



**WESTERN OREGON UNIVERSITY BOARD OF TRUSTEES
REGULAR MEETING OF THE FULL BOARD
JANUARY 27, 2016
WERNER UNIVERSITY CENTER, COLUMBIA ROOM
2:00-6:00 PM
MEETING NO. 11**

BOARD MINUTES

(1) Call-to-Meeting/Roll Call

Chair Jim Baumgartner called the meeting to order at 2:00 PM.

The following trustees were present:

Arredondo
Baumgartner
Fuller (non-voting)
Guthrie
Hurtado
Ingle (arrived at 2:15 PM)
Koontz
Llamas
Minahan
Mladenovic (participated by phone and joined at 2:10 PM)
Paraskevas
Shetterly

The following trustees were absent:

Kulongoski
Taylor

(2) Chair's Welcome

Chair Baumgartner welcomed the audience and explained the protocol for the large number of audience participants interested in public comment, referenced the work required in the first year of independence, and reviewed the agenda.

(3) President's Report

President Fuller explained that his written report was a part of the docket and touched on the highlights, including an enrollment update, the new sustainable investment fund of the WOU Foundation (with assistance from the WOU Foundation Executive Director Tommy Love), Oregon Department of Environmental Quality settlement agreement, commencement update, including Representative Betty Komp as speaker, development of the Oregon Council of Public University Presidents (including WOU serving as the host institution because, in part, of proximity to Salem), and collective bargaining chronology. Chair Baumgartner and the Board asked follow-up questions about enrollment trends and work with community college partners. President Fuller observed that enrollment would be discussed more thoroughly later in the meeting. The Board asked whether or not the Oregon Promise would have a negative impact on first-year student enrollment.

(4) Shared Governance Reports

(a) Faculty Senate

Dr. Laurie Burton, Faculty Senate President, offered a brief report to the Board, highlighting Faculty Senate committee structure, work of the assessment facilitating steering committee, including the collection of assessment data for general education courses in Spring Term, various presentations to the Senate, including emergency preparedness and Academic Works, and curricular changes.

(b) Staff Senate

Chris Solario, Staff Senate President, shared a brief report with the Board, highlighting Senate vacancies, professional development efforts, development of the Staff Senate website and newsletter, development of a mentoring program, and staff efforts to improve efficiency.

(c) Associated Students of Western Oregon University (ASWOU)

Associated Students of Western Oregon University Vice President Dean Wright addressed the Board, focusing on the Northwest Leadership Conference for students, the incidental fee committee process, the Oregon Student Association Lobby Day in the February legislative session, and the students' legislative agenda. Chair Baumgartner asked if the students were active in recruitment and retention efforts and Vice President Wright indicated that students and ASWOU were engaged.

(5) Public Comment

Chair Baumgartner facilitated significant public comment focused on the state of faculty collective bargaining. Several faculty and others expressed concern with the progress of faculty collective bargaining. David Rives (AFT-Oregon President), Dr. Mark Perlman (WOU Faculty, WOUFT President), Dr. Peter Callero (WOU Faculty, WOUFT), Dr. Emily Plec (WOU Faculty, WOUFT), Michael Olivier (WOU Faculty), Ben Gorman (Central ESD), Dr. Ed Dover (WOU Faculty, WOUFT), Kara Gournaris (WOU Faculty), Dr. Molly Mayhead (WOU Faculty, WOUFT), David McCall (WOU student), Dr. Chloe Hughes (WOU Faculty, WOUFT), and Dr. Becka Morgan (WOU Faculty, WOUFT) all addressed the Board. Jenesa Ross, a WOU student, addressed the Board regarding increasing costs of attending WOU. Chair Baumgartner thanked the audience for the comments and recognized the faculty and students for the passion and commitment.

(6) Executive, Governance and Trusteeship (EGT)

(a) Committee Chair Report

Chair Baumgartner offered a brief report of the Executive, Governance and Trusteeship Committee's work, including protocols for board vacancies, the development of the long-term planning meeting agenda, process to develop a new strategic plan for the university, and various legislative issues. Baumgartner observed that he has weekly meetings with the president in order to stay abreast of campus developments. The Board asked if there was going to be time on the agenda of the upcoming long-range planning meeting to consider finance in more depth.

