



EASTERN OREGON
UNIVERSITY

Board of Trustees

Minutes of a Special Meeting of the Board of Trustees
January 21, 2016
9:00 a.m. – 4:00 p.m.
Dixie Lund Boardroom, Inlow Hall
Eastern Oregon University
La Grande, Oregon

MINUTES

Trustees Present: Ray Brown, Richard Chaves, Bobbie Conner, Patricia Hinton, Tom Insko (Ex-Officio), Bill Johnson, Dixie Lund, Cheryl Martin, Abel Mendoza, David Nelson, Elsie Praeger-Goller (phone), Jer Pratton, and nominee Brad Stephens.

University Staff Present: Chris Burford, Heather Cashell, Lara Moore, Xavier Romano, Dan Mielke, Tim Seydel, Sarah Witte, Luke Aldrich, LeeAnn Case, and Heidi Tilicki.

Guests: Dana Kurtz, Mrs. Witcraft and family.

Media: Cherise Kaechele

Call to order/Roll Call and Announcements

At 9:00 a.m. Chair Nelson called the meeting to order. General announcements were given by Board Secretary Chris Burford.

Opening Comments

President Tom Insko gave his opening comments. He noted that there was a great turn-out from the board members at the President's reception. President Insko accepted the invitation to serve another four years on the Oregon Board of Forestry. He noted that it is a great way for him to stay connected to this region.

The retention rate for this winter term is at 97%. Last year at this time, retention was at 57%. The campus deserves a lot of credit in improving these numbers.

President Insko mentioned the addition of the men's and women's wrestling program at EOU. Interested students are already reaching out to admissions. At the last Faculty Senate

meeting he mentioned wrestling and apologized for the way the communication flowed out. The communication came out from a public venue rather than the campus. President Insko takes communication seriously and does not want EOU to hear things from a public venue rather than the campus. He wants to set a tone for how new programs are added. EOU should consider private dollars for the addition of programs. One question President Insko has been asked is, is there an immediate impact on student fees. Athletics would not add a student fee for athletic support. Another concern was athlete schedules and how much class time student-athletes would miss. Regardless, he thinks the athletic department is set up for great success with the wrestling program. This brought up conversations about adding a marching band program.

The search for a new Human Resource Director is underway. In the meantime the Director of Student Relations, Colleen Dunne-Cascio will serve as interim HR Director until EOU finds a good match. EOU is moving forward with the provost search. Applications will be closing at end of this month and then the committee will be launching interviews.

Faculty contract negotiations will start in the next month. Brian Caulfield will lead the negotiations. Some might be wondering why our current General Counsel does not do this. Chris Burford does not have the background in collective bargaining yet. We have limited recourses and Mr. Burford will be learning during this process. We are taking a more expedited process going forward with negotiations.

Board comments

Trustee Jer Pratton thanked President Insko for the information regarding wrestling as it is popular in Hermiston. Trustee Ray Brown mentioned that he has been working on a program that will enhance international engagement. He and others on campus are working with a tour company for students to engage in visiting other countries. This new program could potentially bring about 50 students to campus this summer. This might be a good tool for recruiting and give visiting students an opportunity to view the local communities such as ranching and native and cultural centers.

Trustee Holly Kerfoot said that the coffee social this morning was a great idea and hopes it will continue in the future.

Budget and Financial Update

Chair Nelson addressed the reorganization of the agenda to engage trustees in one main topic for the day and place that at the beginning of the meeting. Vice President of Finance and Administration Lara Moore started the presentation by giving the board a financial picture of the next 9 months.

President Insko said that he wants the board to start thinking about the retreat in August and where we will be as a university in 2029. He mentioned the conditions report that he and Provost Witte gave to the Higher Education Coordinating Commission (HECC). President Insko discussed the importance to stabilize, develop and focus leadership on campus. EOU needs to create, refine and institutionalize a robust management system. First EOU needs to build a foundation for success, and develop a long-term strategy for EOU. He

has heard from people on campus that they don't want to do another vision statement, while others want to focus on a vision without going through the process of a mission statement. President Insko's model "Trek to Basecamp" is focused on building a foundation. Once a solid foundation has been established, we will then start our "ascent" which is our niche. This is what makes EOU distinctive. The board will help find that niche. He recognized the importance of creating a strong team and making sure they have a system to succeed.

President Insko mentioned the importance of creating a proprietary funding forecast model and the integration of a project scope process to facilitate modeling. This will limit the frustration when people put so much time in creating a program that may not work.

