

**Board of Trustees  
Finance and Administration Committee Meeting  
Thursday, April 18, 2024  
Minutes**

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

Committee Chair Shaun Franks called the meeting to order at 5:00 p.m. Board Secretary Sabrina Prud'homme called the roll and a quorum was verified.

**Committee Members:**

|                     |         |                 |         |
|---------------------|---------|-----------------|---------|
| Sachta Card         | Present | Liz Shelby      | Present |
| Sheila Clough       | Present | Julissa Taitano | Present |
| Shaun Franks, Chair | Present | Bill Thorndike  | Present |
| Christina Medina    | Present |                 |         |

Other Trustees in attendance: Trustee Hala Schepmann and President Rick Bailey

**Public Comment**

No members of the public offered comments.

**Consent Agenda (Action)**

Vice Chair Clough moved to approve the consent agenda consisting of the minutes from the March 21, 2024, meeting and the financial dashboard. Trustee Shelby seconded the motion and it passed unanimously.

**Vice President's Report**

Executive Vice President Neil Woolf thanked Andrew Gay, Rob Patridge, Marc Overbeck, Leon Crouch, Jim McNamara, and Susan Dyssegard for their assistance, among others. With their help, SOU was able to request \$43 million for the Creative Industries capital project. The HECC will visit campuses to take a look at the projects requesting funding. Abatement work on Cascades is scheduled to start soon, before demolition commences.

Moving to organizational changes, Gordon Carrier and John Stevenson were appointed as interim co-directors of SOU's Information Technology (IT) Department. Hart Wilson is leading Phase 2 of the Core Information System Replacement Project and David Raco will continue to lead IT security. Dr. Woolf introduced Stephanie Hannigan and publicly recognized her accomplishment of earning the Chief Financial Officer Accounts Receivable Honor Roll Certificate for FY 2022 and 2023, from the Oregon Department of Administrative Services. Lastly, Dr. Woolf noted that it is a delicate time, as four of nine additional positions impacted by SOU Forward recently were notified.

Responding to Vice Chair Clough's question about IT security, President Bailey noted that cyber-attacks are a real concern, which SOU is taking seriously. An update to trustees regarding this risk is planned for the June 2024 meetings.

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

### Mandatory Student Incidental Fees for Academic Year 2024-2025 (Action)

Brayden Clayburn, ASSOU President, updated the board on student fees. A consensus was reached for an \$18 or a 4 percent increase; the Green Tag Fee is capped at \$15; and the Student Recreation Center Fee is unchanged, as it remains level for three years.

Dylan Straley from the Student Fee Allocation Committee (SFAC) reported that ethics training began in February, with reviews conducted every four months. The SFAC presented a budget of \$3,126,712, with a total request of \$3,164,328 including reserves, leaving a \$37,000 deficit. The allocation process is ongoing, aiming for completion by early May. There is a recognized need for a more robust auditing process to ensure transparency and proper use of funds. President Clayburn hopes to implement a simplified auditing form by year-end to aid decision-making and transparency.

President Bailey expressed gratitude for ASSOU's focus on a culture of accountability and thanked Trustee Taitano for her leadership with the fee process as well. Josh Lovern explained that fees are charged per term, used, and any surplus is transferred to reserves, which have grown from a deficit. Vice Chair Clough acknowledged ASSOU's leadership reflecting a well-managed outcome.

### Tuition and Mandatory Student Enrollment Fees for Academic Year 2024-2025 (Action)

President Bailey introduced the topic noting that Dr. Casey Shillam chairs the Tuition Advisory Council, which is a thoughtful and contemplative group. He is confident in SOU's recommendation to the board, which is in the middle of the OPU peer group. Dr. Shillam noted that the TAC did a remarkable job of going through significant training, education, scenarios, and impacts to students. The amount of care the group showed was heartening.

Josh Lovern discussed SOU's tuition rate change history, rate comparisons with other OPUs and California regional peer institutions, and provided a composite tuition and fees comparison showing four below SOU and five campuses higher than SOU for 15 credits for the academic year. Reviewing the individual fees, he noted that the enrollment fee includes components such as building debt service, technology infrastructure, and health center fees, resulting in a total increase of \$15 per year to \$267 per term, with a \$5 increase per term for health fees. Regarding health fees, leveraging the La Clinica partnership has enabled stability. Future possibilities include community clinic access and mental health resources but SOU has strong infrastructure through Telus for mental health already. The proposed increase to the one-time matriculation fee is \$50 to \$350 effective AY 25 -26.

