



Regular Meeting of the Finance & Administration Committee

October 17, 2019

Multipurpose Room, Memorial Union Room 013

Corvallis, Oregon

MINUTES

**Committee Members Present:** Patty Bedient (*chair*), Julia Brim-Edwards, Mike Green (*ex officio*), Khawater Hussein, Kirk Schueler, Stephanie Smith, and Mike Thorne (*vice chair*)

**Other Trustees Present:** Ed Ray (*ex officio*)

**University Staff Present:** Jennifer Almquist, Scott Barnes, Sherm Bloomer, Penny Burgess, Jacque Bruns, Steve Clark, Aaron Collett, John Doty, Roy Haggerty, Burke Hales, Heather Hesano, Roberta Marinelli, Terry Meehan, Paul Odenthal, Steve Pitman (*by phone*), Alan Sams, Warren Sisson, Lauren Skousen, Kelly Sparks (*by phone*), Suzy Tannenbaum, and Christina Vinson

**1. Call to Order/Roll/Declaration of a Quorum**

Committee Chair Patty Bedient called the meeting to order at 10:21 a.m. asked the assistant board secretary to call the roll, and noted a quorum.

**2. Vice President for Finance and Administration's Report**

Vice President for Finance and Administration and Chief Financial Officer Mike Green began by referencing the annual capital projects status report, located at TAB H. He reminded trustees that they would receive an updated Ten-Year Capital Forecast for review at the January 2020 meeting. Green provided updates on several capital projects, beginning with the Marine Studies Initiative Building. The Board approved in July 2018 a total project budget of \$61.7M for a plan that included shelling out the third floor for future completion. Green reported that because of efforts to control costs early in the project and the need to maintain a smaller amount of contingency funds than anticipated, the third floor would be fully built within the approved budget. He also previewed two new building concepts that will be included on the next capital forecast, beginning with a Collaborative Innovation Complex, an interdisciplinary science and engineering center that would take the place of two science and engineering buildings on the current capital forecast and make it possible to significantly address the building maintenance backlog over the next decade. Bedient expressed support for the multidisciplinary and collaborative focus of the space, noting that the science and engineering complex would help advance the university's strategic goals. In response to a question by Trustee Kirk Schueler about the need for new space given anticipated enrollment trends, Green explained that the current Ten-Year Capital Forecast includes a mix of new, renovated, and demolished buildings and projects no new net square footage over that timeframe. Green also spoke about a second concept to complete Reser Stadium by replacing the aging west side. The project would also aim to advance student success, health, and wellbeing; improve the fan experience; and bring services to the stadium that

could allow for year-round operation. He said a broad stakeholder oversight committee is currently conducting due diligence to determine whether the project meets the necessary criteria to proceed. If the committee determines that the project should proceed, it would come before the Board following the stage gate process. Committee members asked about funding for the project, and Green noted that the OSU Foundation is seeking to raise \$100M in private gifts and the university would seek up to \$45M in capital investment from a private service provider and \$30M in XI-F bonds, which would require approval by the state legislature and would be repaid from the project's revenue.

Green also reported that the Higher Education Coordinating Commission (HECC) recently received a consultant's report with recommendations for a strategic capital development plan, which prioritizes the capital investment needs of all seven Oregon universities. He shared that he provided public comment at a recent meeting of the HECC to express the university's concern with some aspects of the capital plan report. Green added that while the report highlighted the need for the state to provide greater funding to address deferred maintenance, it minimized the positive effect of the research enterprise on undergraduate student success, which was included among the prioritization criteria. Green noted that the report also included the assumption that the enrollment growth Oregon State University projects for the campus in Bend would come at the expense of the state's regional and technical universities; however, growth at OSU-Cascades is anticipated to be primarily from central Oregon residents that are unable to attend college outside the region. Several trustees noted the limitations of some of the assumptions made in the report and acknowledged the potential for real impact on the university's ability to fulfill its mission if the prioritization rubrics for capital investment are not refined for future legislative sessions. Green said staff would continue to work to address concerns with the report, which has the potential to affect the university's state funding allocation. He added that staff would also continue preparing the capital investment request to the HECC for legislative review in the next legislative session.