Vice President Lara Moore reviewed the decision support tools and revenue projections. This simplifies the student success and completion model (SSCM) for better internal use. It allows us to forecast revenue using the formulas and logic in the SSCM and allows scenario analysis using various factors such as enrollment, retention, completion, types of students and types of programs. These scenarios are accumulated in a 10-year revenue forecast. We brought the 86 models that the HECC originally used for this type of forecasting down to 12. Referring to the model that was used for the wrestling program Vice President Lara Moore gave an example of what this financial analysis would look like. This tool give EOU a great place to start when looking at future investments.

Chair Nelson asked how we integrated the 86 models from the HECC to 12 models for EOU. Vice President Moore said that the HECC model is so large because it has 12 years of data and it includes all 7 public, Oregon universities. Trustee Lund asked if each 7 of the universities are using this financial model. Vice President Moore said only EOU is currently using it.

Trustee Bill Johnson gave his congratulations and said this is great progress. He asked if we can use this tool to study how programs can impact student retention. Vice President Moore said yes, in a way we can. EOU would need to work with Institutional Research (IR). President Insko said this can also be used to focus on how we can reach financial sustainability. Trustee Ray Brown noted that students will be more concerned with tuition than retention. Trustee Cheryl Martin asked if transfer students are addressed in this model. Vice President Moore said that transfer students can be built into this model.

President Insko said that this model addresses how we define success and measure these metrics for student success. These are guidance tools, they don't tell us the answer. It is information to help us move forward. At the board level, trustees may want to understand the efficiencies of a specific program. For example, President Insko referred to a graph that noted the carrying capacity of the faculty compared to the current student count.

Vice President Lara Moore asked the board to look at the financial numbers in the summary and think about what stories the numbers tell and what the university should be doing with these numbers. She asked how the board feels about these numbers. Trustee Johnson asked if this is an annual dashboard. Is the board using the correct financial

timeline when reviewing these reports? He noted that this data might be missing some information such as cost per student, the use of resources, and cost of staff. Trustee Martin mentioned that our trend is not based on a national scale, but she thinks EOU could operate at a higher level for the size of our school. We might be able to use other schools as a model.

Chair Nelson noted that what is measured is managed. This new dashboard will help us better manage our finances. Trustee George Mendoza asked if this information shows the total number of degrees. He recommended that the board receive an additional chart that explains what some of these acronyms and terms mean on the dashboard.

Vice President Lara Moore said this was a difficult process because some of the historical data at EOU did not correlate. We should ask what metrics matter, retention or graduation rates. Trustee Bobbie Conner asked what is the retention comparison of EOU transfer students from Blue Mountain Community College and Treasure Valley Community College. Trustee Brown asked how the graduate programs fit into this financial summary as well as on-campus and off-campus students.

President Insko asked what metrics we should use to define success at EOU. He mentioned that in a report last year EOU was listed as the best public school and Linfield as the best private in the state of Oregon. This was measured by expected career outcome in comparison to the costs of getting a degree.

President Insko noted that he wants to utilize this action plan, review it with the executive team, and ask how the board will be involved with this process. EOU needs to start laying key issues out on a timeline so we avoid holding special or emergency meetings. Referring to the charter teams mentioned earlier, another example of a charter team would be to address campus security and create an emergency response team. With a timeframe, this model will also serve as an accountability tool. President Insko will email this out to board members so they have an idea of the key initiatives EOU will focus on in the next couple of years. Chair Nelson noted that it is important the board stays out of the mundane reports and day-to-day functions of the campus.

Trustee Conner said that we know the challenges that are associated with first generation and low-income students. Can this model help us understand if we are exceeding or falling below the standards in support for these groups? Trustee nominee Brad Stephens asked where the quality of the university and provided services play into this model. We don't want to lose the quality of education in this process.

President Insko said that we have an opportunity to distinguish ourselves regarding academic quality. As we refine this model we can create a copy for the board to review, so they know what the executive team and president's staff are working on. President Insko showed the board an example of a scope document and the charter teams. We are putting teams together to go after issues that are important to EOU. These topics include, enrollment, retention, etc. These charter teams will outline the actions and outcomes of specific topics. Not everyone may be in a team, but they will be involved in the outcomes and the process.

Luke Aldridge has recently been brought on to EOU as a consultant contractor. He has children that are currently attending EOU and worked with President Insko in the past. He is a certified engineer and formerly worked for Boise Cascade. President Insko believes he is a good fit for establishing these charter teams because he is an engineer, committed to values, enthusiastic for our university, and passionate for organizational success.

