



**WESTERN OREGON UNIVERSITY BOARD OF TRUSTEES
REGULAR MEETING OF THE FULL BOARD
JULY 27, 2016
WERNER UNIVERSITY CENTER, WILLAMETTE ROOM
2:00-6:00 pm
MEETING NO. 15**

BOARD MINUTES

1. CALL-TO-MEETING/ROLL CALL

The meeting was called to order by Chair Jim Baumgartner at 2:03 PM.

The following trustees were present:

Arredondo (joined at 2:09 PM)
Baumgartner
Fuller (phone)
Guthrie
Hurtado (left at 4:33 PM)
Ingle (phone)
Kulongoski (joined at 2:11 PM)
Llamas
Mladenovic (joined at 2:09 PM)
Shetterly (left at 5:18 PM)
Taylor

The following trustees were absent:

Koontz
Minahan
Paraskevas

2. CHAIR'S WELCOME

Chair Baumgartner offered opening comments regarding the upcoming board meeting and agenda. He congratulated the Board and the staff on the hard work necessary to complete the first year of independence. Baumgartner noted that the first year was focused on internal mechanisms by design, but that it was time to turn to the

achievement issues facing the university. Baumgartner recognized Sofia Llamas on her last meeting as the designated student trustee.

3. PRESIDENT'S REPORT

President Fuller, with reference to his written report materials in the Board docket, reviewed highlights and shared that he would address accreditation and strategic planning later in the agenda.

4. SHARED GOVERNANCE REPORTS

a. Faculty Senate

Incoming Faculty Senate President Dr. Adele Schepige offered comments from Faculty Senate, including elections for the 2016-2017 academic year, review of Faculty Senate committee charters, work of several faculty members with the Western Interstate Commission of Higher Education (WICHE), assessment, and curriculum proposals.

b. Staff Senate

Crystal Ross, Staff Senate Vice President, offered comments from the Staff Senate, including elections and the revision of the Senate's bylaws.

c. Associated Students of Western Oregon University (ASWOU)

Corbin Garner offered comments on behalf of ASWOU and its President Alma Pacheco. He discussed SOAR and affordability. Kulongoski asked Garner about the passport proposals between universities referenced in the Faculty Senate's report and he shared that he thought it was a great idea.

5. PUBLIC COMMENT

No individuals offered public comments at the July 27, 2016 meeting.

6. CONSENT AGENDA

Chair Baumgartner asked for a motion to approve the consent agenda, which consisted of FY2016 Board minutes as included in the docket. Shetterly moved approval and Taylor seconded the motion.

The following trustees voted in favor of the motion:

Arredondo, Baumgartner, Guthrie, Hurtado, Ingle, Kulongoski, Llamas, Mladenovic, Shetterly, Taylor (Fuller is non-voting).

The following trustees voted against the motion.

None.

The following trustees abstained from the vote.

None.

Motion passed.

7. EXECUTIVE, GOVERNANCE AND TRUSTEESHIP

a. Committee Chair Report

Chair Baumgartner offered brief comments about EGTC work, observing that much of the work was later on the agenda. Baumgartner reviewed the process behind the self-evaluation presentation, board elections, and board vacancies.

b. Vice President & General Counsel Report

Vice President & General Counsel Ryan Hagemann offered a brief report about upcoming legislative work and PURMIT meetings. Trustee Kulongoski asked whether there were differential costs for risk management and Hagemann explained the major cost impact occurred when the universities withdrew from the state's risk management portfolio in 2012. Trustee Shetterly asked whether the universities were developing alternative budgets depending on whether or not the gross receipts tax proposal passed or failed. Hagemann offered that several budget scenarios were submitted to the HECC. There was a brief conversation about the Oregon Council of Public University Presidents. After questions, President Fuller shared some clarifications about the approach and role of the Oregon Council of Public University Presidents.

c. DISCUSSION ITEM: Board Self-Evaluation

Baumgartner turned the Board's attention to the Board self-evaluation. He noted that a self-evaluation would occur every year and that candid feedback was necessary. Baumgartner shared that in order for the Board to address high-level, strategic external issues, it would need to rely on its committees more for operational or management matters. Baumgartner stated that he will work harder with other trustees and staff to develop the agendas in order to focus on strategic matters. Trustee Taylor noted that he appreciated the shift in focus and was trying to condense his committee report.

