



MINUTES

Trustees Present: Mike Bailey, Mark Baldwin, Patty Bedient, Rani Borkar (*chair*), Julia Brim-Edwards, Darry Callahan, Michele Longo Eder, Paul Kelly, Angel Mandujano-Guevara, Julie Manning, Preston Pulliams, Ed Ray (*ex officio*), Kirk Schueler (*vice chair*), and Mike Thorne

University Staff Present: Charlene Alexander, Jennifer Almquist, Sherm Bloomer, Susan Capalbo, Mina Carson, Steve Clark, Debbie Colbert, Ed Feser, Becca Gose, Mike Green, Claire McMorris, Jock Mills, Paul Odenthal, Lauren Skousen, Patti Snopkowski, and Irem Tumer

Guests: Justin Bennett (*president, Associated Students of Oregon State University*), Jon DeVaun (*immediate past chair, OSU Foundation Board of Trustees*), Suzanne Teer (*consultant, Witt/Kieffer*)

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

Board Chair Rani Borkar called the meeting to order at 9:17 a.m., asked the assistant board secretary to call the role, and noted a quorum.

2. Public Comments

The following individuals provided public comments:

City of Corvallis Mayor Biff Traber: read a Corvallis City Council resolution regarding the presidential search and said he looked forward to continued collaboration between the university and the communities it serves.

Corvallis City Councilor Bill Glassmire: thanked President Ed Ray for his service and said he looked forward to continued collaboration between the city and the university.

Following the comments, Borkar thanked Traber and members of the city council for the input they provided in the resolution. She said the Board appreciated the engagement from the Corvallis community in the presidential search process, adding the input from listening sessions in Corvallis and across the state had been helpful in drafting the profile.

3. Opening Comments and Reports

a. Associated Students of Cascades Campus Report

Borkar said the Associated Students of Cascades Campus President Reilly King was unable to join the meeting.

b. Chair's Comments

Chair Rani Borkar spoke about some of the Board's work planned for the summer. She asked trustees to watch for the annual self-evaluation and encouraged everyone to provide feedback. Borkar reported that Vice Chair Kirk Schueler would be working with Board Secretary Debbie Colbert on new trustee onboarding and orientation plans. She added that part of the support for new

trustees included pairing them with more experienced trustees as mentors and she noted that she would discuss with committee chairs committee assignments for the new trustees. Lastly, Borkar reported that Schueler would be working with the leadership of each committee to refine plans for the Board's retreat in October.

c. President's Report

President Ray reported that the President's Commission on the Status of Women and the Office of Institutional Diversity had recently held an event celebrating the accomplishments of women at OSU. The university recently honored three faculty with Distinguished Professor awards — OSU's highest honor granted to academic faculty. Ray said that on Saturday, June 15, in Corvallis, Oregon State will celebrate its 150th Commencement and graduate yet another record number of students. On Sunday, June 16, the university will hold Commencement exercises in Bend for more than 300 students graduating from OSU-Cascades. Ray reported that he delivered his annual State of the University address in Bend on May 6 to nearly 400 Central Oregon community leaders, university stakeholders, students, and OSU friends. He shared that he had recently announced efforts to address food insecurity among OSU students, including directing Vice Provost Dan Larson to lead efforts to increase programs and services and build on the work already occurring at the Corvallis and Bend campuses. Ray said he had recently attended a dedication ceremony for a new memorial at OSU-Cascades to honor former OSU President Paul Risser. He remembered OSU alum Ken Austin Jr., who recently passed away, for his generous contributions to the university and the state. Ray concluded with an update on accreditation, noting that he had recently received a report from the Northwest Commission on Colleges and Universities accreditation team, which included a number of commendations and recommendations.

d. OSU Foundation Report

Jon DeVaan, with the OSU Foundation Board of Trustees, reported that the OSU Foundation had to date raised \$124M. He said the recent Dam Proud Day, a 24-hour online fundraising event, had engaged 2,500 donors and raised more than \$6,000. DeVaan reported that endowment performance continues to be strong. He said work continued on plans for the university's next capital campaign, noting that the foundation was in the process of concluding a market study and recruiting volunteer leaders to serve on the campaign steering committee. DeVaan reported on the OSU Foundation Board's recent meetings, noting that trustees spent time discussing the Oregon State Athletic ten-year facilities master plan. The meeting also included the celebration of the 10-year anniversary of INTO OSU, the election of new trustees and the next chair, Jon Stirek, the approval of the operating budgets for the OSU Foundation and OSU Alumni Association, and a conversation with Trustee Darry Callahan about the OSU presidential search.