(b) Vice President & General Counsel Report

Vice President & General Counsel Ryan Hagemann offered brief comments on the upcoming 2016 February legislative session, highlighting the Council of Presidents, Lobby Days, including the OSA Lobby Day and the seven-university Lobby Day, \$15M budgetary request, capital repurposing requests for other universities, the renewal of the University Venture Development Fund tax credits, a constitutional referral equities ownership by the universities, legislation concerning student health records and privacy, a Current Service Level budget work group, and the minimum wage. Trustee Guthrie asked about the projected minimum wage impact on the University. The Board asked about the vacancies on the Higher Education Coordinating Commission (HECC).

(7) Academic and Student Affairs (ASA)

(a) Committee Chair Report

Dr. John Minahan offered a brief report of the work of the Academic and Student Affairs Committee (ASAC), including extensive discussion of the NWCCU accreditation seven-year report and visitation and planning for a student health and counseling center.

(b) Provost & Vice President for Academic Affairs Report

Provost & Vice President for Academic Affairs Steve Scheck shared brief comments with the Board regarding tenure and rank review, NWCCU accreditation and the availability of the draft report, the need for Board members at the April 11, 2016 site visit, enrollment, the reaccreditation of the College of Education, and WOU's success in securing a HECC grant for mentorships and career services.

(c) Vice President for Student Affairs Report

Vice President for Student Affairs Gary Dukes offered a brief report to the Board, highlighting the hire of a new veterans' services coordinator, the progress of the incidental fee committee, and the upgrade of the Safe Ride program.

(d) ACTION ITEM: Minor, Educational Psychology

Committee Chair Minahan introduced the action item. He described the proposed minor in Educational Psychology, distinguishing it from the current offerings in the Psychology Department. The Board confirmed that the courses for the proposed minor were already a part of the curriculum and it would not require additional budget.

Chair Baumgartner called for a motion to approve the proposed minor in Educational Psychology. After the motion, he called for a vote. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Guthrie
Hurtado
Ingle
Koontz
Llamas
Minahan
Mladenovic
Paraskevas
Shetterly

Fuller is non-voting.

The following trustees voted against the motion:

None.

The motion passed.

(e) DISCUSSION ITEM: NWCCU Draft/ Progress Report

Chair Baumgartner recognized Provost & Vice President for Academic Affairs Steve Scheck to discuss the NWCCU accreditation report and visit in more detail. Scheck described the process of the written report and site visit. He offered that any Board members that participate in the site visit will need to up-to-speed with the written report submitted to the Commission.

(8) Finance & Administration (FA)

(a) Committee Chair Report

Trustee Koontz, in the absence of Chair Louis Taylor, offered the brief Finance & Administration Committee report, focusing on the action items were on the current meeting's agenda, including 2014-2015 financial statements, the 2016 budget, the 2016 Q2 Management Report, electrical grid bond repurposing, and bridge funding for the new Student Health & Counseling Center.

(b) Vice President for Finance & Administration Report

Vice President for Finance & Administration Eric Yahnke offered a report to the Board, including Current Service Level budget work, indirect cost recovery calculations, discussion about the budgetary impact of PERS increases, and the HECC funding formula.

(c) ACTION ITEM: 2014-2015 Audited Financial Statement

Vice President for Finance & Administration Eric Yahnke recognized the external auditors to represent the 2014-2015 Audited Financial Statements. The auditors acknowledged the change in materiality thresholds with governance changes, noted the unqualified opinion, noted changes to accounting standards focused on acknowledgment of PERS liabilities, reviewed the footnotes of the Audited Financial Statement, reviewed the Uncorrected Audited Adjustments and Corrected Audited Adjustments, observed that there were no management disagreement, and highlighted the change in the Perkins Loan Program.

Chair Baumgartner called for a motion to accept the 2014-2015 Audited Financial Statement as included in the Board's materials. After the motion, he called for a vote. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Guthrie
Hurtado

Ingle
Koontz
Llamas
Minahan
Mladenovic
Paraskevas
Shetterly

Fuller is non-voting.

The following trustees voted against the motion:

None.

The motion passed.

(d) ACTION ITEM: FY2016 Budget Document

Vice President Yahnke reviewed the FY2016 Budget Document. He observed that this document was more detailed than the previous, preliminary review of the budget. Chair Baumgartner clarified that the previous Board action was to approve the budget and this action was to approve the additional details. Yahnke noted the enrollment decline and its impact on the budget. He highlighted the PERS assessment increase. Yahnke described the assumptions made in developing the budget detail. He noted the projected decline in the university's fund balance. He noted that the minimum wage projections were not included in the budget document.

Chair Baumgartner called for a motion to approve the FY 2016 Budget Document as included in the Board's materials. After the motion, he called for a vote. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Guthrie
Hurtado
Ingle
Koontz
Llamas
Minahan
Mladenovic
Paraskevas
Shetterly

Fuller is non-voting.