Baumgartner stressed that he wanted to build topicality into the meetings. Trustee Llamas offered that it might help to make the role of the designated student trustee clearer to campus. She asked how much she could work with in the incoming designated student trustee. Baumgartner offered that the discussion about the effective roles of trustees was useful. Trustee Arredondo noted the steep learning curve and desire to make the most impact as a trustee. Kulongoski asked if the university's mission would be a feature of the strategic planning process and President Fuller noted that it would be. Kulongoski noted that he would not want the strategic planning process to reinvent the wheel or eliminate the university's core mission of education. Baumgartner stated that a robust discussion of the university's strengths and opportunities would surface in the strategic planning agenda item later in the meeting.

d. DISCUSSION ITEM: Board Vacancies

Chair Baumgartner updated the Board on vacancies, sharing that consistent with the Board Statement on Board Vacancies, he made recommendations for the Governor's consideration for the at-large vacancy and the three designated positions (student, staff, and faculty) on the Board. Because of the urgent need for continuity, with accreditation and strategic planning on the horizon, Baumgartner shared that he recommended incumbents Dr. Cornelia Paraskevas and Marshall Guthrie to the Governor, as well as Representative Betty Komp for the at-large position. He did not share the name of the student recommended for the designated student position because Baumgartner was unable to connect with the student before the Board meeting. Baumgartner noted that he was interested in staggering at-large terms in the future in order to facilities some overlap with vacancies.

e. ACTION ITEM: Board Chair Election

Baumgartner presented the Board Chair election item and asked Kulongoski for a motion. Kulongoski called for motion to elect James Baumgartner as Board Chair for a two-year term ending June 30, 2018 as included in the docket, and Shetterly seconded the motion.

The following trustees voted in favor of the motion:

Arredondo, Baumgartner, Guthrie, Hurtado, Ingle, Kulongoski, Llamas, Mladenovic, Shetterly, Taylor (Fuller is non-voting).

The following trustees voted against the motion.

None.

The following trustees abstained from the vote.

None.

Motion passed.

8. BOARD DISCUSSION

NWCCU Accreditation Report and Commission Meeting & University Strategic Planning

Baumgartner recognized President Fuller for a detailed presentation on the NWCCU Accreditation Report. Fuller asked to address strategic planning first and invited planning co-chair Dr. Laurie Burton to join him. Fuller outlined the process and reviewed the key outcomes and objectives included in the docket materials. Fuller shared the pillars—or strategic directions—that the planning committee had identified. He noted that there was a new mission statement and the plan would include outcomes in order to demonstrate that WOU was a good steward of state funds. Dr. Burton added that the energy devoted to strategic planning was positive and much work had already occurred in the committees, resulting in a first draft. Fuller addressed comments about education in the plan and Kulongoski offered that education reform was necessary for the United States to succeed. He noted, with WOU's history and strength, it was poised to assume a central role in this necessary reform. Trustee Mladenovic added that helping students complete their degree may be the best course for making progress. Shetterly noted that the plan was a framework to permit the university to engage in forward-looking thinking. Trustee Taylor questioned the value of the investment, particularly considering the cost associated with higher education. Baumgartner asked the Board to consider what the public mission of a public university known for public education would be. Kulongoski offered, in the strategic plan, the university should honor and encourage creativity, innovation and change. Baumgartner asked Fuller to outline next steps. Fuller shared that a refined product would be presented to the Board at its October meeting, with the goal of final approval at the January 2017 meeting.

After the discussion of strategic planning, Fuller turned attention to the NWCCU accreditation report. He noted that WOU would submit a Year One Report in March 2017, focused on mission and core themes. Fuller reviewed the seven recommendations in the NWCCU report. He noted NWCCU required an additional report on the seven recommendations due in September 2017. Baumgartner queried about the difference between the March 2017 and September 2017 reports. The Board asked for clarification on the written materials and what would be due in 2018. Fuller stressed that assessment was an essential focus of the NWCCU recommendations. He shared a written chronology of the back-and-forth between WOU and NWCCU regarding assessment, dating back to 2011. Mladenovic asked about the relationship between core themes and strategic planning. Fuller shared that the campus would see the significant progress with strategic planning in the fall and, sometime after that, a group would convene on core themes to ensure alignment. Fuller noted that NWCCU

reporting and strategic planning, although on an aggressive timeline, needed to move forward on parallel tracks. Scheck offered that there was significant attention focused on student learning outcomes. He observed that it was a significant task, but the groundwork was present. Fuller stressed that the report was a deep warning that the university needed to move beyond the debate about assessment and that, by fall 2017, WOU needed to demonstrate that program improvement had occurred. Kulongoski asked if there was a process in place to do the required assessments and evaluations and Scheck explained that WOU needed to expand what was already in place.

9. FINANCE & ADMINISTRATION

a. Committee Chair Report

Louis Taylor offered a brief FAC report, observing many of the topics were on the agenda, in addition to university debt financing and a debt policy statement.

b. Vice President for Finance & Administration Report

Vice President Yahnke offered a brief report, including an explanation of various funding sources for capital construction, the financial statement audit, the HECC funding formula, and the capital construction proposal list submitted to HECC

c. ACTION ITEM: FY2016 Q4 Management Report

Taylor introduced the FY2016 Q4 Management Report and noted that the FAC recommended acceptance. He observed that the university's fund balance was at 17.6%, mostly attributable to vacancies. Yahnke observed, with year-end adjustments, the fund balance was 17.4%.

Baumgartner called for motion to accept the FY2016 Q4 Management Report as recommended by the FAC and included in the docket. Mladenovic moved approval, and Shetterly seconded the motion.