e. Faculty Senate Report

Faculty Senate President Mina Carson reported on ongoing efforts to reconsider the Baccalaureate Core. She said the Faculty Senate had finalized a draft framework for shared governance, which is now being reviewed by faculty. Carson spoke about ongoing efforts to build a strong relationship between the Faculty Senate and United Academics of Oregon State University. She

concluded by referencing continued engagement by the Faculty Senate in efforts to advance the role of faculty in civic education and civil discourse.

f. **Higher Education Coordinating Commission Report**

Borkar said the Higher Education Coordination Commission (HECC) Executive Director Ben Cannon was unable to join the meeting.

g. **Associated Students of Oregon State University Report**

Associated Students of Oregon State University (ASOSU) President Justin Bennett said this would be his last report, as president-elect Rachel Josephson would begin her term the following day. He reviewed some of ASOSU's successes throughout the year, including work related to the Oregon Medical Amnesty Law, efforts to advance legislation to allow student governments to take positions on initiatives and ballot measures, efforts to utilize space on ID cards to provide students information about OSU resources, the introduction of a program to recycle regalia, and efforts to register students to vote. Bennett concluded by speaking about efforts ASOSU would likely engage in over the coming year. Following his report, trustees thanked Bennett and wished him success following his graduation.

4. **Consent Agenda**

a. **Minutes of the April 5, 2019 Board Meeting**

A motion was made and seconded to approve the minutes of the April 5, 2019, Board meeting. The motion carried.

5. **Reports of Standing Committees of the Board**

a. **Executive & Audit Committee**

Executive & Audit Committee Chair Rani Borkar reported that the committee approved the progress report from the Office of Audit, Risk and Compliance. She said the committee also heard a risk management report on all hazard planning, including an update by Vice President for Finance and Administration Mike Green on the adoption of plans to guide the university's emergency response and the pursuit of efforts to ensure appropriate levels of staffing, robust training, and effective communication with the university community.

b. **Academic Strategies Committee**

Academic Strategies Committee Chair Paul Kelly reported that the committee heard a report from Provost and Executive Vice President Ed Feser, which included updates on accreditation, announcements about recent senior leadership hires, a report on the FY2020 budget, a summary of recent examples of faculty excellence, and a report on the 2019 graduating class. Kelly said the committee approved a new academic program, an Executive Master of Public Policy. He reported that the committee heard briefings on student life and conduct; student athletes; and sexual harassment and violence education, prevention, and response.

c. **Finance & Administration Committee**

Finance & Administration Committee Chair Patty Bedient reported that the committee heard a report from Green, which included an update on an emerging capital project to modernize the gymnastics facility, which is currently on the Athletics master plan and the Ten-Year Capital Forecast. The university recently

entered into a long-term lease of a suitable property, with an option to purchase it in the future. With an anticipated renovation estimated at \$7M, Bedient said the committee would oversee this project through its regular capital approval process. She reported that Green updated the committee on a new team of internal and external experts that will be collaborating on the evaluation and development of potential public-private partnerships, on efforts by the HECC to develop a long-term capital strategy for the state's higher education institutions and update its capital project scoring rubric for the 2020 legislative session, and on the university's recent sale of \$140M in long-term bonds at a 4.05% interest rate. Bedient said the committee voted to advance the Research Way Laboratory Improvement project to the design development stage. She said the committee also referred two items to the Board for consideration later in the meeting.

Following the action items, the committee discussed strategic financial opportunities, building on previous efforts by the committee to build a deeper understanding of the university's major cost drivers and to explore ways to better control those costs in the future. Bedient said she and Trustee Mike Thorne worked with Green and his team to learn more about how the university's Public Employees Retirement System (PERS) liability is calculated, how it affects the university's overall financial picture, and if there is anything that can be done to moderate retirement costs in the future. She said there is not an effective way for the university to reduce PERS costs that are related to past and current participating employees. Instead, the focus needs to be on what can be done going forward to offer future employees an attractive retirement package at a more manageable cost. Bedient said the committee would continue to work with staff to explore ideas about ways to better manage these significant costs to the university. She concluded by noting that the committee heard a university risk management report about research space needs.

