



AGENDA
REGULAR MEETING OF THE WOU BOARD OF TRUSTEES
JULY 26, 2017
2:00-6:00 PM
WILLAMETTE ROOM, WERNER UNIVERSITY CENTER
MEETING NO. 20
wou.edu/livestream

- I. CALL-TO-MEETING/ROLL CALL
- II. CHAIR'S WELCOME
- III. CONSENT AGENDA (April 26, 2017 and June 7, 2017 meeting minutes) **(Page 1)**
- IV. SHARED GOVERNANCE REPORTS
 - (1) Faculty Senate
 - (2) Staff Senate
 - (3) ASWOU **(Page 16)**
- V. PUBLIC COMMENT
- VI. PRESIDENT'S REPORT **(Page 17)**
- VII. JULY DISCUSSION THEME: EVALUATION, ENTERPRISE RISK MANAGEMENT AND CONTINUOUS IMPROVEMENT
 - (1) President's University Goals and Introduction to University Dashboards **(Page 27)**
- VIII. FAC
 - (1) Vice President for Finance & Administration **(Page 29)**
 - (2) Committee Chair
 - (3) Committee Recommendations for Board Action or Discussion
 - (a) FY2017 Q4 Management Report **(Page 32)**
 - (b) FY2018 University Budget **(Page 36)**
 - (c) 2017-2018 Tuition & Fee Book Post-Legislative Resolution **(Page 44)**

- IX. BREAK
- X. ASAC
 - (1) Provost & Vice President for Academic Affairs **(Page 46)**
 - (2) Vice President for Student Affairs **(Page 49)**
 - (3) Committee Chair
 - (4) Committee Recommendations for Board Action or Discussion
- XI. JULY DISCUSSION THEME: EVALUATION, ENTERPRISE RISK MANAGEMENT, AND CONTINUOUS IMPROVEMENT
 - (1) Internal Audit Functionality and 2017-2018 Audit Plan
 - (2) Public University Risk Management & Insurance Trust (PURMIT) **(Page 51)**
- XII. EGTC
 - (1) Vice President & General Counsel
 - (a) 2017 Legislative Session Recap **(Page 61)**
 - (2) Committee Chair
 - (3) Committee Recommendations for Board Action or Discussion
 - (a) Board Vice-Chair Election **(Page 74)**
 - (b) Internal Audit Final Report: Payroll Operations **(Page 75)**
- XIII. JULY DISCUSSION THEME: BOARD EVALUATION, ENTERPRISE RISK MANAGEMENT, AND CONTINUOUS IMPROVEMENT
 - (1) Board Survey and Evaluation **(Page 83)**
- XIV. FINAL ANNOUNCEMENTS
- XV. ADJOURNMENT



**REGULAR MEETING OF THE
WESTERN OREGON UNIVERSITY BOARD OF TRUSTEES
APRIL 26, 2017
COLUMBIA ROOM, WERNER UNIVERSITY CENTER
1:00-6:00 PM
MEETING NO. 18**

DRAFT BOARD MINUTES

I (a). CALL-TO-MEETING/ROLL CALL (EXECUTIVE SESSION)

Chair Baumgartner called the meeting to order at 1:05 PM and asked Board Secretary Ryan Hagemann to take roll and make the necessary announcements to convene an executive session. Hagemann stated that the Board was in executive session pursuant to ORS 192.660(2)(f) and (2)(i). He also noted that no final action would be taken pursuant to ORS 192.660(6). There were no members of the authorized media at the session. In addition to members of the WOU Board, Hagemann was authorized to attend the session, as well. The purpose of the session was to complete the performance-related evaluation of President Rex Fuller.

The following trustees were present:

Arredondo (arrived at 2:00 PM)
Baumgartner
Habermann-Guthrie
Hurtado
Komp
Koontz
Kulongoski
Martin
Mladenovic
Paraskevas
Shetterly
Taylor (arrived at 1:20 PM)
Fuller (non-voting)

The following trustees were absent:

Ingle

Over the course of the executive session, Baumgartner facilitated a Board conversation over the president's self-assessment and his summary memorandum. Both documents are confidential faculty records.

Baumgartner adjourned the executive session at 2:04 PM in order to move into public session.

I (b). CALL-TO-MEETING/ROLL CALL (PUBLIC SESSION)

Chair Baumgartner called the meeting to order at 2:13 PM and asked Board Secretary Ryan Hagemann to take roll. Hagemann asked the audience to disable cell phones, informed the audience how to sign up for public comment, and reminded the Board that the meeting was live-streamed.

The following trustees were present:

Arredondo
Baumgartner
Habermann-Guthrie
Hurtado
Komp
Koontz
Kulongoski
Martin
Mladenovic
Paraskevas
Shetterly
Taylor
Fuller (non-voting)

The following trustees were absent:

Ingle

II. CHAIR'S WELCOME

Baumgartner stressed the important internal and external matters facing WOU, including the legislative session, budget headwinds, and the important tuition decision later on the Board agenda.

III. CONSENT AGENDA

Chair Baumgartner asked for a motion to approve the consent agenda. The consent agenda consisted of minutes for the January 25, 2017 board meeting. Trustee Shetterly moved approval of the consent agenda and Trustee Paraskevas seconded the motion. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Habermann-Guthrie
Hurtado
Komp

Koontz
Kulongoski
Martin
Mladenovic
Paraskevas
Shetterly
Taylor

Fuller is non-voting.

No trustees were opposed.

There were no abstentions.

The motion passed.

IV. PUBLIC COMMENT

Two individuals signed up to address the Board in public comment. Felicia Dickinson addressed the Board on affordability and tuition increases. Kimber Townsend discussed partnerships, the budget landscape, and the consequences of the failure of Measure 97. Townsend urged the Board to stand with SEIU and employee groups in shared commitment and determination.

V. SHARED GOVERNANCE REPORTS

(1) Faculty Senate

Chair Baumgartner recognized Dr. Adele Schpiege, Faculty Senate President, for a report. Dr. Schpiege started her report with new academic programs working through the Faculty Senate process, including Sustainability, Art and Design, and a Dual Language specialization in Teacher Education. Schpiege continued to describe faculty participation in many new campus initiatives, including the University Budget Committee and the General Education Task Force. Schpiege invited the Board to the Academic Excellence Showcase on June 1. Trustee Mladenovic asked whether or not there were any programs were discontinued and Baumgartner asked if there was a process to eliminate or retire programs. Trustee Habermann-Guthrie asked whether or not students were involved in the General Education Task Force. Trustee Komp asked Schpiege whether or not the General Education Task Force would consider out-of-the-box concepts.

(2) Staff Senate

Chair Baumgartner recognized Xinjie Lou, Staff Senate Vice President, for a report. Lou reported on the New Employee Lunch and the upcoming elections in May for Staff Senate senators. Lou described survey processes in order to determine interest in merging Staff Senate and the Administrative Support Council.

(3) ASWOU

Chair Baumgartner recognized Cynthia Olveras, ASWOU President, for a report. Olveras shared that ASWOU elections are underway. Olveras shared that multicultural and equity positions were working on a diversity series. She also described accessibility programs. Olveras offered the work of students to persuade the Monmouth City Council to designate Monmouth as an inclusivity city. She shared Food Pantry initiatives.

VI. PRESIDENT'S REPORT

Chair Baumgartner asked President Rex Fuller to share a report with the Board. Fuller reported that the WOU mission statement was presented and approved by the Higher Education Coordinating Commission and Baumgartner added that the HECC commented positively of WOU's planning process. Fuller continued by acknowledging the creation of the new University Budget Committee. The president discussed the budget terrain with the Board. Fuller turned to describe WOU's enrollment picture, sharing an 80 FTE reduction from Spring 2016 to Spring 2017, and offered an affirmative strategy to reach out to students who stepped out. Fuller reflected on competition from OSU-Cascades and the Oregon Promise. The president shared good news from the Dreamers' scholarship program. Fuller shared information about the 2017 commencement speaker Matt Utterback, the national Superintendent of the Year and Class of 1989. President Fuller highlighted the WOU grants received over \$100,000 as required by the Board Statement on the Delegation of Authority.

Baumgartner asked President Fuller about racial incidents in Monmouth and efforts to ensure the safety of WOU students impacted. Baumgartner turned to President Fuller's written report, first discussing the Governor's recent letter regarding tuition increases. Fuller described various levers available to weather budget circumstances, noting that one-time reserves might buy planning time and that WOU, like other universities, are labor-intensive enterprises. Trustee Komp asked about the Governor's proclamation about a statewide hiring freeze. Trustee Mladenovic asked about the Spring to Spring enrollment dynamic. Trustee Kulongoski queried about the cost of benefits and how to confront budget realities.

VII. APRIL DISCUSSION ITEM: UNIVERSITY SHOWCASE

(1) Intercollegiate Athletics at WOU: NCAA Division II and the Student-Athlete

Baumgartner introduced the first element of the Board's thematic discussion—in April, University Showcase. Baumgartner called on Barbra Dearing, Executive Director of Intercollegiate Athletics, for a presentation on WOU intercollegiate athletics. Before turning to the presentation, Dearing asked the Board to consider the Board Resolution, honoring the WOU Indoor Track & Field Team. After the resolution and medal ceremony, Dearing returned to the presentation on WOU intercollegiate athletics.

(2) Board Resolution (Men's Distance Medley Relay National Champions)

Track & Field Head Coach Michael Johnson introduced the WOU's Indoor Track & Field to the Board and each student introduced themselves to the Board. Baumgartner asked Hagemann to read the Board Resolution for the record. After the resolution was read,

Baumgartner called for motion to adopt the resolution and Shetterly moved and Trustee Koontz seconded the motion. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Habermann-Guthrie
Hurtado
Komp
Koontz
Kulongoski
Martin
Mladenovic
Paraskevas
Shetterly
Taylor

Fuller is non-voting.

No trustees were opposed.

There were no abstentions.

The motion passed.

After the resolution, Dearing shared information about WOU Intercollegiate Athletics and NCAA Division II competition with the Board. She noted the emphasis on the three elements of academic achievement, athletic excellence, and development of citizen leaders. Dearing offered the connection between Division II programs, such as WOU's, and the community. She emphasized the importance of the "life in the balance" philosophy". Dearing reviewed the success of WOU's student-athletes. She discussed the partial scholarship model prevalent in NCAA Division II programs.

Dearing continued to describe the dimensions of the program, including competition in the Great Northwest Athletic Conference, federal graduation rates, academic achievement, community services, and growth areas for athletics. Dearing ended her prepared remarks by sharing her personal thoughts on her career and retirement. Taylor asked about the move from NAIA to NCAA Division II. Taylor inquired about the resource options to give student-athletes a better chance at success. Fuller described the necessity of a comprehensive campaign. Dearing added with a description of the three areas of base funding for athletics.

Baumgartner shuffled the Board agenda to ensure Trustee Shetterly's participation. Shetterly needed to leave the meeting early, so Baumgartner turned to his committee chair report.

VIII. ACADEMIC AND STUDENT AFFAIRS COMMITTEE (ASAC) CHAIR REPORT

Shetterly reviewed the April 14, 2017 ASAC meeting. He noted that the committee received reports from the accrediting commission, learning outcomes and assessments,

and a proposal on general education curriculum reform. Shetterly observed that ASAC had an action item—a new minor in Youth Crime Studies—later on the agenda.

After Shetterly's committee report, Baumgartner moved the Executive, Governance, and Trusteeship Committee (EGTC) agenda.

IX. EGTC

(1) Committee Chair

Baumgartner reviewed the EGTC materials and noted that a new presidential evaluation board statement and presidential reappointment resolution were later on the agenda. Baumgartner described efforts to manage board vacancies, including consultation with the Oregon Community Foundation (OCF). OCF was scheduled to visit campus on June 6 to discuss Latino outreach efforts. Baumgartner outlined the process by which the EGTC considered the draft Board Statement on the Performance Evaluation of the President, including survey of Association of Governing Boards materials and policies from the other public universities. Trustee Habermann-Guthrie asked about the dashboards and Baumgartner mentioned that the president's goals would be reviewed at a subsequent Board meeting.

(2) Committee Recommendations for Board Discussion/Action

(a) Board Statement on the Performance Evaluation of the President

Baumgartner called for motion to approve the Board Statement on the Performance Evaluation of the President as recommended by EGTC and included in the docket materials. Trustee Cecilia Koontz moved approved, and Trustee Jaime Arredondo seconded the motion. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Habermann-Guthrie
Hurtado
Komp
Koontz
Kulongoski
Martin
Mladenovic
Paraskevas
Shetterly
Taylor

Fuller is non-voting.

No trustees were opposed.

There were no abstentions.

The motion passed.

(b) Presidential Reappointment Resolution

Baumgartner turned to the materials outlining the reappointment of the university president. He described the interviews with individual trustees, shared governance representatives, internal and external stakeholders, and two meetings with President Fuller. Baumgartner noted that the EGTC met in executive session to evaluate the president, which included review of confidential faculty records. He reviewed several highlights of the review and interviews, including Fuller's strong support across the campus community, including the strategic plan process, honesty and candor, and campus-wide budget process. The EGTC recommended a framework delegating authority to the Board Chair to negotiate a successor agreement for the president's reappointment. Shetterly thanked Baumgartner for his dedication and hard work with the comprehensive evaluation and reappointment process and voiced his personal support for the president. Baumgartner called for a motion to reappoint the president and delegate the chair authority to negotiate a successor agreement consistent with the board docket and EGTC recommendation. Trustee Jenny Mladenovic moved the presidential reappointment resolution as included in the docket materials and Paraskevas seconded the motion. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Habermann-Guthrie
Hurtado
Komp
Koontz
Kulongoski
Martin
Mladenovic
Paraskevas
Shetterly
Taylor

Fuller is non-voting.

No trustees were opposed.

There were no abstentions.

The motion passed.

Baumgartner, to ensure maximum participation, turned to the 2017-2018 Tuition and Fee Book next.

X. 2017-2018 TUITION AND FEE BOOK

Baumgartner recognized Vice President for Finance and Administration Eric Yahnke to review the tuition process. Yahnke described the student-driven tuition committee, the

informality of the meetings in order to facilitate participation, a review of the HECC's Student Success and Completion model, and the impact of outcomes-based funding. Yahnke specifically noted the impact of the three-year rolling average featured in the HECC's funding formula. He noted that WOU was projecting a 5% decline in FTE as a budget assumption. Yahnke also reviewed the history of the Western Promise. Baumgartner asked if the Promise would increase in a period of uncertainty and change. Shetterly asked for clarification of the proposed tuition rate tables. Yahnke directed the Board to the committee recommendation in the docket materials, outlining a table of proposed tuition rates—with increases for resident undergraduate tuition ranging from five to ten percent—based on the level of state appropriation. Baumgartner asked about the reserve and cost-cutting measures. He asked the president to comment on the various levers at his disposal to assist with the budget. Fuller described the reserves and how they are one-time. Eric stressed the importance of enrollment and the difference between flat enrollment and a 5% decline. Shetterly noted the potential impact of general education curriculum reform and that the institution cannot continue to do the same thing over and over again and expect different results. Fuller described the committee recommendation as a "sliding scale", with a one percentage point reduction in the tuition increase for every \$20M above the Governor's Recommended Budget the legislature appropriates to the Public University Support Fund. Baumgartner observed that WOU needed find additional levers apart from state funding and expressed concern about relying on state funding to mitigate tuition increases. He also asked about the student involvement and Yahnke described the student tuition committee meetings, joint cabinet meetings, and public forums. The Board discussed whether or not there was a sufficient record to respond to the Governor's letter, in which she outlined her expectations for universities that proposed tuition increases over five percent. Kulongoski asked about the impact of a ten percent tuition increase. Habermann-Guthrie asked about comparison to the other public universities. Amid the discussion, Shetterly moved the committee recommendation on the 2017-2018 Tuition & Fee Book as included in the written docket materials. Trustee Betty Komp seconded the motion. Mladenovic stated, for the record, she does not like to see tuition increases. Komp conveyed the necessity to tackle the challenge. Habermann-Guthrie mentioned that the institution needs to look closely at where its money goes. Trustee Arredondo observed that the tuition increase was a short-term fix to buy time to solve a long-term problem. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Habermann-Guthrie
Hurtado
Komp
Koontz
Martin
Mladenovic
Paraskevas
Shetterly
Taylor

Kulongoski voted no.

Fuller is non-voting.

There were no abstentions.

The motion passed.

XI. EGTC

After the vote on the 2017-2018 Tuition and Fee Book, Baumgartner returned to the EGTC materials and a report from the Vice President & General Counsel.

(1) Vice President & General Counsel

Hagemann offered brief comments about the legislative session. He noted that the universities were focused on the budget, that TRU Lobby Day was May 16, WOU's new Director of Institutional Research & Effectiveness—Dr. Abdus Shahid—would start May 30.

XII. FAC

Baumgartner turned to the Finance & Administration Committee materials and asked Chair Taylor and Vice President Yahnke for reports.

(1) Committee Chair

Taylor outlined the previous FAC meeting briefly, including the tuition and fee discussion and vote, the investment report, and the Q3 management report that was later on the Board's agenda.

(2) Vice President for Finance & Administration

Yahnke noted WOU received a Gold Star Certificate for Excellence in Accounting and Recording from the State's Chief Financial Office. He shared that the fieldwork for the external audit would start in May. Yahnke stated that the new Student Health & Counseling Center was on schedule and work to renovate the Natural Sciences Building was underway. Trustee Komp asked about lead abatement and Yahnke described WOU's efforts to test drinking foundations and water safety.

(3) Committee Recommendations for Board Discussion/Action

(a) FY2017 Q3 Management Report

Yahnke deferred to Trustee Ivan Hurtado to make brief comments on Q3 Management Report. There were no major issues in the third quarter. Yahnke observed that vacancies were filling up at the university. Baumgartner asked for a motion to accept the Q3 Management Report as recommended by FAC and included in the docket materials. Mladenovic moved acceptance and Komp seconded the motion. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Habermann-Guthrie
Hurtado
Komp
Koontz
Kulongoski
Martin
Mladenovic
Paraskevas
Taylor

Fuller is non-voting.

No trustees were opposed.

There were no abstentions.

The motion passed.

XIII. APRIL DISCUSSION ITEM: UNIVERSITY SHOWCASE

Before turning to the presentations on the CASA and HECC-STEM grants, Fuller noted the appendix to his report on grants that exceed \$100,000. Under the Board Statement on the Delegation of Authority, the President must report these grants quarterly to the Board.

(1) The Research Institute (TRI)

(a) Report on CASA (USDOJ/VAWA)

Vice President for Student Affairs Dr. Gary Dukes introduced Pat Ketchum and Aislinn Addington to present on WOU's CASA grant from the US Department of Justice. Ketchum and Addington showed the Board's a brief video of WOU's CASA efforts. Ketchum observed that universities typically do not get more than two cycles of funding and WOU is on its third cycle of funding. She noted that the grant is focused on the prevention of sexual violence on college campuses. She offered fundamental statistics on campus sexual violence. Ketchum also reviewed the phenomenon of reporting sexual violence and how WOU like to see more reporting. She shared that the initial grant allowed WOU to form Abby's House and the CARE team. She stated that WOU would like to expand to a 24-hour on-call campus advocacy program. Ketchum described campus resources, including trained sexual assault nurse practitioners and certified confidential advocates. Ketchum turned to Addington to share information about Abby's House.

Addington shared that Abby's House's mission is to provide the WOU community with educational programming, information, and referral services designed to promote equity and non-violence. She noted that referral services are for students, staff and faculty

and may be confidential. She also reviewed fundamental statistics about referral services and visits to Abby's House. Addington discussed the programming aspect of Abby's House, including the seven programs throughout the year with over 1,000 community members engaged. She described collaborative programming efforts with the veterans' center and athletics. Koontz asked about a sustainability plan for Abby's House.

