The four institutions are working together to develop a governance structure. Eastern, along with WOU, SOU and Oregon Tech, have until March 2014 to recommend their own governance structure. The plan is to have a “straw” recommendation available by November 30, 2013. The four institutions are working together to investigate three different governing structures.

1) Individual Institutional Boards. Each board would have a similar make-up to those in place at U of O, PSU and OSU. An advantage of an individual board is that the focus would be totally on the individual institution it represents, but individual boards could lack the adequate strength to effectively represent the institution.

2) One Consortium Board to represent Eastern, WOU, SOU and Oregon Tech. This type of board would be similar to what we currently have with OUS. Advantages would include increased strength (power in numbers), but disadvantages would include the need to compete for assets, much as we do now.

3) Affiliate Model (aka Branch Campus). Eastern would most likely affiliate with OSU. Eastern’s president would report to the OSU president and OUS would dictate our policies.

President Davies responded to questions about Senate Bill 270 which restructured Higher Education in Oregon. The bill allowed U of O, OSU and PSU to be governed by their own individual institutional board, removing them from the prevue of the Oregon University System, effective June 30 2014. It also created the Higher Education Coordinating Consortium (HECC) to replace the Oregon University System, effective June 30, 2015. The governor appoints members to the institutional boards and the Senate confirms the appointments. Board memberships include a faculty member, a staff member, a student member and nine “lay members”. The governor currently entertains nominations to fill the board seats, but under no obligation to do so.

Eastern, along with WOU, SOU and Oregon Tech, have until March 2014 to recommend their own governance structure. The plan is to have a “straw” recommendation available by November 30, 2013. The four institutions are working together to investigate three different governing structures.

**BUDGET & PLANNING**
**October 8, 2013**
**Meeting Minutes**

Present: Jeff Carman, Mary Asker, Evan Bryan, Ken Watson, Les Mueller, Michael Sell, David Lageson, Steve Tanner, Angie Adams, Danny Hawley, Lara Moore, Sue Cain, Andy Ashe

Guests: Bob Davies

Jeff Carman called the meeting to order at 1:02pm.

Minutes from June 4th and June 11th meetings were approved as submitted.

Bob Davies gave an overview of the Budget and Planning committee function and charge. He stressed that it is the president’s job to make sure the institution is sustainable. The Budget and Planning committee is an advisory body. Advice and input is critical, but ultimately, budget decisions are the president’s responsibility. A handout detailing the overview can be located here: [http://www.eou.edu/budplan/files/2013/10/Presidents-Charge-to-BP-2013-14.pdf](http://www.eou.edu/budplan/files/2013/10/Presidents-Charge-to-BP-2013-14.pdf)

Question was asked regarding whether or not the sustainability plan was set in stone or if it would be revised if there were changes in our financial situation such as additional funding from the state. The president responded that the sustainability plan would be revised as needed, but the allocation of all funds will always be after a thorough investigation into what is the best investment for Eastern. There was a short discussion of possible future funding scenarios.

President Davies responded to questions about Senate Bill 270 which restructured Higher Education in Oregon. The bill allowed U of O, OSU and PSU to be governed by their own individual institutional board, removing them from the prevue of the Oregon University System, effective June 30 2014. It also created the Higher Education Coordinating Consortium (HECC) to replace the Oregon University System, effective June 30, 2015. The governor appoints members to the institutional boards and the Senate confirms the appointments. Board memberships include a faculty member, a staff member, a student member and nine “lay members”. The governor currently entertains nominations to fill the board seats, but under no obligation to do so.

Eastern, along with WOU, SOU and Oregon Tech, have until March 2014 to recommend their own governance structure. The plan is to have a “straw” recommendation available by November 30, 2013. The four institutions are working together to investigate three different governing structures.

1) Individual Institutional Boards. Each board would have a similar make-up to those in place at U of O, PSU and OSU. An advantage of an individual board is that the focus would be totally on the individual institution it represents, but individual boards could lack the adequate strength to effective represent the institution.

2) One Consortium Board to represent Eastern, WOU, SOU and Oregon Tech. This type of board would be similar to what we currently have with OUS. Advantages would include increased strength (power in numbers), but disadvantages would include the need to compete for assets, much as we do now.

3) Affiliate Model (aka Branch Campus). Eastern would most likely affiliate with OSU. Eastern’s president would report to the OSU president and OUS would dictate our policies.
and practices. Advantage would be possible cost savings, but disadvantages would include loss of identity. Branding would no longer be EOU, but OUS instead.

No matter what structure is implement the “shared services” (duties and functions currently served by the Chancellor’s Office), will be handled differently than they are now, but some shared services model is expected to continue.