7. Education/Discussion Item

a. Legislative Update

Borkar asked that the Board move next to item 7.a. on the agenda and asked Government Relations Director Jock Mills and Government Relations Coordinator Claire McMorris to present this item. Mills reported on the passage of a number of items, including a \$2B revenue package to be allocated solely to Oregon's early education and K-12 programs, a bill on PERS reform, and a bill to reform mandatory minimum sentences. He spoke about ongoing work to finalize a joint "carbon action plan" and about efforts that were not successful, including bills related to vaccinations and gun reform. Mills noted that the May revenue forecast showed revenues for the current biennium were over the previous biennial forecast, resulting in kicker refunds for Oregon personal income taxpayers. Mills then spoke about some of the reputational and operational challenges that higher education is facing in the legislature, adding that if the legislature does not approve a \$120M increase to the Public University Support Fund (PUSF), which supports all seven public universities, several universities may be unable to avoid tuition increases over 5%. In response to a question by Mark Baldwin, Mills noted that the universities started by seeking a \$186M increase to the PUSF. Trustee Julie Manning asked what role the Board might play in helping to advocate for the value of higher education, and Mills said that trustee engagement with legislators would be valuable. In response to questions by Kelly and Trustee Preston Pulliams, Mills noted the importance of continuing

to remind legislators of the history of the creation of independent governing boards, the ways that the seven public universities continue to work together in support of higher education in Oregon, and the importance of maintaining the financial viability of all of the universities. Bedient noted the tradeoffs that trustees had to consider in order to keep tuition at OSU below 5%, and Mills said this had contributed to a positive perception of the OSU among legislators. Mills provided an update on funding for the Statewide Public Service Programs, adding that the university was not likely to be successful in its request for a \$30M increase. Trustee Mike Thorne noted the opportunity for trustees to continue to advocate for support for these programs. In response to a question by Trustee Darry Callahan, Mills noted that the allocation for the Engineering Technology Sustaining Funds was likely to be maintained at the current service level. Mills reported that the legislature was likely to approve \$65M for capital renewal across all seven public universities and to consider funding additional university projects during the 2020 session. Lastly, McMorris spoke about efforts to work with a number of advocacy partners to increase the understanding among legislators of food insecurity among students.

6. Action Items

a. FY2020 Operating Budget

Borkar asked Bedient to present this item. Bedient said that Green and Associate Vice President of Budget and Resource Planning Sherm Bloomer presented the university's FY2020 operating budget, noting continued uncertainty regarding state funding levels. She said that, following discussion, the committee recommended that the Board approve the FY2020 operating budget, as presented in Tables 1 through 4 of TAB N. She then invited Bloomer to provide an overview of the proposed budget. He described the budget context and challenges, noting that revenue projections for state appropriations assume a \$40M increase to the PUSF. Bloomer said the expense planning required identifying reductions of approximately \$18M in projected spending in Corvallis Education & General (E&G) operations, which is an increase over the \$12.7M budget gap discussed at the April 2019 Board meeting. He then presented preliminary expense reduction strategies, including reductions or deferrals of new strategic commitments and reductions in services and supplies spending and personnel expenditures. While some reduction in personnel can be managed through vacancies, Ray noted the importance of taking a strategic approach. Trustee Julia Brim-Edwards asked what had been done to determine which positions were mission critical, and Ray said that university leaders would continue to refine priorities as state funding became certain. Bloomer presented scenarios for different levels of state funding — from the \$40M proposed in the budget released by the tri-chairs of the Joint Ways and Means Committee to the \$120M increase requested by the seven public universities — and discussed strategies for increased levels of state funding over the \$40M used to prepare the proposed FY2020 operating budget. Bedient noted that committee members discussed the uncertain state funding and considered what strategies would be important to pursue were the allocation to be more than \$40M, adding that all trustees would have an opportunity later in the meeting to contribute to that discussion. Callahan said it would be important in that discussion to be clear on the different responsibilities of the Board and university leaders. Following discussion, a motion was made and seconded to approve the FY2020 operating budget, as presented in Tables 1 through 4. The motion carried.

After the vote, Borkar invited trustees to share their thoughts on strategies the university could pursue if additional revenues are realized, noting that staff would make decisions about priorities for investment once state funding was finalized. Trustees expressed support for investment in high priority enrollment and student success efforts. Several trustees indicated their support for expanding the commitment for the Bridge to Success scholarship program and for completion grants and other student retention efforts. Eder also expressed support for restoring any centrally funded graduate scholarships or fellowships reduced as a result of the budget reductions. Pulliams and Trustee Angel Mandujano-Guevara said it would be important to consider the needs of students, particularly those facing food and housing insecurity. Trustees also noted the importance of making high-priority investments in enrollment management. Several trustees expressed support for fully funding the \$1.2M increment to the OSU Foundation and Alumni Association to build capacity for the next campaign. While some trustees supported building fund balance, others saw that as less of a priority. Trustees discussed the importance of maintaining mission critical positions, particularly those with a direct connection to supporting student success, and noted the need to continue to communicate beyond the university the tangible effects of reductions. Borkar summarized the discussion, noting the complexity of the problem.