(b) Report on HECC-STEM Grant

After the CASA presentation, Baumgartner recognized Vice President for Academic Affairs & Provost Dr. Steve Scheck to introduce the HECC-STEM Grant. Associate Provost Dr. Sue Monahan introduced Dr. Patty Flatt. Flatt observed that the objective of the HECC-STEM Scholar Center for Excellence is to recruit and retain students, particularly under-represented students, to math and science fields. Flatt shared statistics to demonstrate the profound under-representation of minority and female students in the math and science fields. She described efforts to increase the visibility of the program. Flatt turned the presentation over to Kathryn Duvall to describe strategies. She noted that the work is focused on younger students that may or may not have exposure to science. Duvall described efforts with the Willamette Promise, preview days and SOAR events. Duvall introduced Obed Morales Lopez to describe his experience with the STEM Scholars. Lopez shared that he was a chemistry major and offered that he became a STEM mentor to help other students exploring whether or to study science. Duvall continued, outlining the 10-day Bridge Program. She noted that WOU applied to the National Science Foundation in January to extend the grant. Habermann-Guthrie asked about the size of future cohorts. Kulongoski asked how many students come from community colleges. Kulongoski and Flatt described the relative difficulty in attracting transfer students interested in studying science if they had not been exposed to science previously. Mladenovic inquired about retention of students based on academic concerns.

XIV. ASAC

(1) Vice President for Student Affairs

Baumgartner recognized Vice President for Student Affairs Dr. Gary Dukes for brief report. He noted spring events, including Leadership Recognition, TRIO night, the POW-WOW. He shared the administration of the sexual assault climate survey with the Board.

(2) Provost & Vice President for Academic Affairs

Baumgartner recognized Provost Scheck for a brief report. He noted that the new Liberal Arts & Sciences Dean—Dr. Kathleen Cassidy—would arrive in the summer, there were fourteen successful tenure-track searches, and three failed searches. Scheck recognized Sue Monahan for her work regarding the progress of the year one accreditation report. Baumgartner turned to the new proposed minor in Youth Crime Studies. Before turning to the minor proposal, Scheck described the WOU landscape regarding general education curriculum and transfer credits. Scheck turned to the minor proposal, noting the difference between youth crime studies and criminal justice.

Baumgartner asked about the cost of a new program and Scheck shared that it had robust enrollment and would be devised from existing curriculum. Kulongoski expressed satisfaction on the juvenile justice emphasis. Baumgartner called for motion to approve the proposed minor in Youth Crime Studies as described in the written docket materials. Kulongoski moved approval, and Arredondo seconded the motion. The following trustees moved in favor of the motion:

Arredondo
Baumgartner
Habermann-Guthrie
Koontz
Kulongoski
Martin
Mladenovic
Paraskevas

Fuller is non-voting.

No trustees were opposed.

There is no abstentions

The motion passed.

XV. FINAL ANNOUNCEMENTS

Baumgartner reminded the Board of the theme of the July board meeting.

XVI. ADJOURNMENT

Baumgartner adjourned the meeting at 6:25 pm with a quorum (Arredondo, Baumgartner, Fuller, Habermann-Guthrie, Koontz, Kulongoski, Martin, Mladenovic, Paraskevas).



Ryan J. Hagemann
Secretary to the Board



**SPECIAL TELEPHONIC MEETING OF THE WOU BOARD OF TRUSTEES
JUNE 7, 2017
OCHOCO ROOM, WERNER UNIVERSITY CENTER
2:00-3:00 PM
MEETING NO. 19**

DRAFT MINUTES

I. CALL-TO-MEETING AND ROLL CALL

Chair James Baumgartner called the Board's special telephonic meeting to order at 2:03 PM and asked Board Secretary Ryan Hagemann to take roll. The following trustees were present:

Jaime Arredondo
James Baumgartner
Dr. Rex Fuller
Marshall Haberman-Guthrie
Ivan Hurtado
Gloria Ingle
Betty Komp
Cecilia Koontz
Governor Theodore Kulongoski
Kelsee Martin
Dr. Cornelia Paraskevas
Lane Shetterly

The following trustees were absent:

Dr. Jeanette Mladenovic
Louis Taylor

II. CHAIR'S WELCOME

III. ACTION ITEM

- (1) Reappointing of the University President

Baumgartner described the prior process leading to the recommendation to reappoint Dr. Rex Fuller as the WOU president. He outlined the president's performance evaluations at both the Executive, Governance and Trusteeship Committee (EGTC) and the full Board. Baumgartner reminded the Board of the framework it approved at the April 26, 2017 meeting authorizing him to negotiate a successor employment agreement with the president. Baumgartner noted that the new form of contract was included in the docket materials and asked the trustees if there were any questions. Trustee Paraskevas asked if the housing and vehicle stipends remained constant and Baumgartner confirmed that they were unchanged. Paraskevas, noting the salary comparator data included in the docket materials, observed that Dr. Fuller was paid below his peers. Trustee Kulongoski, reflecting on contract terms about outside compensation, asked if it would result in a spike in Dr. Fuller's PERS benefit. Hagemann confirmed that it would not and the contract provision is included pursuant to a longstanding statute about outside consulting/intellectual property compensation and higher education in Oregon. With no further discussion, Baumgartner called for a motion as included in the docket materials, stating: "Consistent with the Board's April 26, 2017 action delegating to the Board Chair the authority to negotiate a successor agreement with Dr. Rex Fuller to continue to serve as President of Western Oregon University, the Board approves Fuller's reappointment as President, as well as the employment agreement and notice of appointment included in these docket materials." The docket materials also included several highlights of the successor employment agreement, including:

- (1) Salary of \$248,000, which is less than all relevant CUPA-HR median comparators for a president of master's comprehensive institutions.
- (2) Eligibility for a salary adjustment no earlier than July 1, 2019.
- (3) A reappointment term of slightly more than four years, from July 1, 2017 through September 30, 2021, consistent with the Board's action in April and is intended to allow for annual performance evaluations to occur each July.
- (4) Incorporation of the new Board Statement on the Performance Evaluation of the University President as the mechanism for the Board to evaluate the president.
- (5) Housing and vehicle stipends remain constant.
- (6) New language, at Section 1.6, now that the President has received indefinite tenure, regarding how he would return to the faculty and a tenured professorship, if circumstances warrant.

Trustee Lane Shetterly moved the president's reappointment, consistent with the docket materials, and Paraskevas seconded the motion.

The following trustees voted in favor of the motion:

Jaime Arredondo
James Baumgartner
Marshall Haberman-Guthrie
Ivan Hurtado
Gloria Ingle
Betty Komp
Cecilia Koontz
Governor Theodore Kulongoski
Kelsee Martin
Cornelia Paraskevas
Lane Shetterly

Rex Fuller is a non-voting trustee.

There were no votes in opposition to the motion.

There were no abstentions to the motion.

The motion passed.

IV. ADJOURNMENT

Chair Baumgartner adjourned the meeting at 2:18 PM.

A handwritten signature in black ink, appearing to read "Ryan James Hagemann". The signature is written in a cursive style with a long horizontal line extending to the right.

Ryan James Hagemann
Secretary to the Board



2014 NSLVE Voting Summary | Western Oregon University

Institutional Voting Rates

Total student enrollment
5,958

Ineligible to vote (under 18)
46

IPEDS estimated non-resident
aliens
361

FERPA blocked records
11

Eligible student population
5,540

Number of students who
registered
3,905

Number of students who voted
2,036

Average Voting Rate
for All Institutions

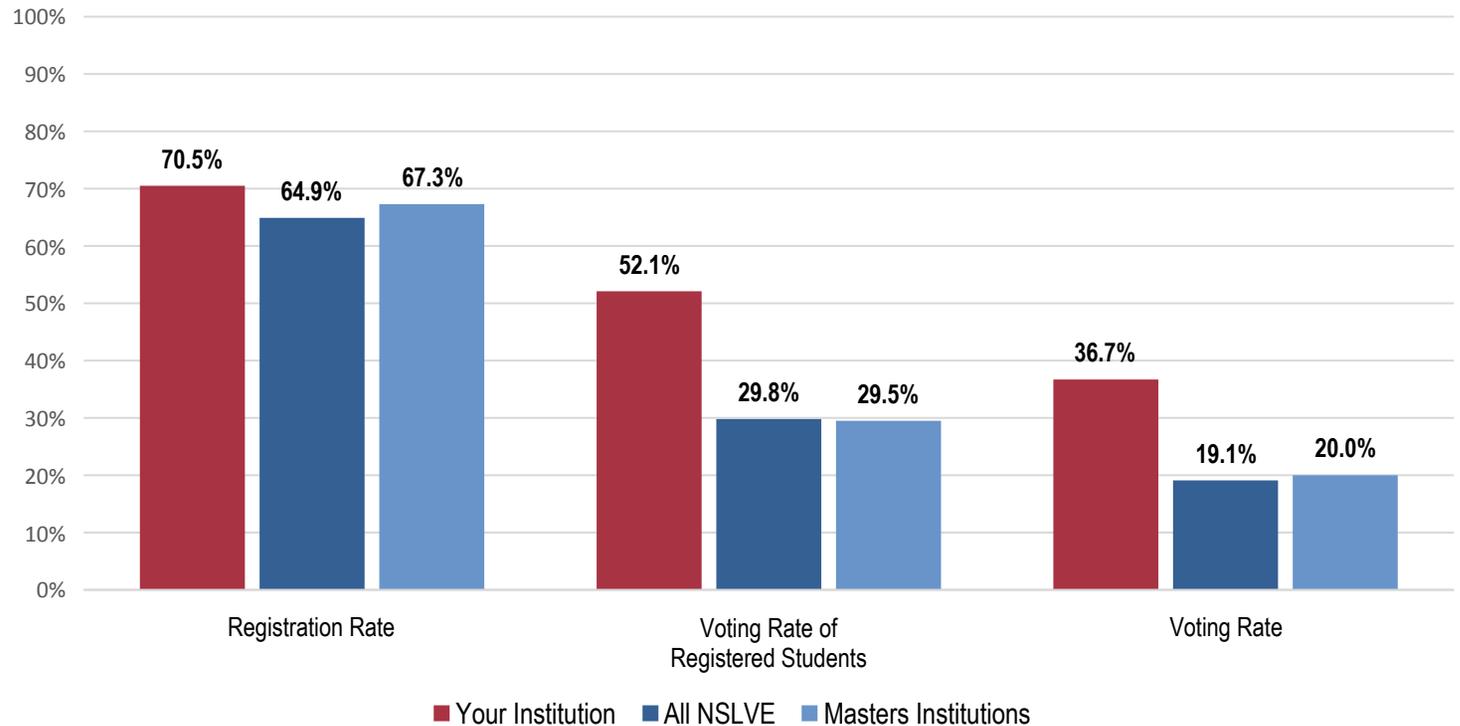
19.1%

HIGH
54.0%

LOW
5.2%

Voting Rate for Your Institution

36.7%





Board of Trustees, July 26, 2017

President's Report

1. Commencement 2017

Western celebrated its 160th commencement on Saturday, June 17, 2017. I want to thank Vice-Chair Cecelia Koontz, Marshall Guthrie, Gloria Ingle, Betty Komp, Kelsee Martin, Cornelia Paraskevas, and Lane Shetterly for their participation in the graduation program.

- The graduating class of 2017 totaled 1,668 individuals with just over 1,000 who attended commencement.
- 86% received a bachelor's degree.
- 14% received a master's degree.
- The youngest student to earn a bachelor's degree was 19 years old and the youngest to receive a master's degree was 21.
- The most experienced graduate receiving a bachelor's degree was 63 years young, while the most experienced graduate receiving their master's degree was 61 years young.
- 2017 graduates represented:
 - 33 of 36 counties in Oregon;
 - The states of: Alaska, Arizona, California, Colorado, Florida, Hawaii, Idaho, Iowa, Louisiana, Maryland, Michigan, Mississippi, Montana, Nevada, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, Texas, Utah, Virginia, Washington, and the U.S. Territory of Puerto Rico.
 - And
 - 8 countries: China, India, Japan, Libya, Mexico, Saudi Arabia, Singapore, Tanzania
- 11 students completed 2 bachelor's degrees and 1 student completed 2 master's degrees.
- 14 students received a bachelor's degree with a 4.00 cumulative GPA
- 63 students received a master's degree with a 4.00 cumulative GPA
- 166 students graduated Summa cum laude (GPA above 3.8)
- 128 students graduated Magna cum laude (GPA 3.65 to 3.79)
- 135 students graduated Cum laude (GPA 3.5 to 3.64)

Representative Komp also received the alumnus of the year award.

2. Year in review

- Opened the Richard Woodcock Education Center
- Established Strategic Communications & Marketing unit
- Established access for Dreamers in partnership with TheDreamUS
- Established dual admission program with Clackamas Community College
- Campus climate: WOU Alive forum, Western as a sanctuary campus, Alma Pacheco memorial, statement on travel ban, and inclusive city
- Completed strategic plan, *Forward Together: 2017-23*.
- Revised university mission and received approval from HECC
- Submitted year one report to NWCCU
- Focus on degree completion: LaRon Tolley was put in a newly-created position in academic advising, tasked specifically with targeting former students ("drop outs") for re-enrollment and "Degree Completion". Of the approximately 60 students identified and contacted to date, 23 have completed / been awarded their degree, with an additional 16 that are actively making progress toward degree completion.
- Western highlighted by the Education Advisory Board as a best practice for its Western's Community Internship Program that placed 32 campus internships
- Rehabilitation and Mental Health Counseling program received a very positive accreditation review by the Council of Rehabilitation Education (CORE) --next review will then be done in 2025 by the Council for Accreditation of Counseling & Related Educational Programs (CACREP).
- Initiated redesign of general education
- Introduced an elementary education MAT track, primarily on-line which will be especially valuable to rural school districts; new minor in Youth Crime Studies.
- Teachers Standards and Practices approved the first-in-Oregon Dual Language Specialization program – offered by Western.
- Recruited 8 new tenure track faculty in LAS and 5 new tenure track faculty in COE
- Dr. Sue Monahan, in a new role as associate provost for academic effectiveness lead major advances in implementing student learning outcomes assessment processes for NWCCU-related assessment requirements.
- Continued expansion of the Bilingual Teacher Scholars Program. 3rd cohort selected for fall 2017 and conversations with Beaverton and PCC scheduled for this summer.

- Western is noted as having the highest proportion of Native Pacific Islander students of any mainland university (Chronicle of Higher Education spring 2017)
- 75% retention of first-time freshmen who entered fall 2015
- Athletics:
 - 66 GNAC All-Academic honors
 - Inducted 23 student-athletes into Chi Alpha Sigma, the National College Athlete Academic Honor Society. Student-athletes must maintain a 3.4 or higher cumulative GPA throughout their junior and senior years for induction and membership. Since 2013-14 Western Athletics has inducted 93 student-athletes into this national NCAA academic honors society.
 - Team GPA above 3.00 for women and 2.85 for men
 - GNAC champions in baseball
 - Head Coach Mike Johnson named GNAC Indoor Track & Field Male Coaches of the Year

3. Bargaining update – WOUFT

Western and WOUFT reached a three-year agreement that was ratified by WOUFT on Friday, June 9, 2017. The three-year agreement includes:

- a. 2% salary increase for next year (with economic re-openers in the subsequent two years)
- b. creation of a labor/management committee to discuss contract issues and to help identify issues for subsequent bargaining sessions
- c. improved job security for long-term NTTs
- d. automatic extension of the probationary period or “tenure clock” for tenure-track faculty who becomes a parent through birth or adoption during the probationary period
- e. improved processes to handle overload and ensure faculty teaching loads are congruent with the contract

By identifying a three-year agreement, the university may consider moving to a two-year agreement that will coincide with the second year of subsequent biennia. This suggestion was also included in a statement by the Ways and Means co-chairs in the current legislative session.

4. Budget update

Since the April Board meeting, the Oregon Council of Presidents has worked collaboratively to secure additional funding beyond the Governor's recommended budget (GRB) of \$667 million. I am pleased to report that the final budget for PUSF is \$736.9 million, an increase of about \$70 million over the GRB amount. This increase is coupled with an expectation that tuition will be 6.5% in 2017-18 and not exceed 5% in 2018-19. The budget also includes reinstatement of the sports lottery funds, which are used to meet Title IX requirements and student scholarships.

This tuition level is congruent with the tuition plan that the BOT approved in April. On May 10, Chair Baumgartner and I presented Western's tuition plan to HECC. All universities with tuition increases that exceeded 5 percent were required to gain approval from HECC. Five institutions, including Western, were required to present their plans to HECC. Western's plan was approved on a vote of 5-Yes, 3-No and 0-Abstain. Western's plan, as approved by the Board in April, is:

Public University Support Funds (PUSF)	Recommended Tuition Increase
GRB	10%
GRB plus \$20 million	9%
GRB plus \$40 million	8%
GRB plus \$60 million	7%
GRB plus \$80 million	6%
GRB plus \$100 million	5%

As the 2017-19 biennium budget is finalized, the budget levers available to Western are: tuition revenue (which depends on enrollment and net tuition), state funding (PUSF), and university reserves. By the start of fall term, the extent of the budget deficit will become more certain and the budget deficit will need to be addressed through strategic decisions that reduce base funding in some areas of operation. At this point it appears that the budget deficit will be under \$2 million.

In May, budget unit heads submitted budget reduction scenarios that were vetted by the Cabinet and forwarded to the University Budget Committee (UBC) for review and consideration. The alternatives totaled nearly \$3.5 million.

The UBC considered the proposals in light of the strategic plan with a goal of ensuring continued progress toward degrees for our students and a focus on the other aspects of the plan. Following its deliberations and review, the UBC

identified eighteen proposals (Tier 1) that totaled about \$3.2 million. (see Appendix A)

In fall, we will have more complete information concerning our budget prospects for FY2017 and the university will engage in efforts to make strategic adjustments to ensure a balanced budget for FY2018.

5. Strategic Planning Implementation

As noted above, the University Budget Committee has been formed and is actively engaged in the budget discussions leading into the next biennium. Moving into 2017-18, implementation of the strategic plan and fulfillment of NWCCU expectations will dictate additional structures and work assignments.

For example, the following table shows the linkages between the strategic plan and key functions and activities. In 2017-18, Western will initiate planning related to enrollment management, facilities master plan, and information technology. Additionally, divisions will be expected to develop plans that align with the university strategic plan.

Figure 6 The Strategic Plan as Integrator and Source

	Enrollment Projections	Student Population	New Academic Programs	Changes in Pedagogy Initiatives & Partnerships	Student Services Initiatives	Staffing Need	Staff Training & Development	Community Relations	Facilities Initiatives	IT Initiatives
Academic Master Plan	•	•	•	•	•	•	•	•	•	•
Enrollment Management Plan	•	•	•	•	•	•	•	•	•	•
Budget Plan	•	•	•	•	•	•	•	•	•	•
IT Plan	•	•	•	•	•	•	•	•	•	•
Facilities Master Plan	•	•	•	•	•	•	•	•	•	•
Advancement Plan	•	•	•	•	•	•	•	•	•	•
Student Services Plan	•	•	•	•	•	•	•	•	•	•
Library Plan	•	•	•	•	•	•	•	•	•	•
Residence Life Plan	•	•	•	•	•	•	•	•	•	•
Athletics Plan	•	•	•	•	•	•	•	•	•	•

Source: *A Practical Guide to Strategic Planning in Higher Education*, by Karen E. Hinton, p.35.

6. Fall 2017

Admissions data for fall 2017 shows downward pressure on freshman with a decrease of about 350 admitted students. This is due to three factors: 1) increase competition for freshman (OSU-Cascades), 2) downward pressure continues from the impact of the Oregon Promise, and 3) an increase in our GPA threshold for automatic admissions.

Resident applications and admitted students continue to trend below last year while admitted transfer students continue to be higher than last year.