Trustee Lund requested that if there is a consultant hired by EOU, the board would like to be notified through an email. This way the board knows what is going on and does not get ambushed by members of the community who ask about it.

President Insko said that MODA will no longer have their dental hygiene program in La Grande. The supply and demand did not financially balance for MODA. EOU is working with the current students to help them pursue their dream. Trustee George Mendoza asked if there has been any thought in finding another dental hygiene program in the area. This topic will be considered at the next Academic and Student Affairs committee meeting.

Trustee Johnson asked what the status is of the relationship between EOU and Oregon State University. Provost Sarah Witte recently met with the OSU provost. Their mission is to find a critical fix in their funding structure and dual enrolment. Now there is mutual interest and enough passion to fix our Memorandum of Understanding (MOU).

Chair Nelson called for a 7 minute recess.

The board reconvened at 11:00 a.m.

Consent Items

The October 22, 2015 minutes and the Trustee Nomination Process were unanimously approved.

The approval for the President to reply to any of the HECC Request for Proposals (RFPs) was briefly discussed. This resolution will give the President the authority to approve and pass RFPs so the board no longer has to hold last minute special meetings. This will only apply to HECC RFPs below one million dollars.

In the 4th paragraph the language will change from the board “feels” to the board “believes.” An addendum will also be added to the resolution stating that board members will be notified of any proposals.

Trustee Pratton made a motion to accept the consent items including the resolution with the recommended changes with a second from Trustee Conner. The motion carried unanimously.

Shared Governance Reports

Faculty Senate: Professor John Knudson-Martin, President of the Faculty Senate gave an overview of the campus climate and faculty work. The agendas of the Faculty Senate are

less than what they have been in the past. We are in the eye of the hurricane so to speak. The Faculty Senate and University Counsel are in the process of updating the EOU Constitution. Negotiations between the faculty and unions will begin in February. This will substantially effect the environment of faculty. A brief discussion ensued on how this will impact the cost of the faculty. Chair Nelson noted that it is important to build collaborative relationships and the board is, in a way, part of the shared governance structure.

ASEOU: Student Body President Addie Beplate said it is great to see board members interact with the campus community. Forty students are registered to attend the Lobby Day (Public Universities Day) in Salem. Some faculty and staff members are expected to attend so the campus should be well represented.

The campus is trying to organize a security team to assess campus safety for concerns like active shooters. ASEOU hopes to get local law enforcement to come on campus and talk with students. ASEOU is also trying to get more students to come to committee meetings.

Addie Beplate recommended that EOU review the process of shared governance. Trustee Johnson said that he is alarmed that students do not think the shared governance system works. Chair Nelson said that we all have different meanings of shared governance and we are going to figure out how this works together. President Insko said it seems unrealistic to have so many. With the current number, more problems are created than solved. Maybe it is better to understand each other's role and how we can better serve students. This could be a topic at the next Academic and Student Affairs Committee meeting.

ASEOU is in the process of creating a week of awareness on campus. This will be a week of fun learning experiences for student to understand issues like sexual assault, hazing, and cyber bullying.

University Council: The Chair of the University Council noted that the main topics they have been working on are campus safety and security and the EOU Constitution revision. The University Council is focused on prevention. They met with the chair of the safety committee on campus. EOU received an award for being 5th in the nation for safety and security for a campus of this size.

Board of Trustees Committee Reports

Academic and Student Affairs Committee Chair George Mendoza mentioned that Dr. Donald Wolff gave a presentation at their last meeting on the 40-40-20 goals and content of courses at EOU. We need to look at our online enrollment trends and figure out where they will go in the future and how the application fee will affect students. The most important thing is to assist the needs of the students.

The Chair of the Finance and Administration Committee Richard Chaves mentioned that Vice President Lara Moore and her team do a great job at each meeting. We are beginning to understand what we need to do, to better financially manage a 45 million dollar budget. The financial model discussed earlier is a wonderful tool. The Finance and Administration Committee will focus on utilizing this tool. It is important to look at the budget when you

talk about labor negotiations and the effects of things like minimum wage because it affects everyone.

We are now at an 8.2% compared to a -2% fund balance. The actual finances are in close alignment with the projected ones. Trustee Chaves encourages trustees to read the President's report to the HECC as it is very informative.

The chair of the Governance Committee Bill Johnson thanked the current members of the committee for serving. This committee requires one to think more broadly. They are developing a trustee appointment process and working on the evaluation of the President. The evaluation process will include a self-evaluation from the President. In Board Statement Number 7, trustees will provide comments to the Chair and Vice Chair regarding the self-assessment.