Mr. Lovern reviewed the actual cost of attendance. Tuition and mandatory fees was \$8,937, reflecting a composite 4.85 percent increase. Including housing and dining, the total cost was \$26,406, reflecting an increase of 4.22 percent. Vice Chair Clough inquired about the equity lens and potential community impacts, to which President Bailey responded that no communities would be disproportionately affected, though FAFSA delays may impact Pell-eligible students.

Trustee Taitano moved to approve the resolution to recommend tuition and fees for Academic Year 2024-25 to the Board of Trustees for approval. Trustee Thorndike seconded the motion and it passed unanimously.

### Budget Update

Dr. Neil Woolf and Josh Lovern provided a comprehensive overview of the budget and in the Education and General Fund highlighted in labor the recent ratification of the classified staff contract, which includes a 15.81 percent increase over five years. He noted that there are implications for future increases for unclassified staff. In Supplies and Services (S&S) full year projections are exceeding budget due to title IV and Clery outsourcing and other factors. The ending fund balance projection was 8.51 percent, down from the 8.63 forecast, largely due to increases in S&S.

### FY 2025 Institutional Budget Committee and Process Update

Dr. Neil Woolf presented an update on the FY 2025 Institutional Budget Committee. He noted the committee was reconstituted in the fall to enhance transparency and inclusivity in budget development. Plans for implementing Adaptive Planning and Workday for the FY 26 budget were discussed, with a proposal to mirror the FY 24 budget initially, in the form of a continuing resolution. Vice Chair Clough urged careful planning amidst ongoing system upgrades.

### External Budget Review

Bart Hawley from CliftonLarsonAllen provided insights from the external budget review conducted at SOU and the report, which was included in the meeting materials. He highlighted recommendations aimed at automating manual processes and improving budget communication. Additional recommendations included setting target key performance indicators aligned with strategic goals and enhancing oversight through the redefinition of roles within the budgeting process. Discussions underscored the importance of integrating these recommendations to streamline operations and foster efficiency as well as accountability across departments.

### Financial Reserves Stability Target (Action)

President Bailey and Dr. Neil Woolf sought the committee's approval to establish a financial operating reserve using a balanced approach. President Bailey noted that for a few months, the committee has been discussing this item, which is considered to be an important step in continuing SOU's journey toward financial stability. Much discussion ensued regarding the target, ensuring it supports financial resilience without hindering investment in strategic priorities, and mission fulfillment. Bailey further emphasized the strategic importance of establishing financial reserves and of foreseeing challenges expected in 2028. Vice Chair Clough raised concerns about SOU's modest reserves compared to other industries, noting implications for operational sustainability.

Trustee Shelby moved to approve the resolution to recommend the board's establishment of a financial operating reserve. Trustee Taitano seconded the motion and it passed unanimously.

### Core Information System Replacement (CISR) Project Update

Hart Wilson reported on progress in CISR Phase 2 infrastructure through the Alchemy partnership, which was regarded as outstanding. She highlighted efforts to adopt a student-centric approach and integrate equity considerations into system design as well as operational processes. Ongoing stakeholder engagements and 35 discovery meetings were noted as integral to refining operational efficiencies and aligning IT strategies with institutional goals. Trustees emphasized the importance of including the voice of students in the process and Ms. Wilson said that everything in this phase is all about the students: it is designed for them, SOU will test with them, get their opinions, and have user groups with students; however, the team must get through the nuts and bolts before processes.

**Future Meetings**

Chair Franks announced that the next meeting of the committee is scheduled to take place on June 20, 2024, at 5:00 p.m. He asked trustees to send their suggestions for future agenda items to the board secretary.

**Adjournment**

Chair Franks adjourned the meeting at 5:02 p.m.

Date: June 25, 2024

Respectfully submitted by,

A handwritten signature in cursive script, reading "Sabrina Prud'homme".

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Sabrina Prud'homme  
University Board Secretary