

Regular Meeting of the Board of Trustees

January 29, 2016

Horizon Room, Memorial Union, OSU
Corvallis, Oregon

MINUTES

Trustees Present: Mark Baldwin, Patty Bedient, Rani Borkar, Darry Callahan (*vice chair*), Michele Longo Eder, Paul Kelly, Brenda McComb, Brett Morgan, Laura Naumes, Preston Pulliams, Ed Ray (*ex officio*), Pat Reser (*chair*), Kirk Schueler and Mike Thorne

University Faculty and Staff Present: Ron Adams, Angela Batista, Mike Bamberger, Sherm Bloomer, Susie Brubaker-Cole, Steve Clark, Debbie Colbert, Glenn Ford, Becca Gose, Mike Green, Kate Halischak, Mark Huey, Dan Larson, Jock Mills, Cindy Sagers, Clay Simmons, Patti Snopkowski, and Marcia Stuart

Guests: Ben Cannon (*executive director, Higher Education Coordinating Commission*), Trish Daniels (*former city councilor and planning commissioner, City of Corvallis, and former chair, Neighborhood Planning Work Group*), Cassie Huber (*president, Associated Students of Oregon State University*), Eric Judah (*station commander, Oregon State Police Staff*), Kent Weiss (*interim director, Community Development Department, and manager, Housing & Neighborhood Services Division, City of Corvallis*)

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

Chair Pat Reser called the meeting to order at 9:32 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 everyone attending the meeting and thanked students and dialogue educators Haniya Ferrell and Jasmine Armas; student and Peer Facilitator Jesseanne Pope; Jason Dorsette, associate director, Cultural Resources Center; and Allison Davis-White Eyes, director, Diversity and Cultural Engagement, for their presentations during breakfast. Reser said that she admired the students' courage for bringing forward their concerns about racial injustice at OSU. Reser then welcomed new Faculty Senate President Kate Halischak, Executive Director of the Higher Education Coordinating Commission (HECC) Ben Cannon, and Associated Students of OSU (ASOSU) President Cassie Huber.

b. President's Report

Reser invited President Ray to make his report to the Board. Ray highlighted some of the legislative items of interest to the University, including extending for six years the tax credit for the University Venture Development Fund, which would enable donors to receive tax benefits for contributions to a fund that supports the transition of university inventions from the laboratory to the marketplace, and seeking at least a portion of the

additional \$55 million needed to bring Oregon's public universities to the \$755 million target sought during the 2015 legislative session. Ray reported that work is underway on the OSU-Cascades campus, with its first academic building expected to open in fall 2016 and its residence hall and dining center complex expected to open in January 2017. Ray also reported that he had had meetings with Corvallis Mayor Biff Traber and Corvallis Public Schools Superintendent Erin Prince as part of the University's efforts to improve community relations and to explore new opportunities for collaboration. He said he felt that University and city leaders were working more closely together, and he also said that collaboration between Oregon State and Linn and Benton counties was strong. In closing, he reported that construction crews working on the Valley Football Center expansion at Reser Stadium had uncovered the femur of a mammoth as well as bones from several other extinct animals. He said the discovery and further work at the site were providing unexpected opportunities for faculty and students.

c. Faculty Senate Report

New Faculty Senate President Kate Halischak thanked Reser for her welcome and introduced herself to the Board, noting that this is her tenth year at Oregon State but only her fifteenth day as Faculty Senate president. She thanked former Faculty Senate President Mike Bailey for his work with the Board and for helping her during her transition into the role of president. She provided an overview of the work of the Faculty Senate, noting that the great majority of its activities is conducted in the Senate's 27 standing Committees and that through its Committees and their members, the Faculty Senate is connected to the life blood of the University. She invited trustees to attend the Senate's monthly meeting and said that she would work with Board Secretary Debbie Colbert to provide trustees with a link to the livestream of the Faculty Senate's meetings.

d. Associated Students of Oregon State University

ASOSU President Cassie Huber reported on the Speak Out event and some of the impacts of change related to social justice and activism occurring on campus. She also reported that efforts are underway to implement an active shooter safety educational program for all first-year students, beginning in September 2016, and to develop a better emergency situation warning system for the campus. Huber said that ASOSU had advocated with the state legislature on a civic engagement bill and was continuing its work promoting open educational resources, controlling residence hall food costs, and working for affordability in other areas affecting students. She also said that ASOSU had worked with Sherm Bloomer on three open forums to discuss the proposed University budget and related tuition and mandatory fee increases for FY2017.