In June, the terms of three trustees will expire. The board is looking for trustee replacements and at some point will give recommendations to the Governor. Secretary Burford noted that people interested in the trustee positions should contact University Advancement.

The Governance Committee is working on a seven characteristics matrix from the Association of Governing Boards (AGB). Once the Governance Committee has spent more time on it, they will present it to the full board. Trustee Abel Mendoza asked if the President's compensation will be a conversation during this evaluation. Trustee Johnson said the evaluation would be useful in determining the President's compensation, but it will be a separate process altogether.

Chair Nelson announced a one hour recess for lunch.

The board reconvened at 1:10 p.m.

Presentation of Posthumous Degree

Trustee Dixie Lund gave some kind words of remembrance for former student, Ronn Witcraft who recently passed away. He transported medicine and doctors to refugee camps in Sierra Leone. He became very involved with and energized the Veterans Resource Center here on campus. He was part of the American Legion, American Legion Riders, and he proudly road his Harley Davidson around town with his group of local veterans. When his health began to weaken he started some very aggressive treatments, but he continued on pursuing his dream of completing his degree. At one point he had to stop his courses and use a wheelchair for mobility. As he was within a term of graduating, he was able to attend commencement and receive his degree proudly on the stage. President Insko confirmed the posthumous degree of Bachelors of Science in media arts and communication and minor in business upon Ronn Witcraft and present the degree to Mrs. Witcraft. He said Mr. Witcraft left a lasting impression on the faculty and students here at EOU. It is an honor to have him as an alumnus of EOU and a Mountaineer.

Chair Nelson called for a five minute recess.

Board webpage overview

Heidi Tilicki, Assistant to the Board Secretary, gave a brief overview of the Board of Trustees webpage. Information such as minutes, bylaws, and other materials can be found on the website. Trustees are to contact Ms. Tilicki if they have any questions or recommendations.

There was a brief discussion about going digital and what resources the board would need to go that route. Trustee Conner would like to see a protocol in the future about how to address sensitive information and the communication of specific material.

Featured presentation

Rail with Trail Project: Graduate Master of Business Administration candidate Dana Kurtz gave the board a presentation on the Rail with Trail project. She assessed the feasibility of this project and what role EOU plays in the future development of the trails. The project is funded by a variety of sources. Different conditions were considered such as stakeholder interviews, a land use review, historic assets, main street use, physical assessments, economic impact analysis, and public opinion polls of the project. Four trail designs are being considered for this project; a primitive trail, improved trail, shared use road, and a developed trail.

Ms. Kurtz noted that the student undergraduate workers gained experience that will help them with future jobs. They gained a better understanding of website management, design, public speaking and meeting experience. In addition, students learned basic excel skills, analytical skills, and project management. Students were also working with various faculty and staff during this project.

Institutional and community support is essential for projects like this. Decreasing the barriers to hire student workers, simplifying tuition assistance grant programs, producing a clear scope of work, and enlisting many advisors were all key project takeaways.

Trustee Martin asked if the original grant was through Cycle Oregon and if Ms. Kurtz encountered any resistance from local land owners. Ms. Kurtz said that all landowners were mailed invitations to attend the meetings to discuss the trail. At these meetings large maps placed on tables were very helpful for the landowners to voice their concerns. Ms. Kurtz wanted to be sure people were okay moving forward with this project. Coming from Wallowa County, Brad Stephens congratulated Ms. Kurtz on her work and noted this is a great opportunity and a positive impact.

Trustee Kerfoot asked how Ms. Kurtz found interns for this project. Online job postings are what EOU will use in the future. But in the past (Fall 2014) the internships were advertised on boards in the Hoke Union Building. Professors from relevant classes would send out emails with the information. Presentations were also given in interested classes.

Cycle Oregon just gave the project another grant to form a governance group and trail options. The total cost is predicted to be around \$20 million. That does not include

bathrooms and trail heads. Most likely, future projects will be funded by the Oregon Department of Transportation (ODOT). Part of ODOT's budget is for trails, so we can apply for grants. President Insko noted that we don't have a functional conduit at this point for projects like this but are working on how EOU can be involved.

Chair Nelson thanked Ms. Kurtz for her work and presentation. He invited Vice President of University Advancement Tim Seydel to come forward and speak about the purpose of EOU supporting and being involved with these types of projects and how EOU students can be involved.