Next, Green provided an update on the final FY2020 budget, noting that the university continues to face challenges such as increasing benefits costs, slowing enrollment growth, and the ongoing need for capital investment. Colleges are working to manage budget shortfalls, including a reduction of approximately 70 FTE. Green said staff continue to closely monitor enrollments, adding that the hiring of a new vice provost for enrollment management has provided an opportunity to consider new strategies. He concluded his report by stating that, in response to a change by the state of Oregon Treasury, the university is transitioning some of its banking services to JP Morgan Chase Bank. This change allows the university to develop independent banking relationships that can better serve the needs of the university community.

### 3. Consent Agenda

- a. **Minutes of the July 30, 2019 Finance & Administration Committee Meeting**
- b. **FY2019 Q4 OSU Operating Management Report**
- c. **FY2019 Q3 Investment Reports**

A motion was made and seconded to approve the items on the consent agenda. The motion carried.

#### 4. Action Items

##### a. 2020 Finance & Administration Committee Work Plan and 2019 Board Assessment Results

Bedient introduced this item by stating that she was pleased with the committee's accomplishments over the previous year and anticipated some of their work in 2020 may be shaped by further discussions following the previous day's Board retreat. Trustee Julia Brim-Edwards said that while the work plan is effective in ensuring the Board fulfills its fiduciary responsibility, she would like to see the committee focus more on ways the university's budget is specifically allocated to achieve strategic goals and advance priorities, such as student success. Several trustees expressed support for more holistic conversations about the allocation of resources to advance the university's mission, and Bedient committed to talking further with the Board chair and staff to consider opportunities for the Finance & Administration Committee to help strengthen conversations between strategic priorities and funding decisions. Bedient also noted the number of capital projects the committee had considered under the Board's new capital approval process, and she said she looked forward to ongoing conversations among committee members about the effectiveness of the new approval process.

Following discussion, a motion was made and seconded that the Finance & Administration Committee approve the 2020 work plan as proposed in Attachment 4. The motion carried.

##### b. Capital Project State Gate I: PacWave

Bedient asked Paul Odenthal, senior associate vice president for administration, and Burke Hales, a professor in the College of Earth, Ocean, and Atmospheric Sciences and principal investigator on the project to present this item. Odenthal said the PacWave Energy Test Facility (PacWave) project is included in the Ten-Year Capital Forecast and the university has completed the schematic design phase. Hales said that, in partnership with the U.S. Department of Energy, the state of Oregon, and other stakeholders, Oregon State University is developing PacWave, a grid-connected, wave energy test facility to evaluate utility-scale wave energy converter performance, environmental interactions, and survivability. The facility, the first of its kind in the United States, will allow for the testing of innovative energy production devices intended to generate cleaner domestic power in applications around the world. Hales noted that Oregon's coast offers a robust and accessible testing environment. In response to questions by Trustee Mike Thorne, Hales summarized how wave energy systems operate and explained the potential role of PacWave in advancing the ocean energy testing industry. Brim-Edwards asked how the long-term environmental impacts of these new technologies were considered in the planning phases, and Hales described the engagement with multiple agencies and stakeholders during the permitting process and the collaborations with coastal communities in selecting the project site. Senior Associate General Counsel Terry Meehan added that the Federal Energy Regulatory Commission had a role in providing an avenue for broad stakeholder engagement to consider and seek to address potential impacts. In response to a question by Schueler about operating the test facility, Hales described the potential client base and funding model. Schueler also asked about the total project budget and funding, and Hales and Odenthal

noted that the project is estimated at approximately \$82.5M, split into three phases. Federal funding for future phases is still being appropriated. The university has committed to coordinating approximately \$10M in matching funds, largely from both cash gifts and in-kind donations from industry partners.

Following discussion, a motion was made and seconded to approve advancing the PacWave Energy Test Facility project to the next phase of design development. The motion carried.

**c. Capital Project Stage Gate II: Research Way Laboratory Improvements**

Bedient asked Odenthal and John Doty, project manager, to present this item. Odenthal reminded trustees that in April 2018 the Board approved the acquisition of the Research Way Laboratory (RWL) building, with the intent that it would serve as a surge space for the occupants of Cordley Hall during that building's renovation, a possible space for other future building renovations, and eventually as a permanent OSU research and innovation-focused building. He said the RWL requires approximately \$11M of systems renewal and programmatic improvements to serve as surge space. The renovation would also upgrade existing safety, plumbing, and HVAC systems, and it would address accessibility needs in parking lots, sidewalks, building entries, and restrooms. Odenthal provided an overview of the contingencies and mitigation strategies to address project risks identified by staff and described project costs, including debt service for the improvements and estimated operations and maintenance costs for the building's 30-year lifespan.