Applications and Admitted Students for: Fall 2017, July 5, 2017				
Undergraduates				
Applications	This Year	Last Year	Difference	Percent Change
Resident	2,253	2,441	-188	-7.70%
Nonresident	1,335	1,454	-119	-8.18%
International	185	152	33	21.71%
Total Undergraduate Applicants	3,773	4,047	-274	-6.77%
Admitted Students				
First Time Freshmen	2,301	2,653	-352	-13.27%
Transfer	707	402	305	75.87%
Post Bac	20	6	14	233.33%
Total Undergraduate Admits	3,028	3,061	-33	-1.08%
Graduate Students				
Applications	This Year	Last Year	Difference	Percent Change
Resident	103	80	23	28.75%
Nonresident	28	26	2	7.69%
International	19	17	2	11.76%
Total Graduate Applicants	150	123	27	21.95%
Admitted Students				
Resident	43	24	19	79.17%
Nonresident	15	10	5	50.00%
International	9	4	5	125.00%
Total Graduate Admits	67	38	29	76.32%

Fall 2017 – Enrollment	2016 (07.12.16)	2017 (07.11.17)	Change	%Δ
Total HC	4304	4120	(184)	-4.28%
Total FTES	3809.3	3609.00	(200.30)	-5.26%
Male	1517	1427	(90)	-5.93%
Female	2785	2669	(116)	-4.17%
Unknown	2	24	22	1100.00%
Undergraduate				
Resident	3028	2912	(116)	-3.83%
Non-resident--US	754	781	27	3.58%
International	130	127	(3)	-2.31%
Graduate				
Resident	259	177	(82)	-31.66%
Non-resident--US	20	24	4	20.00%
International	13	24	11	84.62%
New Students	960	857	(103)	-10.73%
New Freshmen	608	547	(61)	-10.03%
Transfers	305	342	37	12.13%
Continuing Students	2699	2660	(39)	-1.44%
American Indian/Alaskan Native	75	68	(7)	-9.33%
Asian	201	187	(14)	-6.97%
Black	139	144	5	3.60%
Hispanic	559	646	87	15.56%
Hawaiian/Pacific Islander	127	112	(15)	-11.81%
White	2857	2620	(237)	-8.30%
2 or more races	5	17	12	240.00%
Declined	163	146	(17)	-10.43%
*Note: -100 FTES → a loss in expected tuition revenue of about \$1,000,000 (assuming current mix of resident and non-resident tuition)				

Summer orientations are in full swing and we are expecting slight improvement in yield. Due to improved efforts to convert admitted students to enrolled students in fall, Western is projecting a range of flat enrollment to a decrease of 5%.

A review of fall 2017 enrollment (as of July 11, 2017) shows that total FTE is 5% below fall 2016. New freshman are down about 10% while transfers are up about 12%. Hispanic and black/African American enrollment continues to increase

relative to white enrollment. Lastly, international enrollment is likely to increase in the coming weeks as students make arrangements to enter the US. Many of the international students are coming to Western as part of contracts with other universities, thereby insulating Western from the downward pressure that is facing other US institutions.

7. Outreach

Oregon Council of Presidents: May 16, Governor's Reception May 16, June 13 meeting

House Higher Education and Workforce: February 7, testified on affordability; February 28, testified on transfer pathways

Joint Ways and Means: testified on capital for universities, May 4

Recent events:

- Salem Chamber of Commerce, April 28
- NWCCU accreditation visit to University of Idaho, May 1
- Town Hall with City of Monmouth—status as inclusive city, May 2
- Coming Out Monologues, alumni reception, May 2
- Western's Scholarship Dinner, May 3
- Monmouth/Independence Rotary, WOU update, May 4
- Capital Construction presentation to Joint Ways and Means, May 5
- Leadership recognition awards, May 9
- Tuition presentation to HECC, May 10
- Western Foundation Board Executive Committee, May 15
- TRU Day in Capitol, May 16
- Nuestra Fiesta Latina, May 19
- Wolfie Athletic Awards Ceremony, May 21
- African Culture Night, May 24
- Mid-Willamette United Way Reception, May 25
- Theater, "This Girl Laughs, This Girl Cries, This Girl Does Nothing," May 31
- Foundation Board Meeting, June 3
- Alumni Board Meeting, June 3
- Athletic Auction, June 3
- MSSP graduation, June 7
- Dedication, Alma's Tree, June 8
- Visited Highland Elementary School, Career Day June 13
- Lavender graduation, June 15
- Black Graduation, June 16
- Senior send-off, June 16
- Faculty/Staff Recognition Breakfast, June 17

- 160th Commencement, June 17

8. Key personnel changes

- a. Curtis Campbell joined Western as Executive Director of Intercollegiate Athletics on July 3, 2017. He succeeds Barbara Dearing who retired from Western on June 30, 2017. Mr. Campbell has over 17 years of experience in intercollegiate athletics at both the D-II and D-III levels and has overseen multiple athletic construction projects. Campbell is active in NCAA governance as a current member of the D-II Management Council and D-II Planning and Finance Committee. Formerly, he served four years on the D-II Legislation Committee. Above all, Curtis is committed to the D-II credo of life in the balance and excellence in academics and in sports.

<http://www.wou.edu/woustories/2017/05/24/new-executive-director-brings-experience-excitement-wou-athletics/>

- b. Kathleen Cassity will join Western as dean of the College of Liberal Arts and Sciences in August. Dean Cassity currently is the assistant interim dean of the College of Liberal Arts at Hawaii Pacific University and also served there as chairperson of the Department of English and Applied Linguistics. She received her bachelor's (1994), master's (1997) and doctoral (2005) degrees in English at the University of Hawaii at Manoa. Dr. Cassity has extensive experience in accreditation, program review, and assessment. She will succeed Dr. Susan Monahan, who moved to a position in the provost's office in 2016.

<http://www.wou.edu/woustories/2017/04/13/western-oregon-university-appoints-kathleen-cassity-dean-college-liberal-arts-sciences/>

- c. Abdus Shahid joined Western as our new Director of Institutional Research & Effectiveness. Dr. Shahid has an extensive background in higher education institutional research, including positions at the University of Pennsylvania, the Oregon University System, the Oregon Higher Education Coordinating Commission, and, most recently, St. John's University in New York. Dr. Shahid has deep experience with multiple student information systems, and relational databases. He has his M.A. and Ph.D. in Economics from the University of Delaware, during which time he worked on the Delaware Cost Study. Dr. Shahid co-authored *A Study of Higher Education Instructional Expenditures: The Delaware Study of Instructional Costs and Productivity* for the National Center for Education Statistics at the US Department of Education.

- d. Erin McDonough has agreed to serve as Interim Executive Director of Development and Western Foundation for 2016-17. One of the priorities for our strategic plan, *Forward Together*, is the continuation and expansion of external funding sources from grants and donations. Erin has extensive experience leading fundraising efforts at major nonprofits. She'll also maintain her role as executive director of Strategic Communications and Marketing. In her previous role at Western, she was responsible for donor relations. She also worked in the greater Portland area for several non-profit organizations on development activities and donor relations before coming to Western.

- e. Michael Smith joined Western as our new Director of Facilities Services. Michael comes to us with over twenty years of facilities related experience. Most recently Michael served at the University of Oregon as Director of Facilities Services in the School of Architecture and Allied Arts where he managed facilities operations, maintenance, and repair of 21 university buildings and structures including locations at the Eugene and Portland campuses as well as two historic Preservation Homes and a 75 acre nature preserve in Camas Washington. Michael brings a strong set of management and technical skills, is customer and student centered, and is well equipped to fulfil the duties of the position.

Western Oregon University
Goals 2017-18
Dr. Rex Fuller, President

My goals for 2017-18 are centered on ensuring the long-term sustainability of the university. Affordability is central to stabilizing and increasing enrollment in a period of increased competition for new freshmen from Oregon. Downward pressure on new freshmen is due to a number of factors including, flat numbers of high school seniors, availability of Oregon Promise funding that promotes enrollment at community colleges, and expansion of OSU-Cascades. In this environment, our goals need to be aligned with the implementation of the strategic plan, *Forward Together: 2017-2023*, and the five strategic initiatives: 1) student success, 2) academic excellence, 3) community engagement, 4) accountability, and 5) sustainability and stewardship. Moreover, the work of the university must embrace a more transparent, evidenced based decision making process that is rooted in a shared governance model.

My goals are focused on key issues related to mission fulfillment and campus processes that demonstrate shared governance and evidenced-based decision making. Additionally, the goals are closely related to the continued implementation of the strategic plan, *Forward Together: 2017-2023*.

1. Goals related the implementation of the strategic plan:
 - a. Establish the Office of Institutional Research and develop resources, including website, for improved transparency and accountability.
 - b. Continued implementation of transparent budgeting process.
 - c. Creation and implementation of information technology advisory committee.
 - d. Update the campus facilities master plan in support of the strategic plan.
 - e. Creation and implementation of the University Council that has primary responsibility for insuring mission fulfillment as required by NWCCU.
 - f. Create divisional plans that support the strategic plan. These plans will be developed in AY2017-18 and finalized by spring 2018.
 - g. Creation and implementation of an enrollment management plan for the university.
 - i. Stabilize enrollment in 2017-18 by achieving the same enrollment levels as 2016-17.
 - ii. Enrollment management plan to be developed by end of 2016-17. This will address the balance of new students (including new freshmen and transfers), undergraduate, graduate, Oregon residents, domestic non-residents, international, underrepresented, rural and low income.
2. Maintain fiscal stability and fiscal sustainability of the university.
 - a. Re-organize senior staffing in the Foundation, advancement and related functions to achieve effective comprehensive external relations. In 2016-17 and 2017-18, interim leadership will be identified to evaluate and improve processes.
 - i. Develop comprehensive fundraising plan, to be completed by end of FY2018.
 - ii. In FY2019, implement comprehensive fundraising plan.
 - b. Ensure that WOU is among the most affordable public universities in Oregon.
3. Improve pathways to degree completion and academic excellence
 - a. Develop streamlined pathway to the bachelor's degree within 180 credits for all programs.
 - b. Redesign general education to support undergraduate learning outcomes and

Western Oregon University
Goals 2017-18
Dr. Rex Fuller, President

- timely degree completion.
- c. Develop effective transfer pathways from community colleges to Western for the top five transfer majors and largest community colleges in Oregon (Portland Community College, Clackamas Community College Mt. Hood Community College, Chemeketa Community College and Linn/Benton Community College).
 - d. Develop internal processes that regularly review academic programs to ensure academic effectiveness, relevance, quality and currency. Make appropriate changes in academic array through internal reallocations efforts. And review low-enrollment programs.
4. Develop and monitor set of dashboards that will guide the university in meeting its mission and strategic planning goals.
- a. HECC funding factors
 - i. Activity based factors: Enrollment trends by student credit hours (weighted SCH)
 - ii. Outcome measures: Degrees granted: undergraduate, graduate, degree and certificate completions by Oregon resident students. Completions by underrepresented students (underrepresented minority, low-income, rural and veteran status) and those in academic disciplines in high-demand and high-reward fields (STEM, Health, Bilingual Education) are provided additional weighting in the allocation formula.
 - b. Enrollment and Diversity
 - i. Enrollment trends: headcount, Student FTE, undergraduate, graduate, Oregon residents, domestic non-residents, international, underrepresented, rural and low income
 - ii. Meet or exceed freshman to sophomore retention rate for peer institutions.
 - iii. Meet or exceed 6-year graduation rate for peer institutions.
 - iv. Improve the diversity of administration, faculty and staff to reflect diversity of the student body and state of Oregon.
 - c. Affordability & Sustainability
 - i. Ensure that total cost of attendance is among the three lowest rates for Oregon residents using cost of attendance as share of Oregon median household income to measure affordability
 - ii. Maintain 15% reserves as per Board policy
 - iii. Maintain instructional expense share at or above peers as per IPEDS peers
 - iv. Develop metrics for fund raising, such as, numbers of donors, average annual gift per donor, total endowment funds vs. peers institutions

**Board of Trustees – July 26, 2017
VPFA Report January - July**

WOU Teamwork in Action - Western Oregon University Facilities Services.

Western Oregon University's Facilities Services is staffed with approximately 79 employees that include custodial, trades maintenance, grounds maintenance, accounting, office, and facilities planning staff.

This team was challenged for the better part of the fiscal year by transitioning leadership resulting from retirements of the director and associate director as well as a vacant construction manager position. They were further challenged by multiple inclement weather events, record rainfall, and multiple construction projects such as the Richard Woodcock Education Center and Student Health and Counseling.

This leadership transition required this close knit group to work together in new ways, taking on new duties and filling gaps where needed. It is team efforts such as this that keep Western strong in the face of adversity and allows continued progress toward the pursuit of our mission.

WOU is fortunate to have such a hard working cohesive group. They set a shining example of the results teamwork can achieve.

Annual Closing of the Books & Financial Statement Preparation

Fiscal year 2017 will close on July 24th. Fiscally strong, we project a 16.3% fund balance slightly less than the 16.9% budgeted fund balance.

Eide Bailly auditors are expected to return to campus in early October to finalize audit field work issuing the final audited financial reports in February of 2018.

Fiscal Year 2018 Budget Development

Initial Base Budget Work is underway

- VP's provided with preliminary budget worksheets
- Existing positions are accounted for
- Salary and Benefits – budgeted at base rates
- Departmental Supplies & Services
- Budget enhancement requests received

Remaining Considerations

- Legislative Outcome – State appropriations
- Union Negotiations Outcome – SEIU
- Enrollment – student levels and mix

Strategic Initiatives – Budget Enhancements
Access & affordability – Financial Aid
Student Success
New Academic Programs

University Budget Committee

The University Budget Committee (UBC) is a 16 person committee consisting of representation from faculty, classified staff, unclassified exempt staff, students and administrators. This body is advisory to the President and all members are appointed by the President based on recommendations from appropriate constituencies.

The UBC began meeting in April to first review a number of informational items, providing a basic foundation for understanding the university budget and then to consider a number of cost reduction proposals brought forward by the President.

Information provided to the UBC included the WOU Board presentation on tuition rate setting, State funding levels, the Student Success and Completion Allocation Model, legislative updates such as the Governor's Recommended Budget and a letter from the Ways and Means Committee, and the 2017 WOU budget document.

On June 2nd, President Fuller presented 24 budget reduction proposals to the UBC. These 24 proposals were vetted by the President's Cabinet and totaled approximately \$3.5 million in potential E&G budget savings. The UBC began deliberations, and while this year's process was accelerated to meet tight deadlines, the committee worked diligently and thoughtfully to evaluate these reduction proposals in light of the strategic plan.

In general, proposals resulting in layoffs or a reduction in student wage budgets were not supported due to limited information regarding the impact to existing employees and students. The UBC further recommended that any action taken to reduce budgets be reassessed to determine whether that action is sustainable and whether there is a detriment to the university or our students.

Ultimately, the UBC supported 18 proposals totaling approximately \$3.2 million; the complete proposal list and the UBC scoring rubric is included in the FY 2018 budget proposal.

Capital Construction

SB 5505 Bond Authorization authorizes \$264.3 million of general obligation bonds to finance 14 university capital construction projects across the state. Western's top projects were among those approved.

The \$8.2 million Oregon Military Academy building renovation will address academic success, student success, and ADA needs. The \$6.0 million Information Technology Center (ITC) Phase III Renovation will make seismic improvements, replace mechanical systems and address ADA needs were approved.

WOU Board action taken last July to set aside \$500K in E&G funding for each of these projects, providing a 50% Article XI-G Bond match, gives Western the ability to launch these projects in advance of the bond sale scheduled for this biennium; the bond sale is likely to take place in the spring of 2019.

Western Oregon University Capital Construction Budget												
Project	State-Paid Debt					University Resources						
	Total	XI-G	XI-Q	Lottery	Bond Issuance Costs	Total State-Paid	University General Fund	University Auxillary	Gift/Foundation	XI-F	Total University	
2017 - 19 Capital Repair and Renewal	\$ 3,468,192	\$ -	\$ 3,468,192	\$ -	\$ -	\$ 3,468,192	\$ -	\$ -	\$ -	\$ -	\$ -	
2017 - 19 Approved Capital Projects												
Oregon Military Academy - Phase2 Renovation	\$ 8,375,000	\$ 500,000	\$ 7,200,000	\$ -	\$ 175,000	\$ 7,875,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	
Information Technology Center - Phase 3 Renovation	\$ 6,110,000	\$ 500,000	\$ 5,000,000	\$ -	\$ 110,000	\$ 5,610,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000	
In Process												
Natural Science Renovation	\$ 6,000,000	\$ -	\$ 6,000,000	\$ -	\$ -	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	
* Student Health & Counseling	\$ 3,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	\$ -	\$ 900,000	\$ 3,900,000	
Richard Woodcock Education Center	\$ 18,600,000	\$ 1,400,000	\$ 15,800,000	\$ -	\$ -	\$ 17,200,000	\$ -	\$ -	\$ 1,400,000	\$ -	\$ 1,400,000	
* University Auxillary includes \$1.9M BUC loan to be paid back with \$11/term/per student fee.												

FAC, FY 2017 Q4 Management Report

The Board's Finance & Administration Committee recommends the Board accept the FY2017 Q4 Management Report.

At their July 13, 2017 meeting, the Board's Finance & Administration Committee reviewed a preliminary FY2017 Q4 Management Report that compiled actual activity through July 6th 2017 with activity projected through the close of the fiscal year.

It is important to note that while the fiscal year formally ends on June 30th there are necessary accounting adjustments that are made for financial reporting purposes. This year, the adjustment period ended at the close of business on July 24th

The attached report and associated notes include all adjustments made to date.

The Board's Finance & Administration Committee notes no concerns with Education & General, Auxiliary Enterprise, Designated, or Service Department operations. The F&A Committee also recognizes the Education and General Fund fund balance is within the Board approved range of 10%-20% of total revenue

COMMITTEE RECOMMENDATION:

The Finance & Administration Committee recommends that the Board accept the FY2017 Q4 Management Report.