e. Higher Education Coordinating Commission Report

HECC Executive Director Ben Cannon remarked that HECC continues to partner closely with the state's higher education institutions. He reported on HECC's current priorities: completing its strategic plan, determining ways in which HECC can structure itself to build community, securing greater funding, promoting pathways for student success, improving higher education affordability and highlighting the research, graduate education and community service missions of Oregon's public universities. Regarding HECC's annual evaluation of Oregon's public universities, Cannon said the HECC is prepared to have conversations with the universities to make the evaluations useful. He highlighted Oregon's #1 ranking in the increase in state funding to higher education in 2015 and Governor Kate Brown's plans to establish a campus safety work group.

Cannon also said that advancing the goal of 40-40-20 drives much of HECC's work. He reported that HECC is proposing to refine the goal, so that for school-age Oregonians, 40-40-20 would remain an appropriate target, but for working-age adults, the goal would more clearly reflect actual and projected labor market demands and employment opportunities. To accomplish this goal refinement, HECC will work with the Oregon Workforce Investment Board as well as community and institutional partners to develop a new adult educational attainment goal that is distinct from 40-40-20. In closing, Cannon recommended for those interested in thinking more about systemic change in education Michael Fullan's book, *Coherence: The Right Drivers in Action for Schools, Districts and Systems*.

3. Consent Agenda

a. Minutes of the October 14, 2015 Board Retreat and the October 16, 2015 Regular Meeting

A motion was made and seconded to approve the minutes of the October 14, 2015 Board Retreat and the October 16, 2015 Regular Meeting. The motion carried.

4. Reports of Standing Committees of the Board

a. Academic Strategies Committee

Committee Chair Paul Kelly reported that not only had all Committee members but all of the trustees attended the Committee meeting. He said the Committee received a copy of its annual work plan, which was approved at the December 4, 2015 Committee meeting and now included meeting dates at which the items on the work plan would be discussed. He also reported that due to a family emergency, Provost and Executive Vice President Sabah Randhawa was out of the country. In his place, Senior Vice Provost for Academic Affairs and Trustee Brenda McComb gave the Provost's Report. McComb reported on efforts to increase the diversity of our faculty. She noted that the Faculty Senate had approved including faculty activities related to equity, inclusion and diversity as part of faculty dossiers and that under the Provost's hiring initiative about 60% of the new faculty hires are women and 56% are people of color.

Kelly said that Vice Provost and Dean of Undergraduate Studies Susana Rivera-Mills made a presentation to the Committee entitled, "Blueprint for Undergraduate Student Success," in which she discussed the plan's alignment with Strategic Plan 3.0 and with the University's learning goals for its graduates and developing educational practices that benefit all students by adapting to the changing demographics of higher education.

Kelly said the Committee's discussion following the presentation focused on where in the process the Board's role most appropriately fit to ensure the University provides the highest quality education to its students.

b. Finance & Administration Committee

Committee Chair Kirk Schueler reported that for the coming year the Committee will hold telephonic meetings between Board meetings to take care of more regular business, such as the acceptance of quarterly operating management and investment reports from staff. Schueler thanked staff for their clear presentation on the University's annual external audit, noting that the level of explanation staff provided helped educate trustees

about the audit. Schueler also reported that Interim Vice President for Finance Mike Green provided background to the Committee on the first annual report of the University's Internal Bank and that Thomas Toepfer, a senior managing consultant at Public Financial Management, Inc., provided a summary of the report, which the Committee voted to accept. Schueler said that Green also made a presentation on the analysis of the University's FY2015 financial statements whose purpose is to provide information on the financial health of the University. Schueler noted that the meeting had been productive and that Committee members felt that they had learned more about the University's financial processes and current state of health.

c. Executive & Audit Committee

Committee Chair Pat Reser said the Committee heard a clear and informative presentation from Snopkowski on university risk management whose goals are to identify top risks that may affect Oregon State, develop and ensure that sufficient mitigation strategies are in place, and ensure that key risk management objectives are achieved. She said that the Executive & Audit Committee would continue to monitor the university's top risks through Board Committees and regular reports from Snopkowski.

5. Action Items

a. Resolution Establishing Board-related Roles of Interim Vice Presidents for Finance and for Administration

Chair Reser called upon Schueler to introduce the item, who said that the Finance & Administration Committee had discussed the resolution at its meeting on January 28 at which many of the other trustees were present and had recommended its approval by the Board. Following this summary, there were no comments made by any member of the public.

