



The Board of Trustees of Oregon State University

Regular Meeting of the Board of Trustees

June 3, 2016

Horizon Room, Memorial Union, OSU
Corvallis, Oregon

MINUTES

Trustees Present: Mike Bailey, Mark Baldwin, Patty Bedient, Rani Borkar, Julia Brim-Edwards, Darry Callahan (*vice chair*), Michele Longo Eder, Paul Kelly, Brett Morgan, Ed Ray (*ex officio*), Pat Reser (*chair*), Kirk Schueler, and Mike Thorne

University Staff: Ron Adams, Angela Batista, Sherm Bloomer, Steve Clark, Debbie Colbert, Becca Gose, Mike Green, Mark Huey, Jock Mills, Sabah Randhawa, Cindy Sagers, Clay Simmons, Patti Snopkowski, and Marcia Stuart

Guests: Rachel Grisham (*president, Associated Students of Oregon State University*), Kate Halischak (*president, Faculty Senate*), Susan Musselman (*director, PFM*), Dana Richardson (*deputy director, Policy and Legislative Affairs, Higher Education Coordinating Commission*), and Thomas Toepfer (*senior managing consultant, PFM*)

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

Board Chair Pat Reser called the meeting to order at 9:31 a.m., asked the assistant board secretary to call the roll, and noted a quorum.

2. Opening Comments and Reports

a. Chair's Comments

Chair Reser welcomed new trustees Mike Bailey and Julia Brim-Edwards. She acknowledged the work of outgoing Associated Students of Oregon State University President Cassie Huber and welcomed incoming President Rachel Grisham. Reser congratulated Student Trustee Brett Morgan on his election as ASOSU vice president. Reser also thanked Faculty Senate President Kate Halischak for organizing the tour of the Beth Ray Center for Academic Support and the informative activities that engaged trustees.

b. President's Report

Chair Reser asked President Ray to give his report to the Board. Ray also welcomed trustees Bailey and Brim-Edwards and noted they are joining a strong, well-qualified Board. Ray noted that this was Provost Sabah Randhawa's last Board meeting with Randhawa departing later in the summer to serve as president of Western Washington University. Ray cited Randhawa's contributions to Oregon State as a faculty member, administrator, and provost and executive vice president. Ray said that OSU is a better place because of Randhawa's achievements, and he highlighted Randhawa's leadership, compassion and wisdom. Ray reported that he had formed a committee of faculty, staff and student leaders to undertake a national search for a new provost and

executive vice president and that Interim Vice President for Administration Ron Adams had agreed to serve as interim provost and executive vice president.

Ray also reported that a committee of university and faculty leaders is making progress to evaluate locations for OSU's marine studies initiative building in Newport. He said that he would hold a session in mid-June in Newport to hear input from coastal leaders and the general public and also said that the committee was gathering information from third-party independent engineers, faculty and staff in the colleges of Earth, Ocean and Atmospheric Sciences and Engineering, other faculty and staff at the Hatfield Marine Science Center, and other stakeholders. The committee will evaluate locations based on the criteria of life safety, Marine Sciences Initiative program delivery, cost and schedule. Ray said he expects to receive the report in the summer and, before making his decision, said he will reach out to trustees to gain their input.

Ray highlighted that OSU's College of Engineering has developed an online tool to help people identify the risks they face from a major Cascadia subduction zone earthquake. He said the Oregon Hazard Explore for Lifeline Program (OHELP) resulted from a collaboration among OSU, the state of Oregon, and federal agencies preparing for a Cascadia event and is an example of the work OSU does that affects the world.

Ray also highlighted the work of Vice President of OSU-Cascades Becky Johnson in leading efforts to realize the vision of a four-year college in Central Oregon. He said that Johnson is leading an extensive community planning process for the additional expansion of the Bend campus. This effort involves more than 80 community members and Central Oregon leaders. Ray invited trustees to join him in Bend on September 13 as Oregon State officially opens the state's first new public university in more than 50 years.

Reflecting on recent instances of violence on college and university campuses, Ray said that OSU is expanding its systems, procedures and staffing to provide greater campus safety in Corvallis and Bend. Working with Corvallis police and the Oregon State Police office on OSU's Corvallis campus, as well as with student, community and university leaders, the university is taking steps to improve safety and livability in nearby campus neighborhoods; further address underage and excessive drinking; and improve the university's responses to drug- and alcohol-related risks of sexual violence.