During the discussion, Trustee Stephanie Smith asked whether, when calculating the total cost of ownership, the university also considers overall value. Odenthal said there is a consideration of the value stream, including revenue, where applicable, as well as the contribution of a project to faculty excellence and student success. Schueler encouraged staff to include this more holistic consideration of value in future presentations to help convey to trustees the myriad factors that make a project compelling. Green acknowledged the importance of incorporating into future presentations a summary of a project's value, including what other opportunities could be realized, or missed, depending on whether a project proceeds. Several trustees said they would like to see this information provided along with more context about the strategic benefits of a proposed project and its alignment with the university's goals. In response to a question from Brim-Edwards about the selection of contingency and escalation rates, Odenthal said the university begins with a conservative number and considers lowering contingency as projects proceed, if appropriate. In response to a question by Schueler, Doty discussed the cost per square foot of the RWL renovations versus the original plan to construct a new building. President Ed Ray noted the need to determine a more effective way to make direct comparisons about tradeoffs so that trustees are able to evaluate the benefit of a particular investment in the context of other possible options.

Following discussion, a motion was made and seconded to recommend to the Board approval of a total capital project budget of \$11M for the Research Way

Laboratory Improvements project and advancing of the project to construction phase. The motion carried.

**h. Capital Project Stage Gate: OSU-Cascades Academic Building 2**

Bedient asked that the committee move next to item 4.h. on the agenda and asked Associate Vice President of Finance and Strategic Planning Kelly Sparks and Director of Facilities and Operations Steve Pitman to present this item. Sparks reminded trustees the OSU-Cascades Academic Building 2 (AB2) project would allow the campus to grow the teaching and research capacity of STEAM (science, technology, engineering, arts, and math) disciplines, including Engineering, Physical Therapy/Kinesiology, Outdoor Products, and Arts Media and Technology. She said considerable progress had been made on the design of the building, with schematic design complete and design development currently underway. Through the process, staff selected a mass timber structural system and highly efficient hydronic mechanical systems for the building. Sparks added that staff continued to work to minimize risks, and she spoke in particular about progress on the Cascades Campus Site Reclamation project, which is ahead of schedule.

Following the presentation, Schueler asked about the source for materials. Sparks said AB2 would incorporate innovative use of Oregon manufactured wood products; however, the mass timber selection will be broadened to include the Pacific Northwest. She added that Swinerton Builders was selected to help design and build the project, and they have extensive experience with mass timber construction. Smith asked how the total cost of ownership was calculated, and Sparks said the calculation includes tuition revenue that is projected from the enrollment associated with the additional capacity provided by the building. In response to a question by Brim-Edwards about contingency costs, Odenthal noted that the unique materials and complexity of the project led to the initial utilization of higher contingency. Sparks added that the additional contingency is also intended to cover onsite and offsite infrastructure for which estimates are still being finalized. To support more effective comparison, trustees asked that calculations, such as those associated with contingencies, be presented in a consistent format across all projects.

Following discussion, a motion was made and seconded to recommend to the Board approval of a total capital project budget of \$50.2M for the OSU-Cascades Academic Building 2 project and advancing of the project to construction phase. The motion carried.

**d. Capital Project Stage Gate II: Cordley Hall**

Bedient asked Odenthal, Dean of the College of Agricultural Sciences Alan Sams, and Dean of the College of Science Roy Haggerty to present this item. Haggerty discussed the broad impact that the Cordley Hall renovation will have on students and the community, noting that once the renovation project is complete, all 1,400 life sciences majors will be able to learn and do research collaboratively in one space. Sams noted that the two departments housed in Cordley Hall, Integrative Biology and Botany and Plant Pathology, together serve more than 1,100 students and in FY2018 obtained over \$10.5M in new grant