Oregon University System
Quarterly Management Report

(Unaudited, non-GAAP, for management purposes only)

As of July 10, 2017
For the Fiscal Year Ended June 30, 2017

WESTERN OREGON UNIVERSITY	Projected to Prior Year				Notes	Projected to Budget			Projection	Notes
	FY16 Actual	FY17 Projected	\$ chg Current/ Prior YTD	% chg Current/ Prior YTD		Adjusted Budget	Variance from Adj. Budget	Variance % of Adjusted Budget	Chg since Prior Report	
(in thousands except enrollment)										
EDUCATION & GENERAL										
State General Fund	22,988	23,899	911	4%		23,888	11	0%	11	
Recovery Act Fund	0	0	0	n/a		0	0	n/a	0	
Tuition & Resource Fees, net of Remissions	38,388	39,095	707	2%		39,179	(84)	0%	(144)	
Other	3,792	4,040	248	7%	(1)	3,561	479	13%	428	(1)
Total Revenues	65,168	67,034	1,866	3%		66,628	406	1%	295	
Personnel Services	(51,509)	(54,175)	(2,666)	5%	(2)	(54,686)	511	-1%	(400)	
Supplies & Services and Capital Outlay	(7,443)	(7,974)	(531)	7%		(8,961)	987	-11%	778	(3)
Capital Outlay			0	n/a			0	n/a	0	
Total Expenditures	(58,952)	(62,149)	(3,197)	5%		(63,647)	1,498	-2%	378	
Net from Operations	6,216	4,885	(1,331)			2,981	1,904		673	
Transfers In	529	144	(385)	-73%	(4)	0	144	n/a	108	
Transfers Out	(5,069)	(4,889)	180	-4%	(5)	(2,982)	(1,907)	64%	(1,097)	(5)
Fund Additions/(Deductions)	0	(490)	(490)			0	(490)		(490)	
Change in Fund Balance	1,676	(350)	(1,821)			(1)	(349)		183	
Beginning Fund Balance	9,618	11,294	1,676			11,294	0		0	
Ending Fund Balance	11,294	10,944	(350)			11,293	(349)	-3%	(806)	
% Operating Revenues	17.3%	16.3%				16.9%		-4%		
Student FTE (Tuition Based)	4,744	4,506	(238)	-5%		4,552	(46)	-1%	(31)	
AUXILIARY ENTERPRISES										
Enrollment Fees	6,844	7,260	416	6%	(6)	6,845	415	6%	0	(6)
Sales & Services	14,865	14,508	(357)	-2%		15,075	(567)	-4%	237	
Other	1,714	1,916	202	12%	(7)	1,706	210	12%	85	(7)
Total Revenues	23,423	23,684	261	1%		23,626	58	0%	322	
Personnel Services	(10,176)	(10,436)	(260)	3%		(10,668)	232	-2%	45	
Supplies & Services and Capital Outlay	(13,016)	(12,358)	658	-5%	(8)	(14,367)	2,009	-14%	987	(8)
Capital Outlay			0	n/a			0	n/a	0	
Total Expenditures	(23,192)	(22,794)	398	-2%		(25,035)	2,241	-9%	1,032	
Net from Operations	231	890	659			(1,409)	2,299		1,354	
Transfers In	2,930	3,155	225	8%	(9)	2,807	348	12%	125	(9)
Transfers Out	(2,133)	(2,974)	(841)	39%	(10)	(514)	(2,460)	479%	(374)	(10)
Additions/(Deductions) to Unrestricted Net Assets	(1,717)	(2,499)	(782)			(660)	(1,839)		61	
Change in Unrestricted Net Assets	(689)	(1,428)	(739)			224	(1,652)		1,166	
Beginning Unrestricted Net Assets	9,530	8,841	(689)			8,841	0		0	
Ending Unrestricted Net Assets	8,841	7,413	(1,428)			9,065	(1,652)	-18%	1,166	

**Oregon University System
Quarterly Management Report**

(Unaudited, non-GAAP, for management purposes only)

**As of July 10, 2017
For the Fiscal Year Ended June 30, 2017**

WESTERN OREGON UNIVERSITY (in thousands except enrollment)	Projected to Prior Year				Notes	Projected to Budget			Projection	Notes
	FY16 Actual	FY17 Projected	\$ chg Current/ Prior YTD	% chg Current/ Prior YTD		Adjusted Budget	Variance from Adj. Budget	Variance % of Adjusted Budget	Chg since Prior Report	
DESIGNATED OPERATIONS, SERVICE DEPARTMENTS, CLEARING FUNDS										
Enrollment Fees	112	142	30	27%	(11)	143	(1)	-1%	(25)	
Sales & Services	469	322	(147)	-31%	(12)	397	(75)	-19%	(167)	
Other	2,067	2,606	539	26%	(13)	2,645	(39)	-1%	(39)	
Total Revenues	2,648	3,070	422	16%		3,185	(115)	-4%	(231)	
Personnel Services	(565)	(959)	(394)	70%	(14)	(1,038)	79	-8%	(120)	(14)
Supplies & Services and Capital Outlay	(1,188)	(1,527)	(339)	29%	(15)	(1,811)	284	-16%	284	(15)
Total Expenditures	(1,753)	(2,486)	(733)	42%		(2,849)	363	-13%	164	
Net from Operations	895	584	(311)			336	248		(67)	
Transfers In	103	289	186	181%	(16)	54	235	435%	223	(16)
Transfers Out	(126)	0	126	-100%	(17)	0	0	n/a	0	
Additions/(Deductions) to Unrestricted Net Assets	(414)	(609)	(195)			(302)	(307)		(307)	
Change in Unrestricted Net Assets	458	264	(194)			88	176		(151)	
Beginning Unrestricted Net Assets	801	1,259	458			1,259	0		0	
Ending Unrestricted Net Assets	1,259	1,523	264			1,347	176	13%	(151)	
% Operating Revenues	47.5%	49.6%				42.3%		17%		
Total unrestricted fund balance	21,394	19,880				21,705				
Days of expenditures	93	83				87				

Notes:

General Fund:

- (1) Increase in Other Revenue from budget and prior YTD due to additional interest income (\$200k) resulting from an increase of receivables over FY17 of \$1.7 million and increased earnings on PUF.
- (2) Personnel Services year-to-date higher than prior year-to-date due to negotiated salary increases and new positions that began this fiscal year.
- (3) TBD - Actual expenditure amounts and analysis are pending year-end close proceedings.
- (4) Prior year Transfers In are related to capital construction bridge funding returned from the RWEC project.
- (5) Prior year Transfers Out are related to transfers to support capital projects on-campus not expected for FY17.
Year-to-date Transfers Out higher than budget due to University support for equipment replacements and Natural Science renovation.

Auxiliary:

- (6) Current year increase in Sales & Services Revenue from prior year and budget due to new building fee for Student Health Center and additional Incidental Fee revenue.
- (7) Current year Other Revenue higher than prior year and budget due to additional payment to Housing for classroom use in Ackerman Building and new grant funding for the Childcare Center.
- (8) Supplies & Services and Capital Outlay less than budget due to savings from bond refunding (\$700k) and reduced merchandise spending in Dining and the Bookstore (including associated administrative overhead).
- (9) Projected Transfers In higher than FY16 and budget due to increased support for Athletic staff/coaches and Athletic projects.
- (10) Projected Transfers Out higher than FY16 and budget due to transfer of \$1.9M for construction of the new Student Health & Counseling Center and increased transfers to support building and equipment reserves by departments.

Designated Operations, Service Departments, Clearing Funds:

- (11) Enrollment Fees revenue higher in current year due to addition of Traffic Safety Program.
- (12) Current year Sales & Services revenue lower than prior year due to payment from Sprint for microwave lease in FY16.
- (13) Projected Other Revenue higher than prior year due to inclusion of Council of Presidents this fiscal year.
- (14) Personnel Services expense higher in FY17 due to the addition of Council of Presidents and staffing changes in Telecommunications.
- (15) Supplies & Services and Capital Outlay FY17 expense higher due to the addition of Council of Presidents
- (16) Projected Transfers In higher than prior year and budget due to transfer from equipment reserve for new vehicle for desktop support and transfer from University general fund for UPS.
- (17) Transfers FY17 are not expected.

Western Oregon University
Transfers Schedule
For the Fiscal Year Ended June 30, 2017

(Unaudited, non-GAAP, for management purposes only)

	E&G			Auxiliary			Des Ops - Serv Dept.	Plant fund				Grant/Other		Total
<u>Transfers In E&G</u>				(a)				(b)				(c)		
				36,661				100,000				7,000		143,661
<u>Transfers Out E&G</u>				(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(o)	(c)	
				2,787,680	30,776	150,657	103,117	400,000	208,903	250,000	120,000	20,624	7,000	
							(w)	(l)	(m)	(n)				4,889,347
							117,529	93,060	300,000	300,000				
<u>Transfers In AUX</u>	(d)	(e)	(f)							(p)				
	2,787,680	30,776	150,657							186,189				3,155,303
<u>Transfers Out AUX</u>		(a)					(q)	(r)	(s)	(t)				
		36,661					48,356	2,050,000	765,000	73,686				2,973,703
<u>Transfers In DO, SD</u>	(g)				(q)		(w)		(u)			(v)		
	103,117				48,356		117,529		12,169			8,065		289,236
<u>Transfers Out DO, SD</u>														

Type	Description
(a) Actual	Transfers in recover of E&G funds used to cover backfill for FY16 TR Child Development Centers' deficit
(b) Actual	Return bridge funding for Woodcock Education Center capital construction project.
(c) Actual	Bridge funding for federal/state tax payments.
(d) Actual	Year-to-date Athletic operations support.
(e) Actual	University support for Baseball/Softball travel due to home field conditions.
(f) Projected	Transfer out to backfill TR Child Development Center deficit.
(g) Actual	Transfer to Telecommunications to replace failed UPS power redundancy.
(h) Actual	Transfer in support of Natural Science renovation.
(i) Actual	Year-to-date transfer out to SELP debt service.
(j) Projected	Transfer out to fund miscellaneous capital repair.
(k) Projected	Transfer out to fund capital repairs of WOU Soccer field.
(l) Projected	Transfer remaining AIC funds designated for capital repairs to plant fund.
(m) Projected	Old Student Health Renovation
(n) Projected	Capital Construction Contingency
(o) Projected	Transfer out to cover over-expended SEOG and Pell Grant funds.
(p) Actual	Transfer in from reserves to cover equipment purchases.
(q) Projected	Auxiliary funded scholarships.
(r) Actual	Transfer out for new Student Health Center construction.
(s) Actual	Fund building & equipment reserves for Housing, Parking Services and the University Center.
(t) Projected	Fund building & equipment replacement reserves for HWC.
(u) Actual	Transfer in from equipment reserve to replace computer maintenance vehicle.
(v) Actual	Transfer from TR grant funds to close fund.
(w) Projected	Transfer out to backfill Willamette Promise deficit.

FAC, Initial Education and General Operating Budget for Fiscal Year 2018

The Western Oregon Board of Trustees is charged with reviewing and approving the university's annual operating budget. The budget supports the goals of the WOU's strategic plan "Forward Together 2017-23"

<http://www.wou.edu/planning/files/2016/05/Forward-together-booklet-web.pdf> .

For the fiscal year beginning July 1, 2017 the university proposes an initial Education and General operating budget comprised of operating revenue totaling \$67.6 million and expenditures totaling \$69.6 million with a budgeted reduction in fund balance of \$2.0 million.

The Education and General operating budget is a financial reflection of operational plans for the university to meet its mission to create lasting opportunities for student success through transformative education and personalized support and the vision to become Oregon's campus of choice for students, faculty, and staff who seek a student-centered learning community.

Our budget represents our financial plan to meet this mission and the goals of our vision. The budget is guided by our values of accessibility, accountability, and collaboration.

Education and General Funds

Education and General (E&G) funds support academic and support services for students as well as the administrative and research and efforts of the university. This budget includes the following:

- Continued commitment to ensure the success of our students
- Fee remissions for students to enhance retention and recruitment efforts.
- Salary increases for faculty, unclassified, and classified staff as well as associated retirement and health benefits.
- Salary and benefit support for Athletics.
- Continued commitment to ensure the safety and wellbeing of our students, faculty, staff, and visitors.

Revenues

Budgeted total net revenue of \$67.6 million is comprised primarily of State appropriations, tuition and fees, and other operating revenue.

State appropriations is budgeted at \$24.4 million This is a \$534k or 2.2% increase over fiscal year 2017 and is largely due to increased funding available to Higher Education, \$737 million statewide, flowing through the Student Success and Completion allocation

formula. The annual settle-up scheduled for October is likely to change the actual amount received for the year.

Total tuition and fees, net of remissions, is budgeted at \$39.6 million. This represents a \$479K or 1.2% increase over fiscal year 2017. This increase is comprised of a 6.5% resident undergraduate tuition increase which comports with SB 5524 legislative budget note, a 10% tuition increase for all other tuition categories including non-residents and graduates, and an anticipated 5% enrollment decline likely affected by the Oregon Promise and a smaller number of students graduating from Oregon high schools.

Fee remissions are a form of student aid similar to scholarships and are budgeted at \$4.4 million, which is a 5.2 % increase over fiscal year 2017; remissions are approximately 10.5% of total gross tuition.

Other Operating Revenue is budgeted at \$3.6 million and expected to decline approximately \$410K. Indirect cost recoveries are reimbursements of facilities use and administrative support for grants is expected to decline \$120K due to less grant activity and a lower indirect cost recovery rate. While Sales and Services/Other revenue is budgeted with a \$290K decrease, further refinement of this budget item is expected to improve anticipated revenue.

Expenditures and Net Transfers

Personnel expense includes negotiated salary increases for WOUFT represented faculty, unclassified staff and anticipated SEIU salary increases. Additionally, increases for retirement and health care increases are budgeted. Personnel expense budgeted to increase \$2.9 million or 5.4% over fiscal year 2017 which included approximately \$1.0 million in vacancy savings.

Supplies and Services expense are budgeted to increase \$1.8 million or 23.4% and Capital Outlay is budgeted to decrease \$257K or 55.9% over fiscal year 2017. Conversely Net Transfers are budgeted to decline \$1.7 million or 35.6% over fiscal year 2017.

The budget anticipates a net decrease of \$192K decrease in budgeted Services and Supplies and Net Transfers for fiscal year 2018 over fiscal year 2017.

Budgeted Change to Fund Balance

The initial E&G budget anticipates a \$2.0 million dollar operating deficit and ending fund balance of \$10.9 million which is 13.2% of total operating revenue.

Summary

The proposed E&G operating budget is an estimate of anticipated revenue and expense necessary for the university to achieve its strategic operating goals. The estimate is built upon assumptions that are likely to vary to some degree as the year progresses.

At their July 13, 2017 meeting, the Board's Finance & Administration Committee reviewed the initial FY2018 Education & General Fund Budget of approximately \$69.6M.

The F&A Committee reviewed programmatic budget allocations are proportionally similar to the prior year with the majority of funding in support of Instruction, Academic Support and Student Services. Similarly, the Committee reviewed budget allocations by natural classification with the majority of funding supporting salaries and benefits.

Currently the 2018 budget anticipates negotiated salary increases for the fiscal year and changes in service and supplies expenditures. The budget also projects a 5% decline in resident undergraduate and Western Undergraduate enrollment and is based on the four year (2014-2017) average decline in undergraduate enrollment.

WOU will continue to develop and refine the 2018 budget through the end of September 2017. At that time we will have a better sense of the actual enrollment level and mix of students, tuition revenue, and State Appropriations and associated settle-up.

The final initial FY2018 budget will be reflected in the 2018 Q1 Management Report and will include auxiliary enterprises, designated operation and service departments with the full budget document presented to the Board at its January meeting.

COMMITTEE RECOMMENDATION:

The WOU Finance and Administration Committee recommends that the Western Oregon University Board of Trustees approve the Initial Education and General Operating Budget for Fiscal Year 2018 as included in the docket materials.

Western Oregon University
Education and General Fund Operations
2017 - 18 Budget Proposal

	2017 Projected Actual	FY17 Projected - FY16 Actual \$ Δ % Δ	2018 Proposed Budget	FY18 Budget - FY17 Budget \$ Δ % Δ	2019 Projected Budget	FY19 Budget - FY18 Budget \$ Δ % Δ
Government Appropriations						
State Appropriations	23,899,007	910,668 4.0%	24,433,299	534,292 2.2%	25,203,462	770,163 3.2%
State Fiscal Stabilization Fund	-	- 0.0%	-	- 0.0%	-	- 0.0%
Total Government Appropriations	23,899,007	910,668 4.0%	24,433,299	534,292 2.2%	25,203,462	770,163 3.2%
Tuition and Resource Fees, Net of Remissions						
Tuition Revenue						
Academic Year Tuition						
Resident Undergraduate	19,923,225	226,867 1.2%	20,135,015	211,790 1.1%	21,077,078	942,063 4.7%
Nonresident Undergraduate	4,689,041	(313,871) -6.3%	4,903,254	214,213 4.6%	5,152,572	249,318 5.1%
Resident Graduate	1,464,070	(13,300) -0.9%	1,528,330	64,259 4.4%	1,604,938	76,608 5.0%
Nonresident Graduate	697,875	(117,686) -14.4%	734,342	36,467 5.2%	771,552	37,210 5.1%
Western Undergrad Exchange (WUE)	6,877,290	477,324 7.5%	6,953,701	76,410 1.1%	7,257,687	303,987 4.4%
Continuing Education	6,702,188	351,141 5.5%	6,802,721	100,533 1.5%	7,142,857	340,136 5.0%
Faculty & Staff	293,812	(43,136) -12.8%	297,000	3,188 1.1%	308,880	11,880 4.0%
Total Academic Year Tuition	40,647,502	567,338 1.4%	41,354,362	706,860 1.7%	43,315,564	1,961,201 4.7%
Summer Session Tuition						
Resident Undergrad Instruction	342,926	(183,787) -34.9%	350,557	7,631 2.2%	366,849	16,291 4.6%
Nonresident Undergrad Instruction	261,747	(92,001) -26.0%	272,403	10,656 4.1%	286,254	13,851 5.1%
Resident Grad Instruction Fee	122,821	(11,654) -8.7%	127,361	4,540 3.7%	133,745	6,384 5.0%
Nonresident Grad Instruction Fee	15,109	(14,776) -49.4%	15,299	190 1.3%	16,074	775 5.1%
Western Undergrad Exchange (WUE)	89,865	(50,099) -35.8%	96,035	6,170 6.9%	100,198	4,164 4.3%
Summer Session Tuition	832,467	(352,317) -29.7%	861,655	29,187 3.5%	903,120	41,465 4.8%
Total Tuition Revenue	41,479,969	215,021 0.5%	42,216,017	736,048 1.8%	44,218,683	2,002,667 4.7%
Student Fees						
Technology	21,940	(9,035) -29.2%	30,975	9,035 41.2%	31,904	929 3.0%
Matriculation	681,061	69,304 11.3%	691,862	10,801 1.6%	712,618	20,756 3.0%
Other Student Fees	1,130,335	55,669 5.2%	1,074,666	(55,669) -4.9%	1,106,907	32,241 3.0%
Student Fee Revenue	1,833,335	115,938 6.8%	1,797,503	(35,833) -2.0%	1,851,429	53,926 3.0%
Less Fee Remissions	4,218,552	(375,783) -8.2%	4,440,000	221,448 5.2%	4,421,868	(18,132) -0.4%
Tuition and Resource Fees, Net of Remis	39,094,753	706,743 1.8%	39,573,519	478,767 1.2%	41,648,244	2,074,725 5.2%
<i>% Fee Remission to Gross tuition</i>	<i>10.17%</i>	<i>-1.0%</i>	<i>10.52%</i>	<i>0.3%</i>	<i>10.00%</i>	<i>-0.5%</i>

Western Oregon University
Education and General Fund Operations
2017 - 18 Budget Proposal

	2017 Projected Actual	FY17 Projected - FY16 Actual \$ Δ % Δ	2018 Proposed Budget	FY18 Budget - FY17 Budget \$ Δ % Δ	2019 Projected Budget	FY19 Budget - FY18 Budget \$ Δ % Δ
Other Revenue						
Indirect Cost Recoveries	622,930	103,646 20.0%	503,000	(119,930) -19.3%	503,000	- 0.0%
Sales & Services, Other Revenue	3,417,424	145,203 4.4%	3,127,435	(289,989) -8.5%	3,127,435	- 0.0%
Other Revenue	4,040,354	248,848 6.6%	3,630,435	(409,919) -10.1%	3,630,435	- 0.0%
Total Operating Revenue	67,034,113	1,866,259 2.9%	67,637,253	603,139 0.9%	70,482,140	2,844,888 4.2%
Expenditures						
Personnel	54,174,911	2,914,859 5.7%	57,096,023	2,921,112 5.4%	59,658,255	2,562,232 4.5%
Supplies & Services	7,514,658	463,974 6.6%	9,270,427	1,755,769 23.4%	9,270,427	- 0.0%
Capital Outlay	459,349	101,194 28.3%	202,691	(256,658) -55.9%	202,691	- 0.0%
Total Expenditures	62,148,917	3,231,120 5.5%	66,569,141	4,420,224 7.1%	69,131,373	2,562,232 3.8%
Transfers						
Transfers In	(143,661)	385,401 -72.8%	-	143,661 0.0%	-	- 0.0%
Transfers Out - Other	2,070,890	(339,475) -14.1%	175,000	(1,895,890) -91.5%	175,000	- 0.0%
Transfers Out - Athletics Support	2,818,456	159,469 6.0%	2,880,003	61,546 2.2%	2,961,724	81,721 2.8%
Total Transfers	4,745,686	205,396 4.5%	3,055,003	(1,690,683) -35.6%	3,136,724	81,721 2.7%
Fund Additions/(Deductions)	(490,000)					
Change in Fund Balance	(350,489)		(1,986,891)		(1,785,956)	
Beginning Fund Balance	11,293,642		10,943,153		8,956,262	
Ending Fund Balance	10,943,153	(384,814) -3.4%	8,956,262	(1,986,891) -18.2%	7,170,305	(1,785,956) -19.9%
% Operating Revenues	16.3%		13.2%		10.2%	

**Western Oregon University
University Budget Committee Budget
Reduction Scoring Ruberic
FY2017-18 General Fund**

Agree with this recommendation
Have concerns about this recommendation
Disagree with this recommendation