Ray concluded his report by highlighting some of the facts related to Commencement 2016, taking place June 11. Ray said that the university expects to graduate a record-breaking 6,406 students, who will receive a total of 6,723 degrees.

c. Faculty Senate Report

Faculty Senate President Kate Halischak summarized recent activities of the Faculty Senate. She said the Senate's last meeting of the academic year would be June 9, during which the Senate would approve graduates' degrees. Halischak summarized some of the Senate's work, including the review of Category 1 academic program proposals and the revision of some of the Senate's bylaws. She said the Faculty Senate executive committee was preparing for its annual summer retreat at which it prepares its agenda for the coming year. Among the items to be discussed, the Senate is looking closely at the nature of its monthly meetings, seeking to find ways to engage more faculty.

d. Associated Students of Oregon State University Report

ASOSU President Rachel Grisham reported on the goals of ASOSU for the coming year. Grisham said that one of her goals is to build stronger engagement between ASOSU and the university's students. As part of this engagement effort, Grisham said that ASOSU would be looking closely at its executive branch to better understand how its structure affects its function. She said that among the topics ASOSU will work on are the "It's on Us" campaign, open educational resources/textbook affordability, partnerships with the university's Government Relations office, the Faculty Senate and the Office of Institutional Diversity. She also said that in response to growing student concern about affordability, she will work on improving the transparency of the university budget- and tuition-setting process. In addition, she noted that she and ASOSU Vice President and Student Trustee Brett Morgan have taken salary cuts by having their positions re-classified to a lower pay grade. She also noted that ASOSU elections will move from spring term to winter term to allow more time for the transition of new student leaders into their roles.

e. Higher Education Coordinating Commission Report

Higher Education Coordinating Commission (HECC) Deputy Director for Policy and Legislative Affairs Dana Richardson reported that Oregon saw the nation's highest percent increase in FAFSA (Free Application for Federal Student Aid) completion by high school seniors. Oregon was one of only four states to see improvements on this measure. She said that the HECC would meet on June 9 to review the major funding items in its Agency Request Budget (ARB) and would vote on the complete ARB at its August 11 meeting. She said the 2017-19 ARB includes significant increases to fund operations of public colleges and universities, key state financial aid programs, and strategic investments to support student success, pathways, affordability, and workforce development, among other areas. Included in the ARB is a proposed increase of nearly \$280 million over the 2015-17 biennium investment made by the state in the Public University Support Fund to support campus operations, mitigate tuition increases, and improve the ability of universities to invest in quality and student success. Richardson also said that in developing the ARB, the HECC considered presentations on public university capital requests that included prioritizations of projects, deferred maintenance, and campus safety needs. In addition, she reported that the HECC proposed a total of \$200 million to fund need-based Oregon Opportunity grants, an increase of more than \$60 million over the 2015-17 funding level. She also said that at its June meeting the HECC is expected to issue reports and recommendations in response to legislation concerning a bill of rights for transfer students and institutional plans to create educator equity.

3. Consent Agenda

a. Minutes of the March 30, 2016 Board Meeting

b. Proposed Resolution Regarding Classified Information for the U.S. Department of Defense

c. 2017 Board Calendar

d. New Academic Program: B.S. in Biochemistry and Molecular Biology

Regarding the fourth item on the consent agenda, Trustee Paul Kelly noted that the Academic Strategies Committee voted at its June 2, 2016, meeting to recommend the program to the Board for its approval.

There being no further discussion, a motion was made and seconded to approve the consent agenda. The motion carried.

4. Reports of Standing Committees of the Board

a. Executive & Audit Committee

Executive & Audit Committee Chair Pat Reser reported that the Executive & Audit Committee met on June 2 and approved the Office of Audit Services June 2016 Quarterly Audit Report. The Committee heard an update on the FY16 presidential comprehensive assessment and learned that it was on track and initiated discussions on the development of a presidential recruitment policy. In addition, the Committee heard a presentation from Vice President for University Relations and Marketing Steve Clark on the university's naming practices for major organizational and academic units. Reser said that trustees discussed their role in the naming process and recommended that the President continue to have the authority to name or re-name any building, street, other structure or landmark, and, in consultation with the Board Officers and, when the Officers advise, the Executive & Audit Committee, the authority to name major organizational and academic units.