funding. They described how spaces would be updated to meet modern research space guidelines, including flexible modular labs, collaboration areas, and shared infrastructure. Additionally, specimen collections will be on display and accessible to scholars and community members. These design elements will result in a more resilient building that is responsive to current and projected research needs. Odenthal said capital improvements would include modernization of life-safety systems, including fire sprinklers and alarm and seismic upgrades, and would update mechanical and electrical systems, backup power, lighting, windows, entries, and interior finishes. He added that the project includes the addition of a district chiller to an existing chiller loop that supports a series of research-intensive buildings. The upgrade would extend the lifespan of the two existing chillers and provide for increased reliability, reduced future maintenance costs, and expanded future capacity. Odenthal said the renovation would be accomplished through three funding phases and, if approved, would be completed in 2024. He discussed the estimated total project budget, describing the sources of funds to total the \$158.8M projected budget. Odenthal noted that the first and second phases, the west side renovation totaling \$80.8M, are scheduled to begin in 2019 with completion in summer 2022. Phase 3, the east side renovation, totaling \$78M, would begin in 2021 with estimated completion by summer 2024. In response to a question by Ray about the cost of renovation versus replacement, Odenthal spoke about the considerations that informed the decision to renovate Cordley Hall, including the quality of its structure and the fact that it is located in the historic core of campus. Thorne asked about plans if bond funding is not approved by the legislature. Odenthal said staff were optimistic because the project has scored high on the HECC's capital rubric; however, if full funding is not provided, the first and second phases could be executed with a reduced scope, and the third phase would be paused until funding is secured. In response to a question by Brim-Edwards about the use of the Research Way Laboratory as surge space, Haggerty noted that labs and offices would be relocated but classes would be held elsewhere on campus minimizing the need for student travel.

Following discussion, a motion was made and seconded to recommend to the Board approval of a total capital project budget of \$158.8M for the Cordley Hall Renovation project and advancing of the projected to construction phase. The motion carried.

**e. Capital Project Stage Gate II: Washington Way Improvements**

Bedient asked Odenthal and Aaron Collett, an infrastructure project manager with Capital Planning and Development, to present this item. Odenthal reminded trustees that in October 2017, the university entered into a Memorandum of Agreement (MOA) with the city of Corvallis, agreeing to complete plans and apply for a permit for improvements of Washington Way by November 2019. The MOA satisfies deferred obligations to improve Washington Way that were a condition of building permits for the 2011 Student Legacy Park and the Advanced Wood Products Lab, both of which are located along Washington Way. He noted that Washington Way is an OSU-owned street that runs east-west through campus from 15<sup>th</sup> Street to 35<sup>th</sup> Street and that is located 15 feet north of the

centerline of the Union Pacific Railroad (UPRR), which is operated by Portland and Western Railroad. The project includes some railroad-related work addressing pedestrian safety, closure of crossings, associated utility protection, and establishment of appropriate easements. Odenthal added that the proposed road design would place Washington Way at a 25-foot offset from centerline of the railroad, with 5 feet of the roadway remaining within UPRR property and requiring an easement. The Washington Way Improvements project is funded by OSU revenue bonds and is estimated to cost \$24M. Odenthal said it is the project team's goal to take all sensible cost saving measures to deliver a project that meets requirements and drives costs to or below \$22M. He spoke about the risks and proposed contingency, noting in particular the risk of actual conditions being different from those expected and the risk of delay due to the process of coordinating and negotiating with the railroad for permits and new easements.

During the discussion, Schueler remarked on the estimated cost of the new roadbed and paving work alone at approximately \$1,900 per linear foot and asked what accounted for the estimated total project cost of \$24M. Collett said although the improvements would cover just under 1 mile of roadway, there are a number of uncertainties and complexities, particularly associated with working within the railroad's right-of-way and working around or relocating utilities, which increased the overall cost. In response to a question by Trustee Khawater Hussein about the crossing at 13<sup>th</sup> Street, Odenthal said it might be closed permanently as part of an effort to reduce the number of crossings.

Following discussion, a motion was made and seconded to recommend to the Board approval of a total capital project budget of \$24M for the Washington Way Improvements project and advancing of the project to construction phase. The motion carried.

**f. Capital Project Stage Gate II: Campus Operations Center**

Bedient asked Odenthal and Christina Vinson, a project manager with Capital Planning and Development, to present this item. Odenthal reminded trustees that the Campus Operations Center project creates a complex that will house University Facilities, Infrastructure, and Operations units in a single location. The new center replaces the current Facilities Services shops building south of the Kerr Administration Building with a new complex of shops buildings, equipment space, vehicle yards, parking, and associated improvements at the former OSU Foundation building site at 35<sup>th</sup> Street and Western Avenue. Demolishing the existing shops buildings on the corner of 15<sup>th</sup> Street and Washington Way clears space for the construction of an arts and education complex. Odenthal described the identified risks and mitigation strategies, noting in particular the potential risk associated with the removal of an abandoned underground oil storage tank. The project is scheduled for completion in the spring of 2021.