Organization	Department	Proposal Number	Proposal Description	Estimated Cost Reduction	Tier 1 Recommendations	Tier 1 Vote Count	Tier 2 Vote Count	Tier 3 Vote Count
President	** Advancement		** Reduce 1 FTE (vacant) E99830	\$109,191	\$109,191	17	0	0
Academic Affairs	Grad Office		Reduce Professional Staff 1 FTE (layoff) Position to be determined	\$61,235		0	8	5
Academic Affairs	Library		Reduce Professional Staff 1 FTE to .75 FTE (voluntary) E99786	\$42,512	\$42,512	16	0	0
Academic Affairs	Library		Reduce two Professional Staff positions from 1 FTE to .75 FTE each (voluntary move from 12 to 9 month appointment) E99719, E99782	\$42,907	\$42,907	15	0	0
Academic Affairs	Center for Academic Innovation		Reduce S&S	\$12,782	\$12,782	9	5	0
Academic Affairs	Center for Academic Innovation		Reduce Professional Staff 1FTE (layoff) E99527	\$59,593		0	7	6
Academic Affairs	** Enrollment Management		** Reduce Professional Staff 1 FTE (retiring) E99549	\$78,763	\$78,763	15	0	0
Academic Affairs	** The Research Institute		** Leave 1 Professional Staff FTE vacant E99982	\$202,936	\$202,936	14	2	0
Academic/Instructional	Multiple		Faculty early retirement with health coverage option	\$850,000	\$850,000	17	0	0
Academic/Instructional	Multiple		NTT FTE Reductions	\$400,000	\$400,000	12	4	0
Academic/Instructional	Multiple		Review TT openings and hires	\$150,000	\$150,000	12	3	0
Academic/Instructional	Multiple		Hold all non-critical AIC upgrades	\$200,000	\$200,000	12	4	0
Finance & Administration	Facilities Services		Reduce 2 custodial FTE (vacant)	\$102,000	\$102,000	16	1	0
Finance & Administration	Facilities Services		Reduce 1 FTE (retiring) E99600	\$116,000	\$116,000	14	3	0
Finance & Administration	Facilities Services		Reduce 1FTE (layoff) E99497	\$94,000		1	8	5
Finance & Administration	University Computing		Reduce 1 FTE (layoff) E99753	\$82,000		0	7	7
Finance & Administration	University Computing		Reduce 1 FTE (layoff) E99453	\$90,000		0	8	6
Finance & Administration	Multiple		Position Turnover	\$100,000	\$100,000	17	0	0
Finance & Administration	Multiple		Student Wages Reduction	\$4,000		0	3	13
Finance & Administration	Facilities Services		S&S Reduction (utilities)	\$189,000	\$189,000	17	0	0
Finance & Administration	Multiple		S&S Reduction (misc.)	\$175,000	\$175,000	14	3	0
Finance & Administration	Shared Services		S&S Reduction (shared services)	\$259,000	\$259,000	16	1	0
Finance & Administration	University Computing		Reduction in Smart Classroom Refresh Cycle	\$82,000	\$82,000	11	4	1
Student Affairs	Office of Disability Services		Reduce Professional Staff 1 FTE (vacant) E99XXX	\$61,036	\$61,036	15	2	0
				\$ 3,563,955	\$ 3,173,127	N=18		

**President Fuller confirmed this is implemented.

UBC Recommendation Summary

Estimated Cost Reduction by Organization	Estimated Cost Reduction	Tier 1 Recommendations	%
President	\$109,191	\$109,191	3.4%
Academic Affairs / Non-Instruction	\$500,728	\$379,900	12.0%
Academic/Instructional Operations	\$1,600,000	\$1,600,000	50.4%
Finance & Administration	\$1,293,000	\$1,023,000	32.2%
Student Affairs	\$61,036	\$61,036	1.9%
Total	\$3,563,955	\$3,173,127	100.0%

Western Oregon University

Proposed 2017-18 Tuition Rates

	FY17 Rate	FY18 Rate	\$ Increase/ SCH	% Increase	Projected FTE	% of Total FTE	Weighted Average Increase
Undergraduate:							
Resident							
Traditional - Variable Rate	155.00	165.00	10.00	6.45%	1,739	65.97%	4.26%
Promise - 2013	164.00	164.00	-	0.00%	7	0.27%	0.00%
Promise - 2014	168.00	168.00	-	0.00%	200	7.59%	0.00%
Promise - 2015	172.00	172.00	-	0.00%	221	8.38%	0.00%
Promise - 2016	181.00	181.00	-	0.00%	223	8.46%	0.00%
Promise - 2017		193.00	12.00	6.63%	246	9.33%	0.62%
					2,636	100.00%	4.87%
Non-Resident	483.00	531.30	48.30	10.00%			
WUE							
Traditional - Variable Rate	233.00	245.00	12.00	5.15%			
Promise - 2013	246.00	246.00	-	0.00%			
Promise - 2014	252.00	252.00	-	0.00%			
Promise - 2015	258.00	258.00	-	0.00%			
Promise - 2016	272.00	272.00	-	0.00%			
Promise - 2017		299.00	27.00	9.93%			
Graduate:							
Resident	363.00	399.30	36.30	10.00%			
Non-Resident	610.00	671.00	61.00	10.00%			
Distance Education/Online Course Tuition:							
Undergraduate	199.00	219.00	20.00	10.05%			
Graduate	435.00	479.00	44.00	10.11%			
Master of Arts Interpreting Studies	472.00	519.00	47.00	9.96%			
Reading Endorsement/Certificate Program	435.00	479.00	44.00	10.11%			

SB 5524 Budget Notes

Budget Note #1

The \$736.9 million General Fund appropriated in this budget for the public university support fund is 10.4% greater than the amount proposed in the Governor's Recommended budget which the public universities have based tuition increases on. Five of the seven public universities proposed increases greater than the 5% permitted without the approval of the Higher Education Coordinating Commission (HECC). Data was presented to the Commission which demonstrated the reductions in tuition rates these five public universities planned to implement if additional resources was provided to the Public University Support Fund. Based on this information, the following budget note is recommended.

The following public universities will limit their tuition increases in the 2017-18 academic year to the following amounts:

- Oregon Institute of Technology 5.00%
- Portland State University 5.50%
- Southern Oregon University 9.00%
- University of Oregon 6.56%
- Western Oregon University 6.50%

For the second year of the biennium or the 2018-19 academic year, the expectation is that no public university's tuition growth shall exceed 5% over the tuition rate for 2017-18 academic year.

Budget Note #2

The Oregon Health and Science University, in collaboration with community colleges and health care industry stakeholders, shall report to the Legislative Assembly during the 2019 legislative session with an assessment of the Oregon Consortium for Nursing Education's impact in providing nursing education access to diverse student populations across the state and to meeting the ever-changing health care needs of Oregon's aging and increasingly diverse population.

**BOARD RESOLUTION NO. 3
WESTERN OREGON UNIVERSITY BOARD OF TRUSTEES
JULY 26 2017**

Resolution adjusting resident undergraduate tuition to a 6.5% increase after the adjournment of the Oregon Legislative Assembly and the appropriation of \$763.2M to the Public University Support Fund.

WHEREAS, the Western Oregon University Board of Trustees, as the governing board of the university, is authorized under Oregon law to set tuition; and

WHEREAS, in the event of a tuition increase over five percent, Oregon law provides that either the Oregon Higher Education Coordinating Commission or the Oregon Legislative Assembly must approve the tuition increase as well; and

WHEREAS, due to budgetary circumstances and substantial increases in cost drivers, the Western Oregon University Board of Trustees approved a tuition matrix at its April 26, 2017 meeting that would decrease the tuition increase depending on \$20M intervals of state appropriation, ranging from a five to ten percent increase; and

WHEREAS, the Higher Education Coordinating Commission approved the WOU tuition matrix, consistent with Oregon law; and

WHEREAS, the Oregon public universities, including WOU, were asking the 2017 Oregon Legislative Assembly for \$100M over the Governor's Recommended Budget, for a total of \$765M; and

WHEREAS, the Oregon Legislative Assembly appropriated \$736.8M to the public universities and attached a budget note to the Higher Education Coordinating Commission's budget bill, asking the public universities with tuition increases over five percent to reduce tuition increases proportionately based on the \$736.8M appropriation;

WHEREAS, the proportionate tuition increase for WOU, under the budget note, would be 6.5%; and

WHEREAS, when considered with the rates of the fixed-tuition program—the Western Promise—WOU's blended tuition rate increase would be 4.87%.

BE IT RESOLVED ON THIS TWENTY-SIXTH DAY OF JULY, 2017:

THAT THE WESTERN OREGON UNIVERSITY BOARD OF TRUSTEES APPROVE ANY ADJUSTMENT TO THE PREVIOUSLY APPROVED 2017-2018 TUITION AND FEE BOOK TO BE CONSISTENT WITH THE BUDGET NOTE ATTACHED TO HOUSE

BILL 5528 ASKING WESTERN OREGON UNIVERSITY INCREASE RESIDENT UNDERGRADUATE TUITION BY 6.5% FOR THE 2017-2018 ACADEMIC YEAR.

James Baumgartner, Chair
WOU Board of Trustees

Ryan Hagemann, Secretary
WOU Board of Trustees

Board of Trustees – July 26, 2017
Provost and Vice President for Academic Affairs Report

1. Northwest Commission on Colleges and Universities (NWCCU) update

A. NWCCU review of

- 1) **Mission and Core Themes.** A "substantial change" report was filed with the NWCCU after WOU's new mission and core themes were approved by the HECC at its April 13, 2017 meeting. This report is currently under review at the NWCCU. We anticipate a formal response, shortly.
- 2) **Year One Report.** NWCCU must complete its review and approval of the university's new mission and core themes before it can review our Year One Report. The Year One Report, filed March 1, 2017, normally is reviewed at the Commission's June meeting. However, because the report had been built around the university's new mission and core themes it was removed from the NWCCU's June Commission meeting and will be reviewed by a special committee later this summer.

B. NWCCU fall 2017 ad hoc report

We are on schedule for meeting the benchmarks we set to prepare for the September 2017 ad hoc report to NWCCU. Dr. Sue Monahan, Associate Provost for Academic Effectiveness, is helping my office compile this report.

- 1) University-wide learning outcomes have been identified; program learning outcomes have been aligned with university-wide learning outcomes; course outcomes have been aligned with university-wide and program outcomes and published; general education outcomes have been adopted (see below); program assessment continues; and assessment of university learning outcomes has commenced.
- 2) With the mission fulfillment framework included in our NWCCU Year One Report and the on-boarding of Dr. Abdus Shahid, our new Director of Institutional Research and Effectiveness, we have laid the groundwork to commence assessment of objectives related to our Core Themes and engage in data-driven continuous improvement en route to mission fulfillment.
- 3) A policy regarding regular Academic Program Review, a key quality assurance process, has been drafted and forwarded to WOU's Policy Council.
- 4) Strategic planning, core theme planning and a new university budget process have positioned us to comply with NWCCU Eligibility Requirements and Standards regarding the integration of planning and budgeting.

2. 180-credit to degree initiative

- a.** Since providing the WOU Board of Trustees an overview of the 30-60-90 “WOU Way” 180-credit degree completion initiative at its April 26, 2017 meeting, considerable discussion with Faculty Senate has ensued and many programs have begun examining their curricula in light of this initiative. There are differences of opinion among the faculty about why/how the initiative was launched and how the 30 - 60 - 90 breakdown of credits (free electives - general education curriculum - BA/BS major program curriculum) were set. However, what is agreed upon is that WOU must make its degree programs align with national standards of academic rigor as well as be designed in a way that conscientious students – including transfer students -- can complete their BA/BS degrees in 180 units. This work will position WOU very soundly in complying with intentions noted in (2017) HB 2998, sometimes referenced as the “transfer student bill of rights.”
- b.** A major step in working through the 30-60-90 initiative is to examine our current general education curriculum, which has been in its current form for approximately 30 years, and ask ourselves: “What should a general education program of study look like, today?”

A General Education Task Force -- comprised of 12 faculty representing all academic divisions, the library and Faculty Senate Executive Committee was empaneled and has been meeting during June/July to design a GE model for review in the fall via campus town hall meetings and formal curricular submission to Faculty Senate. The task force, co-chaired by Dr. Breeann Flesch (computer science division) and me and staffed by Dr. Dan Clark and Beverly West of the Center for Academic Innovation, is modeling its curricular design around the GE learning outcomes that the Faculty Senate General Education Committee had developed during the 2016-2017 academic year. These outcomes were formally adopted by the Faculty Senate at its July 11, 2017 meeting.

Western Oregon University
General Education Mission & Program Outcomes
(Adopted by Faculty Senate - 07.11.17)

General Education Mission

General Education is a crucial component of the learning experience at Western Oregon University, providing students with fundamental skills for lifelong learning. Students apply, communicate, and integrate ideas from a variety of disciplines. They gain abilities to think and act critically as citizens of a complex and ever-changing world. The curriculum empowers students to pursue diverse interests and perform varying roles in their personal, social, and professional lives.

General Education Program Outcomes

1. Practice different and varied forms of knowledge, inquiry, and expression that frame academic and applied learning.
(Intellectual foundations and breadth of exposure) [ULO: Program outcome]
 2. Demonstrate the ability to evaluate information and develop evidence-based conclusions. (Critical thinking) [ULO: Inquiry & Analysis]
 3. Articulate the challenges, responsibilities, and privileges of belonging in a complex, diverse, interconnected world. (Citizenship) [ULO: Diversity]
 4. Integrate perspectives and strategies across disciplines to answer questions and solve problems. (Multidisciplinary learning) [ULO: Integrative Learning]
- 3.** Two degree proposals will be brought to the Academic and Student Affairs Committee in time for the fall Board meeting. Due to calendar issues, the two proposals: 1) BA/BS/BFA in Art & Design, a folding of two degree programs (Art; Visual Communication Design) into one and modifying the BFA in Art to become a BFA in Art & Design; and 2) a new BA/BS in Sustainability – were not ready for committee review prior to the July 26 Trustees meeting. However, the Provosts Council will review these proposals in September after which they will be brought to the ASAC. Note: Provosts Council will review proposals out of the normal sequence (i.e., before University Boards review) in order to avoid unnecessary delay in the review process – in this case, a 3-month delay.

Board of Trustees – July 26, 2017

Vice President for Student Affairs Report

Student Health and Counseling Center

The Student Health and Counseling Center opened operations in their new building on June 22, 2017. While they are still unpacking some boxes, they are excited to be in the new facility. Operations are slower in the summer, so this will provide time to organize everything for fall.

The SHCC has also started participating again in the C-Care program which provides free reproductive health care services to low-income women. WOU used to participate in the program several years ago, but was forced to discontinue this service when billing regulations changed. Over the past few years, the State has worked with university health care centers to make it easier for them to participate in the program.

The artist selected for the 1% for art project for the SHCC grew up in Dallas, Oregon and currently resides in Portland. Ben Buswell's sculptural "waterfall" will include images from the local area and be printed on aluminum and create a visual tapestry of textures and colors. Ben will be taking photos over the next several months for his project.

Memorial Day Banquet

The Veteran's Resource Center sponsored the second Memorial Day banquet. Cameron Smith, Director of the Oregon Department of Veteran's Affairs was the keynote speaker. The event was sold-out which shows the support this program has from the campus and local community.

Leadership Recognition Night

Leadership Recognition night was held May 9, 2017. This event recognizes the many leaders WOU has across campus. The Outstanding Male (Delmer Dewey) and Female (Julia McCulloch Smith) undergraduates and Outstanding Graduate student are also identified and recognized at this event.

Connor Thompson was the Delmer Dewey Award winner. Connor was a Chemistry major and a Mathematics minor. He was a member of the men's varsity basketball team. To read more about Connor, [click here](#).

Aleisha Douthitt was the Julia McCulloch Smith Award winner. Aleisha was an Elementary Education major. She served in many different leadership roles on campus. To read more about Aleisha, [click here](#).

Jennifer Kepka was the Outstanding Graduate Student Award winner. Jennifer received her Master's degree in Education. She had many publications and presentations during her time at WOU. To read more about Jennifer, [click here](#).

Solar Eclipse 2017

Time is running out to secure your space on the WOU campus for the Solar Eclipse. All of our available residence hall space has been reserved. Over 75 camping spaces have been reserved, and that number is growing weekly. A campus committee is planning activities related to the eclipse.

Cultural Centers

I traveled down to OSU with two students to look at their various ethnic cultural centers. Students are hoping to bring some of the ideas from these centers to our campus. WOU does not have any specific cultural centers. There is space in the Multicultural Student Services and Programs office, but nothing dedicated to a specific group. Our plan would be to see how we might create a single space which would serve the needs of all of our cultural groups.

Conference Coordinator

In order to expand both summer and academic year conferences, we have hired our first full-time conference coordinator. The main intent of this person is to maximize our summer conference program, but we also have capacity to host academic year conferences. With the Oregon Military Academy building coming to WOU, this would further the opportunity to host smaller academic year conferences.

Strategic Plan Development

I have been working with my direct reports to develop strategic plans which support the University's new strategic plan. Each department will also establish measureable learning outcomes. Our division has also been meeting to establish common learning outcomes, a common position description format, formalized training, and evaluation of student employment positions.

Tree Dedication for Alma

On June 8, 2017 there was a ceremony to dedicate a tree for Alma Pacheco Santamaria. Alma's family was in attendance as well as many campus and community members. The tree and dedication plaque are located on the West side of the Werner University Center

Activities

- Participated in TRU Day at the Capitol on May 16, and met with three legislative representatives
- Served on Athletics Director Search Committee which wrapped up in May
- Attended Lavender and Black Graduation ceremonies
- Attended University Housing Year-end banquet
- Attended the National Association of Student Affairs Professionals Senior Student Affairs Officer Retreat in Portland, Oregon June 19 and 20.

Western Oregon University and PURMIT

July 26, 2017

PURMIT

Public Universities Risk Management & Insurance Trust

PURPOSE

Provides support to Oregon's public higher education institutions through a comprehensive strategic enterprise risk management function, including:

- Insurance operations and risk management programs;
- Risk financing, including retaining risk and risk transfer;
- Implementation of risk controls; and,
- Claim management

The logo for PURMIT, featuring the word "PURMIT" in a bold, blue, serif font. Below the text is a stylized blue wave graphic.

Public Universities Risk Management & Insurance Trust

KEY DATES

Pre-2012 – DAS

2012-14 – Oregon University System Risk Pool

July 2014 – PURMIT formed (SB80 and SB270)

July 2015 – Berkley Risk becomes Trust

Administrator & OUS dissolved/leaves PURMIT

Oct. 2015 – University of Oregon leaves PURMIT

Jan. 2016 – Berkley Risk becomes Claims TPA

May 2017 – Brown & Brown NW becomes Broker of Record

The logo for PURMIT, featuring the word "PURMIT" in a bold, blue, serif font. Below the text is a stylized blue wave graphic.