b. Academic Strategies Committee

Academic Strategies Committee Chair Paul Kelly reported that the Committee heard a report from Provost Randhawa, who, among other items, reported on his departure from OSU to become the president of Western Washington University, the subsequent appointment of Interim Vice President of Administration Ron Adams to serve as interim provost and executive vice president, and the appointment of Professor of Oceanography Jack Barth as executive director of the Marine Studies Initiative. Kelly also reported that Randhawa provided an update on the status of the International Degree Program, saying that the program has been proposed to move to the College of Liberal Arts, to be under the responsibility of the Department of World Languages and Cultures. In addition, Kelly said the Committee heard the annual report on the 2016 graduating class from Registrar Rebecca Mathern.

Kelly reported that the Committee heard three presentations: (1) a report from Vice Provost and Dean of Undergraduate Studies Susana Rivera-Mills entitled "Progress on the Blueprint for Undergraduate Student Success"; (2) a presentation from Vice Provost for Student Affairs Susie Brubaker-Cole and Oregon State University Foundation Associate Vice President of Development Kristin Watkins on the Student Success Initiative, a partnership between the university's colleges, central administration divisions, and the OSU Foundation, to improve first-year retention rates and six-year graduation rates for all students and close any achievement gaps for Pell eligible, under-represented minority or first-generation college students; and (3) a presentation and discussion by Vice President and Athletics Director Todd Stansbury, who presented his vision for Athletics, highlighted several national issues affecting athletics and described how Oregon State is addressing them, and discussed Athletics' Everyday Champion program, noting that this program in particular complemented the student success programs described by Rivera-Mills and Brubaker-Cole.

As he had reported during the Board's consideration of the consent agenda, Kelly noted the Academic Strategies Committee voted to recommend to the Board that it approve a proposed new academic program in Biochemistry and Molecular Biology. In concluding

his report, Kelly asked the other members of the Committee for any additional items that might be of interest to the Board. Chair Reser highlighted the College of Science chart that was provided with the Biochemistry and Molecular Biology program proposal (Tab L in the June 3, 2016 Board Book), noting that the chart presented a clear context for the proposed new program.

c. Finance & Administration Committee

Finance & Administration Committee Chair Kirk Schueler reported on its May 24 and June 2 meeting, saying the Committee had heard reports on operating results for the first nine months of FY2016 and FY2016 third-quarter investment results for the Public University Fund and the investments of the operating and endowment assets of the university. Schueler also said that the Committee adopted operating ranges for the financial metrics the Committee had approved at its March 2015 meeting. Schueler reminded the other trustees that metrics serve as tools to track the university's financial health. Schueler also reported that the Committee had voted to recommend to the Board for approval the FY2017 operating budget and an amendment to the FY2017 capital plan.

5. Action Items

a. FY2017 Operating Budget

Chair Reser called upon Schueler to introduce FY2017 operating budget. Schueler summarized the F&A Committee's discussion from its meeting on June 2, 2016, noting that the proposed operating budget was tied to advancing the university's Strategic Plan 3.0 (SP3.0) and its initiatives. He said that at the June 2 Committee meeting, Director of Budget and Fiscal Planning Sherm Bloomer had made a presentation on the proposed budget. The proposal is a balanced budget with \$1.17 billion in revenues and expenditures – and net transfers – and provides a plan to develop and distribute resources consistent with the university's draft 10-year business strategy that will support faculty, staff and university leadership pursuing the goals outlined in SP3.0. Schueler also said that Bloomer reminded Committee members that the proposed operating budget is an estimate of the resources and investments for the next fiscal year and noted that there are a number of uncertainties in the projections and some challenges facing the university in the next year. Schueler informed the Board that staff would bring a draft Athletics budget plan to the Committee in October for review and a final proposed plan to the Committee in January 2017 for approval. Following Schueler's summary of the Committee's discussion on the item, trustees noted that with a 10-year forecasted operating budget and a 10-year capital plan in place, staff will be better able to forecast where the university will stand financially each year and to make more comprehensive diagnoses of new proposals or financial challenges as they arise.