In response to a question by Brim-Edwards, Vinson confirmed that the Campus Operations Center would be constructed to meet standard seismic code. Hussein asked about the center's energy efficiency, and Vinson noted that staff have inquired with the architect about the possibility of making the building solar ready should funding to add solar become available in the future. Odenthal added that

the consolidation of functions at the new complex would reduce overall energy consumption compared to the current shops buildings.

Following discussion, a motion was made and seconded to recommend to the Board approval of a total capital project budget of \$26.5M for the Campus Operations Center project and advancing of the project to construction phase. The motion carried.

**g. Capital Project Stage Gate II: Cascade Hall**

Bedient asked Odenthal, Commanding Officer Captain Warren Sission, and Chief of Public Safety Suzy Tannenbaum to present this item. Odenthal reminded trustees that Cascade Hall is a 38,765 square foot, two story-building. The eastern side of the building was repurposed for classrooms and academic support in 2014. The current project focuses on the western side of the building that is currently vacant. The lower floor of the renovated space will provide a home for the Navy ROTC program, following removal from the program's current location at the Quonset building slated for demolition as part of the Washington Way Improvements Project. The upper west side floor of Cascade Hall will provide space for the Department of Public Safety, already located on the east side of the upper floor, to accommodate staff and program growth. Sisson described how the renovated space would serve the university's active duty students, noting that while the overall square footage of the new space would be slightly less than what the program currently occupies, it will be more efficiently organized. Tannenbaum described the functions included in the Department of Public Safety. Brim-Edwards asked whether the building would include enhancements to support their work as first responders in an emergency, and Odenthal confirmed that upgrades would be included to support the continuity of operations. In response to a question by Schueler about timing, Odenthal confirmed that work would be staged to support a seamless transition for the Navy ROTC.

Following discussion, a motion was made and seconded to recommend to the Board approval of a total capital project budget of \$6.5M for the Cascade Hall Renovation project and advancing of the project to construction phase. The motion carried.

**j. Public University Fund Investment Policy Amendments**

Bedient asked that the committee move next to item 4.j. on the agenda and asked University Shared Services Enterprise Executive Director Penny Burgess and OSU's Director of Treasury Heather Hesano to present this item. Burgess explained that the Oregon State Treasury, which serves as the investment manager for the Public University Fund, requested an update to the fund policy to clarify terms related to permitted holdings, diversification, risk, and other items. She described the proposed changes, noting that they would not impact the current investment strategy. During the discussion, Burgess confirmed that the proposed amendments were primarily minor housekeeping changes and updates for clarity. A motion was made and seconded to recommend to the Board approval of the amendments to the Public University Fund Investment Policy as provided in Attachment 1.



**i. Capital Project Report & Budget Approval: Burt Hall II Reconstruction**

Bedient asked Odenthal and Dean of the College of Earth, Ocean, and Atmospheric Sciences Roberta Marinelli to present this item. Odenthal reminded trustees that the Stage Gate I request was approved by the Finance & Administration Committee in July 2019. At the time, the university also notified the committee that construction would be pursued under the Emergency Construction provision of the Board's capital projects policy. This allowed work to begin over the summer to ensure that faculty, staff, and students could return to the building as quickly as possible. Odenthal said the committee had asked staff to bring forward a final project budget for review at the next regular meeting. Marinelli reminded trustees that the Burt Hall II Reconstruction project repairs fire, smoke, and water damage that occurred because of a December 2018 fire. At the time of the fire, all Burt Hall residents were evacuated due both to smoke and flooding. The fire necessitated immediate relocation of a number of faculty offices and laboratories. Additionally, some pieces of equipment were destroyed and several offices supporting key college functions were flooded. While some faculty and most of the support functions were able to be relocated to office space in other buildings and have since resumed functioning, ten of the impacted faculty and four major laboratories supporting groups of faculty within and outside the college have not been able to relocate or resume functioning. Marinelli described the immediate impact this has had on undergraduate and graduate student learning and faculty research productivity, including working on existing grants and seeking new grants, as well as the longer-term potential impacts on the recruitment and retention of students and faculty. Odenthal described the key elements of the reconstruction, reporting that the project is expected to cost \$9.5M, with the majority of the total project cost funded by insurance payments. It is possible that insurance payments will not cover the entire expected cost of the project, in which case scope reductions or alternate funding would be considered. Odenthal said there was some delay in construction work while the university sought insurance funding to rebuild the interior walls in compliance with current codes. He added that work is now proceeding and timelines have been adjusted to meet the anticipated completion date of spring 2020. Trustees asked about the status of discussions with the insurance company and any risk for further delay. Odenthal said resolving funding to rebuild the interior walls was important, but staff do not anticipate that any remaining work to finalize the claim will further delay completion of the project.

