operating assets. Agnes Maina notes that SOU is not being forced out but intends to exit for higher-interest rates offered by the Oregon Short Term Fund (OSTF). This aligns with SOU's cash management needs and is a strategic choice. There is a one-time cost of \$300K associated with leaving the PUF, involving liquidating positions with a realized loss, but ultimately placing SOU in a net positive position. Trustee Shelby inquired about Workday and testing, seeking information about a safety net. Ms. Maina clarified that every dollar swept into the PUF earns interest, and SOU's bank accounts are configured and tested to ensure smooth transactions. The decision to exit the PUF is not directly tied to the Workday implementation, but it prompted a closer examination.

Trustee Gay moved to provide a termination notice to the PUF Administrator for the management of operating assets. Trustee Clough seconded the motion and it passed unanimously.

Core Information System Replacement Project

Tom Battaglia reported that end-to-end testing has driven up costs of the Workday project, which was expected. The cumulative cost to date is at around \$2M and the budget was projected at \$2.389M before the project extension. Extra modules like financial management of capital projects were not in the original scope. He stated that the project should be completed on time and on budget. In response to Trustee Thorndike's question, Mr. Battaglia stated the biggest surprise was that folks doing the heavy lifting have not crucified him. They have positive attitudes and are still showing up.

Amendments to Board Governing Documents (Action)

Trustee Lee indicated that the governing documents have been amended to comply with SB 273 and were vetted through the policy work group: Bylaws of Southern Oregon University; Board Statement on the Conduct of Public Meetings; Board Statement on the Conduct of Public Meetings; Board Statement on Presidential Searches and Appointments; Board Statement on Recommending Candidates for At-Large Board Positions; and a Resolution on the Responsibilities of Individual Trustees; in addition to creating a new Resolution on Resolution on Reporting to the Legislative Assembly in Compliance with Senate Bill 273 (2023). She said the group was pleased that many provisions are already in place or in practice and just needed to be memorialized. The work group used the direct language of SB 273 and made edits for clarity. The EAGC reviewed them and recommends the board's approval.

Trustee Gay moved to approve the resolution [Amendments to Governing Documents of the Board of Trustees of Southern Oregon University]. Trustee Franks seconded the motion and it passed unanimously.

Board Equity, Diversity and Inclusion Work Group Update

The EDI Workgroup Chair, Trustee Medina, discussed the latest update from the group. She stated that the workgroup welcomed Jonathon Chavez Baez as a new member and finds his enthusiasm rejuvenating. The board was asked to read *Biased*, and was hoping to host the author as a campus speaker; this or a similar opportunity are still being considered. She said

the workgroup is continuing work on expanding the Black Lives Matter statement and is excited to share an iteration once its ready at end of the year. By better integrating EDI efforts within the board, it makes the board more exemplary. Chair Santos added that the board issued the statement on Juneteenth of 2020 since that time, a wide-range of other issues and social justice matters are in play so they are looking to expand to be even more inclusive.

Board of Trustees 2024-2024 Meeting Schedule (Action)

Chair Santos reviewed the proposed schedule included in the meeting materials. Trustees did not recommend any changes. Trustee Gay moved to approve the 2024-2025 meeting schedule as presented. Trustee Shelby seconded the motion and it passed unanimously.

Future Meetings

Chair Santos said the next meeting of the board is January 19, 2024 at noon. If trustees have agenda items for a future meeting, he asked them to send them to the board secretary.

President's 2023 Evaluation Process [Executive Session Pursuant to ORS 192.660(2)(f) and (i)]

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 was permitted to remain in the room. In concluding the executive session, Chair Santos returned the meeting to open session.

University President's 2023- 24 Goals (Action)

President Bailey explained his goals, as presented in the meeting materials. He outlined key areas of focus and strategic goals. He acknowledged that the strategic revenue plan would not fully materialize before 2026-27, so there is continuity in goals from the previous year.

Goal #1 in the area of student enrollment, support and success includes a focus on replicating gains in first-time students and improving retention.

Goal #2 in the area of fiscal sustainability, President Bailey highlighted efforts to foster a culture of accountability, enhance transparency, and increase accessibility within the campus community. He provided a brief update on revenue diversification projects, including the initiation of Request for Proposal (RFP) processes for senior living and university district projects.

Goal #3 addresses EDI goals and President Bailey emphasized the importance of implementing the EDI strategic vision. He mentioned a memorandum of understanding (MOU) with tribal governments and outlined growing the "Hispanic" population to 25 percent from the current 13.9.

Goal #5 is to maintain momentum for SOU's inaugural comprehensive campaign to raise \$100M within eight years. Already, \$28.9 million has been raised. President Bailey plans to

sustain momentum by promoting a culture of philanthropy internally and engaging top-tier philanthropic partners to secure early campaign lead gifts. This strategy aims to bend the cost curve and also supports long-term fiscal sustainability.

Goal #6 is in the area of university communications, both internal and external. President Bailey highlighted the success of the Super Cabinet structure in facilitating diverse and robust strategic decision-making. He plans to continue campus conversations, expand communications with community leaders and the media, and leverage legislative advocacy at the federal and local levels.

Overall, he said the outlined goals and strategies underscore a comprehensive approach to fostering growth, inclusivity, and financial stability at SOU. Trustee Gay moved to approve the University President's 2023-2024 goals. Trustee Thalden seconded the motion and it passed unanimously.

Adjournment

Chair Santos adjourned the meeting at 4:48 p.m.

Respectfully submitted by,



Sabrina Prud'homme University Board Secretary