A motion was made and seconded to adopt the resolution establishing Board-related roles for the Interim Vice Presidents for Finance and for Administration as provided in Tab L, Attachment 1. The motion carried.

b. Presidential Compensation Philosophy

Chair Reser introduced the item and said that the Executive & Audit Committee had discussed the resolution at its meeting on January 28 at which many of the other trustees were present and had recommended its approval by the Board. Following this summary, a member of the public, Rachel Hausmann, spoke, noting her opposition to any new OSU facility being constructed on or near the Hatfield Marine Science Center in Newport. Trustee Pulliam raised a point of order that the comment was not related to the action before the Board. Chair Reser thanked Hausmann, noted that her comments were not germane to the topic at hand, and advised her to make her comments during the public comments period of the meeting later in the day.

There being no further comments or discussion, a motion was made and seconded to adopt the resolution establishing a presidential compensation philosophy as provided in Tab D, Attachment 1. The motion carried.

c. Presidential Compensation Adjustment

Chair Reser asked Vice Chair Darry Callahan to speak to this item. Callahan summarized the points the Executive & Audit Committee had considered in making its recommendation to the Board to approve the compensation adjustment: President Ray's

outstanding performance during FY15; his longstanding service to the university as president, being one of the longest serving presidents among OSU's comparator universities; and the tight nationwide market for skilled higher education leaders. Ray said he was grateful for the Committee's confidence in his leadership and that he would contribute any compensation adjustment the Board voted him to scholarship funds for OSU students, saying, "I will donate my annual compensation increase, and more, to the four scholarship and student program support funds that my late wife Beth and I established at OSU. I will do so this year and for as long as I am privileged to serve this great university."

A motion was made and seconded to increase President Ray's compensation by three percent (3%), effective January 1, 2016, pending approval by the OSU Foundation Board for that part of President Ray's total compensation that is provided by the Foundation. The motion carried.

d. Election or Re-election of Board Officers

Chair Reser asked Executive & Audit Committee member Rani Borkar to speak to this item. Borkar said that Reser and Callahan had agreed to serve a second term as Board Officers should they be re-elected to serve as Chair and Vice Chair, respectively. She noted that Reser and Callahan had provided exceptional leadership during the Board's first two years of existence and said that other members of the Executive & Audit Committee emphasized the value to the Board of continuing their leadership as the Board continues to learn about the University.

Following Borkar's presentation, a motion was made and seconded to re-elect Pat Reser Chair of the Board of Trustees and Darry Callahan Vice Chair of the Board of Trustees. The motion carried.

6. Education/Discussion Items

a. Panel Discussion on Corvallis Housing

Following a break, during which trustees had the opportunity to see the mammoth bone that had recently been unearthed, staff and guests presented a panel discussion on Corvallis housing. Vice President for University Relations and Marketing Steve Clark introduced the panelists and provided an overview. The panelists were Kent Weiss, interim director of the City of Corvallis' Community Development Department and manager of the city's Housing & Neighborhood Services Division; Angela Stuckart, a realtor with RE/MAX and the 2015 president of the Willamette Association of Realtors; Trish Daniels, former city councilor and planning commissioner, City of Corvallis, and former chair of the Neighborhood Planning Work Group; and Dan Larson, executive director of University Housing and Dining Services. Each panel member made a presentation and answered questions from the Board. The presentations provided context for the housing market in Corvallis, housing perspectives from the point of view of community engagement and land-use planning, economic and private sector housing information, an overview of OSU's position within the local housing market, and OSU Housing's role in education. Trustees requested staff to update the Board on housing plans and outcomes and to keep the topic of university housing before the Board.

b. Ten-Year Business Strategy

Director of Budget and Fiscal Planning Sherm Bloomer gave a presentation on the draft 10-year business strategy that was formally initiated at the Board's October 14, 2015 retreat and on a set of directional statements that emerged from the Board's discussion at the retreat. Bloomer noted that the draft business strategy is more a scenario describing what we know now about OSU and the chief factors that affect it and what we would do to move forward with that information. He said the business scenario attempts to look comprehensively at all of Oregon State's operations and to align goals, tuition projections, and broad program strategies with the directional statements that arose during the Board's retreat discussion. Trustees agreed that the scenario aligns with Board discussion to date and that there appears to be no missing pieces of significance or unaddressed issues. Bloomer said that discussions with campus groups would continue and that the draft would be revised based on feedback. He also said that the 10-year forecast of capital and infrastructure needs would be completed and added to the business scenario and that work would be completed on defining a process to develop tactics and programs with departments, colleges and other units of the University. During the discussion, trustees clarified that the University's goal was to enroll two-thirds of its undergraduate students from Oregon and that with Board approval the ratio could decrease to 60%. Following discussion, trustees thanked Bloomer for his work in developing the 10-year business scenario.