Public Universities Risk Management & Insurance Trust

COVERAGE TYPES

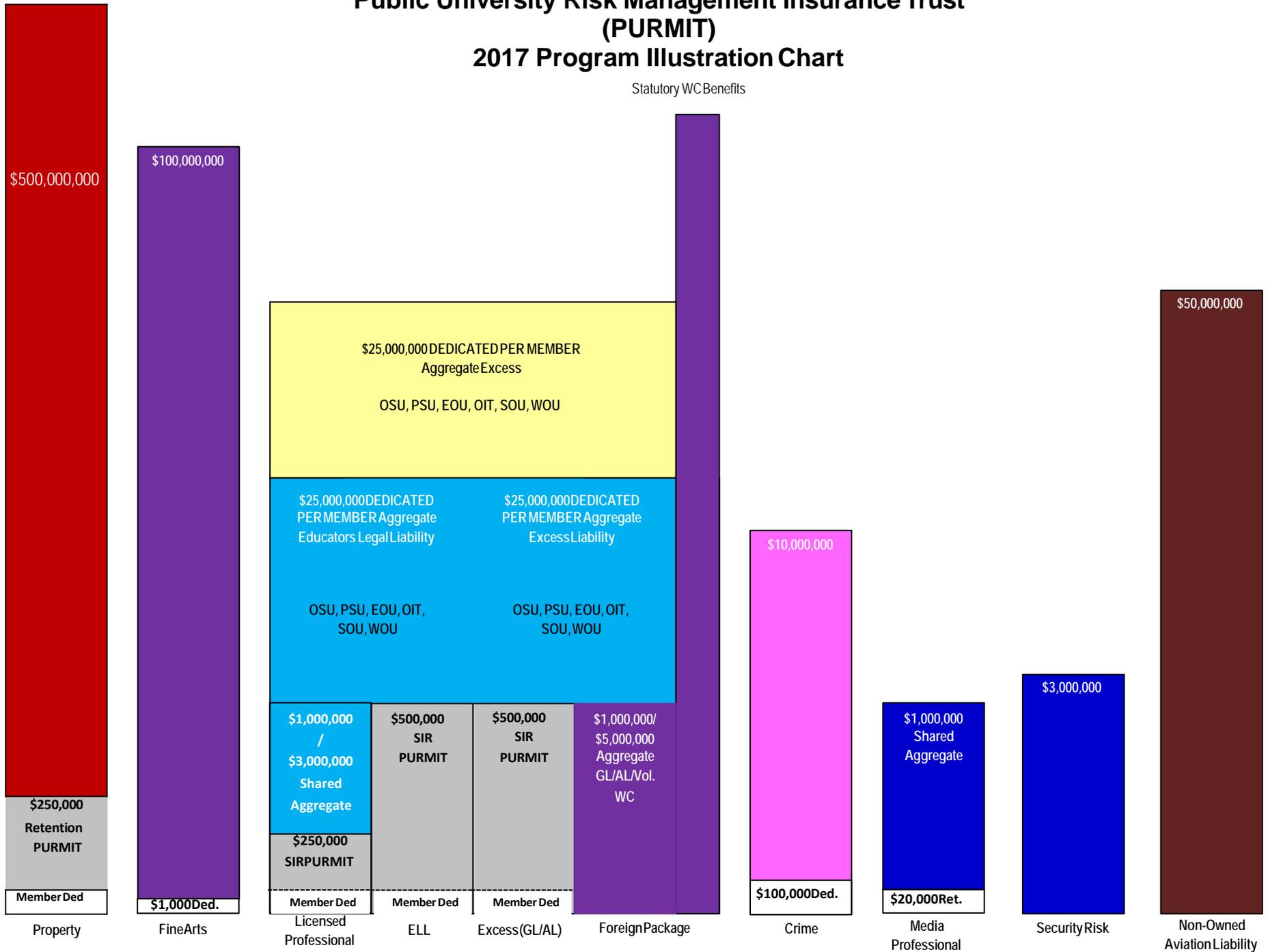
- Insurance coverage provided by PURMIT
 - Property
 - Liability
- Other Insurance – Group Purchases
 - Workers Compensation
 - Athletic Accident
- Institution Specific Coverage

PURMIT

Public Universities Risk Management & Insurance Trust

Public University Risk Management Insurance Trust (PURMIT) 2017 Program Illustration Chart

Statutory WC Benefits



COVERAGE STRUCTURE

- Member Institutions – individual occurrence deductibles
- PURMIT – distinct occurrence retentions for each Trust coverage
- Excess Insurance attaches “on top” of PURMIT retention

PURMIT

Public Universities Risk Management & Insurance Trust

POOLING BENEFITS

- Control – claims, operational priorities, coverage
- Focus on higher education initiatives
- Specialized – program crafted to meet member needs
- Oversight and self-regulation among members
- Shared accountability/member governed and driven
- Improved purchasing power and lower insurance costs
- Market stabilization capability

PURMIT

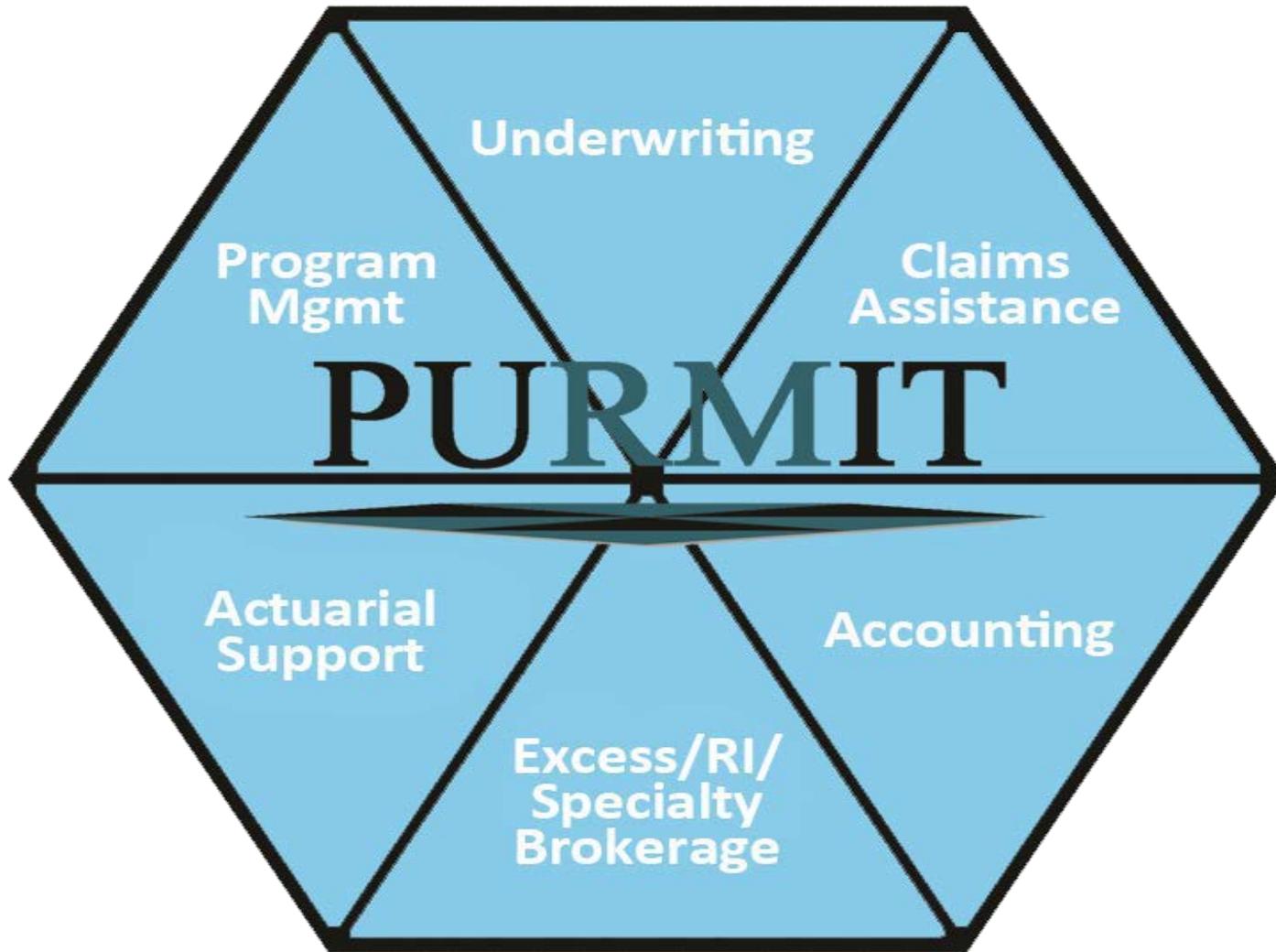
Public Universities Risk Management & Insurance Trust

PROFESSIONAL PARTNERS

- Legal Counsel - Davis Wright Tremaine LLP
- Actuary – PricewaterhouseCoopers
- Financial Auditor – K Financial
- Insurance Broker – Brown & Brown Northwest
- Program Administration – Berkley Risk

PURMIT

Public Universities Risk Management & Insurance Trust



PURMIT

Public Universities Risk Management & Insurance Trust

CONTACT INFORMATION

- Ryan Britz – Berkley Risk
Phone - 612 766 3352
Email – rbritz@berkleyrisk.com
- James Parker – Davis Wright Tremaine
Phone - 503 778 5471
Email – jamesparker@dwt.com

PURMIT

Public Universities Risk Management & Insurance Trust

EGTC, 2017 Legislative Session

EXECUTIVE SUMMARY: The 2017 Oregon Legislative Assembly adjourned on Friday July 7, 2017. In a relatively difficult budget environment, the public universities fared well. With a budget request of at least \$765M for the Public University Support Fund, the universities were appropriated \$736M. Both of the capital projects—the Oregon Military Academy Building renovation and the third phase of the Instructional Technology Center—were approved of a total \$264.3M in general obligation bonds for the universities. The proactive agenda of the universities—including PERS fix bills—were successful. Although these materials were edited by all members of the Legislative Advisory Council spanning the public universities and OHSU, they were primarily drafted by Dana Richardson, Executive Director of the Oregon Council of Presidents.

BUDGET

SB 5524 Higher Education Coordination Commission (HECC) Agency Budget

In a difficult budget environment, public universities had a good session. The seven universities received three-quarters of their request for an additional \$100 million in the Public University Support Fund. This represents a 6.3% increase over Current Service Level (CSL). Other financial aid programs were maintained at the same level of funding as last biennium, and the 13 state programs is increased by \$194,096 over CSL, bringing total funding to \$39.7 million.

Operating Funds		
Public University Support Fund	\$736.8 million	10.4% increase from the 2015-17 legislatively adopted budget. Reduction of undergraduate resident tuition to these rates: UO-6.56%; OIT-5.0%; PSU-5.5%; SOU-9.0%; WOU-6.5%.
Community College Support Fund	\$570.3 million	

Financial Aid		
Oregon Opportunity Grant	\$146.1 million	Flat-funded from 2015-17 legislatively adopted budget.
Oregon Promise	\$39.7 million	\$30 million increase, SB 1032 gives authority to the HECC to change eligibility requirements.
Sports Lottery	\$8,240,000	Flat-funded from 2015-17 LAB, but it was eliminated in the Governor's budget. UO and OSU are capped at receiving \$1 million per current practice.

State Programs	
Engineering Technology Sustaining Funds	\$25,596,618
Dispute Resolution (UO, PSU)	\$2,634,011
Oregon Solutions (PSU)	\$2,363,195
OSU Fermentation Science	\$1,297,665
Signature Research (OSU, UO, PSU)	\$1,089,319

Labor Education Research Center (UO)	\$710,328	
OSU Ocean Vessel	\$648,833	
Population Research Center (PSU)	\$455,705	
Institute for Natural Resources (OSU)	\$417,797	
Clinical Legal Education (UO)	\$364,381	
Oregon Climate Change Research Institute (OSU)	\$327,490	
TallWood Design Institute (OSU, UO)	\$3,558,605	Includes \$1 million roll-up, split between OSU and UO.
PSU Profiling Study	\$262,162	
Rounding	\$1	
Total	\$39,726,110	

Statewide Public Services	
Agricultural Experiment Station	\$66,088,861
Extension Service (ES)	\$47,717,403
Forest Research Laboratory (FRL)	\$10,244,041
Outdoor School	\$24,000,000

SB 1067 Cost-Containment

Makes several changes to programs and processes to contain costs and reduce future costs.

- Requires legislative review of reclassification of positions by state agencies;
- Requires legislative review of agency long-term vacancies;
- Requires reporting on collective bargaining changes;
- Reduces the cap on state government FTE from 1.5% to 1.0% of the state population;
- Requires the LFO to study the Lottery Commission administrative costs;
- Requires a study of state procurement practices;
- Authorizes LFO to update CSL assumptions from what's used for the Governor's budget;
- Sets a target of 2% of replacement value to be spent on deferred maintenance;
- Modifies the law regarding PERS side accounts and requires the Governor's budget proposal to include recommendations on funds available for additional side account deposits;
- Limits PERS contingency reserve fund to \$50 million;
- Legislature to establish a minimum project amount to be eligible for bond financing;
- Centralizes debt collection activity in the Department of Revenue;
- Requires PEBB and OEGB to develop a plan for the merger of the boards;
- Requires PEBB and OEGB to adopt methodologies designed to limit growth in premium or per member health plan costs to 3.4% per year;
- Eliminates "double coverage" for PEBB/OEGB employees who have family members also employed by a PEBB or OEGB employer;
- Ties hospital rates for PEBB and OEGB to a percentage of Medicare rates for most hospitals.

Anticipated Savings: It is anticipated the measure will save at least **\$177.7 million Total Funds** in the 2019-21 biennium. These savings will increase to **\$214.2 million** when fully biennialized.

SB 3470 Program-Change

The legalization ballot measure 91 foresaw a 40% distribution to schools out of the marijuana tax revenue, this bill allocates ALL 40% to the State School Fund, rather than any dedication to the Community College Support Fund.

CAPITAL CONSTRUCTION

SB 5505 Bond Authorization

\$264.3 million of general obligation bonds were authorized to finance 14 university projects. UO received the largest investment for a single project, and nearly \$14 million more in bonding than in the 2015-17 biennium.

Project	Bond Program	Amount (including cost of issuance)
Capital Improvement and Renewal (Deferred Maintenance Pool)	XI-Q	\$50,620,000
EOU Loso Hall Renovation	XI-Q	\$5,575,000
OIT Center for Excellence in Engineering & Technology/Cornett Hall	XI-G	\$2,050,000
OIT Center for Excellence in Engineering & Technology/Cornett Hall	XI-Q	\$38,475,000
OIT OMIC Research and Development Facility	XI-Q	\$3,940,000
OSU Cascades Expansion Site Reclamation	XI-Q	\$9,145,000
OSU Cordley Hall Renovation	XI-Q	\$15,250,000
OSU Fairbanks Hall Renovation	XI-Q	\$11,220,000
OSU Gilkey Hall Renovation	XI-G	\$2,050,000
OSU Gilkey Hall Renovation	XI-Q	\$1,045,000
OSU Quality Food & Beverage Center	XI-G	\$9,100,000
PSU Graduate School of Education Facility	XI-G	\$36,485,000
PSU Graduate School of Education Facility	XI-Q	\$9,145,000
SOU Central Hall Modernization	XI-Q	\$6,125,000
UO Campus for Accelerating Scientific Impact	XI-G	\$50,620,000
WOU Information Technology Center Renovation	XI-G	\$540,000
WOU Information Technology Center Renovation	XI-Q	\$5,700,000
WOU Oregon Military Building Renovation	XI-G	\$540,000
WOU Oregon Military Building Renovation	XI-Q	\$7,335,000

Project	Bond Program	Amount
Oregon Institute of Technology Student Recreation Center	XI-F(1)	\$5,115,000
EOU Track and Field Facilities Restoration	XI-F(1)	\$790,000
PSU Corbett Building – reauthorized bonds	XI-F(1)	\$5,100,000
PSU Residence Hall at 12 th and Market	XI-F(1)	\$53,000,000
PSU University Center Building Land Acquisition – reauthorized bonds	XI-F(1)	\$10,000,000
PSU University Center Building Land Acquisition	XI-F(1)	\$5,000,000

SB 5006 Budget Reconciliation/“Christmas Tree Bill”

This measure allocates funding to various programs, agencies, and projects.

Project	Amount
To HECC for EOU IT Equipment Facility	\$1,200,000
To HECC for OSU Cascades Expansion – Graduate Research Center Renovation	\$490,000
To OBDD for Oregon Manufacturing Innovation Center (OMIC) Capital & Operations	\$6,390,000
To OBDD for Regional Accelerator Innovation Network (RAIN)	\$500,000
To HECC for OSU/AES for potato research at Hermiston Ag Research & Ext Ctr	\$260,000
To HECC for OSU/AES for position at North Willamette Research & Ext Ctr	\$120,000
To HECC for OT for Oregon Renewable Energy Center (OREC) operations	\$500,000
To HECC for OSU for Molluscan Broodstock Program at HMSC in conjunction with Whiskey Creek Shellfish Hatchery	\$570,000
To HECC for OSU for ocean acidification research at Whiskey Creek Shellfish Hatchery	\$280,000
To OBDD for Oregon Manufacturing Innovation Center (OMIC)	\$3,000,000

Total Appropriation for Oregon Manufacturing Innovation Center (OMIC): \$13.865 million

- \$6.6 million in operations funding (HB 3470/HB 5006 and HB 5025)
- \$7.265 million in capital funding (SB 5530/HB 5006 and SB 5506)

PUBLIC UNIVERSITY PROACTIVE AGENDA

SB 201 Fixes PERS Error for Compensation to Out-of-State University Employees

Establishes that compensation paid to employee hired between August 29, 2003, and December 31, 2016 who worked outside of the State of Oregon and did not file Oregon income taxes will continue to receive PERS benefits on that compensation and be retroactively included in the “old” definition of salary prior to the 2003 PERS reform that created OPSRP/Tier 3.

Appropriation: None

SB 214 Establishes Alternative Retirement Plans for Postdoctoral Scholars

A post-doctoral scholar hired on or after 1/1/2018 is not eligible to become a member of PERS. Establishes an alternative retirement benefit under an Optional Retirement Plan (ORP) that will allow postdocs to contribute up to 4% of their salary to ORP and the university must match whatever they contribute. Postdocs can re-elect to become a PERS member or continue participating in an ORP if they are hired by a public university after they postdoc service.

Appropriation: None

HB 2565 Expands Veteran Priority Registration and Services

Modifies priority enrollment system to offer course registration to continuing and new, qualified students prior to continuing, non-qualified students within the same credit-year classification as practicable pursuant to institutional orientation requirements.

Appropriation: None

HB 2576 Technical Fix for Universities to the Wildlife Trafficking Prevention Act

Exempts from Ballot Measure 100 the prohibition on trade of protected species of wildlife to a bona fide scientific or educational institution for scientific or educational purposes includes the sale of covered animal species part or product by or to such institutions when the sale is made pursuant to a written gift agreement or similar instrument entered into before July 1, 2017.

Appropriation: None

HB 2729 Textbook Affordability (Open Educational Resources)

Directs HECC to collaborate with public universities to increase number of open educational resources (accessible teaching, learning and research resources such as textbooks and videos). Specifies that new OERs must be transferable between institutions. Includes reporting requirements.

Appropriation: \$1,000,000 to HECC for purposes of hiring OER specialist and carrying out Oregon's OER program.

VETERANS

SB 143A Support for Veteran Services on College Campuses

Directs Department of Veterans' Affairs to develop and implement one or more grant programs statewide to establish campus veteran resource centers and campus veteran resource coordinators, or expand and enhance existing centers and coordinators, on campuses of community colleges and public universities.

Appropriation: \$1,100,000 to ODVA for funding and administration of grant program.

BENEFITS & LABOR

SB 828 Predictive Scheduling/Fair Workweek Act

Establishes work scheduling standards in certain retail, hospitality and food service industries. Affected employers must provide good faith estimates of employees' work schedules at the time of hire and provide current employee with seven days' notice of work schedule. Employers are required to compensate employees for schedule changes without seven days advanced notice. Prohibits scheduling work shifts that do

not allow 10 hours break time in between shifts unless employee earns 1.5 times scheduled rate of pay. Provides a private right of action.

Appropriation: None

HB 2005 Pay Equity

Makes it unlawful to discriminate in compensation on basis of protected classes, including gender. An employer may pay employees for equivalent work at different compensation levels if entire difference in compensation levels is based on factors related to merit, seniority, quantity or quality of production, workplace locations, travel, education, training, or experience. Makes it unlawful to screen an applicant based on their salary history, but allows use of salary history for internal hires and transfers. Prohibits employer from seeking salary history until offer of employment that includes compensation is made. Expands remedies for pay equity violations to include right to compensatory and punitive damages and jury trial starting on January 1, 2024.

Appropriation: None

HB 2391 Healthcare Premium Tax

Requires insurers and the Public Employees' Benefit Board (PEBB) to pay to the Department of Consumer and Business Services, and Coordinated Care Organizations (CCOs) to the Oregon Health Authority, into the Health System Fund an assessment at the rate of 1.5% of the gross amount of premium equivalents received during the calendar quarter. Repeals hospital assessment on January, 2, 2026.

Appropriation: This measure is part of DCBS' and OHA's budgets.

Revenue Impact: \$605M in 2017-19; \$519M in 2019-21.

HB 3170 Collective Bargaining Rights for Research Faculty

Extends collective bargaining rights (PECBA) to certain public university faculty members whose duties have academic rather than administrative focus. Prohibits Employment Relations Board from designating bargaining unit as appropriate if bargaining unit includes supervisory faculty member and faculty members they supervise, unless labor organization and public employer agree otherwise. It excludes from the definition of "supervisory employee" those faculty members of public universities who are not high-level administrators or who have a reasonable expectation of teaching, research or other scholarly accomplishments.