Following the comments and discussion, a motion was made and seconded to approve the FY2017 Operating Budget as provided in Tab N. The motion carried.

b. FY2017 Capital Plan Amendment

Schueler summarized the June 2 F&A Committee meeting presentation on a proposed amendment to the FY2017 Capital Plan, which the Board approved in May 2015. He said that Special Assistant to the Vice President for Finance and Administration Anita Azarenko had made a presentation to the Committee that described the project costs for the Oregon Forest Science Complex, which had increased \$8 million, and a new proposed project, the Complex for Resilient Infrastructure and Safety, which staff

proposed to include in the 2015-17 Capital Plan, rather than in the 2017-19 draft Integrative Capital Plan. This latter project would add \$10 million to the 2015-17 Capital Plan, half financed through gifts and half financed through a loan to the College of Engineering from the university's Internal Bank.

Following a short discussion, a motion was made and seconded to approve the FY2017 Capital Plan Amendment as provided in Tab O. The motion carried.

c. Resolutions of Appreciation

Resolution of Appreciation for Brenda C. McComb, Ph.D.

Reser introduced the following resolution. She noted that Dr. McComb was not present to acknowledge the resolution and that a framed copy would be presented to her by Board Secretary Debbie Colbert. Following the reading, a motion was made and seconded to adopt the resolution. The motion carried.

President Ray noted Dr. McComb's efforts to help other members of the Board understand some of the university's more unfamiliar and complex processes and, in particular, helped the Academic Strategies Committee establish a foundation of knowledge to assist its oversight activities of the university's academic and research missions. Academic Strategies Committee Chair Kelly said Dr. McComb made important contributions to the Board's work, and Trustee Bailey led the Board in a round of applause in appreciation of Dr. McComb.

Resolution for Sabah Randhawa

Reser asked Randhawa to come forward and stand with her as she read a resolution of appreciation to him:

Following the reading of the resolution, a motion was made and seconded to adopt the resolution. The motion carried unanimously.

Chair Reser highlighted some of her memories of her interactions with Randhawa, noting that he had helped her shift her understanding of universities from inanimate bricks and mortar to faculty and students, each of whom have unique and special stories. Trustee Kelly said that he had personally benefited from his interactions with Randhawa and over the course of their relationship had learned more about him as a person.

d. Trustees' Experience at AGB

Trustees Morgan, Schueler and Reser provided highlights from attending the 2016 Association of Governing Boards of Colleges and Universities (AGB) Annual Meeting. Morgan noted the opportunities the meeting presented to speak with student trustees from other universities. Schueler also highlighted the opportunity the meeting provided to meet trustees from other universities and to learn from them how they are addressing some of the same issues facing Oregon State. In addition, he noted the breadth of topics covered by the meeting and recommended other trustees attend the next annual meeting. Reser said that she attended preconference workshops that covered, among other topics, how to conduct a presidential search and handle the leadership transition.

6. Education/Discussion Items

a. Advancing Equity, Inclusion, and Social Justice

Interim Chief Diversity Officer Angela Batista gave a presentation on advancing equity, diversity and social justice at OSU. She noted that inclusive excellence begins at the highest levels of the institution and that a fundamental commitment to inclusive excellence is critical to the health and functioning of colleges and universities. She provided background on the formation of the Office of Institutional Diversity, summarized the office's first 100 days, and gave an overview of the phased development plan for the office. She asked trustees for their initial reaction to the work currently underway and the pace of the university's efforts.

In the discussion session that followed, Trustee Mark Baldwin asked about community partnerships with the Office of Institutional Diversity. Batista said that the President's special assistant for community diversity relations was the point person for managing and developing community partnerships and was working with groups across the university to deepen current partnerships and develop new ones. Trustee Schueler asked about the goals of the Office on Institutional Diversity. Batista said that a near-term goal was the development of a draft position description for the university's Chief Diversity Officer. She has convened a subcommittee of the Leadership Council for Equity, Inclusion and Social Justice to develop a draft with the goal of having it inform the search. Other goals for the future are to advise those who will be called upon to develop Strategic Plan 4.0 so that the plan is informed with the institutional goals for equity, inclusion and social justice; to work to close student achievement gaps; to inform faculty hiring; and to make the "Difference, Power and Discrimination" program curriculum more broadly available to faculty and staff. Trustee Kelly acknowledged what has been accomplished thus far but cautioned that efforts stay focused to prevent the initiative from failing. Trustee Brim-Edwards asked what the initiative's goals were for students. Batista said that the initiative's goal for students was to have Oregon State University recognized as an inclusive place where all students are welcomed, valued and supported. Trustee Bedient thanked Batista and others engaged in the initiative and praised their efforts.

b. Legislative Update

Chair Reser asked Government Relations Director Jock Mills to provide a brief update on items under consideration by the Oregon legislature. Mills focused his remarks on issues of funding for OSU-Cascades' capital and operating expenditures, noting efforts underway to promote consideration by the Governor and the legislature for funding purposes of OSU-Cascades as a four-year university. Mills spoke about Board engagement in support of OSU-Cascades, emphasizing Central Oregon's need for public higher education and the state's obligation to fulfill its earlier commitment to a four-year college campus in Bend.