Vice President Tim Seydel mentioned that when he and President Insko are out in the local areas or in Salem they ask and engage with the people to see what they and EOU can do to make a better connection, interaction, and relationship with them.

Vice President Seydel mentioned that the Regional Solutions Center is active on campus. Trustee Johnson said that he does not understand how this center for rural studies reports to the university. Vice President Seydel noted that EOU does not currently have a Director of Rural Studies and that is in concept only. President Insko said that today, this exists based on the interest of certain faculty. With all these entities it can get confusing, especially when they reach out to EOU for internships and EOU does not respond because there is no structure to facilitate it. EOU is starting conversations with people to find out what is missing and how we can manage the external needs with internal resources. He believes these internships and relationships are important for the university. They provide a very meaningful experience for students. Our region needs access to these resources, the question is where and how do we fund these projects. For now, we reach out to our representatives for grants and ideas. Trustee Johnson said that the countryside is desperate for the university to engage.

Chair Nelson called for a ten minute recess. The board reconvened at 2:53 p.m. Chair Nelson asked Vice President of Finance and Administration Lara Moore to come forward and present the Quarter Two Financial Report.

Quarter Two Financial Management Report: Vice President Moore noted that each fiscal year begins on July 1st. The quarterly report looks at all funds. Everything is trending in the right direction and we don't see any surprises. EOU operates at a 44.7 million dollar budget. Personnel expenses are up due to the shift in placement of athletics from auxiliary into the Education and General (EG) budget.

Nominee Brad Stephens noted that having a narrative is helpful when going through the financial graphs and explaining it. Vice President Moore said that the main income source is student tuition and state funding. EOU is currently in line to meet its initial projections.

Chair Nelson asked if we have an estimate of what the PERS cost will be. Vice President Moore said that it will be about a \$1,000,000 increase for EOU. Trustee Pratton asked if they could receive some more detailed information about PERS because it is onerous for

the board in the long run. President Insko mentioned that it comes down to who will bear those rising costs, the State or the students.

President Insko noted that the contract negotiations will be another scenario to examine in detail. Trustee Kerfoot asked what the timeline is for the negotiations. President Insko said he hopes they will be finished by the end of the academic year. Secretary Burford mentioned that it is important to communicate whatever decisions are made to the board. Trustee Johnson recommended that the EOU finance staff create a projection so the board understands the consequences of the negotiation process. Vice President Moore said that her team will work on a variety of outcomes this spring.

Legislative Update: Vice President for University Advancement Tim Seydel mentioned that EOU hopes to receive a bump in funding from the state legislature. The President's Council will create unified responses to bring back to the legislative assembly on higher education related issues. This way the public universities in Oregon have one strong voice.

Earlier in January Chair David Nelson provided testimony in Salem. While down there they met and engaged with many people.

As mentioned earlier, February 11th is Public University Day at the capitol. Any interested governing trustees who would like to attend should contact Linda Kaiser. Right now, about 40 students are planning to attend.

Other legislative issues that affect higher education include the PERS "roll-up" costs and the current service levels (CSL) for each university. If EOU does not receive adequate CSLs from the State, the university will have to provide that money. So the increase cost of items like PERS might go to the students. The CSL at EOU is too low. So we are creating a workgroup to reevaluate the current CSL and see if we can get more funding.

The HECC has a budget of 64 million dollars and 140 employees. President Insko noted that there is some disconnect of understanding with what EOU does. Even after the HECC meeting on campus, some commissioners do not have a connection with EOU. He talked with the President's Council about this disconnect. Trustee Lund requested talking points for the board members attending Public University Day at the Capital on February 11th.

Summary of future actions items: Chair Nelson and President Insko mentioned the retreat and enrollment as topics for the next meeting. April 1st is one deadline for a financial report to the HECC which will need to be approved by the board. Thus, there might be a need for a special meeting in March. The Presidential evaluation and possibly the campus emergency process will be addressed at the April 21st regular board meeting. There may be some items from the Governance Committee for review.

President Insko mentioned that instead of a one-day board retreat he would like to have a two-day retreat so the board can have time to discuss the complex issues while allowing for some informal interactions. This will also be an opportunity to reach out to Baker City and the community for social events.

Chair Nelson mentioned that Chris Burford and he will be attending the Pendleton First Citizens Banquet and will be representing EOU.

Chair Nelson thanked everyone for attending and adjourned the meeting at 3:57 p.m.

Minutes respectfully submitted by Heidi Tilicki.

DRAFT