Appropriation: None

ACADEMIC & FINANCIAL AID

SB 182 Educator Advancement Council

Repeals the Network of Quality Teaching and Learning. Establishes the Educator Advancement Council. Specifies the council's duties and program requirements, including the establishment of educator networks. Permits the Chief Education Office,

the State Board of Education and the Teacher Standards and Practices Commission to establish rules at the request of the council.

Appropriation: None

SB 207 **Requires Credit for AP Courses When Students Receive a Grade 3 or Higher**

Requires public universities and community colleges to give credit, beginning with the 2018-19 school year, for students who participated in an advanced placement program and received a grade of three or higher on a nationwide examination.

Appropriation: None

SB 221 **Dyslexia Teacher Prep Requirements**

Requires teacher training programs to provide instruction on dyslexia. Removes requirement that educator preparation programs, unable to demonstrate that teachers receive training on meeting third grade reading requirements, submit plan to the Teachers Standards and Practices Commission (TSPC). Allows educator preparation programs to phase in compliance with standards or rules.

Appropriation: None

SB 253 **Financial Aid & Debt Education/Reporting**

Requires universities to provide the following information to students annually in any form: Estimate of total amount of federal education loans student has received to date; total cumulative amount of tuition and fees student has paid to date; estimate of total potential payoff amount including principal and interest estimate of amount, including interest, of potential monthly payment; percentage of borrowing limit student has reached to date; and statement that information provided does not include private loans or credit card debt.

Appropriation: None, however, we did subject a fiscal on this measure.

SB 395 **Calculating Number of Foster Care Students at Universities and Colleges**

Requires the HECC to annually work with the Department of Human Services and postsecondary institutions to determine number and graduation rates of former foster children and current foster children enrolled at each college or university and the graduation rates for current and former foster children. The findings will be publicly available and reported in the evaluations of each public university.

Appropriation: None

SB 1032 **Oregon Promise**

Removes \$10 million cap on program grants; reduces the amount a person receives by \$50 for each term the person receives the grant; provides flexibility to HECC to limit eligibility based on Earned Family Contribution after HECC determines that are insufficient funds.

Appropriation: \$39.7 million to HECC

HB 2399 Designation for Museum of Natural & Cultural History

Establishes Condon Collection at the University of Oregon Museum of Natural and Cultural History (MNCH) as official repository for paleontological material. Prohibits interference with existing collections in the possession of any post-secondary institution of education in Oregon.

Appropriation: None

HB 2998 Credit Transfer

Requires HECC to convene higher education representatives to facilitate establishment of foundational curricula, determine major courses of study for which unified statewide transfer agreements will be established and to develop those agreements. Specifies community college students should be able to transfer each academic credit contained within foundational curriculum to any public university and have each credit be counted towards student's degree requirements.

Requirements for each transfer agreement must include various metrics that can be found in the bill, including ensuring that transfer students are able to obtain a degree with similar number of academic credits as required for students who begin post-secondary education at public university, seek to minimize debt, seek to increase rate at which transfer students receive a degree and seek to maintain standards of academic rigor at all institutions. Requires first transfer agreement by December 1, 2018, second agreement by April 1, 2019 and third agreement by December 1, 2019.

Appropriations: \$220,000 for staffing at HECC.

HB 3289 Reporting on Competency-Based Education

Requires HECC to submit annual report describing progress made in providing competency-based education in public post-secondary institutions. The report must describe effectiveness of expanding competency-based education; identify issues and barriers to implementing or expanding competency-based education; analyze competency-based education models; and recommend policy changes that may implement to expand competency-based education.

Appropriation: None

CAMPUS SAFETY

SB 274 Vaccine Education on College Campuses

Requires the Oregon Health Authority to create a flier to be distributed to new students on the importance of vaccination.

Appropriation: None

HB 3276 Health Insurance Coverage for Students/Disease Outbreaks

Requires insurers to cover vaccinations (even if out-of-network) when OHA deems them necessary to prevent the spread of disease; requires insurers to cover or reimburse for vaccinations in urgent health situations; and directs OHA to convene workgroup to make recommendations to improve student healthcare coverage.

Appropriation: ~\$100k to OHA for implementation.

DIVERSITY & INCLUSION

HB 2864 Cultural Competency

Directs public universities to establish process for recommendation and oversight of cultural competency standards for employees. Specifies the process must give equal weight to administrator, faculty, staff and student perspectives; require institution to provide training and development; propose institution-wide goals that seek to improve cultural inclusion climate; requires reporting on progress toward achieving goals; recommend mechanisms for assessing how well institution meets cultural competency standards; and ensure institution clearly communicates to new employees its commitment to inclusion of cultural competency standards in professional development. Deadline for implementation is December 31, 2019.

Appropriation: None, although a fiscal impact for the upcoming biennium was submitted.

GOVERNANCE & OPERATIONS

SB 54 HECC “Clean Up” Bill

Among other things, the bill removes deadline for public universities to submit biennial funding requests to HECC; requires HECC to evaluate public universities every two years instead of one; eliminates references to public universities without governing boards; requires public universities to establish system of shared administrative services for maintenance of federal tax benefits relating to state bonds and administrative services relating to certain employee benefits; allows public universities to opt out of shared administrative services system only if DAS adopts rules pertaining to federal tax benefit maintenance and public universities.

Appropriation: None

SB 106 Public Records Advisory Council

Establishes Public Records Advocate to facilitate conflicts between those who request and those who hold public records within 21 days of request. Authorizes Advocate to make determinations about either party's good faith participation in facilitated dispute resolution; provides for remedies and appeal.

Appropriation: \$633,187 General Fund to the Department of Administrative Services.

SB 231 **Task Force on Student Mental Health Support**

Establishes Task Force on Student Mental Health Support to investigate the impact of mental health issues and substance abuse disorders on college education, recruitment, retention and completion. Requires Task Force report to by July 1, 2018. Sunsets December 31, 2018.

Appropriation: \$134,000 General Fund to the HECC.

SB 481 **Public Records Response Timelines**

Modifies requirement for public bodies to respond to requests for public records "as soon as practicable without unreasonable delay," to require public bodies acknowledge requests within five business days and complete requests as soon as practicable and without unreasonable delay, or as soon as reasonably possible but no later than 10 business days after acknowledgment. Permits public body to exceed time limits for specified reasons. Suspends completion of requests pending reply and receipt of any fee not waived and provides for automatic closure upon 60 days' inactivity.

Appropriation: None

HB 2101 **Public Records**

Establishes public record subcommittee and the Oregon Sunshine Committee, which will review public records exemptions included in Attorney General's exemption catalog by December 31, 2026. The committee will review Oregon Administrative Rules that impact public records disclosure.

Appropriation: \$212,831 General Fund and two limited duration positions (0.88) to the Department of Justice, Administration Division, to support the work associated with the Oregon Sunshine Committee in carrying out its charge.

HB 2972 **Student Code of Conduct**

Prohibits universities from imposing or threatening discipline or sanction for purpose of influencing student-victim's decision to participate in investigation of sexual assault, violence or stalking.

Appropriation: None

MISCELLANEOUS

HB 2017 Transportation Improvement, Modernization and Preservation Package

Increases highway fund taxes and fees and constructs a long-term transportation program. The program will be financed through an increase in the gas tax and registration and titling fees (in tiers). The allocation of revenues is 50% to ODOT, 30% to counties, and 20% to cities, and for specified projects, including allocation of \$10 million (\$15 million after 2022) for Safe Routes to Schools program and \$30 million for bonds to finance the I-5 Rose Quarter project after 2021 prior to the state-local split. The measure also imposes payroll tax at the rate of 0.1% to fund transit around the state. It also imposes a privilege tax on vehicle dealers at the rate of 0.5% and uses the funds to subsidize electric vehicles for six years, and to fund the connect Oregon multimodal program. A bicycle excise tax is also started and directed to the multimodal program for Bike and Ped programs.

Appropriation: Expenditures for implementation will be made to ODOT, DEQ, Parks and Recreation, and DOR.

Revenue Raised: Approximately \$5.2 billion over eight years.

HB 2147 Requires Universities to Report Graduation Rate for Oregon High School Graduates

Requires institutions provide following information to the HECC annually: the number of Oregon high school graduates from each school district enrolled at institution and graduation rate at that institution for Oregon high school graduates from each school district.

Appropriation: None

HB 2311 Changes to 40-40-20 Education Attainment Goals

Revises 40-40-20 to relate to adult Oregonians completing education, rather than to all adult Oregonians.

Appropriation: None

HB 2946 University Links on Oregon Transparency Website

Directs State Chief Information Officer to include links on Oregon Transparency website of certain public universities and others.

Appropriation: None

HB 3288 Reporting on Cost Drivers

Requires public universities to submit reports to HECC each biennium listing imposed legislative mandates, impact of mandates on costs, causes of increase in administrative positions, and actions taken to monitor and control cost drivers.

Appropriation: None

HB 3437 Oregon Talent Council

Winds down the Talent Council and shifts duties to develop a statewide talent plan to the Workforce Investment Board.

Appropriation: None

MEASURES THAT DID NOT PASS

The following bills have been included because we anticipate they will come back in future sessions.

SB 8 Permits Mergers of Community Colleges and Universities DIED IN COMMITTEE

Allows a community college and a public university to merge if the HECC approves.

SB 196 Healthcare for Part-Time Faculty DIED IN WAYS & MEANS

Requires part-time faculty to pay 10% of the insurance premiums for health care benefits and requires the remaining 90% of the insurance premiums to be paid by OEBC. Allows faculty to “stack” hours from multiple institutions.

SB 420 Tuition Reimbursement for Certain Math Courses DIED IN WAYS & MEANS

Directs the HECC to establish rules for reimbursing resident students for tuition spent on upper-division mathematics courses at public universities. Establishes the Task Force on Creating Incentives for Mathematics Teaching in Oregon.

SB 559 PERS Reform DIED IN COMMITTEE

Changes calculation of final average salary within five years under PERS for purposes of determining member's full formula benefit.

SB 560 PERS Reform DIED IN COMMITTEE

Eliminates new memberships in individual account program (IAP) under PERS and establishes new account. Redirects employee contributions of 6% from member's IAP account to new account. Establishes cap of \$100,000 on amount of salary in calculation of final average salary.

HB 2060 Roll Back of Pass-Thru Entity Tax Credits DIED IN THE SENATE

Limits eligibility for the pass-thru entity tax rates to business operating in one of the following seven economic sectors: agriculture, mining, manufacturing, wholesale trade, transportation and warehousing, information, or accommodation & food services. Increases the employment requirement for eligibility from one employee to ten employees. Applies to tax years 2017 and later.

Anticipated Next Steps: It is likely this measure will come back in the 2019 session.

SB 2540 Applied Baccalaureates at Community Colleges DIED IN COMMITTEE

Several community colleges were seeking authorization to award applied baccalaureate degrees. While the original bill did not expand community college authority to offer baccalaureate degrees, the colleges were organizing in Salem to seek that authority, especially for nursing. The public universities are willing to fill gaps in the market to respond to regional or state employer needs.

Anticipated Next Steps: It is likely this concept will come back in the 2019 session.

HB 2582 Establish a University Research “Fighting Fund” DIED IN WAYS & MEANS

Establishes University Research Fighting Fund to provide state support to public universities when universities seeking federal research grants. Defines qualifying grants as federal research moneys offered to post-secondary institutions on a competitive basis with requirement that additional matching moneys be provided by private industry, state or other sources. Requires HECC develop process for application review and award decision-making. Requires legislature to use report to determine whether to transfer amount necessary to ensure balance of Fund is equal to \$5,000,000 in 2018, \$10,000,000 in 2020 and \$15,000,000 in 2022. Sunsets January 2, 2023.

Anticipated Next Steps: Universities plan to bring this measure back to the 2018 session.

HB 2690 Bridge Loan Programs for Veterans DIED IN WAYS & MEANS

Establishes Oregon Educational and Workforce Development Bridge Loan Program in Department of Veterans’ Affairs to conduct outreach and provide loans to veterans who are enrolled in an approved course of student, professional training, workforce development, or apprenticeship connection with an institution of higher education who are eligible to receive federal aid.

HB 2830 Revenue Package – Gross Receipts Tax DIED IN COMMITTEE

Increases the corporation excise tax rates from 6.6% and 7.6% to 7% and 8%, respectively. Applies to tax years 2017 and later.

Anticipated Next Steps: This is will come back in the 2019 session, likely using this language as a basis for whatever proposal comes forward.

HB 3428 Public Employee Health Benefits through CCOs DIED IN HOUSE RULES

Enrolls specified public employees in coordinated care organizations (CCOs) and abolishes Oregon Educators Benefit Board (OEBB), and merges the two. Temporarily caps hospital reimbursement paid by boards to hospitals at 180% of Medicare amount.

HB 3473 PERS Spiking Bill DIED IN COMMITTEE

Provides that outside compensation of employees of public universities is not included in an employee’s salary for the purposes of PERS.

Anticipated Next Steps: This bill did not receive a hearing because it was introduced too late. We expect it will be introduced again in future sessions.

EGTC, Board Vice Chair

EXECUTIVE SUMMARY: The EGTC recommends that Cecilia “Cec” Koontz be re-elected as the Board’s Vice Chair. Koontz is willing to serve a second term and her local presence and ability to discharge duties on behalf of the Board and the Chair serve the Board well.

Article III, Section 5(a) of the WOU Board’s Bylaws describe the Board’s officers. In order to stagger the terms of the Board’s chair and vice chair, the chair’s initial term was one year and the vice chair’s initial term was two years. After EGTC discussion and a survey of trustees for interest by the Board Chair, Koontz was elected as the Board’s vice chair at its October 28, 2015 meeting. Under the Board’s bylaws, there is no automatic succession from vice chair to chair, the term of officers is two years, and there are no term limits.

To prepare for this nomination and recommendation, the EGTC discussed Koontz’s reelection at its May 23, 2017 meeting. There was consensus, but no formal action, to determine if Koontz was interested in reelection as Vice Chair.

COMMITTEE RECOMMENDATION: The EGTC recommends that the Board re-elect Cecilia “Cec” Koontz to a second, two-year term as the Vice Chair of the Western Oregon University Board of Trustees. The term will run from July 1, 2017 through June 30, 2019.

EGTC, Final Internal Audit Report for Payroll Operations

EXECUTIVE SUMMARY: In its first report after contracting for Internal Audit capacity through the University Shared Services Enterprise (USSE), Kathy Berg audited payroll operations at WOU. The objective of the audit was to “determine if adequate approvals, reconciliations, monitoring and segregation of duties, and access controls [were] in place to ensure the accuracy of payroll.” Berg found “WOU has adequate policies and procedures in place to help ensure the integrity and accuracy of payroll. Opportunities for improvement were identified and are noted in the Areas for Improvement section [of the final audit report].”

In 2016, Western Oregon University procured internal audit functionality from the University Shared Services Enterprise (USSE). USSE provides multiple services to the public universities and the universities determine which of the services they wish to procure. Kathy Berg was hired by USSE to perform this functionality. Berg formerly served in the Internal Audit Division of the Oregon University System and has extensive experience with higher education internal audit. After WOU procured internal audit functionality, Berg met with President Fuller, Vice President Yahnke and Vice President Hagemann to outline an audit plan for 2016-2017. The team identified four audits to be performed: payroll operations, information security over electronic documents, contracting controls, and athletics cash controls. The final report for payroll operations is included in the docket materials as Appendix A.

Berg found that generally “WOU has adequate policies and procedures in place to help ensure the integrity and accuracy of payroll.” She identified several areas for improvement, including (a) segregation of duties, (b) payroll exception reporting, (c) agency fund reconciliations for payroll deductions, (d) background checks, (e) payroll overpayments, and (f) pay advances. Management agreed with Berg’s recommendations with regard to the areas for improvement. Berg will conduct follow-up work to determine management’s progress in implementing the recommendations.

COMMITTEE RECOMMENDATION: The EGTC accepts Report Number 16-E-007, the WOU Payroll Audit and recommends that the full Board accept the audit report, as well.

Payroll Audit, Western Oregon University

June 5, 2017

Report Number 16-E-007

Objective and Scope

The objective of this audit was to determine if adequate approvals, reconciliations, monitoring, segregation of duties, and access controls are in place to ensure the accuracy of payroll.

Fieldwork took place during December 2016 and January 2017 and focused on current payroll policies, procedures, and transactions taking place during calendar year 2016. A follow-up review is planned for 2017.

Background

The WOU Payroll Office is located in the Budget/Payroll Office and reports to the Vice President of Finance and Administration. Payroll consists of three staff positions supervised by the Payroll Manager. The Payroll Manager left in December 2016, and the Payroll staff are currently supervised in an interim role by the Budget Manager. The Payroll Office is responsible for processing pay for all classified, unclassified, temporary, and student employees. Approximately 1,500 employees are paid each month with an average monthly payroll of approximately \$5.7 million.

Procedures

Our engagement procedures included the following:

- Interviewing personnel in Payroll, Human Resources, and Business Services
- Reviewing Banner documentation regarding payroll-related processes
- Analyzing Banner financial and human resource data
- Reviewing policies and procedures related to payroll
- Reviewing payroll processing documentation
- Analyzing user access granted to critical Banner objects related to payroll and human resources

Results

Conclusion

Overall, WOU has adequate policies and procedures in place to help ensure the integrity and accuracy of payroll. Opportunities for improvement were identified and are noted in the Areas for Improvement section below.

Control Strengths

- Many useful Banner reports have been developed and are run monthly to review payroll and look for payroll and deduction anomalies.
- Critical payroll processes are well documented.

Areas for Improvement

1. Segregation of Duties

Payroll staff duties are not adequately segregated. The Payroll staff have access to set up new employee records; enter bank account numbers, pay information, hourly time, and leave information; correct overpayments, underpayments, and labor distributions; and prepare payroll. Payroll staff have access to change their own pay, and one staff member's duties involve updating her own merit increases.

Due to the Payroll Office's small staff size, the need for backup functionality, and the time sensitive nature of payroll, it is difficult to avoid some segregation problems.

Several reports are run during the payroll process and are reviewed for errors and anomalies prior to the final payroll run; however, these reviews are performed almost entirely by Payroll staff. The Budget Office reviews employment authorization documents to ensure that wages are in line with the budget but it is a high-level review. The budget authorities receive monthly budget to actual reports that include payroll information; however, the reports do not include individual employee pay and are not always reviewed.

Recommendation

I recommend improving segregation by removing Payroll staff duties (and access) for establishing employee IDs, updating employee names, and addresses (Banner form PPAIDEN) and for updating employee status, classification, and benefit and leave categories (Banner form PEAEMPL), and entering bank account numbers for direct deposit (Banner form GXADIRD). These duties could then be given to a new Payroll position without the job and pay related duties. Ideally, these duties (of establishing IDs, updating names, employee status, employee classification, etc.) would be performed by HR staff; however, with the current structure and level of staffing, I do not believe this is a viable option.

I also recommend that management consider adding additional controls by implementing the following methods:

- a) Add additional exception reporting (see Recommendation #2 below)
- b) Have Business Services distribute (hard copy) payroll checks rather than Payroll, and have employees sign and date a log for receipt
- c) Require background checks for all payroll staff (see Recommendation # 4 below)
- d) Discuss with Legal Counsel the feasibility of requiring employees to use direct deposit
- e) Implement web time entry

Management Response

Management agrees with the need to improve segregation of duties to strengthen internal control and has implemented a number of the Auditor's recommendations and will be exploring other internal audit recommendations.

- Additional exception reporting will begin with the March 2017 payroll process as described below.

- Management has adopted the recommendation to have Business Services distribute hard copy pay checks.
- WOU's General Counsel is investigating the legal parameters to making direct deposit required and/or a condition of employment.
- Banner web time entry will be re-evaluated once the transition to Banner 9.0 is complete in December of 2018.

2. Payroll Exception Reporting

Although various payroll reports are run monthly, post-payroll exception reports are not routinely run. There are many exception and validation reports and processes that are run prior to and during payroll processing. However, a report to monitor activity taking place during the payroll process with review by a non-payroll entity would be a good compensating control for inadequate segregation of duties.

