



MINUTES

Trustees Present: Mark Baldwin, Patty Bedient, Rani Borkar, Darry Callahan (*vice chair*), Michelle Longo Eder, Elson Floyd (*by phone*), Orcilia Forbes, Paul Kelly, Brenda McComb, Laura Naumes (*by phone*), Ed Ray (*ex officio*), Pat Reser (*chair*), Taylor Sarman, Kirk Schueler, and Mike Thorne

University Staff Present: Ron Adams, Sherm Bloomer, Steve Clark, Glenn Ford, Mike Green, Mark Huey, Jock Mills, Meg Reeves, Patti Snopkowski, Marcia Stuart, and Becky Warner

Others Present: Mike Bailey (*president, OSU Faculty Senate*) and Tim Nesbitt (*chair, Higher Education Coordinating Commission*)

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

Chair Pat Reser called the meeting to order at 9:12 a.m., asked the Assistant Board Secretary to call the roll, and noted a quorum.

2. Opening Comments and Reports

a. Chair's Comments

Reser welcomed the Board and expressed appreciation for the opportunity to attend author Cheryl Strayed's lecture the previous evening as a part of the "Discovery Lecture Series," hosted by the Provost.

b. President's Report

President Ray thanked College of Liberal Arts Dean Larry Rodgers and students from the college for their presentation during the morning breakfast. He encouraged trustees to attend the annual State of the University address, to be held on January 30th in Portland. He said that the address would include an update on the economic impact of the University on the region and offer some anecdotes that highlighted that impact. Of note, *U.S. News & World Report* ranked Oregon State's Ecampus fifth best in the nation, with enrollment growing by 19 percent over last year. The Marine Studies Initiative has garnered attention in the state, with local communities, state and federal agencies, foundations and other donors supporting Oregon State's project to build a world-class marine studies campus in Newport.

c. Faculty Senate Report

Dr. Mike Bailey, 2015 president of the Faculty Senate, provided his first report to the Board. With the assistance of the public safety office, the senate is currently developing a "faculty first responder" program to train faculty in the event of an emergency on

campus. Once that program is developed the senate will work with ASOSU to provide information to students. Two new academic program proposals are currently going through the faculty approval process. It is anticipated that they will be submitted to the Board for review at the May meeting.

d. Higher Education Coordinating Commission Report

Mr. Tim Nesbitt, chair of the Higher Education Coordinating Commission, provided an update concerning the state's biennial budget process and shared that, with the changes in allocation formulas under the proposed outcomes-based funding model, future funding requests will be based on completion rates rather than enrollment. The Commission has been asked to study and model the impact of a "tuition-free" policy for the first two years of a postsecondary education as put forth by the federal government and noted that this issue is drawing attention to need-based financial aid.

3. Consent Agenda

a. October 17, 2014 Meeting Minutes

A motion was made and seconded to approve the minutes of the October 17, 2014 meeting. The motion carried.

4. Reports of the Standing Committees of the Board

a. Academic Strategies Committee

Committee Chair Paul Kelly, thanked Senior Vice Provost Becky Warner for her presentation on the relationships between the University's mission, accreditation process, strategic planning, and achievement compacts. He reported that the Committee voted to recommend to the Board a new program in hospitality management that has been proposed by OSU-Cascades.

b. Finance & Administration Committee

Committee Chair Kirk Schueler reported that the Committee met on January 9th to receive and approve the FY15 first quarter operating management and investment reports. During the January 15th meeting, the Committee voted to approve staff working with the OSU Foundation to develop a contract to manage endowment funds currently managed by the State Treasurer. In addition to approving two other action items, which Schueler said would be presented to the Board later in the agenda, the Committee discussed the FY14 financial statement and proposed budget detail, trends, financial targets and metrics and heard presentation regarding the long-range capital plan development process and the state funding process.

c. Executive & Audit Committee

Committee Chair Reser reported that the Committee received and approved the Office of Audit Services' 2014 final report and 2015 plan. In addition, the Committee continued its discussion about the development of a presidential assessment process. Following the Executive & Audit Committee meeting, The Committee was joined by the Finance & Administration Committee and heard a briefing by Ms. Jean Bushong, partner, CliftonLarsonAllen (CLA), on the 2014 annual financial report prepared by OSU and the University Shared Services Enterprise. The financial report had received an "unmodified opinion" by CLA and was approved by the Executive & Audit Committee.

5. Action Items

a. Appointment of Debbie Colbert as Board Secretary

Upon President Ray's recommendation, Reser called for a motion to approve the appointment of Debbie Colbert as Secretary to the Board of Trustees. A motion was made and seconded. The motion carried.

b. New Academic Program – B.A./B.S in Hospitality Management

Reser called upon Kelly to provide a summary of the proposed new academic program, B.A./B.S. in Hospitality Management, to be located on the OSU-Cascades campus. Kelly made the motion to approve the program, and the motion was seconded. The motion carried.

c. Resolution Adopting the Tuition and Mandatory Fee Process

Schueler described the proposed tuition and mandatory fee process, which the Finance & Administration Committee had reviewed and approved to be recommended to the Board for approval. Following a brief discussion, a motion was made and seconded to approve the process. The motion carried.

d. Resolution Requesting and Consenting to the Refunding of State General Obligation Bonds

Schueler advised that the Finance & Administration Committee had reviewed and voted to recommend to the Board for approval the refunding of state general obligation bonds. A motion was made and seconded to adopt the resolution for refunding state general obligation bonds as set forth on pages F-11-1 through F-11-3 of the Finance & Administration Committee meeting docket for January 15, 2015. The motion carried.

e. Resolution Requesting and Consenting to the Sale of State General Obligation Bonds

Schueler advised that the Finance & Administration Committee had reviewed and voted to recommend to the Board for approval the sale of state general obligation bonds. A motion was made and seconded to adopt the resolution for the sale of state general obligation bonds as set forth on pages F-11-5 through F-11-7 of the Finance & Administration Committee meeting docket for January 15, 2015. The motion carried.

6. Education Item

a. Risk Management Overview

Chief Audit Executive Patti Snopkowski, along with Vice President for Finance & Administration/CFO Glenn Ford and OSU Risk Manager Patrick Hughes, presented and facilitated a discussion on risk management, covering three categories: enterprise risk, response strategies, and Board monitoring and oversight.

7. Other Business

No other business was proposed.

8. Public Comments

Mr. Jeff Hess commented on the minutes of the October 2014 Board meeting, stating that the minutes did not reflect his request for City of Corvallis representation on the Board.

9. Adjournment

There being no other business, the meeting was adjourned at 1:11 p.m.

Respectfully submitted,

Mark Huey
Assistant Board Secretary