With no further discussion, a motion was made and seconded to approve recommending to the Board approval of a total capital project budget of \$9.5M for the Burt Hall II Reconstruction project. The motion carried.

**5. Discussion Items**

**a. Athletics Financial Sustainability Plan**

Bedient asked Green, Vice President and Director of Intercollegiate Athletics Scott Barnes, and Associate Vice President for Budget and Fiscal Planning Sherm Bloomer to present this item. Barnes reminded trustees that the Athletics Financial Sustainability Workgroup was charged with reviewing the operations of Intercollegiate Athletics and recommending to the president strategies to develop a sustainable operating model. The workgroup completed a report in December 2016 that was then presented to the Finance & Administration Committee in January 2017. Barnes described the workgroup's process and summarized their principal recommendations. He also spoke about the components of an effective

Division I athletics program and described some of the operational challenges that led to the original deficit. Barnes noted that staff in Athletics implemented the recommended adjustments and substantially achieved the goal of the plan to reduce the annual operating budget deficit from over \$9M in 2015 to just below \$1M in FY2020. He said this was achieved despite continued operational challenges, costs, and impacts related to coaching and leadership changes, federal tax law changes that negatively affected donations and ticket sales, and the department's share of the university-wide budget reductions in 2019. Barnes added that Intercollegiate Athletics is projecting a balanced budget beginning in FY2021, based on conservative assumptions and anticipated positive revenue growth starting in FY2023. He then asked Senior Associate Athletic Director Jacque Bruns to provide additional information about the plan to achieve and maintain a balanced budget over the next five years. Bruns spoke about projections and assumptions, strategies to manage the deficit, and the department's approach to future planning, including the incorporation of a contingency fund to better address unexpected expenses. Trustees discussed the Athletics operating budget projections, asked about assumptions, and considered the potential effects of national trends, such as the conversations about permitting college athletes to financially profit from the use of their names, images, and likenesses. They noted that any plan should reflect the values of the university, be financially sound, and ensure that Athletics is clearly accountable to the university.

Next, Green spoke about the accumulated deficit in Athletics, which is projected to be approximately \$44.9M at the end of FY2020. While this was expected in the Financial Sustainability Plan, an updated approach to managing the deficit is needed. Green then described possible strategies for managing the cumulative operating deficit. One option considered was to require Athletics to pay down the deficit over time using incremental improvements in revenue; however, analysis by the Financial Sustainability Workgroup determined that it was extremely unlikely that Athletics would ever generate substantial positive operating balances. Thus, Green noted that requiring Athletics to pay off the deficit from any revenues would take decades and impair their ability to field competitive programs, ultimately decreasing revenue and aggravating the problem. He said another option would be for the university to liquidate the accumulated deficit by applying unrestricted funds to reduce it incrementally over the next six to eight years, as there are positive year-end balances available in the university's reserves. Green said a third approach would be to let the deficit remain on the books and take no action, neither requiring Athletics to repay the deficit nor writing it off over time. Trustees discussed these options and the extent to which each one aligns with the university's values and priorities. Given the number of strategic priorities and the ability to preserve the university's overall credit rating and fiscal health, several trustees expressed support for the idea of leaving the deficit alone for now; however, they emphasized the need to continue to review this approach in the future. Trustees also noted that managing the Athletics budget would require ongoing collaboration and the willingness to explore flexible strategies in order to respond to the continually evolving internal and external pressures on the department's operations. Following the discussion, Bedient reminded trustees that this was a discussion item and no action was required.

Green said staff would use the committee's comments to inform the updated Ten-Year Business Forecast and the university's long-range planning discussions.

**6. Adjournment**

With no further business proposed, Chair Bedient adjourned the meeting at 3:23 p.m.

Respectfully submitted,



Jennifer M. Almquist  
Assistant Board Secretary