The following trustees voted in favor of the motion:

Arredondo, Baumgartner, Guthrie, Hurtado, Ingle, Kulongoski, Llamas, Mladenovic, Shetterly, Taylor, (Fuller is non-voting).

The following trustees voted against the motion.

None.

The following trustees abstained from the vote.

None.

Motion passed.

d. DISCUSSION ITEM: Preliminary FY2017 Budget Outlook

Taylor and Yahnke offered a brief outlook on FY2017 budget development. Taylor observed the downward trend, with enrollment assumptions and salary obligations in the second year of the biennium. Yahnke clarified that the 10-year projection assumed level enrollment, but a 5% decline was modeled as well. Baumgartner asked about enrollment trends at other institutions. The Board discussed the impact of PERS, PEEB, and the minimum wage on the budget as well. Shetterly asked if WOU was an outlier as compared to the other institutions.

e. ACTION ITEM: Plant Fund Transfers

Taylor and Yahnke offered an explanation of the three requested plant fund transfers as recommended by the FAC and outlined in the docket. They explained three \$500,000 transfers in order to offer bridge funding for the natural sciences building and a bond match for two proposed projects—OMA and ITC. The Board asked questions about the proposed bonds. Kulongoski queried about the construction timelines for the projects.

Baumgartner called for motion to approve the Plant Fund Transfers as recommended by the FAC and included in the docket. Mladenovic moved approval, and Shetterly seconded the motion.

The following trustees voted in favor of the motion:

Arredondo, Baumgartner, Guthrie, Ingle, Kulongoski, Llamas, Mladenovic, Shetterly, Taylor, (Fuller is non-voting).

The following trustees voted against the motion.

None.

The following trustees abstained from the vote.

None.

Motion passed.

- f. ACTION ITEM: Reimbursement Resolution and Delegation of Authority

Taylor and Yahnke offered a brief explanation of the reimbursement resolution. Yahnke explained that the delegation of authority was required by the Oregon Department of Administrative Services and permits the university to use bridge funding and be reimbursed with bond proceeds when they are available. Baumgartner called for motion to approve the Reimbursement Resolution and Delegation of Authority as recommended by the FAC and included in the docket. Shetterly moved approval, and Guthrie seconded the motion.

The following trustees voted in favor of the motion:

Arredondo, Baumgartner, Guthrie, Ingle, Kulongoski, Llamas, Mladenovic, Shetterly, Taylor, (Fuller is non-voting).

The following trustees voted against the motion.

None.

The following trustees abstained from the vote.

None.

Motion passed.

After the motion, Taylor and Yahnke offered some brief comments on the development of a dashboard.

10. ACADEMIC & STUDENT AFFAIRS

- a. Committee Chair Report

Chair Minahan was not at the meeting.

- b. Provost & Vice President for Academic Affairs Report

Provost and Vice President for Academic Affairs Dr. Steve Scheck offered a brief report, including items about enrollment projections and the Oregon Promise.

- c. Vice President for Student Affairs Report

Vice President for Student Affairs Dr. Gary Dukes offered a brief report, including items about the Student Health & Counseling Center groundbreaking, retirement of the campus dining director, search for the full-time director of Abby's House, preliminary results of the campus climate survey, and completion of the campus diversity climate survey.

- d. ACTION ITEM: BA/BS, Educational Studies (New Degree Program)

Provost Scheck described the proposed new degree program and outlined the docket materials. He noted that the degree was for those students interested in studying educational pedagogy, but did not want or need a teaching credential. Scheck shared that the degree program was existing curriculum, with a modified capstone project. Baumgartner asked Scheck to explain the need of the new program and Scheck offered that the demand, particularly with international students, was real.

Baumgartner called for motion to approve the BA/BS, Educational Studies (New Degree Program) as included in the docket. Kulongoski moved approval, and Shetterly seconded the motion.

The following trustees voted in favor of the motion:

Arredondo, Baumgartner, Guthrie, Ingle, Kulongoski, Llamas, Mladenovic, Shetterly, Taylor, (Fuller is non-voting).

The following trustees voted against the motion.

None.

The following trustees abstained from the vote.

None.

Motion passed.

11. FINAL ANNOUNCEMENTS

Trustee Guthrie returned to a previous conversation about the value of a degree and offered that a college degree, when viewed over a lifetime, was a good investment in the lives of students. Kulongoski observed that the privatization of the student loan market was a bad decision. Mladenovic turned attention to rural and undocumented students. Baumgartner turned the Board to the upcoming events sheet in the folders. Baumgartner thanked Trustee Llamas once again for her service.

12. ADJOURNMENT

Chair Baumgartner adjourned the meeting at 5:28 PM with a quorum (Arredondo, Baumgartner, Fuller (phone), Guthrie, Ingle (phone), Kulongoski, Llamas, Mladenovic, Taylor).

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

Ryan J. Hagemann, Secretary to the Board