A Banner report, PZRACTD--User Updates Made on HR Forms, was developed to monitor user activity in the critical Banner objects PEAEMPL (employee status, classification, etc.), NBAJOBS (job info, including salary, default earnings, default hours), and PDAEDN (withholding deductions). These forms only track the last user to touch a record, so if this report is run after payroll processes, the user activity shown in this report would be the user who ran the payroll process.

Other reports outside of the payroll process have been developed to review detail payroll information, but these reports do not appear to be fully utilized.

Recommendation

I recommend that management should ensure that the PZRACTD report is run prior to the monthly payroll process. Either the Computing Center or Business Services could run the report with Business Services conducting the review.

In addition, I recommend that management develop and run one or both of the following two exception reports:

- A comparison of current month to prior month gross pay by employee: The report should only generate data when an employee's current and prior months' pay are different by a specified percentage or dollar amount. This report could then be reviewed by Business Services.
- A report with current month and prior month gross pay by budget authority by employee: Distribute electronic copies of this report to each budget authority and require them to review and resolve any questionable variances and document their review.

Management Response

Management agrees with these recommendations. Business Services will begin running and reviewing the PZRACTD in addition to routine review in the Payroll office beginning with the March 2017 payroll process.

Additionally, the Budget Office will develop a data warehouse report that will run and automatically email results to individual departmental budget authority and require them to document their

review and resolution of any questionable variances. This additional review procedure will be added to the existing personnel budget review required every month. These additional procedures will be in place for the March 2017 payroll.

3. **Agency Fund Reconciliations for Payroll Deductions**

It appears that reconciliations of agency funds for payroll deductions are not routinely performed. Payroll is responsible for reconciling over 70 payroll-related agency funds. HR reconciles PERS and PEBB payments to employees' deductions, but is not responsible for reconciling the related agency funds.

Payroll routinely reviews activity, but does not have the data to reconcile by employee. Payroll was using the Aggregate HR data warehouse for reconciliation purposes; however, the data warehouse does not include all the detail information needed for making adjustments for timing differences, FTE changes, reclassifications, etc., making reconciliation by employee problematic.

The PEBB funds are the most numerous and routinely require many adjustments. PEBB sends preliminary invoices for review, prior to sending final invoices. These preliminary invoices should be reviewed to ensure that corrections are made for timing differences or other adjustments.

University Shared Services Enterprise (USSE) Payroll Operations relies on WOU to have accurate invoices since USSE remits funds based on the monthly invoices from PEBB. Without performing reconciliations, the wrong amount could be withheld or put to the wrong plan.

Recommendation

I recommend that WOU begin routine reconciliations of the payroll-related agency funds, with the PEBB agency funds as a priority. To help move forward with the agency fund reconciliations, WOU should consider requesting access to the USSE aggregate payroll data warehouse and guidance from USSE.

Management Response

Management agrees with these recommendations. While WOU routinely reconciles all payroll related agency funds, those reconciliations are limited to information available in the WOU instance of Banner. WOU is working with USSE to obtain needed information residing at the USSE Payroll operation. The Payroll Manager will continue to work with USSE to reconcile between these two operations with a timely and efficient process.

4. **Background Checks**

According to management, background checks were not performed for the current payroll staff. It was noted that an Authorization to Fill form for the personnel search for a current payroll staff member was marked to perform a background check but one was not performed.

Best practices stipulate that background checks should be performed for positions that have access to confidential information or that perform fiscal responsibilities; Payroll positions meet both criteria.

The former Oregon University System (OUS) policy (OAR 580-023-0111), which still applies to WOU, states that universities *may* conduct criminal background checks for critical or security-sensitive

positions, but did not *require* such checks. WOU has been following this OUS policy and is currently updating it. The policy states

Criminal background checks will be conducted to ensure that the candidate does not have relevant criminal convictions that would make him or her unsuitable or ineligible to perform the responsibilities of a critical or security-sensitive position.

But the regulation goes on to say

The University may conduct criminal background checks according to this policy ...

Recommendation

I recommend that the criminal background check policy require criminal background checks for critical or security-sensitive positions within the constraints of the current SEIU Collective Bargaining Agreement, and that HR ensure that this policy is followed.

Management Response

Management agrees with this recommendation. Criminal background checks will be conducted before hiring employees for critical or security-sensitive positions.

5. Payroll Overpayments

During calendar year 2016, 20 employees were overpaid a total of approximately \$17,000. Actions taken to resolve payroll overpayments are not consistent. These inconsistencies appear to be due to a misunderstanding or disagreement between Payroll and Human Resources over how and who should to handle the different types of overpayments.

According to payroll staff, the most common factor contributing to overpayments is late receipt of timesheets (which causes an overpayment if the employee used more leave than has been accrued). Other factors that contribute to overpayments include misstated FTE figures due to late notification of changes and paying terminated employees due to late notification of terminations.

To help avoid overpayments and for the payroll process to run efficiently and accurately, Payroll relies on Human Resources and the departmental budget authorities to provide documentation in a timely manner. HR also relies on departmental budget authorities for timely receipt of documentation prior to submitting to Payroll.

According to a Bureau of Labor and Industries (BOLI) website, an employer is entitled to recoup all overpayments of wages, as long as it can clearly show that the employee received more than he/she was due under its wage agreement. BOLI advised working out a mutually agreeable repayment plan rather than deducting the overpayment from an employee's paycheck. Oregon Revised Statute (ORS) 652.610, allows certain deductions from wages, but does not specifically address the issue of wage overpayments.

Currently, a form developed by Human Resources is being used as a mutually agreeable repayment plan for overpaid classified and unclassified employees to sign. There are times when this repayment agreement form is not used. For example, when a timesheet is late and the employee was paid more leave than they accrued, the resulting overpayment is deducted from their next paycheck. Another example is a faculty member's overpayment that is caused by a decrease in FTE

without Payroll being notified prior to payroll processing. The amount overpaid is then deducted from their next paycheck if it's within the same academic term.

Recommendation

I recommend that management develop a policy that states which office is responsible for overpayments and specifies procedures for dealing with the different types of overpayments. The policy should take into consideration the stipulations of BOLI, ORS 652.610, and the SEIU Collective Bargaining Agreement. In addition, management should work with budget authorities and HR to improve the timeliness of payroll-related documentation.

I also recommend that the payroll overpayments receivable account be routinely reconciled.

Management Response

Management agrees with these recommendations and will continue to streamline the paperwork process which ultimately informs accurate and timely payroll calculations. Furthermore, management will formalize procedures that identifies responsibilities for the identification of overpayment, notice to employees, subsequent collection and reconciliation of overpayments.

6. Pay Advances

During calendar year 2016, 21 employees received a total of 77 pay advances and 24% of these employees received six or more advances, with one employee receiving an advance every month. Payroll advances require extra work to approve, set up, issue a manual check, and monitor repayment.

Best practices state that pay advances should be limited to emergency situations or unusual circumstances and approved by human resources.

WOU has a policy allowing payroll advances, but there is no stated limit to the number of advances an employee can receive, and it appears that advances can be used for non-emergency situations.

Recommendation

I recommend that management update the payroll advance policy to include language limiting advances to two or three each calendar year and for emergency situations only.

Management Response

Management agrees with these recommendations. Policy will be implemented limiting payroll advances to two each calendar year for emergency situations only. It should be understood that the policy will be modified by the SEIU CBA for classified employees.

Acknowledgments

I would like to thank management and staff involved in this engagement for their cooperation and assistance, and appreciate management's commitment to resolve the issues identified during this engagement.

Distribution List

To: Rex Fuller

Eric Yahnke, Vice President for Finance and Administration

Ryan Hagemann, Vice President and General Counsel

c: Brandon Neish, Budget Manager and Interim Payroll Manager

Darin Silbernagel, Business Services Director

Judy Vanderburg, Human Resources Director

James M. Baumgartner, Chair of the Board of Trustees Executive, Governance, and Trusteeship
Committee

Auditor

Kathy J Berg, University Auditor, USSE

Contact Information

University Shared Services Enterprise

P.O. Box 456

Corvallis, OR 97339

Phone (541) 737-1176

Email: Kathy.Berg@oregonstate.edu

EGTC, Board Self-Evaluation

EXECUTIVE SUMMARY: The survey results demonstrate that the individual trustees are generally positive about Board structure and function. There were some results, particularly focused on the length of the meetings and the other subjects and constituencies from which the trustees would like to hear, that offer the opportunity for a discussion about continuous improvement. Committee function, including the committee chair and vice president reports to the full board, also warrant discussion. The intent of the self-evaluation is to discuss results at the committee level, discuss at the Board's July 2017 meeting, and implement any operational changes that might lead to improved function in the 2017-2018 academic year.

The committee charter of the Western Oregon University (WOU) Board of Trustees places responsibility for the Board's self-evaluation with the Executive, Governance and Trusteeship Committee (EGTC). It states: "The EGTC is responsible for developing an evaluation process for the performance of the Trustees to improve Board function." With a number of changes introduced to the structure of Board meetings for the 2016-2017 academic year, the EGTC devised a survey instrument to gather and measure trustee opinions regarding the Board's functionality. Chair Baumgartner asked Trustee Komp to work with Vice President & General Counsel Hagemann to devise the survey instrument and gather the responses. The EGTC reviewed the draft survey instrument at its May 23, 2017 meeting, Komp and Hagemann made the necessary revisions, and Dr. Abdus Shadid, WOU Director for Institutional Research & Effectiveness, administered the survey from June 7, 2017 through June 15, 2017. The survey was extended through June 20, 2017 to ensure additional responses and a total of eleven trustees responded to the survey. The survey instrument was anonymous. The raw data was sent to EGTC members prior to this meeting to permit the committee members to review.

The survey was divided into four sections: (1) Meeting Materials, (2) Structure and Logistics, (3) Committees, and (4) Board Composition and Trustees. There were opportunities for both qualitative and quantitative responses. The results for each section, as well as some discussion questions, are summarized below.

Meeting Materials

There were seven questions asked about meeting materials. Trustees were asked to respond with a number from 1 (strongly disagree) to 5 (strongly agree). Trustees were also provided the opportunity to offer narrative comments about the meeting materials. Here are the questions and responses:

(1) The written docket materials for board meetings arrive in a timely matter.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
55%	36%	9%	0%	0%

(2) The written docket materials for board meetings are sufficiently descriptive and comprehensive to permit trustees to prepare for board meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
64%	27%	0%	0%	0%

(3) The delivery of written docket materials via email is sufficiently convenient to allow trustees to prepare for board meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
55%	18%	9%	9%	0%

(4) A paper copy of the written docket materials should be mailed to trustees prior to the board meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
0%	9%	27%	55%	9%

(5) Western Oregon University should provide a tablet or other technology to trustees in order to reduce the use of paper incident with board service.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
0%	9%	27%	55%	9%

(6) An executive summary of the written docket materials would be useful.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
18%	55%	9%	18%	0%

(7) I read everything in the written docket materials prior to the board meeting.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
9%	55%	18%	9%	9%

Narrative comments included:

- We are about one year away from needing to find new faculty and staff reps. Perhaps an update on the process EGTC will take so that we can begin to cultivate candidates, or is this premature?

- I appreciate all of the time and effort that goes into the docket and the preparation of each meeting. I have access to the docket prior to the meeting where I can review the materials and access it in many ways.

- We have a fairly diverse Board composition in terms of ethnicity, age, geography, sex, and job sector.

- Clarification for “every” word in the document. I do not read “every” word but I read every item that is not associated with the committee I serve on. I think tablets would be a nice touch however it is nice to have paper if you want to lay items side by side for reference points and that is not possible with a tablet.

Possible Discussion Questions about Meeting Materials

(1) Is there any tension between the responses to Question (3) and (4) with regard to the mode of delivery of docket materials?

(2) Are there any strategies, other than perhaps adding an executive summary to docket items, which might assist trustees to prepare sufficiently for meetings?

Structure and Logistics

There were sixteen questions asked about board structure and logistics. Trustees were asked to respond with a number from 1 (strongly disagree) to 5 (strongly agree). Trustees were also provided the opportunity to offer narrative comments about structure and logistics. Here are the questions and responses:

(1) The thematic discussion (e.g., enrollment, affordability, showcase, etc.) segment of the board meetings introduced in the 2016-2017 academic year helps me learn more about Western Oregon University.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	64%	0%	0%	0%

(2) The full board meetings are scheduled on a convenient day and time for me and my attendance.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
18%	73%	9%	0%	0%

(3) The full board meetings should be longer in order to capture all that is necessary for trustees to discharge their fiduciary duty to the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree

0%	9%	45%	36%	0%
----	----	-----	-----	----

(4) The full board meetings should feature more contact or interaction with university constituencies and stakeholders.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
0%	45%	45%	0%	0%

(5) The full board meetings should include a social element (e.g., lunch, dinner or reception) to permit trustees to interact informally.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
0%	18%	73%	9%	0%

(6) Board meetings would be more productive or enriching if the board convened in the evening for dinner and completed business over the course of the next morning.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
0%	0%	36%	45%	18%

(7) The thematic discussions cover the most appropriate topics facing Western Oregon University.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	64%	9%	0%	0%

(8) The board should schedule a strategic retreat every year.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
9%	45%	36%	9%	0%

(9) The committee chair reports are informative and assist the trustees in making reasoned decisions.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	45%	9%	18%	0%

(10) The president's report is informative and assists the trustees in understanding the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	73%	0%	0%	0%

(11) The vice president's reports are informative and assist the trustees in understanding the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
18%	45%	36%	0%	0%

(12) The reports from the shared governance representatives are informative and assist the trustees in understanding the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
9%	55%	27%	9%	0%

(13) Board meetings are run efficiently.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	55%	9%	0%	0%

(14) There is sufficient time for discussion and consideration of the topics on the board agenda during meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
9%	55%	27%	9%	0%

(15) Live-streaming the board meetings is a good idea.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	55%	9%	0%	0%

(16) The newly approved WOU strategic plan should be incorporated more into the business of the board and its meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	55%	9%	0%	0%

Narrative comments included:

- I am happy with how the meetings are being ran and the discussions are very thoughtful and great.
- I strongly support the idea of more opportunities for relationship building among Board members and Board and WOU community.
- I strongly support the idea of more opportunities for relationship building among Board members and Board and WOU community.
- I think social opportunities for the board and key staff are worthwhile, but I would not suggest having one with every meeting. Two a year would be sufficient.

Possible Discussion Questions about Structure and Logistics

(1) Is there tension between adding elements to the Board experience (e.g., meeting with stakeholders and constituencies) and resistance to making the Board meetings longer? Is there tension between the responses to Questions (3), (4), (5), and (14)?

(2) Why do Board members view the President’s Report far more favorably than that of committee chairs or vice presidents? Are there changes to these reports that would make them more valuable to trustees?

(3) Should the thematic elements introduced to the Board in the 2016-2017 academic year be revised? Should there, for example, be a “showcase” at every full Board meeting and a new thematic emphasis for the April meeting? If so, what would that thematic emphasis be?

Committees

There were ten questions asked about committees. Trustees were asked to respond with a number from 1 (strongly disagree) to 5 (strongly agree). Trustees were also provided the opportunity to offer narrative comments about committees. Here are the questions and responses:

(1) The board's standing committees (ASAC, EGTC, FAC) appropriately cover the primary topics facing the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
18%	73%	9%	0%	0%

(2) The board's committee meetings should be held in conjunction with the full board meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
0%	18%	0%	73%	9%

(3) The board's committee meetings should be scheduled to permit any and all trustees to attend if they want to do so.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
9%	27%	36%	27%	0%

(4) The board's committees should be delegated more authority for certain topics and transactions in order to free up time at full board meetings for other activities.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
----------------	-------	----------------	----------	-------------------

0%	18%	36%	45%	0%
----	-----	-----	-----	----

(5) The written docket materials for committee meetings arrive in a timely manner.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	36%	18%	9%	0%

(6) The written docket materials for committee meetings are sufficiently descriptive and comprehensive to permit trustees to prepare for committee meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
45%	45%	9%	0%	0%

(7) I am familiar with the committee charter of the committee on which I serve.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	55%	18%	0%	0%

(8) Committee meetings should always be in-person.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
18%	9%	9%	64%	0%

(9) Committee meetings are sufficiently productive, even though they are primarily conducted by conference call.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
9%	45%	27%	18%	0%

(10) The meetings of the committee on which I serve are run efficiently.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
45%	55%	0%	0%	0%

Narrative comments included:

I think the committees are very efficient and allow the board to focus on more particular issues and then bring them to the full board for further discussion.

The committee structure was worked well. The finance committee is especially efficient.

As F&A, the question for us would be; do we add any value to what the VP prepares for the rest of the Board? Currently, we schedule enough ahead that it gives our VP time to take our feedback to prepare his presentation. In the past, we have asked him for

additional detail, less detail, and different materials to share with the full Board. Maybe he would prefer to prepare his docket materials without that interference!

I think there is a little lag time between the committee meeting docs showing up online but it depends on how close different committee meeting are scheduled to give ample time to post others meeting. I'm mainly referring to the committee meeting minutes.

I would not support scheduling committee meetings in conjunction with board meetings. I prefer having the committees meet ahead of the board meetings, as is the current practice. That allows for the committee reports and recommendations to be communicated and evaluated by board members ahead of the board meeting.

Possible Discussion Questions about Committees

(1) If the Board wants to hear from other stakeholders and constituencies at full Board meetings, but is resistant to a longer meeting, why are trustees also hesitant to delegate more authority to committee as demonstrated by the responses to Question (4)?

(2) Why is there a difference between the full Board and the committees with regard to docket materials?

Board Composition and Trustees

There were sixteen questions asked about board composition and trustees. Trustees were asked to respond with a number from 1 (strongly disagree) to 5 (strongly agree). Trustees were also provided the opportunity to offer narrative comments about the board composition and trustees. Here are the questions and responses:

(1) The WOU Board of Trustees has developed a productive and positive board culture.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	55%	18%	0%	0%

(2) The WOU Board of Trustees speaks clearly with “one voice” after it has acted on a matter.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	64%	0%	0%	0%

(3) Trustees, individually and collectively, are committed to their service on the Board.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	55%	18%	0%	0%

(4) Trustees, individually and collectively, take their board service seriously.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
45%	36%	18%	0%	0%

(5) The WOU Board of Trustees is sufficiently diverse to discharge its fiduciary obligation to the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	55%	18%	0%	0%

(6) The WOU Board of Trustees should have more alumni members.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
0%	0%	27%	73%	0%

(7) The WOU Board of Trustees should have more members from geographic areas other than the Salem-Monmouth-Independence area.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	27%	36%	9%	0%

(8) In my experience, trustees are engaged during board meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	55%	9%	0%	0%

(9) Trustees understand what their fiduciary obligation to the university means.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	45%	18%	0%	0%

(10) I attend WOU events other than board/committee meetings.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	45%	18%	9%	0%

(11) Trustees have adequate and meaningful opportunities to visit campus.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	64%	0%	0%	0%

(12) Trustees have sufficient orientation to discharge their fiduciary obligation to the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
27%	64%	9%	0%	0%

(13) I feel that my service on the board is worthwhile and I have an impact on the university.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	55%	9%	0%	0%

(14) If applicable, I am interested in a reappointment to a second term on the board.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
18%	45%	9%	0%	18%

(15) I am making an impact on the success of Western Oregon University.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	55%	9%	0%	0%

(16) My service on the WOU Board of Trustees is worthwhile and impactful.

Strongly Agree	Agree	Somewhat Agree	Disagree	Strongly Disagree
36%	55%	9%	0%	0%

Narrative comments included:

- I think the board members do a dream job of speaking their opinions and concerns but also stand as one with one voice.
- I think we could have more training, AGB guidance, etc. Of course, that assume Trustees are willing to commit more time, or expand meeting times, as I think the meetings are fully occupied currently.
- I enjoy my service on the board and think we have a strong and well-functioning board. I would encourage more board members to attend university activities other than board meetings.

Possible Discussion Questions about Board Composition and Trustees

(1) What strategies, if any, should the Board take to cultivate diverse Board members in order to be responsive to Questions (6) and (7)?

(2) Is the Board satisfied with the general tenor of responses regarding Board service, fiduciary duty, and impact on the University?

This is a discussion item, so no formal committee action is required.