b. Capital Project Stage Gate: OSU-Cascades 46-Acre Site Reclamation

Borkar asked Bedient to present this item. Bedient said the university is seeking approval for the OSU-Cascades 46-acre site reclamation project. This project completes development work required to fill and regrade a portion of the 128-acre OSU-Cascades campus that sits atop an old pumice mine and an existing demolition landfill. Bedient said the reclaimed land will provide space for a new campus entrance, as well as roads, parking and other infrastructure. It also completes initial site development for OSU-Cascades' second academic building, opening in August 2021, along with other future buildings. Bedient said the unique nature of the reclamation project meant that it did not fit neatly into the committee's defined capital project approval stages and was first presented to the committee for Stage Gate 2 approval — the design development phase. The committee noted the importance of the project to the development of the Bend campus to a capacity of 5,000 students taking class on site. Bedient reported on the committee's robust discussion of risk and mitigation strategies, particularly related to potential environmental concerns. She added that staff at OSU-Cascades are working closely with city, county, and state authorities and conducting extensive public outreach. Bedient said that, following discussion, the committee recommended that the Board approve a total capital project budget of \$13.4M for the OSU-Cascades site reclamation project and advancing of the project to the construction phase. Callahan and Borkar recognized staff at OSU-Cascades for their due diligence on the project. With no further discussion, a motion was made and seconded to approve a total capital project budget of \$13.4M for the OSU-Cascades site reclamation project and advancing of the project to the construction phase. The motion carried.

c. Presidential Leadership Profile

Borkar introduced this item by noting that TAB S included the search schedule and process the Board agreed to at the last meeting and the draft presidential profile. She added that Suzanne Teer, a consultant with Witt/Kieffer, the executive search firm retained to assist with the process, was joining by phone.

Borkar thanked Ray for being flexible on the timing of his announcement, which allowed the Board time to engage the community in the process of finding the next president. She then said she was pleased with the profile, noting that it captured the essence of the university and what is needed in the next president and also effectively reflected the input gathered through the listening sessions and surveys. Borkar noted that more than 150 faculty, staff, students, senior leaders, alumni, and community members participated in listening sessions with trustees and the search firm team and nearly 300 surveys and comments were submitted. She thanked trustees who attended listening sessions, and Kelly, Longo Eder, Schueler, Callahan, Manning, and Trustee Mike Bailey, in particular, who served as hosts or attended sessions. Borkar also thanked Callahan, staff, and the search firm team for compiling the input, the search committee for their initial review of the draft profile, and Vice President for University Relations and Marketing Steve Clark and his team for supplementing the profile with additional material about the university. She then asked Callahan to introduce the profile.

Callahan said the profile would serve as a tool for recruiting candidates and would be used by the search committee and the Witt/Kieffer team in seeking candidates with the skills, attributes, and experience outlined in the document. He added that the search would be an active process and would include proactive efforts by many individuals to seek top candidates, with a strong profile supporting this work to generate interest and excitement. This extensive outreach is critical to ensuring a strong and diverse pool of candidates. Callahan said that the profile also serves the important function of defining the criteria to be used for the Board's selection of the president. During the discussion, Manning asked for a summary of themes that emerged from the listening sessions and surveys. Callahan pointed to feedback that affirmed the university's goals as articulated in Strategic Plan 4.0 and supported continuing to move in that direction with a particular emphasis on maintaining the centrality of OSU's land grant mission. Teer added that there was interest in selecting a president who would be well regarded across the constituencies served by the university and among peers, leaders, and stakeholders in Oregon and nationally. In response to a question by Manning, Teer spoke about the factors that will make OSU distinct on the national market, adding that candidates will see that the university is in a strong position. Trustee Mark Baldwin noted the importance of selecting a president with the ability to serve not as a manager but as a leader. In response, Teer described the ways that evidence of this type of leadership will be evaluated throughout the process and Colbert pointed to the description of required qualifications where an emphasis was placed on leadership skills. Eder spoke about the sessions held in Newport and the emphasis made by those participants and others who provided input on the importance of selecting a president who works to ensure that the university is a partner to and has a presence in the many communities it serves. Eder also pointed to the qualification that described the earned doctorate or terminal degree as preferred, and Callahan said this would help generate a broad pool and support a more holistic consideration of credentials in the earliest stages of the process. Schueler emphasized the importance of seeking candidates who understand and will take a stance on important educational and social issues and who will be able to lead a university with a statewide presence. Bailey asked about lessons to be learned from other institutions, who likely also spent time developing profiles, but who ultimately selected presidents who were unable to sustain success in the role. Teer spoke