c. Advancing Equity, Inclusion, and Social Justice

Vice Provost for Student Affairs Susie Brubaker-Cole and Interim Chief Diversity Officer (effective Feb. 1) Angela Batista made a presentation during which they described a social justice framework for Oregon State that would, among other activities, focus on institutional structural issues; pay attention to how people, policies, practices and every part of the organization can collaborate; and actively address the dynamics of bias, oppression and privilege. Brubaker-Cole and Batista spoke about the University's commitment to engage in shared learning through raising awareness, working to identify the root causes of injustice, building networks and partnerships, and monitoring and regularly reporting outcomes. They spoke about their initial plans to guide students and other members of the University community to engage in self-reflection about our own socialization into patterns of unintended bias. They summarized what was planned for the new Office of Institutional Diversity and spoke about the major areas for action and progress for faculty and the curriculum, student access, and the student experience. They described the next steps for the initiative, which included restructuring the Bias Incident Response Team, reconstituting the Leadership Council on Diversity, Equity and Social Justice, engaging in outreach to students and campus affinity groups, increasing diversity training for faculty and staff, and making diversity central to faculty hiring practices.

d. Campus Safety & Emergency Response

Interim Vice President for Administration Ron Adams, Emergency Manager Mike Bamberger, and Oregon State University Area Coordinator for the Oregon State Police Lt. Eric Judah made a presentation to the Board on campus safety at the University and Oregon State's preparedness to respond to emergencies. Adams provided an introduction and overview of the topic. Bamberger spoke about the adaptable structure for managing incidents that the University is implementing, which can change to address the size and scope of an emergency. He said the University's Office of Emergency

Management manages the planning, logistics, financial, operations, safety, and other issues related to all incidents and follows the Federal Emergency Management Agency's model. Judah described the relationship between the University's Department of Public Safety and the Oregon State Police's OSU Area Command and noted their close collaboration as well as their collaborations with others in the Oregon State community, including ASOSU, the Corvallis community, including the Corvallis Police Department and Fire Department and Emergency Medical Services, and the Benton County Sheriff's Department.

7. Other Business

Reser asked whether there was any other business trustees wished to discussed before hearing from the public. Noting no other business, Reser asked whether anyone from the public wished to make comments.

8. Public Comments

The following is a list of individuals who spoke and the topic addressed in their remarks:

- Rachel Hausmann, graduate student: spoke against Oregon State constructing its proposed Marine Studies Initiative facility in the tsunami zone in Newport.
- Jeff Hess, community member: referring to the presentation made earlier in the day on Corvallis housing, Hess said that on January 27 he had sent the Board by e-mail a summary of the presentation he had made to the Board during the public comments period of the Board's October 17, 2014 meeting and called the Board's attention to the second page of the e-mail.
- James Rodell, community member: said he was disappointed that Oregon State had not acknowledged Martin Luther King, Jr. Day during its home athletics events the weekend leading up to the holiday.


9. Closing Thoughts

Chair Reser asked the other trustees to share their observations about the Board and Committee meetings. Several noted the richness and variety of educational items during the two days of meetings and highlighted the added time in both Board and Committee meetings for dialogue and discussion. Several trustees thanked Chair Reser and Vice Chair Darry Callahan for their previous service to the Board and for agreeing to serve another term as Board Officers. They noted the critical importance of Reser and Callahan helping the Board come together to have especially substantive discussions in a supportive environment. Serving another term will provide the Board with a continuity within which trustees can more readily continue to increase their knowledge of the University. Trustee Schueler thanked Vice President for Finance and Administration Glenn Ford for his service to the Board and the University and joined with the other trustees in wishing Ford well in his new position at Bastyr University.

10. Adjournment

There being no further business, the meeting was adjourned at 4:38 p.m.

Respectfully submitted,



Mark C. Huey
Assistant Board Secretary