The following trustees voted against the motion:

None.

The motion passed.

(e) ACTION ITEM: FY2016 Q2 Management Report

Vice President Yahnke continued with the FY2016 Q2 Management Report. He started his presentation focusing on the key variances, including the \$1M drop in tuition revenue. He noted the vacancy savings. Yahnke described the difference in Education & General and the auxiliary budgets. He noted that the FAC recommended acceptance of the Management Report.

Chair Baumgartner called for a motion to FY2016 Q2 Management Report as presented and included in the Board's materials. After the motion, he called for a vote. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Guthrie
Hurtado
Ingle
Koontz
Llamas
Minahan
Mladenovic
Paraskevas
Shetterly

Fuller is non-voting.

The following trustees voted against the motion:

None.

The motion passed.

(f) ACTION ITEM: Repurpose Electrical Grid Repair/XI-Q Bonds

Vice President Yahnke presented the electrical grid repurposing action item. He noted that the Board previously approved the use of reserves to fund the electrical grid update. He shared that there was XI-Q bonding capacity that should be used for projects, such as the electrical grid repair project. Yahnke noted that there was no additional outlay of funds. He confirmed, after Board questions, that it was essential an

accounting matter. Yahnke confirmed that the proposed action item was to repurpose existing XI-Q bond capacity, as opposed to reserve, to fund the electrical grid repair previously approved by the Board.

Chair Baumgartner called for a motion to approve the XI-Q repurpose to fund the electrical grid repair previously approved by the Board. After the motion, he called for a vote. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Guthrie
Hurtado
Ingle
Koontz
Llamas
Minahan
Mladenovic
Paraskevas
Shetterly

Fuller is non-voting.

The following trustees voted against the motion:

None.

The motion passed.

**(g) ACTION ITEM: Student Health & Counseling Center
Construction Bridge Funding**

Vice President Yahnke and Vice President for Student Affairs Gary Dukes presented the proposed bridge funding for the Student Health & Counseling Center. He noted that the initial proposal was to construct an addition to the current Student Health & Counseling Center. Dukes observed that President Fuller asked if an addition would meet current needs. Dukes noted that architect's renderings for a new building landed on \$3.9M. He shared that the students were interested and supportive of a new health center fee to help fund the project. The proposal, as described in the Board materials, would be to use bridge funding from specific reserve accounts to fund the new construction and pay the reserves back with the new student health fee. The Board clarified that the reserves were not the general fund reserves. Yahnke noted that that it was an indirect cost recovery reserve account and had been used in similar ways in the past for various projects. Because it was yet undetermined how to repurpose the current building that houses the Student Health & Counseling Center, Trustee Guthrie abstained from the vote.

Chair Baumgartner called for a motion to approve bridge funding for the Student Health & Counseling Center as presented and described in the Board materials. After the motion, he called for a vote. The following trustees voted in favor of the motion:

Arredondo
Baumgartner
Hurtado
Ingle
Koontz
Llamas
Minahan
Mladenovic
Paraskevas
Shetterly

Guthrie abstained and Fuller is non-voting.

The following trustees voted against the motion:

None.

The motion passed.

(9) BOARD DISCUSSION: Enrollment Update and Forecast

Chair Baumgartner recognized Associate Provost David McDonald with an enrollment update. McDonald reviewed the data with the Board, including increases in graduate enrollment and first-year students and decreases in international students. He noted that WOU is about 85% resident students. McDonald described tuition equity students and access to resident tuition rates. McDonald reviewed the tuition choices programs. He shared data about the number of credits that WOU students take. He noted ethnic demographic data with the Board. McDonald focused on retention efforts. He observed discussions on whether the minor should be required and the impact on retention efforts. The Board discussed the difference between a faculty-driven curricular approach and a student-driven outcome approach. The Board and McDonald discussed the phenomenon of the student that attends various institutions to accumulate credits. McDonald described Western Undergraduate Exchange students. Provost Schenk cautioned the Board, amid the discussion on international student recruitment, that the population of Saudi students would decrease.

(10) BOARD DISCUSSION: March 10-11 Planning Meeting

Chair Baumgartner offered brief comments about the agenda of the upcoming March 10-11 planning meeting.

(11) Final Announcements

There were no other final announcements.

(12) Adjournment

The meeting adjourned at 6:12 PM.

A handwritten signature in black ink, appearing to read 'Ryan J. Hagemann', written over a horizontal line.

Ryan J. Hagemann
Secretary to the Board of Trustees