about the importance of conducting due diligence at each phase of the process, beginning with development of a profile that aligns with the institution's values. She also highlighted the benefits of the Board's decision to use a hybrid approach that supports applications by highly qualified candidates by offering assurances around confidentiality. Colbert added that the Board's transition process and onboarding plan for the next president along with the existing Presidential Assessment Policy would also provide a framework for supporting the president's success. Thorne spoke about the importance of emphasizing the state context, and particularly the funding environment, and Kelly suggested clarifying that the president serves as an ex officio member of the Board. Brim-Edwards identified the need to balance the selection of someone who supports the strategic direction in which the university is moving and contributes their own creative ideas about implementation. Trustees talked about strategies for generating a pool of candidates with the wide range of qualifications articulated in the profile and stressed the importance of building a diverse pool. Colbert said that the process for reviewing search firms included consideration of their record of success in advancing diversity and Teer spoke to Witt/Kieffer's placement and retention success, and Callahan noted that the committee included a Search Advocate.

Borkar invited those signed up for public comment on this topic to address the Board.

Public comments:

- Jon DeVaan: encouraged trustees to emphasize the importance of selecting a president with the ability to collaborate within and outside of the university and with the vision to continue to build on the strategic plan.

Following the comments, a motion was made and seconded to approve the presidential leadership profile and delegate to the chair of the Presidential Search Committee any necessary editing and formatting for final production. The motion carried.

After the motion, Borkar asked Teer to talk about plans to advertise the position. Teer provided an overview, noting that the position will be advertised nationally in a range of higher education publications and through specific venues identified to reach diverse audiences. In response to a question by Brim-Edwards, Teer said that while there will be a mix of candidates who apply directly and who are invited to apply, it is likely that the majority of highly qualified candidates will have been recruited.

Next, Borkar spoke about plans for onboarding and transitioning the next president. She said extensive research on transition efforts conducted by staff reinforced for her that the Board must own and take the lead in transitioning the new president. Borkar shared that she asked Manning to serve as chair of the transition team and Eder to serve as vice chair, with Assistant Board Secretary and Chief Assistant to the President Jennifer Almquist serving as the transition manager. This group, along with other members of a transition team, will work with over the summer and fall to prepare a transition plan that will include components such as orientation material that will be sent to the president-elect in advance; a high level schedule for events, meetings, and other opportunities over the first year; and metrics and strategies for the Board to ensure that the transition is on track. Borkar said trustees would hear a report on progress at the October Board meeting and would be engaged in various ways throughout the search and transition process.

8. Action Item

d. Resolutions of Appreciation

Borkar introduced a Resolution of Appreciation for Trustee Laura Naumes. She read the resolution acknowledging her for her service. Following the reading, a motion was made and seconded to adopt the resolution. The motion carried.

Schueler introduced a Resolution of Appreciation for Student Trustee Angel Mandujano-Guevara. After the reading, trustees thanked Mandujano-Guevara for his service to the Board and to the entire university and recognized his ongoing commitment to supporting students. Following the discussion, a motion was made and seconded to adopt the resolution. The motion carried. Mandujano-Guevara thanked his fellow trustees and said his time as a trustee had been impactful.

Borkar introduced a Resolution of Appreciation for Staff Trustee Mark Baldwin. After the reading, trustees thanked Baldwin for his service to the Board and to the entire university and remarked on the integrity and thoughtfulness he brought to the role. Following the discussion, a motion was made and seconded to adopt the resolution. The motion carried. Baldwin thanked his fellow trustees and said it had been an honor to serve on the Board.

In conclusion, Borkar thanked all three trustees for their service.

7. Closing Thoughts

In closing, Borkar invited trustees to share their thoughts about the meetings. Trustees expressed their appreciation for the opportunity to learn more OSU's research and technology development during the previous evening's tour of the Advanced Technology and Manufacturing Institute. Trustees also said it was beneficial to discuss the presidential search and expressed their support for the profile. Baldwin and Mandujano-Guevara expressed their appreciation for the opportunity to serve on the Board. Lastly, Borkar thanked her fellow trustees for their engagement.

8. Adjournment

With no further business proposed, Chair Borkar adjourned the meeting at 2:58 p.m.

Respectfully submitted,



Jennifer M. Almquist
Assistant Board Secretary