7. Other Business

There was no "other business" for the Board to consider.

8. Public Comments

The following individuals spoke on various topics during the Public Comments period:

- Azeem Hussaini, OSU junior and member of Allied Students for Another Politics (ASAP!) commented on the close connection between social justice and economic justice, noting there could not be one without the other.
- David DeHart, 3rd year student at OSU and a member of ASAP!, listed several actions the Board could take to address ASAP! issues with respect to tuition, Board transparency and involving students and staff in Board meetings.
- Alex Riccio, an OSU graduate student and a founder and member of ASAP!, commented on impacts of the university's enrollment growth.
- Jeff Hess, Corvallis resident, spoke about high housing costs in Corvallis related to university's enrollment growth.
- Jason Phillips, an OSU student and member of ASAP!, commented on the connection between high costs of education and social justice, inclusivity, and equity.
- Justin Nielsen, 3rd year, asked about students receiving funding from university's Student Success Initiative.
- Sami Al-Abdrabbuh, instructor, College of Engineering, expressed support of higher education and thanked the Board for its support for higher education at Oregon State.
- Blaine "Tony" Vogt, a senior instructor in Philosophy and a member of the American Association of University Professors, read a letter from Leonora Rianda, president of OSU Local 083, a sub-local of SEIU Local 503. The letter expressed solidarity with students who raised issues of economic and social justice to the Board.

9. Closing Thoughts

Chair Reser asked the trustees to share their closing thoughts. Trustee Laura Naumes said she was moved and inspired by the students who spoke to the Board at breakfast about their persistence towards reaching their goals. Trustee Morgan said that he appreciated the public comments made by members of ASAP! for broadening his awareness of financial issues facing his fellow students and said that he would continue to listen carefully to all students at the university. Trustee Bedient thanked those who made public comments and acknowledged the value of auditing the Academic Strategies Committee meeting where she was particularly impressed to learn about efforts to use some of the university's financial aid to strategically assist students with need. Trustee Bailey highlighted OSU-Cascades and said that its success will rely on the university's and OSU Foundation's strategic efforts. Trustee Mike Thorne praised the efforts underway as part of the Student Success Initiative and said he looked forward to learning more about its achievements. Trustee Schueler said that the trustees' visit to the Beth Ray Center for Academic Success and Athletics Director Todd Stansbury's presentation on Athletics' focus on student-athlete success and support were highlights of the meeting. President Ray highlighted the presentations made during the Academic Strategies Committee meeting by Vice Provost Rivera-Mills on the undergraduate learning and educational experience and Vice Provost Brubaker-Cole's on the student success initiative as particularly informative. Trustee Longo Eder said that she appreciated the time taken to develop a particularly engaging agenda for the Academic Strategies Committee meeting and asked that a representative from Athletics be present at each meeting of the Committee. Trustee Rani Borkar said that she was impressed by the "heroic" efforts being made by student instructors and advisors at the Beth Ray Center and that she feels as though the Board has reached an inflection point in its understanding of the university. Trustee Julia Brim-Edwards said she appreciated the efforts of Board and Committee officers and the Board staff in structuring the meeting. She also said that she is

looking forward to learning more about the role of tuition at the university and how to continue to improve access and affordability. Trustee Baldwin said he felt that trustees Bailey and Brim-Edwards were already adding value to Board discussions and highlighted the statement made during Public Comments that economic decisions can have ethical ramifications. Chair Reser concluded the “Closing Thoughts” session of the agenda by noting that trustees’ comments clustered around the topics of student success and the complexity of the university as an organization and the variety of issues that bear on it. She said she agreed with Trustee Borkar’s observation that that Board seems to have reached an inflection point.

10. Adjournment

There being no further business, the meeting was adjourned at 2:57 p.m.

Respectfully submitted,

Mark C. Huey
Assistant Board Secretary