David Lageson asked about projects, such as deferred maintenance, that have already been approved for funding. President Davies stated that they should not be affected by the governance changes.

Question was asked about enrollment numbers, the SEIU contract and the impact of both on Eastern’s budget. President Davies answered that both headcount and credit hour numbers are down. Finance and Administration staff members are currently working to determine the impact of that and the SEIU contract. This committee will be informed once that has been determined.

Interim Vice President for Finance and Administration reported with additional budget information. Eastern ended last fiscal year with a 1.6% fund balance, which was less than had been anticipated due to a chance in how OUS required us to manage bad debt. This change resulted in a $1.1 million dollar reduction to our end of the year balance. We are still allowed to collect all bad debts, but they must be written off our books after five years. With all the governance changes there is no clear answer to how long we will be allowed to operate at a fund balance of less than 5%, but a budget is being modeled using the best information that we have. She noted that there will be joint meeting of the Faculty Senate, University Council and Budget & Planning Committee (tentatively scheduled for October 25th) to walk through a cost study as related to academic issues. An intern who worked on campus over the summer compiled the study. An invitation will be sent to B & P members concerning a specific date and time of this meeting and materials will be made available after the meeting.

Les Mueller stated he understood why there would be reduced revenue associated with reduced enrollment, but wondered how reduced enrollment could result in cost saving. Lara deferred the answer to President Davies to answer at a later time (President Davies had already left the meeting at the time the question was asked).

Jeff Carman put together a year-long agenda to help keep track of various tasks the committee will need to address throughout the academic year.

A sub-committee chaired by Ken Watson worked on a revision of the Budget & Planning By-laws over the summer. Ken distributed a copy of the results of the revision and asked that committee members review it and be ready to discuss it at the next Budget & Planning meeting.

David Lageson reported on various capital projects and noted that the campus master plan will be posted on the EOU website in the near future.

1) Hoke remodel is substantially complete. Interior signage still needs to be completed. There was enough left in the budget to add stairs to the SW corner of the building. Deferred
maintenance is funding landscaping and flatwork (concrete) to insure that water drains correctly, rather than into the building.

2) Quinn is behind schedule. Early contract issues and unexpected additional hazardous material abatements are being resolved, but have contributed to the delays. In addition some aspects of phase 2 & 3 were “squeezed” into phase 1 to contribute to the efficiency of the entire project. Sports medicine area and restrooms are complete and the front entry is moving along. Concession stands will be operational by the first basketball game and the project should be back on schedule by December.

3) Deferred maintenance items currently in process include enhanced lighting around Hoke and improvements the Student Health and Counseling Center and surrounding grounds.

Report from PRC. There will be a search for a new VP of Finance. The Director of Finance position will not be funded at this time, in order to fund the VP of Finance search. Angie Weissenfluh was directly appointed to fill the Athletic Director position. It was noted that the direct appointment was approved through the PRC. It was also noted that, per Eastern policy, the President is responsible for approving or disapproving all direct appointments. There was a brief discussion regarding the advantages and disadvantages of direct appointment rather than a search.

ITAT – Stephen Jenkins, who left Eastern a few months ago, was the Budget & Planning representative on the ITAT. Jeff Carman requested nominations from the committee for a replacement for Stephen. Les Mueller asked if the ITAT would be reviewing options for replacing Blackboard. Jeff responded that there is already a committee involved in that process. Steve Tanner volunteered to represent the Budget & Planning Committee on the ITAT. Committee voted to approve and change as updated in ITAT webpage: [http://www.eou.edu/it/itat/](http://www.eou.edu/it/itat/)

Tech Grant Committee – Jeff Carman reported that the committee was restructured last year. A portion of the budget was distributed to various departments that manage Tech Grant funded general purpose activities (such as the Learning Center and Library labs) to cover the cost of student labor. Another portion of the budget was distributed to IT to provide for maintenance and repair of equipment currently funded by the Tech Grant, such as the Smart Classrooms. An additional $80,000.00 will be set aside to fund new proposals, although no new proposals will be entertained until next academic year.

There are two vacancies on the Budget & Planning Committee: Stephen Jenkins position and Rachel Hawes, who will be leaving Eastern on October 31st. Jeff Carman will be moving to an administrative faculty position on November 1st and has been appointed by the Administrative Faculty leadership to move into Stephen’s position, so the two vacant positions are for classified staff. A call for nominations for those two positions has been sent out to the classified staff and will be filled by the next B & P meeting.

Meeting adjourned at 3:32.

Minutes respectfuely submitted by Helen Moore.